re-engineered

2014
Annual Reports & Financial Statements

RC 201018

CENTRAL SECURITIES CLEARING SYSTEM PLC

At Central Securities Clearing System (CSCS) Plc, our business is to support the efficient operations of the Nigerian Capital Market. This we do by providing a secure and reliable world-class I.T infrastructure for the efficient functioning of the Nigerian Capital Market.

Our roles and functions include:

- Central depository and sub-registry for all eligible securities, equities and fixed income securities.
- Clearing and settlement on the principle of delivery vs payment
- Issuance of Internationa Securities Identification Number (ISIN)
- Issuance of Clearing House Number (CHN) to facilitate easy investor identification
- Providing online links to market participant for real time access to information to registrars, NIBSS, FIS dealers, stock brokers, etc
- Providing transparent platform to facilitate dual listing of securities and cross border transaction
- Ensuring equitable and effective attention to stakeholder's interest
- CSCS Digital Center Services
- Ancilliary services

Call us or visit our website for more details.

RC 201018

Central Securities Clearing System
Stock Exchange House, 2/4 Customs Street, Lagos.
info@cscsnigeriaplc.com, www.cscsnigeriaplc.com

Vison

To be the globally respected and leading Central Securities Depository in Africa

Mission

We create value by providing securities depository, clearing, settlement and other services, driven by innovative technology and high skilled work-force.

Contents

Notice of Annual General Meeting

NOTICE IS HEREBY GIVEN that the 21st Annual General Meeting of members of **CENTRAL SECURITIES CLEARING SYSTEM (CSCS) PLC** will be held at the 20th floor, The Nigerian Stock Exchange Building, 2/4 Customs Street, Lagos on Tuesday June 9th, 2015 at 11 a.m. to transact the following:

A. ORDINARY BUSINESS

1. To receive and consider the Report of the Directors and the Financial Statements for the year ended December 31, 2014, the Auditor's Report thereon and the Audit Committee Report;
2. To declare a dividend;
3. To elect Mr. Omokayode Lawal, who was appointed a Non-Executive Director by the Board of Directors;
4. To elect Mr. Emeka Madubuike, who was appointed a Non-Executive Director by the Board of Directors;
5. To elect Mr. Ariyo Olushekun, who was appointed a Non-Executive Director by the Board of Directors;
6. To approve the remuneration of Directors;
7. To appoint Messrs. KPMG as Company's Auditors and to fix the remuneration of the Auditors thereto;
8. To elect members of the Audit Committee.

B. SPECIAL BUSINESS

To consider and if thought fit pass the following resolution as an Ordinary Resolution

9. That pursuant to the provisions of Sections 44 (1) & (2) and 46 (1) and other applicable provisions of the Companies and Allied Matters Act, the consent of the members be and is hereby accorded to alter the Articles 11, 30 -35, 36-38 of the Memorandum and Articles of the Company.
10. That the Company Secretary is hereby further authorized to do all acts, deeds and things as may be required or deemed expedient to implement this resolution.

Dated this day 24th of April, 2015
BY THE ORDER OF THE BOARD

CHARLES I. OJO
Company Secretary
FRC/2014/NBA. 00000006051

NOTES:

a) Proxy
A member entitled to attend and vote at the Annual General Meeting is entitled to appoint a proxy to attend and vote in his/her stead. A proxy need not also be a member. A proxy form is attached to the Notice and it is valid for the purpose of the meeting. All instruments of proxy should be duly stamped at the Stamp Duties Office and deposited at the office of the Registrars, Africa Prudential Registrars Plc, No. 220B, Ikorodu Road Palmgrove, Lagos, not later than 48 hours prior to the time of the meeting.

b) Closure of Register
The Register of members will be closed from Monday May 18th, 2015 to Friday May 22nd, 2015 (both days inclusive)

c) Dividend
A total dividend of N1, 350,000, 000 (One Billion Three Hundred and Fifty Million Naira) that is 27k (Twenty Seven Kobo) per share has been recommended by the Board for approval. If approved by Shareholders at the Annual General Meeting, the payment will be made on or before Friday June 12th, 2015 to Shareholders whose names appear on the Company's Register of Members as at Friday May 15th, 2015.

d) Audit Committee Members
In accordance with section 359(5) of the Companies and Allied Matters Act, Cap. C20, Laws of the Federation of Nigeria, 2004, any Shareholder may nominate another Shareholder for election as a member of the Audit Committee by giving notice in writing of such nomination to the Company Secretary/Legal Adviser, at least 21 days before the Annual General Meeting.

e) Biographical Details of Directors for Election
Biographical details of directors standing for election are provided in the Annual Report.

Website
A copy of this Notice and other information relating to the meeting can be found at http://www.cscsnigeriaplc.com

Corporate Information

Directors	Oscar N. Onyema OON	Chairman
	Kyari Bukar	Managing Director
	Chidi Agbapu	Director
	Umaru Kwairanga	Director
	Ifueko M. Omoigui Okauru MFR	Director
	Sola Adeeyo	Director
	Haruna Jalo - Waziri	Director
	Bayo Olugbemi	Director
	Kennedy Uzoka (newly joined 19 May, 2014)	Director
	Obinna Nwosu (newly joined 19 May, 2014)	Director
	Omokayode Mudathir Akintola Lawal (newly joined 19 November, 2014)	Director
	Herbert Wigwe (up till 29 January, 2014)	Director
	Emmanuel Nnorom (up till 6 January, 2014)	Director
	Abubakar Danlami Sule (up till 10 March, 2014)	Director

Registered office

Central Securities Clearing System Plc.
1st Floor, The Nigerian Stock Exchange Building
No 2/4, Customs Street,
Marina, Lagos.

Auditors

Akintola Williams Deloitte
235 Ikorodu Road
Ilupeju
Lagos

Bankers

Guaranty Trust Bank Plc.
Zenith Bank Plc.
Fidelity Bank Plc.
United Bank for Africa Plc.
Stanbic IBTC Bank Plc.
Access Bank Plc.
First Bank Nigeria Limited
Sterling Bank Plc.

Registrars

Africa Prudential Registrars Plc.
220B Ikorodu Road
Palmgrove Lagos

Chairman's Address

Esteemed Shareholders, Fellow Board members, representatives of Regulatory Bodies present, distinguished ladies and gentlemen, I warmly welcome you to this 21st Annual General Meeting of our Company to present the Reports and Financial Statements for the year ended 31 December, 2014 as well as review the performance of our Company during the relevant period.

In order to set a stage to the results and performance review, I wish to highlight developments in our economic and business environment in 2014, which impacted on your Company's operations and business activities.

The Global Economy

The year under review witnessed the return of geopolitical risk which had significant impact on markets around the globe. This risk manifested in sharp sudden falls in emerging market currencies, civil unrest in Ukraine, as Russia annexed Crimea, and ISIS activities in Iraq and Syria and also the fall in oil prices in the face of excess supply in relation to weaker demand. This resulted in expected volatility across financial markets. Central banks swung into action by implementing relative monetary policies aimed at cushioning the negative impact on their respective economies. To this end, the United States Federal Reserve Bank exited its quantitative easing (QE) programme in exchange for monetary tightening in 2015. On the side, the European Central Bank (ECB) loosened monetary policy with plans to consider buying its sovereign debt effective 2015. The Bank of Japan (BoJ) surprised most economists and investors by increasing its target of asset purchases to 80 trillion yen per year. The effect of these decisions of the apex banks was felt in the GDP growth rates of their economies. Available data shows that these relative monetary policy stances drove currency divergence. The outperformance of the US economy and the end of QE purchases helped drive the US dollar up against its main trading partners by 11.8%. The euro effective exchange rate depreciated, but more aggressive monetary stimulus in other countries meant that the depreciation was relatively small. One of those more aggressive countries was Japan, which saw the BoJ's increased quantitative and qualitative easing (QQE) programme help trade weighted Japanese yen fall 7.4% over the year.

The year also recorded the pandemic outbreak of Ebola Virus in West Africa as well as a few reported cases in Europe and the US. This tragedy presented a unique opportunity for nations to unite with determination to preserve the human race from this scourge. With large expansion of the outbreak, households suffered losses to their income, cross border businesses suffered huge delays and setbacks due to individuals' fear of contracting the disease from visiting areas of high occurrence. In the instance of West Africa, the conservative GDP loss as a result of the outbreak is set at between $2.2 billion and $7.4 billion.

The Nigerian Economy

In the first quarter of 2014, the economy witnessed some measure of buoyancy with oil prices peaking at US$115 per barrel and equity market capitalization reaching an historic peak of N14 trillion. The heydays quickly swept by as the second half of the year brought about a dose of challenges that had tremendous impact on the Nigerian economy. In the second half of the year, the Nigerian economy faced headwinds resulting from sudden fall in oil prices, dwindling exports income and capital inflows into the country arising from the twin shocks of global commodity price slump and global liquidity volatility, pressure on the Nigerian Naira due to the supply gap in the foreign exchange market which saw the demand for dollars outpace supplies. Though the apex bank, the Central Bank of Nigeria (CBN) made several interventions in trying to achieve some sort of currency stability, these efforts had huge consequences in relation to the Country's reserves.

By year end, oil price had dipped below US$50 dollars per barrel, just as market capitalization shrank below N10 trillion, external reserves dropped to US$34 billion, and the Naira exchange rate had lost a tenth of its value.

The Nigerian Capital Market

Data available to us shows that the capital market experienced bearish sentiments which prevailed for most of the year as foreign investors steadily withdrew from the Nigerian market, due to currency risk and the recovery of developed economies such as the US upon exit of its QE policy. As at December 31, 2014, total NSE market cap had retreated 11.53% (24.05% in $-terms) to N16.88 trillion ($90.68 billion), from N19.08 trillion ($119.40 billion) at the start of the year, while equities market capitalization ended the year at N11.49 trillion ($61.72 billion). Despite the challenges within the year, the Nigerian capital market celebrated some notable firsts within the period.

The market saw its first initial public offering (IPO) since the market crash of 2008 with the primary listing of Seplat Petroleum Development Company Plc's shares on the Main Board at N576 (£2.10) per share and the NSE recorded the single largest trade since 1997 on September 8, 2014, representing 243.54 million shares of Dangote Cement Plc, valued at N48.71 billion.

In the bond market, market capitalization declined slightly to N5.38 trillion ($28.93 billion) despite five (5) new state and municipal bond issues, three (3) corporate bond issues, and two (2) federal government bond issues. In the OTC market, the value of cash transactions for government bonds decreased 19.81% (31.15% in $-terms) from N8.91 trillion ($55.76 billion) to N7.14 trillion ($38.39 billion), following the CBN's move to increase the cash reserve ratio (CRR) on public sector funds from 50% to 75% (to mitigate the economic impact of declining oil revenues, the drawdown of reserves, depletion of the excess crude account, falling FPI inflows, and the widening gap between CBN and bureau de change exchange rates), and the CRR on private sector funds from 12% to 15% (to manage excess liquidity in the interbank market). Transactions in treasury bills (T-bills) soared by 120.05% from N10.92 trillion ($68.34 billion) to N24.03 trillion ($186.10 billion).

Financial Highlights

I am pleased to present you with the financial performance of our Company in the year ended 31st December, 2014. Amidst the harsh economic challenges that impacted businesses, our Company continued to grow revenue and earnings significantly. The Company's operating income increased by 18.69% from N6,943,922,000 in 2013 to N8,241,938,000 in 2014. The financial statements of the company indicates positive increase of its profit before tax by 19.39% from N4,824,283,000 in 2013 to N5,759,951,000 in 2014. There was a marginal increase of 17.13% in the Company's operating expenses from N2,119,000,000 in 2013 to N2,481,987,000 in 2014. Overall, the ending profit increased by 23.64% YOY from N3,738,297,000 in 2013 to N4,622,045,000 in the current year.

Dividend

Your Company remains committed to delivering qualitative returns to its shareholders and this is again being demonstrated by the portion of profit made during the year; which is set aside for distribution to our valued investors. The Board is pleased to recommend a total dividend payout of N1, 350,000, 000 (One Billion Three Hundred and Fifty Million Naira) representing a dividend of 27k (Twenty Seven Kobo) per share.

Strategic Achievements

The Company's results in 2014 are reflective of short term effects of deliberate investment strategy to achieve a more sustainable future. We continued to demonstrate strong fundamentals to weather the fierce economic environment that businesses operated in the year under review, especially with the decline in oil price and outbreak of the Ebola virus.

I am delighted to inform you that in pursuit of its strategic objectives to provide best-in-class services to its participants and the capital market in general, your Company began the process towards replacing its CSD software in the last quarter of 2013 and has now selected TATA Consulting Services Limited as preferred vendor following a painstaking and successful vendor selection process. The Company has since engaged TATA in pre-contract discussions before the project is finally signed off.

In August 2014, your Company was appointed by Global Regulatory Oversight Committee (ROC) as a Pre – Local Operating Unit (LOU) through the Nigerian Securities and Exchange Commission (SEC) for the Issuance of Legal Entity Identifier (LEI). The global LEI initiative aims to allow for the identification, not of financial instruments, but of financial counterparties to securities and derivatives transactions. The Company has commenced the sensitization of stakeholders, developed a portal for the registration of Legal entities. The link for registration is currently available on the Company's website and the number of registered institution has been on the increase.

Based on its strategic vision to be globally respected and be the leading CSD in Africa, your Company continues to seek to establish its footprints across African markets. In this regard, it is actively involved in the West African Capital Market Integration (WACMI) with the hope of providing services to incipient capital markets. Phase one of the initiative is underway and your Management is excited about the bright prospects of this objective.

The Board Of Directors

During the course of the year, there were some changes in the composition of the Board. Mr. Omokayode Mudathir Lawal was appointed to the Board on October 20th, 2014 to fill the vacancy created consequent upon Mr. Abubakar Sule's exit at the last AGM on May 19th, 2014. Mr. Lawal, just like his predecessor, is representing Sterling Bank Plc, which has a permanent Board seat. Mr. Omokayode Mudiathir Lawal's appointment was also approved by the SEC.

At this AGM, 2 directors, Alhaji Umaru Kwairanga and Mr. Chidi Agbapu, shall be retiring having served meritoriously on the Board of your Company. As directors, these gentlemen made stellar and generous contributions to the advancement of your Company and its corporate goals. For these reasons, we make bold to say that they shall sorely be missed and we wish them the best in their endeavours.

To fill the vacancies that their exits would create, the Board on February 11th, 2015 appointed Messrs. Emeka Madubuike and Ariyo Olushekun; both highly respected capital market practitioners. We are confident that both individuals will bring the wealth of their experience in the Nigerian Capital Markets to bear in their duties as directors. We hereby present to you these individuals for your ratification.

Staff

Your Company takes pride in its staff who remain the most valuable resource in the success of its business activities. That's why we will continue to sustain our culture of hiring on the basis of merit and also shall always reward excellence borne out of industry and achievement of our corporate goals. We will continue to ensure that we create the enabling environment to foster congeniality amongst our Staff and a sense of belonging to everyone who contributes to the success of the Company.

Outlook

Your Company will continue to work to be in a strong position to benefit from any improvement in economic conditions and underlying volumes. We are poised to continue both investment and acquisitions to provide logistic solutions to its business. In this vein, the acquisition of the new CSD software remains top priority with the selection of vendor for the project. We intend to support diversification, scale and growth but will stay focused on our core business strategy. Our management's expertise is unrivalled in creating value by providing securities depository, clearing, settlement and other services driven by innovative technology and highly skilled work-force.

Acknowledgment

On behalf of the Board of Directors and the Management, I offer our sincere appreciation to our esteemed Clients, shareholders and stakeholders. We are very thankful to Regulatory bodies for their continuous cooperation. To our esteemed workforce, I am profoundly grateful to you for your commitment to the execution of our strategy and sustaining our company's success drive.

Thank you.

Oscar N. Onyema, OON
Chairman Board of Directors
Central Securities Clearing System Plc.

Chief Executive Officer's Review

Distinguished shareholders, ladies and gentlemen, it is with great pleasure that I, on behalf of the Board of Directors, welcome you to the 21st Annual General Meeting of your Company, the Central Securities Clearing System Plc and present to you our financial statements for the year ended 31st December 2014 as well as a record of your Company's activities in the year under review.

Financial Highlights

I am pleased to report that amidst the harsh economic conditions in the year under review, we worked extremely hard to meet our commitments to our financial and strategic goals. Our overall results, which I shall further speak to, is a confirmation of this fact.

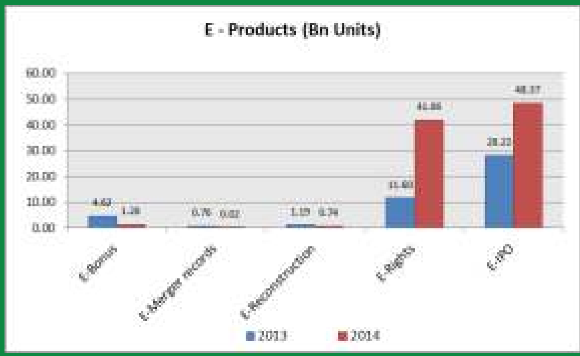
The Company's income grew by 18.69% in 2014 with total earnings of N8.2 billion in the year as against N6.94 billion generated in 2013. This we achieved through fees earned from clearing and settlement services provided to Capital Market participants, interest on fixed deposits and debt instruments in which we have invested, and also sales & subscriptions from other service offerings. Our operating expenses stood at N2.48 billion in 2014 with a variance of 14.52% when compared with N2.12 billion spent in 2013. These expenses were judiciously incurred in shoring up and maintaining our capital and human resources in pursuit of our objectives. We closed the year on a profitable note with our profit after tax up by 19.1% from N3.74 billion in 2013 to N4.62 billion in 2014.

Settlement Statistics

The market capitalization in the year under review stood at N16.88 trillion (Equities 68% and Bonds 32%) indicating a decrease of 12% from previous year position. In 2014, CSCS recorded an increase in the value of equities that were cleared and settled (turnover) from N1, 043.64 billion to N 1, 338.6 billion, a 28.3% increase from the previous year. The volume of equities settled was 108.47 billion units, about 1.8% increase from the previous year (106.54 billion units).

As at end of December 2014, the total volume of NSE equities (listed) and NASD admitted securities held in CSCS stood at 844.5 billion units and 7.1 billion units respectively. This accounts for 79% of shares that have been dematerialized in comparison to the total amount of shares issued.

In regard to e-products, the volume of e-rights recorded is 41.86 billion units, about 260.8% increase from the previous year.



New Securities

In the equities and OTC market, CSCS assigned symbols for 33 new securities to facilitate listing and trading on the floor of the Exchanges. On the NSE platform, the new securities comprise equities, ETFs and Mutual funds. These include, ACAP Canary Growth Fund, Vetiva Griffin 30 ETF, Lotus Halal Equity ETF, Stanbic IBTC ETF 30, Caverton Offshore Supports Group Plc, SEPLAT Petroleum Development Company Plc, TRANSCORP Hotels Plc and Omoluabi Savings and Loans Plc. The number of securities for which symbols were assigned in NASD system increased from 9 to 18.

Table 1. Records of New Securities created by CSCS in 2014

New Securities	2013	2014
Equities (NSE)	7	2
ETF (NSE)	–	3
Mutual funds (NSE)	–	1
Equities (NASD)	9	9
Commercial Paper (CP)	9	7
Bonds	8	11
Total	33	33

Notable Achievements

As a Company, we take pride in our achievements in year 2014. We have continuously scanned our environment for opportunities and also taken advantage of them to make the Company and its service offerings more efficient and acceptable to users.

Legal Entity Identifier (LEI)

In August 2014, CSCS bagged another first when it was appointed by the Global Regulatory Oversight Committee (ROC) as a Pre – Local Operating Unit (LOU) through the Nigerian Securities and Exchange Commission (SEC) for the issuance of Legal Entity Identifier (LEI). The LEI allows for consistent identification of parties to financial transactions, facilitating a consistent and integrated view of exposures. The establishment of an LEI system is a foundational and critically important element towards the improved measurement and monitoring of systemic risk. A global, standardized LEI will enable organizations to more effectively measure and manage counterparty exposure, while providing substantial operational efficiencies and customer service improvements to the industry.

CSCS has organized various forums to sensitize stakeholders about this initiative and has also developed a portal for the registration of Organizations as Legal entities. The link for registration is currently available on the CSCS website and the number of registered institutions had increased to 25 as at the time of publishing this report. At the initial stage, CSCS charge N25, 000 per registrant with annual renewal fees of N12, 500.

Securities and Cash Settlement

CSCS working with the Central Bank of Nigeria (CBN) have successfully implemented the movement of cash settlement to morning session to achieve Delivery versus Payment (DvP). By this initiative, the asset commitment period (time within which counterparties' obligations are determined) has been shortened. This will further reduce risk, increase efficiency in the settlement process in the Market and impact positively on CSCS rating from global benchmarks that apply to Central Securities Depositories (CSDs).

Mark to Market

We now offer Mark to Market services to creditor institutions registered with the CSCS. This new service which we provide for a monthly fee of N10,000 will bring the following added values.

- Help creditor companies in their risk management
- Increase the volume of lien/collateral management transactions
- Generate additional income for CSCS

Biometric Enrolment System

The CSCS developed Biometric Enrolment and Verification System (CEVS) was presented to Stockbroking firms and Registrars on October 23, 2014 and November 6, 2014 respectively and the pilot test concluded. Also, the system has been presented to the Securities and Exchange Commission (SEC). We are happy to report that the CEVS has gone live and we are optimistic that the initiative would boost investors' confidence in the area of security of investors' identity, increase efficiency and liquidity in our market. The record of investor biometric enrolment has increased from 1,256 in 2013 to 8,696 as at end of December 2014.

Corporate Interaction

In 2014, your Company entered into a partnership with CDSC, Kenya, Altree Financial and the African Development Bank to explore business opportunities across African capital markets. Africlear Global is the result of this partnership and the aim is to improve

African securities market infrastructure by providing central securities depositories with the ability to offer value added services which encourage the use of best practices whilst reducing the underlying costs associated with system acquisition and maintenance. We hope that in no distant time, this investment would make decent contributions to your Company's bottom-line.

Also, as the initiative of linking Markets within West Africa continues to gather momentum, CSCS continues to remain actively involved in the West African Capital Market Integration (WACMI). We hope to use the opportunity as well to offer our services beyond our locality in pursuit of our corporate vision of becoming the leading CSD in Africa.

CSD Services

Financial Market Dealers Quotation (FMDQ) – Commercial Papers (CP)

CSCS has been engaged to act as clearing agent for secondary market transaction of Commercial Papers (CPs) for FMDQ OTC. This will bring liquidity to the CP market and income to CSCS. To this end, CSCS has developed a process flow to direct activities relating to trading of this instrument and necessary legal documentation for this engagement have been finalized between both Companies.

Nigeria Commodity Exchange (NCX) – Electronic Warehouse Receipt (EWR) System

CSCS now provides an electronic central registry, clearing and settlement for eligible commodities electronic warehouse receipts issued by licensed warehouses in Nigeria. In February 2014, the Nigeria Commodity Exchange (NCX) and CSCS signed-off the Memorandum of Understanding (MoU). In addition, CSCS has also enhanced its clearing and settlement function and developed a warehouse module to enable the warehouse operators capture the depositor and commodities details; generate a Warehouse receipt (non – negotiable) for depositors and onward transmission of lodgments to CSCS via the online portal.

Our Team

Our achievements cannot be spoken about without making reference to the great team that I am privileged to work with. These individuals remain the core strength of our Company and they have sincerely dedicated their energies towards driving our corporate goals. I am proud that we are succeeding in our efforts of building a congenial workplace that gives room for expression of ideas and growth of our Staff. We also continue to place emphasis on work life balance with the mindset that this always results in greater productivity and job satisfaction for us all.

The Board And Our Stakeholders

I wish to appreciate our Board for their extreme support over the years. By this gesture, we are emboldened to continue to pursue and deliver our business objectives. To our stakeholders, I wish to express our gratitude to you for your support and feedback throughout the year. This has helped to ensure that we remain responsive to your specific needs as patrons of our service offerings. Our thanks also goes out to our shareholders for your confidence in our work and your appreciation of the returns we deliver.

On behalf of myself and my team, I would like to assure you that we shall continue to expand the frontiers of our businesses, reengineer our processes to guarantee greater efficiencies and ultimately sustain our promise of delivering optimum returns to you, our shareholders.

Thank you

Kyari Bukar
(MD/CEO)

Corporate Governance

The Central Securities Clearing System (CSCS) Plc. continues to pay great attention to its culture of imbibing good corporate governance standards in its business pursuits. Guided by the Securities and Exchange Commission (SEC) Code of Corporate Governance as well as other internationally accepted standards for corporate governance, the Company upholds its philosophy of sustainable business processes and value creation for its shareholders to ensure overall and enduring success in the Company's business.

The Board of Directors is responsible for the administration of the company by ensuring precise adherence to sound corporate governance principles. The Board makes certain that the resources of the Company are adequately harnessed to achieve targeted goals, which in turn guarantee that shareholders receive value for their investment. The Board comprises 11 Directors which includes one Executive Director who is also the Managing Director/Chief Executive Officer. All the Directors on the Board possess the requisite expertise and background to supervise the operations of the Company as well as the performance of Management.

There is a compendious Code of Conduct for the Board which sets the standard of business conduct for the Board. The Chairman of the Board is the Code Administrator for the Board. The position of the Chairman of the Company and that of the Chief Executive Officer are distinct. The Chairman is responsible for ensuring that the Board successfully carries out its supervisory duties.

In addition to providing leadership to the Board, the Chairman ensures that Board members are well equipped with necessary information to enable them carry out their functions effectively. To keep the Board in firm grasp of sound governance principles, the Company has made annual training on corporate governance for Board members a top priority.

1.1 Significant Shareholders

According to the Register of Members, no shareholder other than the under-mentioned held more than 5% of the issued share capital of the Company as at 31st December, 2014.

Shareholder	No. of Shares	% Holding
The Nigerian Stock Exchange	1,362,108,950	27.20
Access Bank Plc.	375,000,000	7.50
Ecobank Plc.	375,000,000	7.50
Sterling Bank Plc.	278,750,000	5.58
United Bank for Africa Plc.	268,500,000	5.37

1.2 Cross-Shareholding

The Company is not aware of cross-shareholdings exceeding 5% of the capital or voting rights on both sides.

2. Recent Developments

2.1 Standards Certification

The Board approved the recommendation of the Board Technical Committee which mandated Management to pursue International Organisation for Standardization (ISO) certification and other crucial certifications for the Company's operations and information technology. Management has consequently engaged an ISO certification consultant and certification team to train the workforce to this end.

2.2 Disaster Recovery and Business Continuity Plan

The Board continues to uphold the importance of having a robust disaster recovery plan and consequently has impressed on Management the need to run several onsite and offsite tests; all of which have been successfully carried out.

2.3 Compliance with Statutory Reports

Management ensured that all statutory reports for 2014 - Annual Returns, Annual Reports, Half Year Returns and Quarterly Returns were timely made to the Securities and Exchange Commission (SEC) and Corporate Affairs Commission (CAC) respectively.

