LEGEND INTERNET PLC

AUDITED FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31, JULY 2024

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RC NUMBER: 1829214

CORPORATE INFORMATION

DIRECTORS	1. Dr. Oladimeji Mobolaji Bada	Chairman/Independent Director
	2. Ms. Aisha Abdulaziz	Chief Executive Officer
	3. Mr. Bruce Brai Ayonote	Non-Executive Director
	4. Mr. Suleiman Muhammad Arzika	Non-Executive Director
	5. Mr. Ehianeta Mondritz Ebhohimhen	Non-Executive Director
	6. Mr. Ayodele Olubunmi Arogbo	Non-Executive Director
	7. Mr. Mohammed Yamani Shema	Independent Director
	8. Ms. Ifeyinwa Umunnakwe-Okeke	Independent Director

SECRETARY Erinma Ogburafor

REGISTERED OFFICE
15, Bangui Street,
Off Adetokunbo Ademola Crescent,
Wuse II,
Abuja, FCT, Nigeria.

AUDITORS
POJU PROFESSIONAL SERVICES
(CHARTERED ACCOUNTANTS)
2nd Floor 9, Alhaja Kofoworola Crescent,
Balogun Bus Stop, off Awolowo way,
Ikeja, Lagos.
08091639500, 09050743880, 08167036750
info@pps-chartered.com
www.pps-chartered.com

BUSINESS OFFICE
15, Bangui Street,
Off Adetokunbo Ademola Crescent,
Wuse II,
Abuja, FCT, Nigeria.

BANKERS
Taj Bank
SunTrust Bank
FCMB

RESULTS AT A GLANCE

	Note	31-Jul-2024	31-Jul-2023	Change
		₦'000	₦'000	%
Revenue	19	1,138,433	1,208,036	(6)
Earnings before tax but after interest		284,954	280,411	2
Earnings after tax and interest		119,403	246,514	(52)
Retained earnings	11	561,843	442,440	27
Share capital	10	1,000,000	10,000	9900
Shareholders' funds		2,700,403	2,581,001	5
Per share data				
Basic earnings/(loss) per share (in kobo)		6	2,465	(100)
Net asset price per share (in kobo)		135	25,810	(99)
Numbers of shares issued and fully paid as at year end (thousands)	10	2,000,000	10,000	19900

REPORT OF THE DIRECTORS FOR THE YEAR ENDED 31ST JULY 2024

1. ACCOUNTS

The directors submit their report for the year ended 31 July, 2024 which discloses the state of affairs of the company.

2. LEGAL FORM

The company was incorporated on the 17th day of August, 2021 under the Companies and Allied Matters Act, as a private limited liability company.

3. PRINCIPAL ACTIVITIES

The Company focuses on 3 main markets in the technology space: Fibre, Fin-tech and Wi-Fi. The Company's broadband services, Legend Fibre and Wi-Fi, are the largest fibre to the home and public Wi-Fi networks in Abuja. The Company's fin-tech service, Legend Pay, offers easy and seamless payments for customers and is directly integrated to merchants and banks.

4. STATE OF AFFAIRS

In the opinion of the directors, the state of affairs of the company is satisfactory and there has been no material change since the date of the statement of affairs.

5. CHARITABLE CONTRIBUTIONS

The company did not make contribution to charitable organizations during the year.

6. DIRECTORS

The names of the directors at the date of this report and of those who held office during the year are as follows:

1. Dr. Oladimeji Mobolaji Bada	Independent Director
2. Ms. Aisha Abdulaziz	Executive Director
3. Mr. Bruce Brai Ayonote	Non-Executive Director
4. Mr. Suleiman Muhammad Arzika	Non-Executive Director
5. Mr. Ehianeta Mondritz Ebhohimhen	Non-Executive Director
6. Mr. Ayodele Olubunmi Arogbo	Non-Executive Director
7. Mr. Mohammed Yamani Shema	Independent Director
8. Ms. Ifeyinwa Umunnakwe-Okeke	Independent Director

REPORT OF THE DIRECTORS FOR THE YEAR ENDED 31ST JULY 2024

7. DIRECTORS' INTEREST IN SHARES

1. Mr. Bruce Brai Ayonote	695,000,000 ordinary shares
2. Mr. Suleiman Muhammad Arzika	656,000,000 ordinary shares
3. Mr. Ehianeta Mondritz Ebhohimhen	30,000,000 ordinary shares

8. DIRECTORS' INTEREST IN CONTRACTS

None of the directors has notified the company for the purpose of Section 303 of the Companies and Allied Matters Act, CAP C20 Laws of the Federation of Nigeria 2020 of any disclosable interest in the contracts with which the company is involved as at July 31st, 2024.

9. SHAREHOLDING STRUCTURE

The shares of the Company as at July 31st, 2024 were held as follows:

	No of Shares
1. Mr. Bruce Brai Ayonote	695,000,000
2. Mr. Suleiman Muhammad Arzika	656,000,000
3. Mr. Ehianeta Mondritz Ebhohimhen	30,000,000
4. Synergy Fiberco (Mauritius) Limited	500,000,000
5. Legacy Guardian LLP	119,000,000
	2,000,000,000

10. PROPERTY, PLANT AND EQUIPMENT

Changes in the value of property, plant and equipment (PPE) were mainly due to additions, depreciation and disposals as shown in **Note 5** to these financial statements. In the opinion of the Directors, the market value of the company's property, plant and equipment is not lower than the value shown in these financial statements.

11. EMPLOYMENT AND EMPLOYEE

Equal Employment Opportunity

It is the policy of the company that there should be no discrimination in considering applications for employment including those from disabled persons. All employees whether disabled or not are fairly treated and remunerated. As at the financial year end, there was no disabled person in the employment of the company.

Employee Involvement

During the year, the company maintained good relationship with its employees. To enhance communication between management and staff, management briefings were extended to all staff

REPORT OF THE DIRECTORS FOR THE YEAR ENDED 31ST JULY 2024

during the year. Regular consultative meetings were held to keep employee informed on the state of operations and to bring employee closer to the management.

Manpower Development

The development and training of the company employee continue to receive constant attention. It is the belief of the Management that the professional and technical expertise of its staff constitutes a major asset.

12. FORMAT OF FINANCIAL STATEMENT

The statement of affairs has been issued under the reporting and presentation requirements of the Companies and Allied Matters Act, CAP C20 Laws of the Federation of Nigeria 2020. The directors consider that the format adopted is most suitable for the company.

13. AUDITORS

The Company's auditors, Messrs Poju Professional Services (Chartered Accountants) has indicated its willingness to continue in office in accordance with Section 401 of the Companies and Allied Matters Act, CAP C20 Laws of the Federation of Nigeria 2020.

Dated this __30__ Day of __December__ 2024

By Order of the Board

………………………
Erinma Ogburafor

Statement of directors' responsibilities to prepare the financial statements

The Directors of **Legend Internet Plc** (the “Company”) are responsible for the preparation of the financial statements that present fairly the financial position of the Company as at 31 July 2024, and the results of its operations, cash flows and changes in equity for the year then ended, in compliance with International Financial Reporting Standards ("IFRS"), and in the manner required by the Companies and Allied Matters Act of Nigeria and the Federal Reporting Council of Nigeria Act, 2011.

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

- carefully 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 understand the impact of transactions, 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 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.

The financial statements of the Company for the year ended 31 July 2024 were approved by the Directors on 30th December, 2024.

Signed on behalf of the Directors of the Company

Dr. Oladimeji Mobolaji Bada	Aisha Abdulaziz
Chairman of the Board of Directors	Chief Executive Officer
FRC/2014/IODN/00000006009	FRC/2025/PRO/DIR/003/111246

Statement of corporate responsibility for financial statements

Section 405 of the companies and Allied Matters Act (CAMA) 2020 requires the Chief Executive Officer (CEO) and Chief Financial Officer (CFO) of a company other than a small company or persons performing similar functions to take direct responsibility for the financial reports and shall certify in the audited financial statement accordingly.

In pursuant of this section, the CEO and CFO (hereinafter called "officers") certify that the:

a. Officers who signed the audited financial statements have reviewed them, and based on the officers' knowledge the:

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

(ii) audited financial statement and all other financial information included in the statements fairly present, in all material respect, the financial condition and result of operation of the entity as of and for, the periods covered by the audited financial statement.

b. Officers who signed the audited financial statements:

(i) are responsible for establishing and maintaining internal controls and has design such internal control to ensure that material information relating to the company and its subsidiary is made know to the officer by other officers of the entity particularly during the period in which audited financial statement report is being prepared.

(ii) Has evaluated the effectiveness of the entity's internal controls within 90days prior to the date of its audited financial statement, and

(iii) Certifies that the entity's internal controls are effective as of that date.

c. Officers who signed the audited financial statements disclosed to the company's auditors and audit committee:

(i) all significant deficiencies in the design or operation of internal control which could adversely affect the entity's ability to record, process, summaries and report financial data, and have identified for the entity's auditors any material weakness in internal control, and

(ii) whether or not, there is any fraud that involves management or other employees who have a significant role in the entity's internal control, and

d. As indicated in the report, whether or not, there were significant changes in internal control or in other factors that could significantly affect internal controls subsequent to the date of their evaluation, including any corrective action with regard to significant deficiencies and material weakness.

Signed on……………..

Aisha Abdulaziz	Daniel Obioma Mmaduka
Chief Executive Officer	Chief Finance Officer
FRC/2025/PRO/DIR/003/111246	FRC/2025/PRO/ICAN/001/580809

Statutory audit committee report

For the year ended 31 July 2024

To the members of Legend Internet Plc

In accordance with the provisions of Section 404(7) of the Companies and Allied Matters Act (CAMA) 2020, the members of the Statutory Audit Committee of Legend Internet Plc hereby report as follows:

- We have exercised our statutory functions under Section 404(7) of the Companies and Allied Matters Act, 2020 and acknowledge the co-operation of management and staff in the conduct of these responsibilities.
- We are of the opinion that the accounting and reporting policies of the Company are in accordance with legal requirements and agreed ethical practices.
- The scope and planning of both the external and internal audits for the year ended 31 July 2024 were satisfactory and reinforce the Company's internal control systems.
- We have considered the External Auditors management letter for the year and we are satisfied with management's responses to the External Auditor's recommendations and that management has taken appropriate steps to address the issues raised by the Auditors.
- The External Auditors confirmed they received necessary cooperation from management in the course of their statutory audit and that the scope of their work was not restricted in any way.

