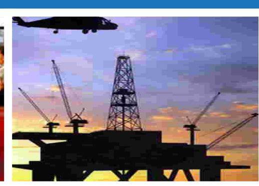
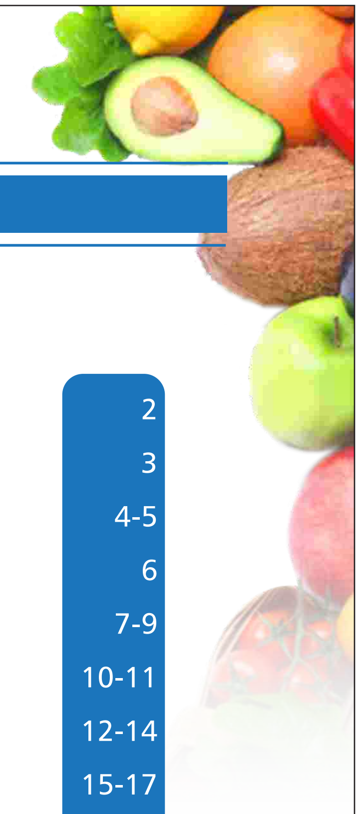


www.aslafrica.com

2015 Annual Report & Accounts

ASL
AIRLINE SERVICES AND LOGISTICS PLC
RC:304508
www.aslafrica.com

"WE BRING PASSION AND DEDICATION TO OUR WORK. OUR ENERGY COMES FROM THE ENJOYMENT WE DERIVE FROM WHAT WE DO."



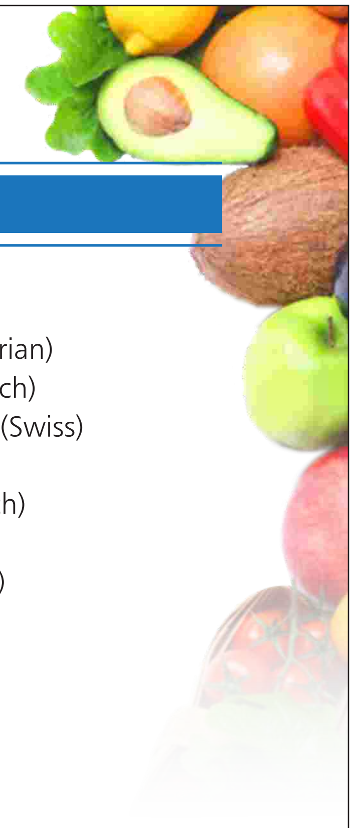
CONTENTS

VISION

"To be the leading provider of catering and hospitality services in Africa as an African organization."

MISSION

Determined drive towards excellence as the number one Pan-African service provider in catering, hospitality and cold chain logistics by employing modern technology, dedicated and professional staff.



CORPORATE INFORMATION

BOARD OF DIRECTORS

Chairman	Mr. Richard T. Akerele (Nigerian)
Managing Director/Chief Executive Officer	Mr. Laurent Moussard (French)
Non-Executive Directors	Mr. Jonathan Stent-Torriani (Swiss) Mr. Olivier Sadran (French) Mr. Matthieu Jeandel (French) Mr. Olivier Suarez (French)
Independent Director	Mr. Labi Ogunbiyi (Nigerian)

PROFESSIONAL ADVISERS

Company Secretary & Legal Adviser	LPC Solicitors Stonehouse, 9, Oyo Close Off Niger Street Parkview Estate Ikoyi, Lagos
Registrar	Meristem Registrars Limited 213, Herbert Macaulay Way Adekunle-Yaba Lagos
Auditors	Akintola Williams Deloitte Chartered Accountants 235, Ikorodu Road P. O. Box 965, Marina Lagos
Bankers	Access Bank Plc Ecobank Nigeria Plc Guaranty Trust Bank Plc Stanbic IBTC bank Plc

REGISTERED OFFICE

1, Service Street
P. O. Box 4953,
Murtala Muhammed International Airport
Ikeja, Lagos.

WEBSITE

www.aslafrica.com

Airline Services & Logistics (ASL) Plc is the leading provider of catering and hospitality services to international airlines and airports in Nigeria. Our services are provided in accordance with international quality and hygiene standards, known as Hazard Analysis Critical Control Point (HACCP) standards. For over seventeen (17) years, ASL Plc has consistently delivered premium catering services to the civil aviation sector and now expands its world class services to the Oil & Gas sector and aviation catering in Rwanda.

Due to her impressive track records of quality service delivery, rapid growth and consistent business success, ASL was listed on the Nigerian Stock Exchange (NSE) in 2007; after NSE had created a new sector in its daily official list (airline services sector) to admit her.

As at December 2015, ASL had shareholders' funds of N2.1 billion and annual turnover in excess of N4.5 billion.

The ASL Plc's team, consisting of seasoned Nigerian professionals and international technical partners, continually deliver the following to our discerning clients:

- Exceptional value for money via efficient bespoke solutions - achieved through significant Investment in human capital, technology and infrastructure.
- A fully customizable catering experience that is wrapped in best-in-class supply chain, project and customer service delivery management processes and practices.
- Highly trained and specialized workforce. Our commitment to our customers requires continuous investment in personnel training.
- International standards and best practices - ASL Plc continues to maintain world class operations that exceed the demands of the industry.

Presently, ASL employs over 400 full time staff and caters to 500 flight handlings per month, over one million meals annually.

CORE VALUES

OUR CORE VALUES INCLUDE:

- **Safety**
  We remain always committed to ensuring that we keep our work environment, products and services safe and that we are familiar with the work plan and perform our work in a manner which will not create or leave hazards which may result in accident involving our staff and other people. We cultivate the habit of reporting hazards, unsafe practices and accidents immediately.

- **Excellent Customer Service**
  Our customers' requirement is the cornerstone upon which we organize our resources and efforts. We pursue continuously, improvement efforts aimed at satisfying our customers.

- **Partnership**
  We truly value collaboration, believing that by fusing our skills, resources and experiences, we see further, move faster, work smarter and achieve more.

- **Integrity**
  We are the same within the walls of our office as we are outside. We believe in honesty, sincerity, doing the right things and being straightforward. We apply these qualities to our processes, communication and interactions.

- **Responsibility**
  We adopt an ownership approach, ensuring we take charge where necessary, see tasks through and protect the assets which are placed in our hands.

- **Openness**
  We remain always receptive to people and ideas, we do our best to keep our system transparent and accessible.

- **Zeal**
  We bring passion and dedication to our work. Our energy comes from the enjoyment we derive from what we do.

OUR SPECIALIZED SERVICES (SKY HIGH SOLUTIONS)

Our specialized services are delivered to the highest international standards and always exceed clients' expectations. Little wonder we are the Preferred Catering Partner to the global Aviation Industry in sub-Saharan Africa.

We maintain consistent quality service delivery, contracting integrity and agility throughout the contract life cycle; thus providing significant cost savings, satisfaction and peace of mind to our clients.

In Flight Catering

Provision of in-flight catering services to many of the world's leading airlines. Our on-board catering services are provided for international flights out of Nigeria and Rwanda.

Lounge Operations

Management of airline lounges on behalf of clients for First and Business Class passengers: operations, maintenance, internet access, shower facilities, bar and food services.

Restaurants and Bars

Management of restaurants and bar outlets within Lagos and Abuja International Airports. These outlets serve meals, beverages and refreshments to the traveling public.

Duty Free Outlets

Management of duty free outlet at Murtala Mohammed International Airport, Lagos

FINANCIAL HIGHLIGHTS
For the year ended 31 December 2015

	The Group			The Company		
	2015 N'000	2014 N'000	Absolute Changes %	2015 N'000	2014 N'000	Absolute Changes %
Revenue	4,550,904	3,554,803	28	3,596,942	3,232,552	11
(Loss)/ profit before tax	(56,823)	171,128	(133)	(62,763)	247,058	(125)
(Loss)/ profit after tax	(57,260)	171,954	(133)	(62,763)	247,058	(125)
Other Comprehensive income	(99,801)	103,925	(196)	(204)	167	(222)
Total Comprehensive income	(157,061)	275,879	(157)	(62,967)	247,225	(125)
Revenue Reserves	1,409,495	1,569,028	(10)	1,614,456	1,772,319	(9)
Investment Revaluation Reserve	1,501	1,705	(12)	1,501	1,705	(12)
Foreign Currency Translation Reserve	2,913	72,630	(96)	-	-	-
Share Capital	317,000	317,000	-	317,000	317,000	-
Share Premium	342,000	342,000	-	342,000	342,000	-
Equity attributable to owners of the Company	2,072,909	2,302,363	(10)	2,274,957	2,433,024	(6)
Non-controlling Interest	8,045	30,751	(74)	-	-	-
Market Capitalisation as at December 31	1,401,140	1,077,800	30	1,401,140	1,077,800	30
Total Issued Shares	634,000	634,000	-	634,000	634,000	-
* Earnings per share (kobo)	(10)	28	136	(10)	28	136
Nigerian Stock Exchange Share Price (Naira as at December 31)	2.21	1.70	30	2.21	1.70	30

*Earnings= Profit after Tax

NOTICE OF ANNUAL GENERAL MEETING
For the year ended 31 December 2015

NOTICE IS HEREBY GIVEN that the 20th Annual General Meeting of Airline Services & Logistics Plc will hold at Golden Tulip Hotel, Off Amuwo Odofin/Festac Link Road, Amuwo Odofin Lagos on Thursday, June 9, 2016 at 12 noon to transact the following business:

ORDINARY BUSINESS

1. To lay before the meeting the Audited Financial Statements for the year ended December 31, 2015 and the Report of the Directors, Auditors and Audit Committee thereon.
2. To elect/re-elect the following directors
   a) Directors seeking election:
      - Laurent Moussard
      - Olivier Suarez
      - Matthieu Jeandel
      - Constantine Labi Ogunbiyi

   b) Directors seeking re-election:
      - Richard Akerele
      - Jonathan Stent-Torriani
3. To authorize the Directors to fix the remuneration of the External Auditors
4. To elect members of the Audit Committee

SPECIAL BUSINESS

To consider and, if thought fit, pass the following resolutions as special resolutions

1. That the name of the Company be changed from Airline Services and Logistics Plc to Newrest ASL Nigeria Plc.
2. That the Memorandum of Association of the Company be amended by deleting all references to the name Airline Services and Logistics PLC and replacing same with the name Newrest ASL Nigeria Plc
3. That the Articles of Association of the Company be amended as follows:
   i. By deleting all references to the name Airline Services and Logistics PLC and replacing same with the name Newrest ASL Nigeria Plc
   ii. That Article 8 of the Articles of Association as stated below be deleted:
   "The Directors may in their absolute discretion and without assigning any reason therefore decline to register any transfer of shares (not being a fully paid share), to any person and may also decline to register any transfer of shares on which the Company has a lien.

   The Directors may also suspend the registration of transfers during the fourteen days immediately preceding the ordinary general meeting in each year. The Directors may refuse to register any instrument of transfer, unless;

   (a) A fee not exceeding twenty-five kobo is paid to the Company in respect thereof;
   The instrument of transfer is accompanied by the certificate of the shares to which it relates, and such other evidence as the Directors may reasonably require to show the right of the transferor to make the transfer and if the Directors refuse to register a transfer of any shares, they shall within two months after the date on which the transfer was lodged with the Company send to the transferee notice of the refusal"

   iii. That the following clause "but the Directors shall in either case, have the same right to decline or suspend registration as they would have had in the case of a transfer of the share by the deceased or bankrupt person before the death or bankruptcy" be deleted from Article 10.

iv. That Article 20 of the Articles of Association as stated below be deleted:

"No member shall be entitled to vote at any General Meeting unless all calls or other sums currently payable by him to the Company in respect of shares of the Company have been paid"

v. That Article 39 of the Articles of Association be amended to read as follows:

"A person may be a director of the Company notwithstanding that he is seventy (70) or more of age but special notice shall be required of any resolution appointing or approving the appointment of such director and the notice given to the Company and by the Company to its members shall state the age of the person to whom it relates"

vi. That the word "email" be included in Article 42 of the Articles of Association to read as follows:

"Notices of a Meeting of Directors shall be given to all Directors whether or not present in Nigeria and shall be given by personal delivery, email or by telex or telefax/courier service, cablegram, and confirmed by registered mail (or, if to an address outside Nigeria, registered airmail) to such address as the Director may have notified to the Company for the giving of notice to him."

vii. That a new Article be inserted after Article 42 as follows:

"43.There shall be given 14 (fourteen) days notice in writing to all directors entitled to receive notice provided that with the consent of all the directors, this period may be shortened/waived."

viii. That the sentence "In no case shall the Chairman have a second or casting vote" be deleted from Article 46.

ix. That a new Article be inserted after Article 47 as follows:

"48.Any Director may validly participate in Board meetings by conference telephone or other form of communication equipment provided all persons participating in the meeting are able to hear and speak to each other throughout the meeting. A person so participating shall be deemed to be present in person at the meeting and shall accordingly be counted in a Board quorum and entitled to vote. Such meeting shall be deemed to take place where the largest group of those participating is assembled or, if there is no group which is larger than any other group, where the chairman of the meeting is"

x. That Article 47 be amended as follows:

"47.A resolution in writing signed by each of the Directors or a decision communicated by email or facsimile by all the directors shall be as effective as a resolution passed at a Meeting of the Directors duly convened and held, and may consist of several documents in the like form, each signed by one or more persons

xi. That Article 50 be amended as follows:

"50.The Directors may from time to time appoint one or more of their number to any executive office including that of Managing Director and /or Chief Executive Officer for such period, on such terms and at such remuneration as they think fit and subject to the terms of any agreement made between the Director and the Company, may revoke such appointment. A Director so appointed shall not, while holding office, be subject to retirement by rotation or be taken into account in determining the rotation of retirement of Directors; but (subject to any right to treat such determination as a breach of contract) his appointment as Managing Director and/or Chief Executive Officer shall be subject to determination if he ceases for any cause to be a Director of the Company. Similarly, a Managing Director and/or Chief Executive Officer shall automatically cease to be a director if his employment as Managing Director and/or Chief Executive Officer is determined".

xii. That following the above amendments, the Articles of Association be re-numbered accordingly.

NOTICE OF ANNUAL GENERAL MEETING
For the year ended 31 December 2015

Dated this 21st day of March, 2016

BY ORDER OF THE BOARD

BY ORDER OF THE BOARD

LPC SOLICITORS
COMPANY SECRETARY

REGISTERED OFFICE:
1, Service Street,
Murtala Muhammed International Airport
Ikeja, Lagos.

NOTES:

1. PROXY
A member of the Company entitled to attend and vote at the Annual General Meeting is entitled to appoint a proxy to attend and vote on his/her behalf. A proxy need not be a member of the Company. A proxy form is attached to the Annual Report and to be effective, all instruments of proxy should be completed, duly stamped by the Commissioner of Stamp Duties and deposited at the registered office of the Company or at the office of the Registrar of the Company, Meristem Registrars Limited, 213, Herbert Macaulay Way, Sabo-Yaba, Lagos not later than 48 hours before the time fixed for the meeting. A corporate member of the Company is required to execute a proxy under seal.

2. CLOSURE OF REGISTER & TRANSFER BOOKS
The Register of Members and Transfer Books of the Company will be closed from May 16, 2016 to May 20, 2016 (both days inclusive).

3. AUDIT COMMITTEE
In accordance with Section 359(5) of the Companies and Allied Matters Act, 2004 any member may nominate another shareholder as a member of the Audit Committee by giving notice in writing of such nomination to the Company Secretary at least 21 days before the Annual General Meeting.

4. RIGHTS OF SHAREHOLDERS TO ASK QUESTIONS
Shareholders have a right to ask questions not only at the Meeting, but also in writing prior to the Meeting, and such questions must be submitted to the Company on or before Thursday, May 26, 2016.

Distinguished shareholders, fellow directors, ladies and gentlemen, it is with great pleasure that I welcome you all to the 20th Annual General Meeting (AGM) of your Company, Airline Services & Logistics Plc. Before I present to you the financial statements for the financial year ended 31st December 2015, I will highlight some of the key events in our operating environment that contributed to our performance for the year.

PREVAILING ECONOMY

The Nigerian economy as you know is largely dependent on crude oil, therefore, the fall in world crude oil prices significantly impacted our economy as Nigeria's foreign reserves experienced a steady decline leading to increasing supply gap in the foreign exchange market. As demand for Dollars increased, there was immense pressure on the Naira which led to the further devaluation of the Naira by the Central Bank of Nigeria in February 2015 by 18% and interest rates on loans increased.

2015 was a General Election year with the usual incumbent heightened anxiety which led to a significant decline in passenger traffic. Fortunately, our Country witnessed a peaceful change in Government at the Federal level in April.

Nigeria also experienced acute fuel shortages in April which severely affected business activities, and resulted in increase in the general cost of living. This in addition to the inability of some State Governments to pay salaries, service their debt obligations to Banks and pay contractors put pressure on consumer spending. In all, the devaluation of the Naira, general increase in cost of living, and pressure on consumer spending resulted in higher operational costs for your company in 2015.

MR. RICHARD AKERELE
Chairman

"The Board will work closely with the Management to explore all productive avenues to enhance the viability of our Company and ensure added returns to Shareholders."

REVIEW OF THE AVIATION INDUSTRY

During the year many domestic airlines expanded flight operations on both international and local routes. The weaker Naira and decline in government revenue impacted negatively on travel demand and as experienced by ASL, international passenger traffic declined especially from Lagos.

President Muhammedu Buhari appointed Rotimi Amaechi and Hadi Sirika as Minister and Minister of state respectively.

PERFORMANCE REVIEW

In 2015, your Company commenced operations from a brand new unit in Abuja. This should lead to potential revenue increase. The initial additional cost of operating from the Abuja Unit will be compensated with the expected increase in Revenue. ASL started catering to South Africa Airways from Abuja in February 2016.

2015 was the first full year of operation for ASL Rwanda which contributed significantly to the increase in revenue. In 2015 your Company went through some transitional changes as Newrest, a global player in multi-sector catering became the major shareholder in ASL and took over the management of the company in October of 2015.

The Company experienced changes in the composition of the Board with the retirement of our very eminent Chairman Ambassador Dele Cole and Director Otunba Onafowokan in addition to the resignation of Jumoke Ogundare and Sadiq Muhammed. The new members of the board are Jonathan Stent Torriani, Matthieu Jeandel, Olivier Sadran, Olivier Suarez and Labi Ogunbiyi our independent director. There was also a change in the Executive Management with my retirement as your CEO and the appointment of Laurent Moussard as the new CEO.

With the challenges of the economic landscape, increase in operational costs and one off transition costs incurred, your company has posted the following result:

- Increased turnover of 28% in comparison with 2014
- Reduction in cost of sales percentage to 33% compared with 37% in 2014
- Loss of N57m

DIVIDEND

With the loss recorded for the year the Board has proposed there be no dividend for the year ended December 2015.

OUTLOOK FOR 2016

There is every indication that the year will be challenging for the Company as two new competitors in the Nigerian Aviation catering industry are poised to start operations. However, the new Management has been able to adjust to the new economic climate and all indications are that there will be an improvement in our operation figures. As such, the board is considering an interim dividend later in the year.

With the expertise of the new Board and Executive Management, your company shall in 2016, focus on making progress on strategic goals, whilst coping with the difficulties of the economic environment. With prudent control of capital expenditure and operating expenditure, your company is positioning itself to continue being a clear leader in its sphere of operation.

The Board will work closely with the Management to explore all productive avenues to enhance the viability of our Company and ensure added returns to Shareholders.

BOARD CHANGES

As mentioned above there were board changes. We are hopeful that the new Board members with their wealth of experience, will contribute immensely to the growth of our Company

CONCLUSION

Distinguished Shareholders thank you for your continued support, co-operation and encouragement. I thank my colleagues on the Board for their support in charting the strategic direction for the Company. We owe a debt of gratitude to the regulatory authorities for their continued support. To our customers we say thank you, without you there will be no ASL.

I must not forget our most prized asset, the loyal and dedicated staff of ASL Plc, your hard work is much appreciated.

Finally, I thank the Management for their dedication and commitment during a demanding year.

Distinguished shareholders, gentlemen of the press, ladies and gentlemen, I thank you most sincerely for your attention.

Richard Akerele
Chairman

MR. LAURENT MOUSSARD
Managing Director/CEO

INTRODUCTION

LADIES AND GENTLEMEN:

This is my first Annual General Meeting as the Chief Executive Officer of this prestigious company and I would like to thank the board, management and staff for the support I have enjoyed since my resumption into office. My motto has always and will always be, together, we can achieve greatness.

I would like to present a summary of our performance in 2015, our business plans for 2016, our position within the industry and the future of our company as a part of the Newrest Group

THE YEAR UNDER REVIEW

As we are all now aware, ASL group has now partnered with an internationally known catering group called NEWREST GROUP. Newrest Group is a global leader in multi-sector catering, the only caterer active in all catering related hospitality segments, including in – flight, rail, buy on board, duty free, remote site and support services. In airline catering Newrest has an extensive network of operations in 50 countries and over 90 airports. Since its arrival, Newrest has started to infuse her over 10 years of global experience and expertise into the Nigerian market with a view to impacting the country in the most professional way. 2015 has seen an increased pressure from the tax authorities to review past tax returns and collect any unpaid tax. There was no exception for ASL and following a TAX audit, we have had to pay an exceptional tax charge pertaining to the years 2007 to 2014.

The year 2015 was for lack of a better word, very tough. The aviation sector suffered a great deal of setback owing majorly to the foreign exchange fluctuation and government policies on foreign exchange transfers. Also, there has been significant increase in charges from the authorities however, ASL has managed to stay afloat based on its status as an enterprise within the Export Processing Zone and our commitment to use the resources available to us within the group to enhance a more efficient and profitable organization.

We have in the past diversified with the prospect of achieving results in the following years however;

> "We are confident that with our new strategy, and the global support of Newrest, we will not only keep our clients but win new clientele."

this has proved to be even more challenging with the market forces as well as in most cases, government interference.

Our most able chairman who was the CEO until October 2015 had mentioned in his statement for the year 2014 that we were to brace up for the year 2015 as it would be very competitive, this we did prepare for, and however, what we did not prepare for was the down turn in the economy which unfortunately has not improved.

With the support of the Newrest Group and more importantly, the management and staff of ASL, we are gearing up for a very difficult but promising 2016.

OPERATIONS

In the year under review, there was massive concentration on safety, security and unit audit from majority of the airlines and ICAO, this may not be unconnected to the 2 new catering units who are building very fast and are expected to start up operations in 2016. We improved on compliance to HACCP procedures, we had Halal recertification in the Lagos unit and the Abuja unit was HALAL certified, the ISO 9001:2008 Quality Management Systems Surveillance was done by the Standard Organization of Nigeria and ASL was adjudged remarkable. Even though the market will be saturated, the new teams have been able to revamp the system and infuse more cost effective lean management system of operations. We are confident that with our new strategy, and the global support of Newrest, we will not only keep our clients but win new clientele.

The passenger traffic at the airports have not been encouraging also the influx of small bars & restaurants, lounges at the Lagos airport has made it difficult to capture a large share of the travelling passengers. However, with the introduction of a new airport operation professional, ASL has been able to stay above the competition. Constantly improving on the menu, training and retraining of the staff on customer service and communication, improved order/purchase process and implementation of control on revenue leakages

REVENUE

Revenue increased in the year under review by 28%. Revenue increase was due mainly to ASL Rwanda whilst the revenue in Lagos and Abuja was not so much due to the reduction in passenger traffic

Revenue from Lounges increased by 16% whilst restaurant increased by 31%, this was due in part to the chef's improvement on the menu and incentives given to best performing sales personnel.

Revenue from our subsidiary, Reacon Duty free declined by 22% in comparison with 2014 due mainly to increased competition as there was an entry of 2 new duty free shops now operating at the departure area of the Lagos International Airport

RESOURCES

We have so far enjoyed a cordial relationship with the union. As would be expected, the transition process is not an easy one but not impossible. This is still ongoing even though the staff have shown a great deal of interest in learning and understanding new techniques, management is working hard to see that everyone aligns with the system to achieve the overall goals of the organization.

As we continue to work towards efficiency, we have migrated from the former not so effective software to a more user friendly and most effective one. All staff have been trained on this system making it easy to plan, order, reducing unnecessary emergency purchase, access risks, invoice and minimize wastage.

All standalone printers have been replaced with 3 multifunctional printers for Lagos and Abuja which has drastically reduced cost on maintenance services and ink/cartridge purchases

In view of the managements policy to cut down on perceived excesses, without losing value, 3 executive positions were exited during the year under review namely, the General Manager, Business Development Manager and Executive Chef.

It is important to note that it is the management's intention to focus on empowering the staff in order to improve the quality and enhance efficiency. This as you can imagine will go a long way in encouraging the talented staff and ensuring knowledge sharing and succession planning within the system.

