

Annual report 2014 by Total Nigeria Plc

Total Nigeria Plc has remained the leader in the downstream sector of the Nigerian oil and gas industry with an extensive distribution network of over 500 service stations nationwide

ANNUAL REPORT 2014



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CORPORATE PROFILE

Total Nigeria Plc was incorporated in 1956 and was listed on the Nigerian Stock Exchange in 1979. Our first petrol station was commissioned at Herbert Macaulay Street, Yaba, Lagos in 1956. Today we have over 500 Service Stations, 5 LPG bottling plants, 3 Lubricants blending plants, operate out of 5 aviation storage facilities and have other facilities spread across the country. We are a market leader, reference point and pacesetter in the downstream sector of the oil and gas industry.

Total S.A (The ultimate parent company of Total Nigeria Plc), is a publicly- traded oil company with businesses in exploration and production, refining, marketing and trading. It is also a major player in the chemicals sector. Total S.A's oil and gas production of more than two million barrels of oil equivalent per day is underpinned by proven reserves of more than eleven billion barrels of oil equivalent and a portfolio of geographically diversified assets that is among the fastest growing in the industry. As Europe's leading refiner and marketer, the Group directly operate 9 refineries, its retail network comprises 14,820 service stations mainly in Europe and Africa which distribute motor fuels, lubricants and LPG under the internationally recognized TOTAL brand.

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TOTAL NIGERIA PLC
RC 1396

Mission Statement

We are in business to ensure total customer satisfaction by the creation of quality products and services delivered with a strong commitment to safety and respect for the environment.

This objective drives all our corporate actions and the mutual acknowledgement of them by our partners forms the basis for our business relationships.

To sustain this objective and our leadership of the market, our commitment is to build and sustain a work culture firmly rooted in professionalism, respect for employees, internal efficiency and dedicated services.



Alexis Vovk
Managing Director



MISSION STATEMENT

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TOTAL NIGERIA PLC

COMPANY REGISTRATION NO. 1396

DIRECTORS, OFFICERS AND PROFESSIONAL ADVISERS

DIRECTORS

■ Mr. M. Nguer	-	Chairman	(Senegalese)
■ Mr. A. Vovk	-	Managing Director	(French)
■ Mr. W. J-Y. Konde	-	Executive Director	(Ivorian)
■ Engr. J.W. Adeyinka			
■ Engr. K. Ukonne			
■ Chief F. Majekodunmi			
■ Ms. T. Ibru			
■ Engr. A.R. Sirajo			
■ Mr. D. Toulouse			(French)
■ Mr. M. Soulas			(French)

COMPANY SECRETARY

O. A. Popoola-Mordi

REGISTERED OFFICE

Total House
4 Churchgate Street,
Victoria Island,
Lagos,
Telephone No. 01 4631681-5

AUDITORS

KPMG Professional Services
KPMG Tower
Bishop Aboyade Cole Street,
Victoria Island,
Lagos.
Tel: 234 (1) 271 8955.

REGISTRARS

CardinalStone Registrars Limited
358 Herbert Macaulay Way,
Yaba, Lagos.
Telephone No. 01 7924462

BANKERS

- Access Bank Plc
- Citibank Nigeria Limited
- Diamond Bank Plc
- Ecobank Nigeria Limited.
- First Bank of Nigeria Plc
- Guaranty Trust Bank Plc
- Stanbic IBTC Bank Nigeria Plc
- Standard Chartered Bank Nigeria Limited
- Union Bank of Nigeria Plc
- United Bank for Africa Plc
- Unity Bank Plc
- Wema Bank Plc



**ANNUAL
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TOTAL HOUSE
4 Churchgate Street,
Victoria Island, Lagos.
P.M.B 2143, Lagos
Tel: 01 4631681-5
01 4617041 – 3, Fax: 01 4610544
TOTAL CARD: 01 4617044

AIR TOTAL
IKEJA Tel: 01 7746082
JUHI Tel: 01 7744537
ABUJA Tel: 08113624144

TERRITORIAL OFFICES

WESTERN
Total Nigeria Plc
6, Bonny Road, Apapa, Lagos.
Tel: 01 7747021, 01 7743951,
01 7738728, 01 7903171, 01 791138
Fax: 01 5874675, 01 5877302

EASTERN
Total Nigeria Plc
Plot 124, Trans-Amadi
Industrial Layout,
Port-Harcourt.
Tel: 084 461046-8

NORTHERN
Total Nigeria Plc
Total House,
Plot 247 Herbert Macaulay Way,
Central Business District, Abuja.
Tel: 09 4610350, 09 4610352, 09 4610365
Fax: 09 4610351

