Atiat

GROWTH
AGAINST ALL ODDS
2022 ANNUAL REPORT & FINANCIALS

Atiat

04 Who We Are

05 Our Mission and Vision

07 Corporate Information

09 Corporate Governance Report

10 Directors

13 Director's Profile

20 Management Team

24 Chairman's Statement

26 Managing Director/CEO's Statement

29 Directors' Report

34 Statement of Directors' Responsibilities

35 Certification of Financial Statements

36
Independent Auditor's Report

41
Statement of Profit or Loss and Other Comprehensive Income

42
Statement of Financial Position

43
Statement of Changes in Equity

44
Statement of Cash Flows

46
Notes to the Financial Statements

96
Statement of Value Added

97
Five Year Financial Summary

100
Atiat Moments

ATIAT Limited is a wholly Nigerian-owned proprietary leasing company incorporated in 2007. Atiat Limited is a company rooted in world-class culture of excellence, constantly leaning forward to innovations and new opportunities to grow its market share.

VFD Bridge started operations in 2011 with one goal: to provide our clients with an alternative source of finance for their short terms needs. VFD Bridge was a debt investment company that provided personal financial advisory services to individuals and small businesses.

Atiat combined with VFD Bridge in 2022, a bridge finance company in a business arrangement to become a

MISSION

Delivering innovative products that bridge the financial and operational needs of our clients.

VISION

To be the leading provider of bespoke alternative finance and leasing solutions in every market we operate.

Atiat

CORE VALUES

INTEGRITY
We are thorough, honest, and accountable in every area of business.

INNOVATION
We are continually creating innovative ways to serve our customers better, even as we remain on top of the foremost financial technologies.

TEAMWORK
We believe in the importance of collaboration to achieve value for our stakeholders.

EMPATHY 360
We are aware of the feelings and emotions of our stakeholders.

ENTREPRENEURSHIP
We believe in strong entrepreneurship values across all functions of our business.

CORPORATE INFORMATION
For The Year Ended 31 December 2022

DIRECTORS

NAMES	POST HELD	APPOINTMENT/RESIGNATION DATE
Mr. Obinna Ufudo	Chairman	
Mr. Kanayo Eni-Ikeh	Managing Director/CEO	
Mr. Olisa Ifeajuna	Executive Director	(APPOINTED) 24/06/2022
Mrs. Obiageli Ejiofor	Executive Director	(APPOINTED) 24/06/2022
Mrs. Obianuju Adamma Ufudo	Non-Executive Director	
Mr. Gbenga Omolokun	Non-Executive Director	
Mr. Oladipupo Ayodele Adeoye	Non-Executive Director	
Mr. Victor Fagbamila	Non-Executive Director	(RESIGNED) 22/09/2022
Ms. Gbeminiyi Shoda	Non-Executive Director	(APPOINTED) 23/09/2022
Mr. Azubike Emodi	Non-Executive Director	(APPOINTED) 23/09/2022
Dr. Onyekachi Onubogu	Non-Executive Director	(APPOINTED) 23/09/2022
Ms. Ore Onagbesan	Non-Executive Director	(APPOINTED) 16/12/2022

Company Secretary	The Structure HQ Limited
Registered Office:	7B, Kafayat Abdulrasaq Street Off Fola Osibo Road Lekki Phase 1 Lagos.
Independent Auditor:	Deloitte & Touche Plot GA 1, Civic Towers, Ozumba Mbadiwe, Victoria Island Lagos, Nigeria.
Principals Banker	Fidelity Bank Plc Globus Bank Limited Zenith Bank Plc. VFD Microfinance Bank Limited
Registered No:	RC 698726
Tax Identification Number:	03026044-0001

Atiat

Investment

is a trend that is timeless

CORPORATE GOVERNANCE REPORT

For The Year Ended 31 December 2022

INTRODUCTION:

Atiat Limited is a wholly Nigerian-owned proprietary leasing company incorporated in 2007. Atiat Limited specializes in various forms of equipment leasing and provides fleet management services to individuals and corporations. The Board of the Company is made up of individuals who bring on board high levels of competencies and experience.

COMMITMENT TO CORPORATE GOVERNANCE

The Company remains committed to institutionalizing Corporate Governance principles. The Board operates in line with its responsibilities as contained in Regulatory Codes of Corporate Governance, the Articles of Association and the Companies and Allied Matters Act. Its oversight of the operations and activities of the Company are carried out transparently without undue influence.

Essentially, fair value Corporate Governance depends on the quality and integrity of the Directors. Consequently, the Company has undertaken to create the institutional framework conducive for defending the integrity of its directors and is convinced that on account of this, the Board of the Company is functioning in a highly effective manner. It is intended that Directors and Management would be continuously challenged to improve in areas where the need for improvement is identified.

BOARD COMPOSITION AND INDEPENDENCE

As at December 31, 2022, the Board comprised of Eleven [11] Directors led by the Chairman, Managing Director, Executive Directors and Non-Executive Directors with enviable records of achievement in their respective fields. These individuals bring on board high levels of competencies and experience and their individual profile is as follows:

DIRECTORS

For The Year Ended 31 December 2022

Mr. Obinna Ufudo
Chairman

Mr. Kanayo Eni-Ikeh
Managing Director/CEO

Mrs. Obiageli Ejiofor
Executive Director

Mr. Olisa Ifeajuna
Executive Director

Mrs Obianuju Ufudo
Non-Executive Director

Mr. Gbenga Omolokun
Non-Executive Director

Mr. Oladipupo Adeoye
Non-Executive Director

DIRECTORS -Cont'd

For The Year Ended 31 December 2022

Ms. Gbeminiyi Shoda
Non-Executive Director

Mr. Azubike Emodi
Non-Executive Director

Dr. Onyekachi Onubogu
Non-Executive Director

Ms. Oreoluwa Onagbesan
Non-Executive Director

Atiat

DIRECTOR'S PROFILE

For The Year Ended 31 December 2022

Mr Obinna Ufudo
Chairman

Mr. Kanayo Eni-Ikeh
Managing Director/CEO

With over two decade's post-graduate experience, Obinna Ufudo is a well-regarded financial services and corporate management professional. He has held senior level positions in Trading, Investments, General Management and Financial Advisory capacities. He was the President/CEO of Transnational Corporation of Nigeria Plc where he led the turn-around and repositioning of the enterprise, increasing shareholders value by over $1 billion during his three years tenure.

Obinna is a back-to-back winner of the top 25 CEO of quoted Nigerian companies award by Business Day newspaper for 2012 and 2013 and a finalist for the CNBC All Africa Business Leaders Award 2014. Obinna holds a M.Sc. degree in International Securities, Investment and Banking from the University of Reading, UK. He also holds an EMBA from the IESE Business School, University of Navarra, Barcelona Spain and a B.Sc. in Finance from the Enugu State University of Science and Technology Enugu, Nigeria.

Kanayo Eni-Ikeh is the Managing Director/CEO of Atiat Limited, a premium finance and leasing company focused on finance and operating leases, structured financing, fleet management, insurance brokerage, Car rentals and drivers' outsourcing. He holds a B.Sc in Geological Sciences from Nnamdi Azikiwe University, Awka and professionally trained expertise in strategy, management and marketing gained from Executive Programs attended in Lagos Business School and The Indian School of Business.

With over 15 years' of technical know-how and experience working in the financial service industry of retail, business and commercial banking, he has held managerial roles across reputable organizations such as Process Flow Outsourcing Limited, Diamond Bank, Fidelity Bank, VFD Group and VFD Microfinance Bank, where he successfully promoted organizational products and services to institutional and retail clients. Since his appointment as the MD/CEO of Atiat Limited, his transformational leadership, which was evident during his time as the GM, Business Development, VFD-MFB has led to a turnaround, spurring exponential growth and stability of the company.

DIRECTOR'S PROFILE -Cont'd

For The Year Ended 31 December 2022

Mrs. Obiageli Ejiofor
Executive Director

Obiageli Ejiofor currently serves as Executive Director, Business Development at Atiat Limited. She joined the Management team in June 2021 with a cross border experience and proven expertise in diverse segments covering Marketing, Banking Operations, Strategy, Corporate and Commercial Banking, Business and Financial Advisory, Project Management and General Management.

She has over 22 years of experience in the Banking and financial Services Industry. She has held several key positions in reputable institutions including United Bank for Africa Plc, Fidelity Bank Plc and Access Bank Plc. Obiageli holds a B.Sc in Accounting from Nnamdi Azikiwe University, Anambra, an MBA from the University of Hull (Greenwich School of Management), UK, and has attended several executive training programs spanning various fields such as financial management, business analysis & management and client experience.

Mr. Olisa Ifeajuna
Executive Director

Olisaeloka is the Executive Director, Operations of Atiat Limited, prior to this, he was Head of Operations of VFD Microfinance Bank. He started his career with Guaranty Trust Bank in April 2006 as an Executive Trainee. He then progressed in his career with Guaranty Trust Bank and became Branch Head at Oba Akran and Ojuelegba branches in 2013 and 2016 respectively.

In 2018, he moved to the Compliance Unit of GTBank as a Compliance supervisor. Olisaeloka Ifeajuna holds a BSc in Business Management from the University of Nigeria, Enugu and an MBA from Obafemi Awolowo University in Osun State. Olisa is currently undergoing an Accounting Certification with the Association of Certified Chartered Accountant (ACCA)

DIRECTOR'S PROFILE -Cont'd

For The Year Ended 31 December 2022

Mrs. Obianuju Ufudo
Non-Executive Director

Obianuju Ufudo has a decade's experience in banking garnered from Intercontinental Bank, Standard Chartered Bank and Atlantic Bank of New York. She is currently, the Managing Director of Three Voyages Limited, an IATA-Certified travel management company. Obianuju has a degree in Linguistics from the University of Ibadan, Nigeria and a master's degree in Human Resource Management from the Frank G Zarb School Of Business at Hofstra University, U.S.A.

Mr. Gbenga Omolokun
Non-Executive Director

Gbenga Omolokun is the Managing Director of VFD Tech Ltd and VFD Microfinance Bank. Gbenga is a brilliant business strategist skilled in operations strategy and general management. He has over 15 years of rich expertise in business process improvement, general management, technology and strategy across various industries. Gbenga is skilled in establishing and scaling new businesses and ventures. Prior to his current role, he served as a manager in the advisory division of KPMG Nigeria, before occupying Executive and Non- Executive Directorial positions in several companies.

DIRECTOR'S PROFILE -Cont'd

For The Year Ended 31 December 2022

Mr. Oladipupo Adeoye
Non-Executive Director

Oladipupo Adeoye is an astute, well-rounded finance professional, with over a decade experience in financial services sector which span across fixed income trading, treasury management, investment banking and private equity investing. Dipo has been involved in a broad spectrum of investment and banking responsibilities, including mergers and acquisitions, securities trading, treasury management, project management, business turnaround and strategic planning.

Oladipupo started his banking career at Access Bank Plc where he bagged the award for the best graduating student from the Access Bank School of Banking Excellence. He worked in Banking Operations, Customer Services and later moved to Treasury where he rose to become the Head, Fixed Income Trading Unit of the Bank.

In 2011, Dipo joined Heirs Holdings, an African proprietary investment company, where he handled primarily fixed income trading and private equity investment. During his stay at Heirs, He was involved in a range of private equity investments across Africa in a range of selected sectors including financial services, oil and gas, agriculture, healthcare, real estate and hospitality. He also handled the impact investing portfolio of the Tony Elumelu Foundation through which capital was invested in businesses to enhance financial and social returns. He later joined the United Bank for Africa Plc, a Pan-African Bank, as a Manager in charge of fixed income trading with primary focus on bond trading and fixed income related structures before joining VFD Group Plc as the Treasurer in 2018.

DIRECTOR'S PROFILE -Cont'd

For The Year Ended 31 December 2022

Ms. Gbeminiyi Shoda
Non-Executive Director

Mr. Azubike Emodi
Non-Executive Director

Gbeminiyi Shoda is a seasoned Legal Practitioner with solid and progressive experience in all facets of Corporate and Commercial Law Practice. She began her career 10 years ago in a law firm in Lagos, and is currently the Managing Director of Structure HQ, a company that is providing corporate and commercial solutions for individuals and innovative businesses.

Before becoming the Managing Director of Structure HQ, she joined VFD Group Plc in 2015 providing leadership and direction to the legal, Compliance and Company secretariat unit of VFD's ecosystem which cuts across diverse sectors. Gbeminiyi Shoda is a member of the Nigeria Bar Association (NBA), Section of Business Law, Nigerian Bar Association (SBL, NBA), Financial Reporting Council of Nigeria (FRCN), Institute of Directors (IOD) and a sponsored individual of the Securities and Exchange Commission (SEC). She is a graduate of the Lagos State University and has a BL from the Nigeria Law School.

Azubike is the Managing Director of Anchoria Asset Management Limited. He is a financial services professional with experience in Retail & Commercial Banking, Strategic Planning & Process Improvement, Financial Analysis & Modelling and Fund Management.

He started his career with Zenith Bank Plc, then Royal Bank of Canada before joining VFD Group in 2016. He was the Managing Director of the foremost digital Bank in Nigeria, VBank before being appointed as the Managing Director of Anchoria Asset Management in 2021. Azubike is an Associate Member of Chartered Institute of Bankers, Canada Securities Institute and Securities and Exchange Commission.

DIRECTOR'S PROFILE -Cont'd

For The Year Ended 31 December 2022

Dr. Onyekachl Onubogu
Non-Executive Director

Dr. Onubogu holds a first degree in Physics from the University of Jos, an MBA from the Gordon's Institute of Business Sciences of the University of Pretoria, South Africa, an Advanced Management Program certificate from the Wharton Business School of the University of Pennsylvania and a Doctorate in Business Administration from the SBS Swiss Business School in Zurich, Switzerland. He has worked extensively in the corporate sector within and outside Nigeria having worked for Companies like Procter and Gamble in Nigeria and South Africa, Guinness Nigeria, Promasidor in Nigeria, Kimberly Clark in South Africa, Frutta Juice and Services in Nigeria and also with a Private equity firm, Prosperity Capital Management based in Nairobi, Kenya.

Dr. Onubogu was an Executive Director responsible for the commercial operations in both Promasidor (makers of Cowbell Milk, Loya milk and a host of other well known Nigerian brands) and TGI (Owners of Terra brands, Big Bull brands e.t.c) at different times between 2010 and 2019 and until recently he served as Managing Director and Chief Executive officer for Frutta Juice and services and managing the entire operations for the manufacturing concern. He seats on the board of several companies within and outside Nigeria across various sectors. He is an adjoint faculty member at the University of Lagos Business School and the Lagos Business School. He runs a management consulting practice. He is an Alumni of the prestigious Wharton Business School, a former executive committee member of the Advertisers Association Of Nigeria (ADVAN), he served as a member of the marketing committee of the Nigerian Olympic Committee for the London 2012 Olympics. He is a Fellow and former council member of the National Institute of Marketing of Nigeria and currently serves as the National President of the Federal Government College Jos Old Students Association.

DIRECTOR'S PROFILE -Cont'd

For The Year Ended 31 December 2022

Ms. Oreoluwa Onagbesan
Non-Executive Director

Ore is a creative B2B and B2C marketing and business development professional with over 10 years' experience developing and launching brands, products, partnerships and programmes in the education, health, legal and energy sectors globally. She is a Member of the Chartered Institute of Marketing and holds a B.A (Hon) in Events Management and Public Relations from London Metropolitan University in the United Kingdom. In previous roles, she delivered strategies which were responsible for the international growth of recognisable UK companies such as Pearson PLC, BTEC, Norton Rose Fulbright, Pinsent Mason and EnergyNet to name a few.

Ore is passionate about coaching and helping people from marginalised communities to find their path and progress through life. In 2018 she co-founded a Community Interest Company, Orange Bow in the UK, which has helped hundreds of unemployed young people and adults to gain skills, qualifications and confidence to find employment or launch an enterprise. Ore is a relationship centered, strategic problem solver and planner who passionately combines research, visual design, and data to deliver high-performing integrated marketing campaigns that achieve commercial outcomes.

BOARD CHANGES

NAMES	APPOINTMENT DATE
Mr. Olisa Ifeajuna	June 24, 2022
Mrs. Obiageli Ejiofor	June 24,2022
Ms. Gbeminiyi Shoda	September 23, 2022
Mr. Azubike Emodi	September 23, 2022
Dr. Onyekachi Onubogu	September 23, 2022
Ms. Ore Onagbesan	December 16,2022

NAMES	RESIGNATION DATE
Mr. Victor Fagbamila	September 22, 2022

Atiat

MANAGEMENT TEAM

For The Year Ended 31 December 2022

Mr. Kanayo Eni-Ikeh
Managing Director/CEO

Mrs. Obiageli Ejiofor
Executive Director

Mr. Olisa Ifeajuna
Executive Director

Mr Oludare Sonde
Chief Financial Officer

MANAGEMENT TEAM -Cont'd
For The Year Ended 31 December 2022

Ms. Cynthia Nwanna
Head of Operations

Ms. Feyikemi Fadeyibi
Head, Human Capital Management

Mr Nojimu Bamidele
Head, Fleet Management

Mr. Austine Emelike
Head, Internal Control/Audit

CORPORATE GOVERNANCE REPORT

For The Year Ended 31 December 2022

THE COMPANY'S CODE OF CORPORATE GOVERNANCE

The Board meets regularly to set broad policies for the Company's business and operations and ensure that an objective and professional relationship is maintained with the Company's Auditors to promote transparency in financial and non-financial reporting.

The Guiding Principles of the Company's Code of Corporate Governance remain as follows:

- All power belongs to the shareholders
- Delegation of authority by the owners to the Board and subsequently to Board Committees and Executives is clearly defined and agreed.
- Institutionalised individual accountability and responsibility through empowerment and relevant authority.
- Clear terms of reference and accountability for Committees at Board and Executive levels.
- Effective communication and information sharing outside of meetings.
- Actions are taken on a fully informed basis, in good faith with due diligence and care and in the best interest of the Company and Shareholders.
- Enhancing compliance with applicable laws and regulations and the interest of the stakeholders. Where there is any conflict between the Company's rules, the local laws and legislation supersede.
- Conformity with overall Company strategy and direction
- Transparency and full disclosure of accurate, adequate and timely information regarding the personal interest of directors in any area of potential conflict regarding the Company's business.