THE FUTURE

Looking ahead we intend to continue looking at every opportunity to improve our processes as well as to capture any cost saving through improved procurement process.

In 2016 ASL will face the starting of operations of two additional competitors in Lagos, which may result in pressure on the selling prices and revenues, it is therefore primordial that we prepare ourselves for this new situation and enhance our competitiveness.

In conclusion, I wish to state that we are committed to ensuring our company ASL continues to be the leading provider of catering and hospitality services in Sub Saharan Africa so our shareholders will enjoy bountiful returns on their investments.

Thank you.

MR. RICHARD AKERELE – *Chairman* 1

Mr. Akerele holds a Masters Degree in Business Administration from Western Illinois University.

He is a management professional with over twenty years experience in the Nigerian telecommunications, business and aviation services sector. He is a former member of the Board of Directors of EKO L'Meridian Hotels and a consultant for Forte Hotels in Nigeria. Mr. Akerele was a member of the Nigerian Economic Summit Group and a former Chairman of the sub-committee for the Nigerian Civil Aviation Authority. He was appointed a member of the Federal Government of Nigeria's Committee in Revenue Generation in the Aviation sector. In 2007, Mr. Akerele and his team won the "Africa Investor Award for Privatisation Deal of the Year". He is currently the Honorary Consul of the Republic of Rwanda in Nigeria

MR. LAURENT MOUSSARD – *Chief Executive Officer* 2

Mr. Laurent Moussard graduated from the Institute Superieur de Gestion, a French business school in 1993 and commenced his career in the Institute as the Institute's representative for Vietnam.

In 1995, following a joint venture between Servair and Macau Catering Services in France, Mr. Moussard was employed as the Assistant Manager for Administration and Finance. He held the following positions in the Joint Venture Company between 1995 and 1998 – Assistant Manager for Operation Department, Marketing & Method Manager and Customer Services & Operations Manager.

He joined Gate Gourmet, Japan, in 1998 as the Sales & Marketing Manager. He served in various capacities within the group such as Assistant General Manager (Gate Gourmet, France), General Manager (Gate Gourmet, Copenhagen, Denmark), Commercial Director (Gate Gourmet, Scandinevie) and Managing Director (Gate Gourmet, Hong Kong).

He returned to Servair in 2008 to serve as its Director for Asia. Before his appointment as the Chief Executive Officer of Airline Services & Logistics Plc, he was a Director with Food Solution Consulting Almaty, Kazakhastan.

MR. OLIVIER SADRAN – *Director* 3

Mr. Sadran is the founder of Catair in France in 1996 and was principally responsible for the development of the company under the name of Eurest In-flight Services. He is a French entrepreneur and the principal shareholder of several French companies in different sectors. He is currently the Co-Chief Executive Officer of Newrest First Catering Ltd.

MR. JONATHAN STENT-TORRIANI – *Director* 4

Mr. Jonathan Stent-Torriani is the co-founder, co –owner and has been the co-chief executive officer of Newrest Group since 2006. He has strategic and senior management experience acquired over numerous years in the Airline Catering, Industrial Catering and Hotel Services industries.

He worked for Gate Gourmet Group (GGG) from 1991 to 1997 in various roles, including Managing Director for Operations Management and Managing Director of Operations in South Africa. He left Gate Gourmet Group in 1997 and joined Naunce Group as the Chief Executive Officer of its operations in Australasia. He returned to Gate Gourmet Group to serve as the President of the European Division from 2000 to 2004.

He joined the Compass Group in 2004 and served as its Chief Executive Officer for the Southern Europe region from 2004 to 2006.

He holds a BA in History & Economics from McGill University, Canada in 1989 and Diploma (Masters of Science equivalent) from Ecole Hoteliere de Lausanne in 1991

BOARD OF DIRECTORS

MR. MATTHIEU JEANDEL – Director 5

Matthieu held various financial roles first with Thalès, then with Deloitte & Touche Corporate Finance. He joined Compass Group in 2003, based in Dubai with responsibility for finance in the Middle East and Africa.

He joined Newrest in 2006 and is currently in charge of Finance and Administration. He is based in Toulouse, France.

MR. OLIVIER SUAREZ – *Director* 6

Olivier has been working for the Newrest Group since 1998. He holds degree in International Public Law from Aix en Provence University of Law.

He has held several positions as Commercial and Country Manager (France, Spain). Olivier is currently the Country Manager Morocco and Vice President in charge of Northern Africa Division. He is based in Casablanca, Morocco.

MR. CONSTANTINE LABI OGUNBIYI – Director 7

Mr. Ogunbiyi is a founder and former Chief Executive Offcer of First Hydrocarbon Nigeria Limited. He is also a founder of Afren Plc and prior to his appointment as Chief Executive of First Hydrocarbon Nigeria Limited, he served as Executive Director of Afren and was responsible for business development, strategy and growth, where he led Afren's negotiating teams in acquisitions and debt financings, particularly in Nigeria. He has also served as Special Advisor to the previous Chairman, General Counsel for the Group, as well as a Director of Afren's Nigerian wholly-owned subsidiaries. He has significant and extensive experience of private equity, acquisition, structured, trade, development and project finance, and public and private partnerships in the African energy and infrastructure sectors in particular.

Prior to joining Afren, he was the Deputy Head of Cadwalader, Wickersham & Taft LLP's Africa Practice. Before this, Mr. Ogunbiyi spent over four years with Herbert Smith's International Finance and Banking Department. He has also served as a strategic adviser to the New Partnership for Africa's Development (NEPAD) Business Group and the Southern African Development Community's (SADC) Banking Association's PPP Unit. He holds Legal qualifications from the universities of London (King's College), Passau (Germany) and Oxford.

The principles of good corporate governance practice remain one of the core values of the Company and an important ingredient in creating and sustaining shareholder value as well as providing excellent service to its customers, while ensuring that behavior is ethical, legal and transparent. The Board is committed to meeting the standards of good corporate governance as established by the Securities and Exchange Commission (SEC) from time to time. The governance structure of the Company is driven mainly by the Board of Directors who not only possess the requisite academic qualifications but have the relevant experience for their roles in the Company.

1. Role and Operations of the Board

The Board is responsible and accountable to the shareholders for creating and delivering sustainable value through its general supervision of the Company's business.

Specifically, the responsibilities of the Company's Board of Directors are:

- determining the Company's objectives and strategies as well as plans to achieve them
- determining the terms of reference and procedures of the Board Committees, including reviewing and approving the reports of such Committees where appropriate
- maximizing shareholder value through the setting of objectives, goals and strategic direction for management
- considering and approving annual budgets, monitoring performance and ensuring that the Company is a going concern
- ensuring that an adequate budgetary and planning process exists, such that performance is measured against budget and plans
- overseeing the financial position and approving decisions concerning the capital management policy including dividend policy and the payments of dividends.
- Overseeing external and internal audit activities and reporting systems and strategic risk management systems
- Monitoring and influencing culture, reputation, ethical standards, legal and regulatory compliance and overseeing corporate governance framework.
- ensuring balanced and understandable reporting to shareholders

All Directors communicate with each other on a regular basis and have regular and ready access to the senior management team. Senior management is invited to attend Board meetings to make presentations on specific matters or projects. Matters referred to the Board are considered by the Board as a whole and no one individual has unrestricted power of decision. In line with best practice, the role and operations of the Board is reviewed on an annual basis.

The Board meets once in every quarter and additional meetings are convened on a need–to–meet basis. Board papers are prepared and circulated to all Directors in good time prior to each board meeting to enable directors give due consideration to all matters in advance of the meeting. The

Board receives information on capital expenditure projects and investment proposals in advance of Board meetings as well as management reports on the operational and financial performance of the business. Financial performance is monitored on a monthly basis and the overall performance of the Company is reviewed against approved budgets.

2. Composition

As at December 31, 2015, the Company had 7 (seven) Directors comprised of a Non-Executive Chairman, an Executive Director, 5 (five) Non-Executive Directors, one of whom is an Independent director.

The names of all the directors together with their biographical details are set out on page 15-17. These Directors are proven and tested professionals and business men in their chosen fields. The Board believes in its effectiveness and collective responsibility for the success of the Company. The Non-executive Directors have been appointed for their specific experience and expertise and are all considered to be independent of management and free from any business or other relationship that could materially interfere with the exercise of their independent judgment.

The Board has established criteria regarding the general qualifications and experience, as well as the specific qualifications a candidate should possess to ensure the Company's Board maintains the appropriate mix of diversity, skills, experience and expertise.

3. Roles of the Chairman and CEO

The roles of "Chairman" and "CEO" in the Company remain different and separate. The Chairman is primarily responsible for running of the Board and ensuring that it is supplied in a timely manner with sufficient information to enable it discharge its duties. The CEO is responsible for coordinating the running of the business and implementing group strategy.

4. Non-Executive Directors

Non-executive directors, appointed in the understanding that they will serve in the best interests of the Company and its shareholders, are able to consider, challenge, monitor, and approve strategies and policies recommended by management

The Non-Executive Directors have the following responsibilities:

- upholding the highest ethical standards of integrity and probity;
- supporting the Chairman and the CEO in their leadership roles while monitoring their conduct;
- question intelligently, debate constructively, challenge rigorously and decide dispassionately;
- listen sensitively to the views of others, within and outside the Board;
- gain the trust and respect of other Board members; and
- promote the highest standards of corporate governance and seek compliance with the provisions of the SEC Code.

5. Attendance at Board Meetings

The Board meets regularly to discuss matters relating to among other things strategy and performance, financial position, risk management, sustainability and governance. A total of 4 board meetings were held in the year under review and in accordance with Section 258 (2) of the Companies and Allied Matters Act 2004, the record of Directors' attendance at the meetings is available for inspection.

Membership and attendance at Board meetings are set out below:

Name & Designation	Dates of meetings & attendance			
	26-03-15	28-04-15	2-7-15	19-11-15
Dr. Patrick Dele Cole	√	√	√	X
Otunba Solomon Onafowokan, OON	√	√	√	X
Mr. Richard Akerele	√	√	√	√
Ms. Jumoke Ogundare	√	√	√	X
Mr. Sadiq Mohammed	√	√	√	X
Mr. Jonathan Stent-Torriani	√	√	√	√
*Mr. Olivier Sadran	√	√	√	√
**Mr. Laurent Moussard	X	X	X	√
***Mr. Matthieu Jeandel	X	X	X	√
***Mr. Olivier Suarez	X	X	X	√
****Mr. Labi Ogunbiyi	X	X	X	X

*Although Mr. Olivier Sadran did not physically attend any Board meeting in the financial year, he was duly represented by an alternate at all the board meetings held in the year.

**Mr. Laurent Moussard was appointed on November 2, 2015

***Messrs. Matthieu Jeandel and Olivier Suarez were appointed on July 2, 2015.

****Mr. Labi Ogunbiyi was appointed on November 19 2015

6. Board Committees

In addition to the Statutory Audit Committee, the Board has established committees to which various matters are delegated according to defined terms of reference. Through these Committees, recommendations are made to the Board which retains responsibility for final decision making. Details of the committees are set out below:

(i) Statutory Audit Committee

The Committee was established in compliance with Section 359(3) of the Companies and Allied Matters Act, 2004 and has oversight responsibility for the Company's accounts. The Committee is constituted by 6 (six) members comprising of 3 (three) shareholders and 3 Non-Executive Directors.

The Committee's Terms of Reference include the monitoring of processes designed to ensure compliance by the Company in all respects with legal and regulatory requirements including disclosure, controls and procedures and the impact (or potential impact) of developments related thereto. It evaluates the independence and performance of the External Auditor and reviews with the management and the External Auditor the audited financial statements before its presentation to the Board.

The Committee also has the responsibility to further strengthen the internal control process of the Company by ensuring that an effective system of internal control is in place.

Membership of the Committee and record of attendance at meetings during the period under review are as follows:

Name & Designation	Dates of meetings & attendance	
	10 -04-15	15-12-15
Mr. Adebayo Adeleke Chairman/Shareholder	√	√
Chief Godwin Anono Shareholder	√	√
Mr. Ayodele Ogundeji Shareholder	√	√
Otunba Solomon Onafowokan, OON Non-Executive Director	X	X
Ms. Jumoke Ogundare Non-Executive Director	X	X
Mr. Sadiq Mohammed Non-Executive Director	√	X
Mr. Jonathan Stent-Torriani Non-Executive Director	X	√

Mr. Olivier Suarez Non-Executive Director	X	√
Mr. Matthieu Jeandel Non-Executive Director	X	√

(ii) Finance & General Purpose Committee

The Committee is responsible for strategic planning, periodic budgeting and performance monitoring, financial accounting and statutory returns, supervision of assets, human resource matters and general administration.

Membership of the Committee within the review period is as stated below. The Committee did not meet within the review period.

Name	Designation
Matthieu Jeandel	Non-Executive Director
Olivier Suarez	Non-Executive Director
Otunba Solomon Onafowokan, OON	Non-Executive Director
Ms. Jumoke Ogundare	Non-Executive Director
Mr. Sadiq Mohammed	Non-Executive Director

(iii) Board Audit & Risk Management Committee

This Committee has oversight of the overall risk assessment of various areas of the Company's operations and ensures that sound policies and procedures are in place for the management of the Company's material risk and ensuring that the best practices are incorporated.

The membership of the Committee is as stated below:

Name	Designation
Mr. Labi Ogunbiyi	Non-Executive Director
Mr. Matthieu Jeandel	Non-Executive Director
Mr. Jonathan Stent-Torriani	Non-Executive Director
Otunba Solomon Onafowokan, OON	Non-Executive Director
Ms. Jumoke Ogundare	Non-Executive Director
Mr. Sadiq Mohammed	Non-Executive Director

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This Committee did not meet during the period under review.

(iv) Governance and Remuneration Committee

The Governance and Remuneration Committee is responsible for institutionalizing and promoting corporate governance and ensuring the Company's compliance with corporate governance requirements of the NSE and SEC and adherence to the best practices of recognized international codes. It is also responsible for setting the remuneration policy of the directors.

The members of the Committee are as follows:

Name	Designation
Mr. Labi Ogunbiyi	Non-Executive Director
Mr. Matthieu Jeandel	Non-Executive Director
Mr. Jonathan Stent-Torriani	Non-Executive Director
Otunba Solomon Onafowokan, OON	Non-Executive Director
Ms. Jumoke Ogundare	Non-Executive Director
Mr. Sadiq Mohammed	Non-Executive Director

This Committee did not meet during the period under review.

7. Information and Professional Development

The Directors are supplied in a timely manner with all relevant documentation and financial information to assist them in the discharge of their duties. This includes information on the Company's operational and financial performance.

Newly appointed Directors are provided with comprehensive documentation aimed at providing information in relation to their role and obligations. They receive briefings on the Company's financial, strategic, operational and management position, the Company's culture and value and key developments in the Company and the industry and environment in which it operates. They are also provided with an opportunity to conduct a tour of the business units to enable them meet with the management team. On an ongoing basis, all Directors are encouraged to keep up to date on all matters relevant to the operations of the Company.

Each Director is entitled to request for information to enable him/her make informed opinions and adequately discharge his/her duties.

8. Performance Evaluation

The Board has developed a process of reviewing its effectiveness and the effectiveness of its Committees. This is based on discussions with the Chairman and review by the Board as a whole. As part of this process, the Board considers the performance of individual Directors as the need arises.

9. Professional Independent Advice

All directors are aware that they may take independent professional advice at the expense of the Company in the furtherance of their duties. They all have access to the advice and services of the Company Secretary, who is responsible to the Board for ensuring that all governance matters are complied with and assists with professional development as required.

10 Re-election

Section 259 of the Companies and Allied Matters Act (CAMA) stipulates that one-third of the Directors of a Company shall retire from office by rotation at every Annual General Meeting (AGM).

In accordance with Section 259 of the Companies and Allied Matters Act, Messrs. Richard Akerele and Jonathan Stent-Torriani both retire by rotation and being eligible, offer themselves for re-election.

11. Accountability and Audit

(i) Financial Reporting

The Board ensures timely, accurate and continuous disclosure of information to all shareholders, stakeholders, regulatory bodies and the general public. It seeks to present a balanced and understandable assessment of the Company's position and prospects through the Chairman's Statement, the CEO's Review and the Directors' Report.

The respective responsibilities of the Directors, Audit Committee and the Auditors in connection with the financial statements are explained in the Statement of Directors' Responsibilities, the Report of the Audit Committee and the Report of the Independent Auditors on pages 34, 36 and 37 of the annual report.

(ii) Internal Control and Risk Management

The Company continues to take steps to embed internal control and risk management further into the operations of the business and to deal with areas for improvement which come to the attention of management and the Board. Whilst all elements of risk cannot be eliminated, the system aims to identify, assess, prioritize and where possible to mitigate the risk.

(iii) Whistle Blowing

The Company has a whistle blowing policy in place which establishes a confidential channel of

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communication for employees to bring matters of concern about the running of the business to the attention of the Audit Committee.

12. Company Sustainability Policies

The Company has zero tolerance attitude to corruption and unethical practice. It encourages its employees and business partners to always ensure the highest standard of integrity and compliance with all relevant laws and regulations.

In addition, the Company is sensitive to Nigeria's social and cultural diversity and promotes as much as possible national interests as well as national ethos and values without compromising global aspirations.

13. Security Trading Policy

The Company maintains a policy that prevents a member of the Board of Directors, officers or other employees of the Company from trading in the securities of the Company whilst aware of any material non-public information about the Company which the person obtained in the course of his or her employment or dealings with the Company. All employees and directors of the Company have ethical and legal responsibilities to maintain the confidentiality of material non-public information and under no circumstances may a director/ officer/employee use material, non-public information about the Company for his or her personal benefit or release to 3rd parties such information.

14. Complaints Management Policy

The Company has in place a Complaints Management Policy which provides comprehensive guidelines for feedback from customers, suppliers, shareholders of the Company and other stakeholders. The Company is committed to ensuring that complaints are dealt with in a responsive, efficient, effective, fair and economical way. This policy affirms and supports the right of customers, suppliers and shareholders to provide feedback and to have complaints heard and action taken thereon

15. Company Secretary

The Company Secretary is a vital link between the Company and the Board, Shareholders, Government and the regulatory authorities. The Company Secretary reports directly to the Board through the Chairman and the CEO, and all Directors have access to the Company Secretary. The Board is supported in governance and administration by the Company Secretary whose responsibilities include coordinating all Board businesses (including meetings, agendas, board papers and minutes, monitoring completion of actions arising from Board meetings).

The Board has the responsibility of appointing and removing the Company Secretary.

16. Shareholder participation and activism

The Company has always been aware of the need to promote and defend the disclosure and transparency levels necessary for shareholders to discharge their responsibilities. The Board of the Company has always placed considerable importance on effective communication with its shareholders. It ensures that the rights of shareholders are protected at all times. Notice of meetings and all other statutory notices and information are communicated to the shareholders regularly. In addition, the Company has a functional website at www.aslafrica.com.

The AGM is conducted in a transparent and fair manner and it is an opportunity for shareholders to express their views on all matters relating to the Company.

17. Protection of Shareholders right

The Board ensures the protection of the statutory and general rights of shareholders at all times particularly their right to vote at general meetings. All shareholders are treated equally, regardless of the volume of shareholding or social status.

18. Declaration of Interests

Directors are required to take all reasonable steps to avoid actual, potential or perceived conflict of interest. The Companies and Allied Matters Act, 2004, and the SEC's Code require Directors to disclose any conflict of interest and in certain circumstances, to abstain from participating in any discussion or voting on matters in which they have a material personal interest. If a director believes that he or she may have a conflict of interest or material personal interest in a matter, the Director is required to disclose the matter in accordance with the requirements of SEC's Code and follow the procedures set out to deal with such circumstances.

19. Compliance Statement

Airline Services & Logistics Plc adopts a responsible attitude towards corporate governance for public companies in line with the Securities & Exchange Commission's Code of Corporate Governance 2011 and the Company's Board of Directors will endeavour to ensure compliance with the provisions of the Code.

The Directors are pleased to present in this report a fair review of the affairs of Airline Services & Logistics Plc ('the Company") and its subsidiaries ("the Group") together with the Audited consolidated and separate financial statements and the external auditor's report for the year ended December 31, 2015.

1. Legal Status and Principal Activity

The Company was incorporated as a private limited liability company on December 6, 1996. It became a public limited liability company on February 26, 2007 and its shares were listed on the floors of the Nigerian Stock Exchange on July 25, 2007.The shares of the Company have continued to be traded on the floor of the Nigerian Stock Exchange

The principal activities of the Company continue to be the provision of catering and related services to international airlines operating within the Nigerian aviation industry. The Company operates international standard in-flight catering facilities and VIP Lounges at the Murtala Muhammed International Airport, Lagos (MMIA) and the Nnamdi Azikiwe International Airport, Abuja. The Company in partnership with RwandAir under its subsidiary, ASL Rwanda Ltd also provides in-flight catering and ancillary services at the Kigali International Airport, Rwanda.

The Company's subsidiary, Reacon Duty Free Limited operates a Duty-Free outlet at the MMIA. The Company had in June 2013 registered another subsidiary, ASL Oil & Gas Logistics Ltd, to provide catering and logistics services to companies in the oil & gas sector of the economy.

The financial result of the subsidiaries have been consolidated in these financial statements.

2. Business Review and Future Development

The Chairman's statement and the Chief Executive Officer's statement, included in the annual report and incorporated into this report by reference, provides a comprehensive review of the business for the year and the prospects for the ensuing year.

3. Operating Results

The Company and Group's detailed results for the year ended 31 December 2015 are as summarized below:

	The Group		The Company	
	2015	2014	2015	2014
	N'000	N'000	N'000	N'000
Revenue	4,550,904	3,554,803	3,596,942	3,232,552
Gross profit	3,042,838	2,237,243	2,380,163	2,048,015
(Loss)/profit before tax	(56,823)	171,128	(62,763)	247,058
Tax	(437)	826	–	–
(Loss)/profit for the year	(57,260)	171,954	(62,763)	247,058

4. Dividend

In respect of the current year, due to the financial performance of the Company, no dividend is being recommended by your Directors. However, the Board has mapped out strategies and steps to ensure the Company's performance improves in the year. The Directors are confident that with the plans the Company had begun to implement, it will record appreciable improvement in its 2016 results and the Board will consider payment of interim dividend.

5. Share Capital History

Details of the authorized and issued share capital are set out in Note 24 of the consolidated and separate financial statements. No shares were issued during the year under review.

6. Board of Directors

The names of the current Directors of the Company, along with their biographical details are set out on pages 15-17 of the annual report and are incorporated into this report by reference.

The Directors who held office during the year and to the date of the report are set out below:

S/N	NAME	NATIONALITY	DESIGNATION
1.	Dr. Patrick Dele Cole*	Nigerian	Non-Executive Director
2.	Otunba Solomon Onafowokan, OON*	Nigerian	Non-Executive Director
3.	Mr. Richard Akerele**	Nigerian	Chairman
4.	Ms. Jumoke Ogundare***	Nigerian	Non-Executive Director
5.	Mr. Sadiq Mohammed***	Nigerian	Non-Executive Director
6.	Mr. Jonathan Stent-Torriani	Swiss	Non-Executive Director
7.	Mr. Olivier Sadran	French	Non-Executive Director
8.	Mr. Matthieu Jeandel****	French	Non-Executive Director
9.	Mr. Olivier Suarez****	French	Non-Executive Director
10.	Mr. Laurent Moussard*****	French	Chief Executive Officer
11.	Mr. Constantine Labi Ogunbiyi******	Nigerian	Independent Director

- *Dr. Patrick Dele Cole and Otunba Solomon Onafowokan retired as directors of the Company on July 2, 2015.
- **Richard Akerele was the Chief Executive Officer of the Company until October, 2015 when he resigned as Chief Executive Officer and was thereafter appointed the Chairman of the Board.
- ***Ms. Jumoke Ogundare and Mr. Sadiq Mohammed resigned as directors of the Company with effect from August 3, 2015.
- ****Messrs. Olivier Suarez and Matthieu Jeandel were appointed as directors of the Company with effect from July 2, 2015.
- *****Mr. Laurent Moussard was appointed a director and Chief Executive Officer of the Company with effect from November 2, 2015.
- ******Mr. Labi Ogunbiyi was appointed an independent director of the Company with effect from November 19, 2015.

7. Board Changes

Since the last Annual General Meeting of the Company, there has been some changes in the board composition of the Company.

Mr. Laurent Moussard was appointed the Chief Executive Officer of the Company. We warmly welcome Mr. Moussard to the Board and wish him a successful and rewarding tenure on the Board. In accordance with Section

249(2) of the Companies and Allied Matters Act, a resolution will be proposed at the Annual General Meeting to approve his appointment as executive director.

