

JAPPAUL OIL & MARITIME SERVICES PLC

**CONSOLIDATED FINANCIAL STATEMENTS
31 DECEMBER 2013**

JAPaul OIL & MARITIME SERVICES PLC

CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2013

Contents	Page
Report of the Independent Auditors	1
Consolidated statement of comprehensive income	2
Consolidated statement of financial position	3
Consolidated statement of cash flows	4
Consolidated statement of changes in equity	5
Notes to the consolidated financial statements	7
Statement of value added	49
Financial summary	50

REPORT OF THE INDEPENDENT AUDITORS

TO THE MEMBERS OF JAPaul OIL & MARITIME SERVICES PLC

We have audited the accompanying consolidated financial statements of **Japaul Oil & Maritime Services Plc** ("the Company") and its subsidiaries (together, "the Group"), which comprise the consolidated statement of financial position at 31 December 2013 and the consolidated statement of comprehensive income, consolidated statement of cash flows and consolidated statement of changes in equity for the year then ended and notes to the financial statements comprising the summary of significant accounting policies and other explanatory information.

Directors' Responsibility for the Consolidated Financial Statements

The Directors are responsible for the preparation and fair presentation of these consolidated financial statements in accordance with the Companies and Allied Matters Act, Cap C20, LFN 2004 and with the requirements of the International Financial Reporting Standards in compliance with the Financial Reporting Council of Nigeria Act, No 6, 2011, and for such internal controls as the Directors determine are necessary to enable the preparation of consolidated financial statements that are free from material misstatement, whether due to fraud or error.

Auditors' Responsibility

Our responsibility is to express an opinion on these consolidated 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 the audit to obtain reasonable assurance about whether the consolidated financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the consolidated financial statements. The procedures selected depend on the auditor's judgement, including the assessment of the risks of material misstatement of the consolidated 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 consolidated 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 Directors, as well as evaluating the overall presentation of the consolidated financial statements.

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

Opinion

In our opinion:

The consolidated financial statements present fairly, in all material respects, the financial position of **Japaul Oil & Maritime Services Plc and its subsidiaries** at 31 December 2013, and of their financial performance and its cash flows for the year then ended; in accordance with the Companies and Allied Matters Act, CAP C20, LFN 2004 and in the manner required by the International Financial Reporting Standards in compliance with the Financial Reporting Council of Nigeria Act, No 6, 2011.

The company and its subsidiaries have kept proper books of account, which are in agreement with the consolidated financial position and consolidated statement of comprehensive income as it appears from our examination of their records.

Other matters

The consolidated financial statements of **Japaul Oil & Maritime Services Plc** and its subsidiaries for the year ended 31 December 2012 were audited by another auditor who expressed an unmodified opinion on those consolidated financial statements on 29 April 2013.



Olatunji Ogundeyin, FCA, FRC/2013/ICAN/00000002224

For: **PKF Professional Services**
Chartered Accountants
Lagos, Nigeria

Date:

JAPPAUL OIL & MARITIME SERVICES PLC

CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME FOR THE YEAR ENDED 31 DECEMBER 2013