Members of the Statutory Audit Committee that served during the year under review are:

1. Ifeyinwa Umunnakwe-Okeke	Independent Director	Chairman
2. Bruce Ayonote	Non- Executive Director	Member
3. Suleiman Arzika	Non- Executive Director	Member
4. Mondritz Ehi Ebhohimhen	Non- Executive Director	Member
5. Yamani Shema	Independent Director	Member

On behalf of the statutory audit committee

Ifeyinwa Umunnakwe-Okeke
Chairman, Statutory Audit Committee
30 December 2024

Statement on internal controls over financial reporting

In compliance with the provisions of section 405 of the Companies and Allied Matters Act, 2020 and, Investment and Securities Act (ISA) 2007 on internal control over financial reporting, the directors, whose names are stated below, hereby certify that:

a. We have reviewed this audited financial statements of Legend Plc for the year ended 31 July 2024;

b. Based on our knowledge, this report does not contain any untrue statement of a material fact or omit to state a material fact necessary to make the statements made, in light of the circumstances under which such statements were made, not misleading with respect to the period covered by this report;

c. Based on our knowledge, the financial statements, and other financial information included in this report, fairly present in all material respects the financial condition, results of operations and cash flows of the company as of, and for, the periods presented in this report;

d. We also certify that we:

i. are responsible for establishing and maintaining internal controls;

ii. have designed such internal controls and procedures, or caused such internal controls and procedures to be designed under our supervision, to ensure that material information relating to the company, is made known to us by others within those entities, particularly during the period in which this report is being prepared;

iii. have designed such internal control system, or caused such internal control system to be designed under our supervision, to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles;

iv. have evaluated the effectiveness of the company's internal controls and procedures as of a date within 90 days prior to the report and presented in this report our conclusions about the effectiveness of the internal controls and procedures as of the end of the period covered by this report based on such evaluation.

e. We have disclosed, based on our most recent evaluation of internal control system, to the company's auditors and the audit committee of the company's board of directors (or persons performing the equivalent functions):

i. All significant deficiencies and material weaknesses in the design or operation of the internal control system which are reasonably likely to adversely affect the company's ability to record, process, summarize and report financial information; and

ii. Any fraud, whether or not material, that involves management or other employees who have a significant role in the company's internal control system.

f. We identified, in the report whether or not there were significant changes in internal controls or other facts that could significantly affect internal controls subsequent to the date of their evaluation including any corrective actions with regard to significant deficiencies and material weaknesses.

g.

Aisha Abdulaziz	Daniel Obioma Mmaduka
Chief Executive Officer	Chief Finance Officer
FRC/2025/PRO/DIR/003/111246	FRC/2025/PRO/ICAN/001/580809

Management's annual assessment of, and report on the entity's internal control over financial reporting

To comply with the provisions of Section 1.3 of SEC Guidance on Implementation of Sections 60-63 of Investments and Securities Act 2007, we hereby make the following statements regarding the Internal Controls of Legend Internet Plc for the year ended 31 July 2024.

i. Legend Internet Plc's management is responsible for establishing and maintaining a system of internal control over financial reporting and the preparation of financial statements for external purposes in accordance with International Financial Reporting Standards.

ii. Legend Internet Plc's management used the Committee of Sponsoring Organization of the Treadway Commission(COSO) framework (COSO) Internal Control-Integrated Framework to conduct the required evaluation of the effectiveness of the entity's ICFR.

iii. Legend Internet Plc management has assessed that the entity's ICFR as of the end of31 July 2024

iv. Legend Internet Plc's external auditor Messrs. Poju Professional Service (PPS) that audited the financial statements, has issued an attestation report on management's assessment of the entity's internal control over financial reporting.

The attestation report of Messrs. Poju Professional Service (PPS) that audited the financial statements will be filed as part of its annual report.

Dr. Oladimeji Mobolaji Bada	Aisha Abdulaziz
Chairman of the Board of Directors	Chief Executive Officer
FRC/2014/IODN/00000006009	FRC/2025/PRO/DIR/003/111246

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Independent Auditor's Attestation Report on Management's Assessment of Internal Control over Financial Reporting

To the members of Legend Internet Plc

Scope

We have been engaged by Legend Internet Plc to perform a 'limited assurance engagement', based on International Standards on Assurance Engagements Other Than Audits or Reviews of Historical Financial Information ('ISAE 3000 (Revised)') and FRC Guidance on Assurance Engagement Report on Internal Control over Financial Reporting, herein referred to as the engagement, to report on Legend Internet Plc Internal Control over Financial Reporting (ICFR) (the "Subject Matter") contained in Legend Internet Plc (the "Company's") Management's Assessment on Internal Control over Financial Reporting as at 31 July 2024 (the "Report").

A company's internal control over financial reporting is a process designed to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles. A company's internal control over financial reporting includes those policies and procedures that:

(1) pertain to the maintenance of records that, in reasonable detail, accurately and fairly reflect the transactions and dispositions of the assets of the company.
(2) provide reasonable assurance that transactions are recorded as necessary to permit preparation of financial statements in accordance with generally accepted accounting principles, and that receipts and expenditures of the company are being made only in accordance with authorizations of management and directors of the company; and

(3) provide reasonable assurance regarding prevention or timely detection of unauthorized acquisition, use, or disposition of the company's assets that could have a material effect on the financial statements.
Because of its inherent limitations, internal control over financial reporting may not prevent or detect all misstatements. Also, projections of any evaluation of effectiveness to future periods are subject to the risk that controls may become inadequate because of changes in conditions, or that the degree of compliance with the policies or procedures may deteriorate.

Criteria applied by Legend Internet Plc

In designing, establishing, and operating the Internal Control over Financial Reporting (ICFR) and preparing the Management's assessment of the Internal Control over Financial Reporting (ICFR), Legend Internet Plc applied the requirements of Internal Control-Integrated Framework (2013) of the Committee of Sponsoring Organizations of the Treadway Commission (COSO) Framework and SEC Guidance on Management Report on Internal Control Over Financial Reporting (Criteria). Such Criteria were specifically designed to enable organizations effectively and efficiently develop systems of internal control that adapt to changing business and operating environments, mitigate risks to acceptable levels, and support sound decision making and governance of the organization; As a result, the subject matter information may not be suitable for another purpose.

Legend Internet Plc *responsibilities*

Legend Internet Plc management is responsible for maintaining effective internal control over financial reporting, and for its assessment of the effectiveness of internal control over financial reporting, included in the accompanying Legend Internet Plc *management's assessment of the Internal Control over Financial reporting as of 31 July 2024* in accordance with the criteria.

PPS.
Chartered Accountants

Our responsibilities
Our responsibility is to express a conclusion on the design and operating effectiveness of the Internal Control over Financial Reporting based on our Assurance engagement.
We conducted our engagement in accordance with the *International Standard for Assurance Engagements Other Than Audits or Reviews of Historical Financial Information* ('ISAE 3000 (Revised)') and FRC Guidance on Assurance Engagement Report on Internal Control over Financial Reporting, those standards require that we plan and perform our engagement to obtain limited assurance on the entity's internal control over financial reporting based on our assurance engagement.

Our independence and quality management
We have maintained our independence and confirm that we have met the requirements of the Code of Ethics for Professional Accountants issued by the International Ethics Standards Board for Accountants (IESBA code) and have the required competencies and experience to conduct this assurance engagement. We also apply International Standard on Quality Management 1, *Quality Management for Firms that Perform Audits or Reviews of Financial Statements, or Other Assurance or Related Services engagements,* which requires that we design, implement, and operate a system of quality management including policies or procedures regarding compliance with ethical requirements, professional standards, and applicable legal and regulatory requirements.

Description of procedures performed
The procedures we performed included obtaining an understanding of internal control over financial reporting, assessing the risk that a material weakness exists, and testing and evaluating the design and operating effectiveness of internal control based on the assessed risk. Our engagement also included performing such other procedures as we considered necessary in the circumstances. We believe the procedures performed provides a basis for our report on the internal control put in place by management over financial reporting.

Conclusion
In conclusion, nothing has come to our attention to indicate that the internal control over financial reporting put in place by management is not adequate as of 31 July 2024, based on the requirements of Committee of Sponsoring Organizations of the Treadway Commission (COSO) Framework and SEC Guidance on Management Report on Internal Control Over Financial Reporting.

Other Matter
We also have audited, in accordance with the International Standards on Auditing, the annual report for the year ended 31 July 2024 of Legend Internet Plc and our report dated 23 January 2025 *of report, which should be the same as the date of the report on the effectiveness of internal control over financial reporting* and we expressed an unmodified opinion. Our conclusion is not modified in respect of this matter.

Olapoju Bamidele Joshua – FRC/2014/ICAN/00000006744
For: Poju Professional Services
Chartered Accountants
Lagos, Nigeria
23 January 2025

INSTITUTE OF CHARTERED ACCOUNTANTS OF NIGERIA
ICAN
0299496

PPS.
Chartered Accountants

Poju Professional Services
. Audit . Tax . Advisory

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REPORT OF THE INDEPENDENT AUDITORS
TO THE MEMBERS OF LEGEND INTERNET PLC

Report on the Financial Statements
We have audited the accompanying financial statements of **LEGEND INTERNET PLC** which comprise the statements of financial position as at 31 July 2024 and 31 July 2023, and the income statement, statement of changes in equity, statement of cash flows for the years ended 31 July 2024 and 31 July 2023, 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 Companies and Allied Matters Act CAP C20 LFN 2020, the Financial Reporting Council of Nigeria Act No 60,2023(as amended), the International Financial Reporting Standards and for such internal control as the Directors determine are 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 present fairly, in all material respects, the financial position of **LEGEND INTERNET PLC** as at 31 July 2024, 31 July 2023 and the financial performance and cash flows for the year ended 31 July 2024 and 31 July 2022; the company has kept proper books of account which are in agreement with the financial statements in the manner required by the Companies and Allied Matters Act CAP C20 LFN 2020, the Financial Reporting Council of Nigeria Act No 6, 2023(as amended), and the International Financial Reporting Standards.