2.4 Board Appraisal

JK Randle Professional Services carried out an appraisal on the Board of Directors in line with the Securities and Exchange Commission's Code of Corporate Governance. Board members were interviewed and assessed based on requisite skills needed on the Board of CSCS.

The composition of the Board regarding the ratio of executive directors to non-executive directors, and the constitution of Committees met the requirements of the SEC Code for Corporate Governance. The skills and experience of the Board members were noted to be adequate for the effective management of the Company.

In conclusion, the Board has continued to review the performance of Management in line with the Company's business plan during the year. The Board has been relentless in making concerted efforts to address the major challenges identified in the Company's five-year strategic plan, in order to ensure that the Company stays on course in achieving its long term strategic objectives.

The Board

The Board is made up of the following individuals:

Mr. Oscar N. Onyema OON
MBA Finance & Investments
(City University New York),
BSc Computer Engineering (Ife)

Mr. Onyema is the Chief Executive Officer of The Nigerian Stock Exchange. Prior to this role, he served for about 15 years in the United States financial markets managing market structure initiatives, products and securities exchange businesses.

He served for over 4 years in the Nigerian information technology sector before moving to the US. In 2009, Mr. Onyema founded Market Strategists LLC and consulted under the Gerson Lehrman Group platform in the United States. He was the Senior Vice President and Chief Administrative Officer of the American Stock Exchange (Amex), which he joined in 2001. He was instrumental in integrating Amex equity business into the New York Stock Exchange (NYSE) Euronext after it acquired Amex in 2008. He then managed NYSE Amex equity trading business, which he helped position as a premier market for small and mid-cap securities.

In 2008, Mr. Onyema got Financial Industry Regulatory Authority (FINRA) Series 7, 24, and 63 brokerage licenses with Seamount Execution Services LLC, a FINRA member firm in New York. In the late 1990s, he held various positions at New York Mercantile Exchange where he managed futures market structure initiatives. He served as Adjunct Lecturer of Economics at Pace University, New York between 1999 and 2005.

He is the Chairman, West African Capital Market Integration Council; Council member of the Chartered Institute of Stockbrokers of Nigeria (CIS); President of the African Securities Exchanges Association, and a Global Agenda Council member of the World Economic Forum. Mr. Onyema also serves on the boards of all NSE subsidiaries, as well as FMDQ OTC PLC (FMDQ).

In 2014, Mr. Onyema was awarded the Officer Order of the Niger (OON) by President Goodluck Jonathan.

Mr. Kyari Bukar
Managing Director/CEO
MSc Nuclear Engineering
(Oregon University),
BSc Physics (ABU Zaria)

Prior to joining CSCS, Mr. Bukar was the MD/CEO of Valucard Nigeria Plc. (now Unified Payments Plc.) where he was instrumental in turning around the Company from a nil-profit-making entity to what could aptly be termed a highly profitable entity before his exit.

With proven versatility and proficiency in Information Technology (IT) systems, Mr. Bukar previously spent 14years working with Hewlett-Packard (HP); one of the world's leading IT Companies, where he garnered valuable experience having occupied several Technical and Senior positions amongst which are: Research and Development Engineer, Manufacturing Development Engineer, Marketing Program Manager, Senior IT Consultant and Worldwide Technical Marketing Manager, within divisions of the Company.

Mr. Bukar also possesses a background in Banking having spent a stint working with FSB International Bank Plc. (now Fidelity Bank Plc.) as Executive Director in charge of Electronic Banking, Information Technology and Operations.

Presently, Mr. Bukar is the Vice Chairman of the Nigerian Economic Summit (NESG). He sits on the Board of Credit Registry Services Plc. and is a member of the Board of Trustees of the Investor Protection Fund of the NSE. He was a member of the Nigerian National Conference of 2014 representing the organized Private Sector Group (NESG).

Alhaji Kwairanga Umaru
Non-Executive Director
MSc Finance & Corp. Governance (Liverpool John Moore)
BSc Business Administration (UNIMAID)

Alhaji Umaru Kwairanga is the MD/CEO of Finmal Financial Services Limited which is a dealing firm of the Nigerian Stock Exchange. Alhaji Kwairanga has achieved versatile experience by attending courses and training programs in fields relating to finance, investment and money market in reputable institutions including the Harvard Business School, New York Institute of Finance and the Wharton Business School.

Alhaji Kwairanga has over 16 years cognate experience in banking, manufacturing and trading as well as being an active player in the capital market at a high level. He worked at the defunct New Africa Merchant Bank Limited.

He is a member of several professional bodies which include the Certified Pensions Institute of Nigeria, Chartered Institute of Stockbrokers and is a qualified Broker of the Nigeria Commodities Exchange, Abuja (NCX). He is a Fellow of the Chartered Institute of Stockbrokers. Alhaji Kwairanga is a Director on the Boards of companies which include Ashaka Cement Plc., Barade Construction Ltd, Kwainanado Nig. Ltd, Penman Pensions Ltd and Gombe United Micro Finance Bank. He is also a member of the Council of the Nigerian Stock Exchange.

Mr. Chidi Agbapu
Non-Executive Director
MBA (LBS),
BSc Economics (UNN)

Mr. Chidi Bertram Agbapu is the Co-CEO and Managing Director of Planet Capital Limited. He is an alumnus of the Lagos Business School (LBS) and Associate Member of the Chartered Institute of Stockbrokers (CIS), Certified Pension Institute of Nigeria (CPIN) and Nigeria Institute of Management (NIM).

He has attended courses in Corporate Finance, Asset Trading & Management, Mergers and Acquisition, and Corporate Governance locally and internationally. He amassed his banking and mortgage experience from New Nigeria Bank through Financial Mortgage Limited between 1987 and 1994, transcending the ranks of Executive Trainee through GM/Head of Treasury. His Investment Banking and Stock broking experience cut across Prominent Securities Limited and Equator Finance and Securities Limited between 1994 and 2004 after which he left to become a co-promoter and Co-Founder/Managing Director of Emerging Capital Limited (now Planet Capital Limited).

He serves as director on the boards MTI Plc., Ghana, General Cotton Mill Plc., Onitsha, Bendel Feeds & Flour Mills Plc., and Chairman, Fidelity Bank Plc. Statutory Audit Committee.

Mr. Bayo Olugbemi
Non-Executive Director
MBA (LASU), MSc
(Leeds Metropolitan University),
BSc Accounting (UNILAG)

Bayo Olugbemi is currently the Managing Director and Chief Executive Officer of First Registrars Limited. Bayo has extensive experience in the areas of Investment Banking and Portfolio Management.

Bayo began his Investment Banking career in the Registrars Department of Union Bank of Nigeria Plc. (now Union Registrars) and has pioneered many Registrar outfits such as Rims Registrars, United Securities Limited, Diamond Bank Registrars and NAL Registrars Limited (now Sterling Registrars), among others.

Bayo is a Fellow of the Chartered Institute of Bankers of Nigeria (CIBN), Institute of Capital Market Registrars (ICMR) and the Chartered Institute of Marketing of Nigeria (CIMN). He is also an Associate of The Chartered Institute of Taxation of Nigeria (CITN), as well as a member of both the Chartered Institute of Pension and The Institute of Directors (IOD).

He is an experienced trainer in Management, Capital Market Development and Share Registration as well as a motivational speaker of high repute.

Mrs. Ifueko M. Omoigui Okauru, MON, MFR
Independent Director
MSc Management Science (Imperial, London)
BSc Accounting (Unilag)

Mrs. Omoigui Okauru is the Managing Partner of Compliance Professionals Plc., a corporate entity whose business includes providing support to individuals and organizations to ensure compliance with rules and regulations.

She is also a part-time member of the United Nations (UN) Committee of Experts on International Cooperation in Tax Matters as well as a member of the Board of Trustees of DAGOMO Foundation Nigeria (Limited by Guarantee) - a family based Non-Governmental Organization geared towards community development. Mrs Omoigui Okauru is an Independent Director of Diamond Bank Plc., a Non-Executive Director of Nigerian Breweries Plc. and a Non-Executive Director of Seplat Petroleum Development Company Ltd.

From May 2004 to April 2012, Mrs Omoigui Okauru was the first female Executive Chairman of the Federal Inland Revenue Services (FIRS) and Chairman of the Joint Tax Board (JTB) comprising representatives of all taxing tiers of government of Nigeria. From July 1996 to April 2004, she was the Chief Responsibility Officer of ReStraL Ltd. (a Leadership and Management services organisation), a company she founded in 1996. She built it up from zero base company to an excellent profit making venture. ReStraL Ltd owns the Franklin Covey (FC) license in Nigeria and other parts of West Africa. She is now a non-Executive Director in ReStraL Ltd.

From 1983 to March 1996, she worked across the broad spectrum of Audit, Tax and Consulting services in the firm of Arthur Andersen &Co. (now split into two firms – KPMG Professional Services and Accenture). She became partner and head of the firm's successful strategy consulting practice before her exit in 1996.

Mr. Sola Adeeyo
Independent Director
MA International Relations
(North Eastern, Boston)
BA (State University of New York)

Mr. Sola Adeeyo is the Chairman/CEO Astral Waters Limited. Astral Waters introduced and produces bottled process water in the large 20 liter bottles for sale along with hot and cold dispensers to the general public particularly the corporate niche market. Astral was the first to be certified and approved by NAFDAC in this segment of the industry and remains the leader in quality water delivery.

Mr. Adeeyo is also a Director and the owner of Oakwood Park Hotel, Lekki/Epe Way; a 65 room 4 Star international hotel brand managed by Protea Hotel Group of South Africa. In 1991 Mr. Adeeyo founded Asset & Investment Limited, a financial services company whose activities included trade finance and marketing consultancy for major international companies in the petroleum, construction industries and banks. The Company also engaged in the business of funds management. He was the Managing Director/CEO of the Company from its inception in 1991 to 2001.

From 1989 to 1991, Mr. Adeeyo was Director/Group Head Treasury of Investment Banking & Trust Company (IBTC) Limited. He was part of the founding management/owner group that nurtured the bank from inception in 1989.

Mr. Haruna Jalo-Waziri
Non-Executive Director
Alumnus of LBS, Venture Capital
Institute of America,
BSc (UniMaid)

Haruna Jalo-Waziri is an Executive Director, Business Development at The Nigerian Stock Exchange. He possesses a highly relevant and astounding career profile spanning over eighteen years in the capital market. He has earned dynamic understanding of the various sectors and diverse fields.

Mr. Jalo-Waziri's experience in the capital market covers regulation, deal origination, execution as well as investment management. He started his career at the Nigerian Stock Exchange and then moved to the Securities and Exchange Commission. He worked with Afrinvest West Africa (formerly SECTRUST) for four years and later left for Kakawa Discount House Limited to start the Asset Management department which he later transformed to a full-fledged company; Kakawa Asset Management Limited.

Mr. Jalo-Waziri joined the services of First Alliance Pension & Benefits Limited in partnership with Mcube South Africa. He subsequently joined the services of United Bank for Africa as MD/CEO of UBA Stockbrokers Limited and later became the MD/CEO of UBA Asset Management Limited.

Mr. Kennedy Uzoka
Non-Executive Director
Alumnus Harvard Business School, MBA Unilag, BSc Engineering (Uniben)

Mr. Kennedy Uzoka is the Deputy Managing Director of the United Bank for Africa (UBA) Plc. Prior to this role; he was at various times Head Strategy and Business Transformation of UBA Group, Regional Head South Bank, Group Director Resources, and later Group Human Resources Director.

Before the merger of Standard Trust Bank (STB) with UBA Plc. in 2005, Kennedy was General Manager North Bank of STB covering all states in Northern part of Nigeria including the Federal Capital Territory.

He is also an alumnus of international institutions such as Harvard Business School in Boston, USA; International Institute of Management Development (IMD) in Lausanne, Switzerland, and the London Business School, UK

Mr. Obinna Nwosu
Non-Executive Director
MPP (Columbia), MBA (UNN), BSc Accounting (UNN)

Mr. Nwosu is an accountant with over 20 years banking experience from Access Bank and Guaranty Trust Bank respectively. He is the Deputy Managing Director and Chief Operating Officer of Access Bank Plc. Before his elevation to this position, he was General Manager and Head, Retail Banking Division.

From April 2007 to December 2010 he was General Manager/Head, Super Region Port Harcourt and East. Between April 2005 and April 2007 he was Deputy General Manager/Regional Manager East. He has attended several Executive and Leadership Development Programs in leading institutions.

The Board met 5 times in 2014. The record of attendance is provided below:

	Meetings held				
Names	27th Feb. 2014	19th May 2014	7th June 2014	9th July 2014	20th Oct. 2014
Oscar N. Onyema	✓	✓	✓	✓	✓
Kyari Bukar	✓	✓	X	✓	✓
Umaru Kwairanga	✓	✓	X	✓	✓
Haruna Jalo-Waziri	✓	✓	✓	✓	✓
Obinna Nwosu	N/A	✓	X	X	X
Chidi Agbapu	✓	✓	✓	✓	✓
Kennedy Uzoka	N/A	✓	X	✓	X
'Bayo Olugbemi	✓	✓	✓	✓	✓
Ifueko Omoigui Okauru	X	✓	✓	✓	✓
'Sola Adeeyo	✓	✓	✓	✓	X

Governance Structure

Board Committees

The Board of CSCS has the following Committees;

Finance and General Purpose Committee

The purpose of the Committee is to assist the Board in fulfilling its oversight function in relation to the integrity and accuracy of the Company's financial statements and financial reporting process.

The Committee is responsible for consideration of the Annual Budget and Accounts of the Company. It reviews and approves long term investments proposal of the Company. The Committee reviews the Company's annual audit report and annual financial statements with the Management of the Company.

The Committee alongside the Chief Financial Officer (CFO) reviews the financial reporting practices of the Company to ensure that proper accounting policies are applied. The Committee further meets with the CFO and Chief Internal Auditor to discuss the adequacy and effectiveness of the Company's accounting controls. The Committee members comprise the following directors:

Names	Meetings Held	Meetings Attended
Alhaji Umaru Kwairanga	5	5
Mr Chidi Agbapu	5	4
Mr Obinna Nwosu	5	3
Abubakar Sule*	5	1

*Tenure as Director on the Board has expired.

This Committee is chaired by Alhaji Umaru Kwairanga

Corporate Governance and Remuneration Committee

The purpose of the Committee is to assist the Board in fulfilling its oversight responsibility relating to the general affairs of the Board. The Committee is responsible for setting the criteria for Board and Board Committee membership, reviewing candidates' qualification and establishing whether conflicts of interest exist. The Committee prepares the job specification for the Chairman's position and assesses the time commitment required for the candidate.

The Committee on a regular basis evaluates the skills, knowledge and experience required on the Board and makes recommendations on experience required by the Board Committee members. Other key functions of the Committee include the recommendation on the compensation structure and remuneration for Executive Directors and the determination and assessment of Key Performance Indicators (KPIs) for the Executive Directors.

The Committee ensures that the Board conducts a Board evaluation on annual basis. The Committee is responsible for the assessment of the Company's organizational structure. The Committee periodically evaluates the Board Charter and composition of the Board Committees and makes recommendation where necessary. The Committee members comprise the following directors.

Names	Meetings Held	Meetings Attended
Mr. Sola Adeeyo	5	5
Mr Bayo Olugbemi	5	5
Mrs. Ifueko Omoigui Okauru	5	3
Mr. Haruna Jalo-Waziri	5	3

Mr. Sola Adeeyo is this Committee Chairman.

Technical Committee

The purpose of the Committee is to assist the Board in fulfilling its oversight responsibility relating to the integrity and viability of the Company's Clearing and Settlement Software, information technology systems and processes.

The Committee provides guidance to Management on its innovation and technology strategy, identifying perceived strengths, weaknesses and potential alternatives for consideration. The Committee provides direction on the Company's technology planning processes to support the Company's growth objectives. The Committee provides guidance on the Company's technological infrastructure, including the effectiveness of its technology efforts and investments in developing new products and businesses.

The Committee evaluates on a periodic basis the Company's over-all intellectual property (including patent) strategy. The Committee members comprise the following directors:

Names	Meetings Held	Meetings Attended
Mr. Chidi Agbapu	5	5
Mr. Bayo Olugbemi	5	5
Mr. Kennedy Uzoka	5	2
Mr. Sola Adeeyo	5	4
Mr. Haruna Jalo-Waziri	5	5

The Chairman of this Committee is Mr. Chidi Agbapu.

The Audit and Risk Committee

The purpose of this Committee is to assist the Board in its oversight of the Company's risk management framework, policies and practices relating to internal and external audit function.

The Committee reviews the Company's enterprise risk framework and policies for identifying, monitoring and managing significant business risks across the Company and considers whether the enterprise risk framework and internal controls effectively identify areas of potential, material risk.

The Committee reviews the effectiveness of the Company's internal control system recognizing those matters in respect of which the Board relies on to provide oversight. The Committee evaluates and approves the annual audit plans and activities for the Internal Audit function. The Committee reviews significant findings and recommendations on internal control The Committee members comprise the following directors:

Names	Meetings Held	Meetings Attended
Mrs. Ifueko Omoigui Okauru	5	5
Mr. Haruna Jalo-Waziri	5	4
Alhaji Umaru Kwairanga	5	4
Mr. Obinna Nwosu	5	4
Mr. Kennedy Uzoka	5	2
Mr. Abubakar Sule*	5	1

Mrs. Ifueko Omogui Okauru is the Chairman of this Committee.

Statutory Audit Committee

The Statutory Audit Committee was set up in accordance with the provisions of the Companies and Allied Matters Act, CAP 20, 2004. The Committee is responsible for the selection and appointment of the External Auditors as well as for the approval of their terms of engagement and fees.

The Committee is made up of Non-Executive Directors and ordinary shareholders of the Company. The Non-Executive Directors who serve on the Committee are determined by the Board. Shareholders elect their representatives at the Annual General Meeting (AGM). Any member may nominate a shareholder as a member of the Committee by giving notice in writing of such nomination to the Company Secretary at least 21 (twenty-one) days before the AGM. The Members of the Statutory Audit Committee in 2014 are as follows:

Dr Umar Faruk	Shareholder
Mr. Yomi Adeyemi	Shareholder
Mr. Olanipekun Osinowo	Shareholder
Mrs. Ifueko Omoigui Okauru	Non-Executive Director
Mr. Bayo Olugbemi	Non-Executive Director
Mr. Chidi Agbapu	Non-Executive Director

Names	Meetings Held	Meetings Attended
Dr Umar Faruk	5	5
Mr. Yomi Adeyemi	5	5
Mr. Olanipekun Osinowo	5	4
Mrs. Ifueko Omoigui Okauru	5	1
Mr. Bayo Olugbemi	5	4
Mr. Chidi Agbapu	5	3

Dr. Umar Faruk is the chairman of this Committee.

J.K. RANDLE
INTERNATIONAL
Chartered Accountants
& Management Consultants

"X KPMG HOUSE"
One King Ologunkutere Street,
Park View, Ikoyi, Lagos,
P.O. Box 75429, Victoria Island, Lagos.
Tel: 234-7098820710 **Telefax:** 234-1-2701137
E-mail: jkrandleco@21ctl.com, jkrandleintuk@gmail.com
Website: www.jkrandleandco.co.uk

REPORT OF THE EXTERNAL CONSULTANTS ON THE APPRAISAL OF THE BOARD OF DIRECTORS OF CENTRAL SECURITIES CLEARING SYSTEM PLC FOR THE YEAR ENDED 31ST DECEMBER 2013

The Board of Directors of Central Securities Clearing System Plc. (CSCS) renewed its mandate to J. K. Randle International to conduct the evaluation of the Board of Directors for the year ended 31st December, 2013 in accordance with the provisions of the Securities & Exchange Commission's Code of Corporate Governance (SEC Code).

The Board of CSCS was composed of eleven Directors as at the year ended 31 December 2013. This is made up of one Executive Director who is also the Managing Director/Chief Executive Officer and ten Non-Executive Directors. Members of the Board possess the requisite backgrounds to supervise the operations of the Company as well as the performance of Management. The composition of the Board conformed with the provisions of the SEC Code in respect of number of executive directors as a ratio to non-executive directors. The number of committees conformed with the minimum required by the SEC Code.

The skills mix, experience base, and diversity were adequate for the effective performance of the Board's functions. We noted in particular, that the Board continued to review the performance of Management in line with the Company's business plan during the year. Continual efforts were made to address the major challenges identified by the Company's five-year strategic plan in order to ensure that the Company remained on course for the achievement of its long term strategic objective.

We observed that the operations of the Board met the requirements of Best Practice and the SEC Code. Accordingly, frequency of Board meetings met the minimum requirement of the SEC Code. The Board held four meetings, and the level of attendance was satisfactory. The conduct of the meetings followed conventional procedures in a conducive atmosphere where all members expressed their views freely. The agenda of the Board consisted of relevant strategic issues in order to address the critical evaluation of the unfolding scenarios within the Company. The activities of the Board were well documented in its minutes book.

The Board performed all the functions that fell within the purview of its oversight responsibilities which arose during the year under review among which was sustaining the governance structure of the Company, particularly by overseeing the internal audit functions as well as monitoring the implementation of the Company's risk management framework. The Board also performed other statutory responsibilities including rendering the accounts of the operations and activities of the CSCS to the shareholders. Its major decisions during the year ended 31st December, 2013 did not violate any principle of good corporate governance or the SEC Code in any material manner. The performance of the Board is adjudged to be satisfactory.

At the conclusion of the exercise, we recommended that the Board of Directors of Central Securities Clearing System Plc. should address the issues regarding the Organizational structure, Committee Structure & Effectiveness, responsibilities of the Committees, and Corporate Social Responsibilities. In addition, we urged the Board to challenge Management adequately on matters relating to Disaster Recovery & Business Continuity Plan, Service Level Agreements, Standards Certification and risk management, among others.

For: J. K. RANDLE INTERNATIONAL

Bashorun J. K. Randle, OFR
Chairman/Chief Executive
FRC/2013/ICAN/00000002703

Dated 28th October, 2014

Directors' Report

for the year ended 31 December 2014

The Directors are delighted to present their report together with the audited financial statements of the Company for the year ended 31 December 2014.

1. Operating Results

The Company's operating income increased by 18.69% and the financial statements of the company indicates positive increase of its profit before tax by 19.39% respectively. There was a marginal increase of 17.09% in the Company's operating expenses. Altogether, the ending profit increased by 23.64% YOY in the current year. Highlights of the Company's operating results for the year under review are as follows:

	2014 ₦'000	2013 ₦'000
Net Operating Income	8,241,938	6,943,922
Total Operating Expenses	2,481,987	2,119,639
Profit before Tax	5,759,951	4,824,283
Tax	1,137,906	1,085,986
Profit after Tax	4,622,045	3,738,297
Declared Dividend	1,350,000	1,100,000

2. Dividend

In respect of the current year, the Directors propose that a dividend of 27 kobo per share amounting to N1,350,000,000 (One Billion Three Hundred & Fifty Million Naira) be paid to the shareholders upon approval at the Annual General Meeting. The proposed dividend if approved shall be subject to withholding tax and shall be paid to shareholders whose names appear on the Company's Register of Shareholders at the close of business on May 15, 2015.

3. Legal Form

The Company was incorporated in July 29, 1992 as Private Limited Liability Company and effectively commenced business operations on April 14, 1997. The Company transmuted to a Public Company following the resolution of its shareholders at its Annual General Meeting of May 16, 2012.

4. Principal Activities and Business Review

The Central Securities Clearing System Plc is a Financial Market Infrastructure (FMI) that undertakes the business of depository, clearing and settling securities traded in the Nigerian Capital Market. CSCS also acts as the Depository for Federal Government of Nigeria (FGN) Bonds, Municipal and Corporate Debt instruments. In 2007, following its appointment by the Central Bank of Nigeria (CBN), CSCS took on the extra role of functioning as the Clearing and Settlement Agent for Over The Counter (OTC) transactions in Nigerian Treasury Bills (NTBs). Though CSCS has now relinquished clearing and settlement of OTC traded FGN Bonds to the CBN, the Central Securities Depository (CSD) remains a dependable facilitator of the Clearing and Settlement of fixed income securities traded on the Exchange's Alternative Trading System. Presently, CSCS also provides clearing and settlement services in regard to equities and other securities types including commercial papers traded on other recognized Exchange Platforms in the Nigerian

Capital Market. An all-inclusive evaluation of the Company's business during the year and its future outlook for the ensuing year is provided in the Managing Director/CEO's report.

5. Board Appointment

Since the last Annual General Meeting (AGM), the following Directors have been appointed to the Board; Messrs. Omokayode Lawal, Emeka Madubuike, and Ariyo Olushekun. We hope that Shareholders will consider these appointments suitable and consequently ratify same appointments.

6. Directors' Interest

The interest of Directors in the issued share capital of the Company as recorded in the Register of Members as at 31 December 2014 are as follows

Director's Name	Direct Shareholding 2014	Indirect Shareholding 2014	Total Shareholding 2014	Direct Shareholding 2013	Indirect Shareholding 2013
Mr. Oscar Onyema	500,000	Nil	500,000	500,000	Nil
Mr. Kyari Bukar	7,422,362	Nil	7,422,362	7,850,000	Nil
Mr. Chidi Agbapu	5,000,000	700,000	5,700,000	7,000,000	500,000
Alhaji Umaru Kwairanga	1,000,000	3,000,000	4,000,000	Nil	3,000,000
Mr. Herbert Wigwe	Nil	5,000,000	5,000,000	Nil	5,000,000
Mr. Emmanuel Nnorom	Nil	3,000,000	3,000,000	Nil	3,000,000
Mr. Abubakar Sule	2,000,000	Nil	2,000,000	Nil	Nil
Mr. Bayo Olugbemi	Nil	500,000	500,000	Nil	500,000
Mr. Sola Adeeyo	Nil	Nil	Nil	Nil	Nil
Mrs. Ifueko M. Omoigui Okauru	Nil	Nil	Nil	Nil	Nil
Mr. Haruna Jalo-Waziri	Nil	Nil	Nil	Nil	Nil
Mr. Obinna Nwosu	Nil	Nil	Nil	Nil	Nil
Mr. Kennedy Uzoka	Nil	Nil	Nil	Nil	Nil
Mr. Omokayode M. Lawal	Nil	Nil	Nil	Nil	Nil

7. Directors' Interest in Contracts

In accordance with Section 277 of the Companies and Allied Matters Act (Cap C. 20) Laws of the Federation of Nigeria 2004, no director has notified the Company for their direct or indirect interest in contracts or proposed contracts with the Company during the year.

8. Analysis of Shareholding

The shareholding pattern of the Company as at 31st December, 2014 is as stated below:

Share Range			No. of Shareholders	Holders %	Holders Cum	Unit	Unit %	Unit Cumm
1	—	1,000	0	0.00	0	—	—	0
1,001	—	5,000	2	0.41	2	4,662	0.00	4,662
5,001	—	10,000	16	3.31	18	133,153	0.00	137,815
10,001	—	50,000	156	32.33	174	4,289,230	0.09	4,427,045
50,001		100,000	33	6.82	207	2,542,193	0.05	6,969,238
100,001	—	500,000	80	16.53	287	28,229,268	0.56	35,198,506
500,001	—	1,000,000	30	6.20	317	25,420,000	0.51	60,618,506
1,000,001	—	99,999,999,	167	34.50	484	4,939,381,494	98.79	5,000,000,000
			484	**100.00**		**5,000,000,000**	**100.00**	

9. Substantial Interest in Shares

According to the Register of Members, no shareholder other than the under-mentioned held more than 5% of the issued share capital of the Company as at 31st December, 2014.

