

GTA POWER MECH FZE
REPORTS AND ACCOUNTS
AT MARCH 31, 2019

OLUKANJI OLABANJI & CO.
CHARTERED ACCOUNTANTS
85, WESTERN AVENUE
SURULERE, LAGOS

GTA POWER MECH FZE
CONTENT

	<u>PAGES</u>
Report of the Directors	1
Report of the Auditors	2
Statement of Financial position	3
Statement of Profit and Loss account	4
Statement of Cash Flow	5
Statement of changes in equity	6
Notes to the financial statements	7 - 10

GTA POWER MECH FZE
REPORT OF THE DIRECTORS
AS AT MARCH 31, 2019

The directors present their report and audited financial statements for the period ended March 31, 2019.

PRINCIPAL ACTIVITIES:

The company is established to carry on composite work on captive power plant.

STATE OF AFFAIRS:

The company made a loss of N41,305,622.

DIRECTORS:

The first set of directors of the company at the date of this report and those who held offices during the period are as follows:

Mr. Jitender Kumar Sachdeva - Indian

Mr. Sajja. Kishore Babu - Indian

Mr. Rakesh Sardana - Indian

Mr. M. Rajiv Kumar- Indian

AUDITORS:

The auditors, Olukanmi, Olabanji & Co, having indicated their willingness, will continue in office in accordance with Section 357 of the Companies and Allied Matters Act 1990.

BY ORDER OF THE BOARD



1





OLUKANMI, OLABANJI & CO.

CHARTERED ACCOUNTANTS

Head Office: 85, Western Avenue, (Opposite Abalti Barracks) Surulere, Lagos, Nigeria.
P. O. Box 8076, Marina, Lagos. ☎: 08033560427

Also Offices in Abuja, Ibadan and Ilorin

GTA POWER MECH FZE REPORT OF THE AUDITORS

We have audited the accompanying financial statements of GTA Power Mech FZE; they comprise statement of profit and loss for the period ended March 31, 2019, the financial position and the statement of cash flow for the year then ended and the summary of significant accounting policies and other explanatory notes.

RESPECTIVE RESPONSIBILITIES OF DIRECTORS AND AUDITORS:

The company's directors are responsible for the preparation of the financial statements. It is our responsibility to form an independent opinion on those statements based on our audit and to report our opinion to shareholders.

BASIS OF OPINION:

We conducted our audit in accordance with generally accepted auditing standards. An audit includes examination on a test basis of evidence relevant to the amounts and disclosures in the financial statements. It also includes an assessment of the significant estimates and judgments made by the directors in the preparation of the financial statements; and of whether the accounting policies are appropriate to the company's circumstances, consistently applied and adequately disclosed.

We believe that the audit evidence we have obtained provides us with a reasonable basis for our opinion.

OPINION:

The financial statements are in agreement with the books of account, which have been properly kept; and we obtained the information and explanations we required.

In our opinion, the financial statements give a true and fair view of the state of the company's financial affairs as at March 31, 2019 and of its financial performance and its cash flows for the period ended on that date and complied with the Companies and Allied Matters Act.


OLUKANMI, OLABANJI & CO.
(Chartered Accountants)

LAGOS:



GTA POWER MECH FZE
STATEMENT OF FINANCIAL POSITION

AS AT MARCH 31, 2019

PARTICULARS	NOTE	2019		2018	
			N		N
ASSETS					
<u>Non - Current assets</u>					
Fixed Assets					
Tangible Assets	3	235,866,083		1,916,100	
Less:Accumulated Depreciation		(6,383,412)		(6,034)	
Net Tangible Assets			229,482,671		1,910,066
Capital Work In Progress	4		158,517,836		-
Total Non-current assets			388,000,507		1,910,066
<u>Current Assets</u>					
Inventory			230,000		-
Closing Work in Progress			98,588,197		
Trade and other receivables	5		3,850,270,535		2,450,000
Cash and bank balances	6		1,196,851,489		30,236,270
Total Current Assets			5,145,940,221		32,686,270
TOTAL ASSETS			5,533,940,728		34,596,336
EQUITY AND LIABILITIES					
<u>Capital and Reserves</u>					
Retained earnings	7		(49,595,936)		(8,290,314)
Total Equity			(49,595,936)		(8,290,314)
<u>Non current liabilities</u>					
Long Term loan					-
<u>Current Liabilities</u>					
Trade & Other Payable	8		5,583,536,664		42,886,650
Total Current Liabilities			5,583,536,664		42,886,650
TOTAL EQUITY AND LIABILITIES			5,533,940,728		34,596,336



 DIRECTORS

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GTA POWER MECH FZE
STATEMENT OF PROFIT AND LOSS ACCOUNT
FOR THE PERIOD ENDED MARCH 31, 2019

