

POWER MECH NIGERIA LIMITED

REPORTS AND ACCOUNTS

AT MARCH 31, 2022

OLUKANJI OLABANJI & CO.

CHARTERED ACCOUNTANTS

85, WESTERN AVENUE

SURULERE, LAGOS

POWER MECH NIGERIA LIMITED
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POWER MECH NIGERIA LIMITED
REPORT OF THE DIRECTORS
AS AT MARCH 31, 2022

The directors present their report and audited financial statements for the year ended March 31, 2022.

PRINCIPAL ACTIVITIES:

The company is established to carry on business of repairing and servicing of Steam and gas turbines and other related businesses.

STATE OF AFFAIRS:

The company made a profit of N968,259,396 after tax

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:

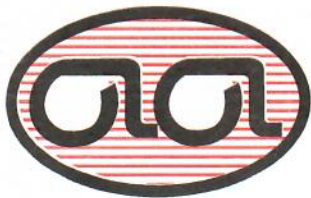
Mr. Sammeta Venkata Nageswara - Indian

Mr. Mungamoori Maruthi 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



OLUKANMI, OLABANJI & CO.

CHARTERED ACCOUNTANTS

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

POWER MECH NIGERIA LIMITED **REPORT OF THE AUDITORS**

We have audited the accompanying financial statements of Power Mech Nigeria Limited; they comprise statement of profit and loss for the year ended March 31, 2022, 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, 2022 and of its financial performance and its cash flows for the year ended on that date and complied with the Companies and Allied Matters Act.

Olukanmi Olabanji & Co.

OLUKANMI, OLABANJI & CO.
(Chartered Accountants)

LAGOS:



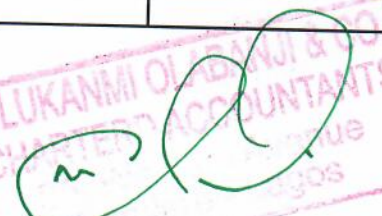
POWER MECH PROJECTS (BR) FZE
STATEMENT OF PROFIT AND LOSS ACCOUNT
FOR THE PERIOD ENDED MARCH 31, 2022

PARTICULARS	NOTE	2022	2021
		N	N
Revenue:			
Revenue from operations	8	3,757,730,247	5,991,034,485
Other income	9	383,617,276	345,421,474
Total Revenue		4,141,347,522	6,336,455,959
Expenses:			
Cost of material consumed	10	543,170,182	665,500,643
Contract execution expenses	11	2,474,315,226	4,951,199,508
Employee benefits expenses	12	85,051,315	180,627,199
Finance costs	13	16,386,752	10,969,001
Depreciation and amortization expenses	14	36,323,240	29,311,790
Other expenses	15	17,841,411	17,444,307
Total Expenses		3,173,088,126	5,855,052,448
Net Profit/(Loss)		968,259,396	481,403,511



POWER MECH PROJECTS (BR) FZE
STATEMENT OF FINANCIAL POSITION
AS AT MARCH 31, 2022

PARTICULARS	NOTE		2022	2021
			N	N
ASSETS				
<u>Non - Current assets</u>				
Fixed Assets				
Tangible Assets	1	157,930,476		
Less: Accumulated Depreciation		(79,083,584)	78,846,892	95,368,372
Net Tangible Assets				
Capital Work In Progress	2		-	-
Total Non-current assets			78,846,892	95,368,372
<u>Current Assets</u>				
Inventory			192,597,545	149,655,005
Closing Work In Progress			723,405,800	501,559,150
Trade and other receivables	3		2,599,847,116	915,053,013
Cash and bank balances	4		12,100,061	38,784,811
Total Current Assets			3,527,950,523	1,605,051,979
TOTAL ASSETS				
			3,606,797,415	1,700,420,351
EQUITY AND LIABILITIES				
<u>Capital and Reserves</u>				
Equity Share Capital	5		36,000,000	36,000,000
Retained earnings	6		1,129,779,054	1,129,779,054
DIVIDEND			(865,798,378)	-
PROFIT			968,259,396	-
Total Equity			1,268,240,071	1,165,779,054
<u>Non current liabilities</u>				
Long Term loan			-	-
<u>Current Liabilities</u>				
Trade & Other Payable	7		2,338,557,344	534,641,297
Total Current Liabilities			2,338,557,344	534,641,297
TOTAL EQUITY AND LIABILITIES				
			3,606,797,415	1,700,420,351