Continued operations	Note	Group		Company	
		2013 N'000	2012 Restated N'000	2013 N'000	2012 Restated N'000
Turnover	7	13,029,924	12,281,714	8,031,756	7,243,638
Cost of sales		<u>(7,123,158)</u>	<u>(7,282,556)</u>	<u>(4,590,768)</u>	<u>(4,711,560)</u>
Gross profit		5,906,766	4,999,158	3,440,988	2,532,078
Other income	8	324,038	2,801,139	242,284	3,076,435
Administrative and general expenses		<u>(3,624,980)</u>	<u>(3,838,353)</u>	<u>(1,630,478)</u>	<u>(567,499)</u>
Impairment loss	10	<u>(525,187)</u>	<u>(7,588,350)</u>	<u>(444,505)</u>	<u>(6,540,003)</u>
Operating profit/(loss)		2,080,637	(3,626,406)	1,608,289	(1,498,989)
Finance costs		<u>(1,611,363)</u>	<u>(2,957,684)</u>	<u>(1,447,669)</u>	<u>(2,906,953)</u>
Share of loss of associate		<u>(9,000)</u>	<u>-</u>	<u>(9,000)</u>	<u>-</u>
Profit/(loss) on continued operations before taxation		460,274	(6,584,090)	151,620	(4,405,942)
Tax expense	11	<u>(220,529)</u>	<u>(191,275)</u>	<u>(121,816)</u>	<u>(191,275)</u>
Profit/(loss) on continued operations after taxation		239,746	(6,775,365)	29,804	(4,597,217)
Other comprehensive income					
Exchange gains on translation of foreign operations	32	-	979	-	-
Actuarial (loss)/gains on defined benefit pension plans		<u>(57,900)</u>	<u>4,308</u>	<u>(57,900)</u>	<u>4,308</u>
Fair value gains on available for sale assets	29	<u>7,217</u>	<u>6,647</u>	<u>7,217</u>	<u>6,647</u>
Total other comprehensive (loss)/income		(50,683)	11,934	(50,683)	10,955
Total comprehensive income/(loss)		189,063	(6,763,431)	(20,879)	(4,586,262)
Profit/(loss) attributable to:					
Owners of the parents		271,561	(6,627,811)	29,804	(4,597,217)
Non-controlling interest	30	<u>(31,815)</u>	<u>(147,554)</u>	<u>-</u>	<u>-</u>
		239,746	(6,775,365)	29,804	(4,597,217)
Total comprehensive income/(loss) attributable to:					
Owners of the parents		220,878	(6,615,877)	(20,879)	(4,586,262)
Non-controlling interest		<u>(31,815)</u>	<u>(147,554)</u>	<u>-</u>	<u>-</u>
		189,063	(6,763,431)	(20,879)	(4,586,262)
Earnings/(loss) per share		4	(108)	0.48	(73)

The accompanying notes on pages 7 to 48 form an integral part of these consolidated and separate financial statements.

JAPPAUL OIL & MARITIME SERVICES PLC

CONSOLIDATED STATEMENT OF FINANCIAL POSITION AT 31 DECEMBER 2013

	Notes	Group		Company	
		2013 N'000	2012 Restated N'000	2013 N'000	2012 Restated N'000
Assets					
Non-current assets					
Property, plant and equipment	13	18,475,710	16,293,797	11,578,336	8,529,366
Assets under finance lease	14	9,996,083	12,380,877	9,984,478	12,373,534
Intangible assets	15	6,264	9,140	6,264	9,140
Investment in subsidiaries	16.1	-	-	48,810	48,810
Investment in associates	16.2	-	4,500	-	4,500
Available for sale asset	17	24,756	17,539	24,756	17,539
		<u>28,502,813</u>	<u>28,705,853</u>	<u>21,642,644</u>	<u>20,982,889</u>
Current assets					
Inventories	18	239,814	610,529	-	47,800
Trade and other receivables	19	2,460,681	1,963,293	1,462,636	1,215,458
Other assets	20	2,179,959	621,245	1,668,026	500,938
Due from related companies	34	700,563	-	10,336,970	9,479,461
Cash and cash equivalents	21	4,692,772	584,705	4,296,635	334,298
		<u>10,273,789</u>	<u>3,779,772</u>	<u>17,764,267</u>	<u>11,577,955</u>
Total assets		<u>38,776,602</u>	<u>32,485,625</u>	<u>39,406,911</u>	<u>32,560,844</u>
Equity					
Share capital	27	3,131,351	3,131,351	3,131,351	3,131,351
Share premium	28	16,440,679	16,440,679	16,440,679	16,440,679
Retained earnings	29	(3,737,139)	(3,950,800)	(2,219,072)	(2,190,976)
Fair value reserve	31	10,802	3,585	10,802	3,585
Foreign exchange reserve	32	5,030	5,030	-	-
Equity attributable to owners of the parents		<u>15,850,723</u>	<u>15,629,845</u>	<u>17,363,760</u>	<u>17,384,639</u>
Non-controlling interest	30	(613,239)	(581,424)	-	-
Total equity		<u>15,237,484</u>	<u>15,048,421</u>	<u>17,363,760</u>	<u>17,384,639</u>
Non-current liabilities					
Defined benefit pension plan	24.2	94,542	24,439	94,542	24,439
Finance lease obligation	25	6,692,956	7,472,157	6,693,828	7,472,157
Long term borrowings	26	9,321,925	2,251,733	9,321,926	2,535,683
Deferred taxation	12	943,486	943,486	909,886	909,886
		<u>17,052,909</u>	<u>10,691,815</u>	<u>17,020,182</u>	<u>10,942,165</u>
Current liabilities					
Short term borrowings	23	278,839	830,780	-	-
Trade and other payables	22	3,242,501	3,525,728	2,703,704	2,730,477
Current portion of long term borrowings	26	2,479,475	2,145,109	1,952,773	1,260,053
Defined contribution pension plan	24.1	36,988	15,893	17,059	15,893
Taxation payable	11	448,408	227,879	349,433	227,617
		<u>6,486,210</u>	<u>6,745,389</u>	<u>5,022,969</u>	<u>4,234,040</u>
Total liabilities		<u>23,539,119</u>	<u>17,437,204</u>	<u>22,043,151</u>	<u>15,176,205</u>
Total equity and liabilities		<u>38,776,603</u>	<u>32,485,625</u>	<u>39,406,911</u>	<u>32,560,844</u>