Shareholder	No. of Shares	% Holding
The Nigerian Stock Exchange	1,362,108,950	27.20
Access Bank Plc.	375,000,000	7.50
Ecobank Plc	375,000,000	7.50
Sterling Bank Plc	278,750,000	5.58
United Bank for Africa Plc.	268,500,000	5.37

10. Donations and Charitable Gifts

The Company made charitable contributions and donations to non-political organizations amounting to N 28,204,000.00 million during the 2014 financial year.

The beneficiaries are as shown in the table:

S/N	NAMES OF BENEFICIARIES	AMOUNT
1	20th Economic Summit – Nigeria Economic Summit Group	5,000,000.00
2	3rd Annual National Sponsorship - Chartered Institute Stockbrokers	2,500,000.00
3	Rotary Fund Raising & Installation Ceremony – Rotary International District 9110	2,000,000.00
4	Nigerian Capital Market Sponsorship	2,304,000.00
5	Sponsorship for Nigerian Stock Exchange's Asia Roadshow	3,400,000.00
6	Sponsorship of 2014 Capital Market Retreat - UBAT/CMC Retreat Planning Committee	10,000,000.00
7	Sponsorship of Lagos State International Badminton Association	1,000,000.00
8	2014 Digital Africa Conference & Exhibition	1,000,000.00
9	5th Annual Conference, AGM & Investiture of Fellows- Institute of Capital Market Registrars	500,000.00
10	Summer Educational Programme for Secondary School -Youth Rescue & Care	500,000.00
		28,204,000.00

11. Human Resources

I. Employment, Employee training and Development

Employment into the Company is done on the basis of merit. The Company ensures that the most qualified persons are recruited to occupy relevant positions regardless of their state of origin, religion or physical condition. The Company continues to place emphasis on the training and retraining of staff to ensure staff development. In the period under review, the company conducted training and development courses for 94 staff members; out of which 81 employees were trained locally while 13 were trained outside the country.

II. Health, Safety at Work and Welfare of Employees

The Company takes the health, safety and welfare of its employees very seriously, with a strong conviction that a healthy workforce will always be highly productive and will deliver superior performances at all times. Consequently, top health care providers have been carefully selected under a managed care scheme to look after the health care needs of employees and their dependents.

III. Gender Analysis of Staff

The average number of employees of the Company during the year by gender and level is as follows:

Total Staff Count		
Gender	Total Number	Total %
Female	28	27
Male	74	73
Grand Total	102	100
Grand Total	**102**	

Extended Management Staff	Total	GENDER Female	GENDER Male	GENDER % Female	GENDER % Male
MD/CEO	1	–	1	–	100
General Mgr.	1	–	1	–	100
Assist General Mgr.	2	–	2	–	100
Principal Manager	2	1	1	50	50
Seniour Manager	7	1	6	14	86
Manager	5	1	4	20	80
Deputy Manager	4	1	3	25	75
Assistant manager	8	1	7	12	88
Grand Total	30	5	25	17	83

12. Auditors

Messrs Akintola Williams Deloitte have exhausted their term as prescribed by the Securities and Exchange Commission (SEC) Code of Corporate Governance and will therefore disengage as the Company's auditors. Having gone through a rigorous process of selecting new auditors, the Statutory Audit Committee recommended to the Board the appointment of Messrs. KPMG Professional Services. In line with section 357(1) of the Companies and Allied Matters Act, a resolution is being proposed at this AGM for shareholders to approve the appointment of the auditors and authorize directors to determine their remuneration.

BY ORDER OF THE BOARD

Charles I. Ojo
Company Secretary
Central Securities Clearing System Plc

Strategy Report

Introduction

At CSCS, our strategy means everything to us. It provides the compass to the direction of our business and also serves the bridge to success in our future endeavors. In developing our strategic goals, we focus on our information technology systems, our people and the security of information in our custody. With these in mind, we are assured that we shall continue to secure our relevance in the Nigerian Capital Market as well as keep the Company steadily on the path of profitability.

Information Technology

Our future depends on the successful development and deployment of new technologies. Technology and innovation are essential to CSCS.

CSCS implemented the current central securities depository system (CSD) - **EQUATOR** in 1999. This provided a positive impact on businesses conducted within the Nigerian Stock Exchange, (NSE) and brought about success and efficiency within the market. However over the years the Equator has faced certain challenges such as heavy dependence on manual intervention in operational processing and communication. The equator system is characterized by rigidity and limited ability to respond to market dynamics. The application is only able to handle equities and Debt instruments and has challenges with the introduction of new products in the market.

Our CSCS 5 year strategic plan requires the alignment of our core application to a more modern technology, with a state of the art system that is efficient, flexible and more robust to manage the evolving and ever increasing market demands.

To this end, a request for proposal (RFP) was sent out to various vendors who specialize in CSD application, presentations of proposed solutions were made in Nigeria, however due to the **EBOLA** outbreak faced mid-year of 2014 the final selection process was stalled until the issue was over.

The presentation sessions were aimed at securing optimum financial terms and clarifying technical issues such as hardware choice, database selection, customization and compatibility with the in-memory vetting model of the X-STREAM trading platform currently utilized by the NSE.

After a rigorous, well documented, defined selection process and criteria, CSCS is pleased to announce that **TATA CONSULTANCY SERVICES (TCS)** has been selected to provide and implement a new CSD platform.

- TCS is a well renowned global leading provider of depository services, In December 2014 TCS was ranked as the 4th most valued IT brand for the second straight year.

- The preferred solution BaNCS, provides a full range of securities processing functions such as trade execution through confirmation, settlement and accounting. It is built around proven platform market infrastructure solution which has a strong match to CSCS defined requirements.

Data Security

Our major strengths include the development and application of technology to improve products and services, financial and project management skills that allow us to deliver effectively on our strategic projects.

In 2012/2013, the Capital Market subcommittee on infrastructure and technology established the need for the development of a KYC biometric system, as this would help in the reduction of fraud related transactions in the market and the Nigerian economy at large.

CSCS is pleased to announce the development of a biometric enrolment and verification solution CEVS as a means and way of contributing towards market transparency, as well as reducing occurrences of identity theft within the market to the barest minimum.

The CEVS is a robust application with a centralized database hosted in CSCS and a client interface distributed to the brokerage firms and registrars. The architecture has been designed to enable enrolment and verification of investors from various locations within the country. Brokers, registrars and other market participants would be able to enroll clients capturing their fingerprint, bio data and photograph from remote locations and the data is sent to a central location where verification is confirmed against records on a centralized data base.

The benefits and advantages of the CSCS BIOMETRIC ENROLMENT AND VERIFICATION SYSTEM (CEVS), is that it would

- Enhance transparency and trust among market participants.
- Boost investors' confidence in the market.
- Reduce the incidence of identity theft and improve service standards in the capital market.
- It would provide a unique identification and verification of investors.
- Provide access to centralized infrastructure for biometric data.

To minimize the risk inherent in capturing client information at remote locations, brokerage firms would be solely responsible for the provenance of the KYC of their clients. However CSCS would provide the license to operate and

a unique user ID log-in information. CSCS has trained over 440 staff of registrars and brokerage firms on how the system operates. The CEVS system has adopted a flexible approach for easy integration to the banks BVN system to enable CSCS leverage on their system for future integration.

In 2015 we would continue to focus strongly on technologies that support our various businesses, increase our operational standards and enhance efficiency. We are working assiduously to introduce more IT products to ensure shorter turn-around time, cost saving for market stakeholders, and also to improve customer experience. Some of this projects are billed to be completed by the end of 2015.

Our People

Our business is driven by the availability of the right people, and the right people are the best-fit, skilled employees who are equipped and motivated to deliver on the company's objectives and strategies.

In 2014, we successfully recruited and on-boarded 15 staff members into various roles and departments which has contributed to achieving our objectives.

CSCS upholds a culture of providing continued development and training for its staff. This is conducted on an annual basis to address any knowledge gaps and provide new skills. Last year we successfully achieved over 90% employee participation in training activities.

Employee Communication And Involvement

CSCS strives to maintain a healthy employee relations climate, in which a two-way dialogue between management and staff is achieved. All staff including senior management are briefed by what we term “knowledge sharing session” on our operational and financial results through various channels on a monthly basis. These include team meetings, face-to face- gathering, online publications or a personal email from the chief executive officer.

Organizational Culture

“We believe that organizations ultimately get only as far as their organizational culture takes them”
At CSCS the organizational culture decides the way employees interact in their workplace. This culture brings all employees on a common platform and it aims at extracting the best out of each team member. CSCS is aware of

establishing a strong culture that drives productivity, performance and efficient service delivery, and has put the following strategies in place.

- Confidentiality: all staff should maintain the confidentiality of information entrusted to them by the company from whatever source.

- Code of ethics: There is a code of professional ethics that every employee is expected to adhere to and it prescribes culturally appropriate behaviors, and speaks to the point of maintaining professionalism, honesty, integrity at the workplace. Every employee is responsible for implementation of and compliance with this code within their environment.

- Every employee is expected to comply with laws, rules, regulations and fair dealing. Through the Company's whistle blowing apparatus, employees are encouraged to report under conditions of anonymity any illegal or unethical behavior and breach of compliance procedures.

- Customer complaints handling and dispute resolution is important to the Company. To this end, CSCS has a fully functional Customer Care Centre (CCC) where complaints received from customers are given careful attention. Upon receipt of a complaint, CSCS follows a complaint handling policy to determine whether the subject matter of the complaint is within the regulatory purview of the organization. CSCS would register the complaint in our database to capture the date of receipt and it has a maximum of 10 working days to respond to the complaint. The customer service team would refer matters outside the jurisdiction of CSCS to the appropriate authorities.

Executing Our Strategy

CSCS corporate strategy emphasizes the critical importance of aligning our organization's structure and culture with our strategy. We have established measurable near-term objectives to ensure that the right projects are executed well.
As we continue to meet the needs of our customers, our focus will be on the following:

a) Deploying smart Information Technology systems;
b) Best in class service offerings
c) Training and development of our employees;
d) Maintaining good organizational culture.

To further enable us achieve our strategic objectives we identified the following initiatives for 2014/2015.

Strategic Objectives	Strategic Initiatives
1. Grow revenue by 15% per annum	• Sustain continuous patronage of key stake holders. • Optimize income opportunities • Actively solicit online subscription and added services. • Market data shop. • Co-hosting and disaster recovery services. • Offer added services to NCX, NASD and all other OTC platforms. • Provide Electronic Document Services to all tiers of governments. • Research and proffer solution for unclaimed dividends.
2. Information Technology.	• Go live with TCS BaNCs • Improve on existing Disaster Recovery (DR) System to ensure that our infrastructure is scalable and very robust. • Deployment of state of the art information security tools/systems. • Overhaul of IT infrastructure and upgrades of the entire CSCS network, systems and internal applications.
3. Employee Training And Development.	• Efficient recruitment process to adequately staff departments and units. • Building the expertise of employees through appropriate trainings. • Appraisal instruments to ensure optimal productivity from all employees. • Introduction of new qualitative metrics to enhance succession planning. • Introduction of employee satisfaction survey.
4. Develop A Strong Organizational Culture That Reflects The Companys Values.	• Establish a culture that drives productivity, performance and efficient service delivery. • The introduction of award programs and sanctions to encourage employees to live the core values of CSCS- S.E.C.U.R.E • Ensure a continuous culture that unifies employees and management through a monthly staff forum with senior management. • Encourage behaviors that foster living the MISSION AND VISION statement irrespective of change in membership or management. • Define consistent ways in which people perform tasks, solve problems, treat customers, resolve conflicts and treat employees.

Strategic Outlook

The Central Securities Clearing System continually seeks to provide secure and efficient services to the Nigerian Capital Market. In 2015 achieving this goal is considered very crucial. The highest priority has been given towards maintaining the continuity of clearing services. We are poised to drive our deliverables both for our current and future products and services to various markets considering our core values. This is dependent on the commitment and dedication of each and every one of us in doing our best and cooperating to achieve goal congruence in every corporate activity.

In 2015, we would also focus on improving our technological capacity and providing operational services that would match global standards and shall be executed in a timely, accurate, value-adding and cost effective manner. We aim to provide an atmosphere in which CSCS shall continue to prosper even in the face of new uncertainties and complexities in our business space.

In the year ahead, our outlook is optimistic. We shall be looking to build on progress we have made in our business space. We anticipate expected benefits from recent transformations i.e. our new CSD platform and our revenue diversification strategy which would result in increased share of income from other revenue streams. We are confident of the sustainability of our business processes as we trust that our risk management framework shall continue to give us the buffer zone to monitor and control any threats, identify and manage risks as well as determine the optimum utilization of our resources.

2014 Enterprise Risk Management (ERM) Report

This report is published as part of our annual disclosure requirements and also because of the systemic importance of CSCS to the Nigerian capital market which require a disclosure of our risk management practice and a formalized approach for identifying, measuring, monitoring and managing the range of risks that are borne by us.

The management of CSCS is committed to the responsibility of evaluating and adequately balancing risk with reward on an ongoing basis. Our board of directors considers the company's capability to take on and absorb risk; management consciously assesses risk and reward when considering major initiatives and has a framework within which to make meaningful judgments around risk tolerance. Our risk management activity is geared toward enabling our strategic objectives by removing obstacles, minimizing business risks and exploiting value adding opportunities

Our Enterprise risk management objectives are to:

- Implement best practice Enterprise risk management throughout the Company;
- Provide a comprehensive approach to better integrate risk management in strategic decision-making and build a risk management culture;
- Ensure that effective Enterprise risk management is implemented by the Company in order to achieve the following key objectives:
  - **Oversight:** All critical risks have been identified and are being managed and monitored under a holistic approach consistent with the Board's approved risk appetite;
  - **Ownership and Responsibility:** The ownership of risk is assigned to individuals who are responsible for identifying, evaluating, mitigating and reporting risk exposures;
  - **Assurance:** The Board, senior management and the stakeholders have reasonable assurance that risk is being appropriately managed within defined levels to bring value to the organization.

ERM Philosophy

Our ERM Philosophy is based on the following principles:

- Our risk management is an integral part of the organizational processes and shall include other processes within the company;
- Our risk management is structured and timely; it produces repeatable and verifiable outcomes;
- Enterprise Risk Management (ERM) is governed by our ERM Policy which is clearly communicated across the Company and explicitly addresses risk and how it can be mitigated;
- Our risk governance structure is clearly defined and forms part of management decision making;
- Risks are reported openly and fully to all appropriate levels once they are identified.

Enterprise Risk Management Culture

ERM promotes a risk awareness culture and ensures that the reputation of CSCS is protected;

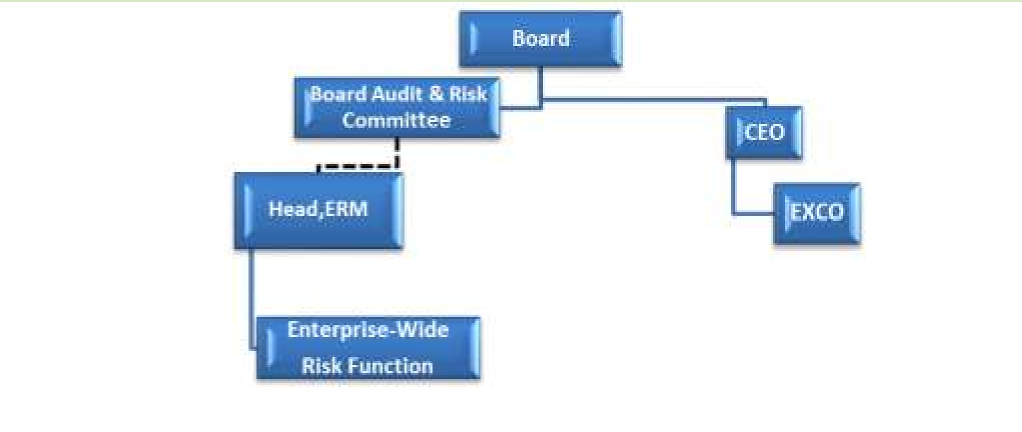
- The responsibility for risk management in the Company is fully vested in the Board of Director of CSCS through the Board's Audit and Risk Committee;
- Enterprise Risk Management pays adequate attention to both quantifiable and unquantifiable risks;

Enterprise Risk Governance

Risk governance is important to the success of our risk management practice. This section tells us how our Board and management is organized and structured to address risk. Our Risk management framework resides within the governance and management structure of CSCS.

At the Board level, we have the Audit and Risk Committee while at management level, we have a centralized Risk Management function (Enterprise Risk Management). The Audit and Risk committee provides oversight function over our risk management practice.

In addition, each business unit has a designated risk personnel who liaises with Enterprise Risk Management department in identifying and managing risk across CSCS and other business areas.



Enterprise Risk Management department developed and is currently implementing Enterprise risk management framework in line with Committee of Sponsoring Organizations of the Treadway Commission (COSO) standard. Our Risk management processes are managed holistically and linked to strategic objectives.

We were able to improve on the maturity stage of our Enterprise Risk Management framework through the execution of a consistent risk management approach across all units and development of quantifiable risk metrics.

Risk management culture and awareness improved significantly during the year with improved response to risk related issues. Risk management is now an integral part of strategy setting and business operation.

Reporting framework

The Head, ERM liaises closely with the CEO regarding strategic initiatives, supports the CEO in assessing risks related to strategic choices and alerts the CEO of any major changes in the risk profile (daily, weekly).

- The Head, ERM also liaises executive colleagues to share feedback on how risks are being managed (weekly, monthly).
- The Head, ERM reports to the CEO and the Board Audit and Risk Committee regularly and provides information on timelines.
- Risk ownership is assigned to business and executive functions (3 lines of defense) while ERM risk management role is consultative and regulatory.
- The Board Audit and Risk committee carries out oversight functions on behalf of the Board of Directors consistent with the charter setting it up.
- The Head of ERM reports to the MD/CEO, other officers of the ERM department report to the Head of ERM.

Risk Types

- ## Regulatory and Compliance Risk:

This is the risk of sanction or fine by our regulatory authority for not complying with stipulated rules and regulatory requirements. We continuously map our operations to all rules and regulation on a periodic basis and ensure compliance at all times in line with our zero tolerance for compliance breaches. Apart from compliance with local rules and regulatory requirements, we also benchmark our operations to comply with international best practices for Financial Market Infrastructure (FMI) such as The Committee on Payment and Market Infrastructures - the International Organization of Securities Commissions (CPMI-IOSCO) principles and recommendations.

- **Operational Risk:**

These include any people, process, system, cost, hazard, legal or external-related threats to the organization, including compliance and regulatory risks and product-related risks. Operational risk is the risk of loss resulting from inadequate or failed internal processes, people, systems, or from external events. We experienced a remarkable improvement in employee attitude to risk management as result of an engaging risk management in-house capacity training, workshop and brainstorming sessions. Operational risks are continuously identified and mitigated with appropriate controls.

- **Strategic Risk:**

These include unforeseen miscalculations, errors or poorly managed executive and senior-management decisions and undertakings, including reputation-related risks. During the year, risks were identified based on their impact on the strategic direction of the company while controls were put in place to ensure that strategic decisions are risk based and within defined risk tolerance and appetite.

- **Participant Settlement Risk:**

This is a risk arising from inability of a participant to fulfil its settlement obligation thereby causing disruption in settlement process. Settlement Guarantee Fund (SGF) is in place to supplement all other settlement guarantees provided by all settlement infrastructures. CSCS operates three default management mechanisms: Settlement Bank collateralized settlement guarantee, Collateral value of defaulting participant and the Settlement Guarantee Fund.

- **Information Security:**

We are committed to ensuring that the confidentiality; integrity and availability of data in our depository is in compliance with international best practices.

- **Disaster Recovery (DR) & Business Continuity:**

As a systemically important financial market infrastructure, we recognize the interdependencies and interconnectivity between our system and other market participants and the impact any disruption to our services can have on the Nigerian Capital Market. We upgraded our disaster recovery and business continuity readiness to ensure that our business is resistant to any service disruption.

During the year, we connected our disaster recovery site with that of the Nigerian Stock Exchange (NSE) to ensure that the Nigerian capital market is resilient to any disruption in operation. We also conducted a successful market-wide disaster recovery test between CSCS and the NSE. The disaster recovery exercise was conducted in November 2014 – first of its kind in the history of the Nigerian capital market.

- **Internal Control:**

The Internal control function was established to:

- Conduct independent control assessment tests to confirm adequacy and effectiveness of controls across CSCS.
- Independently collate Key Risk Indicator data to facilitate risk indicator reporting and management of the Enterprise Risk Management department.
- Investigate identified incidents to determine control failures/lapses and identify required actions to close control gaps and prevent recurrence of risk incidents

- **Conclusion**

We recognize the role of Enterprise Risk Management in supporting the achievement of risk based strategic objectives. We are therefore committed to continuous improvement of our risk management activities with a focus on developing adequate controls to help mitigate risk.

Chief Financial Officer's Report

The 2014 Financial Year was a year of two contrasting halves. The first half showed substantial growth and positive economic activities, while the second half was plagued by downturns occasioned by sustained fall in international oil prices. Compounding the situation in the second half were fears about the upcoming 2015 general elections and the increased activities of the insurgents in the North East of the Country. In spite of these challenges which only added to the persistent poor infrastructure resulting in very high cost of doing business, our Company in 2014 achieved good results in critical performance indices. Profit after tax (PAT) grew by 23.64% year-on-year which was higher than the total revenue growth of 18.63%. Total revenue for the year exceeded budget by 1.2% while the Profit Before Tax (PBT) and Profit After Tax(PAT) also were above budget by 3.10% and 3.78% respectively.

Investments in Bonds (FG, State and Corporate) increased by 12.80% with maturities ranging from four months to seven and half years as at year end, while investment in Treasury Bills (TBs) increased marginally by 2.12%.The balance of cash and cash equivalent increased by 72.29%, principally because of reclassification of TBs with maturities of less than 90 days as at December 31, 2014. We maintained a robust cashflow position as at the end of the year having strong ability to finance both our operating and capital expenditures internally with cash at hand (including payments of taxes and dividend).

FIVE YEAR SUMMARY	2014 N'000	2013 N'000	2012 N'000	2011 N'000	2010N'000
Fees	5,198,558	4,218,938	2,738,002	2,776,238	3,369,391
Interest Income	2,423,101	2,239,663	1,792,227	759,992	529,119
Other Operating Income	548,894	429,002	642,015	657,741	357,821
Total Revenue	8,170,553	6,887,603	5,172,244	4,193,971	4,256,331
Total Expenses	2,410,602	2,063,320	2,078,070	2,463,594	2,607,691
Profit before Tax	5,759,951	4,824,283	3,094,174	1,730,377	1,648,640
Tax	1,137,906	1,085,986	516,327	729,477	583,596
Profit After Tax	4,622,045	3,738,297	2,577,847	1,000,900	1,065,044
Expense to Income ratio	29.50	29.96	40.18	58.74	61.27
Return on Equity (%)	24.56	24.02	19.79	8.44	9.30
Return on Assets (%)	21.75	21.45	17.74	7.43	8.22
Earnings per Share (k)	92.44	74.77	51.56	20.02	21.30
Dividend per share (k)	27.00	22.00	15.00	10.00	15.00

Analysis of 2014 Financial Performance

Revenue

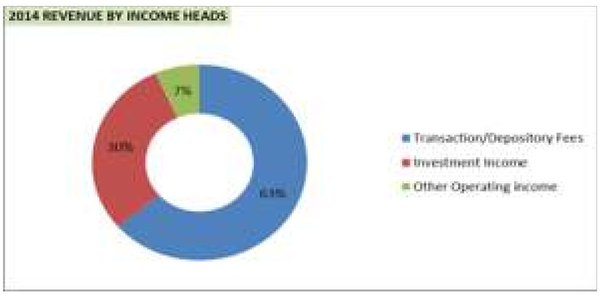
Although the year 2014 was varied in activities in the market, our total revenue increased by 18.63% (as against 33.16% in 2013) to N8.17billion (2013: N6.89billion). The table below shows the revenue generated by income heads:

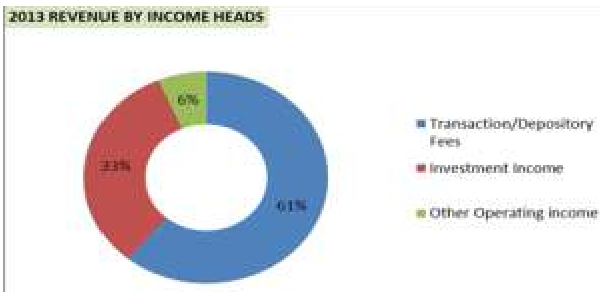
REVENUE BY INCOME HEADS	2014 N'000	% of Total Income	2013 N'000	% of Total Income	Change (YOY) N'000	Change (YOY%)
Transaction/Depository Fees	5,198,558	63.63	4,205,938	61.07	992,620	19.09
Investment Income	2,423,101	29.65	2,239,663	32.51	183,438	7.57
Other Operating income	548,894	6.72	442,002	6.42	106,892	19.47
Total Revenue	8,170,553	100.00	6,887,603	100.00	1,282,950	18.63

Fee income comprising Eligibility fees by stockbroking firms, depository fees by issuers and transactions fees on trades on the floors of The Nigerian Stock Exchange and NASD platform accounted for 63.63% of total revenue showing an increase of N0.993billion which was 19.09% increase year on year. Transaction fee of N3.83billion (2013:N3.10billion) was 73.68% (2013:73.88%) of all fees, while depository and eligibility fees accounted for 26.11% (2013:26.10%) and 0.21% (2013:0.10%) respectively. The transaction fees from trades on the NASD OTC platform which commenced operations in July 2013 were N4.65million in 2014 from a very insignificant figure of N0.153million in 2013.

Investment income which increased by 7.57% to N2.42billion in 2014 accounted for 29.65% (2013:32.51%) of total revenue, was from investments in a portfolio of five security types, with FG Bonds accounting for 45.71% (2013:41.85%), Treasury Bills 38.58% (2013:40.88%), State Govt bonds 9.18% (2013: 8.86%), Corporate bonds 4.58% (2013: 6.26%) and fixed deposits in banks of 1.95% (2013: 2.75%)respectively.

Other operating income (6.72% of total revenue) came principally from auxiliary services such as special accounts, document management services, colocation services, lien services, OTC transaction fees etc.