Messrs. Olivier Suarez and Matthieu Jeandel were both appointed non-executive directors at the Board meeting of the Company held on July 2, 2015. In addition, Mr. Constantine Labi Ogunbiyi was appointed as an independent director on November 19, 2015.In accordance with Section 249(2) of the Companies and Allied Matters Act, a resolution will be proposed at the Annual General Meeting to approve their respective appointments as non-executive directors.

Finally, Ms. Jumoke Ogundare and Mr. Sadiq Mohammed resigned their respective appointments from the Board with effect from August 3, 2015. We thank them for their service to the Company and wish them tremendous success in their respective future endeavours.

8. Directors to retire by rotation

Section 259 of the Companies and Allied Matters Act (CAMA) stipulates that one-third of the Directors of a Company shall retire from office by rotation at every Annual General Meeting (AGM).

In accordance with Section 259 of the Companies and Allied Matters Act, Messrs. Richard Akerele and Jonathan Stent-Torriani both retire by rotation and being eligible, offer themselves for re-election.

9. Directors' Interest in Shares

The direct and indirect interests of Directors in the issued share capital of the Company as at December 31, 2015 as recorded in the Register of Directors' Shareholding and/or as notified by the Directors for the purposes of Sections 275 and 276 of the Companies and Allied Matters Act and the listing requirements of the Nigerian Stock Exchange are as stated below:

Name of Director	Number of Shares Held as at December 31, 2014		Number of Shares Held as at December 31, 2015	
	Direct	Indirect	Direct	Indirect
*Mr. Richard Akerele	44,500	152,474,869	44,500	152,474,869
**Messrs. Jonathan Stent-Torriani, Olivier Sadran, Olivier Suarez, Matthieu Jeandel and Laurent Moussard	—	103,250,000	—	321,052,350
Labi Ogunbiyi	—	—	—	—

**The indirect shares held by Mr. Richard Akerele are in respect of Harrowditch Limited, Rical Enterprises Ltd and Royal African Trust Ltd.

***The indirect shares held by Messrs. Jonathan Stent-Torriani, Olivier Sadran, Olivier Suarez, Matthieu Jeandel and Laurent Moussard are in respect of Rifkind Ltd, Roswello Ltd, and Newrest Schweiz AG.

10. Directors' Interests in Contract

In compliance with Section 277 of the Companies & Allied Matters Act, 2004, the Directors' interest in contracts can be found in Note 34 of the consolidated and separate financial statements. The selection and conduct of these contracts are in conformity with rules of ethics and acceptable standards. The Company ensures that these contracts are conducted at arm's length at all times.

11. Substantial Shareholder's Interests

On the record of the Register of Members as at December 31, 2015, the following shareholders held 5% or more of the issued share capital of the Company:

Shareholder	Number of Shares	Percentage
Newrest Schweiz AG	103,250,000	16.29
Rical Enterprises Ltd	63,315,477	9.99
Rifkind Ltd	108,901,175	17.18
Roswello Limited	108,901,175	17.18
Harrowditch Limited	90,700,000	14.31

12. Donations & Charitable Contributions

In order to identify with the aspirations of the community and the environment within which the Company operates, a total sum of N340,000 (Three Hundred and Forty Thousand Naira) was given out as donations and charitable contributions during the course of the year. Details of the donations and the charitable contributions are as follows:

NAME	AMOUNT (N)
National Black Coalition of Federal Aviation Employees	100,000
Government College Ibadan Old Boys Association (Lagos branch)	100,000
Children's International School PTA	140,000

In compliance with section 38 (2) of the Companies and Allied Matters Act, 2004, the Company did not make any donation or gift to any political party, political association or for any political purpose during the year.

13. Free Float

Based on information that is publicly available to the Company and within the knowledge of the Directors as at the date of this report, the Company has maintained the prescribed free float under the Listing Rules of the Nigerian Stock Exchange throughout the financial year ended December 31, 2015. The share float of the Company for the year ended December 31, 2015 was 23.53%.

14. Contractual Arrangements

The Company's business operations utilize many suppliers and arrangements are in place to ensure that the business is not totally reliant on a single supplier for key materials or components.

15. Policy on Payment of Suppliers

It is the policy of the Company to agree terms of payment prior to commencing business with a supplier and to abide by those terms on the timely submission of satisfactory invoices.

16. Property, Plant & Equipment

Information relating to changes in the group's property, plant and equipment is given in Note 16 to the consolidated and separate financial statements. In the Director's opinion, the market value of the Group's property, plant and equipment is not less than the value shown in the consolidated and separate financial statements.

17. Human Resources

The Company recognizes human capital as one of the most critical factors. The Board has created a favourable work environment that encourages innovation and meritocracy and relations with employees have continued to improve significantly.

(i) Employment of Physically Challenged Persons

The Company continues to maintain a policy of giving fair consideration to the application for employment by disabled persons with due regard to their abilities. The Company's policy prohibits discrimination against disabled persons in the recruitment, training and career development of its employees. In the event of members of staff becoming disabled, efforts will be made to ensure that their employment continues and appropriate training arranged to ensure that they fit into the Company's working environment.

(ii) Health, Safety and Welfare of Employees at Work

The Company accords high priority to the health, safety and welfare of its employees. In furtherance of this, the Company's operations and business premises are designed with a view to guaranteeing the safety and healthy working conditions of its employees and visitors alike. Employees are adequately insured against occupational hazards. In addition, whilst the Company retains top-class hospitals where medical facilities are provided for the employees and their immediate families at its expense, a standard clinic is also available within the Company's premises for the use of the members of staff.

Fire prevention and firefighting equipment are installed in strategic locations within the Company's premises.

The Company operates a Group Life Insurance Policy for the benefit of its employees as well as a contributory pension plan in line with the Pension Reform Act, 2014.

(iii) Employee Training& Development

The Company encourages participation of employees in arriving at decisions on matters affecting their wellbeing. Towards this end, opinions and suggestions of employees are sought and considered not only on matters affecting them as employees but also on the general business of the Company.

Continuous education of our employees is of prime importance to the Company. It believes that this is necessary not only for its sustainability and growth as an organization but also for enabling the professional development of its employee manpower. Consequently, employees of the Company are nominated to attend both locally and internationally organized courses. These are complemented by on-the-job training.

(iv) Staff Strength

The Company had a total strength of 441 (four hundred and forty one) employees on its payroll as at December 31, 2015 from 437 at the end of the previous year.

18. Financial Risk Management

The Company's financial instruments principally comprise bank borrowings. The main risk arising from the Company's financial instruments are interest rate risk, foreign exchange risk and liquidity risk. The Board reviews and agrees policies for managing each of these risks and they are summarized below. These policies have remained unchanged throughout the year.

(i) Interest Rate Risk

The Company finances its operations through a mixture of shareholders' funds and borrowings. The Company borrows principally in Naira and US Dollars at floating rates of interest.

(ii) Foreign Exchange Risk:

The Company recognizes that the existence of dollar denominated debts exposes it to foreign exchange risk. However, as it operates in an export processing zone, it also is able to receive a substantial part of its income in foreign exchange which may result in gains and mitigate the foreign exchange risk associated with the dollar denominated debts.

(iii) Liquidity Risk

The Group monitors its risk to shortage of funds by continuously monitoring forecast and actual cash flows and by matching the maturity profiles of financial assets and liabilities. It also ensures that short term funds are used strictly for working capital purposes while capital projects are funded from long tenured borrowings. Access to sources of funding is sufficiently available. The Group's financial liabilities are its trade and other payables and bank borrowings.

19. Internal Control System

The Company's internal systems are commensurate with the nature of its business and the size and complexity of its operations. These are routinely tested and certified by Statutory as well as Internal Auditors and cover all key areas of the business. Significant audit observations and follow up actions thereon are reported to the Statutory Audit Committee. The Statutory Audit Committee reviews the adequacy and effectiveness of the Company's internal control environment and monitors the implementation of audit recommendations including those relating to the strengthening of the Company's risk Management policies and systems.

20. Events after the Reporting Period

The Directors are of the opinion that there was no significant event after the reporting period which would have had any material effect on the accounts on the date, which have not been adequately provided for or disclosed in the consolidated and separate financial statements.

21. Disclosure of Information to the External Auditors

Each of the Directors who is a Director at the date of approval of this report confirms that so far as he/she is aware, there is no relevant audit information of which the Company's Auditors are unaware. Each Director has taken all steps that he/she ought to have taken as a Director in order to make himself/herself aware of any relevant audit information and to establish that the Company's auditors are aware of that information.

22. External Auditor

The External Auditor, Akintola Williams Deloitte has signified its willingness to continue in office as the External Auditor of the Company. In accordance with Section 357 (2) of the Companies and Allied Matters Act, 2004, an ordinary resolution will be proposed at the Annual General Meeting to authorize the Directors to fix their remuneration.

Your Directors place on record their deep appreciation to employees at all levels for their hard work, dedication and commitment. The support of the employees has enabled the Company to remain the leader of the Industry.

The Directors also take this opportunity to thank all investors, clients, vendors, banks, regulatory and governmental authorities for their continued support.

BY ORDER OF THE BOARD

LPC SOLICITORS
COMPANY SECRETARY

MARCH 21, 2016
FRC/2013/NBA/00000001112

STATEMENT OF DIRECTORS' RESPONSIBILITIES FOR THE PREPARATION AND APPROVAL OF THE FINANCIAL STATEMENTS
For the year ended 31 December 2015

The Directors of Airline Services and Logistics Plc are responsible for the preparation of the consolidated and separate financial statements that give a true and fair view of the financial position of the Group and Company as at 31 December 2015, and the results of its operations, cash flows and changes in equity for the year ended, in compliance with International Financial Reporting Standards ("IFRS") and in the manner required by the Companies and Allied Matters Act of Nigeria, and the Financial Reporting Council of Nigeria Act, 2011.

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

- properly electing and applying accounting policies;
- presenting information, including accounting policies, in a manner that provides relevant, reliable, comparable and understandable information;
- providing additional disclosures when compliance with the specific requirements in IFRSs are insufficient to enable users to understand the impact of particular transactions, other events and conditions on the Group and Company's financial position and financial performance; and
- making an assessment of the Group'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 Group and Company;
- maintaining adequate accounting records that are sufficient to show and explain the Group's and Company's transactions and disclose with reasonable accuracy at any time the financial position of the Group and Company, and which enable them to ensure that the financial statements of the Group and 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 Group and Company; and
- preventing and detecting fraud and other irregularities.

Going Concern:

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

The consolidated financial statements of the Group and Company for the year ended 31 December 2015 were approved by the Board on 21 March 2016.

On behalf of the Directors of the Group

Laurent Moussard	Richard Akerele	Olapeju Shebioba
Chief Executive Officer	Chairman	Chief Finance Officer
	FRC/2013/IODN/00000002312	FRC/2013/ICAN/00000002043
21 March, 2016	21 March, 2016	21 March, 2016

CERTIFICATION PURSUANT TO SECTION 60(2) OF INVESTMENT AND SECURITIES ACT NO. 29 OF 2007
For The Year Ended 31 December 2015

We the undersigned hereby certify the following with regard to our financial statements for the year ended December 31, 2015 that:

a) We have reviewed the report;

b) To the best of our knowledge, the report does not contain:
   I. any untrue statement of a material fact, or
   II. omit to state a material fact, which would make the statements, misleading in the light of the circumstances under which such statements were made;

c) To the best of our knowledge, the financial statements and other financial information included in the report fairly present in all material respects the financial condition and results of operation of the Company as of, and for the periods presented in the report.

d) We:
   i. are responsible for establishing and maintaining internal controls.
   ii. have designed such internal controls to ensure that material information relating to the Company and its consolidated subsidiaries are made known to such officers by others within those entities particularly during the period in which the periodic reports are being prepared;
   iii. have evaluated the effectiveness of the Company's internal control as of date within 90 days prior to the report;
   iv. have presented in the report our conclusions about the effectiveness of the Company's internal control based on our evaluation as of that date;

e) We have disclosed to the auditors of the Company and the Audit Committee:
   i. significant deficiency in the design or operation of internal control which would adversely affect the Company's ability to record process, summarise and report financial data and have identified for the Company's auditor any material weakness in internal control, and
   ii. any fraud, whether or not material, that involves management or other employees who have significant role in the Company's internal control;

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

Laurent Moussard	Olapeju Shebioba
Chief Executive Officer	Chief Finance Officer

REPORT OF THE AUDIT C0MMITTEE

In compliance with the provisions of Section 359(6) of the Companies and Allied Matters Act 2004, the Committee reviewed the Audited Financial Statements of the Company and the Group for the year ended December 31, 2015 and report as follows:

1. The accounting and reporting policies of the Company are consistent with legal requirements and agreed ethical practices.
2. The scope and planning of the external audit was adequate.
3. The Company maintained effective systems of accounting and internal control during the year.
4. The Company's management adequately responded to matters covered in the management report issued by the External Auditors.
5. The External Auditor has confirmed that necessary cooperation was received from management in the course of the statutory audit and that their scope of work was not restricted in any way.

Dated this 21st day of March, 2016

MR. ADEBAYO ADELEKE
CHAIRMAN, AUDIT COMMITTEE
FRC/2013/NIM/00000002317

Members of the Audit Committee are:

1.	Mr. Adebayo Adeleke	–	Chairman
2.	Chief Godwin Anono	–	Member
3.	Mr. Ayodele Ogundeji	–	Member
4.	Mr. Jonathan Stent-Torriani	–	Member
5.	Mr. Matthieu Jeandel	–	Member
6.	Mr. Olivier Suarez	–	Member

REPORT OF THE INDEPENDENT AUDITORS

Deloitte.

Akintola Williams Deloitte
235 Ikorodu Road, Ilupeju
P.O. Box 965, Marina
Lagos. Nigeria.

Tel: +234 (1) 271 7800
Fax: +234 (1) 271 7801
www.deloitte.com/ng

REPORT OF THE INDEPENDENT AUDITORS TO THE MEMBERS OF AIRLINE SERVICES AND LOGISTICS PLC

Report on the Financial Statements

We have audited the accompanying consolidated and separate financial statements of Airline Services and Logistics Plc ("the Company) and its subsidiaries (together referred to as "the Group") which comprise the consolidated and separate statements of financial position as at 31 December 2015, the consolidated and separate statements of profit or loss and other comprehensive income, changes in equity, cash flows for the year then ended, a summary of significant accounting policies and other explanatory information.

Directors' Responsibility for the Consolidated and Separate Financial Statements

The Directors are responsible for the preparation and fair presentation of these consolidated and separate financial statements in accordance with the Companies and Allied Matters Act CAP C20 LFN 2004, the Financial Reporting Council of Nigeria Act, 2011, the International Financial Reporting Standards and for such internal control as the Directors determine is necessary to enable the preparation of consolidated and separate 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 consolidated and separate 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 consolidated and separate 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 consolidated and separate financial statements give a true and fair view of the financial position of Airline Services and Logistics Plc and its subsidiaries as at 31 December 2015, and of its financial performance and cash flows for the year ended 31 December 2015 in accordance with the International Financial Reporting Standards, the Companies and Allied Matters Act CAP C20 LFN 2004 and the Financial Reporting Council of Nigeria Act, 2011.

Other reporting responsibilities

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

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

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

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

Jelili Adebisi, FCA - FRC/2013/ICAN/00000004247
For: Akintola Williams Deloitte
Chartered Accountants
Lagos, Nigeria
19 April 2016

INSTITUTE OF CHARTERED ACCOUNTANTS OF NIGERIA
A1111712

CONSOLIDATED AND SEPARATE STATEMENT OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME
For the year ended 31 December 2015

	Note	The Group 2015 N'000	The Group 2014 N'000	The Company 2015 N'000	The Company 2014 N'000
Revenue	5	4,550,904	3,554,803	3,596,942	3,232,552
Cost of sales	20	(1,508,066)	(1,317,560)	(1,216,779)	(1,184,537)
Gross profit		3,042,838	2,237,243	2,380,163	2,048,015
Administrative expenses	11	(2,740,123)	(1,973,594)	(2,319,005)	(1,763,802)
Selling & Distribution expenses	12	(604,736)	(533,740)	(539,756)	(500,055)
Operating loss		(302,020)	(270,091)	(478,598)	(215,842)
Investment income	8	17,685	23,903	17,685	23,903
Other operating income	7	257,766	211,991	272,069	216,485
Other gains and losses	9	119,705	245,973	202,217	238,131
Finance costs	10	(149,959)	(40,648)	(76,136)	(15,619)
(Loss)/profit before tax		(56,823)	171,128	(62,763)	247,058
Tax	14	(437)	826	-	-
(Loss)/profit for the year		(57,260)	171,954	(62,763)	247,058
Other comprehensive income					
(net of income tax)					
Items that may be reclassified					
subsequently to profit or loss:					
Net gain on available for sale financial asset	27	(204)	167	(204)	167
Exchange differences on translating foreign operations	29	(99,597)	103,758	-	-
Total comprehensive income for the year		(157,061)	275,879	(62,967)	247,225
(Loss)/profit for the year attributable to:					
Owners of the Company		(64,435)	179,889	(62,763)	247,058
Non-controlling interests		7,175	(7,935)	-	-
		(57,260)	171,954	(62,763)	247,058
Total comprehensive income for the year attributable to:					
Owners of the Company		(134,357)	252,686	(62,967)	247,225
Non-controlling interests		(22,704)	23,193	-	-
		(157,061)	275,879	(62,967)	247,225
Earnings per share					
Basic and diluted	15	(10)	28	(10)	39

The accompanying notes on pages 42 to 87 and non-IFRS statements on pages 88 to 90 form an integral part of these consolidated and separate financial statements.

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CONSOLIDATED AND SEPARATE STATEMENT OF FINANCIAL POSITION
As At 31 December 2015

	Note	The Group 31-Dec-15 N'000	The Group 31-Dec-14 N'000	The Company 31-Dec-15 N'000	The Company 31-Dec-14 N'000
Assets					
Non-current assets					
Property, plant and equipment	16	2,680,356	2,701,174	1,475,281	1,627,136
Intangible assets	17	-	10,677	-	10,677
Investment in subsidiary	18	-	-	86,450	86,450
Financial asset	19	2,917	3,121	2,917	3,121
Other assets	22	24,562	67,235	17,548	66,145
Other receivables	21.1	5,882	24,286	-	
Deferred tax assets	14	861	1,086	-	-
		2,714,578	2,807,579	1,582,197	1,793,529
Current assets					
Inventories	20	261,098	250,442	229,852	205,990
Trade and other receivables	21	703,003	627,421	1,993,310	1,805,171
Financial asset	19	15,236	-	15,236	-
Other assets	22	165,361	118,862	139,251	100,984
Cash and cash equivalents	23	738,204	486,041	660,185	429,860
		1,882,902	1,482,766	3,037,835	2,542,005
Total assets		4,597,480	4,290,345	4,620,031	4,335,534
Equity and liabilities					
Issued share capital and reserves					
Share capital	24	317,000	317,000	317,000	317,000
Share premium account	25	342,000	342,000	342,000	342,000
Revenue reserve	26	1,409,495	1,569,028	1,614,456	1,772,319
Investment revaluation reserve	27	1,501	1,705	1,501	1,705
Foreign currency translation reserve	29	2,913	72,630	-	-
Equity attributable to owners of the Company		2,072,909	2,302,363	2,274,957	2,433,024
Non-controlling interest	28	8,045	30,751	-	-
Total equity		2,080,954	2,333,114	2,274,957	2,433,024
Non-current Liabilities					
Borrowings	30	980,021	1,037,352	980,021	1,037,352
Total Non-current Liabilities		980,021	1,037,352	980,021	1,037,352
Current Liabilities					
Trade and other payables	31	1,171,019	625,007	1,002,560	573,358
Retirement benefit obligation	32	15,388	12,806	12,622	10,039
Current tax liabilities	14	226	305	-	-
Borrowings	30	349,872	281,761	349,872	281,761
Total Current Liabilities		1,536,505	919,879	1,365,054	865,158
Total liabilities		2,516,526	1,957,231	2,345,075	1,902,510
Total equity and liabilities		4,597,480	4,290,345	4,620,031	4,335,534

The financial statements were approved by the board of directors and authorised for issue on 21 March 2016 and signed on its behalf by:

Laurent Moussard	Richard Akerele	Olapeju Shebioba
Chief Executive Officer	Chairman	Chief Finance Officer
	FRC/2013/IODN/00000002312	FRC/2013/ICAN/00000002043
21 March 2016	21 March 2016	21 March 2016

The accompanying notes on pages 42 to 87 and non-IFRS statements on pages 88 to 90 form an integral part of these consolidated and separate financial statements.

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CONSOLIDATED AND SEPARATE STATEMENT OF CHANGES IN EQUITY
For the year ended 31 December 2015

Equity attributable to equity holders of the Group

	Share Capital N'000	Share Premium Account N'000	Revenue reserve N'000	Investment revaluation reserve N'000	Foreign currency translation reserve N'000	Attributable to owners of the parent N'000	Non-controlling interest N'000	Total N'000
Balance at 1 January 2014	317,000	342,000	1,504,253	1,538	-	2,164,791	(11,788)	2,153,003
Reversal of ASL Oil & Gas NCI's share of loss for 2013 (Note 26.1)	-	-	(39,056)	-	-	(39,056)	19,346	(19,710)
Adjustments (Note 26.2)	-	-	22	-	-	22	-	22
Profit/(loss) for the year	-	-	179,889	-	-	179,889	(7,935)	171,954
Other comprehensive income(net of tax)	-	-	-	167	72,630	72,797	31,128	103,925
Total comprehensive income for the year	-	-	179,889	167	72,630	252,686	30,751	275,879
Dividends (Note 26.3)	-	-	(76,080)	-	-	(76,080)	-	(76,080)
Balance at 31 December 2014	317,000	342,000	1,569,028	1,705	72,630	2,302,363	30,751	2,333,114
(Loss)/profit for the year	-	-	(64,435)	-	-	(64,435)	7,175	(57,260)
Other comprehensive income(net of tax)	-	-	-	(204)	(69,718)	(69,922)	(29,879)	(99,801)
Total comprehensive income for the year	-	-	(64,435)	(204)	(69,718)	(134,357)	(22,704)	(157,061)
Adjustments (Note 26.2)	-	-	2	-	1	3	(2)	1
Dividends (Note 26.3)	-	-	(95,100)	-	-	(95,100)	-	(95,100)
Balance at 31 December 2015	317,000	342,000	1,409,495	1,501	2,913	2,072,909	8,045	2,080,954

Equity attributable to equity holders of the Company

	Share Capital N'000	Share Premium Account N'000	Revenue reserve N'000	Investment revaluation reserve N'000	Foreign currency translation reserve N'000	Attributable to owners of the parent N'000	Non-controlling interest N'000	Total N'000
Balance at 1 January 2014	317,000	342,000	1,601,341	1,538	-	-	-	2,261,879
Profit for the year	-	-	247,058	-	-	-	-	247,058
Other comprehensive income(net of tax)	-	-	-	167	-	-	-	167
Total comprehensive income for the year	-	-	247,058	167	-	-	-	247,225
Dividends	-	-	(76,080)	-	-	-	-	(76,080)
Balance at 31 December 2014	317,000	342,000	1,772,319	1,705	-	-	-	2,433,024
Loss for the year	-	-	(62,763)	-	-	-	-	(62,763)
Other comprehensive income(net of tax)	-	-	-	(204)	-	-	-	(204)
Total comprehensive income for the year	-	-	(62,763)	(204)	-	-	-	(62,967)
Dividends	-	-	(95,100)	-	-	-	-	(95,100)
Balance at 31 December 2015	317,000	342,000	1,614,456	1,501	-	-	-	2,274,957

CONSOLIDATED AND SEPARATE STATEMENT OF CASH FLOW
For the year ended 31 December 2015

	Note	The Group 31-Dec-15 N'000	The Group 31-Dec-14 N'000	The Company 31-Dec-15 N'000	The Company 31-Dec-14 N'000
Operating activities					
Cash receipts from customers		4,843,439	3,981,185	4,100,280	3,754,761
Cash payments to suppliers and employees		(3,863,213)	(3,459,929)	(3,568,814)	(4,047,390)
Tax paid		(291)	(390)	–	–
Net cash generated from/(used in) operating activities	33	979,935	520,866	531,466	(292,629)
Investing activities					
Purchase of property, plant and equipment	16	(393,773)	(1,591,586)	(140,561)	(820,240)
Payments to acquire financial assets	19	(15,236)	–	(15,236)	–
Interest received	8	17,685	23,903	17,685	23,903
Investment in subsidiary		–	–	–	(4,410)
Proceeds from sale of property, plant and equipment		1,705	3,262	1,705	3,262
Net cash used in investing activities		(389,619)	(1,564,421)	(136,407)	(797,485)
Financing activities					
Repayment of issue of shares in subsidiary (NCI)		–	(16,000)	–	–
Interest paid		(149,959)	(15,619)	(76,136)	(15,619)
Dividend paid		(95,100)	(76,080)	(95,100)	(76,080)
Loan received		109,531	747,890	109,531	747,890
Loans repaid		(335,710)	(65,184)	(335,710)	(65,184)
Net cash (used by)/generated from financing activities		(471,238)	575,007	(397,415)	591,007
Net increase/(decrease) in cash and cash equivalents		119,078	(468,548)	(2,357)	(499,107)
Cash and cash equivalents at beginning of year		486,041	954,589	429,860	928,967
Effects of exchange rates changes	33.1	133,085	–	232,682	–
Cash and cash equivalents at end of year	23	738,204	486,041	660,185	429,860

1 General information

Airline Services and Logistics Plc was incorporated as a private limited liability Company on December 6, 1996. It became a public limited Liability company on February 26, 2007 and its shares were listed on the floors of the Nigerian Stock Exchange on July 25, 2007. The address of the registered office is 1, Service Street, Murtala Muhammed International Airport, Ikeja Lagos, Nigeria. The principal activities of the Company are the provision of catering and related services to international airlines within the Nigerian aviation industry. The company operates international standard in-flight catering facilities and VIP lounges at the Murtala Muhammed International Airport, Lagos (MMIA) and the Nnamdi Azikwe International Airport, Abuja. The Company (70% shareholding) in partnership with Rwanda Air (30% shareholding) formed ASL Rwanda Limited EPZE and has obtained a licence to provide in-flight catering and ancillary services at the Kigali International Airport, Rwanda and commenced operations on August 1, 2014. The Company in June 2013, registered another subsidiary, ASL Oil & Gas Logistics Limited to provide catering and logistics services to companies in the oil & gas sector of the economy. The Company's fully owned subsidiary; Reacon duty free Limited operates duty free outlets at the MMIA.