The consolidated financial statements were approved by the Board of Directors and authorised for issue on 29 April 2014 and signed on its behalf by:



Mr. Paul A. Jegede
Group Managing Director
FRC/2013/IODN/00000002328



Ambassador Benson Awomewe
Chief Group Operating Officer
FRC/2014/IODN/00000007199



Mr. Obinna Ubani
Group Finance Manager
FRC/2014/ICAN/00000007122

The accompanying notes on pages 7 to 48 form an integral part of these consolidated and separate financial statements.

JAPPAUL OIL & MARITIME SERVICES PLC

CONSOLIDATED STATEMENT OF CASH FLOWS FOR THE YEAR ENDED 31 DECEMBER 2013

		Group		Company	
	Notes	2013 N'000	2012 N'000	2013 N'000	2012 N'000
Cash flows from operating activities					
Cash receipts from customers		13,398,888	15,572,751	8,655,662	9,878,867
Payment to suppliers and employees		(12,131,131)	(9,694,938)	(8,463,737)	(3,121,388)
Cash generated from operations		1,267,757	5,877,813	191,925	6,757,479
Value added tax		(153,876)	(38,878)	(579)	-
Income tax paid	12	-	(77,792)	-	(28,606)
Net cash from operating activities	36	1,113,881	5,761,143	191,346	6,728,873
Cash flows from investing activities					
Purchase of property, plant and equipment	13	(1,437,150)	(6,813,920)	(1,390,240)	(6,378,511)
Proceed on disposal of property, plant and equipment		61,016	-	-	-
Investment in associates		(4,500)	4,500	(4,500)	4,500
Net cash used in investing activities		(1,380,634)	(6,809,420)	(1,394,740)	(6,374,011)
Cash flows from financing activities					
Term loan obtained		14,468,520	5,009,850	14,468,520	4,411,189
Term loan repayment		(7,136,708)	(1,950,467)	(7,062,304)	(1,952,912)
Finance lease paid		(793,688)	(3,315)	(792,816)	(3,315)
Short term borrowings obtained		-	390,574	-	-
Short term borrowings paid		(551,941)	-	-	(12,663)
Dividend paid		-	(125,250)	-	(125,250)
Finance costs		(1,611,363)	(2,957,684)	(1,447,669)	(2,906,953)
Net cash from/(used in) financing activities		4,374,820	363,708	5,165,731	(589,904)
Net increase/(decrease) in cash and cash equivalents		4,108,067	(684,569)	3,962,337	(235,042)
Cash and cash equivalents at 1 January		584,705	1,269,274	334,298	569,340
Cash and cash equivalents at 31 December	21	4,692,772	584,705	4,296,635	334,298

The explanatory notes on pages 7 to 48 form an integral part of these consolidated financial statements.