ROLES AND RESPONSIBILITIES OF THE BOARD

The Board determines the Company's purpose and values as well as the strategy to achieve its purpose. It ensures that procedures and practices are in place to protect the Company's assets and reputation. The Board is explicitly responsible for the stewardship of the Company.

The Board is responsible for:

- Reviewing alignment of goals, major plans of action, annual budgets and business plans with overall strategy, setting performance objectives, monitoring implementation and corporate performance, and overseeing major capital expenditure in line with approved budget.
- Investment and capital management, financial and statutory reporting, articulation and approval of policies, setting overall strategic direction, monitoring and coordinating performance, and succession planning for the Board and Senior Management Staff.
- Ensuring the integrity of the Company's accounting and financial reporting systems (including the independent audit) and that appropriate systems are in place for monitoring risk, financial control and compliance with the law.
- Selecting, compensating, monitoring and when necessary, replacing key Executives and overseeing Management succession planning.
- Interfacing with the management of the Company to ensure harmony in implementing its strategy.
- Performing all statutory roles as required by law.
- Through the establishment of Board Committees, making recommendations and taking decisions on behalf of the Board on issues that may arise outside the normal meeting schedule of the full Board.
- Ratifying recommendations and decisions of Board Committees.

SHAREHOLDER PARTICIPATION

The Company is conscious of and continues to take necessary steps to promote shareholder rights. All stakeholders are invited to report any concern about a threatened/suspected breach of corporate governance requirements to the office of the Company Secretary.

The Structure HQ Limited Company Secretary

2 May,2023


Atiat
Acquire that asset
with ease and a lease

Mr. Obinna Ufudo
Chairman

CHAIRMAN'S STATEMENT
For The Year Ended 31 December 2022

Dear Distinguished Shareholders,
It is with pleasure that I present to you the Annual Report and audited Financial Statements of Atiat Limited for the year ended 31 December 2022.

The local and global economic climate of the previous year presented tough challenges which impacted the socio-economic fortunes of countries, both in the advanced economies and developing countries alike. Our country Nigeria had its fair share of the turbulence as it had to contend with the problem of insecurity and social strife with the attendant consequences on the economic and social wellbeing of the citizenry. These problems were further exacerbated by the ripple effects of the global crisis which had its root in the lingering Ukraine-Russia war.

FINANCIAL PERFORMANCE
Despite the challenges highlighted above, I am happy to report that the Company posted a profit before tax of N637.6million representing a 2,192% positive growth over the loss before taxation of N30.4million recorded in the previous year. Shareholders fund increased significantly from N327million in 2021 to N5.099billion in 2022 while total assets grew by 341% to N21.7billion in 2022 from N4.9billion in 2021.

These performance results are testaments to the strategic decision taken during the year in the acquisition of VFD Bridge (the lending business of VFD Group). The synergy expected from the combination of this entity with Atiat is being realized.

PEOPLE COMMITMENT
The results reported above were made possible by a committed executive management and staff of the company. On behalf of the Board of Directors I express my appreciation for their hardwork, commitment and dedication.
The company shall continue to motivate our work force towards greater performance while creating an enabling environment for their personal growth.

2023 IN FOCUS
The priorities for 2023 essentially will be to consolidate on the achievements of 2022 and to expand the revenue base of the company. This will be driven through the vehicle of strategic investment in complementing business ventures and deepening our existing product lines.

BOARD CHANGES
During the year, two Executive Directors - Mrs. Obiageli Ejiofor and Mr. Olisa Ifeajuna were appointed and have joined the Board. Also, four new Non-Executive Directors were also appointed. These are; Mr. Azubike Emodi, Ms. Gbemi Shoda, Ms. Oreoluwa Onagbesin and Dr. Onyekachi Onubogu. I have no doubt that the newly appointed Directors will contribute meaningfully to the growth of the company.

ACKNOWLEDGMENT
The members of the Board of Directors have been dedicated and have employed their vast experiences in adding value to the conduct of the affairs of the company. I wish to thank you for your commitment.
To our employees, I cannot thank you enough for your perseverance and contributions to the success achieved in the year.

I look forward to a more successful 2023.
God Bless us All.
Thank you.

Obinna Ufudo

Mr. Kanayo Eni-Ikeh
Managing Director/CEO

MANAGING DIRECTOR'S STATEMENT

For The Year Ended 31 December 2022

Dear Valued Shareholders

I am delighted to present to you the 2022 financial report. The year 2022 marked my third year since I assumed the responsibility of leading the Management of the Company effectively from 1st January 2020. It is pleasing to note the progress we have made so far despite the challenges we had to confront both internally, in terms of operational issues and externally, in terms of local and global economic realities of the times.

The new business model we undertook from 2020 wherewith the financing/lending activities pivoted our business activities, turned out to be the right step to take as the financial results from 2020 to 2022 further attested to this.
During the year the Board approved the strategic merger of VFD Bridge Ltd (the lending arm of VFD Group Plc) with Atiat Leasing Limited. The merger took place and the enlarged company was renamed as Atiat Limited. The synergy expected from the combination has continued to be realized.

The year witnessed new appointments both to the Board and Management of the company. Two new Executive Directors in the persons of Mrs. Obiageli Ejiofor and Mr. Olisa Ifeajuna were appointed to the Board while 4 Non-Executive Directors in the persons of Dr. Onyekachi Onubogu, Mr. Azubike Emodi, Ms. Gbemi Shoda and Ms. Oreoluwa Onagbesin were also appointed.

FINANCIAL HIGHLIGHTS

We shall continue to take advantage of business opportunities in the various sectors of the economy where our services remain relevant to further widen the revenue earning potential of the company.

2023 OUTLOOK

The business strategy for 2023 includes maintaining our operating lease accounts and to retain same through improved service delivery while striving to win new lease contracts.

The removal of subsidy on PMS by the federal government, portends opportunities for mass transportation business. We are already tapping into this opportunity as the Board recently approved investment in 24 Toyota Coaster buses for one of our valued clients' Staff Buses Operating Lease Scheme. The contract has been executed and running.

We are making progress in the car rental segment of our business. With the benefit of our experiences in the business, steps are being taken geared towards increased revenue and optimal returns on investment.

Our Abuja office is well positioned and actively participating in this drive. We hope to bring on board the Asaba branch office before the start of the fourth quarter. The branch is expected to compete for business in the South-East and South-South market in replacement of the Enugu branch office which has been in-operative for some time now.

We shall lay a foundation for strategic long-term investments in other thriving entities with the objective of securing sustainable future streams of income. A significant investment in a commercial bank is the ultimate goal. We shall exercise greater control and supervision over the entities we currently have controlling interest.

The Board recently approved the acquisition of the 60% stake of VFD Group Plc in Atiat Insurance Brokers Ltd (AIB), in addition to your company's existing stake. The transaction has been consummated, thus making your company the largest shareholder in AIB. We shall drive the management of the company for optimal performance to ensure adequate returns on the investment.

In the same vein we shall drive OurCar Limited and MotorMan for greater achievements in the year. OurCar Limited will be re-capitalized to enable it lease a suitable property where it can showcase its stock of automobiles for sale and for other ancillary services. OurCar Limited is involved in the importation and sale of automobiles to individuals and corporate organizations.

MotorMan Nigeria Ltd is an auto workshop and also involves in the importation of spareparts. The business has been inactive for quite some time now. A renewed effort is being put in place to re-position the business for better visibility and profitability.

Our lending business presently contributes more than 75% of the gross earnings of the company. This segment will retain its leadership position in 2023. It is projected that N100billion short term loans would be disbursed during the year to SMEs and individuals.

We shall continue to finetune our credit processes and measures to guard against credit risks. We would source funds at cheaper and competitive cost to finance our operations.

Adequate liquidity is essential for the execution of various plans lined up for the new year. We shall seek funding from institutional investors and towards this, we have proactively engaged a rating agency to rate the company.

With a good credit rating we shall be able to attract funds from institutional investors. We are also working at getting the company converted to a Public Limited Liability Company (PLC) to qualify for being listed on the NASD where we would have the opportunity of raising longer tenured funds at relatively cheaper cost.

OUR PEOPLE

During the year, two Executive Directors - Mrs. Obiageli Ejiofor and Mr. Olisa Ifeajuna were appointed and have joined the Board. Also, four new Non-Executive Directorswere also appointed.

These are; Mr. Azubike Emodi, Ms. Gbemi Shoda, Ms. Oreoluwa Onagbesin and Dr. Onyekachi Onubogu. I have no doubt that the newly appointed Directors will contribute meaningfully to the growth of the company.

CONCLUSION

The achievements we have recorded this year would not have been possible without the unflinching commitment of our people and to them I say thank you from the bottom of my heart.

Dear distinguished shareholders, as we look forward to breaking new grounds in the year ahead, we can only be optimistic that the future is bright for Atiat and with your continued support we shall celebrate an even greater 2023.

Kanayo Eni-Ikeh
Managing Director/CEO, Atiat Limited

DIRECTOR'S REPORT
For The Year Ended 31 December 2022

The Directors have pleasure in presenting their annual report on the state of affairs of Atiat Limited, together with the audited financial statements for the year ended 31 December 2022.

1. Legal Form and Principal Activity

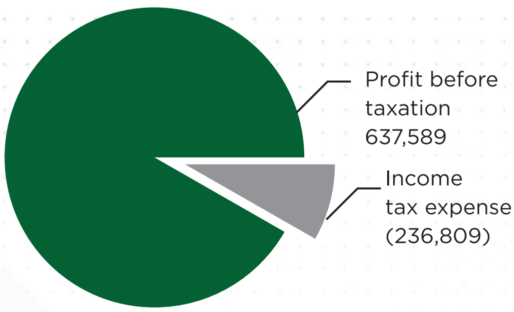
   The Company was incorporated as a private limited liability company on 19 July 2007 and commenced business in January 2011. Its name, previously Atiat Leasing Limited, was changed to Atiat Limited by special resolution dated 8 September 2022.

   During the year, Atiat Limited and VFD Bridge Limited, both companies being subsidiaries of VFD Group Plc (entities under common control) entered into an agreement that Atiat Limited acquire the assets and liabilities of VFD Bridge Limited (See details in Note 37). The principal activity of the Company is to provide manpower services, human resource management, outsourcing, capacity building and human capital.

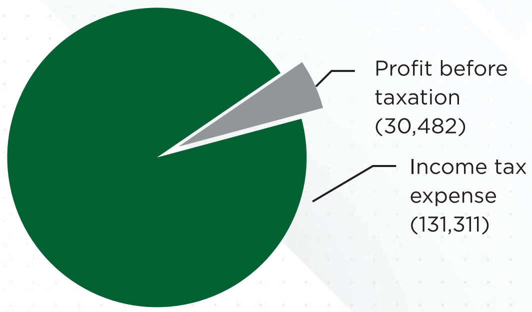
2. Operating Results

The results for the year under review are as follows:

31- Dec. 22
₦'000



31- Dec. 21
₦'000



	31- Dec. 22 ₦'000	31- Dec. 22 ₦'000
Profit/(loss) for the year	400,780	(161,793)

3. Proposed Dividend

   The Board of Directors has recommended a dividend of N0.20k per share for the year ended 31 December 2022 (2021: Nil).

4. Directors Interests in Contracts

   None of the Directors has notified the Company for the purpose of Section 303 of the Companies and Allied Matters Act, 2020 of any declarable interest in Contracts in which the Company is involved.

5. Shareholding

   The shareholders of Atiat Limited as at 31 December 2022 and their respective shareholding are as follows:

DIRECTOR'S REPORT -Cont'd
For The Year Ended 31 December 2022

	Number of Ordinary share of N1.00 each as at 31-Dec-22		31-Dec-21	
	Number	%	Number	%
VFD Group Plc	389,999,835	65	227,272,728	42
Mr. Obinna Ufudo	66,000,000	11	154,545,455	28
McGreen Limited	-	-	118,181,818	22
Mrs. Obianuju Adamma Ufudo	24,000,000	4	43,636,363	8
QINK Limited	60,000,000	10	-	-
CEIK Capital Limited	60,000,000	10	-	-
Mr. Gbenga Omolokun	165	-	-	-
	600,000,000	100	543,636,364	100

6. Board of Directors

The Directors who held office during the year and to the date of this report are shown on page 1. In accordance with Section 285 of the Companies and Allied Matters Act (CAMA) 2020, no Director is due for retirement by rotation.

7. Directors' Interests in Shares

The Directors' interests in the paid up share capital of the Company are as follows:

	Number of ordinary shares of 50kobo each 31-Dec-22		31-Dec-21	
	Direct	Indirect	Direct	Indirect
Mr. Obinna Ufudo	66,000,000	-	154,545,455	16,613,641
Mr. Kanayo Eni-Ikeh	-	60,000,000	-	45,455
Mr. Olisa Ifeajuna	-	-	-	-
Mrs. Obianuju Adamma Ufudo	24,000,000	-	43,636,363	-
Mr. Victor Fagbamila	-	-	-	-
Mr. Gbenga Omolokun	165	-	-	4,727,273
Mr. Oladipupo Ayodele Adeoye	-	-	-	-
Mrs. Obiageli Ejiofor	-	-	-	-
Mr. Azubike Emodi	-	-	-	-
Ms. Gbeminiyi Shoda	-	-	-	-
Dr. Onyekachi Onubogu	-	-	-	-
Ms. Oreoluwa Onagbesan	-	-	-	-
	90,000,165	60,000,000	198,181,818	21,386,369

8. Donations

The Company did not make donation to any organisation during the year ended 31 December 2022 (2021: N10,000,000).

9. Property, Plant and Equipment

Information relating to changes in property, plant and equipment is given in note 23.

10. Events after the Reporting Period

There are no significant events after the reporting date, which could have a material effect on the state of affairs of the Company as at 31 December 2022 that have not been adequately provided or disclosed in the financial statements.

11. Sustainability Report

Atiat Limited was founded by skilled professionals with diverse experience, qualifications, and backgrounds. As a company, we play in the Nigerian finance and leasing environment to provide bespoke alternative finance and leasing solutions for our clients. We discovered that that there are immense opportunities for value creation within this business environment. In view of this, we developed a business model that allows us to operate in major sectors of the economy through our portfolio, providing structured finance, consumer finance, operating and finance Lease, Fleet Management, insurance services and financial advisory.

We are still in the preliminary stages of our sustainability journey. However, we are committed to highest sustainability standards and practices and have put plans in place, to ensure we build a strong and viable business.

Transformation Towards Sustainable Development

At Atiat Limited, we view sustainability as a constant endeavour to make progress on present topics and keep learning about new issues, based on scientific knowledge. Promoting social development, protecting our environment for the present and future generations and economy growth are essential in order to ensure sustainability. We believe that companies like Atiat Limited would play a role in ensuring sustainability and bring about transformational change. We will leverage on our strengths, such as entrepreneurship and the innovation of our business units, the professional knowledge of our employees, and integrity in dealing with our customers and consumers. We see our Company as a major player and partner in economy and our environment and we intend to work with others to create fundamental change.

Diversity and Inclusion

As a company, we value employees' diversity, cultural backgrounds, and inclusion; this has continuously helped us to attract, develop and retain valued added and best talents in the industry. Our working environment is challenging, rewarding and flexible, with a value-oriented leadership style. Our employees are from different parts of the nation with blend of different cultures. We strengthen our global team.

By valuing diversity and cultural backgrounds, interacting openly and constructively with each other, and looking after the health and safety of our people.

Economic

Economic growth and development are at the core of our business operations. This is key for us at both the organizational and stakeholder level. Whilst we intend to ensure that we return maximum value to our shareholders by constantly increasing profit and ultimately the returns to our shareholders, we are also aware of our responsibility to our clients for economic growth. This is obvious in our drive to make funding available for businesses to aid growth, our dedication to financial inclusion and literacy, risk management framework, data privacy, amongst other key themes.

Governance

The Board Risk Management provides oversight of the risk management systems that are employed throughout the Company and responsible for the sustainability initiatives and practices. Atiat Limited is committed to high corporate governance standards and has a governance framework that is in line with the company's strategic goals and objectives. Directors regularly review environmental, operational, market, financial, political and other risks inherent in our business in order to minimize losses and maximize returns for our shareholders.

Our Board of Directors is comprised of professionals with diverse experiences and qualities, such as leadership, strategic insights and the ability to provide oversight of risk management.

Data Protection

As a company we have an obligation to protect the data of our employees and customers (internal and external). Data breaches, which are increasingly frequent occurrences, have a significant impact on both corporate reputation and consumer confidence. We also ensure customer privacy by aligning with best international practices. We continue to create awareness for all our staff, customers and vendors to prevent fraud.

Labour Practices/ Training

Our employees are one of our greatest assets. As a company we would continue to train and provide competitive welfare packages to all our employees. This has been identified as key input necessary to achieve our strategic business objectives.

12. Employment and Employees

Employment of disabled persons

The Company does not discriminate in considering applications for employment including those from disabled persons. However, no disabled person was employed by the Company as at 31 December 2022.

Employees' health and safety

Health and safety regulations are in force within the Company's premises and employees are aware of existing regulations. The Company also provides medical insurance cover for staff and immediate family members.

Employees' involvement and training

The Company believes in the development and training of its employees and carries this out through external training and on the job training.

13. Auditors

The Auditors, Messrs. Deloitte & Touché have indicated their unwillingness to continue in office as the Company's Auditors. The firm ensured that its responsibilities to the Company were carried out in an independent manner.

THE STRUCTURE HQ LIMITED
Sign.
Date 18.08.23

The Structure HQ Limited
Company Secretary
2 May, 2023

Atiat

Atiat

STATEMENT OF DIRECTORS' RESPONSIBILITIES
For The Year Ended 31 December 2022

The Directors of Atiat Limited accept responsibility for the preparation of financial statements that give a true and fair view of the financial position of the Company as at 31 December 2022, and the results of its operations, cash flows and changes in equity for the year then ended, in compliance with International Financial Reporting Standards ("IFRS") and in the manner required by the Companies and Allied Matters Act of Nigeria 2020, and the Financial Reporting Council of Nigeria Act, 2011.