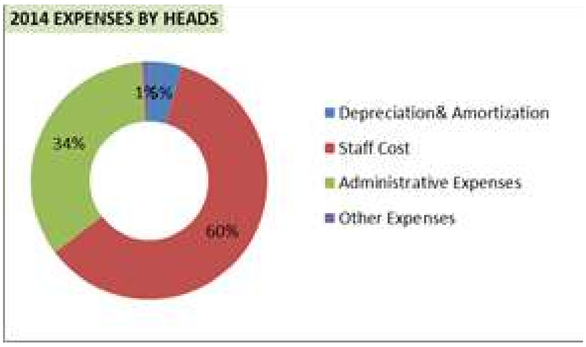


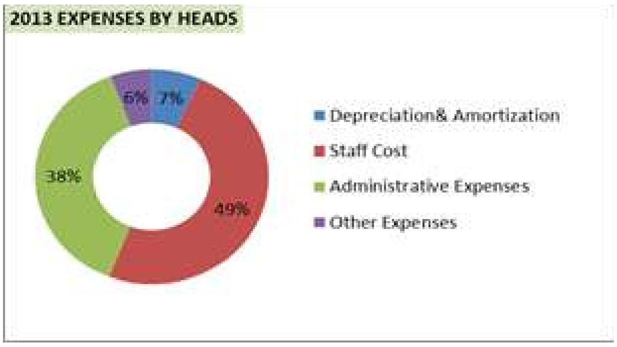


Expenses

Total operating expenses increased by 16.83% from N2.063billion in 2013 to N2.410billion.This is however not significant when considered in perspective of the increase of 18.63% in total revenue and average inflation rate of about 8.5% during the year. The table below shows the various expense heads:

EXPENSES BY HEADS	2014 N'000	% of Total Expenses	2013 N'000	% of Total Expenses	Change N'000	Change %
Depreciation& Amortization	107,874	4.47	142,313	6.90	(34,439)	(24.20)
Staff Cost	1,451,825	60.23	1,012,595	49.08	439,230	43.38
Administrative Expenses	828,601	34.37	789,543	38.27	39,058	4.95
Other Expenses	22,302	0.93	118,869	5.76	(96,567)	(81.24)
Total Expenses	2,410,602	100.00	2,063,320	100.00	347,282	16.83



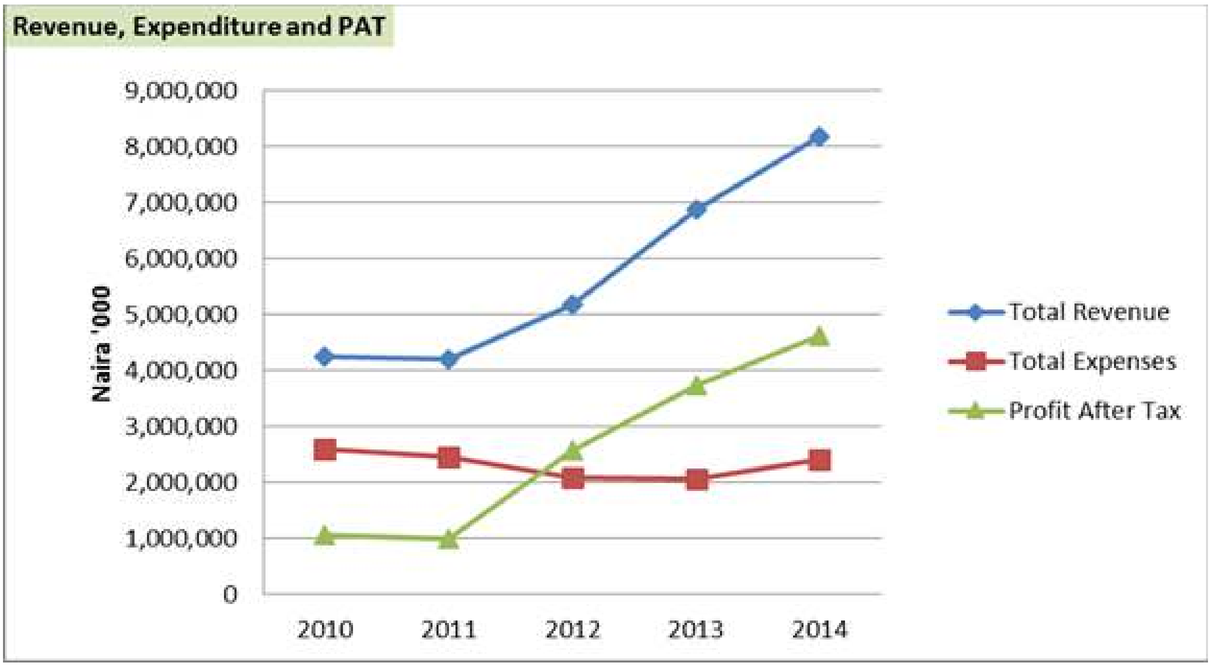


The increase in operating expenses of 16.83% was principally due to the 43.38% increase in staff cost as a result of the full provision for productivity bonus for 2014. Depreciation & amortization decreased by 24.20% and other expenses by 81.24% respectively. The decrease in depreciation and amortization expenses was principally due to fact that most of our IT hard and software are almost fully depreciated. The marginal increase in administrative expenses of 4.95% was as a result deliberate effort to contain cost of doing business in spite of almost 8.5% average inflation rate during the year.

Profit After Tax (PAT)

Profit after tax increased by 23.64% (2013: 45.01%) to N4.622billion (2013:N3.737billion) as a result of the 18.63% (2013:33.18%) increase in revenue. This was significantly affected by the 29.64% contribution by investment income of which 97.07% (N2.35billion) is from Government and Corporate bonds and securities that are tax exempt (earned on bonds and TBs). This substantially impacted on our effective tax rate (ETR) was 20% (2013: 23%) for the year.

The expense to income ratio which has declined progressively in the five-year to 2013, from 63.47% in 2009 to 29.96% in 2013 was 29.50% in 2014.

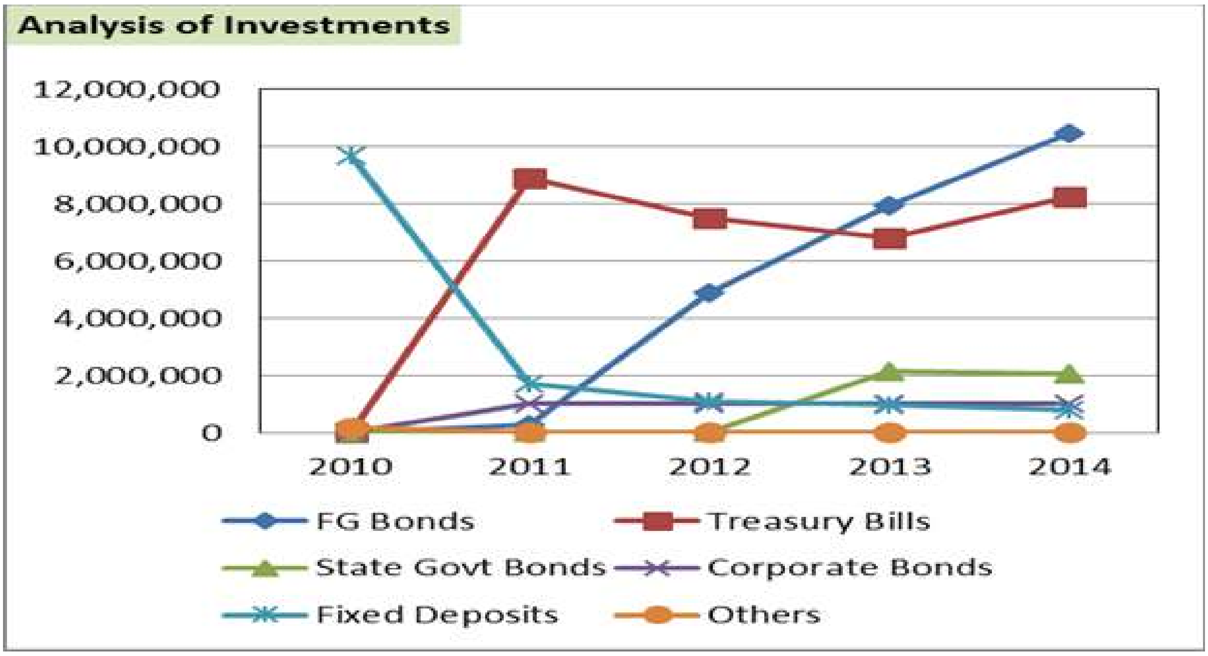


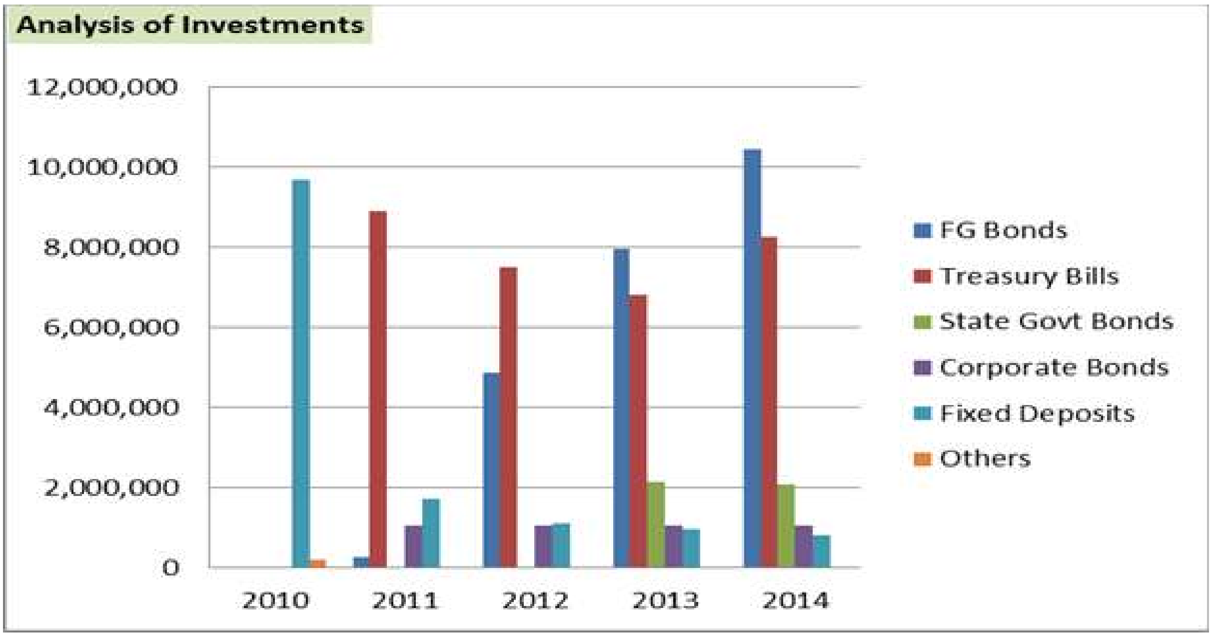
Our operating expenses increased by 16.83% to N2.41billion (2013: N2.06billion). Over the last five years the total operating expenses have decreased from 61.27% of total revenue in 2010 to 29.50% in 2014. To ensure sustainability of the company we shall continue to strive for higher cost management efficiency while striving for new areas of revenue generation.

Investments

Our investment portfolio comprising of bonds (FG, State and Corporate), Treasury Bills and Fixed deposits with banks has evolved over the years to ensure we derive the maximum tax benefits on our returns. While investment income contributed to 29.65% (2013:32.52%) of the total income, 97.07% of this income head amounting to N2.42billion was tax exempt. The total investment has more than doubled in the last five years with wider spread of investments within the ambit of our investment policy.

ANALYSIS OF INVESTMENTS	2014 N'000	2013 N'000	2012 N'000	2011 N'000	2010N'000
FG Bonds	10,452,716	7,953,458	4,870,757	267814	–
Treasury Bills	8,262,925	6,801,125	7,497,813	8887224	–
State Govt Bonds	2,060,385	2,135,208	–	–	–
Corporate Bonds	1,035,049	1,035,288	1,035,000	1035671	–
Fixed Deposits	786,964	964,848	1,118,057	1,721,530	9,682,130
Others	–	–	–	–	200,000
Total	22,598,039	18,889,927	14,521,627	11,912,239	9,882,130

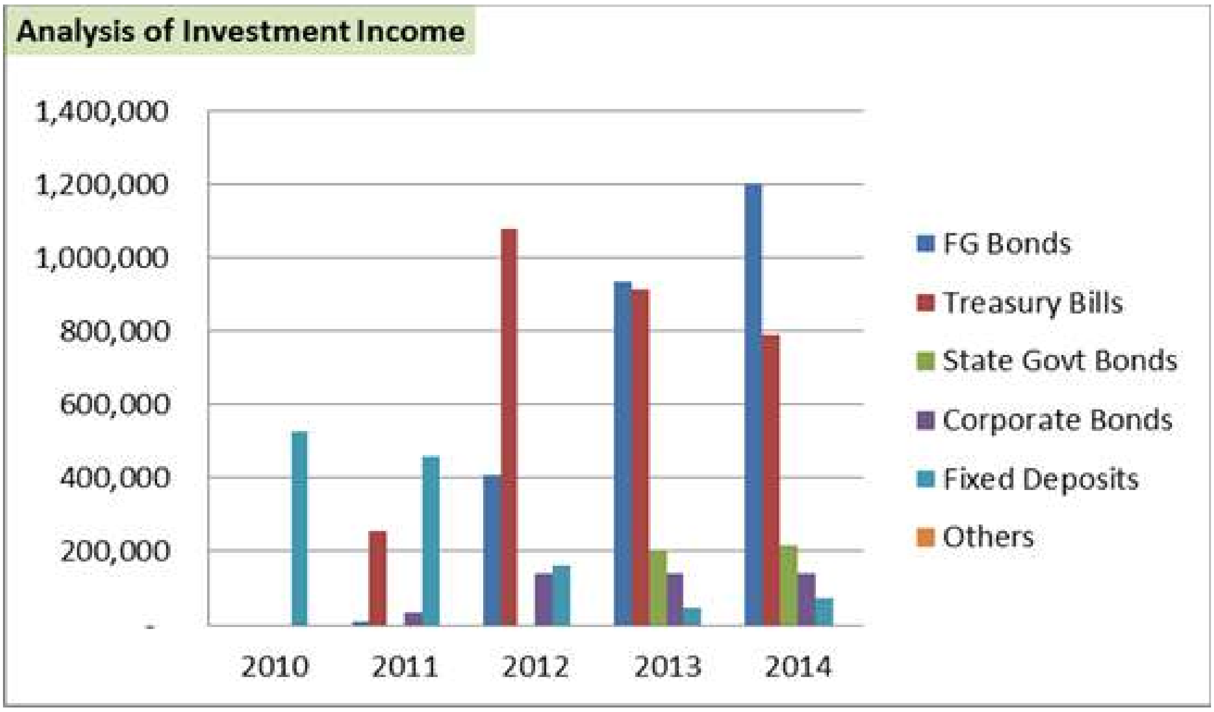




Investment Income

We continued to drive investment income in the most efficient way in the Nigerian economy by investing more in securities whose interest are tax exempt. The average investment yield for 2014 was 11.68% (2013: 13.41%) a reduction of 12.54%. This reduction was due to more than 25% fall in the yield curve between January and November 2014. However, high absolute income was earned due to increase in the investible funds and cashflow management efficiency.

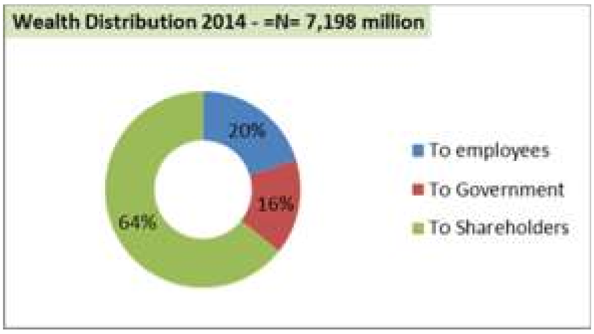
ANALYSIS OF INVESTMENT INCOME	2014 N'000	2013 N'000	2012 N'000	2011 N'000	2010 N'000
FG Bonds	1,204,252	937,405	409,736	8,078	–
Treasury Bills	792,497	915,480	1,081,366	256,239	–
State Govt Bonds	215,531	198,611	–	–	–
Corporate Bonds	139,761	140,191	139,426	35,671	–
Fixed Deposits	71,060	48,076	161,699	460,004	529,119
Total	2,423,101	2,239,763	1,792,227	759,992	529,119

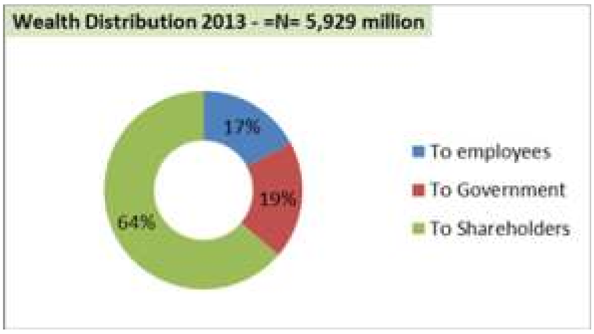


Value Added Statement

The table and pie chart respectively below show the wealth created and distributed in 2014 and 2013 respectively.

Value Added Statement	2014 N'000	%	2013 N'000	%
To employees	1,451,825	17.08	1,012,595	17.08
To Government	1,123,964	19.27	1,142,368	19.27
To Shareholders	4,622,045	63.65	3,774,174	63.65
	7,197,834	100	5,929,137	100





Investor Relations

In 2014 the company established an Investor Relations Desk to ensure better interaction between the shareholders and the Company and to ensure that information about the Company and its activities gets to investors in good time and through appropriate channels. Also the issue of unclaimed dividends is being tackled headlong. Between August 2014 when the Investor Relations Desk was set up and February 2015 when the financial statements were approved by the Board, the amount outstanding as unclaimed dividend had declined from N227m to N96m (58% reduction). We are making effort to (as much as is practicable) individually reach all shareholders and ensure constant interactions with them.

Also in our effort to improving investor engagement an investor relations web page has been created on our website to provide shareholders with information on the company's business strategies, governance structure, financial summaries, company news and events, shareholder information and AGM/investor forum updates.

Accounting policies and standards

The accounting policies and standards applied by the company have remained consistent with those applied during prior periods except for the adoption of standards that became effective in the year 2014. The adoption of any improvements/amendments to IFRS in the current reporting period resulted in minor revision to the accounting policies and disclosures which have no impact on the financial position of the company. The company did not early-adopt any standards or interpretation during the current year.

Plans and targets for 2015

The Board of Directors of our Company has reviewed and approved the 2015 budget. In order to achieve the 2015 budget lines, we need to meet revenue targets, effectively manage operating and capital expenditures and successfully implement our projects.

In the light of the volatile economic, security and political conditions in the country, Management is aware of the uncertainties around transaction volumes/values, impact of lower (falling) international oil prices, the attendant volatility in the economy and the impact on our revenue. We are watchful of events around us and their impact on activities particularly on various projects being embarked upon during the year.

Our key project for 2015 remains the change of our CSD application, which would bring about increased efficiency in our processes and interactive service delivery to our participants, and also has potential for add-on services. The vendor selection process has been completed with TATA Consulting Service India emerging as the preferred vendor. TATA came out tops among six different vendors from around the world who made presentations of their applications. Other key projects would be strategic investments that would ensure appropriate diversification of our revenue base. The cashflow of our company for the year would adequately finance internally all of our projects and investments.

We will also continue to focus on efficient cost management in order to remain profitable and yet efficiently service all our stakeholders.

Vincent Ukoh
Chief Financial Officer

Statement of Directors' Responsibilities

For the preparation and approval of the Financial Statements

The Directors of **Central Securities Clearing System Plc.** are responsible for the preparation of the financial statements that give a true and fair view of the financial position of the Company as at 31 December 2014, and the results of its operations, cash flows and changes in equity for the year ended, in compliance with International Financial Reporting Standards (IFRS) and in the manner required by the Companies and Allied Matters Act of Nigeria, the Financial Reporting Council of Nigeria Act, 2011 and the Investment and Securities Act CAP S124 LFN 2007.

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

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

The Directors are responsible for:

- designing, implementing and maintaining an effective and sound system of internal controls throughout the Company;
- maintaining adequate accounting records that are sufficient to show and explain the Company's transactions and disclose with reasonable accuracy at any time the financial position of the Company, and which enable them to ensure that the financial statements of the Company comply with IFRS;
- maintaining statutory accounting records in compliance with the legislation of Nigeria and IFRS;
- taking such steps as are reasonably available to them to safeguard the assets of the Company; and
- preventing and detecting fraud and other irregularities.

Going Concern:

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

The financial statements of the Company for the year ended 31 December 2014 were approved by the Directors on 11 February 2015

On behalf of the Directors of the Company

Oscar N. Onyema OON	**Kyari Bukar**	**Vincent Ukoh**
Chairman	**Managing Director/CEO**	**Chief Financial Officer**
FRC/2013/IODN/00000001802	FRC/2013/IODN/00000002050	FRC/2013/ICAN/00000001744

Audit Committee Report

TO MEMBERS OF CENTRAL SECURITIES CLEARING SYSTEM PLC

In line with the provisions of Section 359(6) of the Companies and Allied Matters Act CAP 20 Laws of the Federation of Nigeria 2004, we the Audit Committee hereby state as follows:

- That we have reviewed the audit plan and scope, and the Management letter on the audit of accounts of the Company.
- That the audit plan and scope for the period ended December 31, 2014 are adequate in our opinion.
- That the accounting and reporting policies of the Company are in compliance with legal requirements and ethical practices.
- That the Internal Control and Internal Audit functions were operating effectively.

Dated March 19, 2015

Dr. Umar Faruk
Chairman, Audit Committee

MEMBERS OF THE COMMITTEE

1. Dr. Umar Faruk
2. Mr. Yomi Adeyemi
3. Mr. Olanipekun Osinowo
4. Mrs. Ifueko Omoigui Okauru
5. Mr. Bayo Olugbemi
6. Mr. Chidi Agbapu

Report of the Independent Auditors

To The Members Of Central Securities Clearing System PLC

Deloitte.

Report on the Financial Statements

We have audited the accompanying financial statements of Central Securities Clearing System Plc. which comprise the statement of financial position as at 31 December 2014, the statement of profit or loss and other comprehensive income, statement of changes in equity, statement of cash flows for the year then ended 31 December 2014, a summary of significant accounting policies and other explanatory information.

Directors' Responsibility for the Financial Statements

The Directors are responsible for the preparation and fair presentation of these financial statements in accordance with the International Financial Reporting Standards, the Companies and Allied Matters Act CAP C20 LFN 2004, the Investments and Securities Act CAP S124 LFN 2007, the Financial Reporting Council of Nigeria Act, 2011, and for such internal control as Directors determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

Auditors' Responsibility

Our responsibility is to express an opinion on these financial statements based on our audit. We conducted our audit in accordance with International Standards on Auditing. Those standards require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether the financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditors' judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditors consider internal controls relevant to the entity's preparation and fair presentation of the financial statements in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the entity's internal control. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of accounting estimates made by Directors, as well as evaluating the overall presentation of the financial statements.

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

Opinion

In our opinion, the financial statements give a true and fair view of the financial position of Central Securities Clearing System Plc. as at 31 December 2014 and its financial performance and cash flows for the year then ended in accordance with the International Financial Reporting Standards, the Companies and Allied Matters Act Cap C20 LFN 2004, the Investments and Securities Act CAP S124 LFN 2007 and the Financial Reporting Council of Nigeria Act, 2011.

Other reporting responsibilities

In accordance with the Sixth Schedule of the Companies and Allied Matters Act CAP C20 LFN 2004 we expressly state that:

I) We have obtained all the information and explanation which to the best of our knowledge and belief were necessary for the purpose of our audit.

ii) The Company has kept proper books of account, so far as appears from our examination of those books.

iii) The Company's financial position and its statement of profit or loss and other comprehensive income are in agreement with the books of account.

Michael Daudu, FCA FRC/2013/ICAN/00000000845
For: Akintola Williams Deloitte
Chartered Accountants
Lagos, Nigeria
30 April, 2015

Financial Statements

Statement of Profit or Loss and Other Comprehensive Income

	Note	2014 N'000	2013 N'000
Fees	5	5,198,558	4,205,938
Interest income	6	2,423,101	2,239,663
Other operating income	7	620,279	498,321
Net operating income		**8,241,938**	**6,943,922**
Depreciation and amortization expenses	8.1	(107,849)	(142,313)
Staff costs	8.2	(1,523,210)	(1,068,914)
Administration expenses	8.3	(828,626)	(789,543)
Other expenses	8.4	(22,302)	(118,869)
Total operating expenses		(2,481,987)	(2,119,639)
Profit before tax	8	**5,759,951**	**4,824,283**
Tax expense	9	(1,137,906)	(1,085,986)
Profit for the year		**4,622,045**	**3,738,297**
Other comprehensive income net of income tax		–	–
Items that will not be reclassified subsequently to profit or loss		–	–
Items that may be reclassified subsequently to profit or loss		–	–
Total comprehensive income for the year		**4,622,045**	**3,738,297**
Earnings per share			
Basic (kobo)	10	**92**	**75**

The notes form an integral part of these financial statements

Statement of Financial Position as at 31 December 2014

	Note	2014 N'000	2013 N'000
Non-current assets			
Intangible assets	11	84,941	56,181
Property, plant and equipment	12	245,577	189,514
Investments	13.1	13,548,150	11,123,954
Total non-current assets		**13,878,668**	**11,369,649**
Current assets			
Trade and other receivables	14	100,713	291,430
Investments	13.2	6,188,507	6,059,906
Cash and cash equivalents	15	2,747,044	1,594,397
Sundry stock		9,939	6,956
Other assets	16	148,432	103,751
Total current assets		**9,194,635**	**8,056,440**
Total assets		**23,073,303**	**19,426,089**
Equity			
Share capital	17	5,000,000	5,000,000
Retained earnings	18	15,581,028	12,058,983
Total equity		**20,581,028**	**17,058,983**
Non-current liabilities			
Deferred tax liabilities	11	46,781	32,839
Total non-current liabilities		**46,781**	**32,839**
Current liabilities			
Pension plan and other employment benefits	19	—	70,406
Payables, provisions and accruals	20	1,327,332	1,175,098
Current tax liabilities	9	1,108,442	1,079,811
Other liabilities	21	9,720	8,952
Total current liabilities		**2,445,494**	**2,334,267**
Total liabilities		**2,492,275**	**2,367,106**
Total equity and liabilities		**23,073,303**	**19,426,089**

These financial statements were approved by the board of directors on 11 February 2015 and signed on their behalf by the directors listed below:

Oscar N. Onyema OON
Chairman
FRC/2013/IODN/00000001802

Vincent Ukoh
Chief Financial Officer
FRC/2013/ICAN/00000001744

Kyari Abba Bukar
Managing Director/CEO
FRC/2013/IODN/00000002050

Statement of Changes In Equity

	Equity attributable to equity holders of the Company		
	Share capital N'000	Retained earnings N'000	Total equity N'000
Balance at 1 January 2014	**5,000,000**	**12,058,983**	**17,058,983**
Profit for the year	—	4,622,045	4,622,045
Dividend	—	(1,100,000)	(1,100,000)
Balance at 31 December 2014	**5,000,000**	**15,581,028**	**20,581,028**
Balance at 1 January 2013	5,000,000	9,070,686	14,070,686
Profit for the year	—	3,738,297	3,738,297
Dividend	—	(750,000)	(750,000)
Balance at 31 December 2013	**5,000,000**	**12,058,983**	**17,058,983**

Statement of Cash Flows

	Note	2014 N'000	2013 N'000
Cash flows from operating activities			
Profit for the year		4,622,045	3,738,297
Adjustment for:			
Income tax expense recognized in profit or loss	9	1,137,906	1,085,986
Amortization	11	37,055	50,054
Depreciation	12	70,794	92,259
Net write back in provision for receivables	7.1	(24,306)	(23,548)
Write off - work in progress (PPE)	12	—	4,400
Staff severance benefits	8.2	—	27,226
Provision for productivity/promotion expenses	8.2	612,259	290,264
Write back in prior year over provision of productivity expenses	7	(71,385)	(56,319)
Profit on disposal of fixed assets		(66)	(12,850)
		6,384,302	5,195,769
Tax paid	9	(1,095,333)	(543,775)
		5,288,969	4,651,994
Changes in operating assets and liabilities			
Decrease in trade and other receivables		215,021	240,265
Increase in other assets		(44,681)	(684)
Decrease in pension plan and other employment benefits		(70,406)	(38,833)
(Decrease)/increase in creditors		(530,099)	239,645
Increase in other liabilities		768	684
Net cash from operating activities		4,859,574	5,093,071
Cash flows from investing activities			
Purchase of property plant and equipment	12	(126,857)	(121,854)
Purchase of intangible assets and work in progress	11	(65,815)	(62,027)
Purchase of sundry stock		(2,983)	(6,956)
Proceeds on disposal of fixed assets		66	220,050
(Purchase)/disposal of treasury bills of less than a year		(128,601)	416,795
Purchase of investment (bonds)		(2,424,196)	(5,218,197)
Net cash used in investing activities		(2,748,386)	(4,772,189)
Cash flows from financing activities			
Dividend paid	18	(958,541)	(750,000)
Net cash used in financing activities		(958,541)	(750,000)
Net decrease in cash and cash equivalents		1,152,647	(429,118)
Cash and cash equivalents at 1 January		1,594,397	2,023,515
Cash and cash equivalents at 31 December	15	**2,747,044**	**1,594,397**

Notes To The Financial Statements

1. Reporting entity

Central Securities Clearing System Plc. is a company domiciled and incorporated in Nigeria by Corporate Affairs Commission under the Companies and Allied Matters Act as a public limited liability company on 29 July, 1992. It was commissioned on April 1997 and commenced operations on 14 April, 1997. The address of the Company's registered office is 1st floor, The Nigerian Stock Exchange House, Customs Street, Marina, Lagos.

