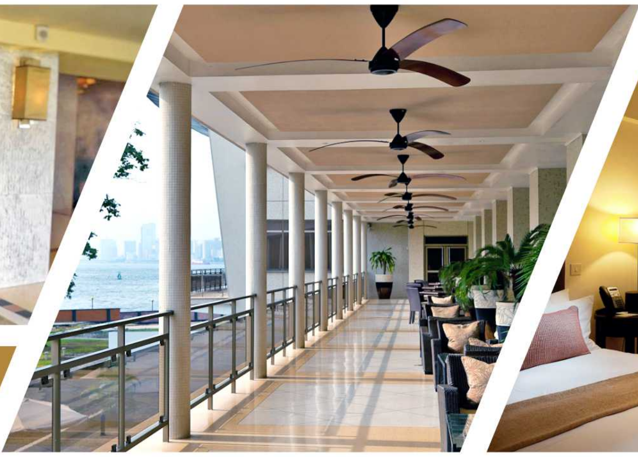
THE TOURIST COMPANY OF NIGERIA PLC (RC 3781)

(Trading as the Federal Palace Hotel & Casino, Victoria Island, Lagos.)



Annual Report and Annual Financial Statements

Together with Directors', Audit Committee And Independent Auditor's Reports

FOR THE YEAR ENDED 31 DECEMBER 2019

Contents

THE TOURIST COMPANY OF NIGERIA PLC
6 - 8 Ahmadu Bello Way Victoria Island Lagos Nigeria. Telephone +234 (1) 277 9000
Websites: www.tcn.com.ng www.suninternational.com

NOTICE OF ANNUAL GENERAL MEETING

NOTICE IS HEREBY GIVEN that the 55th Annual General Meeting of the Tourist Company of Nigeria Plc will hold at the Federal Palace Hotel & Casino, 6 - 8 Ahmadu Bello Way, Victoria Island, Lagos on Tuesday, 15th September 2020 at 11:00 am to transact the following business:

AGENDA

ORDINARY BUSINESS

1. To lay before members for approval, the audited Financial Statements for the year ended 31st December 2019 and to receive the report of the Directors, Audit Committee and Auditors thereon;
2. To retire and re-elect the Directors
   - Special Notice is hereby given to ratify the re-election of Dr. Alexander Thomopulos as a Director of the Company, notwithstanding that he is over 70 years old.
3. To authorize the Directors to fix the remuneration of the External Auditors.
4. To elect members of the Statutory Audit Committee.

SPECIAL BUSINESS

1. To approve the remuneration of the Directors.
2. That shareholders approve and grant a general mandate to the Board of Directors to engage in transactions with related parties as subsequently would be required for the proper running and day to day operations of the Company.

Notes:

I. PROXY

A member of the Company entitled to attend and vote at the meeting who is unable to attend the meeting and wishes to be represented at the meeting is entitled to appoint a proxy to attend, speak and vote in his/her stead. A proxy need not be a member of the Company. A Proxy Form is enclosed herewith, and if it is to be valid for the purpose of the meeting, it must be completed and duly stamped by the Commissioner of Stamp Duties and deposited at the registered office of the Registrars, Greenwich Registrars and Data Solutions, 274 Murtala Muhammed Way, Yaba, Lagos not less than 48 hours before the time of the meeting. The form may also be sent via email proxy@gtlregistrars.com.

In line with CAC's guidelines for holding AGM by proxy, the cost of stamping the proxy form will be borne by the Company.

II. COMPLIANCE WITH REGULATORY GUIDELINES ON COVID-19

In line with the Guidelines of the Corporate Affairs Commission (CAC) on the conduct of Annual General Meetings (AGMs) by Proxy, and the need to comply with government directives on health and safety measures against the COVID-19 pandemic, attendance at the AGM will be by proxy only. Shareholders are required to appoint a proxy of their choice from the list of nominated proxies below:

- Mr Adesiyan Timothy
- Mrs Bakare Adebisi Oluwayemisi
- Prince Anthony Omojola
- Mr Ufuoma Ibru
- Dr Alexander Thomopulos
- Mr Bjorn Bjaaland

III. NOMINATIONS FOR THE AUDIT COMMITTEE

In accordance with Section 359 (5) of the Companies and Allied Matters Act (CAP C20) Laws of the Federation of Nigeria, 2004, any member may nominate a shareholder for election as a member of the Audit Committee by giving notice in writing of such nomination to the Company Secretary at least 21 days before the Annual General Meeting. Such nominations should be guided by the requirements of the Securities and Exchange Commission's Code of Corporate Governance for Public Companies in Nigeria, 2011. Please note that it is advised that the nominees should have financial understanding and experience.

IV. RIGHT OF SHAREHOLDERS TO ASK QUESTIONS

Shareholders have a right to ask questions not only at the meeting but also in writing prior to the meeting and such questions must be submitted to the Company Secretary on or before Monday, 31st August, 2020.

V. CLOSURE OF REGISTER

The Register of Members and the Transfer Books of the Company will be closed from Tuesday 1st of September 2020 to Monday 7th September 2020, both dates inclusive.

BY ORDER OF THE BOARD

Florence Ojewumi
FRC/2020/002/00000020640
For PUNUKA NOMINEES LIMITED
Company Secretary

Lagos
20th August, 2020

Company Profile

The Tourist Company of Nigeria ("the Company") was incorporated on 10 April 1964 as The Tourist Company of Nigeria Limited, at that stage wholly-owned by the Federal Government of Nigeria, to acquire the Federal Palace Hotel ("the Palace Hotel"). The Palace Hotel, built at the dawn of Nigeria's independence in 1960, was previously owned by Victoria Beach Hotel Limited, a member of the AG Leventis group. The Company was converted to a public liability company on 20 April 1994, when it also assumed its present name.

The Palace Hotel was designed and built to a very high standard: it was to be, and indeed it was, the premier international hotel in the country at the time. It is worth noting that the celebration of Nigeria's independence from the United Kingdom took place in the Hotel's Independence Hall in 1960.

The 15 floor Suites Hotel (also known as the Towers) was built to coincide with the Summit of the Heads of State of the African Union and the Festival of African Arts and Culture, held in Nigeria in 1977.

In 1992, Ikeja Hotel Plc, in association with another investor (collectively the "Ikeja Hotel Group") acquired The Tourist Company of Nigeria Plc from the Federal Government. In 2009 and 2010, Sun International Limited acquired a substantial shareholding in the Company, thereby becoming an equal shareholder with the Ikeja Hotel Group of shareholders.

Following the acquisition of the Company from the Federal Government, a comprehensive and phased refurbishment of the Palace Hotel was undertaken and it was re-opened in July 2008. The Towers Hotel was closed for refurbishment in June 2009 and has yet to be re-opened. A modern casino was opened in December 2009, a new banqueting facility in January 2010, and the Pool Club in September 2010.

The Federal Palace Hotel & Casino complex currently incorporates a casino, two restaurants and bars, meeting rooms, a banqueting and conference centre, and extensive recreational facilities. It is set on a large property with picturesque gardens and a panoramic view of the Lagos harbour.

Financial highlights

	2019	2018	% Increase / (Decrease)
	₦'000	₦'000	
Major statement of financial position items			
Non-current assets	31,515,071	32,054,872	(2)
Current assets	1,832,712	2,035,967	(10)
Capital and reserves/Net Asset	11,195,857	12,405,956	(10)
Non-current liabilities	20,630,109	19,986,664	3
Current liabilities	1,521,817	1,698,219	(10)
Net assets per share (kobo)	498	552	(10)

	2019	2018	% Increase / (Decrease)
	₦'000	₦'000	
Major statement of profit or loss and other comprehensive income items			
Revenue	3,666,082	3,606,606	2
Loss before taxation	(1,493,056)	(1,379,384)	8
Taxation	283,523	4,006,807	(93)
(Loss)/profit for the year	(1,209,533)	2,627,423	(146)
(Loss)/earnings per share- basic (kobo)	(54)	117	(146)
Stock Exchange Information			
Stock exchange quotation			
In Naira per share	3.50	3.50	-
Number of shares issued ('000)	2,246,437	2,246,437	-
Market capitalisation	7,862,530	7,862,530	-

Corporate information

Board of directors
Chief Anthony Idigbe, SAN - Chairman
Mr. Abatcha Bulama
Mr. Ufuoma Ibru
Mr. D. Ramakhatela Mokhobo*
Mr. T. J. David Kliegl *
Mr. Norman Basthdaw *
Mr. Andrew G. Johnston *
Dr. Alexander A. Thomopulos
Mr. Bjorn Bjaaland *◊
Mr. Henry Olujimu Boyo ◊

Secretary
Punuka Nominees Limited
International Law Centre
Plot 45 Oyibo Adjarho Street
Off Ayinde Akinmade Street
Off Admiralty Way
Lekki Peninsula Phase 1
Lagos
Tel: +234 (1) 2704789, 2704791

Independent auditor
KPMG Professional Services
KPMG Tower
Bishop Aboyade Cole Street
Victoria Island
Lagos

Members of the audit committee
Representing the shareholders:
Mr Amusa-Oseni Adekunle
Mr Salau M. Adebanjo
Mr. Peter A Soares

Representing the board of directors:
Mr. D. Ramakhatela Mokhobo*
Mr. Abatcha Bulama
Dr. Alexander A Thomopulos

** South African*
◊ Alternate director

Solicitors
GM Ibru & Co
Circular Suite, 10th floor
Federal Palace Hotel
6-8 Ahmadu Bello Way
Victoria Island

Adepetun Caxton-Martins Agbor & Segun
9th Floor, St Nicholas House
Catholic Mission Street
Lagos

Aluko & Oyebode
1, Murtala Muhammed Drive
Ikoyi, Lagos

Registrar
Greenwich Registrars & Data Solutions
274 Murtala Muhammed Way
Yaba
Lagos

Hotel and Casino Operators
Sun International Management Limited
6 Sandown Valley Crescent
Sandton
Republic of South Africa

Principal bankers
Stanbic IBTC Bank Plc
Plot 1712
Idejo Street
Victoria Island
Lagos

United Bank for Africa Plc
UBA house
57 Marina
Lagos Island
Lagos

Shareholder Information

HISTORY OF SHARE CAPITAL CHANGES

	Authorised (Naira)		Issued and fully paid		
Date	**Increase**	**Cumulative**	**Increase**	**Cumulative**	**Consideration**
11 April 1964	200	200	200	200	Cash
8 July 1985	10,699,800	10,700,000	10,699,800	10,700,000	Cash
6 June 1991	16,920,000	27,620,000	16,920,000	27,620,000	Cash
14 November 1991	602,280	28,222,280	602,280	28,222,280	Cash
3 December 1993	471,777,720	500,000,000	452,703,720	480,926,000	Cash
31 May 2000	500,000,000	1,000,000,000	-	480,926,000	
18 June 2002	-	1,000,000,000	88,223,412	569,149,412	Cash
1 December 2008	1,000,000,000	2,000,000,000	-	569,149,412	
10 May 2010	-	2,000,000,000	554,071,324	1,123,220,736	Cash

SHARE CAPITAL ANALYSIS AS AT 31 DECEMBER 2019

Range of shareholding	Number of shareholders	% of total shareholders	Total number of shares held	% shareholding
1 - 1,000	3,579	71.74	2,157,692	0.10
1,001 - 5,000	1,133	22.71	2,947,504	0.13
5,001 - 10,000	131	2.63	1,160,554	0.05
10,001 - 50,000	91	1.82	2,146,681	0.10
50,001 - 100,000	18	0.36	1,505,293	0.07
100,001 - 500,000	21	0.42	5,928,262	0.26
500,001 - 1,000,000	3	0.06	2,226,494	0.10
1,000,001 - and above	13	0.26	2,228,364,992	99.20
	4,989	**100.00**	**2,246,437,472**	**100.00**

Chairman's report

For the year ended 31 December 2019

Operating environment

Generally, the Nigerian Economy has been moving at such a snail-like pace. However, the financial year under review blossomed at an increasing pace as real GDP growth was 2.6% in 2019, higher than 1.9% in 2018. The Tourist Company of Nigeria Plc (TCN), against all the odds, continues to relentlessly pull out of a declining economy and making positive headway, with increased growth at the last quarter of the year under review compared to other quarters.

The financial year under review marked a year of growth, particularly in transport, improved oil sector, and information and communications technology. However, there was a dearth of growth in the agricultural sector due to sporadic flooding and conflicts which ensued between local farmers and herdsmen. In the midst of it all, poverty remains widespread as the poverty rate in over half of Nigeria's 36 states is above the national average of 69%.

According to the African Development Bank, the effort to lower inflation to the 6% - 9% range faced structural and macro-economic constraints, including rising food prices and arrear payments, resulting in a rate estimated at 11.3% for 2019.

According to the National Bureau of Statistic (NBS), in its Nigerian Gross Domestic Product Report for the fourth quarter, the Country's Gross Domestic Product (GDP) in the fourth quarter grew by 2.6% (Year on Year) in real terms. Compared to the fourth quarter of 2018 which recorded a growth rate of 2.4%, this represents an increase of 0.2% points and an increase of 0.3% points when compared with the third quarter of 2019. The strong fourth quarter of 2019 growth rate also represented the highest quarterly growth performance since the 2016 recession. Generally, this resulted in an annual 2019 real growth rate of 2.3%, compared to 1.9% in 2018. Quarter on quarter, real GDP growth was 5.6%.

The country's external reserve dropped by $4.5 billion from the $43.1 billion recorded in January 2019 to $38.6 billion in December 2019. The Central Bank disclosed that Nigeria's dependence on crude oil for more than 60% of fiscal revenue and over 90% of forex earnings implied that the country's revenue and forex supply was exposed to shocks from the international oil market.

According to the African Development Bank Group, with fiscal revenues below 7% of GDP, increased public spending widened the deficit, financed mainly by borrowings. At the end of June 2019, total public debt was $83.9 billion, which was 14.6% higher than the year before. That debt represented 20.1% of GDP, up from 17.5% in 2018. Domestic public debt amounted to $56.7 billion, and external public debt $27.2 billion. The estimate of the share of bilateral debt in total debt is 12.1%. High debt service payments, estimated at more than half of federally collected revenues, created fiscal risks.

Inflation dropped from 12.4% in 2018 to 11.3% in 2019, which shows a slight improvement in the economy as the percentage drop in inflation was less than the percentage of growth needed to elevate the poor, unemployed and underemployed in the society.

Furthermore, if the plan to diversify government revenue stipulated in the Economic Recovery and Growth Plan (2017-20) becomes successful, then there is a likelihood that the GDP growth projected for the year 2020 which is 2.9% will occur.

In a bid to shore up domestic non-oil revenue, there was an increase in the Value Added Tax from 5% to 7.5%. Unfortunately, organised labour and businesses have raised concerns about a potential rise in costs. Besides all the challenges the nation is facing, Nigeria remains one of the most endowed countries on earth in terms of resources, and we hope that in the year 2020, these resources will be harnessed for the good of the economy.

Company Performance

The Company's revenue for the year ended 31 December 2019 increased by 1.6% to N3.7 billion, from the year ended 31 December 2018. Due to additional depreciation on buildings resulting directly from the revaluation of land and buildings on 3 October 2018, the operating loss increased by 45.2%. Excluding the impact of the additional depreciation, the operating loss reduced by 56.6% due to improved margins, reduced loss on foreign exchange translation and lower management fees. Competition remains aggressive, and price increases were increasingly challenging to pass on to the customer. Strict cost controls remain enforced in all operational departments.

The Company has two business segments, namely Hotel and Casino operations. The results of these segments are set out fully in the financial statements.

Casino revenue decreased by 9.3%. Tables' games revenue remained in line with the previous year, but slots revenue declined. Casino revenue continues to remain under pressure from both the economy, the growing trend in sports betting and the growth in the number of other casinos throughout Lagos, and in particular those in close proximity to the Federal Palace.

Hospitality revenue increased by 8.5% from the previous year. The room occupancy was in line with 2018, while the average room rate grew. Food and beverage revenue reflected significant growth, especially in banqueting. The strategy of room rate adjustment and competitively priced products and services continues to contribute to maintaining market relevance. Consequently, gross hospitality profit increased by 12.5%.

Indirect costs remained in line with the previous year. Energy costs fell 4.2% due to improved electricity supply from the EKEDC grid. However, the supply by the EKEDC grid remains erratic.

The Company incurred a comprehensive loss before recognising the revaluation surplus of N1.5 billion. The loss included interest capitalised to shareholder loans of N1.0 billion and an unrealised loss on shareholders loans.

Forensic Audit

The Securities & Exchange Commission (SEC) contracted the firm of Akintola Williams Deloitte to perform a forensic audit on the Company with a specific focus on the Sun International acquisition of TCN shares as well as "Ikeja Hotel Group" investment in TCN. The yet to be fully resolved dispute between the shareholders significantly affects the affairs of the Company, hampering new investments and perpetrating inefficiencies. However, we hope that the forensic audit exercise is concluded soon, and the results of the audit improve the state of the Company.

Delisting of the Company

On 1 July 2015, the Nigerian Stock Exchange (NSE) notified the Company of its intention to delist the Company owing to TCN not complying with the free float requirements of the NSE.

On 11 May 2017, the NSE communicated its decision to put the matter of delisting of the Company on hold due to the Company's affiliation with Ikeja Hotel Plc which is currently undergoing governance issues. On completion of the forensic audit, the Board will revisit available options as to delisting in-order to achieve an outcome that is in the best interest of the Company.

2020 Future

The outbreak of the Coronavirus (Covid-19) is presently threatening the profitability of the business as many clients have turned down their hotel and conference bookings due to the pandemic. Although the number of casualties in Nigeria is very low compared to certain countries at the point of writing this report, the presence of the virus in the world is affecting the economy and business negatively. To combat this malaise, the Company has put measures in place to ensure that adequate protection and prevention mechanisms to safeguard the employees as well as the clients. We revised our cleaning protocol for our housekeeping staff. All hard surfaces are sanitised before the commencement of the cleaning routine. We increased stock holding of key items such as diesel, drinking water and non-perishable stocks in case shortages arise.