1.11 Composition of the financial statements

The Consolidated and Separate Financial statements are drawn up in Naira, the functional currency of Airline Services and Logistics Plc. In accordance with IFRS accounting presentation, the Consolidated and Separate Financial Statements comprise:

- Consolidated and Separate Statement of Profit or Loss and Other Comprehensive Income
- Consolidated and Separate Statement of Financial Position
- Consolidated and Separate Statement of Changes in Equity
- Consolidated and Separate Statement of Cashflows
- Notes to the Consolidated and Separate Financial Statements.

1.12 Financial period

These Consolidated and Separate Financial Statements cover the financial year ended 31 December 2015 with comparative amounts for the year ended 31 December 2014.

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

2.1 Amendments to IFRSs and the new interpretation that are mandatorily effective for the year ended 31 December 2015

New and revised IFRSs affecting amounts reported and or disclosures in these financial statements

In the current year, the Group has applied a number of amendments to IFRSs and a new interpretation issued by the international Accounting Standards Board (IASB) that are mandatorily effective for an accounting period that begins on or after 1 January 2015.

Amendments to IAS 19 Defined Benefit plans: Employee Contributions

The Group has applied the amendments to IAS 19 which clarify the accounting treatment for contributions made by employees or third parties to defined benefit plans. According to the amendments, discretionary contributions made by employees or third parties reduce service cost upon payment of these contributions to the plan. When the formal terms of the plan specify contributions from employees or third parties, the accounting depends on whether the contributions are linked to service, as follows:

If the contributions are not linked to services (e.g. contributions are required to reduce a deficit arising from losses on plan assets or from actuarial losses), they affect the measurement of the net defined benefit liability/(asset).

If contributions are linked to services, they reduce service costs. If the amount of contribution is dependent on the number of years of service, the entity should reduce service cost by attributing it to the contributions to periods of service using the attribution method required by IAS 19 paragraph 70 (for the gross benefits). If the amount of contribution is independent of the number of years of service, the entity is permitted to either reduce service cost in the period in which the related service is rendered, or to reduce service cost by attributing the contributions to the employees' periods of service in accordance with IAS 19 paragraph 70. The amendments require retrospective application.

Annual Improvements to IFRSs 2010-2012 Cycle and 2011 - 2013 Cycle

The application of the amendments has had no impact on the disclosures or amount recognised in the Group's consolidated and separate financial statements.

2.2 New and revised IFRSs in issue that are not yet mandatorily effective (but allow early application)for the year ended 31 December 2015

The standards and interpretation that are issued, but not yet effective, up to the date of issuance of the Group's consolidated and separate financial statements are disclosed below. The Group intends to adopt these standards when they become effective. The standards that may impact the Group's consolidated and separate financial statements only have been considered below. The extent of the impact has not been determined and the Group does not plan to adopt these standards early.

Effective for annual periods on or after 1 January 2016, with earlier application permitted.

Amendments to IAS 1	Disclosure Initiative
Amendments to IAS 16 and IAS 38	Clarification of Acceptable Methods of Depreciation and Amortisation
Amendments to IFRSs	Annual Improvements to IFRSs 2012-2014 Cycle
Amendments to IAS 19	Defined Benefit Plans: Employee Contributions

Effective for annual periods on or after 1 January 2018, with earlier application permitted.

IFRS 9	Financial Instruments
IFRS 15	Revenue from Contracts with Customers

Effective for annual periods on or after 1 January 2019, with earlier application permitted.

IFRS 16	Leases

IFRS 9 Financial Instruments

IFRS 9 issued in November 2009 introduced new requirements for the classification and measurement of financial assets. IFRS 9 was subsequently amended in October 2010 to include requirements for the classification and measurement of financial liabilities and for derecognition, and in November 2013 to include the new requirements for general hedge accounting. Another revised version of IFRS 9 was issued in July 2014 mainly to include a) impairment requirements for financial assets and b) limited amendments to the classification and measurement requirements by introducing a 'fair value through other comprehensive income' (FVTOCI) measurement category for certain simple debt instruments.

Key requirements of IFRS 9:

All recognised financial assets that are within the scope of IAS 39 Financial Instruments: Recognition and measurement are required to be subsequently measured at amortised cost or fair value. Specifically, debt investments that are held within a business model whose objective is to collect the contractual cash flows, and that have contractual cash flows that are solely payments of principal and interest on the principal and interest on the principal outstanding are generally measured at amortised cost at the end of subsequent accounting periods. Debt instruments that are held within a business model whose objective is achieved both by collecting contractual cash flows and selling financial assets, and that have contractual terms of the financial asset give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding, are measured at FVTOCI. All other debt investments and equity investments are measured at their fair value at the end of subsequent accounting periods. In addition, under IFRS 9, entities may make an irrevocable election to present subsequent changes in the fair value of an equity and investment (that is not held for trading) in other comprehensive income, with only dividend income generally recognised in profit or loss.

With regard to the measurement of financial liabilities designated as at fair value through profit or loss, IFRS 9 requires that the amount of change in the fair value of the financial liability that is attributable to changes in the credit risk of that liability is presented in other comprehensive income, unless the recognition of the effects of changes in the liability's credit risk in other comprehensive income would create or enlarge an accounting mismatch in profit or loss. Changes in fair value attributable to a financial liability's credit risk are not subsequently reclassified to profit or loss. Under IAS 39, the entire amount of the change in the fair value of the financial liability designated as fair value through profit or loss is presented in profit or loss.

In relation to the impairment of financial assets, IFRS 9 requires an expected credit loss model, as opposed to an incurred credit loss model under IAS 39. The expected credit loss model requires an entity to account for expected credit losses and changes in these expected credit losses at each reporting date to reflect changes in credit risk since initial recognition. In other words, it is no longer necessary for a credit event to have occurred before credit losses are recognised.

The new general hedge accounting requirements retain the three types of hedge accounting mechanisms currently available in IAS 39. Under IFRS9, greater flexibility has been introduced to the types of transactions eligible for hedge accounting, specifically broadening the types of instruments that qualify for hedging instruments and the types of risk components of non-financial items that are eligible for hedge accounting. In addition, the effectiveness test has been overhauled and replaced with the principle of an 'economic relationship'. Retrospective assessment of hedge effectiveness is also no longer required. Enhanced disclosure requirements about an entity's risk management activities have also been introduced.

The directors of the Company do not anticipate that the application of IFRS 9 in the future may have a material impact on amounts reported in respect of the Group's financial liabilities.

IFRS 15 Revenue from Contracts with Customers

In May 2014, IFRS 15 was issued which establishes a single comprehensive model for entities to use in accounting for revenue arising from contracts with customers. IFRS 15 will supersede the current revenue recognition guidance including IAS 18 Revenue, IAS 11 Construction Contracts and the related interpretations when it becomes effective.

NOTES TO THE CONSOLIDATED AND SEPARATE FINANCIAL STATEMENTS
For the year ended 31 December 2015

The core principle of IFRS 15 is that an entity should recognise revenue to depict the transfer of promised goods or services to customers in an amount that reflects the consideration to which the entity expects to be entitled in exchange for those goods or services. Specifically, the standard introduces a 5-step approach to revenue recognition:

Step 1: Identify the contract(s) with a customer

Step 2: Identify the performance obligations in the contract

Step 3: Determine the transaction price

Step 4: Allocate the transaction price to the performance obligations in the contract

Step 5: Recognise revenue when (or as) the entity satisfies a performance obligation

Under IFRS 15, an entity recognises revenue when (or as) a performance obligation is satisfied, i.e. when 'control' of the goods or services underlying the particular performance obligation is transferred to the customer. Far more prescriptive guidance has been added in IFRS 15 to deal with specific scenarios. furthermore, extensive disclosures are required by IFRS 15.

The directors of the Company anticipate that the application of IFRS 15 in the future may have a material impact on the amounts reported and disclosures made in the Group's consolidated financial statements. However, it is not practicable to provide a reasonable estimate of the effect of IFRS 15 until the Group performs a detailed review.

2.2 New and revised IFRSs in issue that are not yet mandatorily effective (but allow early application) for the year ended 31 December 2015 (cont'd)

Amendments to IAS 16 and IAS 38 Clarification of Acceptable Methods of Depreciation and Amortisation

The amendments to IAS 16 prohibit entities from using a revenue-based depreciation method for items of property, plant and equipment. The amendments to IAS 38 introduce a rebuttable presumption that revenue is not an appropriate basis for amortisation of an intangible asset. This presumption can only be rebutted in the following two limited circumstances:

a) When the intangible asset is expressed as a measure of revenue; or
b) When it can be demonstrated that revenue and consumption of the economic benefits of the intangible asset are highly correlated.

The amendments apply prospectively for annual periods beginning on or after 1 January 2016. Currently, the Group uses the straight-line method of depreciation and amortisation for its property, plant and equipment, and intangible assets respectively. The directors of the Company believe that the straight-line method is the most appropriate method to reflect the consumption of economic benefits inherent in the respective assets and accordingly, the directors of the Company do not anticipate that the application of these amendments to IAS 16 and IAS 38 will have a material impact on the Group's consolidated financial statements.

Annual Improvements to IFRSs 2012-2014 Cycle

The Annual Improvements to IFRSs 2012-2014 Cycle include a number of amendments to various IFRSs, which are summarised below.

The amendments to IFRS 5 introduce specific guidance in IFRS 5 for when an entity reclassifies an asset (or disposal group) from held for sale to held for distribution to owners (or vice versa). The amendments clarify that such a change should be considered as a continuation of the original plan of disposal and hence requirements set out in IFRS 5 regarding the change of sale plan do not apply. The amendments also clarifies the guidance for when held-for-distribution accounting is discontinued.

The amendments to IFRS 7 provide additional guidance to clarify whether a servicing contract is continuing involvement in a transferred asset for the purpose of the disclosures required in relation to transferred assets.

The amendments to IAS 19 clarify that the rate used to discount post-employment benefit obligations should be determined by reference to market yields at the end of the reporting period on high quality corporate bonds. The assessment of the depth of a market for high quality corporate bonds should be at the currency level (i.e. the same currency as the benefits are to be paid). For currencies for which there is no deep market in such high quality corporate bonds, the market yields at the end of the reporting period on government bonds denominated in that currency should be used instead.

The directors of the Company do not anticipate that the application of these amendments will have a significant impact on the Group's consolidated financial statements.

IFRS 16 Leases

The International Accounting Standards Board (IASB) issued IFRS 16 Leases in January 2016. IFRS 16 sets out the principles for the recognition, measurement, presentation and disclosure of leases for both parties to a contract, i.e. the customer ('leasee') and the supplier ('lessor').

IFRS 16 is effective from 1 January 2019. A company can choose to apply IFRS 16 before that date but only if it also applies IFRS 15 Revenue from Contracts with Customers.

The Company expects to adopt the standard for the first time in the 2019 financial statements. This is only if it becomes applicable to the Company's operations.

3 Summary of significant accounting policies

3.1 Statement of compliance

The consolidated and separate financial statements have been prepared in accordance with International Financial Reporting Standards.

3.2 Basis of preparation

The consolidated and separate financial statements have been prepared on the historical cost basis except for certain financial instruments that are measured at revalued amounts or fair value at the end of each reporting period, as explained in the accounting policies below.

Historical cost is generally based on the fair value of the consideration given in exchange for goods and services.
Fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date, regardless of whether the price is directly observable or estimated using another valuation technique. In estimating the fair value of an asset or a liability, the Group takes into account the characteristics of the asset or liability if market participants would take those characteristics into account when pricing the asset or liability at the measurement date.

Fair value for measurement and /or disclosure purposes in these consolidated financial statements is determined on such a basis, except for share-based payment that are within the scope of IFRS 2, leasing transactions that are within the scope of IAS 17, and measurement that have some similarities to fair value but are not fair value, such as net realisable value in IAS 2 or value in use in IAS 36.

3.3 Basis of Accounting

The consolidated and separate financial statements have been prepared in accordance with International Financial Reporting Standards ("IFRSs"), which comprise standards and interpretations issued by either the International Accounting Standards Board ("IASB") or the International Financial Reporting Interpretations Committee ("IFRIC"). The consolidated and separate financial statements have been prepared under the historical cost convention, except for the measurement at fair value of certain classes of assets. The consolidated and separate Financial Statements have been prepared on a going concern basis.
The principal accounting policies are set out below.

3.4 Basis of Consolidation

The consolidated financial statements incorporate the financial statements of the Company and entities controlled by the Company and its subsidiary. Control is achieved where the Company has the power to govern the financial and operating policies of an investee entity so as to obtain benefits from its activities.

The results of a subsidiary acquired or disposed during the year are included in the consolidated statement of profit or loss and other comprehensive income from the effective date of acquisition or up to the effective date of disposal, as appropriate. Where necessary, adjustments are made to the financial statements of subsidiaries to bring the accounting policies used into line with those used by the group. All intra-group transactions, balances, income and expenses are eliminated on consolidation.

3.5 Going concern

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

3.6 Business combinations

Acquisitions of subsidiaries are accounted for using the acquisition method. The consideration for each acquisition is measured at the aggregate of the fair values (at the date of exchange) of assets given, liabilities incurred or assumed, and equity instruments issued by the Group in exchange for control of the acquiree. Acquisition-related costs are recognised in profit or loss as incurred.

Where a business combination is achieved in stages, the Group's previously-held interests in the acquired entity are re-measured to fair value at the acquisition date (i.e. the date the Group attains control) and the resulting gain or loss, if any, is recognised in profit or loss. Amounts arising from interests in the acquiree prior to the acquisition date that have previously been recognised in other comprehensive income are reclassified to profit or loss, where such treatment would be appropriate if that interest were disposed of.

The acquiree's identifiable assets, liabilities and contingent liabilities that meet the conditions for recognition under IFRS 3(2008) are recognised at their fair value at the acquisition date, except that:

i. deferred tax assets or liabilities and liabilities or assets related to employee benefit arrangements are recognised and measured in accordance with IAS 12 Income Taxes and IAS 19 Employee Benefits respectively;

ii. Assets (or disposal groups) that are classified as held for sale in accordance with IFRS 5 Non-current. Assets Held for Sale and Discontinued Operations are measured in accordance with that Standard.

If the initial accounting for a business combination is incomplete by the end of the reporting period in which the combination occurs, the Group reports provisional amounts for the items for which the accounting is incomplete. Those provisional amounts are adjusted during the measurement period (see below), or additional assets or liabilities are recognised, to reflect new information obtained about facts and circumstances that existed as of the acquisition date that, if known, would have affected the amounts recognised as of that date.

The measurement period is the period from the date of acquisition to the date the Group obtains complete information about facts and circumstances that existed as of the acquisition date, and is subject to a maximum of one year.

3.7 Revenue recognition

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

Sales of goods

Revenue from sales of goods is recognised when the goods are delivered and titles have passed, at which time all the following conditions are satisfied:

i) the Group has transferred to the customer the significant risks and rewards of ownership of the goods
ii) the Group retains neither continuing managerial involvement to the degree usually associated with ownership nor effective control over the goods sold
iii) the amount of revenue can be measured reliably
iv) it is sufficiently probable that the economic benefits associated with the transaction will flow to the Group
v) the costs incurred or to be incurred in respect of the transaction can be measured reliably.

Sales are stated net of discounts allowed and sales reductions at fair value. Sales deductions are estimated amounts for rebates, cash discounts and product returns. They are deducted at the time the sales are recognized, and appropriate provisions are recorded. Sales deductions are estimated primarily on the basis of historical experience, specific contractual terms and future expectations of sales development. It is unlikely that factors other than these could materially affect sales deductions in the Group.
Other operational revenues are recognised as other operating income.

3.8 Deferred income

Deferred income represents the part of the amount invoiced to customers that has not yet met the criteria for revenue recognition and thus still has to be earned as revenues by means of the delivery of goods and services in the future. Deferred income is recognized at its nominal value.

3.9 Inventories

In accordance with IAS 2 (Inventories), inventories encompass assets held for sale in the ordinary course of business (finished goods and goods purchased for resale), in the process of production for such sale (work in process) or in the form of materials or supplies to be consumed in the production process or in the rendering of services (raw materials and supplies). Inventories are stated at the lower of cost and net realizable value on first in first out (FIFO) basis after making specific provisions for obsolete and damaged stocks. The net realizable value is the achievable sale proceeds under normal business conditions less estimated cost to complete and selling expenses.

3.10 Provisions for pensions and other post-employment benefits

The company operates a defined contribution staff pension scheme for members of staff which is managed by Pension fund administrators. The scheme, which is funded by contributions from employees (8%) and the Group (10%) of basic salary, housing and transport allowances, is consistent with the provisions of the Pension Reform Act, 2014 with effect from July 1, 2014.

3.11 Taxation

The Company conducts its business in the Export processing zone and in line with section 8 of the NEPZA Act No 63 of 1992 as amended, the company is exempt from all Federal, State and Local Government taxes, levies and rates. Similarly section 18 (a) and (e) exempt the Company from taxes and allows the Company to sell up to 25 percent of its production in the local market and subject to the issuance of the relevant permit. The company would be liable to tax on income generated outside the zone if the scope of business outside the zone is expanded beyond the 25 percent of its production. The company is currently not operating outside the Zone and therefore no income tax is applicable thereof.

Reacon Duty Free Limited and ASL Oil and Gas Logistics Limited, wholly owned subsidiaries, currently operate outside the Export Processing Zone and therefore are subject to income tax. See below for the accounting policy applied.

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

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 consolidated statement of profit or loss and other comprehensive income because of items of income or expense that are taxable or deductible in other years and items that are never taxable or deductible. The Group's liability for current tax is calculated using tax rates that have been enacted or substantively enacted by the end of the reporting period.

Deferred tax

Deferred tax is recognised on temporary differences between the carrying amounts of assets and liabilities in the consolidated 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. Such deferred tax assets and liabilities are not recognised if the temporary difference arises from goodwill or from the initial recognition (other than in a business combination) of other assets and liabilities in a transaction that affects neither the taxable profit nor the accounting profit.

Deferred tax liabilities are recognised for taxable temporary differences associated with investments in subsidiaries and associates, and interests in joint ventures, except where the Group is able to control the reversal of the temporary difference and it is probable that the temporary difference will not reverse in the foreseeable future. Deferred tax assets arising from deductible temporary differences associated with such investments and interests are only recognised to the extent that it is probable that there will be sufficient taxable profits against which to utilise the benefits of the temporary differences and they are expected to reverse in the foreseeable future.

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.

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 Group expects, at the end of the reporting period, to recover or settle the carrying amount of its assets and liabilities.

3.12 Property, Plant and Equipment

All property, plant and equipment is shown at cost, less subsequent depreciation and impairment. Cost includes expenditure that is directly attributable to the acquisition of the assets. Subsequent costs are included in an asset's carrying amount or recognised as a separate asset, as appropriate, only when it is

probable that future economic benefits associated with the item will flow to the Group and the cost of the item can be measured reliably. All other repair and maintenance expenditures are charged to the Income Statement during the financial period in which they are incurred.

Depreciation is calculated using the straight-line method to reduce the cost of each asset to its residual value over its useful life as follows:

	Range of Years
Freehold Buildings	20
Leasehold Buildings	Over the lease period
Furniture and Equipment	4 - 10 years
Motor Vehicles	2 - 5 years
Food Processing Equipment	3 - 7 years
MMIA Lounge & Cockpit Bar Improvement	5 years
Software Licences	3 years

Major renovations are depreciated over the remaining useful life of the related asset or to the date of the next major renovation, whichever is sooner.

The assets' residual values and useful lives are reviewed, and adjusted if appropriate, at each reporting date. An asset's carrying amount is written down immediately to its recoverable amount if the asset's carrying amount is greater than its recoverable amount.

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

3.13 Intangible assets

Intangible assets acquired separately

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

Derecognition of intangible assets

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

3.14 Segment reporting

Operating segments are reported in a manner consistent with the internal reporting provided to the chief operating decision maker. The chief operating decision maker, who is responsible for allocating resources and assessing performance of the operating segments, has been identified as the Chief Executive Officer (CEO).

3.15 Borrowing costs

Borrowing costs directly attributable to the acquisition, construction or production of qualifying assets, which are assets that necessarily take a substantial period of time to get ready for their intended use or sale, are added to the cost of those assets, until such time as the assets are substantially ready for their intended use or sale. Investment income earned on the temporary investment of specific borrowings pending their expenditure on qualifying assets is deducted from the borrowing costs eligible for capitalisation. All other borrowing costs are recognised in profit or loss in the period in which they are incurred.

In addition, exchange differences arising from restatement of foreign denominated borrowings as a result of devaluation of Naira are also capitalised. The loans are specifically obtained to fund qualifying assets which interest costs are being capitalised.

Nevertheless, exchange differences relating to the principal are regarded as an adjustment to interest costs but only to the extent that the adjustment does not increase or decrease costs to an amount below or above a notional borrowing cost based on commercial interest rates prevailing in the functional currency at the date of the initial recognition of the borrowing.
In essence, the amount of borrowing costs that may be classified should lie between the following two amounts:

1) actual interest cost denominated in the foreign currency translated at the actual exchange rate on the date on which the expense is incurred

2) notional borrowing cost based on commercial interest rates prevailing in the functional currency at the date of the initial recognition of the borrowing (IAS 23: 6e).

3.16 Foreign currency transactions and translation

Functional and presentation currency- Items included in the financial statements of each of the Group's entities are measured using the currency of the primary economic environment in which the entity operates (the functional currency). The consolidated financial statements are presented in Naira, which is the Group's functional and presentation currency.

3.17 Foreign currency transactions and balances

Foreign currency transactions are translated into the functional currency using the exchange rates prevailing at the dates of the transactions. Foreign exchange gains and losses resulting from the settlement of such transactions and from the translation at year-end exchange rates of monetary assets and liabilities denominated in foreign currencies are recognized in the statement of profit or loss and other comprehensive income.

Non-monetary assets and liabilities in a foreign currency that are measured in terms of historical cost are translated using the exchange rate at the transaction date.

Non-monetary assets and liabilities denominated in foreign currencies that are stated at fair value are translated to the functional currency at foreign exchange rates prevailing at the dates the fair value was determined.

For the purposes of presenting these consolidated financial statements, the assets and liabilities of the Group's foreign subsidiary operations are translated into Currency Units using the exchange rates prevailing at the end of each reporting period. Income and expenses are translated at the average exchange rates for the period,

unless exchange rates fluctuate significantly during that period, in which case the exchange rates at the dates of the transactions are used. Exchange differences arising, if any, are recognised in other comprehensive income and accumulated in equity (and attributed to non-controlling interests as appropriate) .

On the disposal of a foreign operation (i.e. a disposal of the Group's entire interest in a foreign operation, a disposal involving loss of control over a subsidiary that includes a foreign operation, or a partial disposal of an interest in a joint arrangement or an associate that includes a foreign operation of which the retained interest becomes a financial asset), all of the exchange differences accumulated in equity in respect of that operation attributable to the owners of the Company are reclassified to profit or loss.