Central Securities Clearing System Plc. (CSCS) operates a computerized depository, clearing, settlement and delivery system for transactions in shares listed on The Nigerian Stock Exchange or any other authorized/organized Securities Trading Platform. CSCS facilitates the delivery and settlement of securities transacted on the floors of The Nigerian Stock Exchange or any other authorized/organized Securities Trading Platform. It was licensed by the Securities and Exchange Commission as an agent for Central Depository, Clearing and Settlement of transactions in the stock market.

Composition of financial statements

The financial statements are drawn up in Naira, the functional currency of Central Securities Clearing System Plc. in accordance with IFRS accounting presentation. The financial statements comprise:

1. Statement of profit or loss and other comprehensive income
2. Statement of financial position
3. Statement of changes in equity
4. Statement of cash flows
5. Notes to the financial statements.
6. Statement of value added

Financial period

These financial statements cover the financial year from 1 January to 31 December 2014, with comparative figures for the financial year from 1 January to 31 December 2013.

2 ADOPTION OF NEW AND REVISED STANDARDS

2.1 New and revised IFRSs that are mandatorily effective for the year ending 31 December 2014

Below is a list of new and revised IFRSs that are mandatorily effective for accounting periods that begin on or after 1 January 2014, except as indicated otherwise.

Pronouncement	Nature of Change	Required to be implemented for periods beginning on or after
Amendments to IFRS 10, IFRS 12 and IAS 27 Investment entities	The amendments to IFRS 10 define an investment entity and require a reporting entity that meets the definition of an investment entity not to consolidate its subsidiaries but instead to measure its subsidiaries at fair value through profit or loss in its consolidated and separate financial statements. To qualify as an Investment entity, a reporting entity is required to: - obtain funds from one or more investors for the purpose of providing them with investment management services; - commit to its investor(s) that its business purpose is to invest funds solely for returns from capital appreciation, investment income or both; and - measure and evaluate performance of substantially all of its investments on a fair value basis Consequential amendments have been made to IFRS 12 and IAS 27 to introduce new disclosure requirements for investment properties. As the Company is not an investment entity (assessed based on the criteria set out in IFRS 10 as at 1 January, 2014), the application of the amendments has no impact on the disclosures or the amounts recognized in the Company's financial statements)	Applies to annual periods beginning on or after 1 January 2014
Offsetting Financial Assets and Financial Liabilities (Amendments to IAS 32)	The amendment clarifies certain aspects because of diversity in application of the requirements on offsetting, focused on four main areas: the meaning of 'currently has a legally enforceable right of set-off', the application of simultaneous realization and settlement, the offsetting of collateral amounts and the unit of account for applying the offsetting requirements.	Applicable to annual periods beginning on or after 1 January 2014
Recoverable Amount Disclosures for Non-Financial Assets (Amendments to IAS 36)	The amendment reduces the circumstances in which the recoverable amount of assets or cash-generating units is required to be disclosed, clarifies the disclosures required, and to introduce an explicit requirement to disclose the discount rate used in determining impairment (or reversals) where recoverable amount (based on fair value less costs of disposal) is determined using a present value technique.	Applicable to annual periods beginning on or after 1 January 2014

Novation of Derivatives and Continuation of Hedge Accounting (IAS 39)	The amendments to IAS 39 provide relief from the requirement to discontinue hedge accounting when a derivative designated as a hedging instrument is novated under certain circumstances. The amendments also clarify that any change to the fair value of the derivative designated as a hedging instrument arising from the novation should be included in the assessment and measurement of hedge effectiveness. As the Company does not have any derivatives, the application of these amendments has had no impact on the disclosures on the amounts recognized in the Company's financial statements.	Applicable to annual periods beginning on or after 1 January 2014
IFRIC 21 Levies	Provides guidance on when to recognize a liability for a levy imposed by a government, both for levies that are accounted for in accordance with IAS 37 Provisions, Contingent Liabilities and Contingent Assets and those where the timing and amount of the levy is certain. The liability is recognized progressively if the obligating event occurs over a period of time. If an obligation is triggered on reaching a minimum threshold, the liability is recognized when that minimum threshold is reached. IFRIC 21 requires retrospective application.	Applies to annual periods beginning on or after 1 January 2014

2.2 Accounting standards and interpretations issued but not yet effective

The following revisions to accounting standards and pronouncements that are applicable to the company were issued but are not yet effective. Where IFRSs and IFRIC Interpretations listed below permits, the company has elected not to apply them in the preparation of these financial statements.

The full impact of these IFRSs and IFRIC Interpretations is currently being assessed by the company, but none of these pronouncements are expected to result in any material adjustments to the financial statements.

Pronouncement	Nature of Change	Required to be implemented for periods beginning on or after
IFRS 9 Financial Instruments (as revised in 2014)	The replacement project on financial instruments consists of the following three phases: Phase 1: Classification and measurement of financial assets and financial liabilities; Phase 2: Impairment methodology; and Phase 3: Hedge accounting. In July 2014, the IASB finalized the reform of financial instruments accounting and issued IFRS 9 (as revised in 2014), which will supersede IAS 39 Financial Instruments: Recognition and Measurement in its entirety upon the former's effective date. Compared to IFRS 9 (as revised in 2013), the 2014 version includes limited amendments to the classification and measurement requirements by introducing a 'fair value through other comprehensive income' (FVTOCI) measurement category for certain simple debt instruments. It also adds the impairment requirements relating to the accounting for an entity's expected credit losses on its financial assets and commitments to extend credit. The completed IFRS 9 (as revised in 2014) contains the requirements for a) the classification and measurement of financial assets and financial liabilities, b) impairment methodology, and c) general hedge accounting. The directors of the Company anticipate the application of IFRS 9 in the future may have a material impact on the amounts reported in respect of the Company's financial assets and financial liabilities. However, it is not practicable to provide a reasonable estimate of the effect of IFRS 9 until the Company performs a detailed review.	Effective for annual periods beginning on or after 1 January 2018
IFRS 11 Accounting from Contracts with Customers	The amendments to IFRS 11 provide guidance on how to account for the acquisition of an interest in a joint operation in which the activities constitute a business as defined in IFRS 3 Business Combinations. Specifically, the amendments state that the relevant principles on accounting for business combinations in IFRS 3 and other standards (e.g. IAS 36 Impairment of Assets regarding impairment testing of a cash generating unit to which goodwill on acquisition of a joint operation has been allocated) should be applied. The same requirements should be applied to the formation of a joint operation if and only if an existing business is contributed to the joint operation by one of the parties that participate in the joint operation.	Applicable to annual periods beginning on or after 1 January 2014

	A joint operator is also required to disclose the relevant information required by IFRS 3 and other standards for business combinations. The directors of the Company do not anticipate that the application of these amendments to IFRS 11 will have a material impact on the Company's financial statements as the Company is not engaged in the acquisition of interest in Joint Operations.	
IFRS 14 - Deferral Regulatory Accounts	IFRS 14 Regulatory Deferral Accounts permits an entity which is a first-time adopter of International Financial Reporting Standards to continue to account, with some limited changes, for 'regulatory deferral account balances' in accordance with its previous GAAP, both on initial adoption of IFRS and in subsequent financial statements. Regulatory deferral account balances, and movements in them, are presented separately in the statement of financial position and statement of profit or loss and other comprehensive income, and specific disclosures are required. Note that IFRS 14 Regulatory Deferral Accounts is not applicable to the Company as the Company is not a first time adopter of IFRSs.	IFRS 14 was originally issued in January 2014 and applies to an entity's first annual IFRS financial statements for a period beginning on or after 1 January 2016.
IFRS 15 Revenue from Contracts with Customers	IFRS 15 establishes a single comprehensive model for entities to use in accounting for revenue arising from contracts with customers. It will supersede the following revenue Standards and Interpretations upon its effective date: IAS 18 Revenue; IAS 11 Construction Contracts; IFRIC 13 Customer Loyalty Programmes; IFRIC 15 Agreements for the Construction of Real Estate; IFRIC 18 Transfers of Assets from Customers; and SIC 31 Revenue-Barter Transactions Involving Advertising Services. As suggested by the title of new Revenue Standard, IFRS 15 will only cover revenue arising from contracts with customers. Under IFRS 15, a customer of an entity is a party that has contracted with the entity to obtain goods or services that are an output of the entity's ordinary activities in exchange for consideration. Unlike the scope of IAS 18, the recognition and measurement of interest income and dividend income from debt and equity investments are no longer within the scope of IFRS 15. Instead, they are within the scope of IAS 39 Financial Instruments: Recognition and Measurement (or IFRS 9 Financial Instruments, if IFRS 9 is early adopted).	Effective for annual periods beginning on or after 1 January 2017

	As mentioned above, the new Revenue Standard has a single model to deal with revenue from contracts with customers. Its core principle is that an entity should recognize revenue to depict the transfer of promised goods or services to customers in an amount that reflects the consideration to which the entity expects to be entitled in exchange for those goods or services. The directors of the Company anticipate the application of IFRS 15 in the future may have a material impact on the amounts reported and disclosures made in the Company's financial statements. However, it is not practicable to provide a reasonable estimate of the effect of IFRS 15 until the Company performs a detailed review.	
Amendments to IAS 16 and IAS 38 Clarification of Acceptable Methods of Depreciation and Amortization	The amendments to IAS 16 prohibit entities from using a revenue-based depreciation method for items of property, plant and equipment. The amendments to IAS 38 introduce a rebuttable presumption that revenue is not an appropriate basis for amortization of an intangible asset. This presumption can only be rebutted in the following two limited circumstances: a) when the intangible asset is expressed as a measure of revenue. For example, an entity could acquire a concession to explore and extract gold from a gold mine. The expiry of the contract might be based on a fixed amount of total revenue to be generated from the extraction (for example, a contract may allow the extraction of gold from the mine until total cumulative revenue from the sale of gold reaches CU2 billion) and not be based on time or on the amount of gold extracted. Provided that the contract specifies a fixed total amount of revenue to be generated on which amortization is to be determined, the revenue that is to be generated might be an appropriate basis for amortizing the intangible asset; or b) when it can be demonstrated that revenue and the consumption of the economic benefits of the intangible asset are highly correlated. Currently the Company uses the straight-line method for depreciation and amortization of its property, plant and equipment, and intangible assets respectively. The directors of the Company believe that the straight line method is the most appropriate method to reflect the consumption of economic benefits inherent in the respective assets and accordingly, the directors of the Company do not anticipate that the application of these amendments to IAS 16 and IAS 38 will have a material impact on the Company's financial statements.	Effective for annual periods beginning on or after 1 January 2016

Amendments to IAS 16 and IAS 41 Agriculture: Bearer Plants	The amendments to IAS 16 and IAS 41 define a bearer plant and require biological assets that meet the definition of a bearer plant to be accounted for as property, plant and equipment in accordance with IAS 16, instead of IAS 41. In terms of the amendments, bearer plants can be measured using either the cost model or the revaluation model set out in IAS 16. On the initial application of the amendments, entities are permitted to use the fair value of items of bearer plant as their deemed cost as at the beginning of the earliest period presented. Any difference between the previous carrying amount and fair value should be recognized in opening retained earnings at the beginning of the earliest period presented. The produce growing on bearer plants continues to be accounted for in accordance with IAS 41. The directors of the Company do not anticipate that the application of these amendments to IAS 16 and IAS 41 will have a material impact on the Company's financial statements as the Company is not engaged in agricultural activities.	Effective for annual periods beginning on or after 1 July 2014
Amendments to IAS 19 Defined Benefit Plans: Employee Contributions	The amendments to IAS 19 clarify how an entity should account for contributions made by employees or third parties that are linked to services to defined benefit plans, based on whether those contributions are dependent on the number of years of service provided by the employee. For contributions that are independent of the number of years of service, the entity may either recognize the contributions as a reduction of the service cost in the period in which the related service is rendered, or to attribute them to the employees' periods of service either using the plan's contribution formula or on a straight-line basis; whereas for contributions that are dependent on the number of years of service, the entity is required to attribute them to the employees' periods of service. The directors of the Company do not anticipate that the application of these amendments to IAS 19 will have a significant impact on the Company's financial statements.	Effective for annual periods beginning on or after 1 July 2014

2.3 Early adoption of Standards and Interpretations

The company has not early adopted any standards or interpretations during the current year

3. Significant accounting policies

3.1 Statement of compliance

The financial statements have been prepared in accordance with International Financial Reporting Standards (IFRSs) as issued by International Accounting Standard Board (IASB).

3.2 Basis of preparation

The financial statements have been prepared using the historical cost convention, as modified by the revaluation of certain items, as stated in the accounting policies.

The financial statements are prepared according to uniform accounting policies and valuation principles. The financial statements of the Company are based on the principle of the historical cost of acquisition, construction or production, with the exception of the items reflected at fair value.

In preparing the financial statements, the management has to make certain assumptions and estimates that may substantially impact the presentation of the Company's financial position and/or results of operations. Such estimates, assumptions or the exercise of discretion mainly relate to the useful life of noncurrent assets, the discounted cash flows used for impairment testing, and the recognition of provisions, including those for litigation-related expenses, pensions and other benefits, taxes, environmental compliance and remediation costs. Essential estimates and assumptions that may affect reporting in the various item categories of the financial statements are described in the following sections of this note. Estimates are based on historical experience and other assumptions that are considered reasonable under given circumstances. They are continually reviewed but may vary from the actual values.

Changes in accounting policies or measurement principles in light of new or revised standards are applied retrospectively, except as otherwise provided in the respective standard. The income statement for the previous year and the opening statement of financial position for that year are adjusted as if the new accounting policies and/or measurement principles had always been applied.

3.3 Going concern

The directors have, at the time of approving the financial statements, a reasonable expectation that the Company has adequate resources to continue in operational existence for the foreseeable future. Thus they continue to adopt the going concern basis of accounting in preparing the financial statements.

3.4 Revenue recognition

Revenue is measured at the fair value of the consideration received or receivable. Revenue is reduced for estimated rebates and other similar allowances.

Revenue is earned from depository fee, eligibility fee, transaction fee and settlement bank participation fees.

Depository fees represent the annual fees charged on quoted companies on the Nigerian Stock Exchange at a rate of market capitalization on the first trading date of December of the preceding year.

Eligibility fees are charged on stock broking firms.

Transaction fees are based on values of shares traded on the Nigerian Stock Exchange or any other authorized / organized Securities Trading Platform charged on the investors at a percentage of sales.

Settlement bank participation fees are charged annually on settlement banks appointed by Nigerian Stock Exchange/ CSCS.

Dividend and interest income

Dividend income from investments is recognized when the shareholder's right to receive payment has been established (provided that it is probable that the economic benefits will flow to the Company and the amount of income can be measured reliably).

Interest income from a financial asset is recognized when it is probable that the economic benefits will flow to the Company and the amount of income can be measured reliably. Interest income is accrued on a time basis, by reference to the principal outstanding and at the effective interest rate applicable, which is the rate that exactly discounts estimated future cash receipts through the expected life of the financial asset to that asset's net carrying amount on initial recognition.

X-Alert Fees

X-Alert is the SMS notification platform to investors on trades/deals executed on their stock accounts at the NSE. The applicable fee for each deal per investor is N4. This is purely cost recovery charges for the SMS and the maintenance of the platform that provides the service. This service became effective on 3 March, 2014.

Collateral management fees

The company provide lien services to Lender whose credit facilities granted to borrower is been secured by securities deposited with CSCS. Collateral management fees and other incidental fees are charged and recognized in the statements of profit of loss once the lien service is performed.

3.5 Foreign currency transactions and translation

Foreign currency transactions are translated into Naira using the exchange rates prevailing at the dates of the transactions. All monetary assets and liabilities in foreign currencies are translated into Naira at the rates of exchange prevailing at the statement of financial position date. Foreign exchange gains and losses on translation are recognized in the statement of profit or loss and other comprehensive income. All non-monetary items are translated into Naira at exchange rates prevailing on the date of transaction or on the date when fair values are determined. The financial statements are presented in Naira, which is the Company's functional and presentation currency.

3.6 Borrowing costs

Borrowing costs directly attributable to the acquisition, construction or production of qualifying assets, which are assets that necessarily take a substantial period of time to get ready for their intended use or sale, are added to the cost of those assets, until such time as the assets are substantially ready for their intended use or sale. All other borrowing costs are recognized in profit or loss in the period in which they are incurred.

3.7 Dividend distribution

Dividend distributions to the Company's shareholders are recognized in the Company's Financial Statements in the period in which the dividend is declared and paid or approved by the Company's shareholders.

3.8 Earnings per share

The Company presents basic earnings per share (EPS) for its ordinary shares. Basic EPS is calculated by dividing the profit or loss to ordinary shareholders of the Company by the weighted average number of ordinary shares outstanding during the year.

3.9 Employee benefits

i) Short term employee benefits

Short term employee benefits, such as salaries, paid absences and other benefits are accounted for on an accrual basis over the period which employees have provided services in the year. Bonuses are recognized to the extent that the Company has a present obligation to its employees that can be measured reliably. All expenses related to employee benefits are recognized in the income statement in staff costs.

ii) Retirement benefit costs

Defined contribution plans

A defined contribution plan is a post- employment benefit plan under which the company pays fixed contributions into a separate entity and will have no legal or constructive obligation to pay further amounts. Obligations for contributions to defined contribution pension plans are recognized as an expense in profit or loss when they are due in respect of service rendered before the end of the reporting period. Prepaid contributions are recognized as an asset to the extent that a cash refund or reduction in future payments is available. Contributions to a defined contribution plan that are due more than 12 months after the end of the reporting period in which the employees render the service are discounted to their present value at the reporting date. Pension contribution of 10% of employees' emoluments payable by the employer (7.5% prior to July 1, 2014) and 8% payable by the employees are made in accordance with the Pension Reform Act 2004.

Defined benefit plans

A defined benefit plan is a post-employment benefit plan other than a defined contributory plan. The Company's net obligation in respect of defined benefit plans is calculated separately for each plan by estimating the amount of the obligation of the Company to each staff in the current period in return for their service. The aggregate provision is such that at every point in time the plan has adequate funds with the Funds Managers for all obligations. The provisions and funding (managed by an independent funds manager) entitles employees to 50% of total exit emoluments on completion of five years continuous employment. The entitlement increases at the rate of 10% each year but to a maximum of 100%. Amounts contributed in each year into the plan is expensed in the year in which they are due. The Company does not have further obligation aside the amount transferred to fund managers in respect of the benefit plan.

3.10 Taxation

Current tax

Provision for current tax is based on the taxable income for the year determined in accordance with the prevailing law for taxation of income. The charge for current tax is calculated using prevailing tax rates or tax rates expected to apply to the profit for the year if enacted. The charge for current tax also includes adjustments, where considered necessary, for over/under provision for tax made in previous years arising from assessments filed during the year for such years.

Deferred tax

Deferred tax is accounted for using the liability method in respect of all temporary differences arising from differences between the carrying amount of assets and liabilities in the financial statements and the corresponding tax bases used in the computation of the taxable profit.

Deferred tax liabilities are generally recognized for all taxable temporary differences and deferred tax assets are recognized to the extent that it is probable that taxable profits will be available against which the deductible temporary differences, unused tax losses and tax credits can be utilized.

Deferred tax is calculated at the rates that are expected to apply to the period when the differences reverse based on tax rates that have been enacted or substantively enacted by the statement of financial position date. Deferred tax is charged or credited in the income statement, except in the case of items credited or charged to equity in which case it is included in equity.

Deferred tax assets and liabilities are only offset when there is both the legal right and the intention to settle on a net basis or to realize the asset and settle the liability simultaneously.

Recognition of deferred tax assets is as described above. The recognition of a deferred tax asset relies on an assessment of the probability and sufficiency of future taxable profits and future reversals of existing taxable temporary differences.

3.11 Property, plant and equipment

Property, plant and equipment is carried at the cost of acquisition or construction and depreciated over its estimated useful life. An impairment loss is recognized in addition if an asset's recoverable amount falls below its carrying amount.

The cost of acquisition comprises the acquisition price plus ancillary and subsequent acquisition costs, less any discount received on the acquisition price. The cost of self-constructed property, plant and equipment comprises the direct cost of materials, direct manufacturing expenses, and appropriate allocations of material and manufacturing overheads. Where an obligation exists to dismantle or remove an asset or restore a site to its former condition at the end of its useful life, the present value of the related future payments is capitalized along with the cost of acquisition or construction upon completion and a corresponding liability is recognized.

If the construction phase of property, plant or equipment extends over a long period, the interest incurred on borrowed capital up to the date of completion is capitalized as part of the cost of acquisition or construction in accordance with IAS 23 (Borrowing Costs).

Expenses for the repair of property, plant and equipment, such as on-going maintenance costs, are normally recognized in income. The cost of acquisition or construction is capitalized if a repair (such as a complete overhaul of technical equipment) will result in future economic benefits.

Property, plant and equipment is depreciated by the straight-line method, except where depreciation based on actual depletion is more appropriate. Significant asset components with different useful lives are accounted for and depreciated separately.

The following depreciation periods, based on the estimated useful lives of the respective assets, are applied throughout the Company:

Property, plant and equipment	Years
Buildings – leasehold	Over lease period
Computer equipment	2 - 5
Furniture and fittings	8
Motor vehicle	4
Office equipment	5
Software license	Over license term
Capital work in progress	Not depreciated

Depreciation begins when an asset (tangible or intangible) is available for use and ceases at the earlier of the date that the asset is derecognized or classified as held for sale in accordance with IFRS 5.

A non-current asset or disposal group is not depreciated while it is classified as held for sale

Derecognition of property, plant and equipment

An item of property, plant and equipment is derecognized on disposal or when no future economic benefits are expected from its use or disposal. When assets are sold, closed down or scrapped, the difference between the net proceeds and the net carrying amount of the assets is recognized as a gain or loss in other operating income or expenses, respectively.

3.12 Intangible assets

Intangible assets acquired separately

Intangible assets with finite useful lives that are acquired separately are carried at cost less accumulated amortization and accumulated impairment losses. Amortization is recognized on a straight-line basis over their estimated useful lives. The estimated useful life and amortization method are reviewed at the end of each reporting period, with the effect of any changes in estimate being accounted for on a prospective basis. Intangible assets with indefinite useful lives that are acquired separately are carried at cost less accumulated impairment losses.

Internally-generated intangible assets - research and development expenditure

Expenditure on research activities is recognized as an expense in the period in which it is incurred. An internally-generated intangible asset arising from development (or from the development phase of an internal project) is recognized if, and only if, all of the following have been demonstrated:

a. the technical feasibility of completing the intangible asset so that it will be available for use or sale;
b. the intention to complete the intangible asset and use or sell it;
c. the ability to use or sell the intangible asset;
d. how the intangible asset will generate probable future economic benefits;
e. the availability of adequate technical, financial and other resources to complete the development and to use or sell the intangible asset; and
f. the ability to measure reliably the expenditure attributable to the intangible asset during its development.

The amount initially recognized for internally-generated intangible assets is the sum of the expenditure incurred from the date when the intangible asset first meets the recognition criteria listed above. Where no internally-generated intangible asset can be recognized, development expenditure is recognized in profit or loss in the period in which it is incurred.

Subsequent to initial recognition, internally-generated intangible assets are reported at cost less accumulated amortization and accumulated impairment losses, on the same basis as intangible assets that are acquired separately.

Derecognition of intangible assets

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

3.13 Impairment of tangible and intangible assets

The carrying values of all non-current assets are reviewed for impairment when there is an indication that the assets might be impaired. Impairment tests are performed not only on individual items of intangible assets, property, plant and equipment, but also at the level of cash-generating units.

A cash-generating unit is the smallest identifiable group of assets that generates cash inflows that are largely independent of the cash inflows from other assets or groups of assets.

Cash-generating units are tested if there is an indication of possible impairment. Impairment testing involves comparing the carrying amount of each cash-generating unit or item of intangible assets, property, plant or equipment to the recoverable amount, which is the higher of its fair value less costs to sell or value in use. If the carrying amount exceeds the recoverable amount, the asset is impaired by the amount of the difference.

For the purpose of calculating the recoverable amount, both the fair value less costs to sell and the value in use are determined from the present value of the future net cash flows. These are forecast on the basis of the company's current planning, the planning horizon normally being three to five years. Forecasting involves making assumptions, especially regarding future selling prices, sales volumes and costs. Where the recoverable amount is the fair value less costs to sell, the cash-generating unit is measured from the viewpoint of an independent market participant. Where the recoverable amount is the value in use, the cash-generating unit or individual asset is measured as currently used. In either case, net cash flows beyond the planning period are determined on the basis of long-term business expectations using individual growth rates derived from the respective market information.

The net cash inflows are discounted at a rate equivalent to the weighted average cost of equity and debt capital. To allow for the different risk and return profiles of the Company's principal businesses, the after-tax cost of capital is calculated separately for each subgroup and a subgroup-specific capital structure is defined by benchmarking against comparable companies in the same industry sector. The cost of equity corresponds to the return expected by stockholders, while the cost of debt is based on the conditions on which comparable companies can obtain long-term financing. Both components are derived from capital market information.