OLUKANMI OLUKUNJI & CO
CHARTERED ACCOUNTANTS
 Lagos

POWER MECH PROJECTS (BR) FZE
STATEMENT OF CASHFLOW
FOR THE PERIOD ENDED MARCH 31, 2022

PARTICULARS	2022	2021
	N	N
Profit / (Loss) before taxation .	968,259,396	481,403,512
Adjustment of Non Cash items :		
Loss / Profit on disposal of fixed assets	-	-
Depreciation on fixed assets	36,323,240	29,311,790
	1,004,582,636	510,715,302
Changes in working capital:		
Inventory	(264,789,191)	(99,084,034)
Debtors	(1,684,794,103)	1,533,495,574
Creditors	1,803,916,047	(1,663,602,633)
A.Cash flows from operating activities:	858,915,388	281,524,209
B.Cash flows from investing activities:		
Acquisition of fixed assets & WIP	(19,801,759)	(29,875,000)
Proceeds from disposal of asset	-	-
	(19,801,759)	(29,875,000)
C.Cash flows from financing activities:		
Increase in share capital	-	-
Dividend paid	(865,798,378)	(383,444,290)
	(865,798,378)	(383,444,290)
Total cash flows (A+B+C)	(26,684,749)	(131,795,081)
Cash and cash equivalent at beginning of year	38,784,811	170,579,892
Cash and cash equivalent as at 31.03.2021	12,100,063	38,784,811
Represented by :		
Cash and Bank balances	12,100,063	38,784,811
Bank overdraft	-	-
	12,100,063	38,784,811



POWER MECH PROJECTS (BR) FZE
DEPRECIATION STATEMENT AS ON 31.03.2022 (5100)

S.NO	NAME OF THE ASSET	GROSS BLOCK			DEPRECIATION			NET BLOCK		
		AS ON 01.04.2021	ADDITIONS	DELETIONS	AS ON 31.03.2022	DEPRECIATION FOR THE YEAR	DELETIONS	DEPR UPTO 31.03.2022	AS ON 31.03.2022	AS ON 31.03.2021
(A)	TANGIBLE ASSETS :									
1	Land	-	-	-	-	-	-	-	-	-
2	Office Buildings	-	-	-	-	-	-	-	-	-
3	Plant and Machinery	42,251,725	17,525,259	-	59,776,984	14,164,851	-	28,314,280	31,462,705	28,102,296
4	Furniture and Fixtur	300,000	-	-	300,000	94,611	-	151,611	148,389	205,389
5	Computers	4,567,309	1,139,500	-	5,706,809	1,747,632	-	2,939,324	2,767,485	2,819,677
6	Office Equipment	4,294,183	1,137,000	-	5,431,183	1,257,614	-	2,247,859	3,183,324	3,036,569
7	Mobiles	305,000	-	-	305,000	289,750	-	289,750	15,250	15,250
8	Cars & Jeeps	14,098,000	-	-	14,098,000	5,212,973	-	7,891,593	6,206,407	8,885,027
9	Vehicles	72,312,500	-	-	72,312,500	20,008,336	-	37,249,168	35,063,332	52,304,164
10	Cranes	-	-	-	-	-	-	-	-	-
11	Temporary Sheds	-	-	-	-	-	-	-	-	-
	Total	138,128,717	19,801,759	-	157,930,476	42,760,344	-	79,083,584	78,846,892	95,368,372
(B)	INTANGIBLE ASSETS :									
1	Power Mech Brand	-	-	-	-	-	-	-	-	-
2	Computer Software	-	-	-	-	-	-	-	-	-
	Total	-	-	-	-	-	-	-	-	-
	Grand Total	138,128,717	19,801,759	-	157,930,476	42,760,344	-	79,083,584	78,846,892	95,368,372