For all other partial disposals (i.e. partial disposal of associates or joint arrangement that do not result in the Group losing significant influence or joint control), the proportionate share of the accumulated exchange differences is reclassified to profit or loss.
Goodwill and fair value adjustments to identifiable assets acquired and liabilities assumed through acquisition of a foreign operation are treated as assets and liabilities of the foreign operation and are translated at the rate of exchange prevailing at the end of each reporting period. Exchange differences arising are recognised in other comprehensive income.

3.18 Provisions

Provisions are recognised when the Group has a present obligation (legal or constructive) as a result of a past event, it is probable that the Group 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, taking 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 can be measured reliably.

3.19 Earnings per share

The Group presents basic and diluted earnings per share data for its ordinary shares. Basic earnings per share is calculated by dividing the profit and loss attributable to ordinary shareholders of the Company, by the weighted average number of ordinary shares outstanding during the year. Diluted earnings per share is determined by adjusting the profit and loss attributable to ordinary shareholders and the weighted average number of ordinary shares outstanding, for the effects of all dilutive potential ordinary shares.

3.20 Dividend distribution

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

3.21 Leases

Leases are classified as finance leases whenever the terms of the lease transfer substantially all the risks and rewards of ownership to the lessee. All other leases are classified as operating leases.

The Group as lessee

Assets held under finance lease are initially recognised as assets of the Group at their fair value at the inception of the lease or, lower, at the present value of the minimum lease payments. The corresponding liability to the lessor is included in the consolidated statement of financial position as a finance lease obligation.

Operating lease payment are recognised as an expense on a straight line basis over the lease term, except where another systematic basis is more representative of the time pattern in which economic benefits from the leased assets are consumed. Contingent rentals arising under operating leases are recognised as an expense in the period in which they are incurred.

In the event that lease incentives are received to enter into operating leases, such incentives are recognised as a liability. The aggregate benefit of incentives is recognised as a reduction of rental expense on a straight line basis except where another systematic basis is more representative of the time pattern in which economic benefits from the leased assets are consumed.

3.22 Financial instruments

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

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

The Group's financial instruments include:

- Interest-bearing debt
- Trade receivables
- Trade payables
- Cash and cash equivalents
- Fixed deposits
- Borrowings

3.23 Financial assets

Financial assets are classified into the following specified categories: financial assets 'at fair value through profit or loss' (FVTPL), 'held-to-maturity' investments, 'available-for-sale' (AFS) financial assets and 'loans and receivables'. The classification depends on the nature and purpose of the financial assets and is determined at the time of initial recognition. All regular way purchases or sales of financial assets are recognised and derecognised on a trade date basis. Regular way purchases or sales are purchases or sales of financial assets that require delivery of assets within the time frame established by regulation or convention in the marketplace.

3.23.1 The effective interest rate method

The effective interest method is a method of calculating the amortised cost of a debt instrument and of allocating interest income over the relevant period. The effective interest rate is the rate that exactly discounts estimated future cash receipts (including all fees and points paid or received that form an integral part of the effective interest rate, transaction costs and other premiums or discounts) through the

expected life of the debt instrument, or, where appropriate, a shorter period, to the net carrying amount on initial recognition.

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

3.23.2 Financial assets at FVTPL

Financial assets are classified as at FVTPL when the financial asset is either held for trading or it is designated as at FVTPL

Financial assets at FVTPL are stated at fair value, with any gains or losses arising on remeasurement recognised in profit or loss. The net gain or loss recognised in profit or loss incorporates any dividend or interest earned on the financial asset and is included in the 'other gains and losses' line item. Fair value is determined in the manner described in the notes to the accounts.

The Group's financial assets at FVTPL include funds invested in short term call deposits with less than 90 days maturity with a fund manager.

3.23.3 Available-for-sale financial assets (AFS Financial Assets)

AFS financial assets are non-derivatives that are either designated as AFS or are not classified as (a) loans and receivables, (b) held-to-maturity investments or (c) financial assets at fair value through profit or loss.

Changes in the carrying amount of AFS monetary financial assets relating to changes in foreign currency rates, interest income calculated using the effective interest method and dividends on AFS equity investments are recognised in profit or loss. Other changes in the carrying amount of available-for-sale financial assets are recognised in other comprehensive income and accumulated under the heading of investments revaluation reserve. When the investment is disposed of or is determined to be impaired, the cumulative gain or loss previously accumulated in the investments revaluation reserve is reclassified to profit or loss.

Dividends on AFS equity instruments are recognised in profit or loss when the entity's right to receive the dividends is established.

The Group's AFS financial assets are portfolio with a fund manager which include equity securities and bank deposits.

3.23.4 Loans and receivables

Loans and receivables are non-derivative financial assets with fixed or determinable payments that are not quoted in an active market. Loans and receivables (including trade and other receivables, bank balances and cash) are measured at amortised cost using the effective interest method, less any impairment.

Interest income is recognised by applying the effective interest rate, except for short-term receivables when the effect of discounting is immaterial.

3.23.5 Interest-bearing debt

Financial liabilities, such as bond loans and other loans from credit institutions are recognized initially at fair value less attributable transaction costs. Subsequent to initial recognition, interest-bearing debt is stated at amortized cost with any difference between cost and redemption value being recognized in the statement of profit or loss and other comprehensive income over the period of the borrowings on an effective interest basis.

3.23.6 Trade receivables

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

3.23.7 Cash and cash equivalents

Cash and bank balances in the statement of financial position comprise cash at banks and on hand and short-term deposits with a maturity of three months or less. For the purpose of the consolidated statement of cash flows, cash and cash equivalents consist of cash and short-term deposits as defined above, net of outstanding bank overdrafts.

3.23.8 Fixed deposits

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

3.23.9 Impairment of financial assets at FVTPL

Financial assets, other than those at FVTPL, are assessed for indicators of impairment at the end of each reporting year. Financial assets are considered to be impaired when there is objective evidence that, as a result of one or more events that occurred after the initial recognition of the financial asset, the estimated future cash flows of the investment have been affected.

Objective evidence of impairment could include breach of contract, such as a default or delinquency in interest or principal payments or it becoming probable that the borrower will enter bankruptcy or financial re-organisation.

For financial assets carried at amortised cost, the amount of the impairment loss recognised is the difference between the asset's carrying amount and the present value of estimated future cash flows, discounted at the financial asset's original effective interest rate.

For financial assets that are carried at cost, the amount of the impairment loss is measured as the difference between the asset's carrying amount and the present value of the estimated future cash flows discounted at the current market rate of return for a similar financial asset. Such impairment loss will not be reversed in subsequent periods.

3.23.10 Derecognition of financial assets

The entity derecognises a financial asset only when the contractual rights to the cash flows from the asset expire, or when it transfers the financial asset and substantially all the risks and rewards of ownership of the asset to another party. If the entity neither transfers nor retains substantially all the risks and rewards of ownership and continues to control the transferred asset, the entity recognises its retained interest in the asset and an associated liability for amounts it may have to pay. If the entity retains substantially all the risks

and rewards of ownership of a transferred financial asset, the entity continues to recognise the financial asset and also recognises a collateralised borrowing for the proceeds received.

On derecognition of a financial asset in its entirety, the difference between the asset's carrying amount and the sum of the consideration received and receivable and the cumulative gain or loss that had been recognised in other comprehensive income and accumulated in equity is recognised in profit or loss.

On derecognition of a financial asset other than in its entirety (e.g. when the entity retains an option to repurchase part of a transferred asset), the entity allocates the previous carrying amount of the financial asset between the part it continues to recognise under continuing involvement, and the part it no longer recognises on the basis of the relative fair values of those parts on the date of the transfer. The difference between the carrying amount allocated to the part that is no longer recognised and the sum of the consideration received for the part no longer recognised and any cumulative gain or loss allocated to it that had been recognised in other comprehensive income is recognised in profit or loss. A cumulative gain or loss that had been recognised in other comprehensive income is allocated between the part that continues to be recognised and the part that is no longer recognised on the basis of the relative fair values of those parts.

3.23.11 Classification as debt or equity

Debt and equity instruments issued by the entity are classified as either financial liabilities or as equity in accordance with the substance of the contractual arrangements and the definitions of a financial liability and an equity instrument.

Financial liabilities (including borrowings and trade and other payables) are subsequently measured at amortised cost using the effective interest method.

3.23.12 Equity instruments

An equity instrument is any contract that evidences a residual interest in the assets of an entity after deducting all of its liabilities. Equity instruments issued by the entity are recognised at the proceeds received, net of direct issue costs.

Repurchase of the Company's own equity instruments is recognised and deducted directly in equity. No gain or loss is recognised in profit or loss on the purchase, sale, issue or cancellation of the Company's own equity instruments.

3.23.13 Financial liabilities

Financial liabilities are classified either FVTPL or 'other financial liabilities' (which include loans from banks and related parties and trade and other payables). The Group does not have financial liabilities classified FVTPL. The Group subsequently measures financial liabilities, at amortised cost using the effective interest method.

3.23.14 Borrowings

All borrowings are initially recorded at the amount of proceeds received, net of transaction costs.

Borrowings are subsequently carried at amortised cost, with the difference between the proceeds, net of transaction costs, and the amount due on redemption being recognised as a charge to profit or loss over the period of the relevant borrowing.

4 Critical accounting judgements and key sources of estimation uncertainty

In the application of the Group'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 considered to be relevant. Actual results may differ from these estimates.

The estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are 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 Critical judgements in applying the Group's accounting policies and key sources of estimation and uncertainty

The key judgements have been disclosed in the relevant notes to the consolidated and separate financial statements. However, the following are the estimates that the directors have made in the process of applying the Group's accounting policies and that have the most significant effect on the amounts recognised in financial statements.

Useful life of Property, plant and equipment

The Group reviewed the estimated useful life's of its property, plant and equipment on transition to IFRS on 1 January, 2011. The estimates were based on professional judgement expressed by the external valuers appointed to revalue certain assets. Some of the factors considered includes the current service potential of the assets, potential cost of repairs and maintenance and brand quality for over the years

As at 31 Dec 2015, the Group reconsidered this and no changes

Allowance for credit losses

The Group periodically assesses its trade receivables for probability of credit losses. Management considers several factors including past credit record, current financial position and credibility of management, and a level of judgement is exercised in determining the allowances made for credit losses.

5 Revenue

The following is an analysis of the Group's revenue for the year from continuing operation (excluding investment income).

	The Group		The Company	
	2015	2014	2015	2014
	N'000	N'000	N'000	N'000
Inflight catering and related service	3,906,495	2,925,734	3,053,240	2,699,123
Lounges	246,066	212,725	246,066	212,725
Duty Free shop	70,099	89,676	-	-
Restaurants	155,549	165,943	155,549	165,943
Others	172,695	160,725	142,087	154,761
	4,550,904	3,554,803	3,596,942	3,232,552

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For the year ended 31 December 2015

6 Segment information

6.1 Products and services from which reportable segments derive their revenues

Information reported to the chief operating decision maker; the Chief Executive Officer (CEO) for the purposes of resource allocation and assessment of segment performance focuses on a number of factors including geographical location and types of goods or services delivered or provided. The Group's reportable segments under IFRS 8 are therefore as follows:

Lagos Inflight Catering- The segment operations include inflight catering, laundry and handling services.

Abuja Operations- The segment operations include inflight catering, lounges and restaurant services provided in the Abuja office.

Airport Operations, Lagos- The segment provides restaurant, lounge, and duty free shop.

Kigali Inflight Catering- The segment operations include inflight catering, handling and related services.

Port-Harcourt Oil and Gas Catering- The segment operations includes other catering and related services.

6.2 Segment revenue and results

The following is an analysis of the Group's revenue and results by reportable segment for the year ended 31 December 2015:

	Segment revenue	Cost of sales	Segment Profit
	N'000	N'000	N'000
Lagos Inflight Catering	2,501,484	(810,679)	1,690,805
Abuja Inflight Catering	655,280	(268,697)	386,583
Airport Operations Lagos	510,277	(178,959)	331,318
Kigali Inflight Catering	858,270	(244,218)	614,052
Port-Harcourt Oil and Gas Catering	25,593	(5,513)	20,080
	4,550,904	(1,508,066)	3,042,838
Central administration costs			(3,344,859)
Other Operating Income			257,766
Operating loss			(44,255)
Investment income			17,685
Other gains and losses			119,705
Finance costs			(149,959)
Loss before tax			(56,823)
Tax			(437)
Loss for the year			(57,260)

6.2 Segment revenue and results (cont'd)

The following is an analysis of the Group's revenue and results by reportable segment for the year ended 31 December 2014:

	Segment revenue N'000	Cost of sales N'000	Segment Profit N'000
Lagos Inflight Catering	2,290,727	(826,585)	1,464,142
Abuja Inflight Catering	537,871	(225,009)	312,862
Airport Operations Lagos	493,629	(185,940)	307,689
Kigali Inflight Catering	230,144	(79,788)	150,356
Port-Harcourt Oil and Gas Catering	2,432	(238)	2,194
	3,554,803	(1,317,560)	2,237,243
Central administration costs			(2,507,334)
Other Operating Income			211,991
Operating loss			(58,100)
Investment income			23,903
Other gains and losses			245,973
Finance costs			(40,648)
Profit before tax			171,128
Tax			826
Profit for the year			171,954

Segment revenue reported above represents revenue generated from external customers. There were no inter-segment sales in the current year.

The accounting policies of the reportable segments are the same as the Group's accounting policies described in note 3. Segment profit represents the profit earned by each segment without allocation of central administration costs, investment revenue, other gains and losses, finance costs and income tax expense. This is the measure reported to the chief operating decision maker for the purposes of resource allocation and assessment of segment performance.

6.3 Segment assets and liabilities

The CEO does not make use of information on segment assets and segment liabilities for the purpose of resource allocation and assessment of segment performance.

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6.4 Revenues from major products and services

The Group's revenues from its major products and services were as follows:

	The Group		The Company	
	31-Dec-15 N'000	31-Dec-14 N'000	31-Dec-15 N'000	31-Dec-14 N'000
Revenue from:				
Lagos:				
Inflight Catering	2,005,661	1,851,140	2,005,661	1,851,140
Lounges	246,066	212,725	246,066	212,725
Duty Free shop	70,098	89,676	-	-
Beverages	50,289	25,999	50,289	25,999
Handling	276,993	255,270	276,993	255,270
Laundry	137,128	109,056	137,128	109,056
Others	225,526	240,490	225,526	240,490
	3,011,761	2,784,356	2,941,662	2,694,680
Abuja:				
Inflight Catering	440,437	352,150	440,437	352,150
Beverages	9,389	6,783	9,389	6,783
Handling	127,273	90,432	127,273	90,432
Laundry	6,070	8,293	6,070	8,293
Others	72,111	80,214	72,111	80,214
	655,280	537,872	655,280	537,872
Port - Harcourt:				
Oil & Gas Catering	25,593	2,432	-	-
	25,593	2,432	-	-
Kigali:				
Inflight Catering	637,012	156,920	-	-
Handling	211,654	69,068	-	-
Laundry	4,588	623	-	-
Others	5,016	3,532	-	-
	858,270	230,143	-	-
Total revenue	4,550,904	3,554,803	3,596,942	3,232,552

6.5 Geographical information

Currently the Group's operations are domiciled in Nigeria and Kigali, Rwanda. The Rwanda Company commenced operation August 1, 2014.

6.6 Information about major customers

Included in revenues arising from Lagos operations are revenues of approximately N607million (2014: N543million) which arose from sales to the Group's largest customers.

7. Other operating income

	The Group		The Company	
	31-Dec-15	31-Dec-14	31-Dec-15	31-Dec-14
	N'000	N'000	N'000	N'000
Advert/branding	22,438	52,602	22,438	52,602
Doubtful debt recovered	4,367	11,764	4,367	11,764
Management Service Fees	-	-	21,056	5,460
Others	30,957	1,570	28,872	1,570
Levies	200,004	146,055	195,336	145,089
	257,766	211,991	272,069	216,485

Management Service Fees refers to income earned by the parent company arising from day-to-day running of the ASL Rwanda Limited EPZE.

Levies represent international standard concession fees collectible from Airlines on behalf of the Federal Airport Authority of Nigeria (FAAN) and fees collected on behalf of Nigerian Export Processing Zone Authority as required by law.

8 Investment income

	The Group		The Company	
	31-Dec-15	31-Dec-14	31-Dec-15	31-Dec-14
	N'000	N'000	N'000	N'000
Interest income: Bank deposits	17,685	23,903	17,685	23,903
Total investment income	17,685	23,903	17,685	23,903

The interest income on bank deposits were earned at interest rates ranging from 7% - 11.5% per annum.

9 Other gains and losses

	The Group		The Company	
	31-Dec-15	31-Dec-14	31-Dec-15	31-Dec-14
	N'000	N'000	N'000	N'000
Foreign exchange gain	119,705	245,973	202,217	238,131
	119,705	245,973	202,217	238,131

10 Finance cost

Interest on bank overdrafts and loans	153,185	141,279	79,362	116,250
Total interest incurred	153,185	141,279	79,362	116,250
Less: amounts included in the cost of qualifying assets	(3,226)	(100,631)	(3,226)	(100,631)
Total interest expense	149,959	40,648	76,136	15,619

Borrowing costs included in the cost of qualifying assets during the year relate to the specific expenditure incurred on borrowings. The weighted average capitalisation rate on funds borrowed generally is 10% per annum (2014: 7% per annum).

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	The Group		The Company	
	31-Dec-15	31-Dec-14	31-Dec-15	31-Dec-14
11 Administrative Expenses:	N'000	N'000	N'000	N'000
Salaries & wages	848,461	698,980	691,305	623,128
Staff pension costs	41,146	31,849	40,469	30,893
Directors remuneration	165,923	69,200	164,423	66,200
Staff training	13,860	8,714	12,725	7,845
Staff uniform	5,428	10,665	3,247	10,180
Transport & travelling	99,924	94,698	78,494	78,988
Printing, stationery & computer	15,412	15,161	13,417	15,149
Rent & rates	298,964	217,301	269,465	191,875
Insurance	68,306	70,954	55,332	67,716
Professional & consultancy fees	102,432	57,417	91,981	56,075
Listing & registration fees	1,418	3,576	1,348	2,158
Licenses fees & permits	17,664	21,258	16,749	19,821
Electricity	73,471	34,182	55,481	25,642
AGM expenses	7,910	8,923	7,910	8,923
Donations	7,061	15,127	7,061	15,127
Office & administrative expenses	116,234	106,162	106,021	100,027
Repairs & maintenance	186,994	193,407	162,633	177,538
Audit fees	12,760	10,285	8,500	8,500
Security coverage	79,307	67,500	77,507	65,080
Bank charges	3,425	2,079	-	-
Allowance for bad debts	28,046	16,247	22,307	16,247
Medical expenses	44,848	32,406	41,592	31,712
Depreciation & amortisation charge	305,847	187,503	195,753	144,978
Fines & penalty	195,285	-	195,285	-
	2,740,123	1,973,594	2,319,005	1,763,802
12 Selling and distribution expenses:				
Marketing expenses:				
Salaries & wages	24,703	20,391	21,498	19,227
Advert, promotion & public relations	59,523	93,505	57,515	90,117
Management, technical & concession fees	248,557	152,594	244,959	151,436
	332,783	266,490	323,972	260,780
Distribution expenses:				
Salaries & wages	160,855	162,490	114,739	138,302
Depreciation & amortisation charge	103,784	100,620	93,731	96,833
Carriage outwards	7,314	4,140	7,314	4,140
	271,953	267,250	215,784	239,275
Total selling and distribution expenses:	604,736	533,740	539,756	500,055
12a Employee benefit expenses				
Salaries & wages	1,034,019	881,861	827,542	780,657
Pension costs	41,146	31,849	40,469	30,893
	1,075,165	913,710	868,011	811,550

13 Profit for the year

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

	Notes	The Group 31-Dec-15 N'000	The Group 31-Dec-14 N'000	The Company 31-Dec-15 N'000	The Company 31-Dec-14 N'000
Net foreign exchange gains	9	(119,705)	(245,973)	(202,217)	(238,131)
Depreciation of property, plant and equipment	16	397,174	265,015	277,027	219,955
Auditor's remuneration	11	12,760	10,285	8,500	8,500
Director's remuneration and fees	34.3	176,000	70,200	174,500	67,200
Amortisation of intangible assets	17	10,677	20,988	10,677	20,988
Gain on disposal of property, plant and equipment		(1,005)	(913)	(1,005)	(913)

14 Taxation

Income tax recognised in profit or loss

	The Group 31-Dec-15	The Group 31-Dec-14	The Company 31-Dec-15	The Company 31-Dec-14
Current tax				
In respect of the current year	212	292	-	-
	212	292	-	-
Deferred tax				
In respect of the current year	225	(1,118)	-	-
	225	(1,118)	-	-
Total income tax expense recognised in the current year	437	(826)	-	-

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

	Group 2015	Group 2014
Profit/(loss)	(56,823)	171,128
Tax @ 30%	-	51,338
Effect of income exempted from tax	-	(51,338)
Effect of unused tax losses and deductible temporary differences now recognised as deferred tax assets	-	(1,118)
Effect of write-downs of deferred tax assets	225	-
Effect of minimum tax provisions	212	292
Total income recognised in the FS	437	(826)

The tax rate used for the 2015 and 2014 reconciliations above is the corporate tax rate of 30% payable by Reacon duty free in Nigeria on taxable profits under Nigerian tax law.

Current tax liability in the statement of financial position

	2015 N'000	2014 N'000
Balance at beginning of year	305	403
Charge for the year	212	292
Payment during the year	(291)	(390)
Balance at end of year	226	305

Deferred tax balances

The following is the analysis of deferred tax assets/(liabilities) presented in the consolidated statement of financial position:

	2015 N'000	2014 N'000
Balance at beginning of year	(1,086)	32
Charge to profit or loss	225	(1,118)
Balance at end of year	(861)	(1,086

14 Taxation (cont'd))

The Company conducts its business in the Export Processing Zone and in line with Section 8 of the NEPZA ACT No 63 of 1992 as amended, the Company is exempt from all Federal, State and Local Government taxes, levies and rates. Similarly, Section 18(a) and (e) exempts the Company from taxes and allows the Company to sell up to 25 percent of its products in the local market and subject to the issuance of the relevant permit.

The Company would be liable to tax on income generated outside the zone if the scope of business is expanded outside the Export Processing Zone. The Company for now is not operating outside the Zone and therefore no income tax is applicable thereof.

Taxation charged for the year relates to the operations of the subsidiary - Reacon Duty free Limited, which is outside the Export Processing Zone.

Deferred tax in respect of the subsidiary arises from timing differences in the recognition of items for accounting and tax purposes and is provided, using the liability method, for all temporary differences arising between the tax basis of assets and liabilities and their carrying values for financial reporting purposes.

The following are the major deferred tax liabilities and assets recognised by the Group and movements thereon during the current and prior reporting period.

	Accelerated tax on depreciation of Property, Plant & Equipment N'000
At 1 January 2015	(1,086)
Charge to profit or loss	225
Charge to other comprehensive income	-
Charge direct to equity	-
Exchange differences	-
At 31 December 2015	(861)

Deferred tax assets and liabilities are offset where the Group has a legally enforceable right to do so. The balance above is the deferred tax balances (after offset) for financial reporting purposes.