Asides the presence of this pandemic, we remain committed to ensuring the profitability of the Company. We believe that as the nation continues to grow with significant contributions from other sectors of business, including hospitality adding to Nigeria's GDP, our business is positioned to propel this growth further. The Company is currently reviewing all costs to identify areas for reduction. Also, all recruitment has been frozen. All capital expenditure except for on critical items has been frozen until the Coronavirus has run its course.

The Company remains hopeful that the strategies adopted, including the refurbishment of its assets and proposed restructuring of the statement of financial position would propel the Company's growth and profitability. Also, we look forward to the outcome of the forensic audit as it will put a more precise position of the state of affairs of the Company as well as build investor confidence.

The increased downward trend in oil prices has caused a review in the budgets of many oil-producing countries. At the company level, the pressure to cut spending is speedily mounting as the credit quality of the oil and gas industry is diminishing. In Nigeria, there are increasing signs of a shortage of dollars. We hope that the country earnestly redirects the economy and invest in the growth and development of other sectors.

Despite the challenges faced, the Company continues to situate itself as a significant competitor on price and quality of the hospitality services offered and to maintain its assets to the highest standard.

In the face of the continued decline in casino revenue, the Company is hopeful that together with the new regulatory body, the Lagos State Lotteries Board, the casino industry will see regulatory enforcement and compliance, leading the way for licensed operators to grow their business.

Chief Anthony Idigbe
Chairman
FRC/2014/NBA/00000010414

Directors' report

For the year ended 31 December 2019

The board of directors is pleased to present its report to the members of the Company, together with the audited annual financial statements of the Company for the year ended 31 December 2019.

Legal form & principal activities

The Company was incorporated in Nigeria as a private limited liability company on 10 April 1964 and was converted to a public limited liability company on 20 April 1994.

Principal activities

The principal activities of the Company are the operation of gaming and hospitality businesses.

Operating results for the year

The Company's results for the year are as follows:

	2019	2018 Restated
	₦'000	₦'000
Revenue	3,666,082	3,606,606
Loss before taxation	(1,493,056)	(1,379,384)
Total comprehensive (loss)/income for the year	(1,210,099)	22,651,133

Property, plant and equipment

New capital work in progress during the year amounted to ₦242 million (2018: ₦221 million). Completed capital work in progress transferred to property, plant and equipment during the year totalled ₦225 million (2018: ₦160 million). Details of movements in the property, plant and equipment are shown in Note 11(a) to the financial statements. The directors are of the view that the Company's property, plant and equipment are valued at amounts not lower than the recoverable amount.

Dividend

The Company has not declared or paid any dividends for the period under review, and no dividend is proposed (2018: Nil).

Retirement of directors by rotation

In accordance with the articles of association of the Company, Chief A Idigbe, SAN, Mr. A Johnston and Dr. A. Thomopulos retire by rotation at the annual general meeting. The retiring directors are eligible for re-election and have accordingly offered themselves for re-election.

Substantial shareholdings

As at 31 December 2019, the following shareholders held more than 5% of the issued share capital of the Company.

	No. of shares	%
Sun International Limited	1,108,138,647	49.3
Associated Ventures International Limited	419,408,169	18.7
Oma Investments Limited	405,614,547	18.1
Ikeja Hotels Plc	273,529,085	12.2

Directors' interests in contracts

Directors are required to disclose any interests they may have in contracts to be entered into by the Company, prior to the consideration of those proposed contracts by the board. The directors have notified the Company, for the purpose of Section 277 of the Companies and Allied Matters Act, CAP C20, Laws of the Federation of Nigeria 2004, of their interest in new contracts deliberated upon during the period under review.

Mr. D Ramakhatela Mokhobo, and Mr. Norman Basthdaw are directors of Sun International (South Africa) Limited with which the Company signed an operating management agreement, effective 1 October 2017. This agreement has been approved by the National Office for Technology, Acquisition and Promotion (NOTAP) for a period of 5 years. The expiration date is 30 September 2022.

The Chairman of the Company is a partner in the law firm that acts as the company secretary to the Company.

Further information on directors' interests in contracts entered into in the current and prior years is provided in Note 24 to the annual financial statements.

Directors' interests in shares

The direct and indirect interests of directors in the issued share capital of the Company, as recorded in the register of members at year end, are as follows:

	31 December 2019		31 December 2018	
	Number of shares held		**Number of shares held**	
	Direct	**Indirect**	**Direct**	**Indirect**
Chief Anthony Idigbe	-	-	-	-
Mr. D Ramakhatela Mokhobo	-	-	-	-
Mr. Abatcha Bulama	11,000	-	1,000	-
Dr. Alexander A Thomopulos (Note 1)	25,000	500,000	25,000	500,000
Mr. Ufuoma Ibru	-	-	-	-
Mr. TJ David Kliegl	-	-	-	-
Mr. Norman Basthdaw	-	-	-	-
Mr. Andrew G Johnston	-	-	-	-
Mr. Bjorn A Bjaaland**[1]	-	-	-	-
Mr. Henry Olujimu Boyo**[2]	-	-	-	-

Note 1 – The indirect shares held through Pacific Richfield Company Limited

**[1] *Alternate director to Mr. Norman Basthdaw*

**[2] *Alternate director to Dr. Alexander A. Thomopulos*

Corporate governance

The Company continues to subscribe to the highest principles of good corporate governance. An outline of the Company's current corporate governance structure and practices is provided below:

– **Board of directors**

The directors are responsible for the corporate governance of the Company.

. The directors have a responsibility to ensure that proper accounting records are kept, and that the financial status of the Company is at all times disclosed with reasonable accuracy. The directors are responsible for the preparation and fair presentation of these financial statements in accordance with International Financial Reporting Standards (IFRS) and in the manner required by the Companies and Allied Matters Act, CAP C20, Laws of the Federation of Nigeria, 2004 and the Financial Reporting Council of Nigeria Act, 2011. In this regard, the responsibility of the directors includes: designing, implementing and maintaining internal controls relevant to the preparation and fair presentation of financial statements that are free from material misstatement, whether due to fraud or error, selecting and applying appropriate accounting policies, and making accounting estimates that are reasonable in the circumstances.

The directors are also responsible for protecting the Company's assets and taking reasonable steps for preventing and detecting fraud and other malpractices with regard to the Company's affairs.

The affairs of the Company are structured for management by a board of eight directors. As at the date of this report the board consisted of eight directors. The board meets regularly to decide on policy matters and direct the affairs of the Company. During these meetings, the directors also review the Company's performance, operations and finances, and set standards for the ethical conduct of the Company's business.

Process of appointment of board members

The Company's nomination and governance committee ("committee") has the responsibility, per the Company's board charter, the committee's mandate and terms of reference and best corporate governance practices, to nominate members for appointment to the board. The Committee regularly reviews the structure, size, composition and commitment of the board members having regard to, among others, the Company's memorandum and articles of association, plus shareholders agreement and makes recommendations on any proposed changes to the board. The committee identifies suitable candidates to fill any vacancy that may arise on the board. The committee recommends these individuals to the board for board approval. Thereafter, the board recommends these individuals' to shareholders for election or re-election, as the case may be, at each AGM.

The directors who served during the financial year and to the date of this report were:

Chief Anthony Idigbe, SAN - Chairman
Mr. Abatcha Bulama
Mr. Ufuoma Ibru
Dr. Alexander A. Thomopulos
Mr. D. Ramakhatela Mokhobo *
Mr. T. J. David Kliegl *
Mr. Norman Basthdaw *
Mr. Andrew G. Johnston *
Mr. Bjorn Bjaaland* **[1]
Mr. Henry Olujimu Boyo**[2]

** South African*
**[1] *Alternate director to Mr. Norman Basthdaw*
**[2] *Alternate director to Dr. Alexander A. Thomopulos*

The board met five times during the financial year (on 7 March 2019, 25 April 2019, 25 July 2019, 25 October 2019 and 5 December 2019). In accordance with Section 258(2) of the Companies and Allied Matters Act, CAP C20 Laws of the Federation of Nigeria 2004, the record of directors' attendance at board meetings held during the financial year under review is set out below:

Name	07.03.2019	25.04.2019	25.07.2019	25.10.2019	05.12.2019
Chief Anthony Idigbe, SAN	✓	✓	✓	✓	✓
Mr. Abatcha Bulama	✓	✓	✓	✓	✓
Mr. Ufuoma Ibru	✓	✓	✓	✓	✓
Dr. Alexander A. Thomopulos	✓	✓	✓	×	✓
Mr. D Ramakhatela Mokhobo	✓	✓	✓	✓	✓
Mr. T. J. David Kliegl	✓	✓	✓	✓	✓
Mr. Norman Basthdaw	✓	✓	✓	✓	✓
Mr. Andrew G. Johnston	×	✓	✓	✓	✓

✓ *- Present* | × *- Absent*

– **Audit committee**

In accordance with Section 359(4) of the Companies and Allied Matters Act, CAP C20, Laws of the Federation of Nigeria 2004, the Company has an audit committee comprising three directors and three representatives of the shareholders. The audit committee carries out its functions as set out in section 359(6) of the Companies and Allied Matters Act, CAP C20, Laws of the Federation of Nigeria 2004 and according to its approved terms of reference. During the financial period under review, the audit committee members were comprised as follows:

• *Representing the shareholders:*

Chief Victor C. N. Oyolu (Chairman) (not re-elected at AGM held on 18 July 2019)
Mr. Bolaji O. Banjo (not re-elected at AGM held on 18 July 2019)
Mr. Peter A. Soares
Mr. Amusa-Oseni Aaron (elected at AGM held on 18 July 2019)
Mr. Salau M Adebanjo (elected at AGM held on 18 July 2019)

• *Representing the board of directors:*

Mr. D. Ramakhatela Mokhobo
Mr. Abatcha Bulama (Chairman)
Dr. Alexander A. Thomopulos

The audit committee met five times during the financial period under review. The number of meetings attended by each member is indicated below:

Name	**06.03.2019**	**24.04.2019**	**23.07.2019**	**23.10.2019**	**03.12.2019**
Chief Victor C. N. Oyolu	✓	✓	NR	NR	NR
Mr. Bolaji O. Banjo	✓	✓	NR	NR	NR
Mr. Peter A. Soares	✓	✓	✓	✓	✓
Mr. Amusa-Oseni Aaron	NYA	NYA	×	✓	✓
Mr. Salau M Adebanjo	NYA	NYA	✓	✓	✓
Mr. D Ramakhatela Mokhobo	✓	✓	✓	✓	✓
Mr. Abatcha Bulama	✓	✓	✓	✓	✓
Dr. Alexander A. Thomopulos	✓	✓	✓	×	✓

✓ *- Present* | × *- Absent* | *NYA - Not Yet Appointed* | *NR - Not Re-elected*

– **Other committees**

In addition to the audit committee, the board has the finance and risk committee and a nomination and governance committee. The composition of the committees and the number of meetings attended by each member is as follows:

Finance and risk committee:

Committee member	**06.03.2019**	**24.07.2019**	**04.12.2019**
Mr. Abatcha Bulama (Chairman)	✓	✓	✓
Mr. Ufuoma Ibru	✓	✓	✓
Dr. Alexander A. Thomopulos	✓	✓	✓
Mr. D. Ramakhatela Mokhobo	✓	×	✓
Mr. T. J. David Kliegl	✓	✓	✓
Mr. Andrew G. Johnston	×	✓	✓

Nomination and governance committee:

Committee member	**24.07.2019**	**04.12.2019**
Mr. Andrew G. Johnston (Chairman)	✓	✓
Mr. Abatcha Bulama	✓	✓
Mr. Ufuoma Ibru	✓	✓
Dr. Alexander A. Thomopulos	✓	✓
Mr. D. Ramakhatela Mokhobo	×	✓
Mr. T. J. David Kliegl	✓	✓

✓ *- Present* | × *- Absent* | *NYA - Not Yet Appointed*

Internal audit

The internal audit function is performed by the firm of Deloitte & Touche. A systematic, disciplined and risk-based approach is adopted to evaluate and improve the effectiveness of internal controls and governance processes in the areas that are audited (generally twice per annum).

Risk management
The Company's executive management has established a finance and risk committee, which is overseen by the board of directors of the Company. The risk committee assesses the risks to the Company on an annual basis and reviews the effectiveness of any mitigating actions and controls for risks identified, on a quarterly basis. This is reported to meetings of the audit committee and the board of directors.

Delegation of authority
The Company has an approved delegation of authority framework for matters that can be delegated to Sun International (South Africa) Limited and the Company's executive management, and those matters reserved for the board.

Going concern assessment
The directors have made an assessment of the Company's ability to continue to trade despite ongoing losses and borrowings exceeding available cash resources. However, the repayment of the borrowings is governed by the Second Shareholders Agreement, which specifies repayments of the borrowings would only be triggered by the Company achieving specific profitability targets, and provided adequate funding is available. The profitability targets will not be realised for the foreseeable future. Despite the economic indicators, the directors remain concerned at the challenging trading environment. The directors have assessed the cash flow position and believe the Company has sufficient resources to continue to trade for the foreseeable future. The directors will continue to closely monitor the liquidity position of the Company.

NSE policy requirements
The Company has developed a Security Trading Policy guiding its related parties (directors, employees and insiders) in compliance with section 14 of the NSE Amended Rules. The directors have complied with the Company's Securities Trading Policy regarding securities transactions. The Company has in place a Complaints Management Policy Framework in compliance with the Securities & Exchange Commission rules, which is located on the Company's website at www.tcn.com.ng.

Management, technical and service agreements
The Company has an operating management agreement with Sun International (South Africa) Limited for the management of the Federal Palace Hotel & Casino with effect from 1 October 2017. The new agreement was approved by the National Office for Technical Acquisition and Promotion (NOTAP) on 17 December 2018 for a period of five years expiring 30 September 2022.

Delisting from the Nigerian Stock Exchange
On 1 July 2015, the Nigerian Stock Exchange (NSE) notified the Company of its intention to delist TCN due to the free float deficiency. A board resolution was passed on 13 July 2015 authorising the delisting, and communicated in a letter to the NSE on 20 July 2015. The Company sent a reminder to the NSE on 27 April 2016. The NSE responded on 31 May 2017 that the delisting process had been placed on hold until the governance problems at Ikeja Hotel Plc have been resolved. The board will consider its options when the Ikeja Hotel Plc's governance issues have been resolved, but will co-operate fully with the NSE on the way forward.

Employment and employees
(a) *Employment of physically challenged persons*
There were 4 physically challenged employees as at 31 December 2019 (2018: 5). The Company has an employment policy that precludes discrimination against the physically challenged. For employees of the Company who become physically challenged, arrangements are available to retrain them for alternative work within the Company.

(b) *Health and safety*

All staff are members of an approved medical aid scheme. A daily meal is provided to staff while on duty. The Company is also very conscious of the safety requirements both of its guests and employees, and stringent precautions are taken to ensure this. It has a Health and Safety Committee (comprising management and staff), whose members receive regular training in the areas of health and safety.

(c) *Employees' involvement and training*

Employees are regularly provided with information on matters concerning the Company and their welfare. Management holds regular formal and informal meetings with the staff, aimed at ensuring positive labour relations throughout the year. Two Unions, namely Hotel and Personal Services Senior Staff Association (HAPSSSA) and National Union of Hotels and Personal Services Workers (NUHPSW), were formally recognised by Zschlater Nigeria Limited, the substantive employer of the employees on 1 February 2015. Zschlater Nigeria Limited is the company providing staff to TCN. Employees are given regular on the job and classroom training, to equip them with the requisite skills and knowledge required for the efficient performance of their duties.

Shareholder dispute

A settlement agreement brokered by the Securities & Exchange Commission (SEC) resulted in the retirement of Mr. Goodie Ibru, SAN as Chairman of the Company and the reconstitution of the board to introduce four new directors representing the Ikeja Hotel Group, comprising Associated Ventures International Limited, Ikeja Hotel Plc and Oma Investments Limited: Chief Anthony Idigbe, SAN, Mr. Abatcha Bulama, Mr. Ufuoma Ibru and Dr. Alexander Thomopulos.

The settlement agreement included the commissioning of a forensic audit, conducted by Deloitte into Ikeja Hotel Plc and its subsidiaries and investee companies. The forensic audit is complete and the Company waits for the Securities & Exchange Commission to issue its findings. A further point to the settlement agreement is that all parties withdraw all legal claims and petitions against one another.

Donations

The Company did not make any donations or gifts in the year (2018: Nil). In compliance with Section 38(2) of the Companies and Allied Matters Act, CAP C20, Laws of the Federation of Nigeria 2004, the Company did not make any donation or gift to any political party, political association or for any political purpose during the 2019 financial year (2018: Nil).

Independent Auditor

Messrs. KPMG Professional Services, having satisfied the relevant corporate governance rules on their tenure in office, have indicated their willingness to continue in office as independent auditors to the Company. In accordance with Section 357 (2) of the Companies and Allied Matters Act, CAP C20, Laws of the Federation of Nigeria 2004, therefore, the auditors will be re-appointed at the next annual general meeting of the Company without any resolution being passed.

By Order of the Board

FLORENCE OJEWUMI

FRC/2020/002/00000020640
For Punuka Nominees Limited
Company Secretary
5 March 2020

Statement of directors' responsibilities in relation to financial statements

for the year ended 31 December 2019

The directors accept responsibility for the preparation of the annual financial statements that give a true and fair view in accordance with the International Financial Reporting Standards (IFRS) and in the manner required by the Companies and Allied Matters Act of Nigeria Cap C20, Laws of the Federation of Nigeria, 2004 and the Financial Reporting Council of Nigeria Act, 2011.

The directors further accept responsibility for maintaining adequate accounting records as required by the Companies and Allied Matters Act of Nigeria 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.

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 comcern in the year ahead.

SIGNED ON BEHALF OF THE BOARD OF DIRECTORS BY:

Chief Anthony Idigbe (Chairman)
FRC/2014/NBA/00000010414

5 March 2020

Mr. Abatcha Bulama (Director)
FRC/2014/ICAN/00000006535

5 March 2020

Report of the audit committee

For the year ended 31 December 2019

In compliance with Section 359 (6) of the Companies and Allied Matters Act, CAP C20 LFN 2004, we have reviewed the Auditors' Report for the year ended 31 December 2019. We hereby report that:

1. The accounting and reporting policies of the Company are in accordance with legal requirements and agreed ethical practices.