JAPPAUL OIL & MARITIME SERVICES PLC

CONSOLIDATED STATEMENT OF CHANGES IN EQUITY FOR THE YEAR ENDED 31 DECEMBER 2013

Group	Issued share capital N'000	Share premium N'000	Fair value reserve N'000	Retained earnings N'000	Non- controlling interest N'000	Foreign exchange reserve N'000	Total equity N'000
At 1 January 2012 as reported	3,131,351	16,440,679	-	2,987,753	-	-	22,559,783
Restatements	-	-	(3,062)	189,800	(433,870)	4,051	(243,081)
At 1 January 2012 as restated	<u>3,131,351</u>	<u>16,440,679</u>	<u>(3,062)</u>	<u>2,797,953</u>	<u>(433,870)</u>	<u>4,051</u>	<u>21,937,102</u>
Changes in equity for 2012							
Loss for the year	-	-	-	(6,627,811)	(147,554)	-	(6,775,365)
Other comprehensive income							
Actuarial gain on defined benefit pension plans	-	-	-	4,308	-	-	4,308
Fair value changes on available for sale assets	-	-	6,647	-	-	-	6,647
Exchange gain on foreign operations	-	-	-	-	-	979	979
Total comprehensive income/(loss) for the year	<u>-</u>	<u>-</u>	<u>6,647</u>	<u>(6,623,503)</u>	<u>(147,554)</u>	<u>979</u>	<u>(6,763,431)</u>
Issue of share capital	-	-	-	-	-	-	-
Transaction costs for equity issue	-	-	-	-	-	-	-
Dividends paid during the period	-	-	-	(125,250)	-	-	(125,250)
At 31 December 2012	<u>3,131,351</u>	<u>16,440,679</u>	<u>3,585</u>	<u>(3,950,800)</u>	<u>(581,424)</u>	<u>5,030</u>	<u>15,048,421</u>
At 31 December 2012 as reported	3,131,351	16,440,679	-	(2,488,526)	-	-	17,083,504
Restatements	-	-	3,585	(1,462,274)	(581,424)	5,030	(2,035,083)
At 31 December 2012 as restated	<u>3,131,351</u>	<u>16,440,679</u>	<u>3,585</u>	<u>(3,950,800)</u>	<u>(581,424)</u>	<u>5,030</u>	<u>15,048,421</u>
Changes in equity for 2013							
Profit/(loss) for the year	-	-	-	271,560	(31,815)	-	239,745
Other comprehensive income							
Actuarial loss on defined benefit pension plans	-	-	-	(57,900)	-	-	(57,900)
Fair value changes on available for sale assets	-	-	7,217	-	-	-	7,217
Exchange (loss)/gain on foreign operations	-	-	-	-	-	-	-
Total comprehensive income/(loss) for the year	<u>-</u>	<u>-</u>	<u>7,217</u>	<u>213,660</u>	<u>(31,815)</u>	<u>-</u>	<u>189,062</u>
Issue of share capital	-	-	-	-	-	-	-
Transaction costs for equity issue	-	-	-	-	-	-	-
Dividends paid during the period	-	-	-	-	-	-	-
At 31 December 2013	<u>3,131,351</u>	<u>16,440,679</u>	<u>10,802</u>	<u>(3,737,140)</u>	<u>(613,239)</u>	<u>5,030</u>	<u>15,237,483</u>

JAPPAUL OIL & MARITIME SERVICES PLC

CONSOLIDATED STATEMENT OF CHANGES IN EQUITY FOR THE YEAR ENDED 31 DECEMBER 2013

Company	Issued share capital N'000	Share premium N'000	Fair value reserve N'000	Retained earnings N'000	Total equity N'000
At 1 January 2012 as reported	3,131,351	16,440,679	-	1,740,558	21,312,588
Restatements	<u>-</u>	<u>-</u>	<u>(3,062)</u>	<u>786,625</u>	<u>783,563</u>
At 1 January 2012 as restated	<u>3,131,351</u>	<u>16,440,679</u>	<u>(3,062)</u>	<u>2,527,183</u>	<u>22,096,151</u>
Changes in equity for 2012					
Loss for the year	-	-	-	(4,597,217)	(4,597,217)
Other comprehensive income					
Actuarial gain on defined benefit pension plans	-	-	-	4,308	4,308
Fair value changes on available for sale assets	-	-	6,647	-	6,647
Exchange gain on foreign operations	-	-	-	-	-
Total comprehensive income/(loss) for the year	<u>-</u>	<u>-</u>	<u>6,647</u>	<u>(4,592,909)</u>	<u>(4,586,262)</u>
Issue of share capital	-	-	-	-	-
Transaction costs for equity issue	-	-	-	-	-
Dividends paid during the period	-	-	-	(125,250)	(125,250)
At 31 December 2012	<u>3,131,351</u>	<u>16,440,679</u>	<u>3,585</u>	<u>(2,190,976)</u>	<u>17,384,639</u>
At 31 December 2012 as reported	3,131,351	16,440,679	-	114,155	19,686,185
Restatements	<u>-</u>	<u>-</u>	<u>3,585</u>	<u>(2,305,131)</u>	<u>(2,301,546)</u>
At 31 December 2012 as restated	<u>3,131,351</u>	<u>16,440,679</u>	<u>3,585</u>	<u>(2,190,976)</u>	<u>17,384,639</u>
Changes in equity for 2013					
Loss for the year	-	-	-	29,804	29,804
Other comprehensive income					
Actuarial loss on defined benefit pension plans	-	-	-	(57,900)	(57,900)
Fair value changes on available for sale assets	-	-	7,217	-	7,217
Exchange gain or loss on foreign operations	-	-	-	-	-
Total comprehensive profit/(loss) for the year	<u>-</u>	<u>-</u>	<u>7,217</u>	<u>(28,096)</u>	<u>(20,879)</u>
Issue of share capital	-	-	-	-	-
Transaction costs for equity issue	-	-	-	-	-
Dividends paid during the period	-	-	-	-	-
At 31 December 2013	<u>3,131,351</u>	<u>16,440,679</u>	<u>10,802</u>	<u>(2,219,072)</u>	<u>17,363,760</u>