15 Basic and diluted earnings per share

The earnings and weighted average number of ordinary shares used in the calculation of basic and diluted earnings per share are as follows

	The Group 31-Dec-15 N'000	The Group 31-Dec-14 N'000	The Company 31-Dec-15 N'000	The Company 31-Dec-14 N'000
(Loss)/profit attributable to owners of the company	(64,435)	179,889	(62,763)	247,058
Earnings used in the calculation of basic and diluted earnings per share	(64,435)	179,889	(62,763)	247,058
Shares	Number	Number	Number	Number
Weighted average number of ordinary shares for the purposes of basic earnings per share	634,000	634,000	634,000	634,000
Basic EPS (kobo)	(10)	28	(10)	39

16. Property, Plant and Equipment

The Group

Cost	Buildings N'000	MMIA Lounge Improvements N'000	Motor Vehicles N'000	Food Processing equipment N'000	Furniture and equipment N'000	MMIA Cockpit bar improvements N'000	Leasehold improvements N'000	Assets in construction N'000	Total N'000
Balance as at 1 January, 2014	303,500	209,402	150,830	650,451	150,803	28,109	-	383,255	1,876,350
Additions	471,519	-	4,042	319,820	27,571	-	-	768,634	1,591,586
Disposals	-	-	(8,180)	(1,420)	(42)	-	-	-	(9,642)
Reclassification (Note 16.1)	308,472	-	-	-	-	-	11,219	(308,472)	11,219
Derecognition (Note 16.2)	-	-	-	-	-	(15,444)	-	-	(15,444)
Effects of foreign currency translation (Note 16.3)	42,536	-	235	15,920	992	-	-	31	59,714
Balance as at 31 December, 2014	1,126,027	209,402	146,927	984,771	179,324	12,665	11,219	843,448	3,513,782
Additions	271,094	-	54,402	41,096	27,181	-	-	-	393,773
Disposals	-	-	(10,500)	(1,000)	(122)	-	-	-	(11,622)
Reclassification	677,484	-	-	141,021	-	-	-	(818,505)	-
Derecognition (Note 16.1)	-	-	-	-	(110)	-	-	(20,303)	(20,413)
Effects of foreign currency translation (Note 16.2)	(997)	-	(453)	1,844	(73)	-	-	-	321
Balance as at 31 December, 2015	2,073,608	209,402	190,376	1,167,732	206,200	12,665	11,219	4,640	3,875,841
Accumulated Depreciation and Impairment									
Balance as at 1 January, 2014	91,050	86,822	64,799	248,380	48,756	14,361	-	4,640	558,808
Reclassification	-	-	-	-	-	-	2,493	-	2,493
Depreciation charge for the year	51,921	42,027	25,249	117,471	20,740	3,867	3,740	-	265,015
Disposal	-	-	(5,840)	(1,420)	(33)	-	-	-	(7,293)
Derecognition (Note 16.1)	-	-	-	-	-	(8,629)	-	-	(8,629)
Effects of foreign currency translation (Note 16.2)	1,182	-	20	929	83	-	-	-	2,214
Balance as at 31 December, 2014	144,153	128,849	84,228	365,360	69,546	9,599	6,233	4,640	812,608
Depreciation charge for the year	120,848	42,027	31,077	173,558	24,994	930	3,740	-	397,174
Disposals	-	-	(9,800)	(1,000)	(122)	-	-	-	(10,922)
Derecognition (Note 16.1)	-	-	-	-	(201)	-	-	-	(201)
Effects of foreign currency translation (Note 16.2)	(1,778)	-	(73)	(1,183)	(140)	-	-	-	(3,174)
Balance as at 31 December, 2015	263,223	170,876	105,432	536,735	94,077	10,529	9,973	4,640	1,195,485
Net book Value									
31-Dec-14	981,874	80,553	62,699	619,411	109,778	3,066	4,986	838,808	2,701,174
31-Dec-15	1,810,385	38,526	84,944	630,997	112,123	2,136	1,246	-	2,680,356

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16. Property, Plant and Equipment

The Company

Cost	Buildings N'000	MMIA Lounge Improvements N'000	Motor Vehicles N'000	Food Processing equipment N'000	Furniture and equipment N'000	MMIA Cockpit bar improvements N'000	Assets in construction N'000	Total N'000
Balance as at 1 January, 2014	303,500	209,402	150,830	633,507	142,108	28,109	118,760	1,586,216
Additions	-	-	-	46,298	10,833	-	763,109	820,240
Disposals	-	-	(8,180)	(1,420)	(42)	-	-	(9,642)
Reclassification	49,143	-	-	-	-	-	(49,143)	-
Derecognition (Note 16.2)	-	-	-	-	-	(15,444)	-	(15,444)
Balance as at 31 December, 2014	352,643	209,402	142,650	678,385	152,899	12,665	832,726	2,381,370
Additions	50,694	-	38,620	30,817	20,430	-	-	140,561
Disposals	-	-	(10,500)	(1,000)	(122)	-	-	(11,622)
Reclassification	676,927	-	-	141,021	-	-	(817,948)	-
Derecognition (Note 16.2)	-	-	-	-	(110)	-	(14,778)	(14,888)
Balance as at 31 December, 2015	1,080,264	209,402	170,770	849,223	173,097	12,665	-	2,495,421
Accumulated Depreciation and Impairment								
Balance as at 1 January, 2014	91,050	86,822	64,799	246,668	46,502	14,361	-	550,201
Depreciation charge for the year	31,606	42,027	24,912	99,053	18,490	3,867	-	219,955
Disposal	-	-	(5,840)	(1,420)	(33)	-	-	(7,293)
Derecognition (Note 16.2)	-	-	-	-	-	(8,629)	-	(8,629)
Balance as at 31 December, 2014	122,656	128,849	83,871	344,301	64,959	9,599	-	754,234
Depreciation charge for the year	57,774	42,027	28,628	128,434	19,233	930	-	277,027
Disposals	-	-	(9,800)	(1,000)	(122)	-	-	(10,922)
Derecognition (Note 16.2)	-	-	-	-	(199)	-	-	(199)
Balance as at 31 December, 2015	180,430	170,876	102,699	471,735	83,871	10,529	-	1,020,140
Net book Value								
31-Dec-14	229,987	80,553	58,779	334,084	87,940	3,066	832,726	1,627,136
31-Dec-15	899,834	38,526	68,071	377,488	89,226	2,136	-	1,475,281

16.1 Being capitalisation of the cost of renovation of leased office space.

16.2 Being the derecognition of the costs of the aborted planned facility expansion at the International Airport, Lagos (2014; these relate to assets in the cockpit bar improvement that were derecognised as a result of conversion of Coca-Cola bar to Heineken Bar).

16.3 This effect was as a result of re-translation of the foreign subsidiary's i.e. ASL Rwanda Limited EPZE financials to Naira at the prevailing closing rate as at the reporting date.

16.4 Assets pledged as security

The new Group building facility units in Abuja, Nigeria and Kigali, Rwanda were financed through term loans obtained from Access Bank Plc and Ecobank Plc. They are both secured by a negative pledge.

Impairment of tangible and intangible assets excluding goodwill

At each reporting date, the Group reviews the carrying amounts of its tangible and intangible assets to determine whether there is any indication that those assets have suffered an impairment loss. If any such indication exists, the recoverable amount of the asset is estimated to determine the extent of the impairment loss (if any). Where the asset does not generate cash flows that are independent from other assets, the group estimates the recoverable amount of the cash-generating unit to which the asset belongs. An intangible asset with an indefinite useful life is tested for impairment at least annually and whenever there is an indication that the asset may be impaired.

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.

Where an impairment loss subsequently reverses, the carrying amount of the asset (or 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.

17 Intangible Assets

	The Group			The Company		
	Software license N'000	Operational right N'000	Total N'000	Software license N'000	Operational right N'000	Total N'000
Cost						
Balance at 1 January, 2014	57,164	80,751	137,915	57,164	80,751	137,915
Additions	-	-	-	-	-	-
Disposals	-	-	-	-	-	-
Balance at 31 December, 2014	57,164	80,751	137,915	57,164	80,751	137,915
Additions	-	-	-	-	-	-
Disposals	-	-	-	-	-	-
Balance at 31 December, 2015	57,164	80,751	137,915	57,164	80,751	137,915
Accumulated amortisation and impairment						
Balance at 1 January, 2014	25,499	80,751	106,250	25,499	80,751	106,250
Amortisation expense	20,988	-	20,988	20,988	-	20,988
Balance at 31 December, 2014	46,487	80,751	127,238	46,487	80,751	127,238
Amortisation expense	10,677	-	10,677	10,677	-	10,677
Balance at 31 December, 2015	57,164	80,751	137,915	57,164	80,751	137,915
Net Book Value						
31-Dec-14	10,677	-	10,677	10,677	-	10,677
31-Dec-15	-	-	-	-	-	-

The software cost above relates basically to various software licenses acquired and deployed for operational purposes. Amortisation expenses have been recognised in accordance with the Group's policy to write off the cost over 3 years.

The operational right above relates to the use of the British Airways lounge. The cost of the right has been amortised over the period in which it is exercisable. Revenue from using the lounge has grown appreciably and there is no indication of impairment.

18 Investment in Subsidiary

	The Group 31-Dec-15 N'000	The Group 31-Dec-14 N'000	The Company 31-Dec-15 N'000	The Company 31-Dec-14 N'000
Investment at cost (Note 18.1)	-	-	111,950	111,950
less: impairment of investment	-	-	(25,500)	(25,500)
	-	-	86,450	86,450

The Group at the date of transition on January 1, 2011 to International Financial Reporting Standards (IFRS) reviewed the company's cost of investment in its wholly owned (100% shareholdings) subsidiary; Reacon Duty Free Limited. The cost of investment in its subsidiary was fair valued based on the value of shares in the subsidiary and an impairment of N25.5m was recognised due to the diminution in the carrying amount.

18.1

Name of Subsidiary	Principal Activities	Place of Incorporation and Operation	Proportion of ownership or voting power held by the the Group 2015 %	Holding N'000	Proportion of ownership or voting power held by the Group 2014 %	Holding N'000
Reacon Duty Free Limited	Airport duty free shops	Nigeria	100	26,000	100	26,000
ASL Rwanda Limited (EPZE)	Airline catering, airport lounge and duty free management services	Rwanda	70	53,550	70	53,550
ASL Oil & Gas Logistics Limited	Oil and gas catering	Nigeria	100	32,400	100	32,400
Total Cost of Investment				111,950		111,950
Less: Impairment on investment in Reacon Duty Free Limited				(25,500)		(25,500)
Net value of Investment in Subsidiaries				86,450		86,450

Details of the Group's subsidiaries at the end of the reporting period are as follows:

i. Reacon Duty Free Limited

The company holds 500,000 ordinary shares of N1 representing 100% of the issued share capital of N500,000. Reacon operates a duty free shop at the Murtala Muhammed International Airport in Lagos, Nigeria.

ii. ASL Oil & Gas Logistics Limited

The company holds 32,400,000 ordinary shares of the authorised share capital of 54,000,000 ordinary shares of N1 representing 100% of the issued share capital of N32,400,000. The company's operational base is situated at Port-Harcourt and is currently prospecting for catering services in the Oil and Gas sector of the Nigeria's economy.

iii. ASL Rwanda Limited

The company holds 214,200,000 ordinary shares of RWF representing 70% of the issued share capital of RWF 306,000,000. The company carries on the business of airline catering, airport lounges and duty free services at Kigali International Airport, Kigali, Rwanda. The 30% ordinary shares of RWF 91,800,000 is owned by Rwanda Air, a company registered in Kigali, Rwanda.

Intercompany balances between the parent company and its subsidiaries have been eliminated on consolidation.

18.2 Summarised financial information in respect of each of the Group's subsidiaries that has material non-controlling interests is presented below.

The summarised financial information below shows amounts before intragroup eliminations.

ASL Rwanda Limited (EPZE)	2015 N'000	2014 N'000
Current assets	322,415	164,248
Non-current assets	1,195,011	1,069,747
Current liabilities	(148,743)	(50,013)
Non-current liabilities	(1,345,901)	(1,184,379)
Equity	22,782	(397)
Equity attributable to owners of the Company	15,947	(278)
Non-controlling interest	6,835	(119)
Total Equity	22,782	(397)
Non-controlling interests	6,835	(119)
	22,782	(397)
Revenue	858,270	230,143
Expenses	(834,355)	(256,593)
Profit/(loss) for the year	23,915	(26,450)
Profit/(loss) attributable to owners of the Company	16,740	(18,515)
Profit/(loss) attributable to the non-controlling interests	7,175	(7,935)
Profit/(loss) for the year	23,915	(26,450)
Other comprehensive income for the year		
Total comprehensive income attributable to owners of the Company	16,740	(18,515)
Total comprehensive income attributable to the non-controlling interests	7,175	(7,935)
Total comprehensive income for the year	23,915	(26,450)
Dividends paid to non-controlling interests	-	-
Net cash inflow/(outflow) from operating activities	244,641	836,208
Net cash inflow/(outflow) from investing activities	(220,964)	(810,391)
Net cash inflow/(outflow) from financing activities	-	6,666
Net cash inflow/(outflow)	23,677	32,483

	The Group		The Company	
	31-Dec-15 N'000	31-Dec-14 N'000	31-Dec-15 N'000	31-Dec-14 N'000
19 Financial asset				
Available-for-sale investments carried at fair value	-	-	-	-
Investment in ARM fund	2,917	3,121	2,917	3,121
Financial assets carried at fair value through profit or loss (FVTPL)	-	-	-	-
Investment in Meristem Wealth Fund	15,236	-	15,236	-

The balance in ARM Fund Management Limited represents the fair value of the portfolio held by the entity at the reporting period. The Group's portfolio with the fund managers includes equity securities and bank deposits.

The investment presents the Group with opportunity for return through dividend income, interest income and trading gains. These shares are not held for trading and accordingly are classified as available for sale. The fair values of all equity securities are based on quoted market prices.

The balance in Meristem Wealth Fund Management Limited represents the fair value of the fund held by the entity at the reporting period. The Group's investment with the fund managers is basically short term call deposits and are less than 90 days maturity.

The investment presents the Group with opportunity for return through interest income on funds invested in call deposit. The fund is not held for trading and accordingly has been designated as financial assets carried at fair value through profit or loss (FVTPL).

	The Group		The Company	
	31-Dec-15 N'000	31-Dec-14 N'000	31-Dec-15 N'000	31-Dec-14 N'000
20 Inventories				
Food items	170,806	154,001	166,099	149,826
Spare parts and tools	13,275	35,419	13,275	35,419
Kitchen consumables	37,388	13,787	25,011	2,248
Alcoholic beverages	2,415	4,738	2,415	4,738
Chemicals and cleaning	15,161	3,063	13,880	1,142
Non- alcoholic beverages	2,471	1,861	2,428	1,803
Diesel and fuel	7,827	6,308	6,674	5,350
Ready to use stocks	-	5,464	-	5,464
Others	422	1,137	70	-
RDF inventory - Finished Goods:				
Alcoholic wines & spirits	4,755	8,326	-	-
Cigarettes & tobacco	1,464	3,630	-	-
Perfumes & fragrances	2,927	10,155	-	-
Fashion accessories & textiles	2,187	2,553	-	-
	261,098	250,442	229,852	205,990

The cost of inventory recognised as an expense during the year in respect of continuing operations for the Group was N1.5billion (2014: N1.32billion) and for the Company was N1.22billion (2014: N1.19billion) . There are no inventories expected to be recovered after more than twelve months.

	The Group		The Company	
	31-Dec-15 N'000	31-Dec-14 N'000	31-Dec-15 N'000	31-Dec-14 N'000
21 Trade and other receivables				
Trade receivable				
Amount receivable for the sale of goods	837,127	734,250	623,963	635,075
Allowance for doubtful debts	(145,577)	(127,637)	(145,577)	(127,637)
	691,550	606,613	478,386	507,438
Other receivables				
Other debtors	11,453	20,808	11,439	20,808
Due from subsidiaries (Note 34.4)	-	-	1,503,485	1,276,926
	11,453	20,808	1,514,923	1,297,734
Total trade and other receivables	703,003	627,421	1,993,310	1,805,172

21 Trade and other receivables (cont'd)

Trade receivables

Trade receivables disclosed above are carried at cost less allowance for doubtful debts.

The average credit period taken on sales of goods is 30 days. No interest is charged on outstanding trade receivables. It is the Group's policy to recognise a 100% allowance on receivables that are due for over 90 days (2014: 365 days) based on management judgement that those receivables are unlikely to be recovered. Allowances for doubtful debts are recognised against trade receivables between 30 days and 365 days based on estimated irrecoverable amounts determined by reference to past default experience of the counterparty and an analysis of their current financial position.

Credit sales are made subject to observation of all credit approval procedures.

Majority of the company's customers are in the aviation industry, consequently, there is a concentration of receivables within this industry, which is subject to normal credit risk. Single customers that represent more than 10% of the net trade receivable balance during the period and their individual balances are as follows:

Receivables due from 4 major customers represent more than 10% of the trade receivables balance as at year end are as analysed below:

	The Group		The Company	
	31-Dec-15	31-Dec-14	31-Dec-15	31-Dec-14
	N'000	N'000	N'000	N'000
Major customers	515,249	272,989	322,949	272,989
Others	321,878	461,261	301,014	362,086
	837,127	734,250	623,963	635,075

Trade receivables disclosed above include amounts (see below for aged analysis) that are past due at the end of the reporting period for which the Group has not recognised an allowance for doubtful debts because there has not been a significant change in credit quality and the amounts more than 30 days outstanding are still considered recoverable.

Ageing of past due but not impaired trade receivables

	The Group		The Company	
	31-Dec-15	31-Dec-14	31-Dec-15	31-Dec-14
	N'000	N'000	N'000	N'000
30-60 days	134,396	231,370	32,360	231,370
60-90 days	9,769	10,920	9,769	10,920
	144,165	242,290	42,129	242,290

Ageing of impaired trade receivables

	The Group		The Company	
	31-Dec-15	31-Dec-14	31-Dec-15	31-Dec-14
	N'000	N'000	N'000	N'000
90-120 days	346	-	346	-
120-180 days	-	-	-	-
180-365 days	-	127,637	-	127,637
365+ days	145,231	-	145,231	-
Total	145,577	127,637	145,577	127,637

In determining the recoverability of a trade receivable the Group considers any change in the credit quality of the trade receivable from the date credit was initially granted up to the reporting date.

Included in the allowance for doubtful debts are individually impaired trade receivables as at December 2011 of N106.53 million representing receivables from a customer which has been placed under liquidation. The Group does not hold any collateral over this balance.

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21 Trade and other receivables (cont'd)

	The Group		The Company	
	31-Dec-15	31-Dec-14	31-Dec-15	31-Dec-14
Movement in the allowance for doubtful debts	N'000	N'000	N'000	N'000
Balance at the beginning	127,637	123,154	127,637	123,154
Impairment losses recognised on receivables	20,391	16,247	20,391	16,247
Amount written off during the period as uncollectible	-	-	-	-
Amount recovered during the period	(2,451)	(11,764)	(2,451)	(11,764)
Balance at the end	145,577	127,637	145,577	127,637

The directors consider that the carrying amount of trade and other receivables is approximately equal to their fair value.

	The Group		The Company	
	31-Dec-15	31-Dec-14	31-Dec-15	31-Dec-14
21.1 Other long term receivables	N'000	N'000	N'000	N'000
Shareholder's Loan	5,882	24,286	-	-
	5,882	24,286	-	-

The shareholder's loan refers to Rwanda Air Limited's 30% shareholdings in ASL Rwanda Limited. The shareholding agreement stipulates that Rwanda Air Limited will not receive any dividends until the Shareholder Loan and all debt obligations are settled.

22 Other assets

	The Group		The Company	
	31-Dec-15	31-Dec-14	31-Dec-15	31-Dec-14
	N'000	N'000	N'000	N'000
Advance payments for inventories	-	1,945	-	1,945
Advance payments for property, plant & equipment	10,746	-	-	-
Prepayments	179,177	184,152	156,799	165,184
	186,097	186,097	156,799	167,129
Current Portion	165,361	118,862	139,251	100,984
Non-Current Portion	24,562	67,235	17,548	66,145

23 Cash and cash equivalents

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

	The Group		The Company	
	31-Dec-15	31-Dec-14	31-Dec-15	31-Dec-14
	N'000	N'000	N'000	N'000
Cash and bank balances	572,347	271,506	494,328	215,325
Commercial papers (23.1)	165,857	214,535	165,857	214,535
	738,204	486,041	660,185	429,860

23.1 Commercial papers and term deposits

Commercial papers and fixed deposits have interest rates ranging from 7% to 11% and are less than 90 days maturity period.

23.1 Commercial papers & term deposit (cont'd)

31-Dec-15	Rate	Amortised cost N'000
Access bank commercial papers	11.50%	99,999
Access bank commercial papers	7.50%	15,066
Ecobank time deposit	10.00%	50,792
		165,857

31-Dec-14	Rate	Amortised cost
Access bank commercial papers	10.00%	50,413
Access bank commercial papers	7.00%	14,122
Ecobank time deposit	11.00%	100,000
Ecobank time deposit	9.00%	50,000
		214,535

		The Group		The Company	
		31-Dec-15	31-Dec-14	31-Dec-15	31-Dec-14
24	Share capital	N'000	N'000	N'000	N'000
	Authorised:				
	1,000,000,000 ordinary shares of 50 kobo each	500,000	500,000	500,000	500,000
	Issued and fully paid:				
	634,000,000 ordinary shares of 50 kobo each	317,000	317,000	317,000	317,000
25	Share premium account				
	Balance	342,000	342,000	342,000	342,000
		342,000	342,000	342,000	342,000

The balance in the share premium account represents excess proceeds over the nominal value of shares during the private placement carried out in 2007 during which additional 114,000,000 units of 50 kobo shares were sold at N3.50k.

		The Group	The Company
26	Revenue reserve (net of income tax)	N'000	N'000
	Balance at 1 January 2014	1,504,253	1,601,341
	Reversal of ASL Oil & Gas NCI's share of loss for 2013 (Note 26.1)	(39,056)	-
	Effects of retranslation of ASL Rwanda on consolidation (Note 26.2)	22	-
	Net profit for the year	179,889	247,058
	Dividend declared (Note 26.3)	(76,080)	(76,080)
	Balance at 31 December 2014	1,569,028	1,772,319
	Effects of retranslation of ASL Rwanda on consolidation (Note 26.2)	2	-
	Net profit for the year	(64,435)	(62,763)
	Dividend declared (Note 26.3)	(95,100)	(95,100)
	Balance at 31 December 2015	1,409,495	1,614,456

26.1 This refers to the non -controlling interest (NCI) share of losses for 2013. The non-controlling interest in 2013 held 40% holdings in ASL Oil & Gas Logistics Limited. The board of the parent company had an agreement with the non-controlling interest to acquire the 40% stake in 2014. The NCI was eventually paid off in 2014 and the subsidiary is now 100% fully owned by the parent company.

26.2 This refers to exchange differences arising from the translation of the results and net assets of the Group's foreign operations from their functional currencies to the Group's presentation currency (i.e. Currency Units).

26.3 In the year under review, a dividend of 15 kobo per ordinary share totaling N95.10 million was declared and paid to the shareholders in respect of 2014 financial year (2014: N76.08million).

		The Group	The Company
27	Investment revaluation reserves	N'000	N'000
	Balance at 1 January 2014	1,538	1,538
	Net gain arising on revaluation of AFS financial assets	167	167
	Tax relating to gain on AFS financial assets	-	-
	Balance at 31 December 2014	1,705	1,705
	Net gain arising on revaluation of AFS financial assets	(204)	(204)
	Tax relating to gain on AFS financial assets	-	-
	Balance at 31 December 2015	1,501	1,501

The AFS financial asset reserve represents the cumulative gains and losses arising on the revaluation of available-for-sale financial assets that have been recognised in other comprehensive income, net of amounts reclassified to profit or loss when those assets have been disposed of or are determined to be impaired.

		2015	2014
28	Non-controlling interests	The Group	The Group
		N'000	N'000
	Balance at 1 January	30,751	(11,788)
	Payment to ASL Oil & Gas NCI's in 2014 (Note 28.1)	-	(16,000)
	Transfer to other income	-	(5,600)
	Reversal of ASL Oil & Gas NCI's share of loss for 2013 (Note 28.2)	-	39,056
	Restatement of ASL Rwanda NCI's share capital (Note 28.3)	-	1,890
	Adjustment	(2)	-
	Effects of retranslation of ASL Rwanda on consolidation	(29,879)	31,128
	Share of current profit/(losses)	7,175	(7,935)
	Balance at 31 December	8,045	30,751

This represents the portion of the minority shareholders in the called up share capital of the subsidiary; ASL Rwanda Limited together with their share of profits or losses attributable to their proportion of the ordinary share capital.

28.1 This refers to derecognition of non -controlling shareholding in ASL Oil & Gas Logistics Limited. The NCI in 2013 had 40% holdings in ASL Oil & Gas Limited. The board of the parent company had an agreement with the NCI to acquire the 40% stake in 2014. The NCI was eventually paid off in 2014 and the subsidiary is now 100% fully owned by the parent company.

28.2 This refers to the non -controlling share of losses for 2013. The NCI in 2013 held 40% holdings in ASL Oil & Gas Limited. The board of the parent company had an agreement with the NCI to acquire the 40% stake in 2014. The NCI was eventually paid off in 2014 and the subsidiary is now 100% fully owned by the parent company.

28.3 To account for difference in exchange rate that should have been applied in 2013 on recognition of non -controlling interest shareholdings in ASL Rwanda Limited.

	The Group 2015 N'000	The Group 2014 N'000
29 Foreign currency translation reserve		
Items that may be reclassified subsequently to profit or loss:		
Balance at beginning of the year	103,758	-
Exchange differences arising on translation of foreign operations (Note 29.2)	(99,597)	103,758
Balance at end of year	4,161	103,758
29.1 Foreign currency translation reserve attributable to:		
Parent	2,913	72,630
Non-controlling interest	1,248	31,128
	4,161	103,758
29.2 Foreign currency translation (loss)/gain attributable to:		
Parent	(69,718)	72,630
Non-controlling interest	(29,879)	31,128
	(99,597)	103,758

Exchange differences relating to the translation of the results and net assets of the Group's foreign operations from their functional currencies to the Group's presentation currency (i.e. Currency Units) are recognised directly in other comprehensive income and accumulated in the foreign currency translation reserve.