2. The scope and planning of the external audit for the year ended 31 December 2019 were, in our opinion, adequate.

3. The Company maintained effective systems of accounting and internal controls during the year.

4. The external auditors' findings and recommendations on management matters were satisfactorily dealt with by management.

5. With the exception of rental services which have not been charged for mostly due to litigation, the methods adopted in determining the pricing of related party transactions are appropriate and reasonable, and not prejudicial to the interests of the Company and its minority securities holders.

The Independent Auditor confirmed management's full cooperation in the course of the performance of their duties and that they were not limited in any way by the Company and its management.

Mr. Abatcha Bulama (Chairman)
FRC/2014/ICAN/00000006535
Chairman, Audit Committee
4 March 2020

Members of the Committee:
Representing the shareholders:
Mr Amusa-Oseni Adekunle
Mr Salau M. Adebanjo
Mr. Peter A Soares

Representing the board of directors:
Mr. D Ramakhatela Mokhobo (South African)
Mr. Abatcha Bulama
Dr. Alexander A Thomopulos

KPMG Professional Service
KPMG Tower
Bishop Aboyade Cole Street,
Victoria Island
PMB 40014, Falomo
Lagos

Telephone 234 (1) 271 8955
234 (1) 271 8599
Internet home.kpmg/ng

INDEPENDENT AUDITOR'S REPORT

To the Shareholders of **The Tourist Company of Nigeria Plc**

Report on the Audit of the Financial Statements

Opinion

We have audited the financial statements of **The Tourist Company of Nigeria Plc** ("the Company"), which comprise the statement of financial position as at 31 December 2019, the statement of profit or loss and other comprehensive income, statement of changes in equity, statement of cash flows for the year then ended and notes, comprising significant accounting policies and other explanatory information, as set out on pages 21 to 63.

In our opinion, the accompanying financial statements give a true and fair view of the financial position of the Company as at 31 December 2019, and of its financial performance and its cash flows for the year then ended in accordance with International Financial Reporting Standards (IFRSs) and in the manner required by the Companies and Allied Matters Act, Cap C.20, Laws of the Federation of Nigeria, 2004 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 International Ethics Standards Board for Accountants' *Code of Ethics for Professional Accountants (IESBA Code)* together with the ethical requirements that are relevant to our audit of the financial statements in Nigeria and we have fulfilled our other ethical responsibilities in accordance with these requirements and the IESBA Code. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Material Uncertainty Related to Going Concern

We draw attention to Note 34 of the financial statements, which indicates that the Company is involved in multiple lawsuits with one of its shareholders and the shareholder's related party, of which the outcome cannot be determined as at the date of our audit report. This condition, along with other matters as set forth in Note 34, indicate that a material uncertainty exists that may cast significant doubt on the Company's ability to continue as a going concern. Our opinion is not modified in respect of this matter.

Emphasis of matter – Forensic investigation

We draw attention to Note 33 of the financial statements which indicates that the forensic investigation which was initiated by the Securities and Exchange Commission (SEC) is yet to reach a conclusion. The ultimate outcome of the investigation cannot presently be determined, accordingly, no provision for any effects on the Company that may result from the forensic investigation has been made in the financial statements. Our opinion is not modified in respect of this matter.

Key Audit Matters

Key audit matters are those matters that, in our professional judgment, were of most significance in our audit of the financial statements of the current period. These matters were 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 these matters. In addition to the matters described in the *Material Uncertainty Related to Going Concern* section, we have determined the matters described below to be the key audit matters to be communicated in our report.

1. **Shareholder dispute and litigation**	
Refer to Note 32 Shareholders' dispute on page 62 of the financial statements.	
The key audit matter	**How the matter was addressed in our audit**
The Company is involved in an ongoing shareholders' dispute and litigation. The outcome of this litigation is uncertain and could result in significant financial and reputational loss to the Company. The significance of the impact of the shareholder litigation on the continued operations of the company makes shareholder dispute and litigation a matter of significance to the audit.	The following audit procedures were performed among others • We evaluated the Company's correspondence with relevant regulators for any potential exposure/liability arising. • We evaluated the reasonableness of the directors' assessment of the status of the ongoing litigation case including updates to the case in the current year, additional provisions to be recognized and disclosures to be made in the financial statements by obtaining external confirmation from the Company's Solicitors on the status of the ongoing litigation which the Company is a party to. • We assessed the adequacy of contingent liability disclosures in the financial statements relating to the pending litigation which the Company is a party to.

2. **Forensic investigation**	
Refer to Note 33 Forensic audit on page 63 of the financial statements.	
The key audit matter	**How the matter was addressed in our audit**
The Securities and Exchange Commission (SEC) engaged an expert to perform a forensic investigation on the Company with a specific focus on the share acquisition process in the Company. This forensic investigation has been completed and the report submitted to the SEC. The Company has submitted responses to the queries raised in connection with the forensic investigation and these are currently being reviewed by the SEC. The scope of the forensic investigation and the uncertainty regarding the ultimate outcome of the investigation makes this a key audit matter.	The following audit procedures were performed among others • We sighted and read a copy of the forensic report submitted to the SEC by the forensic expert. • We obtained the Company's responses to the queries raised in the forensic report and those raised by the SEC. • We considered the possible impact of the findings in the forensic reports and the Company's responses on the financial statements and held discussions with the directors. • We evaluated the appropriateness of Company's responses to the queries raised by checking some documentation supporting the Company's response.

Other Information

The Directors are responsible for the other information. The other information comprises the Corporate Information, Shareholder Information, Chairman's report, Director's Report, Statement of Director's Responsibilities in relation to the financial statements, Report of the Audit Committee and other National Discloures but 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, 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 of financial statements that give a true and fair view in accordance with IFRSs and in the manner required by the Companies and Allied Matters Act, Cap C.20, Laws of the Federation of Nigeria, 2004 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 the 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.
- Conclude on the appropriateness of directors' use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related 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 cease 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 audit. We remain solely responsible for our audit opinion.

We communicate with Board of Directors/Audit Committee regarding, 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 Board of Directors/Audit Committee 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 Board of Directors/Audit Committee, we determine those matters that were of most significance in the audit of the financial statements of the current period and are therefore the key audit matters. We describe these matters 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 public interest benefits of such communication.

Report on Other Legal and Regulatory Requirements

Compliance with the requirements of Schedule 6 of the Companies and Allied Matters Act, Cap C.20, Laws of the Federation of Nigeria, 2004

In our opinion, proper books of account have been kept by the Company, so far as appears from our examination of those books and the Company's statement of financial position and statement of profit or loss and other comprehensive income are in agreement with the books of account.

Signed: 

Goodluck C. Obi, FCA
FRC/2012/ICAN/00000000442
For: KPMG Professional Services
Chartered Accountants
29 June 2020
Lagos, Nigeria

Statement of financial position

As at 31 December

	Notes	2019 ₦'000	2018 Restated* ₦'000
ASSETS			
Non-Current Assets			
Property, plant and equipment	11(a)	31,422,290	31,955,649
Intangible assets	12	4,329	8,067
Tax assets	13	88,452	91,156
Total non-current assets		31,515,071	32,054,872
Current Assets			
Tax assets	13	10,733	18,542
Inventories	14	110,627	111,101
Trade and other receivables	15(a)	258,462	251,409
Short term deposits	16	858,200	826,470
Prepayments	17	96,661	28,549
Cash and cash equivalents	22	498,029	799,896
Total current assets		1,832,712	2,035,967
Total assets		33,347,783	34,090,839
EQUITY AND LIABILITIES			
Equity			
Share capital	18(a)	1,123,220	1,123,220
Share premium	18(b)	4,132,763	4,132,763
Revaluation reserve	18(c)	20,023,144	20,023,710
Accumulated loss		(14,083,270)	(12,873,737)
Total equity		11,195,857	12,405,956
Non-current liabilities			
Loans and borrowings	19(a)	20,630,109	19,702,899
Deferred tax liability	20	-	283,765
Total non- current liabilities		20,630,109	19,986,664
Current liabilities			
Trade and other payables	21(a)	1,513,439	1,698,219
Loans and borrowing	19(a)	8,378	-
Current tax liabilities	9(b)	-	-
Total current liabilities		1,521,817	1,698,219
Total liabilities		22,151,926	21,684,883
Total equity and liabilities		33,347,783	34,090,839

Approved by the Board of Directors on 5 March 2020 and signed on its behalf by:

Chief Anthony Idigbe (Chairman)
________________________________) *FRC/2014/NBA/00000010414*

Mr. Abatcha Bulama (Director)
________________________________) *FRC/2014/ICAN/00000006535*

Additionally certified by:

Mr. David Kliegl (General Manager)
________________________________) *FRC/2013/NIM/00000004949*

Mr. Bjorn Bjaaland (Financial Manager)
________________________________) *FRC/2013/MULTI/00000008950*

The accompanying notes on pages 25 to 63 form an integral part of these financial statements.

*See Note 30

Statement of profit or loss and other comprehensive income

For the year ended 31 December

	Notes	2019 ₦'000	2018 Restated ₦'000
Revenue			
Gaming		1,261,854	1,390,500
Hospitality		2,404,228	2,216,106
		3,666,082	3,606,606
Expenditure			
Amortisation of intangible assets	12	(4,993)	(4,700)
Consumables and services	8 (b)	(573,237)	(582,657)
Depreciation of property, plant and equipment	11 (a)	(799,856)	(572,878)
Employee costs	6 (a)	(1,149,749)	(1,110,741)
Management and support fees	24(b)	(138,471)	(244,478)
Promotional and marketing costs	8 (d)	(63,916)	(85,839)
Property and administrative costs	8 (c)	(1,351,598)	(1,342,921)
Impairment (loss)/gains on financial assets	27 (b)	(29,796)	30,761
		(4,111,616)	(3,913,453)
Operating loss		(445,534)	(306,847)
Finance income	7 (a)	31,309	5,018
Finance costs	7 (b)	(1,060,289)	(1,077,555)
Net finance cost		(1,028,980)	(1,072,537)
Loss before minimum taxation		(1,474,514)	(1,379,384)
Minimum tax	9 (d)	(18,542)	-
Loss before taxation	8	(1,493,056)	(1,379,384)
Taxation	9 (a)	283,523	4,006,807
(Loss)/profit for the year		(1,209,533)	2,627,423
Other comprehensive (loss)/ income for the year:			
Items that will not be reclassified to profit or loss			
Revaluation of property, plant and equipment	11 (b)	(808)	24,314,282
Related tax	9 (a)	242	(4,290,572)
Total other comprehensive (loss)/income		(566)	20,023,710
Total comprehensive (loss)/income for the year		(1,210,099)	22,651,133
(Loss)/earnings per share (kobo)			
Basic and diluted (loss)/earnings per share	10	(54)	117

The accompanying notes on pages 25 to 63 form an integral part of these financial statements.

*See Note 30

Statement of changes in equity

Attributable to equity holders of the Company

	Share capital	Share premium	Revaluation reserve	Accumulated loss	Total equity
	₦'000	₦'000	₦'000	₦'000	₦'000
Balance at 1 January 2018 as previously reported	1,123,220	4,132,763	-	(15,459,779)	(10,203,796)
Adjustment on initial application of IFRS 9	-	-	-	(41,381)	(41,381)
Adjusted balance at 1 January 2018	1,123,220	4,132,763	-	(15,501,160)	(10,245,177)
Loss for the year (restated)	-	-	-	2,627,423	2,627,423
Other comprehensive income (restated)	-	-	20,023,710	-	20,023,710
Total comprehensive income (restated)	-	-	20,023,710	2,627,423	22,651,133
Balance at 31 December 2018	1,123,220	4,132,763	20,023,710	(12,873,737)	12,405,956
Adjusted balance at 1 January 2019	1,123,220	4,132,763	20,023,710	(12,873,737)	12,405,956
Loss for the year	-	-	-	(1,209,533)	(1,209,533)
Other comprehensive income	-	-	(566)	-	(566)
Total comprehensive income	-	-	(566)	(1,209,533)	(1,210,099)
Balance at 31 December 2019	1,123,220	4,132,763	20,023,144	(14,083,270)	11,195,857

The accompanying notes on pages 25 to 63 form an integral part of these financial statements.

Statement of cash flows

For the year ended 31 December

	Notes	2019 ₦'000	2018 ₦'000
Cash flows from operating activities:			
(Loss)/profit for the year		(1,209,533)	2,627,423
Adjustments for:			
Depreciation	11 (a)	799,856	572,878
Amortisation	12	4,993	4,700
Operating equipment usage	11 (a)	22,465	16,101
Net finance cost	7 (c)	1,028,980	1,072,537
Tax expense	9 (a)	(283,523)	(4,006,807)
Write off of property, plant and equipment	8	9,153	46,799
Minimum taxation	9 (a)	18,542	-
		390,933	333,631
Changes in:			
Inventories		474	2,362
Trade and other receivables	15 (b)	(7,053)	(50,307)
Short term deposits	16	(31,730)	(826,470)
Tax assets	13 (a)	(8,029)	(3,216)
Prepayments		(68,112)	23,092
Trade and other payables	21 (b)	(254,086)	265,619
Cash generated from operating activities		22,397	(255,289)
Value Added Tax (VAT) paid		(78,875)	(77,858)
Net cash used in operating activities		(56,478)	(333,147)
Cash flow from investing activities			
Interest income	7 (a)	31,309	5,018
Acquisition of property, plant and equipment	11 (f)	(272,838)	(237,506)
Acquisition of intangible assets	12	(1,255)	(972)
Net cash used in investing activities		(242,784)	(233,460)
Cashflows from financing activities			
Payment on lease liability	19 (b)	(2,730)	-
		(2,730)	-
Net decrease in cash and cash equivalents		(301,992)	(566,607)
Cash and cash equivalents, beginning of year		799,896	1,363,745
Effect of movements in exchange rate on cash held		125	2,758
Cash and cash equivalents, end of year		498,029	799,896

The accompanying notes on pages 25 to 63 form an integral part of these financial statements.

Notes to the financial statements

Notes to the financial statements

For the year ended 31 December 2019

1. Reporting entity

The Tourist Company of Nigeria Plc is a company listed on the Nigerian Stock Exchange. The address of the Company's registered office is 6-8 Ahmadu Bello Way, Victoria Island, Lagos. The Company converted from a private company to its current form on 20 April 1994. The Company operates a gaming and hospitality business in Victoria Island, Lagos.

2. Basis of accounting

(a) Statement of compliance

The financial statements have been prepared in accordance with International Financial Reporting Standards (IFRS) and in the manner required by the Companies and Allied Matters Act of Nigeria Cap C.20, Laws of the Federation of Nigeria, 2004 and the Financial Reporting Council Act, 2011. The financial statements were authorised for issue by the board of directors on 5 March 2020.

(b) Basis of measurement

The financial statements have been prepared under the historical cost convention except for financial liabilities initially measured at fair value and subsequently at amortised cost, financial assets measured at amortised cost and leasehold land and building measured at fair value.

(c) Critical accounting estimates and judgements

The preparation of the financial statements in conformity with IFRS requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities at the date of the financial statements and the reported amounts of revenues and expenses during the reporting period. Actual results may differ from those estimates.

Estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognized in the year in which the estimates are revised and in any future years affected.

• Note 11(h) - Asset useful lives and residual values

Property, plant and equipment are depreciated over their useful lives, taking into account residual values where appropriate. The actual useful lives of the assets and residual values are assessed annually and may vary depending on a number of factors. In re–assessing asset useful lives, factors such as technological innovation, product life cycles and maintenance programmes are taken into account. Residual value assessments consider issues such as future market conditions, the remaining life of the assets and projected disposal values.

• Note 19 - Deferred tax

Unrecognised deferred tax assets are reassessed at each reporting date and recognised to the extent that it has become probable that future taxable profits will be available against which they can be used.

• Note 27 - Contingencies (including taxation)

Management made certain key assumptions about the likelihood and magnitude of outflow of economic resources.

• Note 31 - Going concern

Management has made estimates on future economic and business realities as it relates to forecasts and budgets used in the assessment of the Company's ability to continue as a going concern and the appropriateness of the going concern assumption in the preparation of the financial statements for the year ended 31 December 2019.

• Note 9(d) - Minimum tax

Uncertainty over minimum tax applicability with respect to the recently enacted finance act 2019.

(d) Functional and presentation currency

The financial statements are presented in Nigerian Naira, which is the Company's functional currency. All financial information presented in Naira has been rounded to the nearest thousand except where otherwise indicated.

3. Changes in accounting policies

The Company initially applied IFRS 16 Leases from 1 January 2019. A number of other new standards are also effective from 1 January 2019 but they do not have a material effect on the Company's financial statements.

A Definition of lease

Previously, the Company determined at contract inception whether an arrangement was or contained a lease under IFRIC 4. Determining whether an arrangement contains a Lease. The Company now assesses whether a contract is or contains a lease based on the definition of a lease, as explained in Note 4(k).

On transition to IFRS 16, the Company elected to apply the practical expedient to grandfather the assessment of which transactions are leases. The Company applied IFRS 16 only to contracts that were previously identified as leases. Contracts that were not identified as leases under IAS 17 and IFRIC 4 were not reassessed for whether there is a lease under IFRS 16. Therefore, the definition of a lease under IFRS 16 was applied only to contracts entered into or changed on or after1 January 2019.

B As a lessee

As a lessee, the Company leases assets such as printers and a table game. The Company previously classified leases as operating or finance leases based on its assessment of whether the lease transferred significantly all of the risks and rewards incidental to ownership of the underlying asset to the Company. Under IFRS 16, the Company recognises right‑of‑use assets and lease liabilities for most of these leases – i.e. these leases are on‑balance sheet.

At commencement or on modification of a contract that contains a lease component, the Company allocates the consideration in the contract to each lease component on the basis of its relative stand‑alone price.

However, for leases of property the Company has elected not to separate non‑lease components and account for the lease and associated non‑lease components as a single lease component.

i. **Leases classified as operating leases under IAS 17**

Previously, the Company classified equipment leases as operating leases under IAS 17. On transition, for these leases, lease liabilities were measured at the present value of the remaining lease payments, discounted at the Company's incremental borrowing rate as at 1 January 2019. Right-of-use assets are measured at either:

- their carrying amount as if IFRS 16 had been applied since the commencement date, discounted using the company's incremental borrowing rate at the date of initial application: the company applied this approach to its largest property lease; or
- an amount equal to the lease liability, adjusted by the amount of any prepaid or accrued lease payments: the company applied this approach to all other leases.