Impairment losses are recognized for declines in value that go beyond regular depreciation. If the reasons for previously recognized impairment losses no longer apply, the impairment losses are reversed provided that the reversals do not cause the carrying amounts to exceed the amortized cost of acquisition or construction.

When an impairment loss subsequently reverses, the carrying amount of the asset (or a cash-generating unit) is increased to the revised estimate of its recoverable amount but so that the increased carrying amount does not exceed the carrying amount that would have been determined had no impairment loss been recognized for the asset (or cash - generating unit) in prior years. A reversal of impairment is recognized immediately in profit or loss, unless the relevant asset is carried at a revalued amount, in which case the reversal of the impairment loss is treated as a revaluation increase.

3.14 Financial instruments

Financial assets and financial liabilities are recognized when an entity becomes a party to the contractual provisions of the instruments.

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

3.15 Financial assets

Held to maturity investments

Investments with fixed maturity that the management has the intent and ability to hold to maturity are classified as held to maturity and are initially measured at cost and at subsequent reporting dates measured at amortized cost using the effective interest method. The Company's held to maturity investments includes its investments in Federal Government Bonds, State Government Bonds, Corporate Bonds and Treasury bills of over 90 days.

The effective interest method is a method of calculating the amortized cost of a debt instrument and of allocating interest income over the relevant period. The effective interest rate is the rate that exactly discounts estimated future cash receipts (including all fees and points paid or received that form an integral part of the effective interest rate, transaction costs and other premiums or discounts) through the expected life of the debt instrument, or, when appropriate, a shorter period, to the net carrying amount on initial recognition.

Income is recognized on an effective interest basis for debt instruments other than those financial assets classified as fair value through profit or loss (FVTPL).

Trade receivables

Trade receivables are carried at original invoice amount less any provisions for doubtful debts. Provisions are made where there is evidence of a risk of non-payment, taking into account ageing, previous experience and general economic conditions. When a trade receivable is determined to be uncollectable it is written off, firstly against any provision available and then to the income statement. Subsequent recoveries of amounts previously provided for are credited to the income statement. Long-term receivables are discounted where the effect is material.

Available for sale

Investments, including those where the company has control or significant influence, that are intended to be held for an indefinite period or may be sold in response to a need for liquidity, are classified as available for sale. Investments classified as available for sale are initially measured at cost, being the fair value of consideration given. At subsequent reporting dates, these investments are re-measured at fair value, unless fair value cannot be reliably measured. Unrealized gains and losses arising from changes in the fair value are included in fair value reserve in the period in which they arise. Investment in unquoted equities is carried at fair value. Investments intended to be held for less than twelve months from the balance sheet date or to be sold to raise operating capital, are included in current assets, all other investments are classified as non-current. Management determines the appropriate classification of its investments at the time of the purchase and re-evaluates such designation on a regular basis.

Held for trading

Investments that are acquired principally for the purpose of generating a profit from short term fluctuations in price are classified as trading investments and included in current assets. These are initially measured at cost and at subsequent reporting dates, these investments are re-measured at fair value. Realized and unrealized gains and losses arising from changes in fair value are included in net profit or loss for the period in which they arise.

The fair value of publicly traded securities is based on market prices quoted on the Stock Exchange on which it is traded. The investments, for which a quoted market price is not available, are measured at cost as it is not practical to apply any other valuation methodology.

All purchases and sales of investments are recognized on the trade date which is the date that the company commits to purchase or sell the investment. Cost of purchase includes transaction cost.

Other financial assets

The company's other financial assets include:

- Cash and cash equivalents
- Fixed deposits

Cash and cash equivalents

Cash and cash equivalents comprise cash in hand, current balances with banks and similar institutions and highly liquid investments with maturities of three months or less when acquired. They are readily convertible into known amounts of cash and are held at amortized cost.

Fixed deposits

Fixed deposits, comprising principally funds held with banks and other financial institutions, are initially measured at fair value, plus direct transaction costs, and are subsequently re-measured to amortized cost using the effective interest rate method at each reporting date. Changes in carrying value are recognized in profit.

Impairment of financial assets

At each reporting date, an assessment is made of whether there is any objective evidence of impairment in the value of a financial asset. Impairment losses are recognized if, and only if, there is objective evidence of impairment as a result of one or more events that occurred after the initial recognition of the financial asset (a 'loss event') and that loss event (or events) has an impact on the estimated future cash flows of the financial asset that can be reliably estimated.

a. Impairment of financial assets carried at amortized cost

Impairment losses on assets carried at amortized cost are measured as the difference between the carrying amount of the financial asset and the present value of estimated future cash flows discounted at the asset's original effective interest rate. Impairment losses are recognized in the profit or loss and reflected in an allowance account against the financial asset. Interests on impaired assets continues to be recognized through unwinding of the discount. When a subsequent event causes the amount of impairment loss to decrease, the decrease in impairment loss is reversed through profit or loss.

b. Impairment of financial assets held to maturity

At each reporting date, the company reviews the carrying amounts of the investments to assess whether there is any indication that such investments have suffered an impairment loss. If any such indication exists, the recoverable amount is estimated in order to determine the extent of the impairment loss, if any. Impairment losses are recognized as expense. In respect of 'available for sale' financial assets, cumulative impairment loss less any impairment loss on that financial asset previously recognized in the statement of profit or loss and other comprehensive income account, is removed from equity and recognized in the statement of profit or loss and other comprehensive income account. Impairment losses recognized in the statement of profit or loss and other comprehensive income account on equity instruments are not reversed through the statement of profit or loss and other comprehensive income account.

c. Impairment of available for sale financial assets

Impairment losses for available-for-sale equity securities are recognized within 'Impairment charges and provisions for other liabilities and charges' in the statement of comprehensive income.

d. Impairment of equity shares

Reversals of impairment of equity shares are not recognized in the statement of comprehensive income, increases in the fair value of equity shares after impairment are recognized in other comprehensive income.

Income is recognized on an effective interest basis for debt instruments other than those financial assets classified as FVTPL.

3.16 Financial liabilities

Financial liabilities are either classified as financial liabilities at fair value through profit or loss or other liabilities.

The amortized cost of a financial liability is the amount at which the financial liability is measured at initial recognition, minus principal repayments, plus or minus the cumulative amortization using the effective interest method of any difference between the initial amount recognized and the maturity amount.

Trade payables

Trade payables are held at amortized cost which equates to nominal value. Long-term payables are discounted where the effect is material.

Other financial liabilities

Other financial liabilities are measured at amortized cost using the effective interest rate method except for held for trading liabilities and liabilities designated at fair value, which are held at fair value through profit and loss.

Borrowings

All borrowings are initially recorded at the amount of proceeds received, net of transaction costs. Borrowings are subsequently carried at amortized cost, with the difference between the proceeds, net of transaction costs, and the amount due on redemption being recognized as a charge to the income statement over the period of the relevant borrowing.

Derecognition of financial liabilities

The Company derecognizes financial liabilities when and only when, the Company's obligations are discharged, cancelled or expired. Where valuations include significant unobservable inputs, the transaction price is deemed to provide the best evidence of initial fair value for accounting purposes.

3.17 Other assets and liabilities

Accrued items and other non-financial assets and liabilities are carried at amortized cost. They are amortized to income by the straight-line method or according to performance of the underlying transaction.

In accordance with IAS 20 (Accounting for Government Grants and Disclosure of Government Assistance), grants and subsidies from third parties that serve to promote investment are reflected in the statement of financial position under other liabilities and amortized to income over the useful lives of the respective assets.

3.18 Sundry stock

Sundry stock amount represents the value of access tokens in stock (tokens are required by stockbroking firms, registrars and settlement bank for some operations at the CSD particularly access to the Data Exchange Portal). Any margin between the purchase cost of the tokens and their selling prices are recognized as income and reported in Miscellaneous Income in the books.

3.19 Provisions

Provisions are recognized for present legal and constructive obligations arising from past events that will probably give rise to a future outflow of resources, provided that a reliable estimate can be made of the amount of the obligations.

Other provisions are measured in accordance with IAS 37 (Provisions, Contingent Liabilities and Contingent Assets) or, where applicable, IAS 19 (Employee Benefits). Where the cash outflow to settle an obligation is expected to occur after one year, the provision is recognized at the present value of the expected cash outflow. Claims for reimbursements from third parties are capitalized separately if their realization is virtually certain.

If the projected obligation declines as a result of a change in the estimate, the provision is reversed by the corresponding amount and the resulting income recognized in the operating expense item(s) in which the original charge was recognized.

Provisions for restructuring only cover expenses that arise directly from restructuring measures, are necessary for restructuring and are not related to future business operations. Such expenses include severance payments to employees and rentals for property that is no longer utilized.

Restructuring measures may include the sale or termination of business units, site closures, re-locations of business activities, changes in management structure or fundamental reorganizations of business units.

The respective provisions are established when a detailed restructuring plan has been drawn up, resolved upon by the responsible decision-making level of management and communicated to the employees and/or their representatives. Provisions for restructuring are established at the present value of future disbursements.

Trade-related provisions are recorded mainly for the obligations in respect of services already received but not yet invoiced.

Provisions for litigations are recorded in the statement of financial position in respect of pending litigations, subject to a case-by-case examination. Such legal proceedings are evaluated on the basis of the available information, including that from legal counsel acting for the Company, to assess potential outcomes. Where it is more likely than not that a present obligation arising out of legal proceedings will result in an outflow of resources, a provision is recorded in the amount of the present value of the expected cash outflows if these are considered to be reliably measurable. These provisions cover the estimated payments to plaintiffs, court fees, attorney costs and the cost of potential settlements. The evaluation is based on the current status of the litigations as of each reporting date and includes an assessment of whether the criteria for recording a provision are met and, if so, the amount of the provision to be recorded.

Litigation and other judicial proceedings generally raise complex issues and are subject to many uncertainties and complexities including, but not limited to, the facts and circumstances of each particular case, the jurisdiction in which each suit is brought and differences in applicable law. The outcome of currently pending proceedings therefore cannot be predicted. As a result of a judgment in court proceedings or the conclusion of a settlement, the Company may incur charges in excess of presently established provisions and related insurance coverage.

Personnel-related provisions are mainly those recorded for annual bonus payments, variable one-time payments, individual performance awards, long-service awards, surpluses on long-term accounts and other personnel costs.

3.20 Discounting

Where the time effect of money is material, balances are discounted to current values using appropriate rates of interest. The unwinding of the discounts is recorded in finance income and finance costs.

4 Critical accounting judgments and key sources of estimation uncertainty

In the application of the Company's accounting policies, the directors are required to make judgments, estimates and assumptions about the carrying amounts of assets and liabilities that are not readily apparent from other sources. The estimates and associated assumptions are based on historical experience and other factors that are considered to be relevant. Actual results may differ from these estimates.

The estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognized in the period in which the estimate is revised if the revision affects only that period, or in the period of the revision and future periods if the revision affects both current and future periods.

4.1 Critical judgments in applying the Company's accounting policies

The following are the critical judgments, apart from those involving estimations (which are dealt with separately below), that the directors have made in the process of applying the Company's accounting policies and that have the most significant effect on the amounts recognized in financial statements.

4.1.1 Held to maturity financial assets

The directors have reviewed the Company's held to maturity financial assets in the light of its capital maintenance and liquidity requirements and have confirmed the Company's positive intent and ability to hold those assets to maturity. The carrying amount of the held-to-maturity financial assets is as follows:

Description	2014	2013
	N'000	N'000
Investments in bonds	13,548,150	11,123,954
Investments in treasury bills of over 90 days	6,188,507	6,059,906

Details of these assets are set out in Note 13.

4.1.2 Deferred taxation on property, plant and equipment.

For the purposes of measuring deferred tax liabilities or deferred tax assets arising from Property, Plant and Equipment (PPE), the directors have reviewed the company's items of PPE and concluded that the company's PPE are held to be consumed substantially in the ordinary course of business. Therefore, in determining the company's deferred taxation on PPE, the directors compared the PPE net book value with the tax written down value.

4.1.3 Discount rate used to determine the carrying amount of the Company's defined benefit obligation

The company's defined benefit obligation is discounted at a rate set by reference to market yields at the end of the reporting period on high quality bonds. Significant judgment is required when setting the criteria for long term investments to be included in the population from which the yield curve is derived. The most significant criteria considered for the selection of long term investments include the issue size of the investment, quality of the investments and the identification of outliers which are excluded.

4.2 Key sources of estimation uncertainty

4.2.1 Fair value measurement and valuation processes

The company measures certain assets and liabilities at fair value, either upon initial measurement or for subsequent accounting or reporting. For example, the company uses fair value extensively when accounting for and reporting on certain financial instruments. The company estimates fair value using an exit price approach, which requires, among other things, that we determine the price that would be received to sell an asset or paid to transfer a liability in an orderly market. The determination of an exit price is considered from the perspective of market participants, considering the highest and best use of assets and, for liabilities, assuming the risk of non-performance will be the same before and after the transfer. A single estimate of fair value results from a complex series of judgments about future events and uncertainties and relies heavily on estimates and assumptions. When estimating fair value, depending on the nature and complexity of the asset or liability, we may use one or all of the following approaches:

- Income approach, which is based on the present value of a future stream of net cash flows
- Market approach, which is based on market prices and other information from market transactions involving identical or comparable assets or liabilities.
- Cost approach, which is based on the cost to acquire or construct comparable assets less an allowance for functional and/or economic obsolescence.

These fair value methodologies depend on the following types of inputs:

- Quoted prices for identical assets or liabilities in active markets (called Level 1 inputs).
- Quoted prices for similar assets or liabilities in active markets or quoted prices for identical or similar assets or liabilities in markets that are not active or are directly or indirectly observable (called Level 2 inputs).
- Unobservable inputs that reflect estimates and assumptions (called Level 3 inputs).

4.2.2 Useful life of property, plant and equipment

As described in 3.11 above, the Company reviews the estimated useful life of property, plant and equipment at the end of each reporting period. During the current year, the directors determined that no changes to the useful life of the property, plant and equipment.

4.2.3 Impairment

The directors have assessed whether there is any objective evidence of impairment in the value of the company's financial asset. For any objective evidence of impairment observed, impairment losses have been determined based on the impact of the observed loss event on the estimated future cash flows of the financial assets and appropriate impairment allowance have been charged to the statement of profit or loss.

5 Fees

An analysis of the CSCS' fees is as follows:

	2014	2013
	N'000	**N'000**
Eligibility fees	9,845	4,201
Domiciliary/depository fees	1,357,304	1,097,627
Transaction fees	3,831,409	3,104,110
	5,198,558	**4,205,938**

6. Interest income

	2014	2013
	N'000	N'000
Interest income on fixed deposits	71,060	48,076
Interest income on treasury bills	792,497	915,480
Interest income on Federal Government bonds	1,204,252	937,405
Interest income on corporate bonds	139,761	140,191
Interest income on state bonds	215,531	198,511
	2,423,101	**2,239,663**
Interest income earned on financial assets analyzed by category of asset, is as follows:		
Held to maturity financial assets	2,352,041	2,191,587
Loans and receivables financial assets	71,060	48,076
Total interest income for financial assets not designated at fair value through profit or loss	**2,423,101**	**2,239,663**

7. Other operating income

	2014	2013
	N'000	N'000
Data centre subscriptions	51,902	60,397
Trade alert handling fees	230,395	84,000
Settlement banks fees	4,750	6,250
Bond dealers fees	12,205	77,989
Website subscription fees	33,714	37,320
Statement of stock position fees	14,319	16,300
Collateral management fees	112,699	53,646
Special accounts fees	17,149	20,996
Other transaction fees	44,568	13,000
Product and services	510	660
Profit on disposal of fixed assets	66	12,850
Reversal on impairment loss on trade and other receivables (Note 7.1)	24,306	23,548
Miscellaneous income	1,899	34,846
Legal entity identifier subscription	125	–
Data purchase fees	–	200
Gains on foreign exchange	50	–
Write back of prior year over provision in productivity expenses	71,385	56,319
Issuer fees	237	–
	620,279	**498,321**

7.1 Reversal of impairment loss on trade and other receivables

	2014	2013
	N'000	N'000
Impairment loss on trade receivables	(7,178)	–
Impairment loss on other receivables	–	(18,375)
Reversal of impairment losses on trade receivables	13,109	41,923
Reversal on impairment losses on other receivables	18,375	–
Reversal of impairment losses on trade and other receivables	**24,306**	**23,548**

8. Profit for the year

Profit for the year has been arrived at after charging/(crediting): -

8.1 Depreciation and amortization expenses

	2014	2013
	N'000	N'000
Depreciation of property, plant and equipment	70,794	92,259
Amortization of intangible assets included in other operating expenses	37,055	50,054
	107,849	**142,313**

8.2 Staff costs

	2014	2013
	N'000	N'000
Salaries and allowances	625,644	545,327
Staff training and development	97,121	81,373
Staff welfare and medical expenses	137,121	88,690
Provision for productivity/promotion expenses (Note 8.2.1)	612,259	290,264
	1,472,145	1,005,654
Staff severance package	3,408	1,122
Provision for staff severance benefits	-	27,226
NSIFT	1,910	-
Staff pension management contribution	45,747	34,912
	1,523,210	**1,068,914**

8.2.1 Performance bonus provision for 2014 was made on the basis of full provision for the performance bonus amount without the upper ceiling of not more than 50% of the total emolument of qualifying staff. This was due to the fact that the entire performance bonus policy is currently being reviewed by the Board. While In 2013 the provision was limited to 50% of the total emolument of qualifying staff.

8.3 Administration expenses

	2014	2013
	N'000	N'000
Rent and rates	57,098	55,771
Publicity/enlightenment	4,694	19,991
Telephone, postages and electricity	13,779	12,850
Office equipment maintenance	11,081	13,173
Electricity/energy/water expenses	26,141	29,399
Motor vehicle maintenance	15,350	13,765
Office building maintenance	5,781	6,307
Computer maintenance	32,532	60,077
Directors' sitting allowances	28,275	21,300
Directors' expenses	186,198	113,721
Data center service expenses	98,017	62,873
Printing and stationeries	5,078	7,052
Audit fees	14,000	14,000
Professional/consulting fees	72,733	71,343
Travels and accommodation expenses	58,913	88,881
Insurance	44,483	49,470
Entertainment	3,044	4,941
Corporate and brand promotions	20,112	43,197
Industrial training fund	5,453	2,991
Newspapers and periodicals	835	1,151
Filing, registration and processing fees	8,881	2
Penalty for non-compliance with SEC rules and regulatory guidelines (Note 8.3.1)	640	–
Public relations / business development expenses	9,660	3,085
Legal fees	20,228	22,251
Annual subscription	13,331	12,303
AGM expenses	3,977	5,332
Other admin expenses (outsourced staff) (Note 8.3.2)	29,333	–
Sponsorship	36,474	25,750
Swift running and trade alert expenses	694	9,499
Legal entity identifier remittance	103	–
Software license fees	1,708	19,068
	828,626	**789,543**

8.3.1 Contravention of SEC regulatory guidelines

The Company contravened SEC Rule 44(1), SEC Rule 108(3), and section 24 of Code of Corporate Governance during the year which was in respect of direct payments of dividend made to certain shareholders whose details the Company's Registrars did not have. The penalty paid thereon was N640,000.

8.3.2 The amount represent salaries/allowances as well as the outsourced consultancy fees in respect of certain support permanent staff whose status changed during the year to outsourced support staff.

8.4 Other expenses

	2014	2013
	N'000	N'000
Bank charges	11,320	10,764
Investors protection expenses (Note 8.4.1)	10,982	108,105
	22,302	**118,869**

8.4.1 Investor protection expenses

This represents cost to buy back stocks which had remained unsettled due to financial inability of specific stockbroking firms. The Company bought back the shares to avoid distortions in the market. The investment protection expenses is independent of the investment protection fund of the NSE.

9. Tax

Income tax recognized in profit or loss

	2014	2013
	N'000	N'000
Current tax		
Current tax expense in respect of the current year		
Corporate Income tax (Note 9.1)	998,069	882,154
Education tax (Note 9.1)	68,2965	56,593
Information technology levy (Note 9.2)	7,599	48,243
Under provision from prior years	—	155,378
	1,123,964	1,142,368
Deferred tax		
Deferred tax expense (income) recognized in the current year	13,942	(56,382)
Deferred tax reclassified from equity to profit or loss	—	—
Adjustments to deferred tax attributable to changes in tax rates and laws	—	—
Write-downs (reversals of previous write-downs) of deferred tax assets	—	—
	13,942	(56,382)
Total income tax expense recognized in the current year relating to continuing operations	**1,137,906**	**1,085,986**

9.1 The charge for income and education tax in these financial statements is based on the provisions of the Companies Income Tax Act CAP C21 LFN 2004 as amended and the Education Tax Act CAP E4 LFN 2004.

9.2 This represents 1% of profit before tax in accordance with the provision of section 12 (2a) of the Nigerian Information Technology Development Agency Act (NITDA) 2007.

Reconciliation of effective tax rate:

	2014	2013
	N'000	**N'000**
Profit before tax	5,759,951	4,824,283
Taxable expenses	6,947	279,575
Tax free income	(2,352,107)	(2,274,211)
Balancing charge/(capital allowance)	(87,896)	110,866
Taxable profit	**3,326,895**	**2,940,513**
Income tax at 30%	998,068	882,154
Education tax at 2%	66,538	56,593
Technology tax	57,599	48,243
Adjust to tax charge on prior year tax	—	155,378
Current tax on income for the year	**1,122,205**	**1,142,368**
Deferred tax charge - temporary difference	13,942	(56,382)
Tax on profit on ordinary activities	1,136,147	1,085,986
Effective tax rate	**20%**	**23%**
Current tax liabilities		
Income tax payable	1,137,906	1,085,986
At 1 January	1,079,811	481,218
Payments during the year	(1,095,333)	(543,775)
Deferred tax liability/(asset)	13,942	(56,382)
Per statement of financial position	**1,108,442**	**1,079,811**

Deferred tax liability/(asset)
The following is the analysis of deferred tax asset/liability presented in the statement of financial position:

	2014	2013
	N'000	**N'000**
At 1 January	32,839	89,221
Movement in the year	13,942	(56,382)
Per statement of financial position	**46,781**	**32,839**

Deferred tax asset for the year has been recognized in the statement of profit or loss and other comprehensive income

	2014	2013
	N'000	N'000
Deferred tax liabilities/assets are attributable to:		
Net book value of property, plant and equipment	153,651	178,416
Net book value of intangible assets	84,941	45,363
Tax written down value of assets	(82,657)	(114,317)
Total attributable to assets	155,935	109,462
Deferred tax at 30%	**46,781**	**32,839**

10 Earnings per share

The calculation of basic earnings per share at 31 December 2014 was based on the profit attributable to ordinary shareholders and the weighted average number of ordinary shares outstanding, which is calculated as follows:

	2014	2013
	N'000	N'000
Profit attributable to ordinary shareholders	4,622,045	3,738,297
Number of ordinary shares in issue as at year end	5,000,000	5,000,000
Weighted average number of ordinary shares	5,000,000	5,000,000
Basic earnings per share (kobo)	**92**	**75**

11. Intangible assets

	2014	2013
	N'000	N'000
Cost		
At 1 January	2,022,897	79,043
Reclassification from property plant and equipment	—	1,881,827
Additions to intangible assets during the year	36,535	46,667
Additions to work in progress during the year	29,280	15,360
At 31 December	**2,088,712**	**2,022,897**
Accumulated amortization and impairment losses		
At 1 January	1,966,716	68,785
Reclassification from property plant and equipment	—	1,847,877
Charge during the year	37,055	50,054
At 31 December	**2,003,771**	**1,966,716**
Carrying amount of:		
Intangible assets	**84,941**	**56,181**

12. Property, plant and equipment

	2014	2013
	N'000	N'000
Carrying amount of:		
Land and buildings	—	—
Motor vehicles	65,157	85,963
Furniture and fittings	36,250	30,767
Office equipment	21,078	23,272
Computer equipment	31,166	36,290
Work - in - progress	91,926	13,222
	245,577	**189,514**

	Land & buildings N'000	Motor vehicles N'000	Furniture & fittings N'000	Office equipment N'000	Computer equipment N'000	Work-in-progress N'000	Total N'000
Cost or valuation							
Balance at 1 January 2014	—	156,830	95,248	115,566	733,779	13,222	1,114,645
Additions during the year	—	14,900	18,469	6,980	7,804	78,704	126,857
Disposals during the year	—	—	(125)	—	—	—	(125)
Balance at 31 December 2014	—	171,730	113,592	122,546	741,583	91,926	1,241,377
Accumulated depreciation and impairment							
At 1 January 2014	—	70,867	64,481	92,294	697,489	—	925,131
Depreciation expense	—	35,706	12,986	9,174	12,928	—	70,794
Eliminated on disposals of assets	—	—	(125)	—	—	—	(125)
At 31 December 2014	—	106,573	77,342	101,468	710,417	—	995,800
Net book value as at 31 December, 2014	—	**65,157**	**36,250**	**21,078**	**31,166**	**91,926**	**245,577**
Cost or valuation							
Balance at 1 January 2013	237,588	79,650	93,309	136,555	2,590,882	4,400	3,142,384
Reclassification to intangible assets	—	—	—	—	(1,881,827)	—	(1,881,827)
Additions during the year	—	77,180	1,939	4,789	24,724	13,222	121,854
Write off during the year	—	–	—	—	—	(4,400)	(4,400)
Disposals	(237,588)	–	—	(25,778)	—	—	(263,366)
Balance at 31 December 2013	—	156,830	95,248	115,566	733,779	13,222	1,114,645
Accumulated depreciation and impairment							
At 1 January 2013	39,291	36,992	52,767	110,016	2,508,316	—	2,747,382
Reclassification to intangible assets	—	—	—	—	(1,847,877)	—	(1,847,877)
Depreciation expense	1,564	33,875	11,714	8,056	37,050	—	92,259
Eliminated on disposals of assets	(40,855)	—	—	(25,778)	—	—	(66,633)
At 31 December 2013	—	70,867	64,481	92,294	697,489	—	925,131
Net book value as at 31 December, 2013	—	**85,963**	**30,767**	**23,272**	**36,290**	**13,222**	**189,514**

13. Investments

13.1 Held to maturity investments of more than one year

	2014	2013
	N'000	N'000
Held-to-maturity investments carried at amortized cost		
Federal Government bonds (Note 13.1.1)	10,452,716	7,953,458
Corporate bonds (Note 13.1.2)	1,035,049	1,035,288
State bonds (Note 13.1.3)	2,060,385	2,135,208
	13,548,150	**11,123,954**