INSTITUTE OF CHARTERED ACCOUNTANTS OF NIGERIA
ICAN
0299491

Olapoju Bamidele Joshua – FRC/2014/ICAN/00000006744
For: Poju Professional Services
Chartered Accountants
Lagos, Nigeria
23 January 2025

STATEMENT OF FINANCIAL POSITION

	Notes	31-Jul-2024 ₦'000	31-Jul-2023 ₦'000
ASSETS			
Non-current assets			
Property, plant and equipment	5	2,722,827	2,177,587
Rights-of-use	5.4	331	4,299
Intangible asset	6.4	15,462	17,670
Other receivables	8.2	-	280,803
Total non-current assets		**2,738,619**	**2,480,360**
Current assets			
Inventory	7	18,000	-
Trade receivables	8.1	4,705	139,195
Other receivables	8.2	261,617	276,806
Cash and cash equivalents	9	2,512	1,085
Total current assets		**286,833**	**417,086**
Total assets		**3,025,452**	**2,897,446**
EQUITY AND LIABILITIES			
Capital and reserves			
Share capital	10	1,000,000	10,000
Deposit for shares		1,138,561	2,128,561
Retained earnings	11	561,843	442,440
Total equity		**2,700,403**	**2,581,001**
Current liabilities			
Trade payables	12	8,926	34,822
Other payables	13	73,059	70,426
Loan		16,674	25,627
Current tax liabilities	14	127,930	60,838
Deferred tax liabilities	16	98,460	-
Non- Current liabilities			
Other payables		-	124,731
Total current liabilities		**325,049**	**316,445**
Total liabilities		**325,049**	**316,445**
Total equity and liabilities		**3,025,452**	**2,897,446**

The financial statements on pages 14 to 17 were approved by the Board of Directors on 30th day of December 2024 and signed on its behalf by:

Aisha Abdulaziz	**Bruce Brai Ayonote**	**Daniel Obioma Mmaduka**
Chief Executive Officer	Non-Executive Director	Chief Finance Officer
FRC/2025/PRO/DIR/003/111246		FRC/2025/PRO/ICAN/001/580809

The notes on pages 18 to 51 form an integral part of these financial statements

STATEMENT OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME

	Notes	31-Jul-2024	31-Jul-2023
		₦'000	₦'000
Revenue	19	1,138,433	1,208,036
Cost of sales	20	(461,011)	(584,607)
Gross profit		**677,421**	**623,429**
Administrative expenses	21	(367,607)	(320,897)
Other gains/(losses)		(64)	-
Operating profit before tax & interest		**309,750**	**302,532**
Interest income		35	26
Finance cost		(24,831)	(22,147)
Operating profit before tax but after interest		**284,954**	**280,411**
Income tax (expense)/credit	14.1	(165,552)	(33,897)
Profit/(loss) for the year		**119,403**	**246,514**
Other comprehensive income			
Available for sale financial asset surplus/deficit		-	-
		-	-
Profit/(Loss) for the year & other comprehensive income		**119,403**	**246,514**

STATEMENT OF CHANGES IN EQUITY

	Issued share capital ₦'000	Deposit for shares ₦'000	Retained Earnings ₦'000	Total Equity ₦'000
At 1st August 2023	10,000	2,128,561	442,440	2,581,001
Adjustment to opening balances	-	-	-	-
Opening balance restated	**10,000**	**2,128,561**	**442,440**	**2,581,001**
Profit/(loss) for the year	-	-	119,403	119,403
Total other comprehensive income for the year	-	-	-	-
Total profit/(loss) for the year & other comprehensive income	-	-	119,403	**119,403**
Issue of share capital	990,000	(990,000)	-	-
Transaction costs for equity issue	-	-	-	-
Dividends paid	-	-	-	-
Contributions by and to owners of the business	**990,000**	**(990,000)**	-	-
At 31 July 2024	**1,000,000**	**1,138,561**	**561,843**	**2,700,403**

	Issued share capital ₦'000	Deposit for shares ₦'000	Retained Earnings ₦'000	Total Equity ₦'000
At 1st August 2022	10,000	2,128,561	195,926	2,334,487
Adjustment to opening balances	-	-	-	-
Opening balance restated	**10,000**	**2,128,561**	**195,926**	**2,334,487**
Profit/(loss) for the year	-	-	246,514	246,514
Total other comprehensive income for the year	-	-	- #	-
Total profit/(loss) for the year & other comprehensive income	-	-	246,514	**246,514**
Issue of share capital	-	-	-	-
Transaction costs for equity issue	-	-	-	-
Dividends paid	-	-	-	-
Contributions by and to owners of the business	-	-	-	-
At 31 July 2023	**10,000**	**2,128,561**	**442,440**	**2,581,001**

STATEMENT OF CASHFLOW

	Notes	31-Jul-2024 ₦'000	31-Jul-2023 ₦'000
CASHFLOW FROM OPERATING ACTIVITIES			
Cash generated from operations after adjustment of working capital	17(i)	734,452	30,830
Cash from/(used in) operating activities		734,452	30,830
Tax paid		-	-
Net cash (used in)/from operating activities		**734,452**	**30,830**
CASHFLOW FROM INVESTING ACTIVITIES			
Purchases of property, plant & equipment	5	(699,276)	(47,972)
Interest income		35	26
Net cash (used in)/from investing activities		**(699,241)**	**(47,946)**
CASHFLOW FROM FINANCING ACTIVITIES			
Loan		(8,953)	25,627
Interest paid	17(ii)	(24,831)	(22,147)
Net cash (used in)/from financing activities		**(33,784)**	**3,480**
Net change in cash and cash equivalents		1,427	(13,636)
Cash and cash equivalents at the beginning of the year		1,085	14,721
		2,512	**1,085**
REPRESENTED BY			
Cash & cash equivalent:			
Cash and bank balances	9	**2,512**	**1,085**

NOTES TO THE FINANCIAL STATEMENTS

1 Frequency of reporting

The entity presents a complete set of financial statements, including comparative information at least annually (i.e., 12 months). The end of the reporting period is 31 July of every year.

2 Adoption of new and revised International Financial Reporting Standards (IFRSs)

2.1 New standards, interpretations and amendments issued and effective

The following revisions to accounting standards and pronouncements that are applicable to the company were issued which are now effective from the annual periods beginning on or after January 1,2024.

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.

2.1.1 International Tax Reform – Pillar Two Model Rules Amendments to IAS 12

Amendments to IAS 12, which introduce a mandatory exception in IAS 12 from recognising and disclosing deferred tax assets and liabilities related to Pillar Two income taxes. The amendments clarify that IAS 12 applies to income taxes arising from tax law enacted or substantively enacted to implement the Pillar Two Model Rules published by the Organization for Economic Cooperation and Development (OECD), including tax law that implements qualified domestic minimum top-up taxes. Such tax legislation, and the income taxes arising from it, are referred to as ‘Pillar Two legislation’ and ‘Pillar Two income taxes’, respectively.

The amendments are effective immediately upon issuance, but certain disclosure requirements are effective later.

The amendments is not applicable to our entity because we are neither MNE (Multinational Enterprise Entity) nor qualify for the minimum revenue threshold required.

2.1.2 Lease Liability in a Sale and Leaseback – Amendments to IFRS 16

The amendment to IFRS 16 specifies the requirements that a seller-lessee uses in measuring the lease liability arising in a sale and leaseback transaction, to ensure the seller-lessee does not recognise any amount of the gain or loss that relates to the right of use it retains.

After the commencement date in a sale and leaseback transaction, the seller-lessee applies paragraphs 29 to 35 of IFRS 16 to the right-of-use asset arising from the leaseback and paragraphs 36 to 46 of IFRS 16 to the lease liability arising from the leaseback. In applying paragraphs 36 to 46, the seller-lessee determines ‘lease payments’ or ‘revised lease payments’ in such a way that the seller-lessee would not recognise any amount of the gain or loss that relates to the right of use retained by the seller-lessee. Applying these requirements does not prevent the seller-lessee from recognising, in profit or loss, any gain or loss relating to the partial or full termination of a lease, as required by paragraph 46(a) of IFRS 16. The amendment does not prescribe specific measurement requirements for lease liabilities arising from a leaseback.

The initial measurement of the lease liability arising from a leaseback may result in a seller-lessee determining ‘lease payments’ that are different from the general definition of lease payments in Appendix A of IFRS 16. The seller-lessee will need to develop and apply an accounting policy that results in information that is relevant and reliable in accordance with IAS 8.

This becomes effective for annual periods beginning on or after 1 January 2024.

The amendment is not expected to have an impact on the entity’s financial statements.

NOTES TO THE FINANCIAL STATEMENTS

2.1.3 Classification of Liabilities as Current or Non-current - Amendments to IAS 1

The amendments specify the requirements for classifying liabilities as current or non-current. The amendments clarify:

- What is meant by a right to defer settlement
- That a right to defer must exist at the end of the reporting period
- That classification is unaffected by the likelihood that an entity will exercise its deferral right
- That only if an embedded derivative in a convertible liability is itself an equity instrument would the terms of a liability not impact its classification
- Disclosures

This becomes effective for annual periods beginning on or after 1 January 2024.

The amendment is not expected to impact the entity's future financial statements in a significant way.

2.1.4 Disclosures: Supplier Finance Arrangements - Amendments to IAS 7 and IFRS 7

The amendments specify disclosure requirements to enhance the current requirements, which are intended to assist users of financial statements in understanding the effects of supplier finance arrangements on an entity's liabilities, cash flows and exposure to liquidity risk.

Characteristics

The amendments clarify the characteristics of supplier finance arrangements. In these arrangements, one or more finance providers pay amounts an entity owes to its suppliers. The entity agrees to settle those amounts with the finance providers according to the terms and conditions of the arrangements, either at the same date or at a later date than that on which the finance providers pay the entity's suppliers.

Disclosure requirements

The amendments require an entity to provide information about the impact of supplier finance arrangements on liabilities and cash flows, including terms and conditions of those arrangements, quantitative information on liabilities related to those arrangements as at the beginning and end of the reporting period and the type and effect of non-cash changes in the carrying amounts of those arrangements. The information on those arrangements is required to be aggregated unless the individual arrangements have dissimilar or unique terms and conditions. In the context of quantitative liquidity risk disclosures required by IFRS 7, supplier finance arrangements are included as an example of other factors that might be relevant to disclose.

This becomes effective for annual periods beginning on or after 1 January 2024.

The amendment is not expected to have an impact on the entity's financial statements.

NOTES TO THE FINANCIAL STATEMENTS

2.2 New 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.

2.2.1 Lack of exchangeability – Amendments to IAS 21

The amendment to IAS 21 specifies how an entity should assess whether a currency is exchangeable and how it should determine a spot exchange rate when exchangeability is lacking. A currency is considered to be exchangeable into another currency when an entity is able to obtain the other currency within a time frame that allows for a normal administrative delay and through a market or exchange mechanism in which an exchange transaction would create enforceable rights and obligations. If a currency is not exchangeable into another currency, an entity is required to estimate the spot exchange rate at the measurement date. An entity's objective in estimating the spot exchange rate is to reflect the rate at which an orderly exchange transaction would take place at the measurement date between market participants under prevailing economic conditions. The amendments note that an entity can use an observable exchange rate without adjustment or another estimation technique.

Disclosure requirements

When an entity estimates a spot exchange rate because a currency is not exchangeable into another currency, it discloses information that enables users of its financial statements to understand how the currency not being exchangeable into the other currency affects, or is expected to affect, the entity's financial performance, financial position and cash flows.

This becomes effective for annual periods beginning on or after 1 January 2025.

The amendment is not expected to have an impact on the entity's financial statements.

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

The amendments address the conflict between IFRS 10 Consolidated Financial Statements and IAS 28 Investments in Associates and Joint Ventures in dealing with the loss of control of a subsidiary that is sold or contributed to an associate or joint venture.