JAPPAUL OIL & MARITIME SERVICES PLC

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2013

37. Explanations of restatements

The financial statements presented in 2012 have been reviewed, and this has necessitated the retrospective restatement of the Group and Company's financial performance and position. The restatements are explained as follows:

		Group			Company		
			Restatement			Restatement	
37.1 Reconciliation of equity	Notes	As published	adjustments	As restated	As published	adjustments	As restated
Assets							
Non-current assets							
Property, plant & equipment	a,b,c	20,089,689	(3,795,892)	16,293,797	12,738,632	(4,209,266)	8,529,366
Assets under finance lease	a	8,755,408	3,625,469	12,380,877	8,755,408	3,618,126	12,373,534
Intangible assets	b	5,496	3,644	9,140	5,496	3,644	9,140
Investment in subsidiaries	f	-	-	-	-	48,810	48,810
Investment in associates	g	-	4,500	4,500	-	4,500	4,500
Available for sale asset		17,539	-	17,539	17,539	-	17,539
		28,868,132	(162,279)	28,705,853	21,517,075	(534,186)	20,982,889
Current assets							
Inventories		610,529	-	610,529	47,800	-	47,800
Trade and other receivables	d	2,584,538	(621,245)	1,963,293	1,716,396	(500,938)	1,215,458
Other assets	d	-	621,245	621,245	-	500,938	500,938
Due from related companies	f,g	-	-	-	9,532,771	(53,310)	9,479,461
Cash and cash equivalents	e	597,835	(13,130)	584,705	347,428	(13,130)	334,298
		3,792,902	(13,130)	3,779,772	11,644,395	(66,440)	11,577,955
Total assets		32,661,034	(175,409)	32,485,625	33,161,470	(600,626)	32,560,844
Equity							
Share capital		3,131,351	-	3,131,351	3,131,351	-	3,131,351
Retained earnings	e,h,i,k,n	(2,488,526)	(1,462,274)	(3,950,800)	114,155	(2,305,131)	(2,190,976)
Non-controlling interest		-	(581,424)	(581,424)	-	-	-
Share premium		16,440,679	-	16,440,679	16,440,679	-	16,440,679
Fair value reserve	h	-	3,585	3,585	-	3,585	3,585
Foreign exchange reserve	i	-	5,030	5,030	-	-	-
Total equity		17,083,504	(2,035,083)	15,048,421	19,686,185	(2,301,546)	17,384,639
Liabilities							
Non-current liabilities							
Long term borrowings	j,k	2,260,082	(8,349)	2,251,733	2,535,683	-	2,535,683
Finance lease obligation	j	7,459,515	12,642	7,472,157	7,459,515	12,642	7,472,157
Deferred taxation	t	1,001,186	(57,700)	943,486	961,336	(51,450)	909,886
Defined benefit pension plan		24,439	-	24,439	24,439	-	24,439
		10,745,222	4,293	10,691,815	10,980,973	(38,808)	10,942,165
Current liabilities							
Short term borrowings	l	440,206	390,574	830,780	12,663	(12,663)	-
Current portion of long term borrowings	l	2,535,683	(390,574)	2,145,109	1,255,739	4,314	1,260,053
Trade and other payables	m,n,o	742,073	2,783,655	3,525,728	495,419	2,274,908	2,770,327
Other payables and accruals	m	886,467	(886,467)	-	502,874	(502,874)	-
Current tax payable		227,879	-	227,879	227,617	(39,850)	187,767
Defined contribution pension plan	o	-	15,893	15,893	-	15,893	15,893
		4,832,308	1,913,081	6,745,389	2,494,312	1,739,728	4,234,040
Total liabilities		15,577,530	1,917,374	17,437,204	13,475,285	1,700,920	15,176,205
Total liabilities and equity		32,661,034	(117,709)	32,485,625	33,161,470	(600,626)	32,560,844