PARTICULARS	NOTE	2019	2018
		N	N
<u>Revenue:</u>			
Revenue from operations		-	-
Other income	9	4,556,157	-
Total Revenue		4,556,157	-
<u>Expenses:</u>			
Cost of material consumed	10	302,741	-
Changes in Inventories of Work In Progress	11	(98,588,197)	-
Contract execution expenses	12	100,807,419	1,460,430
Employee benefits expenses	13	7,369,792	516,741
Finance costs	14	17,274,630	27,270
Depreciation and amortization expenses	15	6,377,377	6,034
Other expenses	16	12,318,017	6,279,839
Total Expenses		(45,861,779)	(8,290,314)
Net Profit/(Loss)		(41,305,622)	(8,290,314)

GTA POWER MECH FZE
STATEMENT OF CASHFLOW
FOR THE PERIOD ENDED MARCH 31, 2019

PARTICULARS	2019	2018
	N	N
Profit / (Loss) before taxation .	(41,305,622)	(8,290,314)
Adjustment of Non Cash items :		
Loss / Profit on disposal of fixed assets	-	-
Depreciation on fixed assets	6,377,377	6,034
	(34,928,245)	(8,284,280)
Changes in working capital:		
Inventory	(98,818,197)	-
Debtors	(3,847,820,535)	(2,450,000)
Creditors	5,540,650,014	6,886,650
A.Cash flows from operating activities:	1,559,083,037	(3,847,630)
B.Cash flows from investing activities:		
Acquisition of fixed assets	(392,467,819)	(1,916,100)
Proceeds from disposal of asset		-
	(392,467,819)	(1,916,100)
C.Cash flows from financing activities:		
Loan from affiliated companies	0	36,000,000
Total cash flows (A+B+C)	1,166,615,219	30,236,270
Cash and cash equivalent at beginning of the year	30,236,270	-
Cash and cash equivalent at the end of the year	1,196,851,489	30,236,270
Represented by :		
Cash and Bank balances	1,196,851,489	30,236,270
Bank overdraft	-	-
	1,196,851,489	30,236,270

GTA POWER MECH FZE
STATEMENT OF CHANGE IN EQUITY
FOR THE PERIOD ENDED MARCH 31, 2019

	SHARE CAPITAL N	RETAINED EARNING N	TOTAL N
At April 1st, 2018	-	(8,290,314)	(8,290,314)
Addition during the year	-		-
Profit/ (loss) for the year	-	(41,305,622)	(41,305,622)
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At March 31st, 2019	-	(49,595,936)	(49,595,936)
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GTA POWER MECH FZE
NOTES TO THE ACCOUNTS
AT MARCH 31, 2019

1 GENERAL INFORMATION

The company is a private limited liability company. It was registered as an enterprise in Dangote FZ in Lekki FTZ on November 2, 2017 and commenced business on February 27, 2018

1.2 Going concern

The directors believe that there is no intention or threat from any source to curtail the company's line of business in the foreseeable future. Hence these financial statements are prepared on going concern basis.

1.3 Financial period

This set of financial statements cover the period from April 1st, 2018 to March 31st, 2019 with no comparative figures for the previous year.

2 Significant accounting policies

2.1 Basis of preparation

The financial statements have been prepared on the historical cost basis. The historical cost is generally based on the fair value of the consideration given in exchange for assets.

2..2 Revenue recognition

Revenue is measured as the fair value of the consideration received or receivable and represents amount receivable for goods and services provided in the normal course of business, net of discounts .

2.3 Taxation

The company is not liable to any form of taxation.

2.4 Fixed Assets

Fixed assets when acquired will be stated at historical cost less accumulated depreciation. Historical cost includes expenditure that is directly attributable to the acquisition of the items.

Depreciation is calculated on straight line basis at rates deemed appropriate to write off the cost of the assets to their residual values over their expected useful lives using the following rates:

Plant & Machinery	8% - 20%
Equipment, Furniture & fittings	20%
Motor Vehicle	20%
Computers	25%

NOTE :1- FIXED ASSETS

DEPRECIATION STATEMENT AS ON 31.03.2019 (G040)