In preparing the financial statements, the Directors are responsible for:

- properly selecting and applying accounting policies;
- presenting information, including accounting policies, in a manner that provides relevant, reliable, comparable and understandable information;
- providing additional disclosures when compliance with the specific requirements in IFRSs are insufficient to enable users to understand the impact of particular transactions, other events and conditions on the Company's financial position and financial performance.

Going Concern:
The Directors have made an assessment of the Company's ability to continue as a going concern and have no reason to believe the Company will not remain a going concern in the year ahead.

Obinna Ufudo (Chairman)
FRC/2013/CIBN/00000002585
2 May, 2023

Kanayo Eni-Ikeh (Managing Director/CEO)
FRC/2020/003/00000022164
2 May, 2023

CERTIFICATION OF FINANCIAL STATEMENTS
For The Year Ended 31 December 2022

In accordance with section 405 of the Companies and Allied Act of Nigeria, the Chief Executive Officer and the Chief Financial Officer certify that the financial statements have been reviewed and based on our knowledge, the:

i. audited financial statements do not contain any untrue statement of material fact or omit to state a material fact, which would make the statements misleading, in the light of the circumstances under which such statement was made, and

ii. the audited financial statements and all other financial information included in the financial statements fairly present, in all material respects, the financial condition and results of operation of the Company as of and for, the periods covered by the audited financial statements;

We state that Management and Directors:

i. are responsible for establishing and maintaining internal controls and has designed such internal controls to ensure that material information relating to the Company is made known to the officer by other officers of the company, particularly during the period in which the audited financial statements report is being prepared,

ii. has evaluated the effectiveness of the Company's internal controls within 90 days prior to the date of its audited financial statements, and iii. certifies that Company's internal controls are effective as of that date;

We have disclosed:

i. all significant deficiencies in the design or operation of internal controls which could adversely affect the Company's ability to record, process, summarise and report financial data, and has identified for the Company's auditors any material weaknesses in internal controls, and

ii. whether or not, there is any fraud that involves Management or other employees who have a significant role in the Company's internal control; and

iii. as indicated in the report, whether or not, there were significant changes in internal controls or in other factors that could significantly affect internal controls subsequent to the date of their evaluation, including any corrective actions with regard to significant deficiencies and material weaknesses. The financial statements of the Company for the year ended 31 December 2022 were approved by the Directors on 2 May, 2023

Oludare Sonde (Chief Financial Officer)
FRC/2014/ICAN/00000005647
2 May, 2023

Kanayo Eni-Ikeh (Managing Director/CEO)
FRC/2020/003/00000022164
2 May, 2023

Atiat

Deloitte.

P.O. Box 965
Marina
Lagos
Nigeria

Deloitte & Touche
Civic Towers
Plot GA 1, Ozumba Mbadiwe Avenue
Victoria Island
Lagos
Nigeria

Tel: +234 (1) 904 1700
www.deloitte.com.ng

INDEPENDENT AUDITOR'S REPORT
To the Members of Atiat Limited

We have audited the accompanying financial statements of **Atiat Limited** ("the company') set out on pages 17 to 63, which comprise the statement of financial position as at 31 December 2022, the statement of profit or loss and other comprehensive income, the statement of changes in equity, the statement of cash flows for the year then ended, and the notes to the financial statements including a summary of significant accounting policies.

In our opinion, the financial statements give a true and fair view of the financial position of **Atiat Limited** as at 31 December, 2022 and the financial performance and cash flows for the year then ended in accordance with the International Financial Reporting Standards, the Companies and Allied Matters Act, 2020 and the Financial Reporting Council of Nigeria Act, 2011.

Basis for Opinion

We conducted our audit in accordance with International Standards on Auditing (ISAs). Our responsibilities under those standards are further described in the Auditor's Responsibilities for the Audit of the Financial Statements section of our report. We are independent of the Company in accordance with the requirements of the International Ethics Standards Board for Accountants' (IESBA) International Code of Ethics for Professional Accountants (including International Independence Standards) (IESBA code) and other independence requirements applicable to performing audit of financial statements in Nigeria. We have fulfilled our other ethical responsibilities in accordance with the IESBA Code and other ethical requirements that are relevant to our audit of Financial Statements in Nigeria.

Key Audit Matters

Key audit matter is the matter that, in our professional judgment, was of most significance in our audit of the financial statements of the current year. The matter was addressed in the context of our audit of the financial statements as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on the matters.

The key audit matter below relates to the audit of Atiat Limited's financial statements.

Key Audit Matter	How the matter was addressed in the audit
Purchase Price Allocation and determination of intangible assets arising on business acquisition – VFD Bridge Limited	
On 1 August 2022, the Company concluded its acquisition of 100% stake in VFD Bridge Limited through a business combination, for a purchase consideration of N4.66billion.	We obtained and assessed the reasonableness of the Directors' determination of the fair value of the assets acquired.
The identification, measurement and valuation of the assets a nd liabilities acquired, in line with the requirements of IFRS 3, requires significant amount of judgement, assumptions, estimates and other macro-economic considerations which makes the accounting of the transaction complex.	Together with the assistance of our independent internal financial advisory specialists, we performed the following audit procedures:

MAKING AN IMPACT THAT MATTERS since 1845

Deloitte.

The Purchase Price Allocation (PPA) in respect of the acquisition was conducted by the Directors and only goodwill was the specific intangible asset identified from the acquisition in line with the requirements of the IFRS 3

Based on the level of judgement, assumptions and estimates involved in the assessment of the transaction and as this is a single material transaction that occurred during the year, we have determined that this is considered key audit matter in the financial statements.

a. Evaluated the assumptions, judgement and methodologies applied by the Directors in the determination of the identified intangible assets for reasonableness.
b. Obtained and reviewed the report issued by the consultant appointed by Directors. This was challenged by our independent experts including the assumptions and judgement applied in the determination of the intangible assets.
c. Confirmed and agreed the figures in the report to the financial statements.

We evaluated the assumptions used by management as prescribed by relevant accounting standards and market best practices. We considered the disclosures in the financial statements to the requirements of the accounting standards.

<table>
<tr><th colspan="2">Loan Loss Impairment</th></tr>
<tr><td>IFRS 9 - “financial instruments” introduces a new forward-looking impairment model, requiring companies to provide for expected credit losses (ECLs) on Financial Instruments. It also includes new requirements and guidance on the classification and measurement of financial assets.

In estimating the expected credit losses (ECLs) on loans and advances, management makes use of significant assumptions and judgement in determining the impairment loss.

Some of the key assumptions used are:
• Assessment of significant increase in credit risk.
• Calculation of lifetime probabilities of default (PD) as well as lifetime expected credit loss (ECL)
• Loss given default (LGD)
• Forward looking information macro-economic factors (e.g., unemployment rates, inflation rate etc.) Because of the significance of these estimates and judgement, the audit of loan impairment is considered a key audit matter.</td><td>Our audit procedures to assess the adequacy of the loan loss impairment in line with IFRS 9 included a review of the Company’s business Model to test the design and operating effectiveness of the key controls over the completeness and accuracy of the key inputs and assumptions into the IFRS 9 impairment models.

With the assistance of our IFRS (Credit) Specialist(s), we:

1. Obtained a detailed understanding of the default definition(s) used in the ECL calculation.
2. Tested the underlying calibration of data behind the determination of the probability of default by agreeing same to underlying supporting documentation.
3. Tested the disclosures to ensure that the required disclosures under IFRS 9 have been appropriately disclosed.
4. Challenged the criteria used to allocate asset to stage 1, 2 and 3 in accordance with IFRS 9.
5. Tested assets in stage 1, 2 and 3 to verify that they were allocated to the appropriate stage.
6. Tested the data used in the ECL calculation (including the macroeconomic factors) by reconciling to source systems.

Based on our review, we found that the Company’s impairment methodology, including the model, assumptions and key inputs used by management to estimate the amount of loan impairment losses were comparable with historical performance, and prevailing economic situations and that the estimated loan loss impairment determined was appropriate in the circumstances.</td></tr>
</table>

Deloitte.

Other Information

The directors are responsible for the other information. The other information comprises the information included in the "Atiat Limited Financial Statements", which includes the Directors' Report, and Other National Disclosures as required by the Companies and Allied Matters Act, 2020, and the Financial Reporting Council Act, 2011, which we obtained prior to the date of this auditors' report. The other information does not include the financial statements and our auditor's report thereon.

Our opinion on the financial statements does not cover the other information and we do not express any form of assurance conclusion thereon.

In connection with our audit of the financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements, or our knowledge obtained in the audit, or otherwise appears to be materially misstated.

If, based on the work we have performed on the other information that we obtained prior to the date of this auditor's report, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.

Responsibilities of the directors for the Financial Statements

The directors are responsible for the preparation and fair presentation of the financial statements in accordance with International Financial Reporting Standards and the requirements of the Companies and Allied Matters Act CAP 2020, and the Financial Reporting Council of Nigeria Act, 2011 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.

In preparing the financial statements, the directors are responsible for assessing the Company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the directors either intend to liquidate the Company or to cease operations, or have no realistic alternative but to do so.

Auditor's Responsibilities for the Audit of Financial Statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance but is not a guarantee that an audit conducted in accordance with ISAs will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

As part of an audit in accordance with ISAs, we exercise professional judgment and maintain professional skepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.

- Obtain an understanding of internal control relevant to the audit 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 Company's internal control.

- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the directors.

Deloitte.

- Conclude on the appropriateness of the directors' use of the going concern basis of accounting and based on the audit evidence obtained, whether a material uncertainty exists relating to events or conditions that may cast significant doubt on the Company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Company to continue as a going concern.

- Evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

- Obtain sufficient appropriate audit evidence regarding the financial information of the entities or business activities within the Company to express an opinion on the financial statements. We are responsible for the direction, supervision and performance of the Company's audit. We remain solely responsible for our audit opinion.

We communicate with the Directors, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

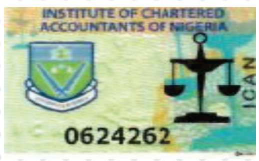
We also provide the directors with a statement that we have complied with relevant ethical requirements regarding independence, and to communicate with them all relationships and other matters that may reasonably be thought to bear on our independence, and where applicable, related safeguards.

From the matters communicated with the Directors, we determine the matter that was of most significance in the audit of the financial statements of the current period and is therefore the key audit matter. We describe the matter in our auditor's report unless law or regulation precludes public disclosure about the matter or when, in extremely rare circumstances, we determine that a matter should not be communicated in our report because the adverse consequences of doing so would reasonably be expected to outweigh the benefits derivable by the public from such communication.

Report on Other Legal and Regulatory Requirements

In accordance with the Fifth Schedule of Companies and Allied Matters Act 2020 we expressly state that:

i) We have obtained all the information and explanation which to the best of our knowledge and belief were necessary for the purpose of our audit.
ii) The Company has kept proper books of account, so far as appears from our examination of those books.
iii) The Company's financial position and its statement of profit or loss and other comprehensive income are in agreement with the books of account and returns.



For: Deloitte & Touche
Chartered Accountants
Lagos, Nigeria
23 August,2023

Engagement Partner: Joshua Ojo, FCA,
FRC/2013/ICAN/00000000849

Atiat

Can your Leasing and Finance Company ever?

Atiat

STATEMENT OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME

For The Year Ended 31 December 2022

	Note(s)	31, Dec.2022 ₦'000	31, Dec. 2021 ₦'000
Gross earnings		6,215,061	2,045,026
Lease rental income	6	1,448,359	1,266,752
Direct leasing expenses	7	(860,864)	(720,950)
Net leasing income		587,495	545,802
Interest income calculated using effective interest method	8	4,640,542	721,929
Interest expense	9	(1,989,739)	(214,170)
Net interest income		3,238,298	1,053,561
Other income	11	126,160	56,345
Net operating income		3,364,458	1,109,906
Impairment charge	12	(97,708)	(36,370)
Operating expenses	13	(1,893,306)	(834,224)
Depreciation and amortisation	16	(220,786)	(232,797)
Operating profit		1,152,658	6,515
Finance cost	10	(515,069)	(36,997)
Profit/(loss) for the year before taxation		637,589	(30,482)
Income tax expense	17	(236,809)	(131,311)
Profit/(loss) for the year after taxation		400,780	(161,793)
Other comprehensive income net of income tax		-	-
Total comprehensive income/(loss) for the year		400,780	(161,793)
Basic earnings/(loss) per share (Kobo)	18	71	(30)

STATEMENT OF FINANCIAL POSITION

For The Year Ended 31 December 2022

	Note(s)	31, Dec.2022 ₦'000	31, Dec. 2021 ₦'000
Assets			
Cash and cash equivalents	19	1,075,636	349,391
Financial assets	20	14,872,381	3,739,247
Other assets	21	1,003,063	630,430
Operating lease assets - Motor vehicles	22	507,018	134,637
Property, plant and equipment	23	84,533	19,207
Intangible assets	24	942	7,143
Goodwill	25	4,154,627	-
Deferred tax assets	31	3,298	42,762
Total Assets		21,701,498	4,922,817
Liabilities			
Commercial notes	26	10,877,555	3,482,378
Borrowings	27	4,315,767	198,422
Other liabilities	28	647,462	830,253
Deposit for shares	29	478,894	-
Income tax liabilities	30	201,317	63,344
Deferred tax liabilities	31	81,407	20,619
Total Liabilities		16,602,402	4,595,016
Shareholders' Equity			
Share capital	32	300,000	271,818
Share premium	33	5,065,625	206,182
Accumulated loss	34	(483,352)	(403,730)
Revaluation reserve	35	216,823	253,531
Total Equity		5,099,096	327,801
Total Liabilities and Equity		21,701,498	4,922,817

These financial statements were approved by the Board of Directors on 2 May, 2023 and signed on its behalf by:

Obinna Ufudo (Chairman)
FRC/2013/CIBN/00000002585

Kanayo Eni-Ikeh
(Managing Director/CEO)
FRC/2020/003/00000022164

Oludare Sonde (Chief Financial Officer)
FRC/2014/ICAN/00000005647

STATEMENT OF CHANGES IN EQUITY
For The Year Ended 31 December 2022

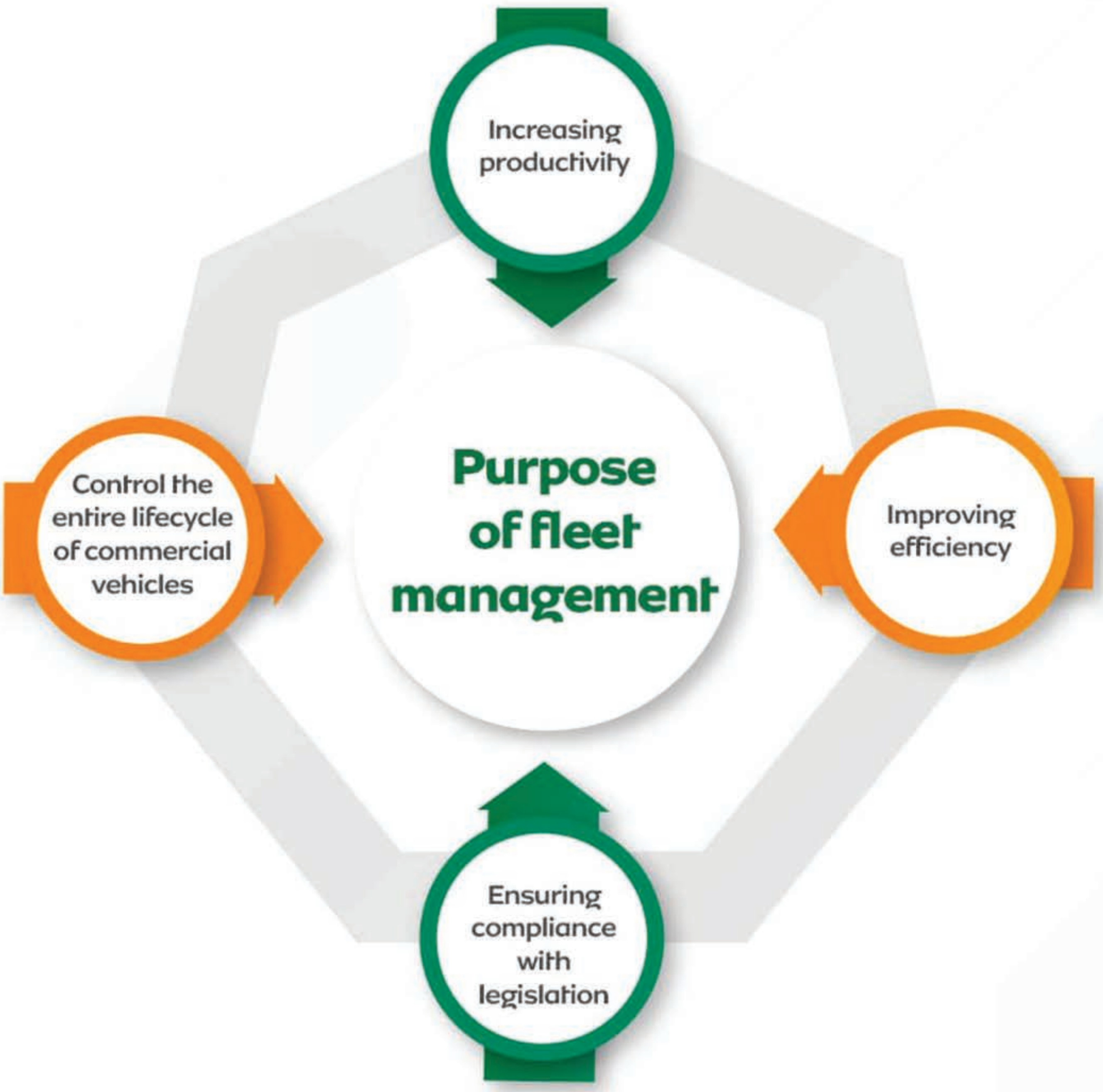
	Share capital ₦'000	Share premium ₦'000	Regulatory risk reserve ₦'000	Accumulated losses ₦'000	Total Equity ₦'000
Balance as at 1 January 2021	271,818	206,182	264,972	(253,378)	489,594
Loss for the year	-	-	-	(161,793)	(161,793)
Transfer between reserves	-	-	(11,441)	11,441	-
Balance at 31 December 2021/1 January 2022	271,818	206,182	253,531	(403,730)	327,801
Profit for the year	-	-	-	400,780	400,780
On share exchange	28,182	4,859,443	-	-	4,887,625
Transfer between reserves	-	-	(36,708)	36,708	-
Pre-acquistion profit of VFD Bridge Limited	-	-	-	(517,110)	(517,110)
Balance at 31 December 2022	300,000	5,065,625	216,823	(483,352)	5,099,096