The company has tested its right-of-use assets for impairment on the date of transition and has concluded that there is no indication that the right-of-use assets are impaired.

The company used a number of practical expedients when applying IFRS 16 to leases previously classified as operating leases under IAS 17. In particular, the company:

- did not recognise right-of-use assets and liabilities for leases for which the lease term ends within 12 months of the date of initial application;
- did not recognise right-of-use assets and liabilities for leases of low value assets;
- excluded initial direct costs from the measurement of the right-of-use asset at the date of initial application; and
- used hindsight when determining the lease term.

C Impact on financial statements

i. Impact on transition

On transition to IFRS 16, the Company did not recognise the right‑of‑use assets on table gaming rental as this equipment has a lease period of less than 12 months from the point of initial recognition. There was no lease liabilities and no difference to be recognised in retained earnings.

The Company entered into a new lease contract in the year with a new vendor for ten (10) priniting machines for a period of four years after the expiration of its old contract. The new lease contract commenced on 1 September 2019 and would expire on 31 August 2023. The contract has no option for extention. As the contract was entered in the year, there are no transition adjustments required.

4. Significant accounting policies

Set out below is an index of the significant accounting policies, the details of which are available on the pages that follow.

(a) Foreign currency transactions

Transactions denominated in foreign currencies are translated at the rate of exchange ruling on the transaction date. Monetary assets and liabilities denominated in foreign currencies are translated at the rate of exchange ruling at the reporting date. Foreign exchange gains or losses arising on translation are recognised in profit or loss and are presented within net finance costs/income.

(b) Property, plant and equipment

I. Recognition and measurement

Items of property, plant and equipment are stated at cost/revalued amount less accumulated depreciation and accumulated impairment losses. Historical cost includes expenditure that is directly attributable to the acquisition of the items. Property, plant and equipment not yet available for use are disclosed as capital-work-in-progress.

Purchased software that is integral to the functionality of related equipment is capitalised as part of the equipment.

When parts of an item of property, plant and equipment have different useful lives, they are accounted for as separate items (major components) of property, plant and equipment.

When the carrying amount of an asset is greater than its estimated recoverable amount, it is written down immediately to its recoverable amount.

II Depreciation

Depreciation is calculated to write off the cost of items of property, plant and equipment less their estimated residual values over their useful lives, using the straight-line method. Leased assets are depreciated over the shorter of the lease term and their useful lives unless it is reasonably certain that the Company will obtain ownership by the end of the lease term, in which case the assets are depreciated over the useful life. The principal useful lives over which the assets are depreciated are as follows:

Buildings and infrastructure		
- Casino and hotel premises	–	36 - 40 years
- Infrastructure	–	10 - 40 years
Plant and machinery		
- Pumps, pipes, tanks and compressors	–	10 years
- Generating set equipment	–	2 years
- Generators	–	10 years
Hotel and office equipment	–	10 years
Motor vehicles	–	9 years
Furniture and fittings	–	10 years
Casino equipment	–	10 years

The Company does not depreciate its leasehold land

Assets held under lease in line with IFRS 16 are depreciated over the term of the relevant lease.
Depreciation (usage) of operating equipment (which includes casino chips, kitchen utensils, crockery, cutlery and linen) is recognised as an expense. The period of usage depends on the nature of the operating equipment and varies between one and three years.

The assets' residual values and useful lives are reviewed annually, and adjusted if appropriate, at reporting date.

Capital work-in-progress is not depreciated. The attributable cost of each asset is transferred to the relevant asset category immediately the asset is available for use and depreciated accordingly.

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

The carrying amount of the replaced part is then de-recognised. All other repairs and maintenance costs are charged to the statement of profit or loss and other comprehensive income during the financial period in which they are incurred.

IV Borrowing costs
Borrowing costs and certain direct costs relating to major capital projects are capitalised during the period of development or construction.

V Derecognition
The carrying amount of an item or PPE shall be derecognised on disposal or when no future economic benefit is expected from its use or disposal.
Gains and losses on disposals are determined by comparing the proceeds with the carrying amount and are recognised in profit or loss in the statement of profit or loss and other comprehensive income.

(c) Intangible assets
Recognition, measurement and amortisation
Expenditure on computer software is capitalised and amortised using the straight line method over 4 years. Costs associated with maintaining computer software programmes are recognised as an expense as incurred. Amortisation methods, useful lives and residual values are reviewed at each reporting date and adjusted if appropriate.

When the carrying amount of an asset is greater than its estimated recoverable amount, it is written down immediately to its recoverable amount.

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

The carrying amount of the replaced part is then de-recognised. All other repairs and maintenance costs are charged to the statement of profit or loss and other comprehensive income during the financial period in which they are incurred.

Derecognition
The carrying amount of an item is derecognised on disposal or when no future economic benefit are expected from its use or disposal.

Gains and losses on disposals are determined by comparing the proceeds with the carrying amount and are recognised in profit or loss in the statement of profit or loss and other comprehensive income.

(d) Inventories
Inventories comprises of merchandise held for sale and consumables, and are measured at the lower of cost and net realisable value on a weighted average basis. Net realisable value is the estimated selling price in the ordinary course of business, less any costs necessary to make the sale. The cost of inventories includes expenditure incurred in acquiring the inventories and other costs incurred in bringing them to their existing location and condition.

(e) Cash and cash equivalents

Cash and cash equivalents are classified as financial assets measured at amortised cost. Cash and cash equivalents comprise cash on hand and deposits held on call with banks with original maturities of three months or less. Bank overdrafts that are repayable on demand and form an integral part of the Company's cash management are included as a component of cash and cash equivalents for the purposes of cash flow statement.

(f) Short term deposits

Short term deposits are cash deposits held on call with banks with original maturities of more than three months.

(g) Financial instruments

Financial instruments carried at reporting date include trade receivables, cash and cash equivalents, borrowings, and trade payables.

Financial instruments are recognised initially at fair value plus any directly attributable transaction costs. Subsequent to initial recognition, financial instruments are measured as described below.

I Recognition and derecognition

All financial assets and liabilities are initially recognised at fair value, which is usually the transaction price including, where appropriate, transaction costs, with the exception of trade receivables without a significant financing component, which are measured at their transaction price, determined in accordance with the Company’s accounting policies for revenue. Subsequently, measurement depends on the financial assets/liabilities classification as follows:

- *Financial assets measured at fair value through profit or loss (FVPL)*

Non-equity financial assets are classified at fair value through profit or loss if they arise from contracts which do not give rise to cash flows which are solely principal and interest, or otherwise where they are held in a business model which mainly realises them through sale. Such assets are re-measured to fair value at the end of each reporting period. Gains and losses arising from re-measurement are taken to profit or loss, as are transaction costs.

- *Financial assets measured at FVOCI*

Non-equity financial assets are classified at fair value through other comprehensive income where they arise from contracts which give rise to cash flows which are solely principal and interest and which are held in a business model which realises some through sale and some by holding them to maturity. They are recognised initially at fair value plus any directly attributable transaction costs, or in the case of trade receivables, at the transaction price.

At the end of each reporting period they are re-measured to fair value, with the cumulative gain or loss compared to their amortised cost being recognised in other comprehensive income and in the fair value reserve, except for the recognition in profit or loss of expected credit losses, interest income (calculated using the effective interest method) and foreign exchange gain and losses.When these assets are derecognised, the cumulative gain or loss is reclassified from equity to profit or loss.

- *Financial assets measured at amortised cost (AC)*

Financial assets are held at amortised cost when they arise from contracts which give rise to contractual cash flows which are solely principal and interest and are held in a business model which mainly holds the assets to collect contractual cash flows.

These assets are measured at amortised cost using the effective interest method and are also subject to impairment losses. Interest income is calculated based on the gross carrying amount of the financial asset unless the financial asset is credit impaired, in which case interest income is calculated on the amortised cost (i.e., gross carrying amount less loss allowance). Interest income is included in finance income.

The Company derecognises a financial asset when the contractual rights to the cash flows from the financial asset expire, or it transfers the right to receive the contractual cash flows in a transaction in which substantially all of the risks and rewards of ownership of the financial asset are transferred or in which the Group neither transfers nor retains substantially all of the risks and rewards of ownership and it does not retain control of the financial asset.

- *Financial liabilites*

All financial liabilities are recognised initially on the trade date at which the Company becomes a party to the contractual provisions of the instrument. The Company derecognises a financial liability when its contractual obligations are discharged or cancelled or expire.

Such financial liabilities are recognised initially at fair value plus any directly attributable transaction costs. Subsequent to initial recognition these financial liabilities are measured at amortised cost using the effective interest method. Short term trade and other payables with no stated rates of interest are measured at original invoice amounts where the effect of discounting is not significant.

I) Offseting

Financial assets and liabilities are offset and the net amount presented in the statement of financial position when, and only when, the Company has a legal right to offset the amounts and intends either to settle on a net basis or to realise the asset and settle the liability simultaneously.

(h) Impairment

I *Financial assets (Non-derivative financial assets)*

The Company recognises loss allowance for expected credit loss (ECLs) on financial assets measured at amortised cost. Loss allowance is measured at an amount equal to lifetime ECL's, with the exception of the following which are measured at 12 month ECLs:

- debt securities that are determined to have low credit risk at the reporting date; and
- other debt securities and bank balances for which credit risk (i.e. the risk of default occurring over the expected life of the financial instrument) has not increased significantly since initial recognition.

Loss allowances for trade receivables are always measured at an amount equal to lifetime ECLs using a simplified impairment methodology adjusted for current conditions and forward looking information.

When determining whether the credit risk of a financial asset has increased significantly since initial recognition and when estimating ECLs, the Company considers reasonable and supportable information that is relevant and available without undue cost or effort. This includes both quantitative and qualitative information and analysis, based on the Company's historical experience and informed credit assessment and including forward-looking information.

The Company assumes that the credit risk on a financial asset has increased significantly if it is more than 90 days past due.

The Company considers a financial asset to be in default when:

- the debtor is unlikely to pay its credit obligations to the Company in full, without recourse by the Company to actions such as realising security (if any is held); or
- the financial asset is more than 90 days past due

Lifetime ECLs are the ECLs that result from all possible default events over the expected life of a financial instrument. 12-month ECLs are the portion of ECLs that result from default events that are possible within the 12 months after the reporting date (or a shorter period if the expected life of the instrument is less than 12 months). The maximum period considered when estimating ECLs is the maximum contractual period over when the Company is exposed to credit risk.

Credit impaired financial assets

At each reporting date, the Company assesses whether financial assets carried at amortised cost are credit-impaired. A financial asset is 'credit-impaired' when one or more events that have a detrimental impact on the estimated future cash flows of the financial asset have occurred.

Evidence that a financial asset is credit-impaired includes the following observable data:

- significant financial difficulty of the debtor or issuer;
- a breach of contract such as a default or being more than 90 days past due;
- the restructuring of amounts due on terms that the Company would not consider otherwise;

Write-off

The gross carrying amount of a financial asset is written off when the Company has no reasonable expectations of recovering a financial asset in its entirety or a portion thereof. For its customers, the Company individually makes an assessment with respect to the timing and amount write-off based on whether there is a reasonable expectation of recovery. The Company expects no significant recovery from the amount written off. However, financial assets that are written off could be subject to enforcement activities in order to comply with the Company's procedures for recovery of amounts due.

II *Non-financial assets*

Intangible assets that have an indefinite useful life are not subject to depreciation or amortisation and are tested annually for impairment. Other assets with finite useful life that are subject to depreciation or amortisation are reviewed for impairment whenever events or changes in circumstances indicate that the carrying amount may not be recoverable. An impairment loss is recognised for the amount by which the asset's carrying amount exceeds its recoverable amount. The recoverable amount is the higher of an asset's fair value less costs to sell and value in use. For the purpose of assessing impairment, assets are grouped at the lowest levels for which there are separately identifiable cash flows (cash generating units). In assessing value in use, the estimated future cash flows are discounted to their present value using a pre-tax discount rate.

Impairment losses are recognised in profit or loss. An impairment loss is reversed only to the extent that the asset's carrying amount does not exceed the carrying amount that would have been determined, net of depreciation or amortisation, if no impairment loss had been recognised.

As a result of the adoption of IFRS 9, the Company has adopted consequential amendments to IAS 1 Presentation of Financial Statements, which require impairment of financial assets to be presented in a separate line item in the statement of profit or loss and OCI. Previously, the Company's approach was to include the impairment of trade receivables in administrative expenses.

Consequently, the Company reclassified impairment loss amounting to ₦29.7 million (2018 reversal of impairment losses of ₦30.8 million), recognised under 'property and administrative expenses' to 'impairment loss/(impairment write back) on financial assets' in the statement of profit or loss and OCI for the year ended 31 December 2019.

(i) Share capital

The Company has only one class of shares, ordinary shares. Ordinary shares are classified as equity. When new shares are issued, they are recorded in share capital at their par value. The excess of the issue price over the par value is recorded in the share premium reserve.

(j) Income tax

Income tax for the year comprises current and deferred tax. Taxation is recognised in the statement of profit or loss and other comprehensive income, except to the extent that it relates to a business combination, or items recognised directly in equity or in other comprehensive income.

Current Tax

Current tax is the expected tax payable on the taxable income or loss for the year, using tax rates enacted or substantively enacted at the reporting date, and any adjustment to tax payable in respect of previous years. The Company is subject to the following types of current income tax:

Company Income Tax - This relates to tax on revenue and profit generated by the Company during the year, to be taxed under the Companies Income Tax Act Cap C21, Laws of the Federation of Nigeria 2004 as amended, to date.

Tertiary Education Tax - Tertiary education tax is based on the assessable income of the Company and is governed by the Tertiary Education Trust Fund (Establishment) Act Laws of the Federation of Nigeria 2011.

Deferred Tax

Deferred tax is provided in full, using the liability method and using tax rates enacted or substantively enacted at the reporting date, for all temporary differences arising between the tax bases of assets and liabilities and their carrying values for financial reporting purposes.

Deferred tax assets relating to the carry forward of unused tax losses, tax credits and deductible temporary differences are recognised to the extent that it is probable that future taxable profit will be available against which the unused tax losses can be utilised in the foreseeable future.

The measurement of deferred tax reflects the tax consequences that would follow the manner in which the Company expects, at the end of the reporting period, to recover or settle the carrying amount of its assets and liabilities.

The Company offsets the tax assets arising from withholding tax (WHT) credits and current tax liabilities if, and only if, the entity has a legally enforceable right to set off the recognised amounts, and intends either to settle on a net basis, or to realise the asset and settle the liability simultaneously. The tax asset is reviewed at each reporting date and written down to the extent that it is no longer probable that future economic benefit would be realised.

(k) Minimum Tax

The Company is subject to the Finance Act of 2019 which amends the Company Income Tax Act (CITA). Total amount of tax payable under the Finance Act is determined based on the higher of two components; Company Income Tax (based on taxable income (or loss) for the year); and Minimum tax (determined based on of 0.5% of qualifying Company's turnover less franked investment income). Taxes based on taxable profit for the period are treated as income tax in line with IAS 12; whereas Minimum tax which is based on a gross amount is outside the scope of IAS 12 and therefore, are not presented as part of income tax expense in the profit or loss. The liability is recognised under trade and other payables in the statement of financial position.

Where the minimum tax charge is higher than the Company Income Tax (CIT), a hybrid tax situation exists. In this situation, the CIT is recognised in the income tax expense line in the profit or loss and the excess amount is presented above the income tax line as minimum tax.

(l) Leased assets

The Company has applied IFRS 16 using the modified retrospective approach and therefore the comparative information has not been restated and continues to be reported under IAS 17 and IFRIC 4. The details of accounting policies under IAS 17 and IFRIC 4 are disclosed separately.

Policy applicable from 1 January 2019

At inception of a contract, the Company assesses whether a contract is, or contains, a lease. A contract is, or contains, a lease if the contract conveys the right to control the use of an identified asset for a period of time in exchange for consideration. To assess whether a contract conveys the right to control the use of an identified asset, the company uses the definition of a lease in IFRS 16.

This policy is applied to contracts entered into, on or after 1 January 2019

i. **As a lessee**

At commencement or on modification of a contract that contains a lease component, the Company allocates the consideration in the contract to each lease component on the basis of its relative stand-alone prices. However, for the leases of property the company has elected not to separate non-lease components and account for the lease and non-lease components as a single lease component.

The Company recognises a right-of-use asset and a lease liability at the lease commencement date. The right-of-use asset is initially measured at cost, which comprises the initial amount of the lease liability adjusted for any lease payments made at or before the commencement date, plus any initial direct costs incurred and an estimate of costs to dismantle and remove the underlying asset or to restore the underlying asset or the site on which it is located, less any lease incentives received.

The right-of-use asset is subsequently depreciated using the straight-line method from the commencement date to the end of the lease term, unless the lease transfers ownership of the underlying asset to the Company by the end of the lease term or the cost of the right-of-use asset reflects that the company will exercise a purchase option. In that case the right-of-use asset will be depreciated over the useful life of the underlying asset, which is determined on the same basis as those of property and equipment. In addition, the right-of-use asset is periodically reduced by impairment losses, if any, and adjusted for certain remeasurements of the lease liability.

The lease liability is initially measured at the present value of the lease payments that are not paid at the commencement date, discounted using the interest rate implicit in the lease or, if that rate cannot be readily determined, the Company's incremental borrowing rate. Generally, the company uses its incremental borrowing rate as the discount rate.

The Company determines its incremental borrowing rate by obtaining interest rates from various external financing sources and makes certain adjustments to reflect the terms of the lease and type of the asset leased.

Lease payments included in the measurement of the lease liability comprise the following:

- fixed payments, including in-substance fixed payments;
- variable lease payments that depend on an index or a rate, initially measured using the index or rate as at the commencement date;
- amounts expected to be payable under a residual value guarantee; and
- the exercise price under a purchase option that the Company is reasonably certain to exercise, lease payments in an optional renewal period if the Company is reasonably certain to exercise an extension option, and penalties for early termination of a lease unless the Company is reasonably certain not to terminate early.