Exchange differences previously accumulated in the foreign currency translation reserve in respect of translating the net assets of foreign operations will only be reclassified to profit or loss upon the disposal of the foreign operation.

30 Borrowings	The Group		The Company	
	31-Dec-15 N'000	31-Dec-14 N'000	31-Dec-15 N'000	31-Dec-14 N'000
Borrowings at amortised cost				
Bank loans (Note 30.1)	1,329,893	1,319,113	1,329,893	1,319,113
Total	1,329,893	1,319,113	1,329,893	1,319,113
Current	349,872	281,761	349,872	281,761
Non - current	980,021	1,037,352	980,021	1,037,352
30.1 Bank Loans				
Principal (Note 30.2)	1,320,482	1,313,979	1,320,482	1,313,979
Accrued Interest	9,411	5,134	9,411	5,134
	1,329,893	1,319,113	1,329,893	1,319,113
30.2 Details of the principal loan above are as follows:				
Access Bank Plc (Note 30.5)	501,075	542,640	501,075	542,640
Access Bank Plc (Note 30.6)	83,512	-	83,512	771,339
Ecobank Plc (Note 30.7)	735,895	771,339	735,895	-
	1,320,482	1,313,979	1,320,482	1,313,979
30.3 Bank Loans (Principal)				
Balance at 1 January	1,313,979	631,273	1,313,979	631,273
Additional loan (Note 30.4)	109,531	747,890	109,531	747,890
Restatement of loan (Note 30.8)	232,682	-	232,682	-
Loan repayments	(335,710)	(65,184)	(335,710)	(65,184)
Balance at 31 December	1,320,482	1,313,979	1,320,482	1,313,979

30.4 Borrowings (cont'd)

The additional loan stated above was obtained from Ecobank; N25.5m and Access bank; N84m (2014: Ecobank: N747.89m).

The following are the details of the borrowings:

30.5 The term loan was obtained from Access Bank Plc, Nigeria. The terms of the loan are specified below

Date of initial drawdown	16th August, 2013
Principal	US3,400,000
Interest rate	7%
Moratorium period	First 12 months of initial drawdown. Moratorium period applies to only principal repayment.
Principal repayment	20 equal quarterly installments beginning from 16th November, 2014.

However, with effect from June 12, 2015, the interest rate on the outstanding loan payable was increased to 10.25%.

30.6 The term loan was obtained from Access Bank Plc, Nigeria. The terms of the loan are specified below:

Date of initial drawdown	4th February, 2015
Principal	US 500,000
Interest rate	8.50%
Moratorium period	No moratorium.
Principal repayment	20 equal quarterly instalments beginning from 4th May, 2015.

30.7 The term loan was obtained from Ecobank Plc, Nigeria. The terms of the loan are specified below:

Date of initial drawdown	8th October, 2013
Facility line	US5,000,000
Principal drawdown	US4,977,612
Interest rate	6%+Libor
Moratorium period	First 12 months of initial drawdown. Moratorium period applies to only principal repayment.
Principal repayment	60 monthly repayments beginning from 28th October, 2014.

The additional loan obtained from Ecobank Plc was within the facility line of US5m term loan above. However, with effect from September 1, 2015, the interest rate on the outstanding loan payable was increased to 11%+libor.

The weighted average interest rates paid during the year were as follows:

Bank loans: 10% per annum (2014:7% per annum)

All facilities are secured by a negative pledge on Airline Services & Logistics Plc and domiciliation of sales proceeds from specified customers in the bank.

30.8 As a result of the official devaluation of Naira exchange rate to US Dollars in February 2015, the entire term loans denominated in US Dollars were revalued at the new official rate accordingly.

31 Trade and other payables

	The Group		The Company	
	31-Dec-15 N'000	31-Dec-14 N'000	31-Dec-15 N'000	31-Dec-14 N'000
Trade payables	569,342	390,178	447,765	371,388
Other payables				
Amount due to related companies (Note 34.2)	10,884	2,888	10,884	2,888
Other creditors	89,208	39,555	87,256	42,446
PAYE	211,111	40,230	204,759	29,932
Accruals and provisions	290,474	152,156	251,896	126,704
Total other payables	601,677	234,829	554,795	201,970
Trade and other payables	1,171,019	625,007	1,002,560	573,358

Trade creditors and accruals principally comprise amounts outstanding for trade purchases and ongoing costs. The average credit period taken for trade purchases is 90 days. For most suppliers no interest is charged on the trade payables.

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

32 Retirement benefit obligations

32.1 Staff pension fund

The Group operates a defined contribution pension scheme for all employees except expatriates. The assets of the schemes are held separately from those of the group and are managed by Pension Fund Administrators. The scheme, which is funded by contributions from employees (8%) and the Group (10%) of basic salary, housing and transport allowances, is consistent with the provisions of the Pension Reform Act, 2014.

The total cost charged to income of N80m (2014:N66.9m) represents contributions payable to the schemes by the Group at rates specified in the rules of the plans.

	The Group		The Company	
	31-Dec-15	31-Dec-14	31-Dec-15	31-Dec-14
Staff pension fund	N'000	N'000	N'000	N'000
Balance at 1 January	10,833	12,735	8,065	9,910
Provision for the year	79,999	66,906	78,772	65,036
Payments during the year	(77,418)	(68,809)	(76,189)	(66,881)
Balance at 31 December	13,414	10,832	10,648	8,065

32.2 Staff exit scheme

The Group reached an agreement with the Staff Union on May 28, 2013 to discontinue the "Exit scheme" which came in force in August 2009 when it discontinued its gratuity scheme. Under the scheme, the Company contributes 6 % of the gross salary of all staff on monthly basis. The exit scheme which was funded by a dedicated current account balance in a commercial bank was used to pay off beneficiaries staff.

The following shows movement in the account:

	The Group		The Company	
	31-Dec-15	31-Dec-14	31-Dec-15	31-Dec-14
Staff exit scheme	N'000	N'000	N'000	N'000
Balance at 1 January	493	695	493	695
Provision for the year	-	-	-	-
Payments during the year	-	(202)	-	(202)
Balance at 31 December	493	493	493	493

The only obligation of the group with respect to the retirement benefit scheme is to make the specified contributions.

32.3 Discontinued gratuity scheme

The Company, before the discontinuation of gratuity scheme, made provision annually towards employees gratuities based on current emoluments of the Nigerian staff. In 2009, management decided to discontinue the gratuity scheme therefore full provision was made for employees gratuity benefit up to 31 July 2009.

The following shows movement in the account

32.3 Discontinued gratuity scheme (cont'd)

	The Group		The Company	
	31-Dec-15	31-Dec-14	31-Dec-15	31-Dec-14
	N'000	N'000	N'000	N'000
Balance at 1 January	1,481	1,481	1,481	1,481
Provision write back	-	-	-	-
Payments during the year	-	-	-	-
Balance at 31 December	1,481	1,481	1,481	1,481

Summary of retirement benefit obligations	The Group		The Company	
	31-Dec-15	31-Dec-14	31-Dec-15	31-Dec-14
	N'000	N'000	N'000	N'000
Staff pension fund (Note 32.1)	13,414	10,832	10,648	8,065
Staff exit scheme (Note 32.2)	493	493	493	493
Discontinued gratuity scheme (Note 32.3)	1,481	1,481	1,481	1,481
	15,388	12,806	12,622	10,039

33 Net cash generated from operating activities

Reconciliation of (loss)/profit to net cash generated for/ (used in) operating activities

	The Group		The Company	
	2015	2014	2015	2014
	N'000	N'000	N'000	N'000
(Loss)/profit for the year	(56,823)	171,128	(62,763)	247,058
Adjustments to reconcile (loss)/profit for the year to net cash generated from/(used in) operating activities:				
Add back:				
Depreciation of property, plant and equipment	397,174	265,015	277,027	219,955
(Gain)/loss on disposal of property, plant and equipment	(1,005)	(913)	(1,005)	(913)
Derecognition of tangible assets	9,578	-	9,578	-
Amortisation of intangible assets	10,677	20,988	10,677	20,988
Finance costs	149,959	40,648	76,136	15,619
Investment income	(17,685)	(23,903)	(17,685)	(23,903)
Tax paid	(291)	(390)	-	-
Changes in working capital:				
(Increase) in inventories	(10,656)	(10,866)	(23,863)	(27,737)
(Increase) in trade and other receivables	(55,602)	119,015	(188,162)	(646,557)
(Increase)/decrease in other assets	(3,622)	(33,066)	10,330	(41,864)
Increase/(decrease) in trade and other payable	555,425	(24,685)	438,613	(53,228)
Increase/(decrease) in retirement benefit obligations	2,582	(2,105)	2,583	(2,047)
(Increase)/decrease) in deferred tax	224	-	-	-
Total adjustments	1,036,758	349,738	594,229	(539,687)
Net cash generated from/(used in) operating activities	979,935	520,866	531,466	(292,629)

	The Group		The Company	
	2015	2014	2015	2014
33.1 Effects of exchange rates changes	N'000	N'000	N'000	N'000
Restatement of loans (Note 30.3)	232,682	–	232,682	–
Exchange rate difference on translation of foreign operations (Note 29)(99,597)	–	–	–	–
	133,085	–	232,682	–

34 Related party information

Balances and transactions between the company and its subsidiary have been eliminated on consolidation and are not disclosed in this note. Transactions between the group and its other related parties are disclosed below.

Services rendered/trading transactions

The company carried out transactions with the below named companies that fall within the definition of related party. The Company's management considers such transactions to be in the normal course of business and at terms which correspond to those conducted at an arm's length with third parties.

Catering Security

Checkport Security Nigeria Limited is an aviation security service company which provides ASL Plc with catering security personnel. Richard Akerele is one of the directors of the Checkport Security Nigeria Limited as well as director of ASL Plc

Tax Consultancy Services

Eskay 1st Contact Tax Consult - Provides tax consultancy services on Pay As You Earn (PAYE) in respect of ASL employees. Otunba S.K. Onafowokan is the Chairman of the firm and he retired as a director of ASL Plc on July 2, 2015.

Newrest Group International S.A.S.

The company has a consultancy agreement with Newrest Group International for the provision of technical and commercial know-how. The terms of the agreement specify a payment to the Consultant of a monthly Fee based on time-costs of actual man-hours spent by the Consultant's personnel (net of VAT, taxes and any other taxes). The Fees include the costs and expenses incurred by the Consultant in connection with the provision of the Services and a profit mark-up equal to five percent 5% of the previous amount. The Fees are subject to Witholding Taxes. The Co-Chief Executive Officers of Newrest Group; Olivier Sadran and Jonathan Stent-Torriani are on the Company's board of directors. The balance on the account represents total indebtedness to Newrest, payable in Euro using interbank rate.

Royal African Trust Limited

The former residences of the Chief Executive Officer and expatriate staff are owned by Royal African Trust Limited. Richard Akerele is a director of the company as well as a director of ASL Plc.

Rwandair

The Group in its ordinary course of business provides catering and related services to Rwandair both in Lagos, Nigeria and Kigali, Rwanda. Rwandair has a 30% shareholdings in ASL Rwanda Limited (EPZE).

The amounts outstanding are unsecured and will be settled in cash. No guarantees have been given or received. The Group has made a provision of N0.732m (2014: N8.842m) for doubtful debts in respect of the amounts owed by related parties.

34. 1. Service rendered/trading transactions:

	The Group		The Company	
	2015	2014	2015	2014
	N'000	N'000	N'000	N'000
Checkport Security	34,650	34,650	34,650	34,650
Eskay 1st Contact Tax Consult	47,205	28,739	47,205	28,739
Royal African Trust Limited	-	22,796	-	22,796
Newrest Group International S.A.S.	49,569	-	49,569	-
Rwandair	782,844	266,755	87,130	60,262
	914,268	352,940	218,554	146,447

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34.2 Balance due to related parties:

	The Group Amount owed to related parties		The Company Amount owed to related parties	
	2015	2014	2015	2014
	N'000	N'000	N'000	N'000
Checkport Security	2,888	2,888	2,888	2,888
Eskay 1st Contact Tax Consult	-	-	-	-
Royal African Trust Limited	-	-	-	-
Newrest Group International S.A.S.	7,996	-	7,996	-
	10,884	2,888	10,884	2,888

34.3 Balance due from related parties:

	The Group Amount owed by related parties		The Company Amount owed by related parties	
	2015	2014	2015	2014
	N'000	N'000	N'000	N'000
Rwandair	220,920	104,926	28,620	29,736
	220,920	104,926	28,620	29,736

34.4 Balance due from related parties (subsidiaries)

	The Group Amount owed from related parties		The Company Amount owed from related parties	
	2015	2014	2015	2014
	N'000	N'000	N'000	N'000
Reacon Duty Free Limited	–	–	28,109	49,391
ASL Rwanda Limited (EPZE)	–	–	1,341,842	1,087,237
ASL Oil & Gas Logistics Limited	–	–	133,535	140,298
	–	–	1,503,485	1,276,926

34.5 Remuneration of key management personnel

The remuneration of the directors, who are the key management personnel of the group, is set out below in aggregate for each of the categories specified in IAS 24 Related Party Disclosures. Further information about the remuneration of individual directors is also provided.

	The Group		The Company	
	2015	2014	2015	2014
	N'000	N'000	N'000	N'000
Post-employment benefits	16,000	–	16,000	–
	16,000	–	16,000	–
Directors' emoluments				
Chairman's fee	14,395	8,000	13,395	6,000
Non-Executive Directors fees	9,000	7,000	8,500	6,000
Executive Directors' emoluments	136,605	55,200	136,605	55,200
	160,000	70,200	158,500	67,200

The number of Directors excluding the Chairman whose emoluments were within the following ranges

	The Group		The Company	
	2015	2014	2015	2014
	Number	Number	Number	Number
₦				
Less than 1,000,000	–	–	–	–
1,000,001- 5,000,000	7	3	7	3
5,000,001 - 10,000,000	–	–	–	–
10,000,001- 20,000,000	–	–	–	–
Above 20,000,000	2	1	2	1
	9	4	9	4
Number of Directors who had no emoluments	5	5	–	–

The highest paid Director received N136.923m in 2015 (2014: N55.2m), included in this amount are outstanding leave allowance and Company's pension contribution due to the former Chief Executive Director.

In addition, the emoluments of the current Chief Executive Director included in the amount stated above also form part of the fees payable or paid to the Newrest Group (see note 34.1).

Loans and other transactions in favour of directors and officers
The company did not guarantee any loan in favour of its Directors and Officers.

Directors' Current Account
Dr. P. D. Cole

The balance of Nil (2014:N2.5m) outstanding on Dr. P. D. Cole's account represented travel expenses not yet retired as at 31st December, 2015.

Mr. R. Akerele

There were personal payments made on behalf of Mr. Akerele in respect of Samtex Ventures. Mr. Akerele is a director of Samtex Ventures. All payments were regularly refunded. The balance on Mr. Akerele's account as at 31st December, 2015 was a credit balance of N7,912,371.00 (2014: N16,677.59)

35 Financial risk management

35.1 Capital risk management

The Group manages its capital to ensure that it is able to continue as a going concern while maximizing the return to stakeholders through the optimisation of the debt and equity balance. The Company's overall strategy remains unchanged from 2014.

The capital structure of the group consists of debt which includes the bank loans and equity attributable to equity holders of the parent, comprising issued capital and reserves.

The Group's risk management committee reviews the capital structure periodically. As part of this review, the committee considers the cost of capital and the risks associated with each class of capital. The Group's policy is to keep its gearing ratio at a minimum, this is reflected in the current gearing ratio of 64% (2014: 57%) (see below)

Gearing ratio

The gearing ratio at year end is as follows:

	The Group		The Company	
	31-Dec-15	31-Dec-14	31-Dec-15	31-Dec-14
	N'000	N'000	N'000	N'000
Debt	1,329,893	1,319,113	1,329,893	1,319,113
Equity	2,072,909	2,302,363	2,274,957	2,433,024
Debt to equity ratio	64%	57%	58%	54%

Debt is defined as current and non-current term borrowing. Equity includes all capital and reserves of the Company that are managed as capital.

35.2 Categories of financial instruments

Financial assets	The Group		The Company	
	31-Dec-15	31-Dec-14	31-Dec-15	31-Dec-14
	N'000	N'000	N'000	N'000
Cash and bank balances	738,204	486,041	660,185	429,860
Trade and other receivables	703,003	627,421	1,993,310	1,805,172
Available-for-sale financial assets	2,917	3,121	2,917	3,121
Financial assets (FVTPL)	15,236		15,236	
	1,459,360	1,116,583	2,671,648	2,238,153
Financial liabilities at amortised cost				
Borrowings	1,329,893	1,319,113	1,329,893	1,319,113
Trade and other payables	1,171,019	625,007	1,002,560	573,358
	2,500,912	1,944,120	2,332,453	1,892,471

35.3 Foreign currency risk management

The Group undertakes transactions denominated in foreign currencies; consequently, exposures to exchange rate fluctuations arise. The Group is mainly exposed to USD, Pound sterling and Euro.

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

	The Group		The Company	
Us Dollars	31-Dec-15	31-Dec-14	31-Dec-15	31-Dec-13
Assets				
Cash balances	7,754	2,522	4,301	2,484
Bank balances	421,877	138,007	381,868	102,836
Trade receivables	736,415	533,065	523,252	434,539
	1,166,046	673,594	909,421	539,859
Liabilities				
Trade payables	32,927	24,671	32,927	24,671
Borrowings	1,329,893	1,319,113	1,329,893	1,319,113
	1,362,820	1,343,784	1,362,820	1,343,784
Pounds sterling				
Assets				
Cash balances	1,213	645	842	360
Bank balances	762	1,393	733	1,204
	1,975	2,038	1,575	1,564
Liabilities				
Trade payables	3,832	2,450	3,832	2,450
	3,832	2,450	3,832	2,450
Euro				
Assets				
Cash balances	2,332	318	1,361	386
Bank balances	3,417	2,909	3,397	2,703
	5,749	3,227	4,759	3,089
Trade payables	14,521	29,144	14,521	29,144
	14,521	29,144	14,521	29,144

35.4 Foreign currency sensitivity analysis

The following table details the Group's sensitivity to a 15% per cent increase and decrease in Naira against the relevant foreign currencies. Management believes that a 15% movement in either direction is reasonably possible at the reporting date. The sensitivity analysis includes only outstanding foreign currency denominated monetary items and adjusts their translation at the period end for a 15% per cent change in foreign currency rates. A positive number below indicates an increase in profit where Naira strengthens 15% against the relevant currency. For a 15% weakening of Naira against the relevant currency, there would be a comparable impact on the profit, and the balances below would be negative.

	2015					
	The Group			The Company		
	Us dollar	Pounds	Euro	Us dollar	Pounds	Euro
	N'000	N'000	N'000	N'000	N'000	N'000
Naira strengthens by 15%						
Profit or loss	(29,516)	(279)	(1,316)	(68,010)	(339)	(1,465)
Naira weakens by 15%						
Profit or loss	29,516	279	1,316	68,010	339	1,465

	2014					
	The Group			The Company		
	Us dollar	Pounds	Euro	Us dollar	Pounds	Euro
	N'000	N'000	N'000	N'000	N'000	N'000
Naira strengthens by 5%						
Profit or loss	(33,510)	(21)	(1,296)	(40,196)	(44)	(1,303)
Naira weakens by 5%						
Profit or loss	33,510	21	1,296	40,196	44	1,303

The Group's sensitivity to US dollar is more than other currencies principally because of USD denominated term loans obtained from Access Bank Plc and Ecobank Nigeria Ltd.

35.5 Credit risk management

Credit risk is the risk that a counterparty will not meet its obligations under a financial instrument or customer contract, leading to a financial loss.

The Group is exposed to credit risk from its investing activities (primarily trade receivables) and from its financing activities, including deposits with banks and other financial institutions.

35.6 Interest rate risk management

The Group is exposed to interest rate risk because the parent Company borrows funds at both fixed and floating interest rates tied to money market conditions. The risk is managed by the Group by maintaining an appropriate mix between fixed and floating rate borrowings. The Group's exposures to interest rates on financial assets and financial liabilities are detailed in the liquidity risk management section of this note.

35.7 Trade receivables

Credit risk refers to the risk that a counterparty will default on its contractual obligations resulting in financial loss to the Entities. The Group has adopted a policy of only dealing with creditworthy counterparties and each customer's account is managed by the business units subject to the Group's established policy, procedures and control relating to customer credit risk management. A customer care representative is attached to each customer and outstanding customer receivables are regularly monitored by the representative. Impairment assessment is done at each reporting date on an individual basis for all customers, the calculation is based on actual data.

About 38% (2014:43%) of the trade receivables are due from single customers that individually account for 10% of net trade receivables (refer to note 21), the Group evaluates the concentration of risk with respect to trade

receivables as medium, as its customers are diverse though within the same industry. The requirement for an impairment is analysed at each reporting date on an individual basis for all customers.

35.8 Deposits with banks and other financial institutions

Credit risk from balances with banks and financial institutions is managed by the Group's treasury department in accordance with the Group's policy. Surplus funds are spread amongst reputable commercial banks and funds must be within credit limits assigned to each counterparty. Counterparty credit limits are reviewed by the Group's Chief Finance Officer periodically and may be updated throughout the year. The limits are set to minimise the concentration of risks and therefore mitigate financial loss through potential counterparty's failure.

The carrying value of the Company's financial assets represents its maximum exposure to credit risk. The maximum exposure to credit risk at the reporting date was:

	The Group		The Company	
	Dec-15	Dec-14	Dec-15	Dec-13
Trade and other receivables	703,003	627,421	1,993,310	1,805,172
Bank deposits	738,204	486,041	660,185	429,860
	1,441,207	1,113,462	2,653,495	2,235,032

Collateral held as security and other credit enhancements

The Group does not hold any collateral or other credit enhancements to cover its credit risks associated with its financial assets.

35.9 Liquidity risk management

The Group monitors its risk to a shortage of funds by maintaining a balance between continuity of funding and by continuously monitoring forecast and actual cash flows and by matching the maturity profiles of financial assets and liabilities. It also ensures that short term funds are used strictly for working capital purposes while capital projects are funded from long tenured borrowings. Access to sources of funding is sufficiently available. The Group's financial liability are its trade and other payables and bank borrowings.

35.10 Maturity analysis of financial liabilities

The following tables detail the Group's remaining contractual maturity for its non-derivative financial liabilities. The tables have been drawn up based on the undiscounted cash flows of financial liabilities based on the earliest date on which the Group can be required to pay. The table includes both interest and principal cash flows.

The Group	0-3 months N'000	1-3 months N'000	3 -6 months N'000	6-12 months N'000	12-18 months N'000	Total N'000
31-Dec-15						
Trade and other payables	1,171,019	–	–	–	–	1,171,019
Term loans	–	96,914	87,305	175,007	970,667	1,329,893
	1,171,019	96,914	87,305	175,007	970,667	2,500,912
31-Dec-14						
Trade and other payables	625,007	–	–	–	–	625,007
Borrowings	–	77,385	87,556	175,903	978,269	1,319,113
	625,007	77,385	87,556	175,903	978,269	1,944,120

The Company	0-3 months	1-3 months	3 -6 months	6-12 months	12-18 months	Total
31-Dec-15	N'000	N'000	N'000	N'000	N'000	N'000
Trade and other payables	1,002,560	–	–	–	–	1,002,560
Term loans	–	96,914	87,305	175,007	970,667	1,329,893
	1,002,560	96,914	87,305	175,007	970,667	2,332,453
31-Dec-14						
Trade and other payables	573,358	–	–	–	–	573,358
Borrowings	–	77,385	87,556	175,903	978,269	1,319,113
	573,358	77,385	87,556	175,903	978,269	1,892,471

The Group had no overdraft facility in 2015 (2014: Nil). The Group expects to meet its other obligations from operating cash flows and proceeds of maturing financial assets.

Fair value of financial instruments carried at amortised cost

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

36 Operating Lease Arrangement

The Group as lessee

Leasing arrangements

The previous lease arrangement which expired on 2nd April, 2012 has been renewed for another 25 years. The title to the leased land at all time remains with the Lessor who also specifies that the Leased land shall be used for catering purposes only during the lease period.

The Company shall pay to the lessor a concession fee of 5% starting April 1, 2013 of its gross annual turnover.

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Secondly, in respect of the unit in Abuja, the company secured a new operating lease agreement with the Federal Airports Authority of Nigeria. The lease term is for initial 30 years with an option for renewal. The title to the leased land at all time remains with the Lessor who also specifies that the leased land shall be used for catering purposes only during the lease period.

The Company shall pay to the lessor a concession fee of 5% of its gross annual turnover.