Atiat

STATEMENT OF CASH FLOWS

For The Year Ended 31 December 2022

	Note(s)	31, Dec.2022 ₦'000	31, Dec. 2021 ₦'000
CASH FLOWS FROM OPERATING ACTIVITIES			
Profit/(loss) before taxation		637,589	(30,482)
Adjustments for:			
Impairment	12	97,708	36,370
Profit on sale of operating lease assets		(55,380)	(18,650)
Depreciation and amortisation	16	220,786	232,797
Other non-cash items		(49,852)	-
Write-off of receivable		-	1,206
Adjustment on intangible asset		(545)	-
Foreign exchange gain		(12,375)	-
Changes in operating assets and liabilities			
Decrease/(increase) in financial assets		(11,133,134)	(2,833,067)
Increase in other assets		(372,633)	(169,124)
Increase in commercial notes		7,395,177	2,287,992
(Decrease)/increase in other liabilities		(182,791)	632,750
Cash from operating activities		(3,455,450)	139,792
Finance cost paid		(490,462)	(6,653)
Tax paid		(5,294)	(95,477)
Net cash (used in)/from operating activities		(3,951,206)	37,662
Cash flows from investing activities			
Purchase of operating lease assets	22	(536,318)	-
Proceeds from sale of operating lease assets		56,730	22,900
Purchase of property, plant and equipment	23	(40,023)	(13,304)
Proceeds from recovered investments		-	5,445
Purchase of intangible assets	24	(2,065)	(1,313)
Net cash from investing activities		(521,676)	13,728
Cash flows from financing activities			
Cash from overdraft facility		9,730,826	3,546,964
Repayment of overdraft facility		(5,613,481)	(3,348,542)
Proceed from issue of shares		590,513	-
Increase in deposit for shares		478,894	-
Net cash (used in)/from financing activities		5,186,752	198,422
Net increase in cash and cash equivalents		713,870	249,812
Cash and cash equivalents, beginning of year		349,391	99,579
Foreign exchange gain		12,375	-
Cash and cash equivalents, end of year	19	1,075,636	349,391


Increasing productivity
Control the entire lifecycle of commercial vehicles
Purpose of fleet management
Improving efficiency
Ensuring compliance with legislation

NOTES TO THE FINANCIAL STATEMENTS
For The Year Ended 31 December 2022

1. Corporate information

Atiat Limited was incorporated as a private limited liability company on 19 July 2007 and commenced business in January 2011. Its name, previously Atiat Leasing Limited, was changed to Atiat Limited by special resolution dated 8 September 2022. The Company is domiciled in Nigeria.

The principal activity of the Company is to provide manpower services, human resource management, outsourcing, capacity building and human capital. Atiat Limited is also an active investor in both private and listed companies of the Nigerian Stock Exchange.

During the year, Atiat Limited and VFD Bridge Limited, both companies being subsidiaries of VFD Group Plc (entities under common control) entered into an agreement that Atiat Limited acquire the assets and liabilities of VFD Bridge Limited (See details in Note 37).

The financial statements for the year ended 31 December 2022 were approved for issue by the Board of Directors on 2 May, 2023.

2. Summary of significant accounting policies

The significant accounting policies applied in the preparation of these financial statements are set out below. These policies have been consistently applied to all periods presented in these financial statements.

2.1 Basis of preparation

The audited financial statements have been prepared on the going concern basis in accordance with, and in compliance with, International Financial Reporting Standards ("IFRS") and International Financial Reporting Standards Interpretations Committee ("IFRS IC") interpretations issued and effective at the time of preparing these audited financial statements and the Companies and Allied Matters Act, 2020.

The audited financial statements have been prepared on the historic cost convention, unless otherwise stated in the accounting policies which follow and incorporate the principal accounting policies set out below. They are presented in Naira, which is the Company's functional currency.

2.2 Significant accounting judgements, estimates and assumptions

The key assumptions concerning the future and other key sources of estimation ncertainty at the reporting date, that could have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities within the next financial year, are described below. The Company based its assumptions and estimates on parameters available when the financial statements were prepared. Existing circumstances and assumptions about future developments, however, may change due to market changes or circumstances arising beyond the control of the Company. Such changes are reflected in the assumptions when they occur.

Allowances for credit losses

The Company’s loan impairment provisions are established to recognise expected credit losses in its portfolio of loans classified as loans and receivables and carried at amortised cost. A loan is impaired when there is objective evidence that events since the loan was granted have affected expected cash flows from the loan. Such objective evidence, indicative that the borrower’s financial condition has deteriorated, and for loans that are individually assessed: the non-payment of principal or interest, debt restructuring, breach of limits or covenants, for collectively assessed portfolios the borrowers' payment status and observable data about relevant macroeconomic measures.

The impairment is the difference between the carrying value of the loan and the present value of estimated future cash flows at the loan's original effective interest rate.

Depreciation and carrying value of property and equipment, including operating lease assets The estimation of the useful lives of assets is based on management's judgment. Any material adjustment to the estimated useful lives of items of property and equipment, including operating lease assets will have an impact on the carrying value of these items.

2.3 Foreign currency transactions

Foreign currency transactions are translated and recorded in Naira, using the exchange rates prevailing at the dates of the transactions. Monetary assets and liabilities denominated in foreign currencies are translated at the functional currency spot rates of exchange at the reporting date.

Differences arising on settlement or translation of monetary items are recognised in profit or loss. Non-monetary items that are measured in terms of historical cost in a foreign currency are translated using the exchange rates at the dates of the initial transactions. Non-monetary items measured at fair value in a foreign currency are translated using the exchange rates at the date when the fair value is determined. The gain or loss arising on translation of nonmonetary items measured at fair value is treated in line with the recognition of the gain or loss on the change in fair value of the item (i.e., translation differences on items whose fair value gain or loss is recognised in OCI or profit or loss are also recognised in Other Comprehensive Income (OCI) or profit or loss, respectively).

2.4 Cash and cash equivalents

For the purposes of statement of cash flows, cash and cash equivalents include cash in hand, unrestricted demand, call deposits with banks, and short term highly liquid financial assets (including money market funds), with original maturities of three months or less from the acquisition date, which are subject to insignificant risk of changes in their value and used by the Company in the management of its short-term commitments.

2.5 Leases

Company as a lessee

A lease is classified at the inception date as a finance lease or an operating lease. A lease that transfers substantially all the risks and rewards incidental to ownership to the Company is classified as a finance lease.

The Company assesses whether a contract is or contains a lease at inception of the contract. This assessment involves the exercise of judgement about whether it depends on specified asset, whether, the Company obtains substantially all the economic benefits from the use of that asset, and whether the Company has the right to direct the use of the asset.

The Company recognises a right-of-use (ROU) asset and a lease liability at the commencement date, except for short term leases of 12 months or less which are expensed in the income statement on a straight line basis over the lease term.

The lease liability is initially measured at the present value of the lease payment that are not paid at the commencement date, discounted using the interest rate implicit in the lease. If this rate cannot be readily determined, the Company uses incremental borrowing rate specific to the country, term and currency specific to the contract. Lease payments can include fixed payments, variable payments that depends on an index or rate known at the commencement date; and extension option payments or purchase options which the Company is reasonably certain to exercise. The lease liability is subsequently measured at amortised cost using the effective interest method and remeasured (with a corresponding adjustment to the ROU asset) when there is a change in future lease payments in case of renegotiation, changes in an index or rate or in case of reassessment options.

At inception, the right of use asset comprises the initial lease liability, initial indirect costs and obligation to refurbish the asset, less any incentives granted by the lessors. The ROU asset is depreciated over the shorter of the lease term or the useful life of the underlying asset. The ROU asset is subject to testing for impairment if there is an indicator for impairment, as for owned assets.

ROU assets are included in the heading operating lease assets and the lease liability is included in the headings current and non-current financial liabilities. An operating lease is a lease other than a finance lease. Operating lease payments are recognised as an operating expense in the statement of profit or loss on a straight-line basis over the lease term.

Company as a lessor

Leases in which the Company does not transfer substantially all the risks and rewards of ownership of an asset are classified as operating leases. Initial direct costs incurred in negotiating and arranging an operating lease are added to the carrying amount of the leased asset and recognised over the lease term on the same basis as rental income. Contingent rents are recognised as revenue in the period in which they are earned.

2.6 Intangible assets

An intangible asset is recognised when:

- it is probable that the expected future economic benefits that are attributable to the asset will flow to the entity; and
- the cost of the asset can be measured reliably. Intangible assets are initially recognised at cost.

An intangible asset is regarded as having an indefinite useful life when, based on all relevant factors, there is no foreseeable limit to the period over which the asset is expected to generate net cash inflows. Amortisation is not provided for these intangible assets, but they are tested for impairment annually and whenever there is an indication that the asset may be impaired. For all other intangible assets amortisation is provided on a straight line basis over their useful life.

a. Goodwill

Goodwill arises on business combination, and represents the excess of the cost of acquisition, over the fair value of the assets acquired, and the liabilities and contingent liabilities assumed on the date of the acquisition. For the purpose of calculating goodwill, fair values of acquired assets, liabilities and contingent liabilities are determined by reference to market values or by discounting expected future cash flows to present value. Goodwill is initially recognised as an asset at cost and subsequently measured at cost less accumulated impairment losses, if any. Goodwill which is recognised as an asset is reviewed at least annually for impairment. Any impairment loss is immediately recognised in profit or loss.

For the purpose of impairment testing, goodwill is allocated to each cash-generating unit that is expected to derive benefit from the synergies of the combination. Cash-generating units to which goodwill has been allocated are tested for impairment annually, or more frequently when there is an indication that the unit may be impaired. If the recoverable amount of the cash generating unit is less than the carrying amount of the unit, the impairment loss is allocated first to reduce the carrying amount of any goodwill allocated to the unit and then to the other assets of the unit pro-rata on the basis of the carrying amount of each asset in the unit. Any impairment loss recognised for goodwill is not reversed in a subsequent period.

b. Software

The Company's software comprises of tracking devices and computer software. Acquired softwares are capitalised on the basis of the costs incurred to acquire and bring to use the specific software when their values can be reasonably determined and economic benefits will accrue to the Company. Software is stated at cost less amortisation and impairment losses.

Subsequent expenditure

Subsequent expenditure is capitalized only when it increases the future economic benefits embodied in the specific asset to which it relates. Costs associated with maintaining computer software programmes are recognized as expenses when incurred.

Amortisation

Softwares are amortised over the useful economic life estimated as the period over which the assets will be used by the Company. The amortisation period and the amortisation method are reviewed at least at the end of each reporting period. Changes in the expected useful life or the expected pattern of consumption of future economic benefits embodied in the asset are considered to modify the amortisation period or method, as appropriate, and are treated as changes in accounting estimates. Amortisation rate for intangible asset is as follows:

Tracking device 20%

Computer software 33%

Derecognition of intangible assets

An intangible asset is derecognised on disposal, or when no future economic benefits are expected from its use. Gains or losses arising from derecognition of an intangible asset, measured as the difference between the net disposal proceeds and the carrying amount of the asset are recognised in profit or loss.

2.7 Business combinations

The Company applies IFRS 3 Business Combinations (revised) in accounting for business combinations. Business combinations are accounted for using the acquisition method as at the acquisition date, which is the date on which control is transferred to the Company.

The Company recognises goodwill as of the acquisition date measured as the excess of:

a. the fair value of the consideration transferred; over
b. the net of the acquisition date amounts of the identifiable assets acquired and liabilities assumed.

When the amount in (b) exceeds the amount in (a), a gain from a bargain purchase is recognised immediately in profit or loss on the acquisition date. The consideration transferred does not include amounts related to the settlement of preexisting relationships. Such amounts are generally recognised in profit or loss. Transactions costs related to the acquisition, other than those associated with the issue of debt or equity securities, that the Company incurs in connection with a business combination are expensed as incurred.

2.8 Property, plant and equipment

The Company's property, plant and equipment comprise leasehold improvement, plant and machinery, office equipment, furniture and fittings and motor vehicles.

Recognition and measurement

All categories of property, plant and equipment are initially recognised using the cost model and stated at their purchase cost including any costs directly attributable to bringing the asset into operation when the following conditions are met:

- their values can be reasonably determined;
- the economic benefit will accrue to the Company. Motor vehicles are measured at fair value less accumulated depreciation and impairment losses recognised after the date of revaluation. Valuations are performed with sufficient frequency to ensure that the carrying amount of a revalued asset does not differ materially from its fair value.

A revaluation surplus is recorded in OCI and credited to the asset revaluation surplus in equity. However, to the extent that it reverses a revaluation deficit of the same asset previously recognised in profit or loss, the increase is recognised in profit and loss. A revaluation deficit is recognised in the statement of profit or loss, except to the extent that it offsets an existing surplus on the same asset recognised in the asset revaluation surplus.

An annual transfer from the asset revaluation surplus to retained earnings is made for the difference between depreciation based on the revalued carrying amount of the asset and depreciation based on the asset's original cost. Additionally, accumulated depreciation as at the revaluation date is eliminated against the gross carrying amount of the asset and the net amount is restated to the revalued amount of the asset. Upon disposal, any revaluation surplus relating to the particular asset being sold is transferred to retained earnings.

Subsequent costs

The cost of replacing part of an item of property, plant and equipment is recognized in the carrying amount of the item if it is probable that the future economic benefits embodied within the part will flow to the Company and its cost can be measured reliably. The carrying amount of the replaced part is derecognized. The costs of ordinary day-to-day servicing and maintenance of property and equipment are recognised in profit or loss as incurred.

Depreciation

The depreciable amount of an asset is its cost less the estimated residual value at the end of its useful life, if this is significant and can be reasonably determined.

Depreciation begins when an asset is available for use and ceases at the earlier of the date that the asset is derecognised. Depreciation is recognised in profit or loss on a straight line basis to write down the cost of each asset, to their residual values over the estimated useful lives of each part of an item of property, plant and equipment. The annual rates are as follows:

Plant and machinery	20%
Furniture and fittings	20%
Motor vehicles	25%
Office equipment	20%
Motor vehicles - Operating lease	25%

The assets' residual values, useful lives and method of depreciation are reviewed, and adjusted for prospectively if appropriate, at the end of each reporting period.

De-recognition

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

2.9 Impairment of non-financial assets

The Company assesses at each end of the reporting period whether there is any indication that an asset may be impaired. If any such indication exists, the Company estimates the recoverable amount of the asset.

Irrespective of whether there is any indication of impairment, the Company also:

- tests intangible assets with an indefinite useful life or intangible assets not yet available for use for impairment annually by comparing its carrying amount with its recoverable amount. This impairment test is performed during the annual period and at the same time every period.
- tests goodwill acquired in a business combination for impairment annually. If there is any indication that an asset may be impaired, the recoverable amount is estimated for the individual asset. If it is not possible to estimate the recoverable amount of the individual asset, the recoverable amount of the cash-generating unit to which the asset belongs is determined.

The recoverable amount of an asset or a cash-generating unit is the higher of its fair value less costs to sell and its value in use. If the recoverable amount of an asset is less than its carrying amount, the carrying amount of the asset is reduced to its recoverable amount. That reduction is an impairment loss.

An impairment loss of assets carried at cost less any accumulated depreciation or amortisation is recognised immediately in profit or loss. Any impairment loss of a revalued asset is treated as a revaluation decrease. An entity assesses at each reporting date whether there is any indication that an impairment loss recognised in prior periods for assets other than goodwill may no longer exist or may have decreased. If any such indication exists, the recoverable amounts of those assets are estimated.

The increased carrying amount of an asset other than goodwill attributable to a reversal of an impairment loss does not exceed the carrying amount that would have been determined had no impairment loss been recognised for the asset in prior periods.

A reversal of an impairment loss of assets carried at cost less accumulated depreciation or amortisation other than goodwill is recognised immediately in profit or loss. Any reversal of an impairment loss of a revalued asset is treated as a revaluation increase.

2.10 Provisions

Provisions are liabilities that are uncertain in amount and timing. Provisions are recognised when the Company has a present obligation (legal or constructive) as a result of a past event and it is probable that an outflow of resources embodying economic benefits will be required to settle the obligation and a reliable estimate can be made of the amount of the obligation.

Where there are a number of similar obligations, the likelihood that an outflow will be required in settlement is determined by considering the class of obligation as a whole. A provision is recognised even if the likelihood of an outflow with respect to any one item included in the same class of obligations may be small. If the effect of the time value of money is material, provisions are discounted using a current pre-tax rate that reflects current market assessments of the time value of money and the risks specific to the liability. When discounting is used, the increase in the provision due to the passage of time is recognised as a finance cost.

When the Company expects some or all of a provision to be reimbursed, the reimbursement is recognised as a separate asset,Z but only when the reimbursement is virtually certain. The expense relating to a provision is presented in the statement of profit or loss net of any reimbursement.

2.11 Employee benefits

Short-term benefits

Short-term employee benefit obligations are measured on an undiscounted basis and are expensed as the related service is provided.

A provision is recognised for the amount expected to be paid under short-term cash, bonus or profit- sharing plans if the Company has a present legal or constructive obligation to pay this amount as a result of past service provided by the employee and the obligation can be estimated reliably.

Post-employment benefit

Defined contribution plan

The Company operates a defined contribution plan in accordance with the provisions of the Pension Reform Act. The contribution of the employee and employer is 8% and 10% of the qualifying monthly emoluments (i.e. basic, housing and transport) of employees respectively.

The Company's obligations for contributions to the plan are recognised as an expense in profit or loss when they are due.