13.1.1 Analysis of Federal Government bonds

	Coupon Rate	Maturity Date	Face Value	Carrying Amount	Face Value	Carrying Amount
			31 Dec. 2014 N'000	31 Dec. 2014 N'000	31 Dec. 2013 N'000	31 Dec. 2013 N'000
FGN BOND (FG N BOND MAR 2014)	10.50%	14/Mar/14	–	–	260,000	269,247
FMBN BOND - FG GUARANTEED	0.00%	17/May/15	400,000	376,891	400,000	321,677
FGN BOND (FG N BOND APR 2017)	15.10%	27/Apr/17	3,552,550	3,676,172	3,676,172	3,779,088
FGN BOND (FG N BOND JUN 2019)	16.00%	29/Jun/19	335,000	361,844	335,000	372,061
FGN BOND (FG N BOND AUG 2016)	13.05%	16/Aug/16	3,380,000	3,562,656	850,000	889,971
FGN BOND (FG N BOND JAN 2022)	16.39%	27/Jan/22	1,000,000	1,111,813	1,000,000	1,130,022
FGN BOND (LOCAL CONTRACTOR'S BOND) 2016	Zero/16%	9/Dec/16	900,000	943,635	900,000	1,191,392
FGN BOND (LOCAL CONTRACTOR'S BOND) 2017	Zero/16.5%	20/Apr/17	20,000	419,705	420,000	–
TOTAL			**9,987,550**	**10,452,716**	**7,841,172**	**7,953,458**

13.1.2 Analysis of Corporate bonds

	Coupon Rate	Maturity Date	Face Value	Carrying Amount
			31 Dec. 2014	31 Dec. 2014
			N'000	N'000
UBA PLC (CORPORATE BOND 2018)	14.00%	1/Oct/18	1,000,000	1,035,049

13.1.3 Analysis of State Government bonds

	Coupon Rate	Maturity Date	Face Value	Carrying Amount
			31 Dec. 2014	31 Dec. 2014
			N'000	N'000
LAGOS STATE BOND(NOV 2019)	14.50%	22/Nov/19	850,000	926,214
GOMBE STATE BOND(OCT 2019)	15.50%	2/Oct/19	202,814	224,037
KWARA STATE BOND(AUG 2014)	14.00%	5/Aug/14	–	–
NIGER STATE BOND(DEC 2018)	14.00%	12/Dec/18	552,616	556,685
BAUCHI STATE BOND (DEC 2021)	15.00%	8/Dec/21	350,000	353,449
TOTAL			**1,955,430**	**2,060,385**

13.2 Held to maturity investments less than one year

	2014	2013
	N'000	N'000
Held-to-maturity investments carried at amortized cost		
Treasury bills (Note 13.2.1)	6,188,507	6,059,906

13.2.1 Analysis of treasury bills 31 December 2014

Purchasing bank	Tenor	Rate	Maturity date	Face value 2014	Carrying Amount 2014
				N'000	N'000
ACCESS BANK PLC	133	10.50%	08/01/2015	220,000	219,483
ACCESS BANK PLC	118	10.50%	01/01/2015	80,000	79,976
FBN LTD	126	10.70%	01/01/2015	160,000	159,952
FBN LTD	160	10.75%	12/03/2015	500,000	489,401
FBN LTD	122	14.00%	30/04/2015	750,000	715,469
FIDELITY BANK PLC	113	10.55%	29/01/2015	103,376	102,499
GT BANK PLC	182	10.00%	08/01/2015	350,000	349,212
GT BANK PLC	126	10.60%	01/01/2015	180,000	179,947
GT BANK PLC	182	10.00%	05/03/2015	400,000	392,868
GT BANK PLC	140	10.70%	29/01/2015	300,000	297,407
GT BANK PLC	161	10.70%	12/03/2015	200,000	195,780
GT BANK PLC	161	10.95%	26/03/2015	400,000	389,682
GT BANK PLC	167	10.95%	16/04/2015	200,000	193,580
GT BANK PLC	146	10.60%	09/04/2015	1,200,000	1,165,263
GT BANK PLC	153	12.70%	30/04/2015	550,000	526,902
UBA PLC	126	10.70%	01/01/2015	75,000	74,978
UBA PLC	160	10.25%	23/04/2015	350,000	338,820
ZENITH BANK PLC	133	10.50%	29/01/2015	320,000	317,290
TOTAL				**6,338,376**	**6,188,507**

13.2.1 Analysis of treasury bills 31 December 2014

Purchasing bank	Tenor	Rate	Maturity date	Face value 2014	Carrying Amount 2014
				N'000	N'000
ACCESS BANK PLC	119	12.00%	27/02/2014	260,000	255,042
ACCESS BANK PLC	210	12.80%	30/01/2014	431,799	427,256
FBN PLC	174	12.10%	17/04/2014	160,000	154,325
FBN PLC	189	12.00%	20/02/2014	500,000	491,616
FIDELITY BANK PLC	139	11.85%	24/04/2014	200,000	192,598
GT BANK PLC	97	11.50%	06/03/2014	150,000	146,928
GT BANK PLC	119	11.90%	27/02/2014	300,000	294,327
GT BANK PLC	136	12.50%	16/01/2014	100,000	99,452
GT BANK PLC	139	11.90%	08/05/2014	450,000	431,221
GT BANK PLC	150	11.90%	13/03/2014	400,000	390,610
GT BANK PLC	182	12.00%	13/02/2014	500,000	492,767
GT BANK PLC	182	12.00%	10/04/2014	100,000	96,712
GT BANK PLC	185	13.00%	30/01/2014	450,000	445,192
GT BANK PLC	364	9.80%	20/03/2014	100,000	97,879
UBA PLC	139	11.95%	20/03/2014	100,000	97,414
UBA PLC	174	12.00%	10/04/2014	1,000,000	967,123
UBA PLC	175	12.15%	27/03/2014	300,000	291,412
UBA PLC	182	12.05%	13/02/2014	250,000	246,368
UBA PLC	224	13.10%	20/02/2014	100,000	98,170
UBA PLC	225	13.00%	20/02/2014	150,000	147,275
ZENITH BANK PLC	119	11.90%	27/02/2014	200,000	196,218
				6,201,799	**6,059,906**

	2014	2013
	N'000	N'000
Trade and other receivables		
Trade receivables		
Trade debtors (Note 14.1)	353,676	367,084
Allowance for doubtful accounts (Note 14.2)	(332,476)	(340,873)
	21,200	26,211
Other receivables		
Staff debtors	7,748	4,507
Due from related company- The Nigerian Stock Exchange (Note 14.3)	–	212,280
Managed funds	71,765	66,807
Allowance for doubtful accounts (Note 14.4)	–	(18,375)
	79,513	265,219
Total trade and other receivables	**100,713**	**291,430**

This represents various eligibility fees that NSE hitherto received from quoted companies on behalf of Central Securities Clearing System Plc.

14.1Trade receivables

Total trade receivables (net of impairment) held by the company at 31 December 2014 amounted to N21.200 million [31 December 2013: N26.211 million]

Trade receivables arise from the principal revenue generating activities of the company which are explained below:

Eligibility fees relate to annual fees paid by the stockbroking firms for trading in the Nigerian Stock Exchange market, N25,000 is paid annually and directly to CSCS. Depository fee relates to fees paid by the companies whose shares are listed for trading on the floor of the Nigerian Stock Exchange. It is charged based on a certain percentage of the company's market capitalization as at 1 December of the preceding year. Transaction fees relate to CSCS fees on value of shares traded on the floor of the stock exchange (which is 0.30% of shares sold). Settlement bank participation fees are paid by settlement banks to CSCS and are expected to pay N250,000 annually. The company has recognized an allowance for doubtful debts of 100% against all receivables over 360 days. Allowances against doubtful debts are recognized against trade receivables outstanding for more than 360 days based on estimated irrecoverable amounts determined by reference to past default experience of the counterparty and an analysis of the counterparty's current financial position.

Ageing of past due but not impaired receivables

	2014	2013
	N'000	N'000
30-60 days	578	164,947
60-90 days	204	3,003
90-120 days	352,894	199,134
Total	353,676	367,084

14.2 Movement in the allowance for doubtful trade receivables

	2014	2013
	N'000	N'000
At 1 January	340,873	382,796
Impairment losses recognized on trade receivables	7,178	—
Amounts written off during the year as uncollectible	(2,466)	—
Impairment losses reversed	(13,109)	(41,923)
At 31 December	332,476	340,873

In determining the recoverability of a trade receivable the company considers any change in the credit quality of the trade receivable from the date credit was initially granted up to the reporting date. The concentration of credit risk is limited due to the customer base being large and unrelated.

14.3 Due from related company - The Nigerian Stock Exchange

This represents various eligibility fees received by NSE from quoted companies on behalf of Central Securities Clearing System Plc.

14.4 Movement in the allowance for doubtful other receivables

	2014	2013
	N'000	N'000
At 1 January	18,375	—
Impairment losses recognized on other receivables	—	18,375
Impairment losses reversed	(18,375)	—
At 31 December	—	18,375

15 Cash and cash equivalents

For the purposes of the statement of cash flows, cash and cash equivalents include cash on hand and in banks, net of outstanding bank overdrafts. Cash and cash equivalents at the end of the reporting period as shown in the statement of cash flows can be reconciled to the related items in the statement of financial position as follows:

	2014	2013
	N'000	N'000
Bank and cash balances	163,115	165,783
Treasury bills with tenor less than 90 days (Note 15.1)	2,074,418	741,219
Short term deposits	786,964	964,848
Allowance for doubtful short term deposit (Note 15.2)	(277,453)	(277,453)
	2,747,044	1,594,397

15.1 Analysis of treasury bills

31 December 2014

Purchasing bank	Tenor	Rate	Maturity date	Face value	Carrying amount
				2014	2014
				N'000	N'000
ACCESS BANK PLC	21	14.00%	08/01/2015	450,000	448,615
ACCESS BANK PLC	65	13.00%	05/03/2015	140,000	136,808
FBN LTD	14	16.80%	01/01/2015	250,000	249,884
FIDELITY BANK PLC	29	16.75%	08/01/2015	250,000	249,076
GT BANK PLC	52	13.00%	19/02/2015	400,000	392,875
UBA PLC	35	14.50%	15/01/2015	350,000	347,905
ZENITH BANK PLC	34	13.50%	08/01/2015	250,000	249,255
			TOTAL	2,090,000	2,074,418

31 December 2013

Purchasing bank	Tenor	Rate	Maturity date	Face value	Carrying amount
				2013	2013
				N'000	N'000
GT BANK PLC	70	11.55%	06/02/2014	750,000	741,219

15.2 This represents a fixed term deposit with Wema Bank Plc. in dispute.

16. Other assets

	2014 N'000	2013 N'000
Prepaid expenses	107,803	76,787
Western Textile Mills Plc. - Fixed deposit (Note 16.1)	9,720	8,952
Withholding tax recoverables	30,909	18,012
	148,432	103,751

16.1 The amount presented above represents funds held by CSCS in Trust for Western Textile Mills shareholders. The company was entrusted with the liquidation proceeds of Western Textile Mills following the extra-ordinary general meeting of Western Textile Mills Plc. held on 10 February 2002 where it was resolved that the amount due to the company's shareholders be placed in a fixed deposit account under the custody of the Central Securities Clearing System Plc. The interest earned on the principal is to be used to publish the names of outstanding claimants in daily newspapers and to settle the bank's operating charges. Efforts are ongoing with Corporate Affairs Commission to resolve this long outstanding balance.

17. Share capital

	2014	2013
	N'000	N'000
Authorized		
5,000,000,000 ordinary shares of N1 each	5,000,000	5,000,000
Issued and fully paid:		
At 31 December	5,000,000	5,000,000

No new shares were issued during the year.

18. Retained earnings

	2014	2013
	N'000	N'000
At 1 January	12,058,983	9,070,686
Transfer from statement of profit or loss and other comprehensive income	4,622,045	3,738,297
Dividend	(1,100,000)	(750,000)
At 31 December	**15,581,028**	**12,058,983**

19 Pension plan and other employment benefits

Analysis of the amount charged to statement of profit and loss and other comprehensive income and statement of financial position is shown below:

	2014	2013
	N'000	N'000
Per statement of profit and loss and other comprehensive income		
Provision for staff severance benefits (Note 8.2)	–	27,226
	–	**27,226**
Per statement of financial position		
At 1 January	70,406	82,013
Charge for the year (Note 19.1)	–	27,226
Payment to fund managers	(70,406)	(38,833)
At 31 December	–	**70,406**

19.1 At its meeting of 7 November, 2012, the Board of Directors of the Company resolved to establish a Long Term Severance Benefit Scheme in order to make provisions for the terminal payments to staff upon exit from the employment of the Company. On 11 December, 2013, the Board approved the details of the Scheme as presented by the Management. The Scheme entitles employees to 50% of total emoluments on completion of five years continuous employment. The entitlement increases at the rate of 10% each year but to a maximum of 100%. Amount contributed in each year into the scheme is expensed in the year in which they are due. The Scheme has Capital Express Assurance Company Plc. as the Funds Managers and UTIB Insurance Brokers Limited as Advisers. The most recent actuarial valuation of the plan assets and the present value of the defined benefit obligation were carried out by UTIB Insurance Brokers Limited.

Defined contribution plans

All the employees of the Company qualify for the contributory pension scheme of Nigeria. The Company is required to contribute a specified percentage of payroll costs to the retirement benefit scheme to fund the benefits. The only obligation of the Company with respect to the retirement benefit plan is to make the specified contributions. Pension contribution of a percentage of employees emoluments (10% by the employer -7.5% prior to July 1, 2014 - and 8% by the employees) are made in accordance with the Pension Reform Act 2004.

The total expense recognized in profit or loss of N45,747,266 (2013: N24,843,063) represents contributions payable to these plans by the Company at the rates specified in accordance with the Pension Reform Act 2004. As at 31 December 2014, all outstanding contributions had been paid.

Defined benefit plans

The Company sponsors funded defined (gratuity) benefit plan for its qualifying employees. The defined benefit plan is administered by the Company but the funds are managed by Capital Express Assurance Company Plc. that is legally separated from the entity.

Under the plan, the employees are entitled to post-retirement lump sum (gratuity) of 50%, 60%, 70%, 80%, 90% and 100% of their Annual Total Emolument as at the date of retirement for after working for 5,6,7,8,9 and 10 years, respectively. The percentage is kept at 100% for years of service more than 10 years and 0% for years of services less than 5 years.

The defined benefit plan typically exposes the Company to actuarial risks such as: investment risk, interest rate risk, and salary risk.

Investment risk	The present value of the defined benefit plan liability is calculated using a discount rate determined by reference to long term investments if the return on plan asset is below this rate, it will create a plan deficit. Currently the deposits from Central Security Clearing System (CSCS) is added to the pool of fund which is being managed as deposit administration, to which guaranteed rate of interest is agreed at the beginning of the year and based on this, return on investment is added to the fund at the end of the year.
Interest risk	A decrease in the long term investment interest rate will increase the plan liability; however, this will be partially offset by an increase in the return on the plan's debt investments.
Salary risk	The present value of the defined benefit plan liability is calculated by reference to the future salaries of plan participants. As such, an increase in the salary of the plan participants will increase the plan's liability.

The risk relating to benefits to be paid to the dependents of plan members (widow and orphan benefits) is re-insured by an external insurance company.

No other post-retirement benefits are provided to these employees.

The most recent actuarial valuation of the plan assets and the present value of the defined benefit obligation were carried out at 31 December 2014 by Mr. Kolawole Ogunbayo, Head of Technical Operations/Actuarial Services of the Fund Managers (Capital Express Assurance Company Plc.). The present value of the defined benefit obligation, and the related current service cost and past service cost, were measured using the projected unit credit method.

The defined benefit plan assets for the year 2014 is sufficient enough to cover all liabilities (including the valuation) hence there was no need to make further contributions by the Company to cover the plan for the year.

The principal assumptions used for the purpose of the actuarial valuation were as follows:

	2014	2013
Discount rate(s)	5.5%	5.0%
Expected rate(s) of salary increase	8.0%	8.0%
Average longevity at retirement age for current pensioners (years)		
Males	60	60
Females	60	60
Average longevity at retirement age for current employees (future pensioners) (years)		
Males	N/A	N/A
Females	N/A	N/A

20. Payables, provisions and accruals

	2014	2013
	N'000	N'000
Sundry creditors and accruals	419,754	330,652
NSE trade alert fees	—	275,890
Staff productivity bonus (Note 20.1)	612,259	290,264
Unearned income	82,095	91,667
Unclaimed dividend	141,459	118,345
Managed funds (Note 20.2)	71,765	68,280
	1,327,332	**1,175,098**

The directors consider that the carrying amount of trade payables approximates to their fair value.

20.1 Movement in staff productivity bonus

	2014	2013
	N'000	N'000
Opening balance	290,264	242,450
Additional provisions made during the year	612,259	290,264
Payments to staff made during the year	(218,879)	(186,131)
Write back of over provision from prior years	(71,385)	(56,319)
	612,259	290,264

20.2 Managed funds represent the Settlement Guarantee Funds (SGF) which was created by the Nigerian Stock Exchange (NSE) to ensure and guarantee cash settlement of Nigerian Stock Exchange transactions. The SGF is financed by NSE dealing members which consists of approximately 261 dealing member firms in Nigeria. The members at present contribute to this fund, a one-time contribution of N100,000 each. The fund grows by way of bank interest and penalty charges. The asset of the fund is maintained with Guaranty Trust Bank Plc. and included in trade and other receivables (Note 16).

20.3 Included in sundry creditors is an amount of N91.85 million being 10% of the company's transaction fees earned on NSE trades for the months of October, November and December 2014 respectively. The Minister of Finance had by letter dated May 5, 2014 imposed a 10% charge on the company's fees from transactions on the NSE to fund the Investment and Securities Tribunal (IST). The legality of this imposition is being assessed by the company.

21. Other liabilities

	2014	2013
	N'000	N'000
Western Textile Mills Plc. - Fixed deposit (Note 21.2)	9,720	8,952

22.

	2014	2013
	N'000	N'000
Western Textile Mills Plc. - Due to shareholders	4,998	4,998
Western Textile Mills Plc. - Accumulated interest due to shareholders	4,722	3,954
	9,720	8,952

21.2 At the extra-ordinary general meeting of Western Textile Mills Plc. held on 10 February 2002, it was resolved that the amount due to the company's shareholders be placed in a fixed deposit account under the custody of the Central Securities Clearing System Limited. The interest earned on the principal is to be used to publish the names of outstanding claimants in daily Newspapers and to settle the bank's operating charges. Efforts are ongoing with Corporate Affairs Commission to resolve this long outstanding balance.

22 Financial instruments

22.1 Capital management

The company manages its capital to ensure that it will be able to continue as going concern while maximizing the return to stakeholders through the optimization of its capital structure.

The capital structure of the company consists of equity attributable to its equity holders, comprising issued capital, reserves and retained earnings as disclosed in notes 17-18.

The company is subject to externally imposed capital requirement of N5 billion by the Securities and Exchange Commission.

The company's risk management committee reviews the capital structure on a semi-annual basis. As part of this review, the committee considers the cost of capital and the risks associated with share capital.

Equity includes all capital and reserves of the company that are managed as capital.

Significant accounting policies

Details of the significant accounting policies and methods adopted (including the criteria for recognition, the basis of measurement and the bases for recognition of income and expenses) for each class of financial asset, financial liability and equity instrument are disclosed in note 3.

22.2 Categories of financial instruments

	Held to maturity	Loans and receivables	Available for sale N'000	Fair value through profit or loss N'000	2014 Total N'000
Financial assets					
Cash and cash equivalents	—	2,747,044	—	—	2,747,044
Investments (more than one year)	13,548,150	—	—	—	13,548,150
Investments (more than 90 days)	6,188,507	—	—	—	6,188,507
Trade and other receivables	—	100,713	—	—	100,713
	19,736,657	2,847,757	—	—	22,584,414

	Available Cost N'000	Fair value N'000	2014 Total N'000
Financial liabilities			
Other liabilities	9,720	—	9,720
Trade and other payables	1,327,332	—	1,327,332
	1,337,052	—	1,337,052

The carrying amount reflected above represents the company's maximum exposure to credit risk for such trade and other receivables.

	Held to maturity	Loans and receivables	Available for sale N'000	Fair value through profit or loss N'000	2013 Total N'000
Financial assets					
Cash and cash equivalents	—	1,594,397	—	—	1,594,397
Investments (more than one year)	11,123,954	—	—	—	11,123,954
Investments (more than 90 days)	6,059,906	—	—	—	6,059,906
Trade and other receivables	—	291,430	—	—	291,430
	17,183,860	1,885,827	—	—	19,069,687

	Available Cost N'000	Fair value N'000	2013 Total N'000
Financial liabilities			
Other liabilities	8,952	—	8,952
Trade and other payables	1,175,098	—	1,175,098
	1,184,050	—	1,184,050

22.3 Financial risk management objectives

The Company's Corporate Treasury function provides services to the business, co-ordinates access to domestic and international financial markets, monitors and manages the financial risks relating to the operations of the company through internal risk reports which analyses exposures by degree and magnitude of risks. These risks include market risk (including currency risk, fair value interest rate risk and price risk), credit risk, liquidity risk and cash flow interest rate risk.

22.4 Market risk

The Company's activities expose it to the financial risks of changes in activities and prices of stocks on the exchange. The Company enters into transactions to manage its exposure to foreign currency risk and interest rate risk.

Market risk exposures are measured using value-at-risk (VaR) supplemented by sensitivity analysis.

There has been no change to the Company's exposure to market risks or the manner in which these risks are managed and measured.

22.5 Value-at-risk (VaR) analysis

The VaR measure estimates the potential loss in pre-taxation profit over a given holding period for a specified confidence level. The VaR methodology is a statistically defined, probability-based approach that takes into account market volatilities as well as risk diversification by recognizing offsetting positions and correlations between products and markets. Risks can be measured consistently across all markets and products, and risk measures can be aggregated to arrive at a single risk number. The one-day 99 per cent VaR number used by the company reflects the 99 per cent probability that the daily loss will not exceed the reported VaR.

VaR methodologies employed to calculate daily risk numbers include the historical and variance-covariance approaches. In addition to these two methodologies, Monte Carlo simulations are applied to the various portfolios on a monthly basis to determine potential future exposure.

22.6 Foreign currency risk management

The Company undertakes transactions denominated in foreign currencies; consequently, exposures to exchange rate fluctuations arise. Exchange rate exposures are managed within approved policy parameters.

The carrying amounts of the Company's foreign currency denominated monetary assets and monetary liabilities at the end of the reporting period are as follows:

	Liabilities		Assets	
	31/12/14	31/12/13	31/12/14	31/12/13
	N'000	N'000	N'000	N'000
Dollar	–	–	353	1576
Pound	–	–	837	837
Euro	–	–	175	101

22.7 Credit risk management

Credit risk refers to the risk that a counterparty will default on its contractual obligations resulting in financial loss to the company. The company has adopted a policy of only dealing with creditworthy counterparties as a means of mitigating the risk of financial loss from defaults.

Trade receivables consist of a large number of customers, spread across diverse industries and geographical areas. Ongoing credit evaluation is performed on the financial condition of accounts receivable.

22.8 Liquidity risk management

Ultimate responsibility for liquidity risk management rests with the board of directors, which has established an appropriate liquidity risk management framework for the management of the company's short-, medium- and long-term funding and liquidity management requirements. The company manages liquidity risk by maintaining adequate reserves, by continuously monitoring forecast and actual cash flows, and by matching the maturity profiles of financial assets and liabilities.

	Weighted average effective interest rate	Less than 1 month	1 - 3 months	3 months - 1 year	1 -5 years	5+ years	Total	Carrying amount
31 December 2014	%	N'000	N'000	N'000	N'000	N'000	N'000	N'000
Non - interest bearing financial assets	—	263,828	—	—	—	—	263,828	263,828
Fixed interest rate								
Fixed deposits	8.75%	289,211	218,777	—	—	—	507,988	509,510
Bonds	13%	—	—	—	11,592,980	1,350,000	12,942,980	13,548,150
Treasury bills (over 90 days)	10.29%	1,788,376	1,500,000	3,050,000	—	—	6,338,376	6,188,507
Treasury bills (below 90 days)	14.5%	1,500,000	3,050,000	—	—	—	4,550,000	—
Non - interest bearing financial liabilities	—	1,249,952	3,571	10,714	57,120	5,975	1,327,332	1,327,332

	Weighted average effective interest rate	Less than 1 month	1 - 3 months	3 months - 1 year	1 -5 years	5+ years	Total	Carrying amount
31 December 2013	%	N'000	N'000	N'000	N'000	N'000	N'000	N'000
Non - interest bearing financial assets	—	457,213	—	—	—	—	457,213	457,213
Fixed interest rate								
Fixed deposits	8.75%	300,000	385,305	—	—	—	685,305	696,489
Bonds	13%	—	260,000.00	250,000	9,309,337	—	9,819,337	11,123,954
Treasury bills (over 90 days)	12.07%	981,799	3,310,000	1,910,000	—	—	6,201,799	6,059,906
Treasury bills (below 90 days)	11.55%	—	750,000	—	—	—	750,000	741,219
Non - interest bearing financial liabilities	—	1,083,431	3,570	10,710	57,120.00	20,267	1,175,098	1,175,098

22.9 Fair value of financial instruments

Fair value of financial assets and liabilities, that are not measured at fair value (but fair value disclosures are required).

As detailed in the following table, the directors consider that the carrying amounts of financial assets and financial liabilities recorded at amortized cost in the financial statements approximate their fair values:

	Carrying Amount		Faith Value	
	31 Dec. 2014 N'000	31 Dec. 2013 N'000	31 Dec. 2014 N'000	31 Dec. 2013 N'000
Financial assets carried at amortized cost				
Loans and receivables:				
Trade and other receivables	100,713	291,430	100,713	291,430
Cash and cash equivalents	2,747,044	1,594,397	2,747,044	1,594,397
Investments				
Investment in Bonds	13,548,150	11,123,954	13,548,150	11,123,954
Investment in treasury bills of over 90 days	6,188,507	6,059,906	6,188,507	6,059,906
Financial liabilities held at amortized cost				
Other liabilities	9,720	8,952	9,720	8,952
Trade and other payables	1,327,332	1,175,098	1,327,332	1,175,098

Valuation and assumptions used in determining fair value of financial assets and liabilities

The fair values of financial assets and financial liabilities are determined as follows:

The fair values of financial assets and financial liabilities with standard terms and conditions and traded on active liquid markets are determined with reference to quoted market prices.

The fair values of other financial assets and financial liabilities are determined in accordance with generally accepted pricing models based on discounted cash flow analysis.

	Fair value hierarchy as at 31/12/2014			
	Level 1 N'000	Level 2 N'000	Level 3 N'000	Total N'000
Financial assets carried at amortized cost				
Loans and receivables:				
Trade and other receivables	–	100,713	–	100,713
Cash and cash equivalents	–	2,747,044	–	2,747,044
Investments				
Investment in Bonds	–	13,548,150	–	13,548,150
Investment in treasury bills of over 90 days	–	6,188,507	–	6,188,507
Total	–	22,584,414	–	22,584,414
Financial liabilities held at amortized cost				
Other liabilities	–	–	9,720	9,720
Trade and other payables	–	–	1,327,332	1,327,332
Total	–	–	1,337,052	1,337,052

	Fair value hierarchy as at 31/12/2013			
	Level 1 N'000	Level 2 N'000	Level 3 N'000	Total N'000
Financial assets carried at amortized cost				
Loans and receivables:				
Trade and other receivables	–	–	291,430	291,430
Cash and cash equivalents	–	–	1,594,397	1,594,397
Investments				
Investment in Bonds	–	11,123,954	–	11,123,954
Investment in treasury bills of over 90 days	–	6,059,906	–	6,059,906
Total	–	17,183,860	1,885,827	19,069,687
Financial liabilities held at amortized cost				
Other liabilities	–	–	8,952	8,952
Trade and other payables	–	–	1,75,098	1,175,098
Total	–	–	1,184,050	1,184,050

23 Events after the reporting date

There are no post-balance sheet events that could have had a material effect on the state of affairs of the Company as at 31 December 2014 which have not been adequately provided for or disclosed.