The lease liability is measured at amortised cost using the effective interest method. It is remeasured when there is a change in future lease payments arising from a change in an index or rate, if there is a change in the Company’s estimate of the amount expected to be payable under a residual value guarantee, if the Company changes its assessment of whether it will exercise a purchase, extension or termination option or if there is a revised in-substance fixed lease payment.

When the lease liability is remeasured in this way, a corresponding adjustment is made to the carrying amount of the right-of-use asset, or is recorded in profit or loss if the carrying amount of the right-of-use asset has been reduced to zero.

The Company presents right-of-use assets that do not meet the definition of investment property in ‘property, plant and equipment’ and lease liabilities in ‘loans and borrowings’ in the statement of financial position.

Short term leases and leases of low -value asset

The Company has elected not to recognise right‑of‑use assets and lease liabilities for leases of low‑value assets and short‑term leases. The Company recognises the lease payments associated with these leases as an expense on a straight‑line basis over the lease term.

Policy applicable before 1 January 2019

For contracts entered into before 1 January 2019, the Company determined whether the arrangement was or contained a lease based on the assessment of whether:

- fulfilment of the arrangement was dependent on the use of a specific asset or assets; and
- the arrangement had conveyed a right to use the asset. An arrangement conveyed the right to use the asset if one of the following was met:
  - the purchaser had the ability or right to operate the asset while obtaining or controlling more than an insignificant amount of the output;
  - the purchaser had the ability or right to control physical access to the asset while obtaining or controlling more than an insignificant amount of the output; or
  - facts and circumstances indicated that it was remote that other parties would take more than an insignificant amount of the output, and the price per unit was neither fixed per unit of output nor equal to the current market price per unit of output.

i. **As a lessee**

In the comparative period, as a lessee the Company classified leases that transferred substantially all of the risks and rewards of ownership as finance leases. When this was the case, the leased assets were measured initially at an amount equal to the lower of their fair value and the present value of the minimum lease payments. Minimum lease payments were the payments over the lease term that the lessee was required to make, excluding any contingent rent. Subsequent to initial recognition, the assets were accounted for in accordance with the accounting policy applicable to that asset.

Assets held under other leases were classified as operating leases and were not recognised in the Company's statement of financial position. Payments made under operating leases were recognised in profit or loss on a straight‑line basis over the term of the lease. Lease incentives received were recognised as an integral part of the total lease expense, over the term of the lease.

(m) Employee benefits

Short-term employee benefits

Short-term employee benefit obligations are measured on an un-discounted basis and are expensed as the related service is provided. A liability is recognised for the amount expected to be paid 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.

Defined contribution plans

The Company operates a contributory scheme in line with the Pension Reform Act, 2014. The Company and the employees respectively contribute 10% and 8% of the employees' current salaries and designated allowances into a separate entity.

The Company's contributions are charged to profit or loss in the period to which the contributions relate. The Company has no legal or constructive obligation to pay further contributions if the fund does not hold sufficient assets to pay all employee benefits relating to employee services in the current and prior periods.

(n) Provisions

Provisions are recognised when the Company has a present legal or constructive obligation as a result of past events, it is probable that an outflow of resources will be required to settle the obligation, and a reliable estimate of the amount of the obligation can be made. Provisions are measured at the present value of the expenditures expected to be required to settle the obligation.

(o) Contingent liabilities

A contingent liability is a possible obligation that arises from past events and whose existence will be confirmed only by the occurrence or non-occurrence of one or more uncertain future events not wholly within the control of the company, or a present obligation that arises from past events but is not recognised because it is not probable that an outflow of resources embodying economic benefits will be required to settle the obligation; or the amount of the obligation cannot be measured with sufficient reliability.

Contingent liabilities are only disclosed and not recognised as liabilities in the statement of financial position. If the likelihood of an outflow of resources is remote, the possible obligation is neither a provision nor a contingent liability and no disclosure is made.

(p) Statement of cash flows

The statement of cash flows is prepared using the indirect method. Changes in statement of financial position items that have not resulted in cash flows such as translation differences, fair value changes and other non-cash items, have been eliminated for the purpose of preparing the statement. Interest paid is also included in financing activities while finance income is included in investing activities.

(q) Revenue

Revenue is recognised at the transaction price, when control of a good or service is transferred to a customer in the ordinary course of the Company's activities.

Revenue includes net gaming win, hotel, entertainment and restaurant revenues, other service fees, rental income and the invoiced value of goods and services sold less returns and allowances. Taxes levied on casino winnings are included in revenue and treated as overhead expenses, as these are borne by the Company and not by its customers.

Value added tax (VAT) on all other revenue transactions is considered to be a tax collected by the Company as an agent on behalf of the revenue authorities and is excluded from revenue. Customer loyalty points are provided against revenue when points are earned.

(r) Finance income and finance costs

Interest income and interest expense on all interest bearing financial instruments are recognised using the effective interest method. The effective interest rate is the rate that exactly discounts the expected future cash payments or receipt through the expected life of the financial instrument to the gross carrying amount of the financial asset or to the amortised cost of the financial liability. Net finance costs include interest expense on borrowings as well as interest income on bank balances. Net finance costs also include other finance income and expense items, such as exchange differences arising on borrowings and the settlement of foreign currency creditors. Foreign currency gains and losses are reported on a net basis.

(s) Loss per share

The Company presents basic and diluted loss per share (LPS) data for its ordinary shares. Basic LPS 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, adjusted for own shares held. Diluted LPS is determined by adjusting the loss attributable to ordinary shareholders and the weighted average number of ordinary shares outstanding, adjusted for own shares held, for the effects of all dilutive potential ordinary shares.

(t) Segment reporting

Segment results that are reported to the Company's Board of Directors include items directly attributable to a segment as well as those that can be allocated on a reasonable basis. Unallocated items comprise mainly corporate assets, shared services and tax assets and liabilities.

(u) Related parties

Related parties includes the ultimate holding company and other major shareholders, directors, their close family members and any employee who is able to exert a significant influence on operating policies or the Company, are also considered to be related parties. Key management personnel are those persons having authority and responsibility for planning, directing and controlling activities of the entity directly or indirectly.

(v) Accounting policy developments

Accounting policy developments include new standards issued, amendments to standards and interpretations issued on current standards.

New standards and interpretations not yet adopted

At the date of authorisation of the financial statements of the Company for the year ended 31 December 2019, the following Standards, Amendments to Standards and Interpretations were in issue but not yet effective:

- Amendments to IFRS 3 Definition of a Business, Effective date; 1 January 2020
- Amendments to IAS 1 and IAS 8 Definition of Material, Effective date; 1 January 2020
- IFRS 17 Insurance Contracts, Effective date;Deferred indefinitely
- Sale or Contribution of Assets between an investor and its Associate or Joint Venture (Amendments to IFRS 10 and IAS 28). The effective date for these amendments was deferred indefinitely. Early adoption continues to be permitted.
- Interest Rate Benchmark Reform ((Amendments to IFRS 9, IAS 39 and IFRS 7), Effective date; 1 January 2021

Except for those Standards, Amendments to Standards and Interpretations that are not applicable to the entity, all Standards, Amendments to Standards and Interpretations will be adopted at their effective date unless otherwise indicated.

The following Standards, Amendments to Standards and Interpretations are not applicable to the business of the entity and will therefore have no impact on future financial statements.

- Amendments to IFRS 3 Definition of a Business, Effective date; 1 January 2020
- IFRS 17 Insurance Contracts, Effective date;1 January 2021
- Sale or Contribution of Assets between an investor and its Associate or Joint Venture (Amendments to IFRS 10 and IAS 28). The effective date for these amendments was deferred indefinitely. Early adoption continues to be permitted.

The directors are of the opinion that there will be no material impact of the application of the remaining Standards, Amendments to Standards and Interpretations on the financial statement.

5. Determination of fair values

A number of the Company's accounting policies and disclosures require the determination of fair value, for both financial and non-financial liabilities. Fair values have been determined for measurement and/or disclosure purposes based on the following methods. Where applicable, further information about the assumptions made in determining fair values is disclosed in the notes specific to that asset or liability.

(a) Trade and other receivables

The fair value of trade and other receivables is estimated as the present value of future cash flows, discounted at the market rate of interest at the reporting date. This fair value is determined for disclosure purposes. For short term receivables, no disclosure of fair value is presented when the carrying amount is a reasonable approximation of fair value.

(b) Borrowings

Fair value, which is determined for disclosure purposes, is calculated based on the present value of future principal and interest cash flows, discounted at the market rate of interest at the reporting date.

(c) Property, plant and equipment

The fair value of leasehold land and buiding which were revalued in prior year was determined based on the observable market price for similar property in the same location with consideration for cost required to ensure the sale at the date of the revaluation.

Fair values are categorised into different levels in a fiar value hierarchy based on the inputs used in the valuation techniques as follows:

**Level 1* : quoted prices (unadjusted) in active markets for identical assets or liabilities.
**Level 2* : input other than quoted prices included in Level 1 that are observable for the asset or liability, either directly (i.e as prices) or indirectly (i.e as derived from prices).
**Level 3* : Inputs for the asset or liability that are not based on observable market data (unobservable inputs).

If the inputs used to measure the fair value of an asset or a liability fall into different levels of the fair value hierarchy, then the fair value measurement is categorised in its entirety in the same level of the fair value hierarchy as the lowest level input that is significant to the entire measurement.

The Company recognises transfers between levels of the fair value hierarchy at the end of the reporting period during which the change has occurred.

Further information about the assumptions made in measuring fair values is included in Note 27 - Financial risk management and fair values.

6. Employee costs

(a) Employee costs for the year comprises:

	2019	2018
	₦'000	₦'000
Salaries, wages, bonuses and other benefits	878,980	831,522
Defined contribution pension fund costs	54,782	82,404
Other personnel costs	215,987	196,815
	1,149,749	1,110,741

(b) Employees of the Company, whose duties were wholly or mainly discharged in Nigeria, received remuneration (excluding pension costs and certain benefits) in the following ranges:

			2019	2018
₦		₦	Number	Number
0	-	200,000	35	1
200,001	-	400,000	0	1
400,001	-	600,000	27	31
600,001	-	800,000	57	76
800,001	-	1,000,000	106	98
1,000,001	-	2,000,000	93	88
2,000,001	-	Above	58	51
			376	346

The number of full-time persons employed per function as at year end was as follows:

	2019	2018
	Number	Number
Gaming	66	69
Hospitality	266	241
Administration and support services	44	36
	376	346

(c) Pension payable

The balance of the pension payable account represents the amount due to the Pension Fund Administrator which is yet to be remitted at the year end. The movement on this account during the year was as follows:

	2019	2018
	₦'000	₦'000
Balance at beginning of the year	4,304	4,119
Charge for the year	79,541	82,404
Payments during the year	(78,126)	(82,219)
Balance as at end of the year	5,719	4,304

The Company's majority shareholder, Sun International Limited, operates a defined contribution provident fund. Currently, the provident fund is available to the Company’s expatriate employees, whilst the Company’s Nigerian employees belong to Nigerian employee nominated defined contribution funds. Contributions are made by both the Company and its employees to these funds.

(d) Directors' remuneration

Remuneration, excluding certain benefits of directors of the Company, who discharged their duties mainly in Nigeria, is as follows:

	2019	2018
	₦'000	₦'000
Executive director	104,456	117,363
Non-executive directors	2,250	2,060
	106,706	119,423

The directors’ remuneration shown above includes:

	2019	2018
	₦'000	₦'000
Chairman's fees	500	460
Highest paid director	104,456	117,363

Other directors received emoluments in the following ranges;

₦		₦	2019 Number	2018 Number
0	-	100,000	1	1
100,001	-	Above	7	7
			8	8

7. Finance income and costs

(a) Finance income comprises:

	2019 ₦'000	2018 ₦'000
Interest income on bank balances	(31,309)	(5,018)
	(31,309)	(5,018)

(b) Finance costs comprise:

	2019 ₦'000	2018 ₦'000
Interest expense on loan	1,006,585	959,333
Interest expense on lease	1,635	-
Loss on foreign currency loan balance	195	63,957
Loss on other foreign currency transactions	51,874	54,266
	1,060,289	1,077,555

(c) Net finance costs:

Finance income	(31,309)	(5,018)
Finance costs	1,060,289	1,077,555
	1,028,980	1,072,537

8. Loss before taxation

(a) Loss before taxation is stated after charging the following:

	2019 ₦'000	2018 ₦'000
Depreciation of property, plant and equipment (Note 11(a))	799,856	572,878
Amortisation of intangible assets (Note 12)	4,993	4,700
Lease rentals**	3,234	2,689
Audit fees	16,500	19,425
Non-Audit fees*	3,660	5,394
Audit expenses	333	250
Write off of property, plant and equipment	9,153	46,799
Minimum tax	18,542	-
Employee costs (Note 6(a))	1,149,749	1,110,741
Loss on foreign currency loan balance	195	63,957
Loss on other foreign currency transactions	51,874	54,266
Management and support fees (Notes 24(b))	138,471	244,478

* Tax and Corporate services amounting to ₦4.0 million (2018: ₦5.4 million) with respect to transfer pricing documentation, and application for NOTAP certificate were provided by KPMG Professional Services.

** Lease rental recognised during the year include the variable component of the lease on printer that the Company has elected to expense and the lease rentals on table game which is short term of less than 12 months. The Company has elected not to recognise the right of use on the table rentals.

(b) Consumables and services comprise the following:

	2019	2018
	₦'000	₦'000
Cost of sales - food & beverage	254,069	253,143
Cost of sales - other	20,235	20,745
Amortisation of casino licence fees	50,856	50,856
Other operating expenditure	63,228	54,995
Card commission	23,898	23,149
Printing and Stationery	10,647	11,386
Gaming - Taxes	58,451	72,214
Entertainment	20,146	20,800
Repairs and maintenance	13,821	22,209
General expenses	44,881	39,788
Other casino related expenses	13,005	13,372
	573,237	582,657

(c) Property and administrative costs comprise the following:

	2019	2018
	₦'000	₦'000
Power, fuel and other utilities	639,944	667,568
Card commission	24,892	25,798
Repairs and maintenance	239,430	146,241
Information technology and related expenses	102,105	104,534
Outsourced contracts	82,664	72,458
Professional fees	73,221	114,218
Lease rentals	3,234	2,689
Write off of property, plant and equipment	9,153	46,799
Insurance	81,490	80,347
Licenses and permits	41,550	32,327
Stationery	10,115	12,792
Other general expenses	43,800	37,150
	1,351,598	1,342,921

(d) Promotional and marketing costs comprise the following:

	2019	2018
	₦'000	₦'000
Gaming promotion and marketing	15,983	32,941
Resort marketing, promotion and advertisement	37,097	40,717
Complimentary services	9,425	11,829
Other general expenses	1,411	352
	63,916	85,839

9. Taxation

(a) The tax charge for the year comprises:

(i) *Amounts recognised in profit or loss*

	2019 ₦'000	2018 Restated* ₦'000
Current tax expense		
Income tax	-	-
Tertiary education tax expense	-	-
Charge for the year	-	-
Deferred tax credit	(283,523)	(4,006,807)
Total income tax credit recognised in P/L	(283,523)	(4,006,807)

(ii) *Amounts recognised in OCI*

	2019 ₦'000	2018 Restated* ₦'000
Deferred tax impact on revalued properties, plant and equipment	(242)	4,290,572
Total income tax charge recognised in OCI	(242)	4,290,572

(b) **Movement in current tax liability**

	2019 ₦'000	2018 ₦'000
Balance at 1 January	-	-
Charge for the year (Note 9(a))	-	-
Minimum tax	18,542	-
Set off of current tax asset	(18,542)	-
Cash payment during the year	-	-
Balance at 31 December	-	-

(c) Reconciliation of effective tax rate

	2019	2019 ₦'000	2018 Restated*	2018 Restated* ₦'000
Loss from continuing operations		(1,209,533)		2,627,423
Minimum tax		18,542		-
Loss before minimum tax		(1,190,991)		2,627,423
Taxation		(283,523)		(4,006,807)
Loss before tax		(1,474,514)		(1,379,384)
Income tax using the company's tax rate	30%	(442,354)	30%	(413,815)
Adjusted for:				
Tertiary education tax expense	2%	(29,490)	2%	(27,588)
Non deductible expenses	-2%	22,251	-1%	15,532
Tax losses for which no deferred tax asset is recognised	-11%	166,070	-	-
Recognition of previously unrecognised tax losses	-	-	53%	(724,663)
Changes due to correction of error relating to prior year taxes	-	-	2%	(20,955)
Recognition of previously unrecognised deductible temporary differences	-	-	206%	(2,835,318)
	19%	(283,523)	290%	(4,006,807)

(d) **Minimum tax**

Minimum tax in current year has been computed based on 0.5% of turnover in line with the Finance Act, 2019 and this amounts to ₦18.5million. Minimum tax in prior year was computed based on the Company Income Tax Act (CITA) and this amounted to Nil. (Note 9(b)).

10. (Loss)/earnings per share

Basic (loss)/earnings per share is calculated by dividing the profit or loss attributable to equity holders of the Company by the weighted average number of ordinary shares in issue during the year.

The Company did not have any instruments with a dilutive effect during the year, thus, basic and diluted (loss)/earnings per share are equal.