2.12 Taxation

Income tax expense comprises current and deferred tax. Income tax expense is recognised in profit or loss except to the extent that results of transactions relate to items recognised directly in equity, in which case it is recognised in equity. Current income tax is calculated on the basis of estimated taxable income for the year using tax rates enacted or substantively enacted at the reporting date, and any adjustment to tax recoverable or payable in respect of previous years.

A deferred tax asset is recognised for the carry forward of unused tax losses and unused tax credits to the extent that it is probable that future taxable profit will be available against which the unused tax losses and unused tax credits can be utilised.

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

2.13 Share capital and reserves

Share capital

The issued ordinary shares of the Company are classified as equity instruments. Incremental costs directly attributable to the issue of an equity instrument are shown in equity as a deduction, net of tax, from the proceeds.

Share premium

Premiums from the issue of shares are reported in share premium.

Fair value reserve

The reserve includes the net cumulative change in the fair value of investments measured at fair value through OCI.

Dividends

Dividends on ordinary shares are recognised in equity in the period in which they are approved by the Company's shareholders. Dividends for the period that are declared after the reporting date are disclosed in the financial statements as a non-adjusting event.

2.14 Financial instruments

Definition

A financial instrument is any contract that gives rise to a financial asset of one entity and a financial liability or equity instrument of another entity. A financial asset or liability is recognised when the Company becomes a party to the contractual provisions of the instrument.

Financial assets

Initial recognition and measurement

Financial assets are initially measured at fair value. Transaction costs that are directly attributable to the acquisition of financial assets (other than financial assets at fair value through profit or loss) are added to the fair value of the financial assets, as appropriate, on initial recognition. Transaction costs directly attributable to the acquisition of financial assets at fair value through profit or loss are recognised immediately in profit or loss.

The classification of financial assets at initial recognition depends on the financial asset's contractual cash flow characteristics and the Company's business model for managing them. In order for a financial asset to be classified and measured at amortised cost or fair value through OCI, it needs to give rise to cash flows that are 'solely payments of principal and interest (SPPI)' on the principal amount outstanding. This assessment is referred to as the SPPI test and is performed at an instrument level.

In order for a financial asset to be classified and measured at amortised cost or fair value through OCI, it needs to give rise to cash flows that are 'solely payments of principal and interest (SPPI)' on the principal amount outstanding. This assessment is referred to as the SPPI test and is performed at an instrument level.

The Company's business model for managing financial assets refers to how it manages its financial assets in order to generate cash flows. The business model determines whether cash flows will result from collecting contractual cash flows, selling the financial assets, or both.

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

Subsequent measurement

For purposes of subsequent measurement, financial assets are classified in three categories:

- Financial assets at amortised cost (loans and receivables and debt instruments).
- Financial assets designated at fair value through OCI with no recycling of cumulative gains and losses upon derecognition (equity instruments).
- Financial assets at fair value through profit or loss.

Financial assets at amortised cost (loans and receivables and debt instruments)

The Company measures financial assets at amortised cost if both of the following conditions are met:

- The financial asset is held within a business model with the objective to hold financial assets in order to collect contractual cash flows; and
- The contractual terms of the financial asset give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding.

Financial assets at fair value through OCI (debt instruments)

The Company measures debt instruments at fair value through OCI if both of the following conditions are met:

- The financial asset is held within a business model with the objective of both holding to collect contractual cash flows and selling; and
- The contractual terms of the financial asset give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding.

For debt instruments at fair value through OCI, interest income, foreign exchange revaluation and impairment losses or reversals are recognised in the statement of profit or loss and computed in the same manner as for financial assets measured at amortised cost. The remaining fair value changes are recognised in OCI. Upon derecognition, the cumulative fair value change recognised in OCI is recycled to profit or loss.

Financial assets designated at fair value through OCI (equity instruments)

Upon initial recognition, the Company can elect to classify irrevocably its equity investments as equity instruments designated at fair value through OCI when they meet the definition of equity under IAS 32 Financial Instruments: Presentation and are not held for trading. The classification is determined on an instrument-by instrument basis.

Gains and losses on these financial assets are never recycled to profit or loss. Dividends are recognised as other income in the statement of profit or loss when the right of payment has been established, except when the Company benefits from such proceeds as a recovery of part of the cost of the financial asset, in which case, such gains are recorded in OCI. Equity instruments designated at fair value through OCI are not subject to impairment assessment.

Financial assets at fair value through profit or loss

Financial assets at fair value through profit or loss include financial assets held for trading, financial assets designated upon initial recognition at fair value through profit or loss, or financial assets mandatorily required to be measured at fair value.

Financial assets are classified as held for trading if they are acquired for the purpose of selling or repurchasing in the near term. Financial assets with cash flows that are not solely payments of principal and interest are classified and measured at fair value through profit or loss, irrespective of the business model. Notwithstanding the criteria for debt instruments to be classified at amortised cost or at fair value through OCI, as described above, debt instruments may be designated at fair value through profit or loss on initial recognition if doing so eliminates, or significantly reduces, an accounting mismatch.

Financial assets at fair value through profit or loss are carried in the statement of financial position at fair value with net changes in fair value recognised in the statement of profit or loss.

Financial assets are reclassified when and only when the business model for managing those assets changes. The reclassification takes effect from the start of the first reporting period following the change. Such changes are expected to be very infrequent and none occurred during the period.

The Company did not have any financial instruments at profit or loss during the year ended 31 December 2022.

Trade and other receivables

Most sales are made on the basis of normal credit terms, and the receivables do not bear interest. Where credit is extended beyond normal credit terms, receivables are measured at amortised cost using the effective interest rate method, less provision for impairment.

Collection of trade receivable is expected in one year or less, they are therefore classified as current assets.

Derecognition

A financial asset (or, where applicable, a part of a financial asset or part of a Group of similar financial assets) is primarily derecognised (i.e., removed from the Company's statement of financial position) when:

- The rights to receive cash flows from the asset have expired, or
- The Company has transferred its rights to receive cash flows from the asset or has assumed an obligation to pay the received cash flows in full without material delay to a third party under a 'pass-through' arrangement; and either

(a) The Company has transferred substantially all the risks and rewards of the asset, or
(b) The Company has neither transferred nor retained substantially all the risks and rewards of the asset, but has transferred control of the asset.

When the Company has transferred its rights to receive cash flows from an asset or has entered into a pass through arrangement, it evaluates if, and to what extent, it has retained the risks and rewards of ownership. When it has neither transferred nor retained substantially all of the risks and rewards of the asset, nor transferred control of the asset, the Company continues to recognise the transferred asset to the extent of its continuing involvement. In that case, the Company also recognises an associated liability. The transferred asset and the associated liability are measured on a basis that reflects the rights and obligations that the Company has retained.

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

Impairment offinancial assets

The Company recognises an allowance for expected credit losses (ECLs) for its loans and other receivables. ECLs are based on the difference between the contractual cash flows due in accordance with the contract and all the cash flows that the Company expects to receive, discounted at an approximation of the original effective interest rate. The expected cash flows will include cash flows from the sale of collateral held or other credit enhancements that are integral to the contractual terms. A provision for impairment of loans and receivables is established when there is objective evidence that the Company will not be able to collect all amounts due according to the original terms of the receivables.

The Company considers a financial asset in default when contractual payments are 90 days past due. The Company applies the simplified approach permitted by IFRS 9, which requires expected lifetime losses to be recognised from initial recognition of the financial assets.

Financial liabilities

Initial recognition and measurement

Financial liabilities are classified, at initial recognition, as financial liabilities at fair value through profit or loss, loans and borrowings, or payables, as appropriate.

All financial liabilities are recognised initially at fair value and, in the case of loans and borrowings and payables, net of directly attributable transaction costs. The Company's financial liabilities include borrowings (including bank overdraft), commercial notes, trade and other payables.

Subsequent measurement

The subsequent measurement of financial liabilities depends on their classification, as described below:

Financial liabilities at fair value through profit or loss

Financial liabilities at fair value through profit or loss include financial liabilities held for trading and financial liabilities designated upon initial recognition as at fair value through profit or loss.

Atiat

Keep your business on

TRACK

with a well structured business loan

Financial liabilities are classified as held for trading if they are incurred for the purpose of repurchasing in the near term.

Gains or losses on liabilities held for trading are recognised in the statement of profit or loss. Financial liabilities designated upon initial recognition at fair value through profit or loss are designated at the initial date of recognition, and only if the criteria in IFRS 9 are satisfied.

The Company has not designated any financial liability as at fair value through profit or loss.

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

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

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

Offsetting offinancial instruments
Financial assets and financial liabilities are offset and the net amount is reported in the statement of financial position when and only when there is a currently enforceable legal right to offset the recognised amounts and there is an intention to settle on a net basis, to realise the assets and settle the liabilities simultaneously.

2.15 Revenue recognition
Revenue is recognised by:

- Identifying the contract with a customer: A contract is defined as an agreement between two or more parties that creates enforceable rights and obligations and sets out the criteria for each of those rights and obligations.
- Identifying the performance obligations in the contract: A performance obligation in a contract is a promise to transfer a good or service to the customer.
- Determining the transaction price: Transaction price is the amount of consideration which the Company expects to be entitled to in exchange for transferring the promised goods and services to a customer, excluding amounts collected on behalf of third parties.
- Allocating the transaction price to the performance obligations in the contract: For a contract that has more than one performance obligation, the Company will allocate the transaction price to each performance obligation in an amount that depicts the consideration to which the Company expects to be entitled in exchange for satisfying each performance obligation.
- Recognising revenue as and when the Company satisfies a performance obligation.

The specific recognition criteria described below must be met before revenue is recognized.

Rental income

Rental income arising from operating leases is accounted for on a straight-line basis over the lease terms and is included in revenue in the statement of profit or loss due to its operating nature.

Interest income

Interest income is recognised as it accrues, using the effective interest method, that is, the rate that exactly discounts estimated future cash receipts through the expected life of the financial instrument.

Rendering of services

The Company outsources personnel to various organisations. Income from outsourcing of personnel is recognised when service has been rendered to the organisation concerned.

Dividends

Dividends are recognised when the Company's right to receive the payment is established, which is usually when shareholders approve the dividend.

2.16 Expense recognition

Operating expenses

Operating expenses are recognised in the statement of comprehensive income on an accrual basis.

Expenses are decreases in economic benefits during the accounting period in the form of outflows, depletion of assets or incurrence of liabilities that result in decrease in equity, other than those relating to distributions to equity participants.

Expenses are recognised on an accrual bases regardless of the time of spending cash. Expenses are recognized in the income statement when a decrease in future economic benefit related to a decrease in an assets or an increase of a liability has arisen that can be measured reliably. Expenses are measured at historical cost.

Only the portion of cost of a previous period that is related to the income earned during the reporting period is recognized as an expense. Expenses that are not related to the income earned during the reporting period, but expected to generate future economic benefits, are recorded in the financial statements as assets. The portion of assets which is intended for earning income in the future periods shall be recognized as an expense when the associated income is earned.

Expenses are recognized in the same reporting period when they are incurred in cases when it is not probable to directly relate them to particular income earned during the current reporting period and when they are not expected to generate any income during the coming years.

2.17 Earnings per share

The Company presents basic and diluted earnings per share (EPS) for its ordinary shares. Basic EPS is calculated by dividing the profit or loss attributable to ordinary shareholders of the Company by the weighted average number of ordinary shares outstanding during the period. Where there are shares that could potentially affect the numbers of shares issued, those shares are considered in calculating the diluted earnings per share. There are currently no shares that could potentially dilute the total issued shares.

ourcar

YOUR SATISFACTION...OUR PROMISE

We have the right car

at right prices for you

3. NEW STANDARDS AND INTERPRETATIONS

3.1 Standards and interpretations effective and adopted in the current year In the current year, the Company has adopted the following standards and interpretations that are effective for the current financial year and that are relevant to its operations:

3.1.1 Annual Improvement to IFRS Standards 2018-2020: Amendments to IFRS 1

A subsidiary that uses the cumulative translation differences exemption, may elect in its financial statements, to measure cumulative translation differences for all foreign operations at the carrying amount that would be included in the parent's consolidated financial statements, based on the parent's date of transition to IFRS if no adjustments were made for consolidation procedures and for the effects of the business combination in which the parent acquired the subsidiary.

The effective date of the amendment is for years beginning on or after 1 January 2022. The Company has adopted the amendment for the first time in the 2022 financial statements. The impact of the amendment is not material.

3.1.2 Reference to the Conceptual Framework: Amendments to IFRS 3

The amendment makes reference to the Conceptual Framework for Financial Reporting issued in 2018 rather than to the IASC's Framework for the Preparation and Presentation of Financial Statements. The amendment specifically points to the treatment of liabilities and contingent liabilities acquired as part of a business combination, and which are in the scope of IAS 37 The effective date of the amendment is for years beginning on or after 1 January 2022. The Company has adopted the amendment for the first time in the 2022 financial statements.

The impact of the amendment is not material.

3.1.3 Annual Improvement to IFRS Standards 2018-2020: Amendments to IFRS 9

The amendment concerns fees in the '10 per cent' test for derecognition of financial liabilities. Accordingly, in determining the relevant fees, only fees paid or received between the borrower and the lender are to be included.

The effective date of the amendment is for years beginning on or after 1 January 2022. The Company has adopted the amendment for the first time in the 2022 financial statements.

The impact of the amendment is not material.

3.1.4 Property, Plant and Equipment: Proceeds before Intended Use: Amendments to IAS 16

The amendment relates to examples of items which are included in the cost of an item of property, plant and equipment. Prior to the amendment, the costs of testing whether the asset is functioning properly were included in the cost of the asset after deducting the net proceeds of selling any items which were produced during the test phase. The amendment now requires that any such proceeds and the cost of those items must be included in profit or loss in accordance with the related standards. Disclosure of such amounts in now specifically required.

The effective date of the amendment is for years beginning on or after 1 January 2022. The Company has adopted the amendment for the first time in the 2022 financial statements. The impact of the amendment is not material.

Provisions, Continent Liabilities and Contingent Assets or IFRIC 21 Levies. It clarifies that the requirements of IAS 37 or IFRIC 21 should be applied to provisions, contingent liabilities or levies to determine if a present obligation exists at the Acquisition date. The amendment further clarifies that contingent assets of acquirees share not be recognised as part of the business combination.

3.1.5 Onerous Contracts - Cost of Fulfilling a Contract: Amendments to IAS 37

The amendment defined the costs that are included in the cost of fulfilling a contract when determining the amount recognised as an onerous contract. It specifies that the cost of fulfilling a contract comprises the costs that relate directly to the contract. These are both the incremental costs of fulfilling the contract as well as an allocation of other costs that relate directly to fulfilling contracts (for example depreciation allocation).

The effective date of the amendment is for years beginning on or after 1 January 2022. The Company has adopted the amendment for the first time in the 2022 financial statements.

The impact of the amendment is not material.

3.1.6 Annual Improvement to IFRS Standards 2018-2020: Amendments to IAS 41

"Taxation" has been removed from the list of cash flows excluded from the fair value determination of biological assets.

The effective date of the amendment is for years beginning on or after 1 January 2022. The Company has adopted the amendment for the first time in the 2022 financial statements.

The impact of the amendment is not material.

3.2 Standards and interpretations not yet effective

The Company has chosen not to early adopt the following standards and interpretations, which have been published and are mandatory for the Company's accounting periods beginning on or after 1 January 2023 or later periods:

3.2.1 Amendments to IFRS 10 and IAS 28: Sale or Contribution of Assets between an Investor and its Associate or Joint Venture

If a parent loses control of a subsidiary which does not contain a business, as a result of a transaction with an associate or joint venture, then the gain or loss on the loss of control is recognised in the parents' profit or loss only to the extent of the unrelated investors' interest in the associate or joint venture. The remaining gain or loss is eliminated against the carrying amount of the investment in the associate or joint venture. The same treatment is followed for the measurement to fair value of any remaining investment which is itself an associate or joint venture. If the remaining investment is accounted for in terms of IFRS 9, then the measurement to fair value of that interest is recognised in full in the parents' profit or loss. The effective date of the amendment is to be determined by the IASB.

The impact of this amendment is currently being assessed.

3.2.2 Lease liability in a sale and leaseback

The amendment requires that a seller-lessee in a sale and leaseback transaction, shall determine 'lease payments' or 'revised lease payments' in a way that the seller-lessee would not recognise any amount of the gain or loss that relates to the right of use retained by the seller-lessee.

The effective date of the amendment is for years beginning on or after 1 January 2024. The impact of this amendment is currently being assessed.

3.2.3 Initial application of IFRS 17 and IFRS 9 - Comparative information

A narrow-scope amendment to the transition requirements of IFRS 17 for entities that first apply IFRS 17 and IFRS 9 at the same time. The amendment regards financial assets for which comparative information is presented on initial application of IFRS 17 and IFRS 9, but where this information has not been restated for IFRS 9. Under the amendment, an entity is permitted to present comparative information about a financial asset as if the classification and measurement requirements of IFRS 9 had been applied to that financial asset before.

The option is available on an instrument-by-instrument basis. In applying the classification overlay to a financial asset, an entity is not required to apply the impairment requirements of IFRS 9.

The effective date of the amendment is for years beginning on or after 1 January 2023. The impact of this amendment is currently being assessed.

3.2.4 Deferred tax related to assets and liabilities arising from a single transaction-Amendments to IAS 12

The amendment adds an additional requirement for transactions which will not give rise to the recognition of a deferred tax asset or liability on initial recognition. Previously, deferred tax would not be recognised on the initial recognition of an asset or liability in a transaction which is not a business combination and at the time of the transaction affects neither accounting profit or loss. The additional requirement provides that the transaction, at the time of the transaction must not give rise to equal taxable and deductible temporary differences.

The effective date of the amendment is for years beginning on or after 1 January 2023. The impact of this amendment is currently being assessed.

3.2.5 Disclosure of accounting policies: Amendments to IAS 1 and IFRS Practice Statement 2.

IAS 1 was amended to require that only material accounting policy information shall be disclosed in the audited financial statements. The amendment will not result in changes to measurement or recognition of financial statement items, but management will undergo a review of accounting policies to ensure that only material accounting policy information is disclosed.

The effective date of the amendment is for years beginning on or after 1 January 2023. The impact of this amendment is currently being assessed.