JAPPAUL OIL & MARITIME SERVICES PLC

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2013

		Group			Company		
	Notes	As published	Restatement adjustments	As restated	As published	Restatement adjustments	As restated
37.2 Reconciliation of profit							
Revenue		12,281,714	-	12,281,714	7,243,638	-	7,243,638
Cost of sales	s	(7,282,556)	-	(7,282,556)	(2,954,145)	(1,757,415)	(4,711,560)
Gross profit		4,999,158	-	4,999,158	4,289,493	(1,757,415)	2,532,078
Other income	p,r	77,112	2,724,027	2,801,139	69,866	3,006,569	3,076,435
Administrative and general expenses	q,c,s	(3,665,106)	(173,247)	(3,838,353)	(2,321,991)	1,754,492	(567,499)
Distribution expenses	q	(680,581)	680,581	-	(730,581)	730,581	-
Impairment charge	p,e	-	(7,588,350)	(7,588,350)	-	(6,540,003)	(6,540,003)
Operating loss		730,583	(4,356,989)	(3,626,406)	1,306,787	(2,805,776)	(1,498,989)
Finance costs	k,n	(209,810)	(2,747,874)	(2,957,684)	(149,718)	(2,757,235)	(2,906,953)
Loss on continuing operations before tax		520,773	(7,104,863)	(6,584,090)	1,157,069	(5,563,011)	(4,405,942)
Tax expense		(191,275)	-	(191,275)	(191,275)	-	(191,275)
Deferred taxation	t	(57,700)	57,700	-	(51,450)	51,450	-
Loss on continuing operations after tax		271,798	(7,047,163)	(6,775,365)	914,344	(5,511,561)	(4,597,217)
Other comprehensive (loss)/ income							
Exchange gain on translation of foreign operations	r	979	-	979	101	(101)	-
Actuarial (loss)/ gains on defined benefit pension plans		4308	-	4,308	4,308	-	4,308
Fair value gains on available for sale assets		6,647	-	6,647	6,647	-	6,647
		11,934	-	11,934	11,056	(101)	10,955
Total comprehensive loss for the year		283,732	(7,047,163)	(6,763,431)	925,400	(5,511,662)	(4,586,262)
Loss attributable to:							
Owners of the parents		-	(6,627,811)	(6,627,811)	-	(4,597,217)	(4,597,217)
Non-controlling interest		-	(147,554)	(147,554)	-	-	-
		-	(6,775,365)	(6,775,365)	-	(4,597,217)	(4,597,217)
Total comprehensive loss attributable to:							
Owners of the parents		242,490	(6,858,367)	(6,615,877)	-	(4,586,262)	(4,586,262)
Non-controlling interest		41,240	(188,794)	(147,554)	-	-	-
		283,730	(7,047,161)	(6,763,431)	-	(4,586,262)	(4,586,262)

Notes to the reconciliations

A Reclassification from property, plant & equipment to assets under finance lease

Marine equipment and motor vehicles acquired under finance lease arrangement previously merged with owned assets under property, plant and equipment have now been reclassified under finance lease assets

B Reclassification from property, plant & equipment to intangible assets

Computer software previously classified as part of computer equipment under property, plant and equipment have now been reclassified as part of intangible assets in the restated balances

C Depreciation of property, plant and equipment

Additional depreciation now charged on property, plant and equipment arising from recomputation

D Reclassification of other assets from trade and other receivables

Other assets comprising of withholding tax receivables and prepayments have been reclassified from trade and other receivables

E Reconciliation differences on bank balances

Reconciliation differences on bank balances have now been written off.

F Reclassification from due from related parties to investment in subsidiaries

Investment in subsidiaries have been disclosed separately in line with IAS 1.