24 Employees and Directors

a Employees

The average number of persons employed in the financial year were:

	2014 Number	2013 Number
Managerial	4	4
Senior	25	19
Junior	73	97
	102	120
The aggregate remuneration for the above staff comprised:	N'000	N'000
Salaries and allowances	625,644	545,327
Staff training and development	97,121	81,373
Staff welfare and medical expenses	137,121	88,690
Provision for productivity / promotion expense	612,259	290,264
Staff severance package	3,408	1,1222
Defined benefit obligation	–	7,226
NSIFT	1,910	–
Staff pension and management contribution	45,747	34,912
	1,523,210	**1,068,914**
Directors		
Remuneration paid to the Directors was:	N'000	N'000
Fees and sitting allowances	28,275	21,300
Other Director expenses and benefits	186,198	113,721
	214,473	**135,021**
Key management personnel		
Short term employment benefits	66,914	61,825
Long term employment benefits	23,067	19,839
	89,981	81,664
	304,454	**216,685**
Fees and other emoluments disclosed above include amounts paid to:		
The Chairman	8,123	4,666
The highest paid Director	89,981	81,664

25 Dividend

In respect of the current year, the Directors propose that a dividend of 27k per ordinary share (December 2013: 22k per share) will be paid to the shareholders. This dividend is subject to approval by the shareholders at the Annual General Meeting and has not been included as a liability in these financial statements. Dividend to shareholders are accounted for on the date of declaration as they do not meet the liability criteria of present obligation. The proposed dividend is subject to a withholding tax at the appropriate tax rate and is payable to all shareholders whose names appear on the register of members two weeks to the 2015 Annual General Meeting. The total estimated dividend to be paid is N1,350,000,000 (31 December 2013:N1,100,000,000).

26 Contingent liabilities

There are pending litigations against the Company some of which the Company is only a nominal party. Contingent liability as at 31 December 2014 stood at N1,800,480,000 (31 December 2013: N360,200,000). However, the Directors are of the opinion that the various suits will not succeed against the company.

Included in the current year contingent liability is the company share of a claim of N1.7 billion brought by AdonaiNet Nigeria Limited (AdonaiNet) against the Nigerian Stock Exchange and the company in respect of intellectual Property (IP) rights on trade alert services. AdonaiNet's contract of service as vendor for the provision of trade alert services was terminated on 30 September, 2014. AdonaiNet subsequently challenged the request to surrender IP rights to the name 'NSE/CSCS Trade Alert' instead insisting that it deserves to be paid a fee in consideration of forfeiting its rights.

The claim is in the sum of N3.4 billion being the consideration for the transfer of the Copyright Trademark of AdonaiNet in the NSE/CSCS Trade Alert to the Exchange and CSCS.

Having triggered the Arbitration Agreement, the company together with the NSE have appointed of Mr. Anthony Idigbe, SAN to represent the entities at the arbitral tribunal.

27 Capital commitments

The Directors are of the opinion that all known liabilities and commitments which are relevant in assessing the state of affairs of the Company have been taken into account in the preparation of the financial statement.

28 Financial commitments

There are no commitments for capital expenditure authorized by the Directors but not provided for in this financial statement at 31 December 2014.

29 Related party transactions

29.1 Associated Company

A number of transactions were entered into with the Nigerian Stock Exchange. These include rent and trade alert handling charges on behalf of the Nigerian Stock Exchange during the year.

During the year, the company entered into the following transactions with the Nigerian Stock Exchange:

	2014	2013
	N'000	**N'000**
Rental charges paid to the Nigerian Stock Exchange	49,793	38,566
Dividend paid to the Nigerian Stock Exchange	299,664	204,316
Balances outstanding as at year end Amount due from NSE	—	212,280

29.2 Key management personnel

Remuneration of key management personnel

The remuneration of the directors, who are the key management personnel of the company, is set out below in aggregate for each of the categories specified in IAS 24 Related Party Disclosures.

	2014	2013
	N'000	**N'000**
Short-term employee benefits	66,914	61,825
Post-employment benefits	23,067	19,839
	89,981	**81,664**

29.3 Other related parties

The other related parties include licensed banks which are shareholders of the Company and also act as settlement banks for transactions on the Stock Exchange market.

The banks are as follows:

Related party	Relationship	Nature of transaction	2014 N'000	2013 N'000
Guaranty Trust Bank	Shareholder	Current account	48,088	87,351
Guaranty Trust Bank	Shareholder	Fixed deposit	80,977	100,231
Guaranty Trust Bank	Shareholder	Treasury bills	4,083,515	3,236,307
Sterling Bank Plc.	Shareholder	Current account	149	200
Access Bank Plc.	Shareholder	Treasury bills	884,883	682,298
Fidelity Bank Plc.	Shareholder	Current account	51,606	33,969
Fidelity Bank Plc.	Shareholder	Fixed deposits	269,208	275,376
Fidelity Bank Plc.	Shareholder	Treasury bills	351,575	192,598
Fidelity Bank Plc.	Shareholder	FGN bonds	300,000	—
United Bank for Africa Plc.	Shareholder	Current account	3,907	5,897
United Bank for Africa Plc.	Shareholder	Fixed deposits	10,016	110,846
United Bank for Africa Plc.	Shareholder	Treasury bills	761,702	1,847,762
United Bank for Africa Plc.	Shareholder	FGN bonds	1,200,000	—
Union Bank	Shareholder	Current account	1,019	—

Other Non-IFRS Information/ Disclosures

Statement of Value Added

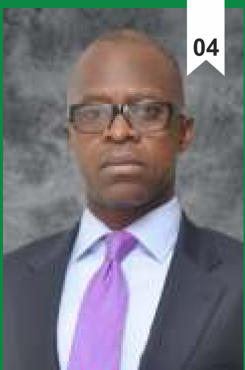
	2014 N'000	%	2013 N'000	%
Fees	5,198,558		4,205,938	
Interest income	2,423,101		2,239,663	
Other operating income	620,279		498,321	
Bought in services - local	499,092		191,588	
Value added	**8,741,010**	**100**	**7,135,510**	**100**
Applied as follows:				
To pay employees:				
Salaries and wages	1,472,145	17	1,005,654	14
Staff pension management contribution	3,408	-	28,348	-
Staff severance benefits	47,657	-	34,912	1
To pay Government:				
Taxation	1,123,964	13	1,142,368	16
To pay shareholders:				
Dividend	1,350,000	15	1,100,000	16
For future replacement of assets, expansion of business and payment of dividend to shareholders:				
Deferred taxation	13,942	-	(56,382)	(1)
Amortization	37,055	1	50,054	-
Depreciation	70,794	1	92,259	2
Profit for the year	4,622,045	53	3,738,297	52
	8,741,010	**100**	**7,135,510**	**100**

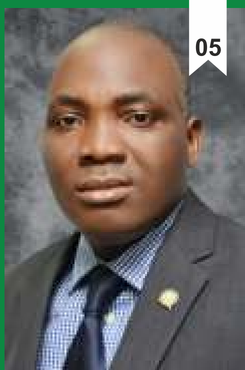
Value-added represents additional wealth which the Company has been able to create through its own and employees' efforts. This statement shows the application of that wealth amongst the employees, government and that retained for future creation of more wealth.

Financial Summary

Statement Of Financial Position	31 Dec 2014	31 Dec 2013	31 Dec 2012	31 Dec 2011	1 Jan 2011
Assets	N'000	N'000	N'000	N'000	N'000
Non-current assets					
Intangible assets	84,941	56,181	10,258	25,955	38,724
Property, plant and equipment	245,577	189,514	395,002	546,614	689,450
Financial assets	13,548,150	11,123,954	5,905,757	1,303,486	200,000
Deferred tax asset	-	-	-	-	84,356
Total non-current assets	**13,878,668**	**11,369,649**	**6,311,017**	**1,876,055**	**1,012,530**
Current assets					
Trade and other receivables	100,713	291,430	602,946	1,108,511	1,450,612
Financial assets	6,188,507	6,059,906	6,487,168	8,887,224	-
Cash and cash equivalents	2,747,044	1,594,397	2,023,515	1,759,730	10,846,342
Sundry stock	9,939	6,956	-	-	-
Other assets	148,432	103,751	8,268	11,107	6,700
Total current assets	**9,194,635**	**8,056,439**	**9,121,897**	**11,766,572**	**12,303,654**
Total assets	**23,073,303**	**19,426,089**	**15,432,914**	**13,642,627**	**13,316,184**
Equity					
Share capital	5,000,000	5,000,000	5,000,000	5,000,000	5,000,000
Retained earnings	15,581,028	12,058,983	9,070,686	6,992,839	6,741,939
Total equity	**20,581,028**	**17,058,983**	**14,070,686**	**11,992,839**	**11,741,939**
Liabilities					
Non-current liabilities					
Deferred tax liabilities	46,781	32,839	89,221	122,321	-
Total non-current liabilities	**46,781**	**32,839**	**89,221**	**122,321**	-
Current liabilities					
Pension plan and other employment benefits	-	70,406	82,013	-	335,021
Payables, provisions and accruals	1,327,332	1,175,098	701,508	999,179	564,572
Current tax liabilities	1,108,442	1,079,811	481,218	520,681	667,952
Other liabilities	9,720	8,952	8,268	7,607	6,700
Total current liabilities	**2,445,494**	**2,334,267**	**1,273,007**	**1,527,467**	**1,574,245**
Total liabilities	**2,492,275**	**2,367,106**	**1,362,228**	**1,649,788**	**1,574,245**
Total equity and liabilities	**23,073,303**	**19,426,089**	**15,432,914**	**13,642,627**	**13,316,184**
STATEMENT OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME					
	2014 N'000	**2013 N'000**	**2012 N'000**	**2011 N'000**	
Net operating income	8,241,938	6,943,922	5,172,244	4,193,971	
Profit before taxation	5,759,951	4,824,283	3,094,174	1,730,377	
Profit after taxation	4,622,045	3,738,297	2,577,847	1,000,900	
PER N1 SHARE DATA (KOBO)					
Earnings - basic (kobo)	92	75	52	20	
Net asset per share (kobo)	412	341	281	240	

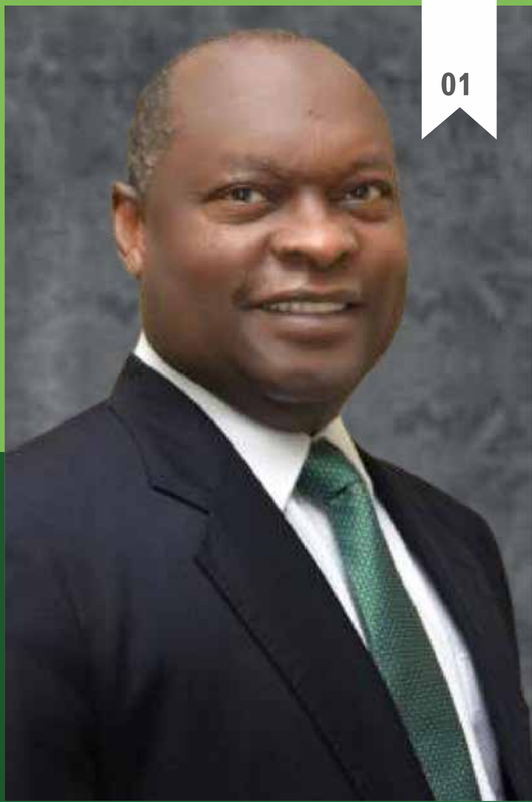
Basic earnings per share are based on profit after tax and the number of issued share capital at the end of each year.

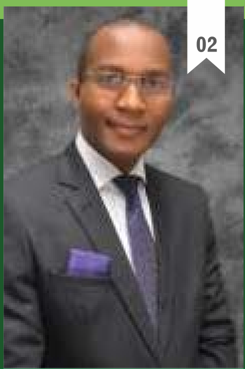


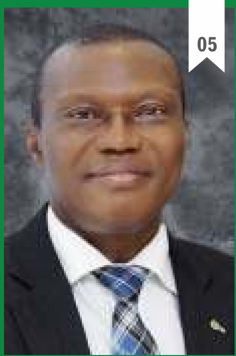


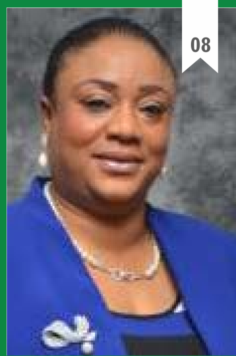
THE BOARD

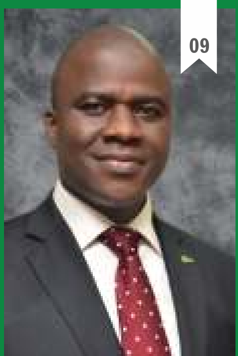
1. **MR. OSCAR N. ONYEMA OON**
   Chairman
2. **MR KYARI ABBA BUKAR**
   Managing Director/ CEO
3. **ALHAJI UMARU KWAIRANGA**
   Non-Executive Director
4. **MR CHIDI AGBAPU**
   Non-Executive Director
5. **MR BAYO OLUGBEMI**
   Non-Executive Director
6. **MRS. IFUEKO M. OMOIGUI OKAURU MFR**
   Independent Director
7. **MR. SOLA ADEEYO**
   Independent Director
8. **MR. HARUNA JALO-WAZIRI**
   Non-Executive Director
9. **MR. KENNEDY UZOKA**
   Non-Executive Director
10. **MR. OBINNA NWOSU**
    Non-Executive Director

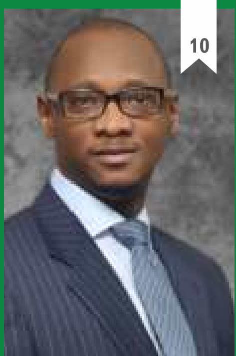












LEADERSHIP TEAM

1. **MR KYARI ABBA BUKAR**
   Managing Director/ CEO

2. **JOSEPH MEKILIUWA**
   Head, Operations

3. **VINCENT UKOH**
   Head, Finance

4. **AYOKUNLE ADARALEGBE**
   Head, Enterprise Risk Management

5. **VICTOR AGANBI**
   Head, Corporate Communications

6. **ANTHONY EZUGBOR**
   Head, Product and Service Development

7. **ISQIL ADENIJI**
   Head, IT

8. **UJU OKEKE**
   Head, Corporate Strategy

9. **CLETUS IGAH**
   Head, Human Resources

10. **ADEKUNLE KUKU**
    Head, Business Development & Sales

11. **DANIEL OHWODO**
    Head, Audit

12. **CHARLES I. OJO**
    Head, Legal Services

13. **TEMITOPE SANNI**
    Head, Project Management

Proposed Amendment to the Memorandum and Articles of Association

Details of each amendment to the Memorandum & Articles of Association	Proposed Language
GENERAL MEETING (ARTICLE 11) This provides that if at any meeting no Director is willing to act as Chairman, or if no Director is present within thirty minutes after the time appointed for the holding of the meeting, the members present shall choose one of their numbers to be the Chairman of the meeting.	(11) If at any meeting no Director is willing to act as Chairman or if no Director is present **within one hour after the time appointed** for holding the meeting, the members present shall choose one of their number to be chairman of the meeting.
DIRECTORS (ARTICLES 25-29) Article 25 provides for the appointment of the first directors of the company, and stipulates that the first directors shall be appointed in writing by the subscribers to the Memorandum and Articles of association. As we did not review (and we are not aware of the existence of) an instrument of appointment of the 1st and subsequent directors leading up to the date of this review, we recommend that a proviso should be included to validate the appointment of the directors existing as at the date of adoption of the amended M&A.	"The first directors of the company shall be appointed in writing by the subscribers to the Memorandum and Articles of Association. Provided that any person who is a director on the date of adoption of these articles or any amendments thereof shall be deemed to have been properly appointed."
Article 26 provides for number of directors and stipulates that unless otherwise determined by the Company in General Meeting, the number of directors shall not be less than two or more than thirteen. This provision does not comply with the Code of Corporate Governance which provides that membership of the board of a public company shall not be less than 5 (five).	26 "Unless otherwise determined by the Company in General Meeting, the number of directors shall not be less than five or more than thirteen". Provided that the company shall have a minimum of one independent director.
APPOINTMENT OF DIRECTORS (Articles 36-38) There are provisions in the Articles for appointment of directors. Article 36 – A person shall not be appointed as a Director or if appointed a Director, continue to act as a Director unless such a person holds an executive position in a Shareholder and is a person who has been held out by a Shareholder as its representative. It was discussed that although the Articles provide for the appointment of representatives of stock broking firms on the Board, there was no specific provision for the body or person responsible for making such recommendation or for the parameters for the appointment.	36. Unless otherwise provided in these articles, a person shall not be appointed as a Director or if a Director, continue to act as a Director unless – (a) such person holds an executive position in a Shareholder and/or is a person who has been held out by a Shareholder as its representative; (b) he is a representative of the registrars ….; (c) He is a member of ASHON and/or CIS and has been nominated by ASHON and/or CIS Provided always that the provisions of articles 36 shall apply to non-executive Directors only.

	The directors may, in their absolute discretion, refuse to appoint a nominee of ASHON and/or CIS, where the Board confirms that in making the nominations, the ASHON and/or the CIS (the appointors) have not complied with the laid down procedures in the Constitutions of both Organisations.
ATTENDANCE AT MEETINGS The code of corporate governance provides that "every director should be required to attend at least two-thirds of all Board meetings". It was discussed that the Board had already approved that a Board member shall attend no more than 2 meetings via telecom.	"Where at a properly convened meeting of the Board or Board Committee, it becomes impracticable for a Director to be physically present, the Director may participate by telephone conference and it shall have the same effect as if such Director were physically present at the meeting. Notwithstanding the provisions of this part, a Director shall not participate in any more than a total of 2 (two) meetings (whether of the Board or Board Committee or both) in a calendar year via telephone conference".
TENURE OF DIRECTORS (ARTICLES 39 - 42) INDEPENDENT DIRECTOR We observed that there is no provision in the articles for the independent director(s). This does not comply with the Code of Corporate Governance, which provides that every public company must have a minimum of one independent director. We also observe that the current M&A does not provide tenure for independent directors hence the need to ensure that this is provided for in the revised M&A	36A "The board shall have a minimum of one independent director who is not a substantial shareholder of the Company and is not a representative of a shareholder. The independent director shall be free of any relationship with the Company or its management that may impair the director's ability to make independent judgment". 36B "Independent directors shall be appointed for a tenure of 2 terms of 3 years each.
We noted that there is a shareholding qualification in respect of banks for the purpose of nomination of directors, but not for any other institution or major individual shareholder. Where a company that is not a bank, or an individual, obtains over 5% of the shares of CSCS, this person will still be unable to nominate a director. This does not strictly comply with the code of corporate governance, which requires equal protection for shareholders. Where, in future, a company (or person) acquires, for instance,	"Except as otherwise provided in these Articles, a person holding more than 10% (ten percent) of the issued capital of the company may be entitled to nominate a Director to the Board. Provided that the Board shall be satisfied that- a) the person so nominated is a fit

15% of CSCS shares, the investor would still be unable to nominate a director of CSCS.

The code provides that a public company should stipulate that shareholders holding more than a specified ratio of the total issued capital of the company should have a representative on the board unless there are cogent reasons that make that impracticable.

and proper person; and there is no other good and substantial reasons which makes such appointment impracticable"

Form of Proxy For Annual General Meeting

Pursuant to Section 213 of the Companies & Allied Matters Act 2004

Name of the Member(s): ____________________

Registered Address: ____________________

Email Address: ____________________

*CSCS Investor ID: ____________________

I/We, ______________________________ (Name of Shareholder in block letters)
being members of the above named company, hereby appoint the Chairman of the meeting or failing him

Name: ____________________ e-Mail: ____________________

Address: ____________________

____________________ Signature: ____________________

as my/our proxy to attend and vote (on a poll) for me/us and on my/our behalf at the ___ Annual General Meeting of the Company, to be held on ________, the ___ day of June 9th, 2015 at 11 a.m. at ______________________________Lagos and at any adjournment thereof in respect of such resolutions and in such manner as are indicated below:

Resolution No.	Resolutions Ordinary Resolution	For	Against
1.	To receive and consider the Report of the Directors and the Financial Statements for the year ended December 31, 2014, the Auditor's Report thereon and the Audit Committee Report;		
2.	To declare a dividend;		
3.	To elect the following Non-Executive Directors: a. Mr. Omokayode Lawal b. Mr. Emeka Madubuike c. Mr. Ariyo Olushekun		
4.	To approve the remuneration of Directors		
5.	To appoint Messrs. KPMG as Company's Auditors and to fix the remuneration of the Auditors thereto		
6.	To elect members of the Audit Committee		
7.	To alter the Articles 11, 30 -35, 36-38, 39-42 of the Memorandum and Articles of the Company.		

NOTES:

1. This form of proxy together with the power of attorney or other authority, if any, under which it is signed or a notarial certified copy thereof must reach the Registrar, AFRICA PRUDENTIAL REGISTRARS, PLC, 220B IKORODU ROAD, LAGOS, not later than 48 hours before time of holding the meeting.
2. Where the appointer is a Corporation, this form shall be under seal or under the hand of any officer or attorney duly authorized.
3. This proxy will be used only in the event of a poll being directed or demanded.
4. In the case of joint holders, the signature of any one of them will suffice, but the names of all joint holders must be shown.

E-dividend Mandate Form

Africa Prudential Registrars Plc

RC NO: 649007

SHAREHOLDER E-SERVICE APPLICATION FORM

(* = Compulsory fields)

1. *SURNAME/COMPANY NAME:
2. *FIRST NAME:
3. OTHER NAME:
4. SPOUSE' NAME:
5. *MOTHER'S MAIDEN NAME:
6. *E-MAIL:
7. ALTERNATE E-MAIL:
8. *MOBILE No.: 9. SEX: MALE FEMALE
10. PHONE No. (HOME):
11. *POSTAL ADDRESS:
12. *CSCS CLEARING HOUSE No.:
13. NAME OF STOCKBROKER: 14. OCCUPATION:
15. NATIONALITY:
16. NEXT OF KIN:

E-SHARE REGISTRATION ACTIVATION MANDATE *(Please tick the box below ☑)*

Please take this as authority to activate my account(s) on your 3iOP e-Share Registration Portal where I will be able to view and manage my investment portfolio online with ease. ☐

BANK DETAILS FOR E-DIVIDEND MANDATE

Please take this as authority to credit my/our under-mentioned account with any dividend payment(s)/ lost/misplaced/stale/unclaimed dividend warrants due on my/our shareholding in the aforementioned company(ies).

17. *ACCOUNT NAME:
18. *BANK ACCOUNT NUMBER: *Must be NUBAN* 19. *BANK:
20. *AGE OF ACCOUNT: *Must be confirmed by the bank*

*BANK'S AUTHORISED SIGNATURE & STAMP

DECLARATION

"I hereby declare that the information I have provided is true and correct and that I shall be held personally liable for any of my personal details."

Signature: ____________________ Signature : ____________________
for joint/corporate accounts only

Please tick against the company(ies) where you have shareholding

CLIENTELE

1. AFRICA PRUDENTIAL REGISTRARS PLC ☐
2. ABBEY BUILDING SOCIETY PLC ☐
3. AFRILAND PROPERTIES PLC ☐
4. A & G INSURANCE PLC ☐
5. ARM PROPERTIES PLC ☐
6. A.R.M LIFE PLC ☐
7. ADAMAWA STATE GOVERNMENT BOND ☐
8. BECO PETROLEUM PRODUCTS PLC ☐
9. BUA GROUP ☐
10. BENUE STATE GOVERNMENT BOND ☐
11. CAP PLC ☐
12. CAPPA AND D'ALBERTO PLC ☐
13. CEMENT COY OF NORTHERN NIG. PLC ☐
14. CSCS PLC ☐
15. CHAMPION BREWERIES PLC ☐
16. COMPUTER WAREHOUSE GROUP ☐
17. EBONYI STATE GOVERNMENT BOND ☐
18. GOLDEN CAPITAL PLC ☐
19. INTERNATIONAL BREWERIES PLC ☐
20. INVESTMENT & ALLIED ASSURANCE PLC ☐
21. JAIZ BANK PLC ☐
22. KEBBI STATE GOVERNMENT BOND ☐
23. NEM INSURANCE PLC ☐
24. NEXANS KABLEMETAL NIG. PLC ☐
25. OMOLUABI SAVINGS AND LOANS PLC ☐
26. PERSONAL TRUST & SAVINGS LTD ☐
27. P.S MANDRIDES PLC ☐
28. PORTLAND PAINTS & PRODUCTS NIG. PLC ☐
29. PREMIER BREWERIES PLC ☐
30. RESORT SAVINGS & LOANS PLC ☐
31. ROADS NIGERIA PLC ☐
32. SCOA NIGERIA PLC ☐
33. TRANSCORP PLC ☐
34. TOWER BOND ☐
35. THE LA CASERA CORPORATE BOND ☐
36. UAC ☐
37. UBA BALANCED FUND ☐
38. UBA BOND FUND ☐
39. UBA CAPITAL PLC ☐
40. UBA EQUITY FUND ☐
41. UBA MONEY MARKET FUND ☐
42. UNITED BANK FOR AFRICA PLC ☐
43. UNIC ☐
44. UPDC ☐
45. UTC NIGERIA PLC ☐
46. WEST AFRICAN GLASS IND PLC ☐

OTHERS: ____________________

LAGOS: 220B, Ikorodu Road, Palmgrove, Lagos. Tel: 01-4606460 | **ABUJA**: 11, Lafia Close, Area 8, Garki, Abuja. Tel: 09-8701645
PORT-HARCOURT: Plot 137, Olu-Obasanjo Road (2nd floor), Port Harcourt, Rivers State. Tel: 08-4803171
E-MAIL: info@africaprudentialregistrars.com | **WEBSITE**: www.africaprudentialregistrars.com
Africa Prudential Registrars

CSCS

CENTRAL SECURITIES CLEARING SYSTEM PLC

CENTRAL SECURITIES CLEARING SYSTEM PLC

15th Floor

Nigeria Stock Exchange Building

2/4 Customs Street, P. O. Box 3168 Marina, Lagos Nigeria

Email: info@cscsnigeriaplc.com

www.cscsnigeriaplc.com

Central Securities Clearing System Plc.
1st Floor, Stock Exchange House,
2/4 Customs Street, Lagos, Nigeria

info@cscsnigeriaplc.com
+234 702 576 8449
+234 1 4545966
+234 1 4545967
+234 1 4543397
+234 1 4543398

http://www.cscsnigeriaplc.com/