The amendments clarify that a full gain or loss is recognised when a transfer to an associate or joint venture involves a business as defined in IFRS 3. Any gain or loss resulting from the sale or contribution of assets that does not constitute a business, however, is recognised only to the extent of unrelated investors' interests in the associate or joint venture.
The IASB postponed the effective date of this amendment indefinitely pending the outcome of its research project on the equity method of accounting.

The amendment is not expected to have an impact on the entity's financial statements

NOTES TO THE FINANCIAL STATEMENTS

2.2.3 Annual Improvements to IFRS Accounting Standards— Volume 11

This includes certain amendments in following standards:
IFRS 1 First-time Adoption of International Financial Reporting Standards - Hedge Accounting by a First-time Adopter;
IFRS 7 Financial Instruments: Disclosures - Disclosure of Deferred Difference between Fair Value and Transaction Price;
IFRS 9 Financial Instruments - Lessee Derecognition of Lease Liabilities.

This becomes effective for annual periods beginning on or after 1 January 2026.

The amendment could have a minimal impact on the entity's financial statement in the area of lease and disclosures.

2.2.4 IFRS 18 – Presentation and Disclosure in Financial Statements

An entity will be required to classify all income and expenses within its statement of profit or loss into one of five categories: operating; investing; financing; income taxes; and discontinued operations. In addition, IFRS 18 requires an entity to present subtotals and totals for 'operating profit or loss', 'profit or loss before financing and income taxes' and 'profit or loss'.

This becomes effective for annual periods beginning on or after 1 January 2027.

The amendment is expected to have a minimal impact on the entity's financial statements.

2.2.5 IFRS 19 - Subsidiaries without Public Accountability: Disclosures

An entity applying IFRS 19 is required to disclose that fact as part of its general IFRS accounting standards compliance statement. IFRS 19 requires an entity whose financial statements comply with IFRS accounting standards including IFRS 19 to make an explicit and unreserved statement of such compliance.

This becomes effective for annual periods beginning on or after 1 January 2027.

The amendment is expected to have an impact on the entity's financial statements because of the plan to issues shares to members of the public even though it does not have parent and subsidiary relationship with another entity.

NOTES TO THE FINANCIAL STATEMENTS

3 Significant accounting policies

3.1 Statement of compliance

The financial statements are prepared in accordance with International Financial Reporting Standards (IFRSs) and the requirements of the Companies and Allied Matters Act (CAMA) and the Financial Reporting Council of Nigeria Act. The financial statements comprise:

- Statement of financial position
- Statement of profit or loss and other comprehensive income
- Statement of changes in equity
- Statement of cashflow
- Notes to the financial statements
- Statement of value added

The financial statements have been prepared in accordance with the Company's accounting policies approved by the Board of Directors of the Company.

3.2 Basis of preparation

The financial statements of LEGEND INTERNET PLC have been prepared in accordance with International Financial Reporting Standards (IFRS) issued by the International Accounting Standards Board (IASB). Financial statements were prepared under the historical cost convention, except for the financial assets and financial liabilities (including derivative instruments) at fair value through profit or loss.

The financial statements are presented in Naira, the functional currency of LEGEND INTERNET PLC

The accounting policies are set out below:

3.3 Revenue recognition

Revenue is measured at the fair value of the consideration received or receivable. Revenue represents contracts with third parties on the services rendered during the period. To determine whether to recognise revenue, the Company follows a 5-step process:

- Identifying the contract with a customer
- Identifying the performance obligations
- Determining the transaction price
- Allocating the transaction price to the performance obligations
- Recognising revenue when/as performance obligation(s) are satisfied.

The transaction price for a contract excludes any amounts collected on behalf of third parties.

Dividend and interest income

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

Interest income from a financial asset is recognised when it is probable that the economic benefits will flow to the Entity and the amount of income can be measured reliably. Interest

NOTES TO THE FINANCIAL STATEMENTS

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.

3.4 Foreign currencies

In preparing the financial statements of the entity, transactions in currencies other than the entity's functional currency (foreign currencies) are recognised at the rates of exchange prevailing at the dates of the transactions. At the end of each reporting period, monetary items denominated in foreign currencies are retranslated at the rates prevailing at that date. Non-monetary items carried at fair value that are denominated in foreign currencies are retranslated at the rates prevailing at the date when the fair value was determined. Non-monetary items that are measured in terms of historical cost in a foreign currency are not retranslated.

Exchange differences on monetary items are recognised in profit or loss in the period in which they arise except for:

- exchange differences on foreign currency borrowings relating to assets under construction for future productive use, which are included in the cost of those assets when they are regarded as an adjustment to interest costs on those foreign currency borrowings;
- exchange differences on transactions entered to hedge certain foreign currency risks; and
- exchange differences on monetary items receivable from or payable to a foreign operation for which settlement is neither planned nor likely to occur (therefore forming part of the net investment in the foreign operation), which are recognised initially in other comprehensive income and reclassified from equity to profit or loss on repayment of the monetary items.

3.5 Borrowings

Borrowings are recognised initially at fair value, net of transaction costs incurred. Borrowings are subsequently carried at amortised cost using the effective interest method; any differences between proceeds (net of transaction costs) and the redemption value are recognised in the consolidated statement of profit or loss over the period of the borrowings, using the effective interest method.

Borrowings are classified as current liabilities unless the company has an unconditional right to defer settlement of the liability for at least twelve months after the reporting date.

3.6 Trade and other payables

Payables are recognised initially at fair value and subsequently measured at amortised cost using the effective interest method. Payables are classified as current if they are due within one year or less. If not, they are presented as non-current liabilities.

3.7 Trade and other receivables

Trade receivables are stated at their original invoiced value, as the interest that would be recognised from discounting future cash receipts over the short credit year is not considered to be material. Trade receivables are reduced by appropriate allowances for estimated irrecoverable amounts. Interest on overdue trade receivables is recognised as it accrues. Trade and other receivables are recognised initially at their transaction price and subsequently measured at amortized cost less loss allowances.

3.8 Derecognition

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

3.9 Retirement benefit costs

The company operates a defined contribution retirement benefit schemes for its employees. A defined contribution plan is a pension plan under which the company pays fixed contributions into a separate entity. The company has no legal or constructive obligations to pay further contributions if the fund does not hold sufficient assets to pay all employees the benefits relating to employee service in the current and prior periods. The assets of the scheme are funded by contributions from both the company and employees and are managed by pension fund custodians in line with the National Pension Commission (PenCom) Pension Reform Act (PRA).

The company and employees each contributed 10% and 8% respectively of employees' relevant emoluments basic salary, housing, and transport allowances.

Payments to defined contribution retirement benefit plans are recognised as an expense when employees have rendered service entitling them to the contributions.

3.10 Taxation

Income tax expense represents the sum of the tax currently payable and deferred tax.

3.10.1 Current tax

The tax currently payable is based on taxable profit for the year. Taxable profit differs from ‘profit before tax’ as reported in the statement of profit or loss and other comprehensive income/ statement of profit or loss because of items of income or expense that are taxable or deductible in other years and items that are never taxable or deductible. The entity’s liability for current tax is calculated using tax rates that have been enacted or substantively enacted by the end of the reporting period.

3.10.2 Deferred tax

Deferred tax is recognised on temporary differences between the carrying amounts of assets and liabilities in the financial statements and the corresponding tax bases used in the computation of taxable profit. Deferred tax liabilities are generally recognised for all taxable temporary differences. Deferred tax assets are generally recognised for all deductible temporary differences to the extent that it is probable that taxable profits will be available against which those deductible temporary differences can be utilised.

The carrying amount of deferred tax assets is reviewed at the end of each reporting period and reduced to the extent that it is no longer probable that sufficient taxable profits will be available to allow all or part of the asset to be recovered.

NOTES TO THE FINANCIAL STATEMENTS

Deferred tax liabilities and assets are measured at the tax rates that are expected to apply in the period in which the liability is settled or the asset realised, based on tax rates (and tax laws) that have been enacted or substantively enacted by the end of the reporting period.
The measurement of deferred tax liabilities and assets reflects the tax consequences that would follow from the manner in which the entity expects, at the end of the reporting period, to recover or settle the carrying amount of its assets and liabilities.

3.10.3 Current and Deferred Taxes for the Year

Current and deferred tax are recognised in profit or loss, except when they relate to items that are recognised in other comprehensive income or directly in equity, in which case, the current and deferred tax are also recognised in other comprehensive income or directly in equity respectively.

3.10.4 Value Added Tax (VAT)

Expenses and assets are recognised net of the amount of Value added tax (VAT), except:

- When the Value added tax (VAT) incurred on a purchase of asset or service is not recoverable from the taxation authority, in which case, the Value added tax (VAT) is recognised as part of the cost of acquisition of the asset or as part of the expense item, as applicable.
- When receivables and payables are stated with the amount of Value added tax (VAT) included. The net amount of value added tax recoverable from, or payable to the taxation authority is included as part of receivables or payables in the statement of financial position.

3.10.5 Nigerian Police Trust Fund

Police Trust Fund is computed and recognised at 0.005% of the “net profit” which is profit before tax in line with Nigerian Police Trust Fund Act of 2019. The Act imposes a levy of 0.005% on the Company's operating business in Nigeria. The levy is calculated based on 0.005% of profit before tax.

3.10.6 Information Technology Development Levy (ITDL)

Information Technology Development Levy is computed and recognised at one percent of profit before tax in line with National Information Technology Development Act of 2007.

3.10.7 National Agency for Science and Engineering Infrastructure Levy (NASENI)

National Agency for Science and Engineering Infrastructure Levy is computed and recognised at 0.25% of profit before tax in line with the National Agency for Science and Engineering Infrastructure Act.

3.11 Property, plant and equipment

All property, plant and equipment are stated at cost less accumulated depreciation and accumulated impairment losses.

Property and equipment under construction is measured at initial cost and depreciated over its useful life from the date the asset is available for use in the manner intended by management. The cost of construction recognised includes the cost of materials and direct labour, any other costs directly attributable to bringing the assets to a working condition for their intended use, the costs of dismantling and removing the items and restoring the site on which they are located, and borrowing costs on qualifying assets. Assets are transferred from capital work in progress to an appropriate category of property and equipment when commissioned and ready for intended use.

The Company capitalises borrowing costs directly attributable to the acquisition, construction or production of a qualifying asset as part of the cost of that asset. A qualifying asset is deemed to be an asset which takes more than 12 months to acquire, construct or produce. Borrowing costs include general and specific borrowings directly attributable to the acquisition, construction or production of qualifying assets. Other borrowing costs are expensed in profit or loss.

Depreciation is recognised to write off the cost or valuation of assets (other than freehold land and properties under construction) less their residual values over their useful lives, using the straight-line method. The estimated useful lives, residual values and depreciation method are reviewed at the end of each reporting period, with the effect of any changes in estimate accounted for on a prospective basis. The basis for depreciation is as follows:

- Fibre Infrastructure 6%
- Wi-Fi Infrastructure 6%
- Computer Equipment 20%

An item of property, plant and equipment is derecognised upon disposal or when no future economic benefits are expected to arise from the continued use of the asset. Any gain or loss arising on the disposal or retirement of an item of property, plant and equipment is determined as the difference between the sales proceeds and the carrying amount of the asset and is recognised in profit or loss.