JAPPAUL OIL & MARITIME SERVICES PLC

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2013

G Reclassification from due from related parties to investment in associates

Investment in associates have been disclosed separately in line with IAS 1.

H Recognition of fair value reserve

Gains or losses on remeasurement of available for sale assets previously recognised in retained earnings through other comprehensive income have now been reclassified to fair value reserve as required by IAS 39.

I Recognition of fair value reserve

The cumulative exchange gains previously recognised in retained earnings have now been recognised in equity as separate line items through the other comprehensive income as required by IAS 21.

J Reclassification of finance lease obligations from long term borrowings

Balances relating to finance lease obligation previously recognised as a part of term loans and bank overdrafts have now been shown separately

K Remeasurement of term loans using effective interest rate

Term loans have been amortised using the effective interest rate and the effect of discounting has been recognised as a part of finance costs in the financial statements

L Reclassification of bank overdrafts from term loans

Bank overdrafts previously classified as term loans have now been reclassified as short term borrowing

M Reclassification from other creditors and accruals to trade and other payables

Other creditors and accruals previously recognised separately in the published financial statements have now been merged together in the restated balances.

N Recognition of lease payables

Interest on leases previously omitted have now been recognised as finance costs.

O Reclassification of employee benefits

Employee benefits - defined contribution pension plan recognised under other payables and accruals previously have now been reclassified as separate line items as required by IAS 19 in the restated financial statements.

P Recognition of revaluation surplus(deficit) on property, plant and equipment

Fair value gains (impairment) on revaluation of property, plant and equipment previously recognised directly as IFRS adjustments have now been recognised through the income statement in the restated balances.

Q Reclassification of sale and distribution expenses to administrative and

Items previously classified as sale and distribution expenses have now been reclassified as administrative and general expenses under the restated balances.

R Reclassification of exchange gains to other income

Exchange gains on translation of foreign currencies and transactions does not qualify for recognition in the other comprehensive income as previously treated and have now been treated as appropriate under other income in the restated financial statements

S Reclassification of depreciation charge from to cost of sales

Depreciation previously charged as administrative expenses have now been reclassified to cost of sales.

T Remeasurement of deferred tax

Deferred tax has been recomputed based on the remeasurement of assets and liabilities that have tax implications and as such the effects have been recognised.

38. Events after reporting date

There were no significant events after the reporting date which would have had any material effect on the financial statements as at 31 December 2013 or require disclosure in these financial statements.

39. Comparative figures

Where necessary, comparative figures have been adjusted to conform with changes in presentation in the current year in accordance with the International Accounting Standard (IAS 1) issued by the International Accounting Standards Board.

40. Capital commitments

The Group has finance leases for various marine vessels and motor vehicles. These leases have terms of renewal and purchase options. Renewals are at the option of the specific entity that holds the lease. Present value of the net minimum lease payments are stated in note 25. The group is currently in the process of exercising its option to purchase Beau Geste - a marine vessel under the finance lease arrangement with Marine Delivery Pte of Singapore with the purchase option if exercised amounting to N2,110,720,000 at 31 December 2013 (31 December 2012: nil)

JAPPAUL OIL & MARITIME SERVICES PLC

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2013

41. Contingent liabilities

There were contingent liabilities as at 31 December 2013 amounting to N941,706,254 (2012 - nil) in respect of legal claims made against the group. The Board of Directors are of the opinion that the liabilities will not crystallise, and therefore no provision is made in these consolidated financial statements. The nature of the contingent liabilities are as follows:

JAPPAUL OIL & MARITIME SERVICES PLC

CONSOLIDATED STATEMENT OF VALUE ADDED FOR THE YEAR ENDED 31 DECEMBER 2013

	Group				Company			
	2013 N'000	%	2012 N'000	%	2013 N'000	%	2012 N'000	%
Turnover	13,029,924		12,281,714		8,031,756		7,243,638	
Interest income								
Other income	324,038		2,801,139		242,284		3,076,435	
	13,353,962		15,082,853		8,274,040		10,320,073	
Bought-in-material and services:								
- Local	(1,747,210)		(8,778,947)		(1,079,826)		(7,875,294)	
- Imported	(7,123,157)		(7,282,556)		(4,590,768)		(4,580,357)	
Value added	4,483,595	100	(978,650)	100	2,603,446	100	(2,135,578)	100