Payments recognised as an expense

	The Group		The Company	
	Dec-15	Dec-14	Dec-15	Dec-13
Minimum lease payments	65,160	19,489	65,160	19,489
Contingent rentals	153,923	116,567	153,923	116,567
	219,083	136,056	219,083	136,056
<u>Non-cancellable operating lease commitments</u>				
Not later than 1 year	65,160	19,489	65,160	19,489
Later than 1 year and not later than 5 years	–	–	–	–
Later than 5 years	–	–	–	–
	65,160	19,489	65,160	19,489

37 Contingent liability

As at date, the Group, in its ordinary course of business, is presently involved in a lawsuit as a defendant and the total amount claimed against the Group in this lawsuit is estimated at N1.11 billion. However, the Group's litigators are of the view that no liability is expected to arise from the pending case against the Group, as judgment had been delivered on October 31, 2013 in favour of the Group and the court had dismissed the claims of the Claimant. Although the Claimant has appealed the judgement of the trial court, but is yet to compile and transmit records to the Court of Appeal. The Group has therefore applied to have the appeal dismissed for want of diligent prosecution.

Based on the advice of the litigators, the Directors of the Group are of the opinion that the above dispute is unlikely to have a material adverse effect on the Group and they are not aware of any other pending and or threatened claims or litigation which may be material to the financial statements.

38 Events after the Reporting Period

The Directors are of the opinion that there was no significant events after the reporting period which would have had any material effect on the accounts on that date, which have not been adequately provided for or disclosed in the financial statements.

The Company has repaid some portion of the existing loan as at year end in line with the loan terms. N38.4 million and N32.7 million have been repaid to Access Bank and Ecobank respectively. Furthermore, the Company has received N68.9 million from ASL Rwanda Limited.

The Directors in a unanimous decision agreed that the name of the company be changed to "Newrest ASL Nigeria Plc". This is subject to the approval of the shareholders at the general meeting of the Company. Security and Exchange Commission and Nigerian Stock Exchange have been notified of the proposed change.

39 Commitments for expenditure

Financial commitments

The Directors are of the opinion that all known liabilities and commitments which are relevant in assessing the company's state of affairs have been taken into consideration in the preparation of the financial statements.

Capital commitments

There were no capital commitments as at 31 December 2015.

CONSOLIDATED AND SEPARATE STATEMENT OF VALUE ADDED (NON IFRS STATEMENT)

For the year ended 31 December 2015

	The Group				The Company			
	2015 N'000	%	2014 N'000	%	2015 N'000	%	2014 N'000	%
Turnover	4,550,904		3,554,803		3,596,942		3,232,552	
Interest income	17,685		23,903		17,685		23,903	
Other operating income	257,766		211,991		272,069		216,485	
Other gain & loss	119,705		245,973		202,217		238,131	
	4,946,060		4,036,670		4,088,913		3,711,071	
Bought in materials and services:								
Imported	(1,354,663)		(1,058,467)		(1,172,202)		(966,756)	
Local	(2,015,245)		(1,554,702)		(1,737,312)		(1,439,456)	
Value added	1,576,152	100	1,423,501	100	1,179,399	100	1,304,859	100
Applied as follows:								
To pay employees:								
Staff cost	1,075,165	68	913,710	64	868,011	74	881,550	62
To pay Government:								
Income tax and education tax	437	-	(826)	-	-	-	-	
To pay providers of capital:								
Interest and similar charges	149,959	10	40,648	3	76,136	6	15,619	1
To provide for replacement of assets and expansion								
Depreciation	397,174	25	277,027	20	277,027	23	219,955	17
Amortization of Intangible assets	10,677	1	20,988	1	20,988	2	10,677	1
Deferred Tax				-				
Profit/(loss) for the year	(57,260)	(4)	171,954	12	(62,763)	(5)	247,058	19
	1,576,152	100	1,423,501	100	1,179,399	100	1,304,859	100

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

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FIVE YEAR FINANCIAL SUMMARY (NON IFRS STATEMENT)

For the year ended 31 December 2015

(a) Group

	2015 N'000	2014 N'000	2013 N'000	2012 N'000	2011 N'000
Balance Sheet					
Assets					
Intangible assets	–	10,677	31,665	33,320	69,280
Property, plant and equipment	2,680,356	2,701,174	1,317,542	1,021,310	1,085,123
Financial asset	2,917	3,121	2,954	2,783	2,592
Other asset	24,562	67,235	19,627	8,510	-
Other receivable	5,882	24,286	21,060	-	-
Deferred tax asset	861	1,086	-	-	14
Net current assets/(liabilities)	346,397	562,887	1,364,375	1,120,168	728,398
Total assets less current liabilities	3,060,975	3,370,466	2,757,223	2,186,091	1,885,407
Deferred tax liabilities	–	–	(32)	(8)	–
Long term liabilities	(980,021)	(1,037,352)	(604,188)	–	(65,083)
	2,080,954	2,333,114	2,153,003	2,186,083	1,820,324
Capital and reserves					
Share capital	317,000	317,000	317,000	317,000	317,000
Share premium	342,000	342,000	342,000	342,000	342,000
Revenue reserve	1,409,495	1,569,028	1,504,253	1,525,716	1,160,148
Investment revaluation reserve	1,501	1,705	1,538	1,367	1,176
Non-controlling interest	8,045	30,751	(11,788)	-	-
Foreign currency translation reserve	2,913	72,630	-	-	
Shareholders' funds	2,080,954	2,333,114	2,153,003	2,186,083	1,820,324
Profit and loss account					
Turnover	4,550,904	3,554,803	3,501,260	3,831,788	3,645,271
(Loss)/profit before taxation	(56,823)	171,128	90,796	492,758	245,909
Taxation	(437)	826	(407)	(390)	(994)
(Loss)/profit after taxation	(57,260)	171,954	90,389	492,368	244,915
Per 50k share data (kobo):					
Numbers of ordinary shares in issue ('000 units)	634,000	634,000	634,000	634,000	634,000
Earnings – Basic (kobo)	(10)	28	23	78	39
Net assets (kobo)	328	368	340	345	287

Notes:

1 Earnings per share are based on profit after tax and the number of issued and fully paid ordinary shares at the end of each financial year.

2 Net assets per share are based on net assets and issued and fully paid ordinary shares at the end of each financial year.

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FIVE YEAR FINANCIAL SUMMARY (NON IFRS STATEMENT)
For the year ended 31 December 2015

(b) The Company

	2015 N'000	2014 N'000	2013 N'000	2012 N'000	2011 N'000
Balance Sheet					
Assets					
Intangible assets	–	10,677	31,665	33,320	69,280
Property, plant and equipment	1,475,281	1,627,136	1,036,015	1,016,435	1,077,324
Investment in subsidiary	86,450	86,450	82,040	500	500
Financial asset	2,917	3,121	2,954	2,783	2,592
Other assets	17,548	66,145	11,005	8,510	–
Net current assets/(liabilities)	1,672,781	1,676,847	1,702,388	1,118,814	727,192
Total assets less current liabilities	3,254,978	3,470,376	2,866,067	2,180,362	1,876,888
Long term liabilities	(980,021)	(1,037,352)	(604,188)	–	(65,083)
	2,274,957	2,433,024	2,261,879	2,180,362	1,811,805
Capital and reserves					
Share capital	317,000	317,000	317,000	317,000	317,000
Share premium	342,000	342,000	342,000	342,000	342,000
Revenue reserve	1,614,456	1,772,319	1,601,341	1,519,995	1,151,629
Investment revaluation reserve	1,501	1,705	1,538	1,367	1,176
Shareholders' funds	2,274,957	2,433,024	2,261,879	2,180,362	1,811,805
Profit and loss account					
Turnover	3,596,942	3,232,552	3,368,023	3,696,143	3,645,271
(Loss)/profit before and after taxation	(62,763)	247,058	239,846	495,208	245,909
Per 50k share data (kobo):					
Numbers of ordinary shares in issue ('000 units)	634,000	634,000	634,000	634,000	634,000
Earnings – Basic (kobo)	(10)	39	38	78	39
Net assets (kobo)	359	384	357	344	286

Notes:

1 Earnings per share are based on profit after tax and the number of issued and fully paid ordinary shares at the end of each financial year.

2 Net assets per share are based on net assets and issued and fully paid ordinary shares at the end of each financial year.

Shareholding Range Analysis

The Company's issued shares of 634,000,000 units as at year end are held by shareholders as follows:

ACTIVE SHAREHOLDERS - SUMMARY

Position as at :31/12/2015

Range	No. of Holders	Holders' %	Holders Cum.	Units	Units %	Units Cum.
1 - 1,000	821	23.78%	821	433,402	0.07%	433,402
1,001 – 5,000	954	27.63%	1,775	2,985,992	0.47%	3,419,394
5,001 – 10,000	611	17.69%	2,386	5,418,599	0.85%	8,837,993
10,001 – 50,000	690	19.98%	3,076	17,590,484	2.77%	26,428,477
50,001 -100,000	188	5.44%	3,264	14,709,218	2.32%	41,137,695
100,001 – 500,000	137	3.97%	3,401	28,266,765	4.46%	69,404,460
500,001 – 1,000,000	23	0.67%	3,424	16,166,576	2.55%	85,571,036
1,000,001 – 5,000,000	18	0.52%	3,442	34,963,484	5.51%	120,534,520
5,000,001 – 10,000,000	4	0.12%	3,446	27,842,309	4.39%	148,376,829
10,000,001 – Above	7	0.20%	3,453	485,623,171	76.60%	634,000,000
Grand Total	**3,453**	**100.00%**		**634,000,000**	**100.00%**	

SUBSTANTIAL INTEREST IN SHARES

According to the Register of Members as at December 31, 2015, the following shareholders held 5% or more of the issued share capital of the Company:

S/n	A/c No	Name	Address	Units Held	%
1	7	Harrowditch Limited	C/o 24, Musa Yar'adua Crescent Victoria Island Lagos State Lagos C/o Massimo Calderan, Altenburger Ltd Legal + Tax Seestrasse 39,8700	90,700,000	14.31%
2	8688	Newrest Schweiz AG	Kusnacht Zh. Foreign	103,250,000	16.29%
3	4735	Rical Enterprises	1, Service Street Murtala Muhammed Airport Ikeja Lagos Lagos	63,315,477	9.99%
4	3108	Rifkind Limited	1, Mekunwen Rd, Off Oyinkan Abayomi Drive POB 55765, Ikoyi Lagos	108,901,175	17.18%
5	3109	Rowello Limited	1, Mekunwen Rd, Off Oyinkan Abayomi Dr POB 55765, Ikoyi Lagos	108,901,175	17.18%
				475,067,827	

SHAREHOLDERS' INFORMATION

ACTIVE SHAREHOLDERS' SUMMARY - SUMMARY

Unclaimed Dividend table as at December 31, 2015

Year ended	Dividend Number	Dividend Type	Date of Payment	Net Unclaimed Dividend	Dividend Per Share
31/12/2007	1	Interim	24/08/2007	1,502,078.63	0.05
31/12/2007	2	Final	15/06/2008	2,327,936.91	0.05
31/12/2008	3	Final	04/06/2009	630,337.94	0.07
31/12/2009	4	Final	29/06/2010	1,936,902.06	0.10
31/12/2010	5	Final	19/08/2011	256,508.69	0.15
31/12/2011	6	Final	08/06/2012	1,335,725.16	0.20
31/12/2012	7	Final	28/06/2013	1,133,033.58	0.25
31/12/2013	8	Final	13/06/2014	7,570,684.13	0.12
31/12/2014	9	Final	03/07/2015	19,855,660.66	0.15

Members are hereby informed that some dividend warrants have not been presented to the bank for payment while others have been returned to the registrar as unclaimed because the addresses could not be traced.

If you have not received any of your past dividend, kindly contact:

The Registrar
Meristem Registrar Limited
213, Herbert Macaulay Way
Adekunle - Yaba
Lagos

SHARE CAPITAL HISTORY

Airline Services & Logistics Plc was incorporated as a limited liability company on 6th of December 1996 with an authorised share capital of 1,000,000 ordinary shares of N1.00k each.

On 15th January, 2007 the company was converted to a public limited liability company with the nominal value of shares at 50kobo.

The following changes have since taken place in the company's authorised and issued share capital.

YEAR	AUTHORISED SHARE CAPITAL	ISSUED SHARE CAPITAL	TOTAL NUMBER OF ISSUED SHARES	METHOD
1996	1,000,000	300,000	300,000	Cash
2002	50,000,000	300,000	300,000	Cash
2002	50,000,000	13,905,000	13,905,000	Cash
2003	50,000,000	26,000,000	26,000,000	Cash
2006	300,000,000	260,000,000	260,000,000	Bonus Issue
2007	500,000,000	317,000,000	634,000,000	Cash & Split Shares

NOTES

NOTES

DELIVERY MANDATE FORM

ASL
AIRLINE SERVICES & LOGISTICS PLC
Rc 304508
Formerly known as AIRLINE SERVICES LIMITED

No. 1, Service Street, Murtala Muhammed Airport,
Ikeja, Lagos State, Nigeria.
P.O. Box 4953, MMIA, Ikeja, Lagos.
Tel: +234 1 7749652,
E-mail: info@airlineserve.com

Dear Sir/Madam,

To enable you receive your Annual Report promptly, your Company had introduced electronic delivery of Annual Reports and Financial Statements, Proxy Forms and other statutory documents to Shareholders.

With this service, you will henceforth receive a soft copy of the Annual Report, Proxy Form and other corporate documents through the electronic link to be forwarded to your email address or a soft copy (Compact Disc) by post instead of receiving the hard copies in future. This initiative is in line with our determination to help protect and sustain our planet's environment and the consolidated SEC Rule (128) of September, 2011 which states that "A Registrar of a public company may dispatch Annual Reports and Notices of General Meetings to shareholders by electronic means"

However, should you prefer to receive hard copies of your Annual Report and other corporate documents, please complete the form below and return to:

The Managing Director
Meristem Registrars Limited or any of their branches nationwide
213, Herbert Macaulay Way
Adekunle, Yaba
Lagos

Yours faithfully,
LPC Solicitors
Company Secretary

I, ... OF ....
HEREBY REQUEST FOR A HARDCOPY DELIVERY OF ANNUAL REPORT, PROXY FORM, PROSPECTUS, NEWSLETTER AND STATUTORY DOCUMENTS OF AIRLINE SERVICES & LOGISTICS PLC TO ME THROUGH THE FOLLOWING ADDRESS:

POSTAL ADDRESS:

DESCRIPTION OF SERVICE:

By enrolling in this service, you have requested to receive hard copies of future announcements/shareholder communication materials. These materials will be made available to you by post either semi-annually or annually. Annual Report, Proxy Form, Prospectus and Newsletters are examples of shareholder communications that can be available to you. The service will be effective for all your holdings in Airline Services & Logistics Plc on an on-going basis unless you change or cancel your enrolment.

____________________ Name of Shareholder

____________________ Signature & Date

(In case of a Corporate Shareholder, use Company Seal)

____________________ Telephone

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AIRLINE SERVICES & LOGISTICS PLC
PROXY CARD
20TH ANNUAL GENERAL MEETING TO BE HELD AT 12 NOON
ON THE 9TH DAY OF JUNE, 2016 AT
GOLDEN TULIP HOTEL, OFF AMUWO-ODOFIN/FESTAC LINK ROAD, AMUWO ODOFIN, G.R.A. LAGOS

I/We*, ………………………………………………. of ……………………………………….. being a member / members of Airline Services & Logistics PLC hereby appoint**…………………………………………… of ……………………………….….. or failing him, the Chairman of the meeting to act as my/our proxy and vote for me/us and on my/our behalf at the Annual General Meeting of the Company to be held on June, 2016 and at any adjournment thereof.

Dated this ……………………………… day of ……………………………………………2016.
Shareholder's Signature (s) …………………………….…..

NUMBER OF SHARES

N.B: The manner in which the proxy is to vote should be indicated by inserting "x" in the appropriate space.			
S/N	PROPOSED RESOLUTIONS	FOR	AGAINST
1)	ORDINARY BUSINESS To lay before the meeting the financial statements for the year ended December 31, 2015 and the Reports of the Directors, Auditors and Audit Committee thereon.		
2)	To elect/re-elect the following Directors.		
	a) Directors seeking election: Laurent Moussard Olivier Suarez Matthieu Jeandel Constantine Labi Ogunbiyi b) Directors seeking re-election: Richard Akerele Jonathan Stent-Torriani		
3.	To authorize the Directors to fix the remuneration of the External Auditors.		
4.	To elect members of the Audit Committee.		

<u>SPECIAL BUSINESS</u>

To consider and, if thought fit, pass the following resolutions as special resolutions

1. That the name of the Company be changed from Airline Services and Logistics Plc to Newrest ASL Nigeria Plc.
2. That the Memorandum of Association of the Company be amended by deleting all references to the name Airline Services and Logistics PLC and replacing same with the name Newrest ASL Nigeria Plc
3. That the Articles of Association of the Company be amended as follows:
   i. *By deleting all references to the name Airline Services and Logistics PLC and replacing same with the name Newrest ASL Nigeria Plc*
   ii. *That Article 8 of the Articles of Association as stated below be deleted:*

   "The Directors may in their absolute discretion and without assigning any reason therefore decline to register any transfer of shares (not being a fully paid share), to any person and may also decline to register any transfer of shares on which the Company has a lien.

   The Directors may also suspend the registration of transfers during the fourteen days immediately preceding the ordinary general meeting in each year. The Directors may refuse to register any instrument of transfer, unless;

   (a) *A fee not exceeding twenty-five kobo is paid to the Company in respect thereof;*

   The instrument of transfer is accompanied by the certificate of the shares to which it relates, and such other evidence as the Directors may reasonably require to show the right of the transferor to make the transfer and if the Directors refuse to register a transfer of any shares, they shall within two months after the date on which the transfer was lodged with the Company send to the transferee notice of the refusal"

   i. That the following clause "but the Directors shall in either case, have the same right to decline or suspend registration as they would have had in the case of a transfer of the share by the deceased or bankrupt person before the death or bankruptcy" be deleted from Article 10.
   ii. That Article 20 of the Articles of Association as stated below be deleted:

"No member shall be entitled to vote at any General Meeting unless all calls or other sums currently payable by him to the Company in respect of shares of the Company have been paid"

iii. That Article 39 of the Articles of Association be amended to read as follows:

"A person may be a director of the Company notwithstanding that he is seventy (70) or more of age but special notice shall be required of any resolution appointing or approving the appointment of such director and the notice given to the Company and by the Company to its members shall state the age of the person to whom it relates"

iv. That the word "email" be included in Article 42 of the Articles of Association to read as follows:

"Notices of a Meeting of Directors shall be given to all Directors whether or not present in Nigeria and shall be given by personal delivery, email or by telex or telefax/courier service, cablegram, and confirmed by registered mail (or, if to an address outside Nigeria, registered airmail) to such address as the Director may have notified to the Company for the giving of notice to him."

v. That a new Article be inserted after Article 42 as follows:

"43. There shall be given 14 (fourteen) days notice in writing to all directors entitled to receive notice provided that with the consent of all the directors, this period may be shortened/waived."

vi. That the sentence "In no case shall the Chairman have a second or casting vote" be deleted from Article 46.

vii. That a new Article be inserted after Article 47 as follows:

"48. Any Director may validly participate in Board meetings by conference telephone or other form of communication equipment provided all persons participating in the meeting are able to hear and speak to each other throughout the meeting. A person so participating shall be deemed to be present in person at the meeting and shall accordingly be counted in a Board quorum and entitled to vote. Such meeting shall be deemed to take place where the largest group of those participating is assembled or, if there is no group which is larger than any other group, where the chairman of the meeting is"

viii. That Article 47 be amended as follows:

"47. A resolution in writing signed by each of the Directors or a decision communicated by email or facsimile by all the directors shall be as effective as a resolution passed at a Meeting of the Directors duly convened and held, and may consist of several documents in the like form, each signed by one or more persons

ix. That Article 50 be amended as follows:

"50. The Directors may from time to time appoint one or more of their number to any executive office including that of Managing Director and /or Chief Executive Officer for such period, on such terms and at such remuneration as they think fit and subject to the terms of any agreement made between the Director and the Company, may revoke such appointment. A Director so appointed shall not, while holding office, be subject to retirement by rotation or be taken into account in determining the rotation of retirement of Directors; but (subject to any right to treat such determination as a breach of contract) his appointment as Managing Director and/or Chief Executive Officer shall be subject to determination if he ceases for any cause to be a Director of the Company. Similarly, a Managing Director and/or Chief Executive Officer shall automatically cease to be a director if his employment as Managing Director and/or Chief Executive Officer is determined".

x. That following the above amendments, the Articles of Association be re-numbered accordingly.

NOTE:

1. A member (shareholder) entitled to attend and vote at the General Meeting is entitled to appoint a proxy in his stead. The above proxy form has been prepared to enable you exercise your right to vote in case you cannot personally attend the meeting.
2. Following the normal practice, the Chairman of the meeting has been entered on the form to ensure that someone will be at the meeting to act as your proxy, however if you wish, you may insert in the blank space on the form (marked**) the name of any person, whether a member of a Company or not, who will attend the meeting and vote on your behalf.

IF YOU ARE UNABLE TO ATTEND THE MEETING, READ THE FOLLOWING INSTRUCTIONS VERY CAREFULLY:

a) Write your name in BLOCK LETTERS on the proxy form where marked * in the case of joint shareholders, any one of them may complete this form but the names of all joint holders must be inserted.
b) Write the name of your proxy (if any) where marked **
c) Please sign and post the proxy form so as to reach the address overleaf not less than 48 hours before the time fixed for the meeting.
d) If executed by a corporate body, the proxy form should be sealed with the Common seal.
e) The proxy must produce the admission form to obtain entrance to the building.

This proxy form should NOT be completed and sent to the Company if the member will be attending the meeting.
Before posting the above form, please tear off this part and retain it for admission to the meeting.

ADMISSION FORM

AIRLINE SERVICES & LOGISTICS PLC

20TH ANNUAL GENERAL MEETING

Please admit only the shareholder named on this form or his duly appointed Proxy to the 20th Annual General Meeting being held at Golden Tulip Hotel, Off Amuwo Odofin/Festac Link Road, Amuwo Odofin, Lagos

Name of shareholder (s) ________________________ Signature of Person attending ***__________

NOTE

*** You are requested to sign this form at the entrance to the venue at the Annual General Meeting.

Get Your Dividend the Instant You Need It with e-DIVIDEND PAYMENT

MERISTEM REGISTRARS LIMITED RC No: 489092

213, Herbert Macaulay Way,
Adekunle -Yaba,
P.O. Box 51585,
Falomo-Ikoyi, Lagos.
Phone: 01-8920492, 8920492
Fax: 01-2702361
e-Mail: info@meristemregistrars.com
Website: www.meristemregistrars.com

To:
The Registrar,
Meristem Registrars Limited,
213, Herbert Macaulay Way,
Adekunle -Yaba,
Lagos.

I/We hereby request that from now on, all my/our dividend warrant(s) due to me/us from my/our holding(s) in all the companies ticked at the right hand column be paid to my/our Bank named below.

Bank Name:______________________

Bank Address:______________________

____

Account Number:______________________

Shareholder's Full Name:______________________
(Surname First)

____

Shareholder's Address:______________________

____

____

Email:______________________

Mobile:______________________

CSCS CHN ____________CSCS A/C No__________

Single Shareholder's
Signature:______________________

Joint Shareholder's
Signature 1)______________________

2)______________________

If company,
Authorized Signatories 1)______________________

2)______________________

Company Seal:______________________

Authorized Signature & Stamp
Of Bankers:______________________

Sort Code:

Please tick as applicable

AFRINVEST EQUITY FUND	
AUSTIN LAZ LIMITED	
AIRLINE SERVICE & LOGISTICS PLC	
BERGER PAINTS NIG PLC	
CAVERTON OFFSHORE LIMITED	
CONSOLIDATED HALLMARK INSURANCE PLC	
CUSTODIAN & ALLIED INSURANCE PLC	
ENCON NIGERIA LIMITED	
eTRANZACT	
FIDSON HEALTHCARE LIMITED	
FOOD CONCEPTS & ENTERTAINMENT PLC	
FTN COCOA PROCESSORS PLC	
MAMA CASS RESTAURANTS LIMITED	
NEIMETH INTL PHARMS PLC	
PAINTS & COATINGS MANUFACTURERS NIG PLC	
R.T. BRISCOE NIGERIA PLC	
REGENCY ALLIANCE INSURANCE PLC	
SMART PRODUCTS NIGERIA LIMITED	
SOVEREIGN TRUST INSURANCE PLC	
TANTALIZERS PLC	
THOMAS WYATT PLC	
ZENITH ETHICAL FUND	
ZENITH EQUITY FUND	
ZENITH INCOME FUND	

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