3.12 Intangible assets

3.12.1 Licences

Licences have a finite useful life and are carried at cost less accumulated amortisation and impairment losses. Amortisation is calculated using the straight-line method to allocate the cost of licences over their useful lives.

3.12.2 Billing System

Computer software licences are capitalised on the basis of the costs incurred to acquire and bring the specific software into use. These costs are amortised at 10 percent using the straight-line method over their estimated useful life and carried at cost less accumulated amortisation and impairment losses.

Costs associated with maintaining computer software programs are recognised as an expense as incurred.

Subsequent expenditure on computer software is capitalised only when it increases the future economic benefits embodied in the specific asset to which it relates.

The amortisation method, useful lives and residual values are reviewed at each financial period-end and adjusted if appropriate.

Computer software are derecognised on disposal or when no future economic benefits are expected from their use.

3.13 Impairment of tangible assets

At the end of each reporting period, the entity reviews the carrying amounts of its tangible assets to determine whether there is any indication that those assets have suffered an impairment loss.

NOTES TO THE FINANCIAL STATEMENTS

If any such indication exists, the recoverable amount of the asset is estimated to determine the extent of the impairment loss (if any). When it is not possible to estimate the recoverable amount of an individual asset, the entity estimates the recoverable amount of the cash-generating unit to which the asset belongs. When a reasonable and consistent basis of allocation can be identified, corporate assets are also allocated to individual cash-generating units, or otherwise they are allocated to the smallest group of cash-generating units for which a reasonable and consistent allocation basis can be identified.

Recoverable amount is the higher of fair value less costs to sell and value in use. In assessing value in use, the estimated future cash flows are discounted to their present value using a pre-tax discount rate that reflects current market assessments of the time value of money and the risks specific to the asset for which the estimates of future cash flows have not been adjusted.

If the recoverable amount of an asset (or cash-generating unit) is estimated to be less than its carrying amount, the carrying amount of the asset (or cash-generating unit) is reduced to its recoverable amount. An impairment loss is recognised immediately in profit or loss, unless the relevant asset is carried at a revalued amount, in which case the impairment loss is treated as a revaluation decrease.

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 recognised for the asset (or cash-generating unit) in prior years. A reversal of an impairment loss is recognised 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 Provisions

Provisions are recognised when the entity has a present obligation (legal or constructive) as a result of a past event, it is probable that the entity will be required to settle the obligation, and a reliable estimate can be made of the amount of the obligation.

The amount recognised as a provision is the best estimate of the consideration required to settle the present obligation at the end of the reporting period, taken into account the risks and uncertainties surrounding the obligation. When a provision is measured using the cash flows estimated to settle the present obligation, its carrying amount is the present value of those cash flows (when the effect of the time value of money is material).

When some or all of the economic benefits required to settle a provision are expected to be recovered from a third party, a receivable is recognised as an asset if it is virtually certain that reimbursement will be received, and the amount of the receivable can be measured reliably.

3.14.1 Onerous contracts

Present obligations arising under onerous contracts are recognised and measured as provisions. An onerous contract is considered to exist where the entity has a contract under which the unavoidable costs of meeting the obligations under the contract exceed the economic benefits expected to be received from the contract.

NOTES TO THE FINANCIAL STATEMENTS

3.14.2 Restructuring

A restructuring provision is recognised when the entity has developed a detailed formal plan for the restructuring and has raised a valid expectation in those affected that it will carry out the restructuring by starting to implement the plan or announcing its main features to those affected by it. The measurement of a restructuring provision includes only the direct expenditures arising from the restructuring, which are those amounts that are both necessarily entailed by the restructuring and not associated with the ongoing activities of the entity.

3.15 Financial instruments

A financial instrument is any contract that gives rise to a financial asset of one entity and a financial liability or equity instrument of another entity.

3.15.1 Financial asset

Financial assets are classified into the following specified categories: financial assets 'at fair value through profit or loss' (FVTPL), 'fair value through other comprehensive income' (FVTOCI), at 'amortised cost'.

The classification of financial assets at initial recognition depends on the financial asset's contractual cash flow characteristics and the Company's business model for managing them. With the exception of trade receivables that do not contain a significant financing component or for which the Company has applied the practical expedient, the Company initially measures a financial asset at its fair value plus, in the case of a financial asset not at fair value through profit or loss, transaction costs. Trade receivables that do not contain a significant financing component or for which the Company has applied the practical expedient are measured at the transaction price determined under IFRS 15.

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

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

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

Subsequent measurement

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

- Financial assets at amortised cost (debt instruments)
- Financial assets designated at fair value through OCI with no recycling of cumulative gains and losses upon derecognition (equity instruments)
- Financial assets at fair value through profit or loss (the Company however has no financial instrument in this category)

NOTES TO THE FINANCIAL STATEMENTS

Debt instruments
Subsequent measurement of debt instruments depends on the Company's business model for managing the asset and the cash flow characteristics of the asset. There are three measurement categories into which the Company classifies its debt instruments:

Amortised cost:
Assets that are held for collection of contractual cash flows where those cash flows represent solely payments of principal and interest are measured at amortised cost. A gain or loss on a debt investment that is subsequently measured at amortised cost and is not part of a hedging relationship is recognised in profit or loss when the asset is derecognised or impaired. Interest income from these financial assets is included in finance income using the effective interest rate method.

Fair value through other comprehensive income (FVOCI):
Assets that are held for collection of contractual cash flows and for selling the financial assets, where the assets' cash flows represent solely payments of principal and interest, are measured at fair value through other comprehensive income (FVOCI). Movements in the carrying amount are taken through OCI, except for the recognition of impairment gains or losses, interest revenue and foreign exchange gains and losses which are recognized in profit and loss. When the financial asset is derecognized, the cumulative gain or loss previously recognized in OCI is reclassified from equity to profit or loss and recognized in other gains/(losses). Interest income from these financial assets is included in finance income using the effective interest rate method.

Fair value through profit or loss:
Assets that do not meet the criteria for amortized cost or FVOCI are measured at fair value through profit or loss. A gain or loss on a debt investment that is subsequently measured at fair value through profit or loss and is not part of a hedging relationship is recognized in profit or loss and presented net in the profit or loss statement within other gains/(losses) in the period in which it arises. Interest income from these financial assets is included in the interest income.

Other financial assets:
Other financial assets are non-derivative financial assets with fixed or determinable payments that are not quoted in an active market. They are presented as current assets, except for those maturing later than 12 months after the reporting date which are presented as non-current assets. These are initially recognized at fair value and subsequently measured at amortized cost using the effective interest method, less any impairment losses. These comprise trade receivables, unbilled revenues, cash and cash equivalents and other assets.

Expected credit losses
The Company applies the IFRS 9 simplified approach to measuring expected credit losses ECLs for trade receivables at an amount equal to lifetime ECLs. The ECLs on trade receivables are calculated based on both the actual credit loss experience of the preceding year on the total balance of non-credit impaired trade receivables and expected future credit loss.

The Company considers a trade receivable to be credit impaired when one or more detrimental events have occurred such as:

- significant financial difficulty of the customer; or
- it is becoming probable that the customer will enter bankruptcy or other financial reorganization.

The Company uses a provision matrix to calculate ECLs for trade receivables. The provision rates are based on days past due. The provision matrix is initially based on the Company's historical observed default rates. The Company will calibrate the matrix to adjust the historical credit loss experience with forward-looking information. At every reporting date, the historical observed default rates are updated and changes in the forward-looking estimates are analysed. The assessment of the correlation between historical observed default rates, forecast economic conditions and ECLs is not a significant estimate. The amount of ECLs is sensitive to changes in circumstances and of forecast economic conditions. The Company's historical credit loss experience and forecast of economic conditions may also not be representative of customer's actual default in the future.
Impairment losses related to trade and other receivables are presented separately in the income statement and reported as a line item.

Business model
The business model reflects how the Company manages the assets to generate cash flows. That is, whether the Company's objective is solely to collect the contractual cash flows from the assets or is to collect both the contractual cash flows and cash flows arising from the sale of assets. If neither of these is applicable (e.g., financial assets are held for trading purposes), then the financial assets are classified as part of 'other' business model and measured at fair value through profit or loss ('FVTPL"). Factors considered by the Company in determining the business model for a Company of assets include past experience on how the cash flows for these assets were collected, how the asset's performance is evaluated and reported to key management personnel, how risks are assessed and managed and how managers are compensated.

Solely Payment of Principal and Interest (SPPI)
Where the business model is to hold assets to collect contractual cash flows or to collect contractual cash flows and sell, the Company assesses whether the financial instruments' cash flows represent solely payments of principal and interest (the 'SPPI test'). In making this assessment, the Company considers whether the contractual cash flows are consistent with a basic lending arrangement i.e., interest includes only consideration for the time value of money, credit risk, other basic lending risks and a profit margin that is consistent with a basic lending arrangement. Where the contractual terms introduce exposure to risk or volatility that are inconsistent with a basic lending arrangement, the related financial asset is classified and measured at FVTPL.
The Company reclassifies debt investments when and only when its business model for managing those assets changes. The reclassification takes place from the start of the first reporting period following the change. Such changes are expected to be infrequent, and none occurred during the period.

Equity instruments
The Company subsequently measures all equity investments at fair value. Where the Company's management has elected to present fair value gains and losses on equity investments in other comprehensive income, there is no subsequent reclassification of fair value gains and losses to profit or loss. Dividends from such investments continue to be recognized in profit or loss as other income when the Company's right to receive payments is established.

Changes in the fair value of financial assets at fair value through profit or loss are recognized in other gain/(losses) in the statement of profit or loss as applicable. Impairment losses (and reversal of impairment losses) on equity investments measured at FVOCI are not reported separately from other changes in fair value.

NOTES TO THE FINANCIAL STATEMENTS

Equity instruments
A financial asset is derecognised when:

- The rights to receive cash flows from the asset have expired;
- The Company has transferred its rights to receive cash flows from the asset or has assumed an obligation to pay the received cash flows in full without material delay to a third party under a 'pass-through' arrangement; and either:
    - The Company has transferred substantially all the risks and rewards of the asset, or
    - The Company has neither transferred nor retained substantially all the risks and rewards of the asset but has transferred control of the asset.

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

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

3.15.2 Financial liabilities
The Company has classified all financial liabilities within the scope of IFRS 9 under loans and borrowings and other financial liabilities as appropriate. The Company determines the classification of its financial liabilities at initial recognition. All financial liabilities are recognized initially at fair value and, in the case of loans and borrowings and other financial liabilities, net of directly attributable transaction costs.