POWER MECH PROJECTS (BR) FZE
NOTES TO THE FINANCIAL STATEMENTS
AS AT MARCH 31, 2022

PARTICULARS	2022	2021
	N	N
2 CAPITAL WORK IN PROGRESS		
Computers	-	-
Office Equipment	-	-
Plant Machinery	-	-
	-	-
3 TRADE AND OTHER RECEIVABLES		
<u>Trade Receivables</u>		
Sundry Debtors	1,678,553,143	898,965,841
Advance to Suppliers	5,135,896	2,964,000
Advance to Sub-Contractors	893,110,911	-
Retention Money with Customer	22,695,166	10,086,035
Advance to Others	-	3,037,137
<u>Other Receivables</u>		
Prepaid Expenses	-	-
Advance to Employees	-	-
Deposits and Advances	352,000	-
Mobilization Advance to Sub-Contractors	-	-
	2,599,847,116	915,053,013
4 BANK AND CASH BALANCES		
Bank balances	11,693,221	36,214,224
Cash balances	406,840	2,570,587
	12,100,061	38,784,811
5 SHARE CAPITAL		
Authorised		
100,000 ordinary Shares of \$ 1 each	36,000,000	36,000,000
Issued and fully paid		
100,000 ordinary Shares of \$ 1 each in the form of Machinery	36,000,000	36,000,000
6 RESERVE & SURPLUS		
As at 1 St April ' 2021	1,129,779,054	648,375,542
Less: Dividend Declared and Paid	(865,798,378)	-
Profit on 31.03.2022	968,259,396	481,403,512
	1,232,240,071	1,129,779,054
7 TRADE AND OTHER PAYABLES		
<u>Trade Payables</u>		
Creditor for Capital Assets	-	-
Creditor for Others	30,817,326	62,983,306
Creditor for Suppliers	163,956,803	69,487,361
Creditor for Sub-Contractors	1,013,176,445	291,804,250
Creditor for Transporters	187,622	-
Mobilization advance from Customer	-	-
Advance from Customer	78,163,785	98,704,324
Provision for Expenses	-	-
OD with Fidelity Bank	1,043,951,917	-
<u>Other Payables</u>		
Salaries payable	8,303,445	9,686,039
Other payables	-	1,976,017
	2,338,557,344	534,641,297
Total	2,338,557,344	534,641,297

OLUKANMI OLANJI
85, Westmoreland Avenue
Lagos

POWER MECH PROJECTS (BR) FZE
NOTES TO THE FINANCIAL STATEMENTS
 PERIOD ENDED MARCH 31, 2022

PARTICULARS	NOTE	2022	2021
		N	N
8 Revenue from operations			
Overseas Mechanical		3,535,883,596	5,859,390,717
Un certified revenue		221,846,650	131,643,768
		3,757,730,247	5,991,034,485
9 Other Income			
Insurance Claims Received		926,500	6,794,775
Revenue from Foreign Exchange		382,690,776	338,626,699
		383,617,276	345,421,474
10 Cost of materials consumed			
Stores & Consumables		543,170,182	665,500,643
		543,170,182	665,500,643
11 Contract execution expenses			
Sub-contract Expenses		2,335,873,170	4,687,804,002
Civil Work Expenses		1,930,000	-
Vehicle Repairs & Maintenance		22,167,853	16,144,966
Vehicle Hire Charges		28,590,000	43,891,300
Calibration Charges		40,000	50,000
Insurance		16,117,404	2,123,240
Travelling & conveyance		13,450	39,960
Visa & Stamping Expenses		-	3,326,379
Travel Projects		40,329,622	150,246,605
Rent for Project Sites		-	2,460,000
Transport Charges		10,272,530	25,620,264
Customs Clearing Charges		2,811,127	12,974,239
Consultancy Charges		16,170,070	6,518,553
Packing & Forwarding Charges		-	-
		2,474,315,226	4,951,199,508
12 Employee benefits expenses			
Salaries		52,785,279	97,756,155
Staff & workers welfare Expenses		17,719,700	15,812,251
Medical Expenses		10,474,299	64,029,066
W.C Policies		4,072,037	3,029,727
		85,051,315	180,627,199
13 Finance costs			
Bank charges		7,398,765	10,969,001
Interest on OD with Fidelity Bank		8,987,987	-
		16,386,752	10,969,001
14 Depreciation and amortisation expenses			
Depreciation		36,323,240	29,311,790
		36,323,240	29,311,790
15 Other expenses			
Computer Maintenance		83,497	32,000
Office Expenses		8,516,230	3,711,600
Registration Exp		2,386,791	2,317,221
Printing & Stationery		1,097,300	4,646,360
Postage & Telegrams		7,500	-
Telephone & Fax charges		3,308,308	4,260,706
Hotel Boarding & Lodging Exp.		-	110,402
Guest House Expenses		150,000	-
Festival Expenses		-	422,237
Professional Charges		-	-
Rounding Diff.		442	-
Rents		-	-
Rates & Taxes		236,374	-
Audit Fee		2,054,969	1,943,781
		17,841,411	17,444,307