Number of shares for (loss)/earnings per share calculation

	2019	2018
Weighted number of shares	2,246,437,472	2,246,437,472
	Kobo	Kobo
Basic and diluted (loss)/earnings per share	(54)	117

11. Property, plant and equipment (PPE)

(a) The movement on these accounts was as follows:

	Leasehold Land	Buildings	Infrastructure	Plant & Machinery	Casino Equipment	Hotel & Office Equipment	Motor Vehicles	Furniture & Fittings	Operating Equipment	Capital Work in Progress	Total
	₦'000	₦'000	₦'000	₦'000	₦'000	₦'000	₦'000	₦'000	₦'000	₦'000	₦'000
Deemed cost											
Balance at 1 January 2018	171,287	8,861,635	389,811	594,974	926,083	788,983	59,052	605,179	173,071	26,137	12,596,212
Additions	-	-	-	-	-	-	-	-	37,901	220,974	258,875
Transfers	-	29,078	10,494	93,690	3,052	22,627	362	760	-	(160,063)	-
Operating equipment usage	-	-	-	-	-	-	-	-	(16,101)	-	(16,101)
Write-offs	-	(18,515)	(786)	(2,639)	(213,143)	(18,974)	-	(30,804)	-	-	(284,861)
Revaluation	15,018,563	9,295,719	-	-	-	-	-	-	-	-	24,314,282
Elimination on Revaluation	(69,850)	(2,358,734)	-	-	-	-	-	-	-	-	(2,428,584)
Balance at 31 Dec 2018	**15,120,000**	**15,809,183**	**399,519**	**686,025**	**715,992**	**792,636**	**59,414**	**575,135**	**194,871**	**87,048**	**34,439,823**
Balance at 1 January 2019	15,120,000	15,809,183	399,519	686,025	715,992	792,636	59,414	575,135	194,871	87,048	34,439,823
Additions	-	-	-	-	-	-	-	-	34,881	242,318	277,199
Transfers	-	4,375	42,390	98,024	-	79,416	-	787	-	(224,992)	-
Recognition of right-of-use asset on initial application of IFRS 16	-	-	-	-	-	21,724	-	-	-	-	21,724
Operating equipment usage	-	-	-	-	-	-	-	-	(22,465)	-	(22,465)
Write-offs	-	(2,738)	-	(20,947)	-	(81,787)	-	(36,936)	-	-	(142,408)
Elimination/write off on revaluation		(808)	-	-	-	-	-	-	-	-	(808)
Balance at 31 Dec 2019	**15,120,000**	**15,810,012**	**441,909**	**763,102**	**715,992**	**811,989**	**59,414**	**538,986**	**207,287**	**104,375**	**34,573,065**
Depreciation											
Balance at 1 January 2018	69,850	2,204,726	92,623	341,398	667,062	594,560	51,946	555,777	-	-	4,577,942
Depreciation for the year	-	271,037	19,205	98,714	90,623	56,630	1,920	34,749	-	-	572,878
Write-offs	-	(4,480)	(376)	(353)	(189,989)	(12,070)	-	(30,794)	-	-	(238,062)
Elimination on revaluation	(69,850)	(2,358,734)	-	-	-	-	-	-	-	-	(2,428,584)
Balance at 31 Dec 2018	**-**	**112,549**	**111,452**	**439,759**	**567,696**	**639,120**	**53,866**	**559,732**	**-**	**-**	**2,484,174**
Balance at 1 January 2019	-	112,549	111,452	439,759	567,696	639,120	53,866	559,732	-	-	2,484,174
Depreciation for the year	-	553,082	19,623	95,382	69,507	55,213	1,387	5,662	-	-	799,856
Write-offs	-	(128)	-	(17,331)	-	(78,859)	-	(36,936)	-	-	(133,255)
Balance at 31 Dec 2019	**-**	**665,502**	**131,075**	**517,810**	**637,203**	**615,474**	**55,253**	**528,458**	**-**	**-**	**3,150,775**
Carrying amounts											
At 1 January 2019	**15,120,000**	**15,696,634**	**288,067**	**246,266**	**148,296**	**153,516**	**5,548**	**15,403**	**194,871**	**87,048**	**31,955,649**
At 31 December 2019	**15,120,000**	**15,144,510**	**310,834**	**245,292**	**78,789**	**196,515**	**4,161**	**10,528**	**207,287**	**104,375**	**31,422,290**

(b) Revaluation of Property, plant and equipment

In prior year, the Company carried out a revaluation of its leasehold land and building asset category of property, plant and equipment. The Company engaged an independent valuer Jide Taiwo & Co. (FRC/2012/0000000000254) to carry out the revaluation. As at the date of the valuation 3 October 2018, the net book value of the land and building amounted to ₦6.6 billion and the revalued amount amounted to ₦30.9 billion. Consequently, a revaluation surplus of ₦24.3 billion and a related tax of ₦3.6 billion was recognised in the prior year. This was recognised in the other comprehensive income for prior year and is not available for distribution to the shareholders of the Company. Had the Company not carried out a revaluation, the carrying amount of the leasehold land and building would have been ₦101.4 million (2018: ₦101.4 million and ₦6.3 billion (2018: ₦6.5 billion) respectively at the end of 2019. During the year, a portion of the building was scrapped. This resulted in a charge to the income statement of ₦2.6 million and other comprehensive income of ₦0.8 million.

(c) There was no property, plant and equipment that was pledged as security for borrowings as at year end (31 December 2018: Nil).

(d) Information on capital expenditure commitment is presented in Note 23 of the financial statements.

(e) **Summary of PPE movement schedule**

	2019	2018
	₦'000	₦'000
Balance at beginning of the year	31,955,649	8,018,270
Depreciation	(799,856)	(572,878)
Present value of lease liability	21,724	-
Additions (Note 11(a))	277,199	258,875
Write-offs/Disposal	(9,153)	(46,799)
Operating equipment usage	(22,465)	(16,101)
Changes in Revaluation surplus (Note 11(b))	(808)	24,314,282
Balance at the end of the year	31,422,290	31,955,649

(f) **PPE additions in statement of cash flows**

	2019	2018
	₦'000	₦'000
Additions (Note 11(a))	277,199	258,875
Accrued additions to PPE (Note 21(b))	(4,361)	(21,369)
PPE additions in statement of cash flows	272,838	237,506

(g) **Capital work in progress**

Additions to capital work in progress during the year is analysed as follows:

	2019	2018
	₦'000	₦'000
Buildings	7,217	24,877
Infrastructure	23,773	18,402
Plant and machinery	153,939	125,297
Casino equipment	29,726	3,052
Motor vehicles	600	362
Furniture and fittings	504	623
Hotel and office equipment	26,559	48,361
Property, plant and equipment	242,318	220,974
Intangible assets (Note 12)	1,255	972
	243,573	221,946

(h) During the year, the Company reassessed the remaining useful lives of its property, plant and equipment. No changes were considered necessary.

12. Intangible assets

Intangible assets represent the purchase costs and installation of software licences. The movement in the intangible asset account during the year was as follows:

	2019	2018
	₦'000	₦'000
Cost		
Balance at the beginning of the year	21,337	77,822
Additions	1,255	972
Disposals	-	(57,457)
Balance at the end of the year	22,592	21,337
Amortisation		
Balance at the beginning of the year	13,270	66,027
Amortisation	4,993	4,700
Disposals	-	(57,457)
Balance at the end of the year	18,263	13,270
Carrying amounts		
Balance at the beginning of the year	8,067	11,795
Balance at the end of the year	4,329	8,067

13. Tax assets

Tax assets comprises withholding tax credit notes available for utilisation against income tax payable.

	2019	2018
	₦'000	₦'000
Balance at the beginning of the year	109,698	106,482
Additions	8,029	3,216
Set off of tax liability (Note 9(b))	(18,542)	-
Balance at the end of the year	99,185	109,698
Current portion	10,733	18,542
Non-current portion	88,452	91,156
	99,185	109,698

(a) Tax assets in statement of cash flows	2019	2018
	₦'000	₦'000
Tax assets movement	10,513	(3,216)
Set off of tax liability (Note 9(b))	(18,542)	
	(8,029)	(3,216)

14. Inventories

	2019	2018
	₦'000	₦'000
Consumables	110,627	111,101
	110,627	111,101

The value of food and beverage consumables included in consumables and services as cost of sale amounted to ₦254 million (2018: ₦253 million).

15. Trade and other receivables

		2019	2018
		₦'000	₦'000
(a)	***Financial instruments***		
	Trade receivables	274,294	231,955
	Less: impairment (Note 27(b))	(134,000)	(104,204)
	Net trade receivables	140,294	127,751
	Credit card receivables	18,641	30,220
	Non-financial instruments		
	Advance payment to suppliers	39,237	21,096
	Other receivables	60,290	72,342
		258,462	251,409

Included in the carrying amount of trade receivables are amounts due from related parties (Note 25(b)(iii)).

The carrying values of trade and other receivables approximate their fair value as at the reporting date.

The Company's exposure to credit and market risks, and impairment losses relate to trade and other receivables are disclosed in Note 27.

(b) Trade and other receivables in statement of cash flows	2019	2018
	₦'000	₦'000
Trade and other receivables movement	(7,053)	(8,926)
Impact of adjustment on initial application of IFRS 9	-	(41,381)
Trade and other receivables in statement of cash flows	(7,053)	(50,307)

16. Short term deposits

	2019	2018
	₦'000	₦'000
Fixed deposit investments	858,200	826,470

The fixed term deposit investments represent funds placed with the Company's banker for a deposit tenor of 180 days.

17. Prepayments

	2019	2018
	₦'000	₦'000
Licenses prepayments	68,585	7,500
General prepayments - subscription and maintenance fees	23,002	19,927
Service contracts prepayments	5,074	1,122
	96,661	28,549

18. Share capital and premium

(a) Share Capital

(i) Authorised ordinary shares of 50K each

	2019	2018
	₦'000	₦'000
Balance at the beginning of the year	2,000,000	2,000,000
Balance at the end of the year	2,000,000	2,000,000

There are 4,000,000,000 ordinary shares of 50 Kobo each at 31 December 2019 (2018: 4,000,000,000) of 50 kobo each.
All ordinary shares rank equally with regard to the Company's residual assets.

(ii) Issued and fully paid ordinary shares of 50K each

	2019	2018
	₦'000	₦'000
Balance at the beginning of the year	1,123,220	1,123,220
Balance at the end of the year	1,123,220	1,123,220

There are 2,246,437,472 ordinary shares of 50 Kobo each at 31 December 2019 (2018: 2,246,437,472)
All issued shares are fully paid.

Holders of these shares are entitled to dividends from time to time and are entitled to one vote per share at the general meetings of the Company.

(b) Share Premium

The share premium on the 2,246,437,472 ordinary shares of 50 Kobo each is as follows:

	2019	2018
	₦'000	₦'000
	4,132,763	4,132,763

(c) Revaluation reserve

The revaluation reserve relates to the revaluation surplus arising from the revaluation of the leasehold land and building included in the Company's property, plant and equipment, which is as follows:

	2019	2018 restated*
	₦'000	₦'000
Revaluation reserve (Note 11(b))	20,023,144	20,023,710

*See Note 30

19. Loans and borrowings

	2019	2018
	₦'000	₦'000
(a) Shareholder and related party loan (Note 19(d))	20,617,858	19,702,899
Lease liabilities (Note 19(b))	20,629	-
	20,638,487	19,702,899
Split into:		
Non-current liabilities		
Shareholder and related party loan	20,617,858	19,702,899
Lease liabilities	12,251	-
	20,630,109	19,702,899
Current liability		
Lease liabilities	8,378	-
	8,378	-

(b) Lease liabilities relates to the present value of the future lease payments on the Company's rented printers.

The movement in the lease liabilities in the year was as follows:

	2019	2018
	₦'000	₦'000
Balance at beginning of the year	-	-
Lease liability recognised	21,724	-
Interest on lease liability (Note 7(b))	1,635	-
Payment in the year	(2,730)	-
Balance at end of the year	20,629	-

(c) Shareholder and related party loans

	2019	2019	2018
	US$'000	₦'000	₦'000
Non-current, unsecured			
Shareholders:			
Ikeja Hotel Plc			
At beginning of the year	21,053	6,452,745	6,148,963
Interest capitalised	1,076	329,595	314,261
Exchange difference	-	63	20,948
Related tax on interest	(108)	(32,960)	(31,427)
At end of the year	22,021	6,749,443	6,452,745
Sun International Limited			
At beginning of the year	22,567	6,916,666	6,582,845
Interest capitalised	1,154	353,486	336,620
Exchange difference	-	70	22,448
Related tax on interest	(87)	(26,511)	(25,247)
At end of the year	23,634	7,243,711	6,916,666
Total shareholders	45,655	13,993,154	13,369,411
Other:			
Omamo Investment Corporation			
At beginning of the year	20,664	6,333,488	6,035,320
Interest capitalised	1,056	323,504	308,453
Exchange difference	-	62	20,561
Related tax on interest	(106)	(32,350)	(30,846)
At end of the year	21,614	6,624,704	6,333,488
	67,269	20,617,858	19,702,899

The interest rate of 5% (2018: 5%) has been set on the Company's fixed borrowings. Of these fixed borrowings 100% (2018: 100%) were for periods longer than 12 months. The Company had no unutilised borrowing facilities at 31 December 2019 (2018: Nil).

Terms of the above loans:

(i) They are unsecured.

(ii) Repayment is subject to the board of director's discretion, taking into account the availability of funds and the Company's working capital requirements.

(iii) The loans are denominated in US Dollars.

(iv) Interest is capitalised at 5% per annum.

In terms of its articles of association, the directors, on behalf of the Company are empowered to borrow or obtain loans in the ordinary course of business and in the overall best interest of the Company subject to the approval of shareholders for a foreign loan.

The loan from Omamo Investment Corporation is currently the subject to a legal dispute (Note 32).

(d) **Summary of movement in Shareholder and related party loan**

	2019	2018
	₦'000	₦'000
Opening balance	19,702,899	18,767,128
Interest expense	1,006,585	959,334
Related tax on interest	(91,821)	(87,520)
Effect of changes in exchange rate	195	63,957
Balance at the end of the year	20,617,858	19,702,899

20 Deferred tax

Recognised deferred tax assets/(liabilities)

Recognised deferred tax assets/(liabilities) are attributable to the following:

	Assets		Liabilities		Net	
	2019	**2018 Restated***	**2019**	**2018 Restated***	**2019**	**2018 Restated***
	₦'000	₦'000	₦'000	₦'000	₦'000	₦'000
Property, plant and equipment	-	-	(3,773,322)	(4,016,189)	(3,773,322)	(4,016,189)
Exchange differences	2,555,246	2,566,574	-	-	2,555,246	2,566,574
Provisions	394,465	267,469	-	-	394,465	267,469
Tax losses**	823,611	898,381	-	-	823,611	898,381
Deferred tax assets/(liabilities)	**3,773,322**	**3,732,424**	**(3,773,322)**	**(4,016,189)**	**-**	**(283,765)**

Movement in temporary differences during the year

	Balance at 1 January 2018	**Recognised in profit or loss**	**Recognised in OCI**	**Balance at 31 December 2018**	**Balance at 1 January 2019**	**Recognised in profit or loss**	**Recognised in OCI**	**Balance at 31 December 2019**
	₦'000	₦'000	₦'000	₦'000	₦'000	₦'000	₦'000	₦'000
Property, plant and equipment	-	274,383	(4,290,572)	(4,016,189)	(4,016,189)	242,625	242	(3,773,322)
Exchange differences	-	2,566,574	-	2,566,574	2,566,574	(11,328)	-	2,555,246
Provisions	-	267,469	-	267,469	267,469	126,996	-	394,465
Tax losses**	-	898,381	-	898,381	898,381	(74,770)	-	823,611
Tax assets/(liabilities)	**-**	**4,006,807**	**(4,290,572)**	**(283,765)**	**(283,765)**	**283,523**	**242**	**-**

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Unrecognised deferred tax assets

The Company has a net deferred tax asset amounting to ₦166 million as at 31 December 2019 (2018: Nil restated*), arising mainly from unutilised tax losses of ₦554 million that may be available for offset against future taxable income. The Company did not recognise the deferred tax asset due to uncertainties relating to the amount and timing of future taxable income.

** The Company has total deferred tax asset on tax losses of ₦990 million. Of this amount, ₦824 million has been recognised as part of Deferred tax asset as at year end and ₦166 million is uncognised.

21. Trade and other payables

(a) Trade and other payables	2019 ₦'000	2018 ₦'000
Financial instruments		
Trade payables	105,299	107,620
Other payables	719,133	693,361
Amount due to related parties (Note 25(b)(i)&(ii))	35,698	190,598
Accrued expenses	372,208	465,988
Casino loyalty programme liability	23,146	26,467
	1,255,484	1,484,034
Non-financial instruments		
Employee related accruals	117,359	95,826
Pension Payable (Note 6(c))	5,719	4,304
Deposits received	17,158	14,617
Other payables *	117,719	99,438
	1,513,439	1,698,219

* Other payables comprise non income tax liabilities such as withholding tax, consumption tax and VAT.

(b) Trade and other payables in statement of cash flows	2019 ₦'000	2018 ₦'000
Trade and other payables movement	(184,780)	353,672
Value Added Tax (VAT) paid	78,875	77,858
Unrealised exchange differences (Note 7(b))	(51,874)	(54,264)
Accrued additions to PPE (Note 11(f))	(4,361)	(21,369)
Related taxes on shareholder loans	(91,821)	(87,520)
Effect of movements in exchange rate on cash held	(125)	(2,758)
Trade and other payables in statement of cash flows	(254,086)	265,619

22. Cash and cash equivalents

Cash and cash equivalents consist of:	2019 ₦'000	2018 ₦'000
Cash at bank	468,941	775,510
Cash on hand	29,088	24,386
Cash and cash equivalents in the statement of cash flows	498,029	799,896

The Company's exposure to credit risk and market risk related to cash and cash equivalents are disclosed in Note 27.

23. Capital expenditure commitments

	2019 ₦'000	2018 ₦'000
Capital commitments		
Contracted	49,638	9,396
Authorised by the board of directors but not contracted	2,188,395	1,375,598
	2,238,033	1,384,994
To be spent in the forthcoming financial year	666,338	218,210
To be spent thereafter	1,571,695	1,166,784
	2,238,033	1,384,994

Future capital expenditure will be funded by internally generated cash flows.

24. Management and support fees

(a) Operating services agreement

The Company has an agreement with Sun International (South Africa) Limited (a subsidiary of Sun International Limited) until 30 September 2022 to manage the Company's business. The agreement was approved by the National Office for Technology Acquisition and Promotion (NOTAP) on 17 December 2018 with certificate number CR006767. In terms of this agreement, the Company was obligated to pay the following annual fees to Sun International (South Africa) Limited:

Structure of management fees

(i) Basic fee

A basic fee equal to 3% per annum of the net sales of the Company. This is exclusive of any taxes and is denominated and payable in Naira.

(ii) Incentive fee

An incentive fee of 8% per annum of the gross operating profit of the Company. This fee is exclusive of any taxes and is denominated and payable in Naira.

Included in the management fees for 2019 is the VAT charge on the fees.