Applied as follows:-

To pay employees

Wages,salaries and other staff costs	601,953	13	609,795	(62)	137,954	5	248,114	(12)
--------------------------------------	---------	----	---------	------	---------	---	---------	------

To pay government

Corporate tax	220,529	6	191,275	(20)	(121,816)	(5)	191,275	(9)
---------------	---------	---	---------	------	-----------	-----	---------	-----

To pay provider of capital

Finance costs	1,611,363	36	2,957,684	(302)	1,608,289	63	1,498,989	(70)
---------------	-----------	----	-----------	-------	-----------	----	-----------	------

To provide for replacement of assets dividend to shareholders and development of business

- Depreciation of property, plant and equipment	1,860,688	41	2,026,027	(207)	999,898	38	512,306	(24)
- Profit/(loss) for the year	189,063	4	(6,763,431)	691	(20,879)	(1)	(4,586,262)	215

Value added	4,483,595	100	(978,650)	100	2,603,446	100	(2,135,578)	100
--------------------	------------------	------------	------------------	------------	------------------	------------	--------------------	------------

Value added represents the additional wealth which the company has been able to create by its own and its employees effort. The statements shows the allocation of that wealth among the employees, capital providers, Government and that retained for creation of more wealth.

JAPPAUL OIL & MARITIME SERVICES PLC

FINANCIAL SUMMARY - GROUP

	Group		
	2013	2012	2011
	N'000	N'000	N'000
Employment of capital			
Non-current assets	28,502,813	28,705,853	20,804,405
Net current assets/(liabilities)	3,339,170	(3,193,496)	1,725,500
Tax	448,408	227,879	210,087
Non current liabilities	(17,052,909)	(10,691,815)	(1,160,647)
Net assets	15,237,483	15,048,421	21,579,345
Equity and reserve	15,237,484	15,048,421	21,579,345
Statement of comprehensive income			
Turnover	13,029,924	12,281,714	8,031,756
Profit/(loss) on continued operation before taxation	460,274	(6,584,090)	151,620
Taxation	(220,529)	(191,275)	(121,816)
Other comprehensive (loss)/income	(50,683)	11,934	(50,683)
Total comprehensive income/(loss)	189,063	(6,763,431)	(20,879)
Basic earnings/(loss) per share	4	(108)	0.48
Net assets per share	2	2	3

Earnings/(loss) per share are based on profit/(loss) after tax divided by the issued and fully paid ordinary shares at the end of each financial year.

Net assets per share are based on net assets divided by the issued and fully paid ordinary shares at the end of each financial year.

JAPPAUL OIL & MARITIME SERVICES PLC

FINANCIAL SUMMARY - COMPANY

	Company		
	2013 N'000	2012 N'000	2011 N'000
Employment of capital			
Non-current assets	22,261,356	21,642,644	20,982,889
Net current liabilities	1,489,623	12,391,864	7,116,298
Tax	114,396	349,433	227,617
Non current liabilities	<u>(1,363,183)</u>	<u>(17,020,182)</u>	<u>(10,942,165)</u>
Net assets	<u>22,502,192</u>	<u>17,363,760</u>	<u>17,384,639</u>
Equity and reserve	<u><u>21,597,007</u></u>	<u><u>17,363,760</u></u>	<u><u>17,384,639</u></u>
Statement of comprehensive income			
Turnover	<u><u>8,031,756</u></u>	<u><u>7,243,638</u></u>	<u><u>7,131,638</u></u>
(Loss)/profit on continued operation before taxation	151,620	(4,597,217)	873,517
Taxation (charge)/write back	<u> </u>	<u> </u>	<u> </u>
Other comprehensive income	<u>(50,683)</u>	<u>10,955</u>	<u>-</u>
Total comprehensive loss	<u><u>(20,879)</u></u>	<u><u>(4,586,262)</u></u>	<u><u>873,517</u></u>
Basic loss per share	<u><u>0</u></u>	<u><u>(73)</u></u>	<u><u>0.14</u></u>
Net assets per share	<u><u>4</u></u>	<u><u>3</u></u>	<u><u>3</u></u>

Loss per share are based on loss after tax divided by the issued and fully paid ordinary shares at the end of each financial year.

Net assets per share are based on net assets divided by the issued and fully paid ordinary shares at the end of each financial year.