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

Loans and borrowings
After initial recognition, interest-bearing loans and borrowings are subsequently measured at amortized cost using the Effective Interest Rate (EIR) method. Gains and losses are recognized in the income statement when the liabilities are derecognized as well as through the EIR amortization process.

Amortized cost is calculated by considering any discount or premium on acquisition and fees or costs that are an integral part of the EIR. The EIR amortization is included as finance costs in the income statement.

Derecognition
A financial liability is derecognized when the obligation under the liability is discharged or cancelled or expires. When an existing financial liability is replaced by another from the same lender on substantially different terms, or the terms of an existing liability are substantially

modified, such an exchange or modification is treated as the derecognition of the original liability and the recognition of a new liability. The difference in the respective carrying amounts is recognized in the income statement.

Offsetting of financial instruments
Financial assets and financial liabilities are offset, and the net amount is reported in the statement of financial position if there is a currently enforceable legal right to offset the recognized amounts and there is an intention to settle on a net basis, or to realize the assets and settle the liabilities simultaneously.

3.16 Inventories
Inventories are measured at the lower of cost and net realizable value. The cost of inventories is based on the weighted average principle, and includes expenditure incurred in acquiring the inventories, production or conversion costs and other costs incurred in bringing them to their existing location and condition.

Net realisable value is the estimated selling price in the ordinary course of business, less the estimated costs of completion and selling expenses.

3.17 Cash and cash equivalents
Cash and cash equivalents include cash in hand, deposits held at call with banks, other short term highly liquid investments with original maturities of three months or less and bank overdrafts. Bank overdrafts are shown within borrowings in current liabilities in the statement of financial position.

3.18 Leases
The Company assesses whether a contract is or contains a lease, at inception of the contract. Set out below are the accounting policies of the Company upon adoption of IFRS 16:

3.18.1 Right-of-use assets
The Company recognises right-of-use assets at the commencement date of the lease (i.e., the date the underlying asset is available for use). Right-of-use assets are measured at cost, less any accumulated depreciation and impairment losses, and adjusted for any remeasurement of lease liabilities. The cost of right-of-use assets includes the amount of lease liabilities recognised, initial direct costs incurred, and lease payments made at or before the commencement date less any lease incentives received. Unless the Company is reasonably certain to obtain ownership of the leased asset at the end of the lease term, the recognised right-of-use assets are depreciated on a straight-line basis over the shorter of its estimated useful life and the lease term. Right-of-use assets are subject to impairment.

3.18.2 Lease liabilities
At the commencement date of the lease, the Company recognises lease liabilities measured at the present value of lease payments to be made over the lease term. The lease payments include fixed payments (including in-substance fixed payments) less any lease incentives receivable, variable lease payments that depend on an index or a rate, and amounts expected to be paid under residual
value guarantees. The lease payments also include the exercise price of a purchase option reasonably certain to be exercised by the Company and payments of penalties for terminating a lease, if the lease term reflects the Company exercising the option to terminate.

NOTES TO THE FINANCIAL STATEMENTS

The variable lease payments that do not depend on an index or a rate are recognised as expense in the period on which the event or condition that triggers the payment occurs.
In calculating the present value of lease payments, the Company uses the incremental borrowing rate at the lease commencement date. This is the rate that the Company would have to pay to borrow the funds necessary to obtain an asset of similar value in a similar economic environment with similar terms and conditions. After the commencement date, the amount of lease liabilities is increased to reflect the accretion of interest and reduced for the lease payments made. In addition, the carrying amount of lease liabilities is remeasured if there is a modification, a change in the lease term, a change in the in-substance fixed lease payments or a change in the assessment to purchase the underlying asset.

3.18.3 Short-term leases and lease of low-values assets

The Company applies the short-term lease recognition exemption to its short-term leases (i.e., those leases that have a lease term of 12 months or less from the commencement date and do not contain a purchase option). It also applies the lease of low-value assets recognition exemption to leases of office equipment that are considered of low value (i.e., below $5,000 or N1.8 million). Lease payments on short-term leases and leases of low-value assets are recognised as expense on a straight-line basis over the lease term.

4 Critical accounting judgements and key sources of estimation uncertainty

In the application of the Company's accounting policies, which are described in note 3, the directors are required to make judgements, 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 relevant. Actual results may differ from these estimates.

The estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognised 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 Key sources of estimation uncertainty

The key assumptions concerning the future, and other key sources of estimation uncertainty at the balance sheet date, that have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities within the next financial year, are discussed below.

4.1.1 Impairment of assets

Determining whether assets are impaired requires an estimation of the value in use of the cash-generating units to which assets have been allocated. The value in use calculation requires the entity to estimate the future cash flows expected to arise from the cash-generating unit and a suitable discount rate to calculate present value. Therefore, no impairment loss was recognised during the period.

4.1.2 Useful lives of Property, plant and equipment

The Company exercises judgement in determining the expected useful lives of items of property, plant, and equipment. Factors such as prevailing physical condition of the assets, technological expectations, and historical experience with the assets (or similar assets) are assessed at least annually. Changes to these estimates may have significant impact on future results because changes in accounting estimates are accounted for on a prospective basis, through depreciation and amortization expense.

NOTES TO THE FINANCIAL STATEMENT

5 PROPERTY, PLANT AND EQUIPMENT

As at 31 July 2024

	Fibre Infrastructure	Wi-Fi Infrastructure	Computer Equipment	Total
Cost	**₦'000**	**₦'000**	**₦'000**	**₦'000**
At 1 August 2023	2,324,294	136,325	12,454	2,473,073
Additions	699,276	-	-	699,276
At 31 July 2024	**3,023,569**	**136,325**	**12,454**	**3,172,349**
Depreciation				
At 1 August 2023	276,344	16,359	2,782	295,485
Depreciation charge	143,366	8,180	2,491	154,036
At 31 July 2024	**419,710**	**24,539**	**5,273**	**449,522**
Carrying amount				
At 31 July 2024	**2,603,859**	**111,787**	**7,181**	**2,722,827**
At 31 July 2023	**2,047,949**	**119,966**	**9,672**	**2,177,587**

As at 31 July 2023

	Fibre Infrastructure	Wi-Fi Infrastructure	Computer Equipment	Total
Cost	**₦'000**	**₦'000**	**₦'000**	**₦'000**
At 1 August 2022	2,284,013	136,325	4,762	2,425,100
Additions	40,281	-	7,692	47,972
At 31 July 2023	**2,324,294**	**136,325,457**	**12,454**	**2,473,073**
Depreciation				
At 1 August 2022	137,680	8,180	620	146,479
Depreciation charge	138,665	8,180	2,162	149,006
At 31 July 2023	**276,344**	**16,359**	**2,782**	**295,485**
Carrying amount				
At 31 July 2023	**2,047,949**	**119,966**	**9,672**	**2,177,587**
At 31 July 2022	**2,146,333**	**128,146**	**4,142**	**2,278,621**

5.1 Impairment losses recognised in the year

There were no impairment losses recognized during the year.

5.2 Contractual commitments

At 31 July 2024, the Company had no contractual commitments for the acquisition of property, plant and equipment.

5.3 Assets pledged as security

The Company does not have any asset pledged as security for liabilities.

5.4 RIGHTS OF USE ASSET

	Rented Office
As at 31 July 2024	
Cost	**₦'000**
At 1 August 2023	12,235
Additions	-
Derecognition	-
As at 31 July 2024	**12,235**
Accumulated depreciation and impairment	
At 1 August 2023	7,936
Depreciation charge for the year	3,968
Derecognition	-
As at 31 July 2024	**11,904**
Carrying amount	
As at 31 July 2024	**331**
At 31 July 2023	**4,299**

Right-of-use assets relates to leased property that do not meet the definition of investment property are presented as property, plant and equipment.

The Company currently has one leased at Guzape, Abuja. The lease runs for a period of 4 years, with options to extend the period.

Notes to the financial statements

6 Lease liabilities

6.1 Leasing arrangements

The total lease payment was made in two tranches early in the lease arrangement hence NIL amounts are disclosed on the presentations on lease liability below:

6.2 Lease liabilities

Present value of minimum lease payments

	31-Jul-2024 ₦'000	31-Jul-2023 ₦'000
Year 1	-	-
Year 2	-	-
Year 3	-	-
Year 4	-	-
	-	**-**
Less: future finance charges	-	-
Present value of minimum lease payments	**-**	**-**

Included in the statement of financial position as:	31-Jul-2024 ₦'000	31-Jul-2023 ₦'000
Current	-	-
Non-current	-	-
	-	**-**

6.3 Lease liabilities

	31-Jul-2024 ₦'000	31-Jul-2023 ₦'000
Opening balance	-	-
Interest expense	-	-
	-	-
Lease payment	-	-
	-	**-**

NOTES TO THE FINANCIAL STATEMENTS

		31-Jul-2024	31-Jul-2023
6.4	**INTANGIBLE ASSET (BILLING SYSTEM)**		
	Cost	**₦'000**	**₦'000**
	At 1 August	22,088	22,088
	Additions	-	-
	At 31 July	**22,088**	**22,088**
	Amortisation & Impairment		
	At 1 August	4,418	2,209
	charge for the year (at 10% on cost)	2,209	2,209
	At 31 July	**6,626**	**4,418**
	Carrying amount		
	At 31 July 2024	**15,462**	**17,670**
	At 31 July 2023	**17,670**	**19,879**

		31-Jul-2024	31-Jul-2023
7	**INVENTORIES**	**₦'000**	**₦'000**
	Inventory items	**18,000**	**-**

		31-Jul-2024	31-Jul-2023
8	**TRADE AND OTHER RECEIVABLES**		
8.1	**Trade receivables**	**₦'000**	**₦'000**
	Trade receivables	4,769	-
	Advance payment to vendors	-	139,195
	Less: Expected credit loss allowance on trade receivables	(64)	-
	Net trade receivables	**4,705**	**139,195**

		31-Jul-2024	31-Jul-2023
8.2	**Other receivables**	**₦'000**	**₦'000**
	Other receivables	261,600	557,608
	Withholding tax credit notes	16	1
		261,617	**557,610**
	Trade & other receivables is analysed below		
	Current	266,322	416,001
	Non-current	-	280,803
		266,322	**696,804**

NOTES TO THE FINANCIAL STATEMENTS

8.3	**Expected credit loss allowance on trade and other receivables**	**31-Jul-2024**	**31-Jul-2023**
		₦'000	**₦'000**
	Balance as at 1-August	-	-
	Provision for impairment charge for the year	64	-
	Impairment charge no longer required	-	-
	Balance as at 31- July	**64**	**-**

Age analysis of receivables

Not Past due	**31-Jul-2024**	**31-Jul-2023**
	₦'000	**₦'000**
1-30 days	-	-
31-60 days	-	-
61-90 days	-	-
91 days and above	-	-