3.2.6 Definition of accounting estimates: Amendments to IAS 8

The definition of accounting estimates was amended so that accounting estimates are now defined as "monetary amounts in audited financial statements that are subject to measurement uncertainty."

The definition of accounting estimates was amended so that accounting estimates are now defined as "monetary amounts in audited financial statements that are subject to measurement uncertainty."

The effective date of the amendment is for years beginning on or after 1 January 2023. The impact of this amendment is currently being assessed.

3.2.7 Classification of Liabilities as Current or Non-Current - Amendment to IAS 1

The amendment changes the requirements to classify a liability as current or non-current. If an entity has the right at the end of the reporting period, to defer settlement of a liability for at least twelve months after the reporting period, then the liability is classified as noncurrent.

If this right is subject to conditions imposed on the entity, then the right only exists, if, at the end of the reporting period, the entity has complied with those conditions. In addition, the classification is not affected by the likelihood that the entity will exercise its right to defer settlement. Therefore, if the right exists, the liability is classified as noncurrent even if management intends or expects to settle the liability within twelve months of the reporting period. Additional disclosures would be required in such circumstances.

The effective date of the amendment is for years beginning on or after 1 January 2023. The impact of this amendment is currently being assessed.

3.2.8 IFRS 17 Insurance Contracts

The IFRS establishes the principles for the recognition, measurement, presentation and disclosure of insurance contracts issued.

The effective date of the standard is for years beginning on or after 1 January 2023. The impact of this standard is currently being assessed.

4. FAIR VALUE MEASUREMENT

Fair value is defined as the price that would be received to sell an asset or paid to transfer a liability (i.e. the 'exit price') in an orderly transaction that is not a forced sale, liquidation sale or a distressed sale between market participants at the measurement date. Fair value is determined based on market conditions at the measurement date and the assumptions that market participants would use (i.e. it is a market-based measurement). Fair value measurement assumes the transaction to sell the asset or transfer the liability occurs in a principal market or, in the absence of a principal market, in the most advantageous market to which the entity has access. It does not consider an entity's intent to sell the asset or transfer the liability. Fair value measurements of non-financial assets take into account a market participant's ability to generate economic benefits by using the asset in its highest and best use or by selling it to another market participant that would use the asset in its highest and best use.

The highest and best use is determined from the perspective of market participants, even if the entity intends a different use. An entity's current use of a nonfinancial asset is presumed to be its highest and best use unless market or other factors suggest that a different use by market participants would maximise the value of the asset.

The Company uses valuation techniques that are appropriate in the circumstances and for which sufficient data are available to measure fair value, maximising the use of relevant observable inputs and minimising the use of unobservable inputs significant to the fair value measurement as a whole

- Level 1 - Quoted (unadjusted) market prices in active markets for identical assets or liabilities.
- Level 2 - Valuation techniques for which the lowest level input that is significant to the fair value measurement is directly or indirectly observable.
- Level 3 - Valuation techniques for which the lowest level input that is significant to the fair value measurement is unobservable.

5. FINANCIAL RISK MANAGEMENT

The primary objective of the Company's risk management framework is to protect the Company's stakeholders from events that hinder the sustainable achievement of financial performance objectives, including failing to exploit opportunities. Management recognises the critical importance of having efficient and effective risk management systems in place.

The Company has established a risk management function with clear terms of reference from the Board of Directors and the executive management committees. This is supplemented with a clear organizational structure with documented delegated authorities and responsibilities from the Board of Directors to executive management committees and senior managers.

The Company's principal significant risks are assessed and mitigated under three broad headings:

Strategic risks - This specifically focuses on the economic environment, the products offered and market. The strategic risks arise from a Company's inability to make appropriate decisions or implement appropriate business plans, strategies, decision making, resource allocation and its inability to adapt to changes in its business environment.

Operational risks - These are risks associated with inadequate or failed internal processes, people and systems, or from external events.

Financial risks - Risk associated with the financial operation of the Company including appropriate pricing of plans, provider payments, operational expenses, capital management, investments, liquidity and credit.

The Board of Directors approves the Company's risk management policies and meets regularly to approve any commercial and organizational requirements of such policies.

These policies define the Company's identification of risk and its interpretation, limit structure to ensure the appropriate quality and diversification of assets; and alignment to the corporate goals.

5.1 STRATEGIC RISK

Capital management policies, objectives and approach

The following capital management objectives, policies and approach to managing the risks which affect the capital position are adopted by the Company.

- to maintain the required level of financial stability thereby providing a degree of security to clients,

- to allocate capital efficiently and support the development of business by ensuring that returns on capital employed meet the requirements of its capital providers and of its shareholders,
- to retain financial flexibility by maintaining strong liquidity,
- to align the profile of assets and liabilities taking account of risks inherent in the business and requirements of its capital providers and shareholders, and
- to maintain financial strength to support new business growth and to satisfy the requirements of the stakeholders.

5.2 Operational risk

Operational risk is the risk of direct or indirect loss arising from a wide variety of causes associated with the Company's processes, personnel, technology and infrastructure, and from external factors. Others are legal and regulatory requirements and generally accepted standards of corporate behavior. Operational risks arise from all of the Company's operations.

The Company's objective is to manage operational risk so as to balance the avoidance of financial losses and damage to the Company's reputation with overall cost effectiveness and to avoid control procedures that restrict initiative and creativity.

The primary responsibility for the development and implementation of controls to address operational risk is assigned to senior management within each unit. This responsibility is supported by the development of operational standards for the management of operational risk in the following areas:

- requirements for appropriate segregation of duties, including independent authorization of transactions,
- requirements for the reconciliation and monitoring of transactions,
- compliance with regulatory and other legal requirements,
- documentation of controls and procedures,
- training and professional development,
- ethical and business standards.

5.3 Financial risk

The Company's operations expose it to a number of financial risks. Adequate risk management procedures have been established to protect the Company against the potential adverse effects of these financial risks. There has been no material change in these financial risks since the prior year. The following are the risks the Company is exposed to due to financial instruments:

- Credit risk;
- Liquidity risk; and
- Market risk (currency risk, interest rate risk and price risk).

5.3.1 Credit risk

Credit risks arise from a customer's delay or outright default of lease rentals; inability to fully meet contractual obligations by customers. Exposure to this risk results from financial transactions with customers.

Credits are given only for short-term cycle backed with adequate collateral cover. A successful credit must pass through relevant approval stages set out by management.

The Company has policies in place to mitigate its credit risks. The Company's risk management policy sets out the assessment and determination of what constitutes credit risk for the Company. Compliance with the policy is monitored and exposures and breaches are reported to the Company's management. The policy is regularly reviewed for pertinence and for changes in the risk environment.

The carrying amount of the Company's loans and receivables represents the maximum exposure to credit risk.

Credit-impairedfinancial asset:
When a financial asset has been deemed credit impaired, lifetime expected credit losses thereon are determined based on the historical loss rate of the ageing bracket of the financial asset class.

When a credit financial asset is impaired, accrual of interest income on the financial asset is suspended until recoveries are made. A credit-impaired financial asset and the related allowance for credit losses are written off fully when it is apparent that prospect of recovery has become unrealistic. For a collateralized credit, the net proceeds from the disposal of the collateral are applied indetermining the amount to be written off.

Exposure to credit risk
The carrying amount of financial assets represents the maximum credit exposure. The maximum exposure to credit risk at the end of the reporting year was as follows:

31 December 2022	Note	Gross amount N'000	Impairment allowance N'000	Carrying amount N'000
Cash and cash equivalents	19	1,075,636	-	1,075,636
Loans and receivables	20	15,560,696	(1,165,995)	14,394,701
Investment securities	20	524,767	(47,087)	477,680
Other assets	21	700,812	(20,000)	680,812
		17,861,911	(1,233,082)	16,628,829

31 December 2021	Note	Gross amount N'000	Impairment allowance N'000	Carrying amount N'000
Cash and cash equivalents	19	349,391	-	349,391
Loans and receivables	20	3,871,295	(141,656)	3,729,639
Investment securities	20	56,695	(47,087)	9,608
Other assets	21	599,253	-	599,253
		4,876,634	(188,743)	4,687,891

5.3.2 Liquidity risk
The Company defines liquidity risk as the risk that the Company either does not have sufficient financial resources available to meet all its obligations and commitments as they fall due, or can access them only at excessive cost.

Liquidity risk management is governed by the Board. The Board is responsible for the provision of authorities, policies and procedures.

NOTES TO THE FINANCIAL STATEMENTS -Cont'd
For The Year Ended 31 December 2022

The Company maintains sufficient amount of cash for its operations. Management reviews cash flow forecasts on a regular basis to determine whether the Company has sufficient cash to meet future working capital requirements and to take advantage of business opportunities. A substantial portion of the Company's assets are funded by borrowings from other corporate organisation and individuals. These borrowings, which are widely diversified by type and maturity, represent a stable source of funds.

Below is the contractual maturity of financial instruments presented in the financial statements. The amounts disclosed are the contractual undiscounted cash flows.

31 December 2022	Note	1-6 months N'000	7-12 months N'000	Over one year N'000	Contractual cashflows N'000	Carrying amount N'000
Financial liabilities						
Commercial notes	26	6,960,631	3,913,942	2,982	10,877,555	10,877,555
Borrowing	27	4,210,423	105,344	-	4,315,767	4,315,767
Other financial liabilities	28	422,389	528,788	-	951,177	472,283
		11,593,443	4,548,074	2,982	16,144,499	15,665,605
Financial assets						
Cash and cash equivalents	19	1,075,636	-	-	1,075,636	1,075,636
Loans and receivables	20	14,247,272	437,399	876,025	15,560,696	14,394,701
Investment securities	20	39,506	-	438,174	477,680	477,680
Other assets excluding prepayments	21	235,221	465,591	-	700,812	680,812
		15,597,635	902,990	1,314,199	17,814,824	16,628,829
Net liquidity surplus/(deficit)		4,004,192	(3,645,084)	1,311,217	1,670,325	963,224

31 December 2021	Note	1-6 months N'000	7-12 months N'000	Over one year N'000	Contractual cashflows N'000	Carrying amount N'000
Financial liabilities						
Commercial notes	26	1,917,079	1,565,299	-	3,482,378	3,482,378
Borrowing	27	-	198,422	-	198,422	198,422
Other financial liabilities	28	720,079	-	29,477	749,526	749,526
		2,637,158	1,763,721	29,447	4,430,326	4,430,326
Financial assets						
Cash and cash equivalents	19	349,391	-	-	349,391	349,391
Loans and receivables	20	3,863,706	-	7,589	3,871,295	3,729,639
Investment securities	20	-	-	56,696	56,696	9,608
Other assets excluding prepayments	21	262,433	-	336,820	599,253	599,253
		4,475,530	-	401,105	4,876,635	4,687,891
Net liquidity surplus/(deficit)		1,838,372	(1,763,721)	371,658	446,309	257,565

5.3.3 Market risk

Market risk is the risk that the fair value or future cash flows of financial instrument will fluctuate because of changes in market prices. Market risk is monitored by the Company's management to ensure that the Company is not openly exposed to changes in the interest rates on interest bearing liabilities. Market risk comprises three types of risk: foreign exchange rates (currency risk), market interest rates (interest rate risk) and market prices (price risk).

Currency risk

Currency risk is the risk that the fair value of future cash flows of a financial instrument will fluctuate because of changes in foreign exchange rate. The Company's transactions are denominated in Naira, but it has investments in United States Dollar.

The Company is exposed to currency risk in respect of the following financial assets:

31 December 2022	Note	Total N'000	Naira N'000	USD N'000
Assets				
Cash and cash equivalents	19	1,075,636	956,520	119,116
Investment securities	20	477,680	438,174	39,506
		1,553,316	1,394,694	158,622

31 December 2021	Note	Total N'000	Naira N'000	USD N'000
Assets				
Cash and cash equivalents	19	349,391	339,973	9,418
Investment securities	20	9,608	9,608	-
		358,999	349,581	19,418

Interest rate risk

Interest rate risk is the risk that the value of a financial instrument or cash flows associated with the instrument will fluctuate due to changes in market interest rates. Interest rate risk arises from interest bearing financial assets and liabilities that are used by the Company.

Interest bearing assets comprise cash and cash equivalents and loans to counter parties which are considered short term liquid assets. The Company's interest rate liability risk arises primarily from borrowings issued at variable interest rate which exposes the Company to cash flow interest rate risk. It is the Company's policy to settle trade payables within the credit limit terms allowed, thereby not incurring interest on overdue balances.

Borrowings are sourced from local financial markets, covering short and long term funding. The Company manages interest rate risk on borrowings by ensuring access to diverse sources of funding, reducing risks of refinancing by establishing and managing in accordance with target maturity profiles.

NOTES TO THE FINANCIAL STATEMENTS -Cont'd

For The Year Ended 31 December 2022

31 December 2022	Non-rate sensitive N'000	Rate sensitive N'000	Carrying amount N'000
Assets			
Cash and cash equivalents	320,023	755,613	1,075,636
Loans and receivables	191,940	14,202,761	14,394,701
Investment securities	477,680	-	477,680
Other assets (excluding prepayments)	680,812	-	680,812
Total Financial Assets	1,670,455	14,958,374	16,628,829
Liabilities			
Commercial notes	-	10,877,555	10,877,555
Borrowings	-	4,315,767	4,315,767
Other financial liabilities	472,283	-	472,283
Deposit for shares	478,894	-	478,894
Total Financial Liabilities	951,177	15,193,322	16,144,499

31 December 2022	Non-rate sensitive N'000	Rate sensitive N'000	Carrying amount N'000
Assets			
Cash and cash equivalents	130,296	219,095	349,391
Loans and receivables	94,521	3,635,118	3,729,639
Investment securities	9,608	-	9,608
Other assets (excluding prepayments)	599,253	-	599,253
Total Financial Assets	833,678	3,854,213	4,687,891
Liabilities			
Commercial notes	-	3,482,378	3,482,378
Borrowings	-	198,422	198,422
Other financial liabilities	749,526	-	749,526
Total Financial Liabilities	749,526	3,680,800	4,430,326

31 December 2022	Carrying amount N'000	1 month N'000	Interest maturity period 1-3 months N'000	3-6 months N'000	6-12months N'000	More than 1year N'000
Cash and cash equivalent	755,613	-	4,913	3,518	388,186	358,996
Loans to customers:						
Individual						
Term loan	9,594,189	9,445,414	57,457	8,737	22,915	59,665
Overdraft	1,990,821	40,611	1,009,660	163,331	777,220	-
Corporate						
Term loan	1,874,358	645,237	85,765	90,874	-	1,052,482
Overdraft	743,393	11,487	714,462	17,444	-	-
	14,202,761	10,142,749	1,867,344	280,386	800,135	1,112,147
Total financial assets	14,958,374	10,142,749	1,872,257	283,904	1,188,321	1,471,143
Commercial notes						
Individuals	2,828,646	857,012	1,634,973	127,527	209,134	-
Corporate	8,048,909	4,604,462	1,495,987	469,992	1,475,487	2,982
	10,877,555	5,461,474	3,130,960	597,519	1,684,621	2,982
Borrowings						
Overdraft	4,315,767	4,315,767	-	-	-	-
Total financial liabilities	15,193,322	9,777,241	3,130,960	597,520	1,684,622	2,983
Total interest repricing gap	(234,948)	365,508	(1,258,703)	(313,616)	(496,301)	1,468,160

31 December 2021	Carrying amount N'000	1 month N'000	Interest maturity period 1-3 months N'000	3-6 months N'000	6-12months N'000	More than 1year N'000
Cash and cash equivalent	219,095	212,361	-	6,734	-	130,195
Loans to customers:						
Individual						
Term loan	3,600,905	3,586,109	9,492	117	1,257	3,930
Overdraft	-	-	-	-	-	-
Corporate						
Term loan	34,213	33,487	725	-	-	-
Overdraft	-	-	-	-	-	-
	3,635,118	3,619,596	10,217	117	1,257	3,930
Total financial assets	3,854,213	3,831,957	10,217	6,851	1,257	134,125
Commercial notes						
Individuals	986,148	430,982	189,924	21,888	343,354	-
Corporate	2,496,230	409,262	880,998	30,375	1,175,595	-
	3,482,378	840,244	1,070,922	52,263	1,518,949	-
Borrowings						
Overdraft	198,422	198,422	-	-	-	-
Total financial liabilities	3,680,800	1,038,666	1,070,922	52,263	1,518,949	-
Total interest repricing gap	173,413	2,793,291	(1,060,705)	(45,412)	(1,517,692)	134,125


ENJOY FAST DELIVERY
ANYWHERE WITHIN
LAGOS
Atiat
Atiat
• Fast delivery • Pickups • Grocery Shopping • Erands
Contact us: 08166851546, 07065657697
@atiatdelivery | www.atiatdeliveryservice.com

5.4 Capital management

The Company manages its capital to ensure that it will be able to continue as a going concern while maximising returns to stakeholders. Its approach involves managing assets, liabilities and risks in a coordinated manner. The Company's source of capital during the year was a mix of equity and borrowings.

The Company has the continued support of its parent company, VFD Group Plc. The Company is not subject to externally imposed capital requirements.