The Company previously had an agreement with Sun International Management Limited (a subsidiary of Sun International Limited) until 30 September 2017 to manage the Company's business. The agreement with certificate number CR004719 was approved by the NOTAP on 19 May 2009 and expired on 30 September 2017. The terms of the agreement were a basic fee equal to 3% per annum of the gross revenue of the Company and an incentive fee of 10% per annum of the adjusted net profit of the Company. Both fees are exclusive of any taxes and are denominated and payable in Naira.

(b) Management and support fees

(based on the structure above)	2019	2018
	₦'000	₦'000
Sun International (South Africa) Limited		
Basic fees	115,449	32,691
Incentive fees	27,078	15,855
Sun International Management Limited		
Basic fees	(3,285)	159,764
Incentive fees	(771)	36,168
	138,471	244,478

25. Related parties

(a) Parent and ultimate holding company

The Company is a subsidiary of Sun International Limited incorporated in South Africa. Sun International Limited held 49.3% of the issued and fully paid share capital of the Company as at 31 December 2019 (2018: 49.3%).

(b) Related party transactions

The transaction values and balances with related parties below exclude borrowings, the values of which are disclosed in Note 19(b).

	Value of goods and services supplied (to)/from the Company		Amount due (to)/from the Company	
	2019	2018	2019	2018
	₦'000	₦'000	₦'000	₦'000
(i) Accounts payable				
Sun International Management Limited	1,636	(214,573)	-	(124,068)
Is a subsidiary of Sun International Limited, which is a shareholder in the Company. It had an operating service agreement with the Company.				
Sun International (South Africa) Limited	(224,702)	(57,470)	(26,418)	(57,734)
Is a subsidiary of Sun International Limited, which is a shareholder in the Company. It has an operating service agreement with the Company.				
(ii) Other related party transactions include:				
AVI Services Limited	(93,282)	(93,214)	-	-
Mr. Ufuoma Ibru is director at the Company. AVI Services Ltd provides staff transport service to the Company. He also operates a car hire business at the hotel.				
GM Ibru & Co	(17,134)	(19,575)	(6,500)	(6,066)
Is a firm of attorneys controlled by Goodie M. Ibru, OON, the former Chairman of the Company. It provides legal services to the Company and rents offices from the Company. Mr Ufuoma Ibru, a director of the Company, is also a partner with GM Ibru & Co.				
Punuka Nominees Limited				
Is controlled by a director and the Chairman of the Company. It provides company secretarial services to the Company.	(5,325)	(5,250)	(2,675)	(2,625)
IHL Services Limited	-	25,821	-	-
This Company was previously controlled by Goodie M. Ibru, OON, the former Chairman of the Company. It provided company secretarial services to the Company.				

Lady Maiden Ibru Lady Ibru is the wife of the late Dr Alex Ibru, a former director with an indirect shareholding in the Company. Lady Ibru rents retail premises from the Company, for which no rental has been charged.	-	-	-	-
Guardian Press Limited The Guardian Press Limited is controlled by Lady Maiden Ibru. The Company purchases newspapers from The Guardian Press Limited. Dr. Alexander A Thomopulos is a director of the Company and also a director at Guardian Press Limited.	(332)	(331)	(55)	(55)
Estate of Late Dr Alex Ibru A former director and indirect shareholder in the Company. The estate rents the hotel penthouse premises from the Company, which is currently the subject of a legal dispute. No rental has been charged.	-	-	-	-
Guy Saries Limited This Company is controlled by Goodie M. Ibru, the former Chairman of the Company. It provides media agency to facilitate regulatory announcements on behalf of the Company.	-	(50)	(50)	(50)
	(339,139)	(364,642)	(35,698)	(190,598)

(iii) Accounts receivable (For hospitality services provided)

Ikeja Hotel Plc *	-	154	4,247	4,247
	-	154	4,247	4,247

* The receivable from Ikeja Hotels from hospitality has been recorded as trade receivables.

(c) Transactions with key management personnel

Key management personnel are those persons having authority and responsibility for planning, directing and controlling the activities of the Company directly or indirectly, including any director (whether executive or otherwise) of that Company. Refer to Note 6(d) for amounts paid to directors of the Company during the year.

Key management personnel compensation

Key management personnel compensation comprised:

	2019	2018
	₦'000	₦'000
Short-term employee benefits	226,053	270,006
Post-employment benefit	21,403	25,974
	247,456	295,980

26. Segment information

The Company has two reportable segments, as described below.

Gaming:

This includes the provision of tables and slots gaming facilities.

Hospitality:

This consists of the sale of hotel room accommodation, sale of food and beverages in the Company's restaurants and bars, as well as venue hire, pool club subscriptions and entrance fees, parking and laundry charges, and other miscellaneous revenue.

Unallocated costs represents support services to the above segments, and includes finance and administration, human resources, information technology, security and other property related services.

Information regarding the results of each reportable segment is provided below. Performance is measured based on segment profit before tax, as included in the Company's internal management reports that are reviewed by the Company's General Manager.

	Gaming		Hospitality		Unallocated		Total	
	2019	2018	2019	2018	2019	2018	2019	2018
	₦'000	₦'000	₦'000	₦'000	₦'000	₦'000	₦'000	₦'000
Revenue								
Total revenue for reportable segments	1,261,854	1,390,500	2,520,113	2,343,646	-	-	3,781,967	3,734,146
Elimination of inter-segment revenue *	-	-	(115,885)	(127,540)	-	-	(115,885)	(127,540)
Reportable segment revenue	1,261,854	1,390,500	2,404,228	2,216,106	-	-	3,666,082	3,606,606
Profit/(Loss) before minimum tax								
Reportable segment revenue	1,261,854	1,390,500	2,404,228	2,216,106	-	-	3,666,082	3,606,606
Expenses	(543,105)	(594,878)	(790,223)	(781,687)	(2,089,324)	(2,086,850)	(3,422,652)	(3,463,415)
Elimination of inter-segment expenses	115,885	127,540	-	-	-	-	115,885	127,540
Depreciation and amortisation	-	-	-	-	(804,849)	(577,578)	(804,849)	(577,578)
Net finance costs	-	-	-	-	(1,028,980)	(1,072,537)	(1,028,980)	(1,072,537)
Profit/(loss) before minimum tax	834,634	923,162	1,614,005	1,434,419	(3,923,153)	(3,736,965)	(1,474,514)	(1,379,384)
Reportable segment assets					33,347,783	34,090,839	33,347,783	34,090,839
Reportable segment liabilities					22,151,926	21,684,883	22,151,926	21,684,883

Major customer

Revenue from one customer does not represent up to or exceed 10% of the Company's total revenue. Therefore, information on major customers is not presented.

* Inter-segment revenue represents complimentary room sales and food and beverage revenue which is included in hospitality revenues.

31 December 2019

27. Financial risk management and fair values

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

- Liquidity risk
- Credit risk
- Market risk
- Capital management risk

Risk management framework

The board of directors has overall responsibility for the establishment and oversight of the Company’s risk management framework. The board has established the finance & risk management committee, which is responsible for developing and monitoring the Company’s risk management policies. The committee reports regularly to the board of directors on its activities.

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

The Company's audit committee oversees how management monitors compliance with the Company’s risk management policies and procedures, and reviews the adequacy of the risk management framework in relation to the risks faced by the Company. The Company's audit committee is assisted in its oversight role by internal audit. Internal audit undertakes the reviews of risk management controls and procedures, the results of which are reported to both senior management and the audit committee.

(a) Liquidity risk

Liquidity risk is the risk that the Company will not be able to meet its financial obligations as they fall due. The Company at all times maintains adequate committed credit facilities in order to meet all its commitments as and when they fall due. Repayment of borrowings is structured so as to match the expected cash flows from operations to which they relate.

The following are the maturity analysis of contractual undiscounted financial liabilities (including principal and interest payments):

	Carrying Amount	Contractual cashflows	On demand or not exceeding 6 months	More than 6 months but not exceeding 1 year	More than 1 year but not exceeding 2 years	More than 2 years but not exceeding 5 years	More than 5 years
31 December 2019	₦'000	₦'000	₦'000	₦'000	₦'000	₦'000	₦'000
Financial liabilities							
Borrowings	20,617,858	20,617,858	-	-	-	-	20,617,858
Trade payables	105,299	105,299	105,299		-	-	-
Other payables	719,133	719,133	719,133	-	-	-	-
Amounts due to related parties	35,698	35,698	35,698	-	-	-	-
Accrued expenses	372,208	372,208	372,208	-	-	-	-
Casino loyalty programme	23,146	23,146	23,146	-	-	-	-
	21,873,342	21,873,342	1,255,484	-	-	-	20,617,858
31 December 2018							
	₦'000	₦'000	₦'000	₦'000	₦'000	₦'000	₦'000
Financial liabilities							
Borrowings	19,702,899	19,702,899	-	-	-	-	19,702,899
Trade payables	107,620	107,620	107,620		-	-	-
Other payables	693,361	693,361	693,361	-	-	-	-
Amounts due to related parties	190,598	190,598	190,598	-	-	-	-
Accrued expenses	465,988	465,988	465,988	-	-	-	-
Casino loyalty programme	26,467	26,467	26,467	-	-	-	-
	21,186,933	21,186,933	1,484,034	-	-	-	19,702,899

Credit risk

Credit risk arises from trade and other receivables (excluding prepayments and VAT), and cash and cash equivalents. The granting of credit is controlled by specific application and account limits. Cash deposits are only placed with high quality financial institutions.

The maximum exposure to credit risk is represented by the carrying amount of each financial assets determined to be exposed to credit risk.

Exposure to credit risk

The maximum exposure to credit risk at the reporting date was:

	Carrying amount	
	31 December 2019	31 December 2018
	₦'000	₦'000
Trade receivables (Note 15)	140,294	127,751
Credit card receivables (Note 15)	18,641	30,220
Fixed deposit investments (Note 16)	858,200	826,470
Cash and cash equivalents (Note 22)	468,941	775,510
	1,486,076	1,759,951

Trade receivables

The Company has no significant concentrations of credit risk with respect to trade receivables, due to a widely dispersed customer base. The Company's most significant customer accounts for ₦50 million of the trade receivables carrying amount at 31 December 2019 (2018: ₦24 million).

Expected credit loss assessment for trade receivables.

The Company allocates each exposure to a credit risk grade based on data that is determined to be predictive of the risk of loss and applying experienced credit judgement. Credit risk grades are defined using qualitative and quantitative factors that are indicative of the risk of default. An expected credit loss (ECL) rate is calculated for each segment based on delinquency status and actual credit loss experience over the past years, taking into consideration current conditions and the Company's view of economic conditions over the expected lives of the receivables.

The following table provides information about the exposure to credit risk and ECLs for trade receivables as at 30 December 2019:

	Weighted average loss rate	Credit impaired	Gross carrying amount	Loss allowance
			2019	2019
			₦ '000	₦ '000
Current	8%	No	47,899	(3,624)
31 – 60 days	18%	No	43,165	(7,829)
61 – 90 days	32%	No	11,463	(3,661)
91 – 120 days	37%	Yes	10,259	(3,773)
More than 120 days	71%	Yes	161,508	(115,113)
			274,294	(134,000)

The following table provides information about the exposure to credit risk and ECLs for trade receivables as at 31 December 2019:

	Weighted average loss rate	Credit impaired	Gross carrying amount	Loss allowance
			2018	2018
			₦ '000	₦ '000
Current	0%	No	28,506	-
31 – 60 days	0%	No	75,016	-
61 – 90 days	0%	No	15,478	-
91 – 120 days	0%	Yes	8,252	-
More than 90 days	100%	Yes	104,703	(104,204)
			231,955	(104,204)

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

	2019	2018
	₦'000	₦'000
Balance at beginning of the year	104,204	93,584
Impact of transitioning to IFRS 9	-	41,381
Balance after transition	104,204	134,965
Impairment loss / (write back) recognised	29,796	(30,761)
Balance at end of the year	134,000	104,204

The Company believes that the impaired amounts are still collectible in full based on historical payment behaviour.

Credit card receivables

The Company had credit card receivables of ₦18.6 million (2018: ₦30.2 million) as at 31 December 2019, which represents its maximum credit exposure on these assets.

Fixed deposit investments

The Company held fixed deposit investments of ₦858 million (2018: ₦826 million as at 31 December 2019, which represents its maximum credit exposure on these assets. The investments are held by reputable financial institutions in Nigeria with a history of strong financial performance.

Cash and bank balances

The Company held cash and cash equivalents of ₦469 million (2018: ₦776 million) as at 31 December 2019, which represents its maximum credit exposure on these assets. The cash and cash equivalents are held by reputable financial institutions in Nigeria with a history of strong financial performance.

(c) Market risk

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

I. Foreign currency risk

Included in the statements of financial position are the following amounts denominated in currencies other than the functional currency of the Company (Naira). The currency risk is the risk that the fair value of future cash flows of a financial instrument will fluctuate due to the changes in foreign exchange rates.

The Company monitors the movement in currency rates on a going concern basis to mitigate the risk that the movements in the exchange rates may adversely affect the Company's income or value of their holdings of financial instruments.

Exposure to currency risk
The summary quantitative data about the Company's exposure to currency risk as reported to the Management of the Company based on its risk management policy was as follows:

	31 December 2019			
	USD	**GBP**	**EUR**	**ZAR**
	'000	'000	'000	'000
Cash and cash equivalents	558	16	11	1
Trade and other receivables	2,800	-	-	-
Trade payables and accruals	(67,269)	-	-	(1,157)
Net statement of financial position exposure	(63,911)	16	11	(1,156)

	31 December 2018			
	USD	**GBP**	**EUR**	**ZAR**
	'000	'000	'000	'000
Cash and cash equivalents	620	19	41	4
Trade and other receivables	3,191	-	-	-
Trade payables and accruals	(64,284)	-	-	(6,979)
Net statement of financial position exposure	(60,473)	19	41	(6,975)

The following significant exchange rates applied during the year:

	2019		2018	
	Spot	Average	Spot	Average
US Dollar ($) 1	306.50	306.42	306.50	305.58
Euro (€) 1	342.97	343.10	350.76	361.06
Pound Sterling (£) 1	404.64	391.29	391.37	408.19
South African Rand (R) 1	21.86	21.24	25.19	27.28

Foreign currency sensitivity
A 10% weakening in the Naira against the above foreign currency assets and liabilities at 31 December 2019 would decrease equity and increase the loss before tax by the amounts shown below. This analysis assumes that all other variables, in particular interest rates, remain constant. The analysis was performed on the same basis as at 31 December 2018:

	2019	2018
	₦'000	₦'000
Decrease in equity	1,960,376	1,868,883
Increase in loss before tax	1,960,376	1,868,883

A 10% strengthening in the Naira against the above foreign currency assets and liabilities at 31 December 2019 would have an equal but opposite effect to the amounts shown above, on the basis that all other variables remain constant.

II. Interest rate risk
The Company does not have financial instruments with variable interest rates.

III. Other price risk

The Company's exposure to other price risks is limited as the Company does not have any investments which are subject to changes in equity prices.

(d) Capital management risk

The Company's objectives when managing capital are to safeguard the Company's ability to continue as a going concern in order to provide benefits for its stakeholders and to maintain an optimal capital structure to reduce the cost of capital.

In order to maintain or adjust this capital structure, the Company may issue new shares, adjust the amount of dividends paid to shareholders, return capital to shareholders or buy back existing shares.

The board of directors monitors the level of capital, which the Company defines as total share capital and share premium.

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

The Company is not subject to externally imposed capital requirements.

Gearing

The gearing ratios were as follows:

	2019	2018
	₦'000	₦'000
Total borrowings (Note 19)	20,617,858	19,702,899
Less cash and cash equivalents (Note 22)	(498,029)	(799,896)
Less short term deposits (Note 16)	(858,200)	(826,470)
Net debt	19,261,629	18,076,533
Total equity	11,195,857	12,405,956
Total capital	30,457,486	30,482,489
Net debt to equity ratio	172%	149%

(e) Fair values

(i) Accounting classification and fair values

Trade and other receivables, cash and cash equivalents, loans and borrowings, trade and other payables are the Company's financial instruments.

(ii) Measurement of fair values: Valuation techniques and significant unobservable inputs

The fair value of the Company's financial assets and liabilities are categorised as Level 3 at 31 December 2019 with the exception of its revalued property, plant and equipment, which are categorised as Level 2. This is because the future cashflows of the financial instruments are based on contractual amounts as there are no recent observable arm's length transactions in the market while the revalued property, plant and equipment are inputs other than quoted prices included within Level 1 that are observable for the asset or liability, either directly or indirectly.

The fair values of financial assets and liabilities are not significantly different from the carrying amounts shown in the statement of financial position due to the immaterial impact of discounting. The fair values were determined on the same basis in prior year and there have been no transfers between levels during the financial reporting period.

28. Contingencies

The Company is subject to various pending litigations and claims arising in the normal course of business. The contingent liabilities in respect of these pending litigation and claims amounted to ₦2 billion as at 31 December 2019 (2018: ₦1.1 billion). In addition, the Company is currently undergoing tax regulatory reviews with respect to the financial statements of the financial years 2009 to 2015. As at the date of this report, the amount of the obligation with respect to the regulatory review has not been disclosed because the amount cannot be measured with sufficient reliability. In the opinion of the directors, no material loss is expected to arise from these claims and audits. Therefore, no provision for any loss arising has been made in the financial statements.

29. Change in presentation

A certain change was made to the presentation and classification of a line item on the statement of financial position. This change was made in order to achieve fairer presentation and had no impact on the profit for the year, total assets and total liabilities as previously reported. Further details are shown below:

(a) *i.* **Statement of financial position**

	Note	As previously stated	Reclassification	As restated
31 December 2018		₦'000	₦'000	₦'000
Assets				
Other non-current asset		31,963,716		31,963,716
Tax asset		109,698	(18,542)	91,156
Total non-current assets		32,073,414		32,054,872
Tax asset		-	18,542	18,542
Other current asset		939,546	-	939,546
Trade and other receivables		1,077,879	(826,470)	251,409
Short term deposits	b	-	826,470	826,470
Total current assets		2,017,425		2,035,967
Total asset		34,090,839		34,090,839
Equity				
Total Equity		12,689,721		12,405,956
Total liabilities		21,401,118		21,684,883
Total liabilities and equity		34,090,839		34,090,839

ii
. **Statement of cashflow**

	Note	As previously stated	Reclassification	As restated
31 December 2018		₦'000	₦'000	₦'000
Cashflow from generating activities before changes in working capital		333,631		333,631
Changes in:				
Inventories		2,362		2,362
Trade and other receivables		(876,777)	826,470	(50,307)
Short term deposit	b	-	(826,470)	(826,470)
Other changes in working capital		285,495		285,495
		(255,289)		(255,289)
Net cash used in operating activities		(333,147)		(333,147)
Net cash used in investing activities		(233,460)		(233,460)
Net decrease in cash and cash equivalents		(566,607)		(566,607)
Cash and cash equivalents, beginning of year		1,363,745		1,363,745
Effect on movements in exchange rate on cash held		2,758		2,758
Cash and cash equivalents, end of year		799,896		799,896

(b) The fixed term deposit with the bankers of the Company which was previously reported in trade and other receivables has now been more appropriately reported in short term deposit as current asset in the statement of financial position.