Past due but not impaired	**31-Jul-2024**	**31-Jul-2023**
	₦'000	**₦'000**
1-30 days	-	-
31-60 days	-	-
61-90 days	-	-
91 days and above	-	-

Past due and impaired	**31-Jul-2024**	**31-Jul-2023**
	₦'000	**₦'000**
1-30 days	-	-
31-60 days	-	-
61-90 days	-	-
91 days and above	-	-

9	**CASH AND CASH EQUIVALENTS (EXCLUDING BANK OVERDRAFT)**	**31-Jul-2024**	**31-Jul-2023**
		₦'000	**₦'000**
	Taj Bank	280	-
	SunTrust	261	931
	Fcmb	946	90
	Clear pay	1,024	-
	Legend pay	1	65
	Balance for statement of cash flow purposes at 31 July	**2,512**	**1,085**

Cash balances are unrestricted

NOTES TO THE FINANCIAL STATEMENTS

		31-Jul-2024	31-Jul-2023
10	**SHARE CAPITAL**		
	Issued and fully paid	**₦'000**	**₦'000**
	2,000,000,000 ordinary shares of ₦0.50 (2022:10,000,000)	**1,000,000**	**10,000**
	Reconciliation		
	As at 1 August	10,000	10,000
	Additional shares issued (1,990,000,000 ordinary shares)	990,000	-
	As at 31 July	**1,000,000**	**10,000**

		31-Jul-2024	31-Jul-2023
11	**RETAINED EARNINGS**	**₦'000**	**₦'000**
	Balance brought forward	442,440	195,926
	Result for the year	119,403	246,514
		561,843	**442,440**

		31-Jul-2024	31-Jul-2023
12	**TRADE PAYABLES**	**₦'000**	**₦'000**
	Trade payables	8,926	34,822
	Less: provision for impairment of trade payables	-	-
	Net trade payables	**8,926**	**34,822**

		31-Jul-2024	31-Jul-2023
13	**OTHER PAYABLES**	**₦'000**	**₦'000**
	Accrued PAYE	9,989	8,896
	Staff pension - employee	12,208	6,392
	Staff pension - employer	5,201	4,486
	Industrial Training Fund	2,756	1,758
	Nigeria Social Insurance Trust Fund	2,756	1,758
	Audit Fees	4,838	3,763
	Professional services	6,525	9,700
	Consultancy for customer care	6,811	6,811
	Installation cost	4,146	4,146
	Customer deposit	1,468	1,468
	Other accrued expenses	16,362	145,980
		73,059	**195,157**

		31-Jul-2024	31-Jul-2023
14	**INCOME TAX PAYABLE**	**₦'000**	**₦'000**
	Balance at 1 August	60,838	26,941
	Charge for the year	67,092	33,897
	Balance at 31 July	**127,930**	**60,838**

NOTES TO THE FINANCIAL STATEMENTS

14.1 Taxation

	31-Jul-2024	31-Jul-2023
Analysis of tax expense for the year		
	₦'000	**₦'000**
Current tax		
Income tax calculated at 30%	48,619	28,041
Education tax calculated at 3%	14,586	2,337
NASENI	774	701
Police levy	15	14
NITDA	3,098	2,804
Net current tax charge	**67,092**	**33,897**
Deferred tax		
Charge for the year	98,460	-
Income tax (credit)/expense charged to income statement	**165,552**	**33,897**
Charge for the year in OCI	**-**	**-**
Total income tax (credit)/expense recognised in current year	**165,552**	**33,897**

The charge for taxation in these financial statements were based on the provisions of the Companies Income Tax Act, CAP C21, LFN 2004 as amended ,the Education Tax Act, CAP E 4, LFN 2004 and the provisions of Finance Acts 2023.

Corporate tax is calculated at 30 per cent (2023: 30 per cent) of the estimated taxable profit for the year. The charge for taxation in these financial statements is based on the provisions of the Companies Income Tax Act, CAP C21, LFN, 2004 as amended.

The charge for education tax of 3 per cent (2023: 3 per cent) is based on the provisions of the Education Tax Act, CAP E4, LFN, 2004 and provisions of Finance Acts 2023.

NOTES TO THE FINANCIAL STATEMENTS

15 INCOME TAX RECONCILIATION

The income tax expense for the year can be reconciled to the accounting profit as follows:

	31-Jul-2024	31-Jul-2023
	₦'000	₦'000
Profit before tax from continuing operations	1,138,433	1,208,036
Income tax expense calculated at 30% of PBT	48,619	28,041
Education tax at3%(31 July 2023: 3%) of assessable profits	14,586	2,337
NITDA tax calculated at 1% of profit before tax (31 July 2023:1%)	3,098	-
NASENI tax calculated at 0.25% of profit before tax (31 July 2023: 0.25%)	774	701
Police Trust Levy calculated at 0.005% of profit before tax (31 July 2023: 0.005%)	15	14
	67,092	**31,093**
Adjustments recognized in the current year in relation to deferred tax of prior years	-	-
Income tax expense recognized in profit or loss (relating to continuing operations)	**67,092**	**31,093**
Effective tax rate	**6%**	**3%**

The reconciliations above adopts 30% as corporate tax rate for each year, and 3% as tertiary education tax rate for the year(31 July 2023:3%).They are in accordance with the relevant tax provisions for corporate entities in Nigeria on their taxable profits.

NOTES TO THE FINANCIAL STATEMENT

16 DEFERRED TAX (ASSET)/LIABILITIES

	31-Jul-2024 ₦'000	31-Jul-2023 ₦'000
At 1 Aug	-	-
Deferred tax (credit) or expense during the year	98,460	-
At 31 July	**98,460**	**-**

16.1 Reconciliation of Deferred Tax Balances (at the beginning and at the end of the year)

2024 **(Assets)/Liabilities:**	**Balance 1 August 2023** **₦'000**	**Profit or Loss** **₦'000**	**Balance 31 July 2024** **₦'000**
Tax credit	-	(16)	**(16)**
Property, Plant and Equipment	-	98,476	**98,476**
Net deferred tax(assets)/liabilities	**-**	**98,460**	**98,460**

2023 **(Assets)/Liabilities:**	**Balance 1 August 2022** **₦'000**	**Profit or Loss** **₦'000**	**Balance 31 July 2023** **₦'000**
Tax credit	-	-	**-**
Property, Plant and Equipment	-	-	**-**
Net deferred tax(assets)/liabilities	**-**	**-**	**-**

NOTES TO THE FINANCIAL STATEMENT

17 SUPPLEMENTARY NOTES TO CASHFLOW STATEMENT

Reconciliation of net income to net cash provided by operating activities

		Note	31-Jul-2024	31-Jul-2023
i	**Cash generated from operations**		**₦'000**	**₦'000**
	Operating profit before tax but after interest		284,954	280,411
	Adjustment to reconcile net income to net cash provided by operating activities:			
	Amortisation of intangible asset	6.4	2,209	2,209
	Depreciation of rights-of-use	5.4	3,968	3,968
	Depreciation of property, plant & equipment	5	154,036	149,006
	Finance cost		24,831	22,147
	Interest income		(35)	(26)
	Changes in assets and liabilities			
	Inventories		(18,000)	-
	Trade receivables		134,490	(139,195)
	Other receivables		295,993	(268,921)
	Trade payables		(25,897)	(89,195)
	Other payables		(122,098)	70,426
	Total adjustments		449,498	(249,581)
	Cash generated from operations after adjustment of working capital		**734,452**	**30,830**

		31-Jul-2024	31-Jul-2023
ii	**Interest paid**	**₦'000**	**₦'000**
	Accrued interest at beginning	-	-
	Interest charge for the year	24,831	22,147
	Total interest payable in the year	24,831	22,147
	Accrued interest at year end	-	-
	Cash interest paid	**24,831**	**22,147**

NOTES TO THE FINANCIAL STATEMENT

18 EXPECTED CREDIT ALLOWANCE - PROVISION MATRIX

Simplified approach was used to compute for the lifetime expected credit loss allowance for the receivables ending 31 July, 2024. In achieving this, the historical data of the customers, credit terms, actual their payments dates. The possibility of change in customers payment patterns into the future was also considered.

2024

Amount ₦'000	Ageing	Loss rate	ECL allowance ₦'000	Rate %
4,769	not overdue	1.3%	64	
-	overdue 1-30 days	100.0%	-	
-	overdue 31-60 days	100.0%	-	
-	overdue 61-90 days	100.0%	-	
-	overdue 91+ days	100.0%	-	
4,769	**Total ECL allowance**		**64**	**1.34%**

Historical data (2023) used to estimate loss rates for 2024

	Payments ₦'000	Receivables outstanding ₦'000	Receivables ageing	Loss rate %
Receivables as at July 31,2023	-	354,769	not overdue	1.3%
Paid on time	350,000	4,769	overdue 1-30 days	100.0%
due date	-	4,769	overdue 31-60 days	100.0%
due date	-	4,769	overdue 61-90 days	100%
Paid 61-90 days after due date	-	4,769	overdue 91+ days - not paid at all	100%

NOTES TO THE FINANCIAL STATEMENTS

19 REVENUE

	31-Jan-2024	31-Jul-2023
	₦'000	₦'000
Legend Pay[1]	3,665	14,601
Legend Fiber[2]	1,109,369	1,159,640
Legend Wifi[3]	15,712	24,426
Others[4]	9,686	9,369
	1,138,433	**1,208,036**

Legend Pay[1] is inclusive of AEDC, Airtime, DSTV, Merchant(users)
Legend Fiber[2] is inclusive of GE services,Triple play x, Triple play, Dual play, Internet only, FOD Dual play, FOD Triple play, Reconnection, Relocation,New Subscription
Legend Wifi[3] is inclusive of Guest Wifi, Guest Wifi(New sales), Legend Guest Wifi - Event
Others[4] is inclusive of IP Address, Support as a service(CPE), Legend Home

20 COST OF SALES

	31-Jul-2024	31-Jul-2023
	₦'000	₦'000
Legend Pay[1]	3,936	14,519
Infraco[2]	400,000	500,000
Fiber Installation[3]	22,277	19,955
Legend Home[4]	6,450	7,662
Others[5]	28,348	42,470
	461,011	**584,607**

Legend Pay[1] is inclusive of AEDC, Airtime, DSTV, Merchant(Users)
Infraco[2] is inclusive of infroco abuja and Niger
Fiber Installation[3] is inclusive of Material and Service
Legend Home[4] is inclusive of Full Home Cost, Smart Power, Camera
Others[5] is inclusive of CPE and Refund to customers