	31-Dec-22 N'000	31-Dec-21 N'000
Borrowings	4,315,767	198,422
Commercial notes	10,877,555	3,482,378
Total borrowings	15,193,322	3,680,800
Equity	5,099,096	327,801
Gearing ratio	298 %	1,123 %

5.5 Classification categories of financial assets and financial liabilities

31 December 2022	Cost N'000	Amortised Cost N'000	Fair value Cost through P or L N'000	Fair value through OCI N'000	Total carrying amount N'000
Cash and cash equivalents	320,023	755,613	-	-	1,075,636
Loans and finance lease receivables	-	14,106,188	-	-	14,106,188
Trade receivables	288,513	-	-	-	288,513
Investment securities	-	-	39,506	438,174	477,680
Other assets (excluding prepayments)	680,812	-	-	-	680,812
	1,289,348	14,861,801	39,506	438,174	15,638,829
Commercial notes	-	10,877,555	-	-	10,877,555
Borrowings	-	4,315,767	-	-	4,315,767
Other financial liabilities	472,283	-	-	-	472,283
	472,283	15,193,322	-	-	15,665,605

31 December 2021	Cost N'000	Amortised Cost N'000	Fair value Cost through P or L N'000	Fair value through OCI N'000	Total carrying amount N'000
Cash and cash equivalents	130,246	219,145	-	-	349,391
Loans and finance lease receivables	-	3,552,258	-	-	3,552,258
Trade receivables	177,381	-	-	-	177,381
Investment securities	-	-	-	9,608	9,608
Other assets (excluding prepayments)	599,253	-	-	-	599,253
	906,880	3,771,403	-	9,608	4,687,891
Commercial notes	-	3,482,378	-	-	3,482,378
Borrowings	-	198,422	-	-	198,422
Other financial liabilities	749,526	-	-	-	749,526
	749,526	3,680,800	-	-	4,430,326

		31-Dec-22 N'000	31-Dec-21 N'000
6. Lease income			
Operating lease rental		1,420,579	1,225,082
Car hire income		27,780	41,670
		1,448,359	1,266,752
7. Direct leasing expenses			
Vehicle insurance, security, tracking and registration		23,200	25,569
Vehicle repairs, maintenance and fuelling		456,777	372,964
Drivers' salary	14.1	264,597	209,981
Vehicle hire		11,914	24,840
Project logistics		78,336	69,216
Others		26,040	18,380
		860,864	720,950
8. Interest income			
Interest income on loans		4,560,666	695,300
Interest income on placements		79,876	26,629
		4,640,542	721,929

NOTES TO THE FINANCIAL STATEMENTS -Cont'd
For The Year Ended 31 December 2022

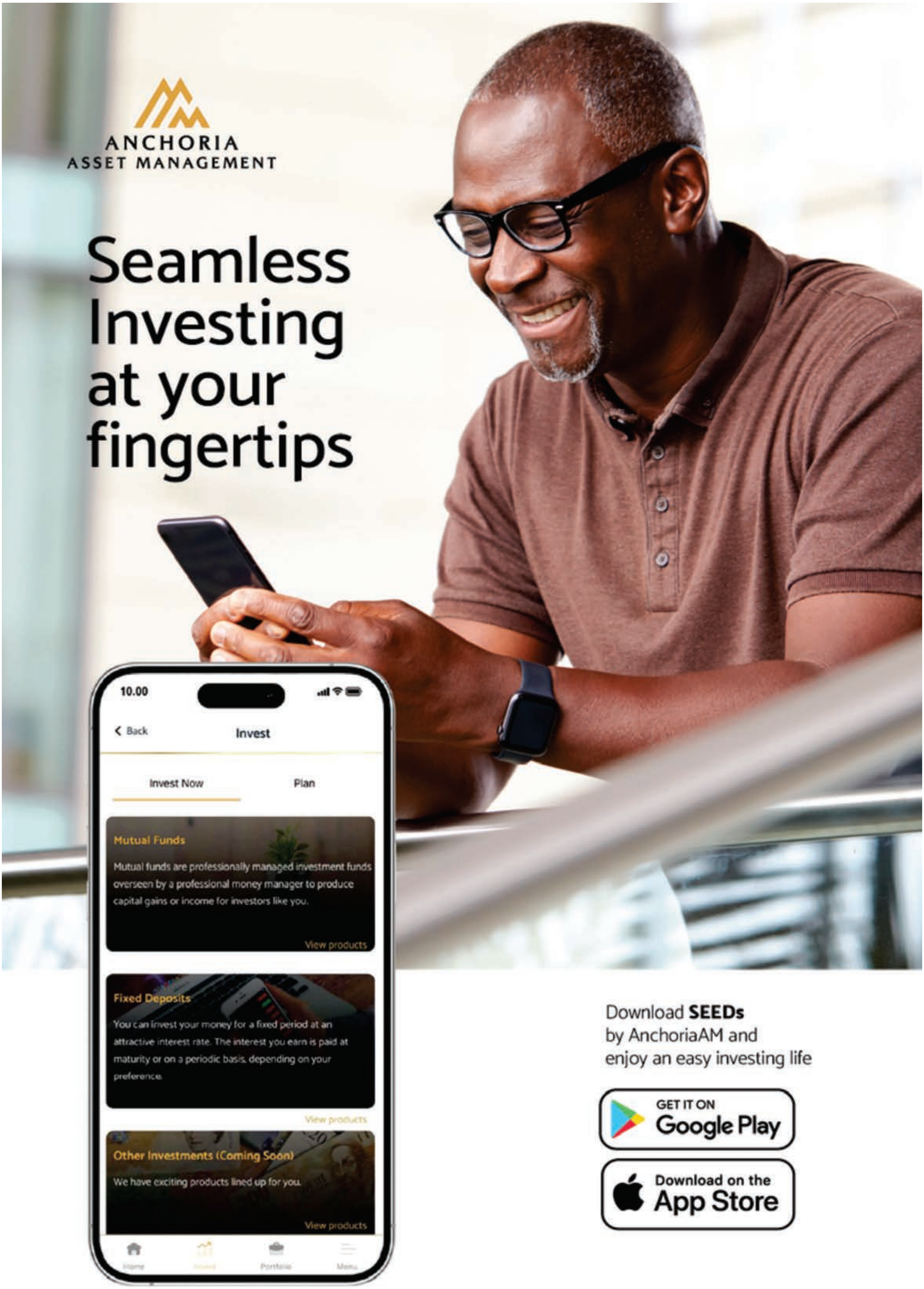
		31-Dec-22 N'000	31-Dec-21 N'000
9. Interest expense			
Interest on commercial notes		1,989,739	214,170
10. Finance cost			
Bank overdraft		515,069	36,997
11. Other income			
Insurance, tracking and registration		3,662	6,168
Outsourcing income		2,399	3,278
Profit on disposal of assets		55,380	18,650
Net fee and commission income		48,886	4,918
Foreign exchange gain		12,375	-
Other income		3,458	23,331
		126,160	56,345
12. Impairment charge			
Analysed as follows			
Financial assets measured at amortised cost	20.1.1	97,708	10,079
Financial assets measured at FVOCI	20.3.2	-	26,291
		97,708	36,370
13. Operating expenses			
Other personnel costs	14.2	438,877	164,775
Auditors' remuneration		10,000	3,666
Bank charges		2,150	1,221
Communications		16,607	8,268
Director related expenses		35,816	26,092
Commission		1,256	6,073
Rent		9,533	6,401
Repairs and maintenance		9,991	19,660
Subscriptions		19,979	9,500
Corporate logistics		39,617	42,407
Legal and professional fees		64,773	4,273
Travel expenses		20,279	2,098
Entertainment		22,579	-
Business development expenses		998,744	511,257
Vehicle hire		-	1,605
Insurance		17,177	8,200

	31-Dec-22 N'000	31-Dec-21 N'000
Printing and stationery	1,358	2,288
Asset written off	-	1,206
IT infrastructure expenses	9,358	-
Motor vehicle expenses	14,124	6,470
Electricity	1,222	481
Other expenses	159,866	8,283
	1,893,306	834,224
14. Personnel expenses		
14.1 Included in direct leasing expenses		
Salaries and allowances	257,968	204,155
Employer's pension contribution	6,629	5,826
Drivers' salary	264,597	209,981
14.2 Included in other operating expenses		
Salaries and allowances	199,334	61,806
Medical and staff training	8,705	21,786
Employer's pension contribution	7,783	3,450
Others	223,055	77,733
Other personnel cost	438,877	164,775
Total personnel expenses		
Included in direct leasing expenses	264,597	209,981
Included in other operating expenses	438,877	164,775
	703,474	374,756

Short term benefits include salaries and allowances, and medical expenses. Post-employment benefits are pension contributions on behalf of employees to Pension Fund Administrators.

14.3 The average number of persons employed during the year is as follows:

	Number	Number
Executive Director	3	1
Management	5	6
Non-management	308	288
	316	295


ANCHORIA
ASSET MANAGEMENT
Seamless Investing at your fingertips
10.00
Back
Invest
Invest Now
Plan
Mutual Funds
Mutual funds are professionally managed investment funds overseen by a professional money manager to produce capital gains or income for investors like you.
View products
Fixed Deposits
You can invest your money for a fixed period at an attractive interest rate. The interest you earn is paid at maturity or on a periodic basis, depending on your preference.
View products
Other Investments (Coming Soon)
We have exciting products lined up for you.
View products
Download SEEDs by AnchoriaAM and enjoy an easy investing life
GET IT ON Google Play
Download on the App Store

14.4 The number of employees of the Company, other than Directors, who received emoluments (excluding pension contributions and other benefits) in the following ranges were:

	Number	Number
N1 - N500,000	150	247
N500,001 - N1,000,000	253	206
N1,500,001 - N2,000,000	14	4
N1,500,001 - N2,000,000	3	2
N2,000,001 - N2,500,000	4	2
N2,500,001 - N3,000,000	4	5
N3,000,001 - N3,500,000	3	1
N3,500,001 - N4,000,000	2	-
Above N4,000,000	7	3
	440	470

15. Directors' remuneration

Remuneration of Directors of the Company is as follows:		
Fees	4,900	2,600
Other benefits	13,237	6,600
Emolument as executive	53,114	26,198
	71,251	35,398
Fees and other emoluments disclosed above include amounts paid to:		
Chairman	3,462	3,600
The highest paid Director	26,167	26,198

The number of Directors who received fees and other emoluments (excluding pension contributions and reimbursable expenses) in the following ranges was:

	Number	Number
N1 - N2,000,000	5	1
N2,000,001 - N4,000,000	3	3
N4,000,001 and above	2	-
	10	4

		31-Dec-22 N'000	31-Dec-21 N'000
16. Depreciation and amortisation			
Operating lease assets	22	162,587	220,527
Property, plant and equipment	23	50,478	9,218
Intangible assets	24	7,721	3,052
		220,786	232,797

		31-Dec-22 N'000	31-Dec-21 N'000
17. Income taxes			
17.1 Recognised in income statement			
Current			
Current income tax		120,557	43,758
Police trust fund		31	-
Education tax		22,679	5,365
		143,267	49,123
Deferred			
Deferred tax assets	31.1	58,241	133,468
Deferred tax liabilities	31.2	35,301	(51,280)
		93,542	82,188
		236,809	131,311

17.2 Current year taxation charge was computed at the applicable rate of 30% of taxable profit (2021: 30%) plus education taxation at 2.5% of assessable profit (2021: 2.5%).

17.3 Reconciliation of tax charge		
Profit/(loss) before income tax	637,589	(30,482)
Tax at the applicable tax rate of 30% (2021 : 30%)	191,277	(9,145)
Tax effect of adjustments on taxable income		
Non-deductible expenses	84,376	73,522
Balancing charge	-	22,299
Education tax	22,679	5,365
Adjustments to deferred tax	93,542	82,188
Police trust fund	31	-
Capital allowance utilised	(155,096)	(42,918)
Income tax reported in the income statement	236,809	131,311

18. Earnings per share

Basic earnings per share (EPS) is calculated by dividing the net profit attributable to shareholders by the weighted average number of ordinary shares in issue during the year.

Profit/(loss) for the year attributable to equity holders of the parent	400,780	(161,793)
Number of shares in issue at the end of the year	600,000	543,636
Weighted average number of ordinary shares in issue	567,108	543,636
Earnings/(loss) per share (kobo)	71	(30)

		31-Dec-22 N'000	31-Dec-21 N'000
19. Cash and cash equivalents			
Cash on hand		938	77
Balances held with banks		319,085	130,169
Short-term deposits		755,613	219,145
		1,075,636	349,391
20. Financial assets			
Financial assets measured at amortised cost	20.1	14,394,701	3,729,639
Financial assets measured at FVTPL	20.2	39,506	-
Financial assets measured at FVOCI	20.3	438,174	9,608
		14,872,381	3,739,247
20.1 Financial assets measured at amortised cost			
Loans and advances		15,264,938	3,666,559
Trade receivables		288,513	177,381
Finance lease receivables		7,245	27,355
		15,560,696	3,871,295
Impairment allowance	20.1.1	(1,165,955)	(141,656)
		14,394,701	3,729,639
20.1.1 Movement in impairment allowance			
Balance, beginning of year		141,656	131,577
On business combination	37	926,631	-
Charge for the year	12	97,708	10,079
Balance, end of year		1,165,995	141,656
20.2 Financial assets measured at FVTPL			
Unquoted investments		39,506	-
20.3 Financial assets measured at FVOCI			
Unquoted equity investments	20.3.1	438,174	9,608
20.3.1 Movement in unquoted equity investments			
Balance, beginning of year		56,695	62,141
On business combination		428,566	-

		31-Dec-22 N'000	31-Dec-21 N'000
Disposal		-	(5,446)
		485,261	56,695
Impairment allowance	20.3.2	(47,087)	(47,087)
Balance, end of year		438,174	9,608
20.3.2 Movement in impairment allowance			
Balance, beginning of year		47,087	20,796
Charge for the year	12	-	26,291
Balance, end of year		47,087	47,087
21. Other assets			
Due from related parties		202,618	209,145
Withholding tax recoverable		426,333	374,166
Other receivables		71,861	15,942
		700,812	599,253
Impairment allowance	21.1	(20,00)	-
		680,812	599,253
Non-financial assets		322,251	31,177
Prepayments		1,003,063	630,430
21.1 Movement in impairment allowance			
Balance, beginning of year		-	-
On business combination		20,000	-
Balance, end of year		20,00	-
Analysis of other assets is as follows:			
Non-current assets		1,003,063	293,610
Current assets		-	336,820
		1,003,063	630,430
22. Operating lease assets - Motor vehicles			
Cost			
Balance, beginning of year		1,185,168	1,260,008
Additions		536,318	-
Disposals		(175,225)	(74,840)
Balance, end of year		1,546,261	1,185,168

	31-Dec-22 N'000	31-Dec-21 N'000
Accumulated depreciation		
Balance, beginning of year	(1,050,531)	(900,596)
Charge for the year	(162,587)	(220,527)
On disposal	173,875	70,592
Balance, end of year	(1,039,243)	(1,050,531)
Carrying amount		
At 31 December	507,081	134,637

	Leasehold improvement N'000	Plant & machinery N'000	Furniture & fittings N'000	Motor vehicles N'000	Office equipment N'000	Total N'000
Property, plant and equipment						
Cost						
At 1 January 2021	682	2,147	8,305	20,000	10,125	41,259
Additions	4,206	-	3,904	-	5,194	13,304
At 31 Dec. 2021/1 Jan. 2022	4,888	2,147	12,209	20,000	15,319	54,563
On business combination	-	-	-	79,036	-	79,036
Additions	-	-	1,544	32,204	6,275	40,023
Disposals	-	-	-	-	-	-
At 31 December 2022	4,888	2,147	13,753	131,240	21,594	173,622
Accumulated depreciation						
At 1 January 2021	(682)	(2,146)	(7,719)	(9,666)	(5,925)	(26,138)
Depreciation charge for the year	(2,524)	(1)	(697)	(4,251)	(1,745)	(9,218)
At 31 Dec. 2021/1 Jan. 2022	(3,206)	(2,147)	(8,416)	(13,917)	(7,670)	(35,356)
On business combination	-	-	-	(3,255)	-	(3,255)
Depreciation charge for the year	(1,682)	-	(882)	(45,267)	(2,647)	(50,478)
At 31 December 2022	(4,888)	(2,147)	(9,298)	(62,439)	(10,317)	(89,089)
Carrying amount						
At 31 December 2022	1,682	-	3,793	6,083	7,649	19,207
At 31 December 2021	-	-	4,445	68,801	11,277	84,533

	Tracking device N'000	Computer software N'000	Total N'000
24. Intangible assets			
Cost			
At 1 January 2021	18,078	-	18,078
Additions	1,313	-	1,313
At 31 December 2021 / 1 January 2022	19,391	-	19,313

NOTES TO THE FINANCIAL STATEMENTS -Cont'd

For The Year Ended 31 December 2022

	Tracking device N'000	Computer software N'000	Total N'000
On business combination	-	2.250	2.250
Additions	2,065	-	2,065
At 31 December 2022	21,456	2,250	23,706
Amortisation			
At 1 January 2021	(9,196)	-	(9,196)
Adjustment on opening balance	661	-	661
Amortisation	(3,713)	-	(3,713)
At 31 December 2021 / 1 January 2022	(12,248)	-	(12,248)
Adjustment on opening balance	(545)	-	(545)
On business combination	-	(2,250)	(2,250)
Amortisation	(7,721)	-	(7,721)
At 31 December 2022	(20,514)	(2,250)	(22,764)
Carrying amount			
At 31 December 2021	7,143	-	7,143
At 31 December 2022	942	-	942

25. Goodwill

Cost	N'000
At 1 January 2021	-
At 31 December 2021 / 1 January 2022	-
Addition through business combination (See note 37)	4,154,627
At 31 December 2022	4,154,627
Carrying amount	
At 31 December 2022	4,154,627

		31-Dec-22 N'000	31-Dec-21 N'000
26. Commercial notes			
Balance, end of year		10,877,555	3,482,378
Commercial notes is analysed as:			
Current		10,874,573	3,482,378
Non-current		2,982	-
		10,877,555	3,482,378
27. Borrowings			198,422
Bank overdraft	27.1	4,315,767	

		31-Dec-22 N'000	31-Dec-21 N'000
27.1 Bank overdraft			
Fidelity Bank Plc	27.1.1	4,210,423	198,422
Globus Bank Plc	27.12	105,344	-
		4,315,767	198,422

27.1.1 Movement in Fidelity Bank Plc overdraft		
Balance, beginning of year	198,422	-
Additions	5,724,199	1,128,686
Interest charges	257,622	11,371
Management fee and other charges	36,136	4,384
	6,216,379	1,144,441
Repayments	(2,005,956)	(946,019)
Balance, end of year	4,210,423	198,422

This represents balance drawn as at 31 December 2022 of an overdraft facility of N5 Billion granted by Fidelity Bank Plc. to Atiat Limited. The facility is at the rate of 15% for a period of 12months with 90 days clean up cycle. It is secured by lien on funds disbursed by the Bank to Atiat Limited's customers up to the tune of N6.5 Billion and personal guarantee and statement of networth of the Managing Director of Atiat Limited.