30. Correction of errors

In prior year, the assessment on whether the total unrecognised deferred tax asset of ₦4 billion should be recognised did not consider the tax impact of the revaluation of land and buildings. Had the above consideration been performed, a net deferred tax liability of ₦284 million (comprising previously unrecognised deferred tax asset of ₦4 billion now recognised and deferred tax liability of ₦4.3 billion) as detailed below would have been recognised in the financial statements.

The following tables summarise the impacts on the Company's financial statements:

(i) Statement of financial position

	Impact of correction of error		
	As previously stated	Adjustments	As restated
31 December 2018	₦'000	₦'000	₦'000
Deferred tax liability	-	283,765	283,765
Loans and borrowings	19,702,899	-	19,702,899
Total non-current	19,702,899	283,765	19,986,664
Share capital	1,123,220	-	1,123,220
Share premium	4,132,763	-	4,132,763
Revaluation reserve	24,314,282	(4,290,572)	20,023,710
Accumulated loss	(16,880,554)	4,006,817	(12,873,737)
	12,689,711	(283,755)	12,405,956

(ii) State of profit or loss and other comprehensive income

	Impact of correction of error		
	As previously reported	Adjustments	As restated
31 December 2018	₦'000	₦'000	₦'000
Taxation	-	4,006,807	4,006,807
Others	(1,379,384)	-	(1,379,384)
	(1,379,384)	4,006,807	2,627,423
Revaluation of assets	24,314,282	-	24,314,282
Related tax	-	(4,290,572)	(4,290,572)
Total Comprehensive income	22,934,898	(283,765)	22,651,133

There is no impact on the Company's total operating, investing or financing cash flows for the year ended 31 December 2018.

31. Events after reporting date

On 11 March 2020, the World Health Organization declared the coronavirus (COVID – 19) outbreak a pandemic and most governments have taken restrictive measures to contain its further spread by introducing lockdowns, closures of borders and travel restrictions which has affected the free movement of people and goods. The Nigerian Centre for Disease Control (NCDC) has confirmed COVID -19 cases in Nigeria and this has resulted in lock down in certain states. The pandemic has caused a significant reduction in social interactions, disruption in economic activities while some public facilities have been shut down in a bid to reduce the spread of the virus.

The Company considers this outbreak to be a non-adjusting subsequent event. As the situation is fluid and rapidly evolving, the Directors do not consider it practicable to provide a quantitative estimate of the potential impact of this outbreak and will continue to evaluate the impact of COVID-19 on the Company’s operations, financial position and operating results.

As at the date these financial statements were authorised for issue, the Directors were not aware of any material adverse effects on the financial statements as a result of the COVID-19 outbreak.
There were no other events after the reporting date that could have had a material effect on the financial statements of the Company that have not been provided for or disclosed in these financial statements.

32. Shareholder dispute litigation

The Company has been involved in on-going shareholder and related party disputes as follows:

(a) On 23 September 2011, Omamo Investment Corporation ("Omamo"), instituted a winding up petition against the Company, on grounds that it believed that the Company was insolvent and that the Company had refused to repay its loan when Omamo demanded repayment. This petition was dismissed by the Federal High Court. As at 31 December 2019, the total loan balance payable to Omamo was ₦6.6 billion (31 December 2018: ₦6.3 billion). Based on the formal agreements duly executed by all the loan creditors (refer note 19), the loans are repayable at the discretion of the board of directors, taking into account availability of funds and working capital requirements of the Company provided specific EBITDA targets have been met. Accordingly, none of the loans were due for repayment as at 31 December 2019.

(b) On 21 May 2012, Omamo Investment Corporation served a notice of demand on the Company, seeking repayment of its loan. In response thereto on 8 June 2012, the Company applied to the Federal High Court seeking an enforcement order of the terms of its agreement with Omamo as well as a shareholder in the Company and related party to Omamo namely Oma Investments Limited ("Oma"). With respect to the latter action, the court delivered judgement on 3 October 2013, in which it declined to grant the Company's application for an enforcement order. The Company's Solicitors are currently engaged in the appeal against this decision. The Appeal Court granted an amended notice to appeal, and the appeal was adjourned to 20 November 2017, 16 April 2018, 25 March 2019 and subsequently adjourned further to 3 November 2020 for hearing of pending applications.

(c) On 30 October 2012, Omamo and Oma filed a subsequent action against the Company, challenging (inter alia) further aspects of the agreements to which they are signatories. On 12 November 2013, the matter came up for hearing at the trial court where a motion for an injunction restraining Oma from making a further demand for repayment was declined. The Company's solicitors have proceeded to file a similar motion with the Court of Appeal. Until the motion of appeal is heard, Oma is effectively restrained from taking further action. As at the date of this financial statement, the court had not yet decided on this action.

(d) On 30 October 2012, in a separate suit, Oma Investment Ltd petitioned the Federal High Court challenging the legality of the hotel management agreement currently in place for the management of The Tourist Company of Nigeria Plc (TCN). TCN has raised a preliminary objection. On 30 January 2014, the Court dismissed the preliminary objection. Subsequently, TCN's solicitors have filed a motion for stay of proceedings transmitted to the Court of Appeal. On 3 July 2014 the Federal High Court adjourned the matter sine die (indefinitely) until the matter before the Court of Appeal has been determined. The Court of Appeal adjourned the matter to 22 September 2016. At the next adjourned date, 16 February 2017, the matter was adjourned to 2 July 2019 for hearing of the Appeal. The court did not sit on the scheduled date and a new appeal date is yet to be determined. The Economic and Financial Crimes Commission (EFCC) commenced its investigation into the case four years ago. In the current year, no report has been issued as at the date of the finalisation of these financial statements.

The Directors expect the above matters to be settled without a material loss to the Company.

33. Forensic investigation

In a bid to settle the ongoing shareholders' dispute, settlement agreement was reached among the Nigerian shareholders. As part of the settlement agreement, the Securities and Exchange Commission (SEC) engaged the firm of Deloitte and Touche to perform a forensic investigation on the Company with a specific focus on the Sun International acquisition of TCN shares as well as "Ikeja Hotel Group" investment in TCN. Deloitte has completed the forensic investigation and the report has since been submitted to the SEC, which is currently reviewing the report.

Some of the queries raised in the forensic report include matters relating to:

- possible instances of non-compliance with CAMA
- possible violation of other regulations

The Company has responded to the queries raised during the investigation and other specific queries directed at it by the SEC as a fall out of its review of the report.

The Board is awaiting conclusions from the SEC taking into consideration responses provided by the Company both during and after the investigation exercise.

At the time of issue of these financial statements, the date when the findings of the SEC will be made known is uncertain.

34. Going concern

The Company has been making losses historically and has an accumulated loss of ₦14.1 billion (2018 restated*: ₦12.9 billion). In current year, the Company incurred losses before taxation amounting to ₦1.5 billion (2018: ₦1.4 billion).

As indicated in Note 32, the Company is involved in multiple lawsuits with one of its shareholders, Oma Investment Ltd and its related party, Omamo Investment Corporation. The uncertainty inherent in the outcome of these lawsuits could have a significant impact on the future operations and management of the Company including its ability to settle its obligations in the normal course of business.

In addition, the majority shareholder of the Company, Sun International Limited (SIL) has expressed its intention to ultimately divest from the Company and exit Nigeria. Although, the full implications of the planned divestment by Sun International on the business are yet to be fully determined, it may impact on the sustained operations of the business. Meanwhile, the Company continues to trade as normal.

The uncertain outcome of the pending litigation and the intention of the majority shareholder to divest from the Company indicates the existence of a material uncertainty that may cast significant doubt on the Company's ability to continue as a going concern in the foreseeable future.

The Directors have estimated income and cash flow projections based on assumptions that represent the Directors' best estimates of economic conditions in the short to medium term and they have a reasonable expectation that the Company will continue to trade into the years ahead.

The Company's operating management agreement with Sun International (South Africa) Limited (SISA), a subsidiary of Sun International Limited is valid for a period effective from 1 October 2017 to 30 September 2022. The Directors expect that SISA will continue to fulfill its obligations as contained in the operating management agreement.

Based on the foregoing, these financial statements have been prepared on the basis of accounting policies applicable to a going concern.

OTHER NATIONAL DISCLOSURES

Other national disclosures
Value added statement
For the year ended

	2019 ₦'000	%	2018 ₦'000	%
Revenue	3,666,082		3,606,606	
Bought-in materials and services:				
Amount paid to suppliers	(2,018,547)		(1,980,656)	
Management and support fees	(138,471)		(244,478)	
	(2,157,018)		(2,225,134)	
Finance income	31,309		5,018	
Valued added	1,540,373	100	1,386,490	100
Distribution of Value Added:				
To Government:				
Taxation	(283,523)	(18)	(4,006,807)	(289)
Minimum tax	18,542	1	-	-
To Employees:				
Salaries, wages and fringe benefits	1,149,749	75	1,110,741	80
To Providers of Finance:				
Finance costs	1,060,289	69	1,077,555	78
Retained in the Business:				
For replacement of property, plant and equipment	799,856	52	572,878	41
For replacement of intangible assets	4,993	-	4,700	0
To deplete reserves	(1,209,533)	(79)	2,627,423	190
Valued added	1,540,373	100	1,386,490	100

Value added represents the additional wealth which the Company has been able to create by its own employees' efforts. This statement shows the allocation of that wealth between government, employees, providers of capital and that retained in the business.

Other national disclosures
Financial summary

Statement of financial position

	31 December 2019	31 December 2018 Restated	31 December 2017	30 June 2016	30 June 2015
	₦'000	₦'000	₦'000	₦'000	₦'000
Assets					
Non-current assets	31,515,071	32,054,872	8,136,547	8,740,461	9,010,340
Current assets	1,832,712	2,035,967	1,771,332	1,805,879	1,375,885
Total Assets	33,347,783	34,090,839	9,907,879	10,546,340	10,386,225
Equity and liabilities					
Capital and reserves	11,195,857	12,405,956	(10,203,796)	(6,985,564)	(1,438,473)
Non-current liabilities	20,630,109	19,986,664	18,767,128	16,187,085	10,853,215
Current liabilities	1,521,817	1,698,219	1,344,547	1,344,819	971,483
Total equity and liabilities	33,347,783	34,090,839	9,907,879	10,546,340	10,386,225

Statement of comprehensive income

	31 December 2019	31 December 2018 Restated	18 months to 31 December 2017	30 June 2016	30 June 2015
Revenue	3,666,082	3,606,606	4,906,975	2,891,445	3,209,322
Loss before taxation	(1,493,056)	(1,379,384)	(3,218,232)	(5,547,091)	(2,642,326)
Taxation	283,523	4,006,807	-	-	-
(Loss)/profit after tax	(1,209,533)	2,627,423	(3,218,232)	(5,547,091)	(2,642,326)
Per share data					
(Loss)/earnings per ordinary share (Kobo)	(54)	117	(61)	(247)	(118)
Net assets per ordinary share (Kobo)	498	552	(454)	(311)	(64)

NOTES

NOTES

Proxy Form

The **55th Annual General Meeting** to be held at the Federal Palace Hotel & Casino, 6-8 Ahmadu Bello Way, Victoria Island, Lagos on 15th September 2020 at 11:00 am

I/We ....

Being a shareholder of Tourist Company of Nigeria Plc, hereby appoint:

(Kindly tick one of the following):

- Mr Adesiyan Timothy ☐
- Mrs Bakare Adebisi Oluwayemisi ☐
- Prince Anthony Omojola ☐
- Mr Ufuoma Ibru ☐
- Dr Alexander Thomopulos ☐
- Mr Bjorn Bjaaland ☐

Or failing him/her, the Chairman of the meeting as my/our proxy at the Annual General Meeting to be held on 15th September 2020, at 11:00 am and any adjournment thereof.

Dated this...........................day of.....................2020

NUMBER OF SHARES		
RESOLUTION	**FOR**	**AGAINST**
ORDINARY BUSINESS To lay before members for approval, the audited Financial Statements for the year ended 31st December, 2019 and to receive the report of the Directors, Audit Committee and Auditors thereon;		
To retire and re-elect the Directors:- ▪ Chief Anthony Idigbe, SAN ▪ Mr Andrew Johnston ▪ Dr Alexander Thomopulos (Special notice is hereby given that this Director is over 70 year old)		
To authorize the Directors to fix the remuneration of the External Auditors		
To elect Members of the Statutory Audit Committee.		
SPECIAL BUSINESS		
To approve the remuneration of the Directors		
That shareholders approve and grant a general mandate to the Board of Directors to engage in transactions with related parties as subsequently would be required for the proper running and day to day operations of the Company.		

Please mark the appropriate box with an 'x' to indicate how you wish your votes to be cast on the resolutions set above. Unless otherwise instructed, the proxy will vote or abstain from voting at his/her discretion.

Signature of Shareholder

Name of Shareholder

Before posting this form, please tear off this part and retain it for admission into the meeting
The form may also be sent via email to proxy@gtlregistrars.com

ADMISSION CARD

Please admit .... to the 55th Annual General Meeting of Tourist Company of Nigeria Plc,
which will take place at the Federal Palace Hotel & Casino, 6-8 Ahmadu Bello Way, Victoria Island, Lagos Tuesday, the 15th of September 2020 at 11:00 am

Name of Shareholder (in BLOCK LETTERS)

(Surname) (First name)

(Address)

(Signature of person attending)

Affix
Current
Passport Photograph

GREENWICH
REGISTRARS & DATA SOLUTIONS

E-DIVIDEND MANDATE ACTIVATION FORM

Only Clearing Banks are acceptable

Instruction

Please complete all sections of this form to make it eligible for processing and return to the address below

The Registrar
GREENWICH REGISTRARS & DATA SOLUTIONS LIMITED
274 Murtala Muhammed Way, Yaba, Lagos

I\We hereby request that henceforth, all my\our Dividend Payment(s) due to me\us from my\our holdings in all the companies ticked at the right hand column be credited directly to my\our bank detailed below:

Bank Verification Number

Bank Name

Bank Account Number

Account Opening Date

Shareholder Account Information

Surname/Company Name | **First Name** | **Other Names**

Address

City | **State** | **Country**

Previous Address (if any)

CSCS Clearing House Number

Mobile Number 1 | **Mobile Number 2**

Email Address

Shareholder's Signature | **Company Seal (If applicable)**

2nd Signatory (Joint/Company Accounts)

Help Desk Telephone No/Contact Centre Information for Issue resolution or clarification: +234-(0)1-2917747, +234-(0)1-2793160-2.

Tick	Company Name	Shareholders Account No.
	11 PLC	
	Abplast Products PLC	
	Allianz Nigeria Plc (erstwhile Union Assurance Company Limited; Ensure Insurance)	
	Aluminium Extrusion PLC	
	Cashchew Nut Processing Industries PLC	
	Chellarams PLC	
	Christlieb PLC	
	DANA Group of Companies PLC Series 1 & 2	
	DN Tyre & Rubber PLC	
	Ekiti State Bond Tranche 2	
	EKOCORP PLC	
	Eterna PLC	
	FAN Milk PLC	
	General Telecoms PLC	
	GlaxoSmithKline Nigeria PLC	
	Global Biofuel Nigeria Limited	
	Great Nigeria Insurance PLC	
	Ikeja Hotels PLC	
	Impresit Bakolori PLC	
	Industrial & General Insurance PLC	
	IPWA PLC	
	John Holts PLC	
	Julius Berger Nigeria PLC	
	Kajola Integrated & Investment Company PLC	
	Lennard Nigeria PLC	
	Meyer PLC	
	Municipality Waste Management Contractors Limited Series I,II & III	
	Nestle Nigeria PLC	
	Nigeria Cement Company PLC	
	Nigeria Reinsurance	
	Nigerian Enamelware PLC	
	Nigerian Lamp & Industries	
	Nigerian Wire & Cable PLC	
	Okitipupa Oil Palm PLC	
	Oluwa Glass Company	
	The Tourist Company of Nigeria PLC	
	Tripple Gee & Company PLC	
	UBN Property Company PLC	
	Unilever Nigeria PLC	
	Union Bank of Nigeria PLC	
	Union Homes REITS	
	Union Homes Savings & Loans PLC	
	University Press PLC	
	WEMA Bank PLC	
	Wema Funding SPV Plc Bond Series I & II	

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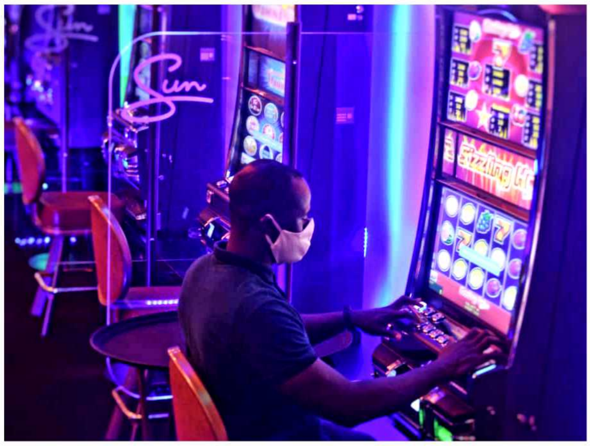
ARE YOU
READY
TO PLAY?


Sun


Antiseptic hand
sanitiser gel
Contain 75% Alcohol
kill 99.99% of viruses
and bacteria
Federal Palace
Sun
Federal Palace
SANITISER WIPES