21 ADMINISTRATIVE EXPENSES

	Notes	31-Jul-2024	31-Jul-2023
		₦'000	₦'000
Director remuneration		18,000	17,350
Personnel cost	22	89,907	80,472
Staff welfare		51	224
Repairs and maintenance		2,906	6,213
Transport & travelling		22,462	8,638
Printing & stationeries		666	432
Website expenses		-	902
Board expenses		758	3,384
Office expenses		1,705	3,181
Office renovation		-	536
Fueling		2,521	3,893
Entertainment		446	541
Audit fees		4,838	1,613
Professional accounting fees		4,300	3,225
Other professional services		1,900	-
Consultancy - customer service		5,000	1,000
Legal fee		7,375	25
Bank charges		1,501	401
Marketing expenses		1,967	10,910
Licence and renewal		5,604	3,117
Security		-	374
Toll number		689	574
Telephone		-	170
Statutory filling		13,698	170
Rent		10,250	10,250
Insurance		300	-
Training		2,577	11
Industrial Training Fund		998	946
Nigeria Social Insurance Trust Fund		998	946
Medical		5,451	3,230
Janitorial services		529	2,988
Depreciation of rights-of-use	5.4	3,968	3,968
Amortisation of intangible asset	6.4	2,209	2,209
Depreciation of property, plant & equipment	23	154,036	149,006
		367,607	**320,897**

NOTES TO THE FINANCIAL STATEMENTS

		31-Jul-2024	31-Jul-2023
22	**PERSONNEL COST**		
		₦'000	**₦'000**
	Staff salaries	79,113	69,613
	Staff PAYE	4,262	4,517
	Staff pension	6,531	6,343
		89,907	**80,472**

(i) Employee information

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

	31-Jul-2024 Number	31-Jul-2023 Number
₦100,001 - ₦500,000	21	47
₦500,001 - ₦1,000,000	30	29
₦1,000,001 - ₦2,000,000	24	14
₦2,000,001 - ₦3,000,000	4	4
₦3,000,001 and above	3	3

		31-Jul-2024	31-Jul-2023
23	**DEPRECIATION EXPENSES**	**₦'000**	**₦'000**
	Fibre infrastructure	143,366	138,665
	Wi-Fi infrastructure	8,180	8,180
	Computer equipment	2,491	2,162
		154,036	**149,006**

		Notes	31-Jul-2024	31-Jul-2023
24	**OTHER GAINS/(LOSSES)**		**₦'000**	**₦'000**
	Net expected credit loss allowance for the year		(64)	-

		31-Jul-2024	31-Jul-2023
25	**PROFIT BEFORE TAXATION**	**₦'000**	**₦'000**
	This is stated after charging/(crediting):		
	Directors' remuneration	18,000	17,350
	Audit fee	4,838	1,613
	Depreciation and amortization	156,245	151,215

26 RELATED PARTY DISCLOSURES

(i) Key management personnel compensation

	31-Jul-2024 Executive Directors ₦'000	31-Jul-2023 Executive Directors ₦'000
Remuneration(excluding pension contributions) for Directors of the Company charged to the profit or loss are as follows:		
Short- term benefits:		
Salary	18,000	17,350
	18,000	**17,350**

(ii) Key management personnel and directors transactions

Directors of the company control 100 percent of the voting shares of the company
There are no significant transactions with key management personnel and directors transactions

(iii)	**Numbers and cadre of key management personnel**	**31-Jul-2024 Number**	**31-Jul-2023 Number**
	Director	1	3
	Managing Director (MD)	1	1
	Senior Manager (SM)	3	1
	Manager (M)	5	6

(iv)	**Salary Range**	**31-Jul-2024 Number**	**31-Jul-2023 Number**
	₦8,000,000 and above	1	1

NOTES TO THE FINANCIAL STATEMENTS

27 EARNINGS PER SHARE

a Basic

Basic earnings per share is calculated by dividing the net profit attributable to equity holders of the Company by the weighted average number of ordinary shares in issue during the year, excluding the average number of ordinary shares purchased by the Company and held as treasury shares.

	31-Jul-2024	31-Jul-2023
	₦'000	₦'000
Profit/(loss) attributable to equity holders	119,403	246,514
Weighted average numbers of ordinary shares at year end (thousands)	2,000,000	10,000
Basic and diluted earnings/(loss) per share (kobo)	6	2,465

b Diluted

Diluted earnings per share is calculated by adjusting the weighted average number of ordinary shares outstanding to assume conversion of all dilutive potential ordinary shares.

Diluted earning per share is the same as basic earnings per share

28 FINANCIAL INSTRUMENTS

28.1 Capital risk management

The Company manages its capital to ensure that the Company will be able to continue as a going concern.

The capital structure of the company consists of equity attributable to equity holders of the company, comprising issued capital and retained earnings.

The Company is not subject to any externally imposed capital requirements.

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

28.2 Critical judgements and significant estimates

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.**

NOTES TO THE FINANCIAL STATEMENTS

28.3 Categories of financial instruments

Financial assets	**31-Jul-2024**	**31-Jul-2023**
	₦'000	**₦'000**
Cash and bank balance	**2,512**	**1,085**
Receivables		
Trade receivables	4,705	139,195
Other receivables	261,617	557,610
	266,322	**696,804**
Financial liabilities		
Financial liabilities at amortized cost		
Trade payables	8,926	34,822
Other payables	73,059	195,157
	81,985	**229,980**

28.4 Financial risk management objectives

A financial risk management framework is in place, where appropriate, to mitigate any negative impact that financial risks that may arise will have on the Company's reported results.

The Company's senior management oversees the management of risks to ensure that financial risks are identified, measured and managed in accordance with Company's policies for risk.

Risk management policies and systems are reviewed regularly to reflect the changes in market conditions and the company's activities. The Board of Directors reviews and agrees policies for managing each of these risks which are summarised below.

The company does not trade in financial instruments, nor does it take on speculative or open positions through the use of derivatives.

28.5 Foreign currency risk management

Foreign currency risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in foreign exchange rates. 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 Company's exposure to the risk of changes in foreign exchange rates is hedged and minimised proactive application for forex.

NOTES TO THE FINANCIAL STATEMENTS

28.6 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's credit risk exposure is limited to the credit sales availed to few customers with great records of payment on time and without defaulting and loans availed to its members of staff. Both credit sales and staff loans are subject to management approval and are continuously monitored.

The carrying amount of financial assets represents the company's maximum exposure to credit risk, which at the reporting date, was as follows:

	31-Jul-2024	31-Jul-2023
	₦'000	₦'000
Receivables	266,322	696,804

28.7 Collateral held as security and other credit enhancements

The carrying amount of financial assets recorded in the Management financial statements represents the company's maximum exposure to credit risk as no collateral or other credit enhancements are held. The asset comprise of loans to staff members and due repayment is deducted from staff salary at source.

28.8 Liquidity risk management

Liquidity risk is the risk that the company is unable to meet its current and future cash flow obligations as and when they fall due, or can only do so at excessive cost. This includes the risk that the company is unable to meet settlement obligations to the acquiring banks due to failure of an issuing bank to pay.

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.

NOTES TO THE FINANCIAL STATEMENTS

28.9 Maturity risk

The following tables show the Company's contractual maturities of financial liabilities:

Financial liabilities at amortised cost	Note	Carrying amount ₦'000	Contractual cashflows ₦'000	Less than one year ₦'000	More than one year ₦'000
		31-Jul-2024			
Loan		16,674	16,674	16,674	-
Trade payables	12	8,926	8,926	8,926	-
Other payables	13	73,059	73,059	73,059	-
		98,660	**98,660**	**98,660**	**-**
		31-Jul-2023			
		₦'000	**₦'000**	**₦'000**	**₦'000**
	Note				
Loan		25,627	25,627	25,627	-
Trade payables	12	34,822	34,822	34,822	-
Other payables	13	195,157	195,157	70,426	124,731
		255,607	**255,607**	**130,876**	**124,731**

It is not expected that the cash flows included in the maturity analysis could occur significantly earlier, or at significantly different amounts.

29 FAIR VALUE ON FINANCIAL INSTRUMENTS

The directors consider that the carrying amounts of financial assets and financial liabilities recorded in the Management financial statements approximate their fair values.

30 CAPITAL COMMITMENTS

There are no material commitments for capital expenditure not provided for in these Management financial statements.

31 CONTIGENTS LIABILITIES AND CONTIGENTS ASSETS

There were no contingent liabilities and assets as at 31 July 2024

32 EVENTS AFTER THE REPORTING PERIOD

The Directors are of the opinion that there were no events after the reporting period that could have material effect on the state of affairs of the Company at 31 July, 2024 and on the profit for the year ended on that date that have not been taken into accounts in these Management financial statements.

33 APPROVAL OF FINANCIAL STATEMENTS

The financial statements were approved by the Board and authorised for issue on

30 December 2024.

VALUE ADDED STATEMENT

	Note	31-Jul-2024 ₦'000	%	31-Jul-2023 ₦'000	%
Turnover		1,138,433		1,208,036	
Interest income		35		26	
		1,138,467		1,208,062	
Bought in goods and services		(680,990)		(673,817)	
Value added		**457,477**	**100**	**534,246**	**100**
Applied as follows:					
To pay employees					
Staff costs	22	85,644	18.7	75,955	14.2
To pay government					
Income tax expense	14.1	71,354	15.6	38,414	7.2
To providers of capital					
Finance cost	26	24,831	5.4	22,147	4.1
To provide for replacement of assets and expansion					
Amortisation of intangible asset	6.4	2,209	0.48	2,209	-
Depreciation of property, plant & equipment	23	154,036	33.7	149,006	27.9
Profit for the year		119,403	26.1	246,514	46.1
		457,477	**100**	**534,246**	**100**

Value added represents the additional wealth the company has been able to create by its own and its employees' efforts. This statement shows the allocation of that wealth among employees, shareholders, government, capital providers and that retained for the future creation of more wealth.

OTHER NATIONAL DISCLOSURES

Three Years Financial Summary

	2024	**2023**	**2022**
	₦'000	**₦'000**	**₦'000**
Non current assets	2,738,619	2,480,360	2,306,767
Net current assets/(liabilities)	(38,216)	225,372	27,719
Less non current liabilities	-	(124,731)	-
	2,700,403	**2,581,001**	**2,334,487**
FINANCED BY			
Share capital	1,000,000	10,000	10,000
Deposit for shares	1,138,561	2,128,561	2,128,561
Retained earnings	561,843	442,440	195,926
	2,700,403	**2,581,001**	**2,334,487**

TURNOVER, PROFIT AND TAXATION

Revenue	1,138,433	1,208,036	1,216,806
Profit before taxation	284,954	280,411	222,867
Taxation	(165,552)	(33,897)	(26,941)
Profit after taxation	**119,403**	**246,514**	**195,926**
Basic earnings/(loss) per share (in kobo)	6	2,465	1,959
Net asset price per share (in kobo)	135	25,810	23,345

Earnings/loss per share are based on profit/ (loss) after taxation and the number of issued and fully paid ordinary shares at the end of each financial year.

Net assets/(liabilities) per share is based on the number of ordinary shares in issued at the end of each financial year.