27.1.2 Movement in Globus Bank Plc overdraft		
Balance, beginning of year	-	-
Additions	3,561,235	2,369,299
Interest charges	124,747	22,450
Management fee and other charges	26,887	10,774
	3,712,869	2,402,523
Repayments	(3,607,525)	(2,402,523)
Balance, end of year	105,344	-

This represents balance drawn as at 31 December 2022 of an overdraft facility of N5 Billion granted by Globus Bank Limited to Atiat Limited. The facility is at the rate of 20% for a period of 12months. It is secured by lien on funds disbursed by the Bank to Atiat Limited's customers up to the tune of N5 Billion and personal guarantee of the Managing Director of Atiat Limited supported by his notarised statement of networth.

27.1.3 Management plans to renew the overdraft facilities on their expiration.

28. Other liabilities		
Financial liabilities		
Directors account	6,269	341

	31-Dec-22 N'000	31-Dec-21 N'000
Due to related parties	35,167	45,572
Account payable	430,847	703,613
	472,283	749,526
Non-financial liabilities		
Deferred revenue	45,741	69,126
Accrued expenses	129,438	11,601
	647,462	830,253
The Director's account are non-intrest bearing		
28.1 Analysis of other liabilities is as follows:		
Current	647,462	763,615
Non-current	-	66,638
	647,462	830,253
29. Deposit for shares		
Balance, beginning of year	-	-
Addition	478,894	-
Balance, end of year	478,894	-
30. Income tax liabilities		
Balance, beginning of year	63,344	109,698
Charge for the year	143,267	49,123
Payment during the year	(5,294)	(95,477)
Balance, end of year	201,317	63,344
31. Deferred tax		
31.1 Deferred tax assets		
Balance, beginning of year	42,762	176,230
On business combination	18,777	-
(Reversal) of temporary differences	(58,241)	(133,468)
Balance, end of year	3,298	42,762
The deferred tax assets are attributable to:		
Property, plant and equipment	1,831	1,533
Unabsorbed capital allowance	-	41,229
Intangible assets	1,467	-
	3,298	42,762

		31-Dec-22 N'000	31-Dec-21 N'000
31.2 Deferred tax liabilities			
Balance, beginning of year		20,619	71,899
On business combination		25,487	-
Origination/(reversal) of temporary differences		35,301	(51,280)
Balance, end of year		81,407	20,619
The deferred tax liabilities are attributable to:			
Operating lease assets		(68,176)	18,194
Property, plant and equipment		(13,231)	2,162
Intangible assets		-	263
		(81,407)	20,619
32. Share capital			
Authorised			
600,000,000 ordinary shares of 50 kobo each		300,000	300,000
Issued			
600,000,000 ordinary shares of 50 kobo each		300,000	271,818
The movement on the account is as follows:			
Balance, beginning of year		271,818	271,818
On share exchange		28,182	-
Balance, end of year		300,000	271,818
33. Share premium			
Share premium		5,065,625	206,182
The movement on the account is as follows:			
Balance, beginning of year		206,182	206,182
On share exchange		4,859,443	-
Balance, end of year		5,065,625	206,182
34. Accumulated deficit			
Balance, beginning of year		(403,730)	(253,378)
Profit/(loss) for the year		400,780	(161,793)
Transfer from revaluation reserve	35	36,708	11,441
Pre-acquistion profit of VFD Bridge Limited		(517,110)	-
Balance, end of year		(483,352)	(403,730)

		31-Dec-22 N'000	31-Dec-21 N'000
35. Revaluation reserve			
Balance, beginning of year		253,531	264,972
Transfer to retained earnings	34	(36,708)	(11,441)
Balance, end of year		216,823	253,531

36. Capital commitments and contingent liabilities

There were no capital commitments or contingent liabilities as at 31 December 2022 (2021: Nil).

37. Business combination

Atiat Limited and VFD Bridge Limited, both companies being subsidiaries of VFD Group Plc (entities under common control) entered into an agreement that Atiat Limited acquire the assets and liabilities of VFD Bridge Limited.

Effective 1 August 2022, Atiat Limited acquired the assets and liabilities of VFD Bridge Limited. The transaction has been completed as at this reporting date.

Goodwill

Goodwill has arisen from the numerous synergies that can be harnessed to maximise value for Atiat Limited's customers, shareholders and other stakeholders ranging from increased earnings growth, economies of scale, better customer experience through quality deliverables, and strategic direction. Goodwill arising from the combination was computed as follows:

	N'000
Value of shares issued (see note(a) below)	4,661,699
Net assets acquired (see note (b) below)	(507,073)
Goodwill from combination	4,154,626

a) The cost of combination was fully paid by way of share exchange. For every 209 ordinary shares held in VFD Bridge, the Shareholders got 89,700 ordinary shares in Atiat Limited.

The existing shareholder of VFD Bridge Limited, VFD Group Plc was issued 858,373,205.74 ordinary shares of Atiat Limited, valued at N4,661,699,317.02. The effective price of the issue was N5.43 per share.

The post-acquisition shares of the Company have been re-distributed among the shareholders in accordance with their respective percentage shareholding and within the limit of the authorized share capital of the Company.

The total acquisition-related costs of N35,820,445 are within legal and professional expenses within operating expenses.

b) The net identifiable assets of VFD Bridge Limited as at 1 August 2022, the effective date of the combination were as follows:

		N'000
Assets		
Cash and cash equivalents		4,658,005
Loans and receivables	37.1	10,904,372
Investment securities		463,734
Accounts receivable - Atiat		2,382
Other assets		1,034,135
Property, plant and equipment		272,339
Deferred tax assets		18,777
Total Assets		17,353,744
Liabilities		
Debt notes		9,641,899
Borrowings and overdrafts		5,603,049
Amount payable - Atiat		57,946
Payables		1,289,091
Deferred tax liabilities		25,487
Total Liabilities		16,617,472
Net assets		736,272
Assets not taken over		(229,199)
		507,073
Goodwill		4,154,626
37.1 Analysis of loans and receivables		
Gross loans		11,831,003
Impairment allowance		(926,631)
Net loans on business combination		10,904,372

38. Related party disclosures

A number of transactions are entered into with related parties during the normal course of business.

Parties are considered to be related if one party has the ability to control the other party or exercise influence over the other party in making financial and operational decisions, or one other party controls both. Related parties include subsidiaries, associates, joint ventures as well as key management personnel.

Key management personnel are defined as those persons having authority for planning, directing and controlling the activities of the Company. Key management personnel include both Non-Executive and Executive Directors.

Atiat Limited is a subsidiary of VFD Group Plc while the latter is a subsidiary of PremiumGreen Limited. Other entities within the Group and their relationship are shown below:

37.1 Analysis of loans and receivables

Names	Relationship
VFD Group Plc	Parent Company
PremiumGreen Limited	Parent of VFD Group Plc
Anchoria Asset Management Limited	Co-Subsidiary of the same Parent Company
VFD Microfinance Bank Limited	Co-Subsidiary of the same ParentCompany
Anchoria Investment and Securities Limited	Co-Subsidiary of the same Parent Company
Atiat Insurance Brokers Limited	Co-Subsidiary of the same Parent Company
Everdon Bureau De Change Limited	Co-Subsidiary of the same ParentCompany
Kairos Capital Limited	Co-Subsidiary of the same Parent Company
VFD Technologies Limited	Co-Subsidiary of the same Parent Company
Herel Limited	Co-Subsidiary of the same Parent Company
Abbey Mortgage Bank Plc.	Associate of VFD Group Plc
MotorMan Nigeria Limited	Investee Company
Ourcar Limited	Investee Company

	31-Dec-22 N'000	31-Dec-21 N'000
Detail of balances and transactions with related parties are disclosed as follows:		
Due from related entities:		
MotorMan Nigeria Limited	28,199	26,999
Atiat Insurance Brokers Limited	6,510	13,510
Anchoria Asset Management Limited	-	100,000
VFD Bridge Limited	12,748	1,100
Ourcar Limited	68,933	69,918
Abbey Mortgage Bank Plc	40,000	-
PremiumGreen Limited	1,381	-
VFD Group Plc	44,847	-
Due to related entities:		
VFD Bridge Limited	12,896	47,882
Motorman Nigeria Limited	72	72
VFD Group Plc	22,199	-

Atiat Insurance Brokers

Who are We?

We offer insurance coverage on:

- 01 Life Insurance
- 02 Automobile
- 03 Property
- 04 Liability Policies
- 05 General Accident
- 06 Marine Insurance
- 07 Health & Compulsory Insurances
- 08 Risk Management Consulting
- 09 Suretyship/Bonds
- 10 Aviation Insurance

	31-Dec-22 N'000	31-Dec-21 N'000
Commercial notes:		
Key management personnel and their related entities	-	7,308
VFD Bridge Limited	-	318,640
Anchoria Asset Management Limited	2,140,504	-
Anchoria Investment and Securities Limited	13,951	-
Atiat Insurance Brokers Limited	5,580	17,159
Directors' current account	-	341
Cash and cash equivalents:		
VFD Microfinance bank Limited - Cash at bank	50,361	379
Anchoria Asset Management Limited - Fixed deposit	388,186	6,734
Herel Limited	308,995	-
Compensation to Directors and other key management staff:		
Short-term employee benefits	39,736	30,597
Post - employment benefits	1,409	402
	41,145	30,999

39. Events after the reporting period

There are no significant events after the reporting date which could have a material effect on the state of affairs of the Company as at 31 December 2022 that have not been adequately provided or disclosed in the financial statements.

Atiat

STATEMENT OF VALUE ADDED
For The Year Ended 31 December 2022

	31-Dec-22 N'000	%	31-Dec-21 N'000	%
Value added by operating activities				
Gross earnings	6,215,061		2,045,026	
Interest expense - Local	(1,989,739)		(214,170)	
Finance cost	(515,069)		(36,997)	
	3,710,253		1,793,859	
Impairment charge	(97,708)		(36,370)	
Bought - in materials and services	(2,050,696)		(1,180,418)	
Value added	1,561,849	100	577,071	100
Applied to pay:				
To Pay Employees				
Personnel expenses	703,474		374,756	
	703,474	46	374,756	65
To Pay Government				
Income tax expense	143,267		49,123	
	143,267	9	49,123	9
To be retained in the business for expansion and future wealth creation:				
Value reinvested				
Depreciation	213,065		229,745	
Amortisation	7,721		3,052	
Deferred tax	93,542		82,188	
	314,328	20	314,985	55
Value retained				
Profit/(loss) for the year	400,780		(161,793)	
	400,780	26	(161,793)	(28)
	1,561,849	100	577,071	100

Value added represents the additional wealth created by the Company during the reporting period. The statement shows the allocation of wealth among employees, shareholders, government and that retained for future creation of more wealth.

Atiat

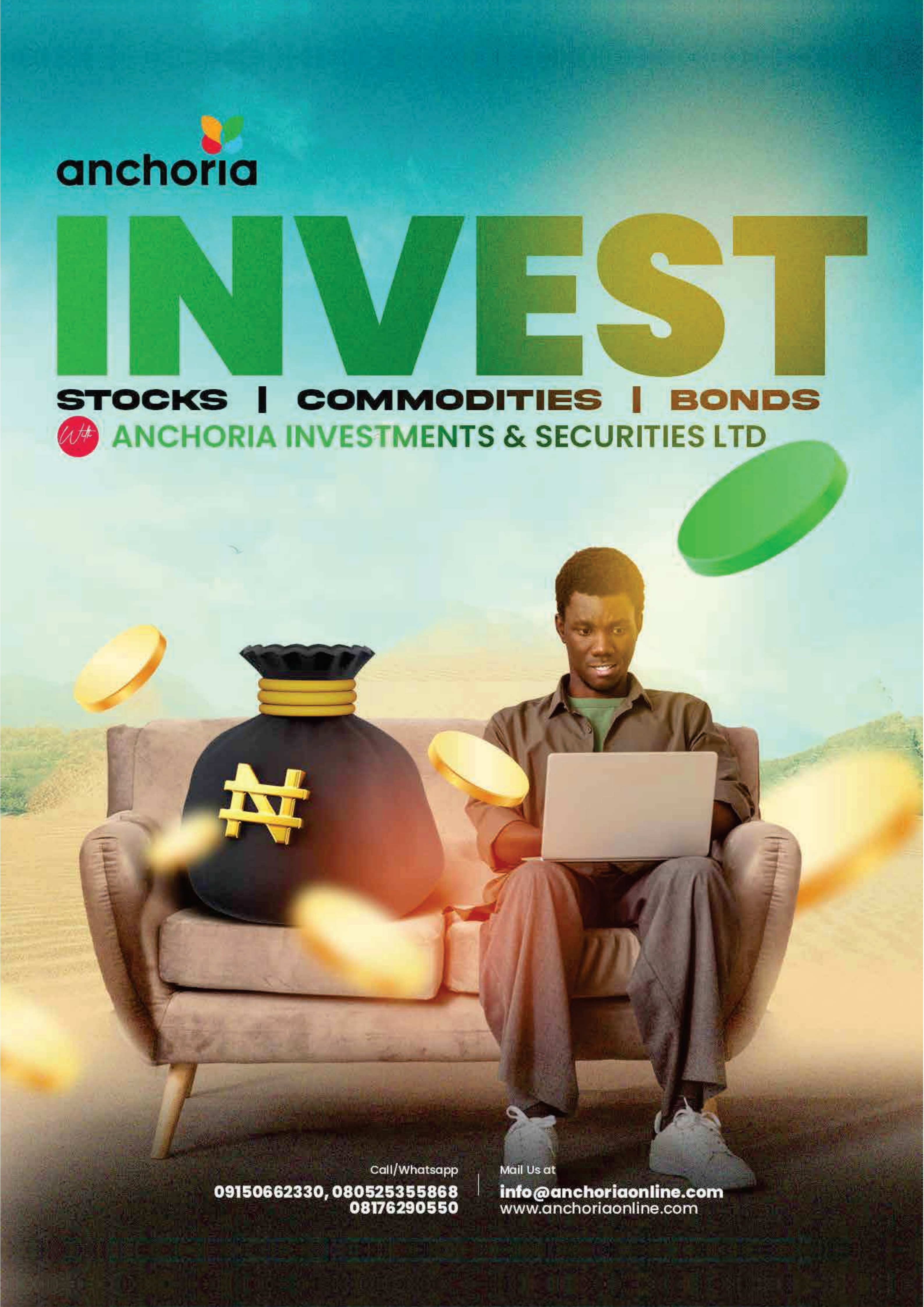
FIVE YEAR FINANCIAL SUMMARY
For The Year Ended 31 December 2022

	31-Dec-22 N'000	31-Dec-21 N'000	31-Dec-20 N'000	31-Dec-19 N'000	31-Dec-18 N'000
Statement of Financial Position					
Assets					
Cash and cash equivalents	1,075,636	349,391	99,579	272,098	14,933
Financial assets	14,872,381	3,739,247	942,550	315,692	331,325
Other assets	1,003,063	630,430	461,306	351,246	388,409
Operating lease assets	507,018	134,637	359,412	683,860	530,445
Property, plant and equipment	84,533	19,207	15,121	14,113	21,678
Intangible assets	942	7,143	8,882	13,133	5,771
Goodwill	4,154,627	-	-	-	-
Deferred tax assets	3,298	42,762	176,230	81,055	47,146
Total Assets	21,701,498	4,922,817	2,063,080	1,731,197	1,339,707
Liabilities					
Commercial notes	10,877,555	3,482,378	1,194,386	659,170	889,435
Borrowings	4,315,767	198,422	-	358,678	-
Other liabilities	647,462	830,253	197,503	577,565	137,682
Deposit for shares	478,894	-	-	400,000	-
Income tax liabilities	201,317	63,344	109,698	41,832	66,099
Deferred tax liabilities	81,407	20,619	71,899	-	-
Total Liabilities	16,602,402	4,595,016	1,573,486	2,037,245	1,093,216
Shareholders' Equity					
Share capital	300,000	271,818	271,818	100,000	100,000
Share premium	5,065,625	206,182	206,182	-	-
Reserves	216,823	253,531	264,972	278,323	278,323
Accumulated loss	(483,352)	(403,730)	(253,378)	(284,371)	(131,832)
Total Equity	5,099,096	327,801	489,594	93,952	246,491
Total Liabilities and Equity	21,701,498	4,922,817	2,063,080	2,131,197	1,339,707
Statement of Profit or Loss and Other Comprehensive Income					
Gross earnings	6,215,061	2,045,026	1,444,388	1,683,180	1,379,766
Lease rental income	1,448,359	1,266,752	1,282,800	1,590,589	1,286,668
Direct leasing expenses	(860,864)	(720,950)	(717,235)	(917,439)	(753,695)
Net leasing income	587,495	545,802	565,565	673,150	532,973
Interest income	4,640,542	721,929	121,742	57,719	-
Interest expense	(1,989,739)	(214,170)	(74,607)	(154,630)	(168,745)

Atiat

FIVE YEAR FINANCIAL SUMMARY -Cont'd
For The Year Ended 31 December 2022

	31-Dec-22 N'000	31-Dec-21 N'000	31-Dec-20 N'000	31-Dec-19 N'000	31-Dec-18 N'000
Other income	126,160	56,345	39,846	29,872	93,098
Other operating expenses	(2,211,800)	(1,103,391)	(546,956)	(680,187)	(544,384)
Finance cost	(515,069)	(36,997)	(41,207)	(78,458)	(13,500)
Profit/(loss) before taxation	637,589	(30,482)	64,383	(152,534)	(100,558)
Income tax expense	(236,809)	(131,311)	(46,741)	(5)	(4,767)
Profit/(loss) after taxation	400,780	(161,793)	17,642	(152,539)	(105,325)
Basic earnings/(loss) per share (Kobo)	71	(30)	3	(76)	(46)


anchoria
INVEST
STOCKS | COMMODITIES | BONDS
With ANCHORIA INVESTMENTS & SECURITIES LTD
Call/Whatsapp
09150662330, 080525355868
08176290550
Mail Us at
info@anchoriaonline.com
www.anchoriaonline.com

ATIAT MOMENTS


FD BRIDGE
Atiat


Atiat
Atiat
Atiat


Atiat
Atiat

ATIAT MOMENTS -Cont'd