S.NO	NAME OF THE ASSET	GROSS BLOCK AS ON 01.04.2018	ADDITIONS	DELETIONS	AS ON 31.03.2019	DEPRECIATION AS ON 31.03.2018	DEPRECIATION FOR THE YEAR	DELETIONS	DEPR UP TO 31.03.2019	NET BOOK VALUE AS ON 31.03.2019	NET BOOK VALUE AS ON 31.03.2018
(A)	TANGIBLE ASSETS :										
1	Land	-	-	-	-	-	-	-	-	-	-
2	Office Buildings	-	-	-	-	-	-	-	-	-	-
3	Plant and Machinery	-	-	-	-	-	-	-	-	-	-
4	Furniture and Fiktur	685,000	3,030,000	-	3,715,000	1,070	640,862	-	641,932	3,073,068	683,930
5	Computers	-	931,298	-	931,298	-	79,078	-	79,078	852,220	-
6	Office Equipment	1,166,100	28,304,719	-	29,470,819	1,581	1,795,253	-	1,796,834	27,673,986	1,164,519
7	Mobiles	65,000	88,000	-	153,000	3,384	78,980	-	82,364	70,636	61,616
8	Cars & Jeeps	-	10,317,500	-	10,317,500	-	880,804	-	880,804	9,436,696	-
9	Vehicles	-	-	-	-	-	-	-	-	-	-
10	Cranes	-	191,278,465	-	191,278,465	-	2,902,401	-	2,902,401	188,376,064	-
11	Temporary Sheds	-	-	-	-	-	-	-	-	-	-
	Total	1,916,100	233,949,983	-	235,866,083	6,034	6,377,377	-	6,383,412	229,482,671	1,910,066
(B)	INTANGIBLE ASSETS :										
1	Power Mech Brand	-	-	-	-	-	-	-	-	-	-
2	Computer Software	-	-	-	-	-	-	-	-	-	-
	Total	-	-	-	-	-	-	-	-	-	-
	Grand Total	1,916,100	233,949,983	-	235,866,083	6,034	6,377,377	-	6,383,412	229,482,671	1,910,066

GTA POWER MECH FZE**NOTES TO THE FINANCIAL STATEMENTS**

AS AT MARCH 31, 2019

PARTICULARS	2019	2018
	N	N
4 CAPITAL WORK IN PROGRESS		
Site office, Fabrication sheds & Yard Development	158,517,836	
Plant & Machinery	-	
	158,517,836	-
5 TRADE AND OTHER RECEIVABLES		
Trade Receivables		
Advances to sub-contractors	900,144,960	-
Advance to Capital Assets	112,664,400	-
Advance to Affiliated companies	1,446,016,000	
Other Receivables		
Prepaid Expenses	19,583,055	2,450,000
Advance to Employees	346,689	-
Margin money with the bank against BG's	1,371,415,432	-
Rent/Gas/Other Deposits	100,000	-
	3,850,270,535	2,450,000
6 BANK AND CASH BALANCES		
Bank balances	1,196,500,964	30,236,020
Cash balances	350,525	250
	1,196,851,489	30,236,270
7 RESERVE & SURPLUS		
As at April 1 st	(8,290,314)	(8,290,314)
Loss for the year	(41,305,622)	
	(49,595,936)	(8,290,314)
8 TRADE AND OTHER PAYABLES		
Trade Payables		
Creditor for supplies	38,615,333	
Creditor for sub-contractors	17,671,405	
Mobilization advance from Customer	5,483,430,400	
Creditor for others	6,550,282	
Other Payables		
Loan from affiliated companies	36,000,000	36,000,000
Due to affiliated company:-		
-GTA Power Mech Nig. Ltd.		5,670,681
-Power Mech Projects Ltd.		1,019,030
Other payables	58,000	196,939
Salaries payable	1,211,244	
Total	5,583,536,664	42,886,650

GTA POWER MECH FZE**NOTES TO THE FINANCIAL STATEMENTS**

AT MARCH 31, 2019

PARTICULARS	NOTE	2019	2,018
		N	N
7 Other Income			
Interest on Deposits with Banks		3,449,360	-
Foreign Exchange Gain		1,106,796	-
		4,556,157	-
8 Cost of materials consumed			
Stores & Consumables		302,741	-
		302,741	-
9 Changes in Inventories of Work In Progress			
Closing Work In Progress		98,588,197	
		98,588,197	
10 Contract execution expenses			
Sub-contract Expenses		68,886,008	-
Travel Projects		4,890,016	570,150
Transport charges		1,233,755	-
Vehicle maintenance		1,759,089	-
Travelling & conveyance		1,207,337	31,400
Visa & Stamping Expenses		22,687,008	858,880
Insurance		55,206	-
Loading & Unloading Charges		89,000	-
		100,807,419	1,460,430
11 Employee benefits expenses			
Salaries		6,319,439	58,000
Staff & workers welfare Expenses		1,026,683	458,741
Medical Expenses		23,670	-
		7,369,792	516,741
12 Finance costs			
Bank charges		16,125,482	27,270
LC Charges		1,149,148	-
		17,274,630	27,270
13 Depreciation and amortisation expenses			
Depreciation		6,377,377	6,034
		6,377,377	6,034
14 Other expenses			
Guest house Expenses		4,076,191	852,589
Hotel boarding & lodging Exp.		18,900	452,574
Audit Fee		308,000	75,000
Office Expenses		890,132	11,500
Rent		3,166,667	-
Registration Expenses		1,125,000	2,523,852
Commission & Brokerage Exp.		300,000	300,000
Postage & Telegrams		72,608	98,600
Printing & Stationery		485,678	20,820
Telephone & Fax charges		833,072	45,500
Computer Maintenance		20,800	-
Professional Charges		-	1,612,500
Other Fees		-	255,904
Forex loss		862,975	-
Festival Expenses		152,900	-
Rates & Taxes		5,000	31,000
Rounding Differences		94	-
		12,318,017	6,279,839