SALES AREA OFFICES

ABUJA
Total Nigeria Plc
Total House
Plot 247, Herbert Macaulay Way.
Central Business District, Abuja
Tel: 09 4610350, 09 4610352
09 4610353, 09 4610355
Fax: 09 4610351

KANO
Total Nigeria Plc.
181 Airport Road,
P.O.Box 21, Kano.
Tel: 064 639541, 064 639722,
064 646178, 064 639259, 064
064 318370-1
Fax: 064 639721

BENIN
Total Nigeria Plc
8/10 Akpakpava Street
P.O.Box 20, Benin City.
08147799210, 09051290862

LAGOS SOUTH
Total Nigeria Plc
6 Bonny Rd, Apapa, Lagos
Tel: 01 7747021, 01 743951,
01 7738728

IBADAN
Total Nigeria Plc
Mokola Roundabout
P.O. Box 868, Ibadan
Tel: 02 7501063-5

LAGOS NORTH
Total Nigeria Plc
3 Steve Ajose Street
Former SCOA Yard,
Behind Elida Hotel,
Kirikiri, Lagos
Tel: 01 7944400, 01 7747675

KADUNA
Total Nigeria Plc
2 Kachia Road,
P.O.Box 1433, Kaduna
Tel: 062 885559

PORT HARCOURT
Total Nigeria Plc
Plot 124 Trans-Amadi Industrial
Layout,
Port Harcourt.



Tel: 084 461046-8
Fax: 062 236 462

Tel: 084 461046-8

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RESULTS AT A GLANCE
FOR THE YEAR ENDED 31st DECEMBER, 2014

RESULTS AT A GLANCE

	2014 N'000	2013 N'000	Change %
Revenue	240,618,693	238,163,160	1
Profit before taxation	5,558,326	8,120,018	(32)
Profit after taxation	4,423,733	5,334,091	(17)
Share capital	169,761	169,761	-
Shareholders' funds	13,929,778	13,240,785	5
Total dividend	3,734,740	3,734,740	-
Interim dividend - paid	679,044	679,044	-
Final dividend - proposed	3,055,696	3,055,696	-

	DECEMBER 2014	DECEMBER 2013
PER SHARE DATA:		
Based on 339,521,837 ordinary shares of 50 kobo each:		
Earnings per 50k share (Naira) - basic	13.03	15.71
Dividend per 50k share (Naira) ¹	11.00	11.00
Dividend cover (times)	1.18	1.43
Stock Exchange quotation (Naira)	142.50	170.00
Number of staff	483	468

Interim dividend of ₦ 2.00 per share was paid during the year. At the Board of Directors meeting of 24th March, 2015 a final dividend of (₦ 9.00 per share) was proposed for the year ended 31st December, 2014.

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NOTICE OF ANNUAL GENERAL MEETING

NOTICE IS HEREBY GIVEN that the Thirty-Seventh Annual General Meeting of TOTAL NIGERIA PLC will hold at **The Banquet Hall, City Hall, Catholic Mission Street, Lagos Island, Lagos on Wednesday, the 10th day of June, 2015 at 11.00 a.m.** to transact the following:

ORDINARY BUSINESS:

1. To lay before Members for approval, the Financial Statements as at 31st December, 2014 and receive the Reports of the Directors, Auditors and Audit Committee thereon;
2. To declare a dividend;
3. To re-elect Directors;
4. To appoint Directors;
5. To authorize the Directors to fix the remuneration of the Auditors; and
6. To elect members of the Audit Committee.

SPECIAL BUSINESS:

- 1 To fix the remuneration of the Directors.
2. To consider and if thought fit, pass the following resolution as an Ordinary Resolution of the Company:

"That, subject to the recently issued provisions of The Nigerian Stock Exchange, namely, the Rules Governing Transactions with Related Parties or Interested Persons, a General Mandate be and is hereby given for the Company to enter into recurrent related party transactions of a value equal to or more than:

- 5% of the Company's latest audited net tangible assets; or
- 5% of the Company's latest audited net tangible assets, when aggregated with other transactions entered into with the same interested person during the financial year or
- 5% of the issued share capital.

Subject to the following:

- a. The transactions with the related companies are in the ordinary course of business and are on normal commercial terms which are not more favorable to the related parties than those generally available to the public and are not detrimental to the minority shareholders of the Company;
- b. The class of interested persons with which the Company will be transacting are subsidiaries of Total S.A; the rationales for the transactions are that they are indispensable to the operation of the Company.
- c. The method or procedure for determining transaction prices is based on global transfer pricing policy;
- d. Disclosure will be made in the annual report of the aggregate value of transactions conducted pursuant to this shareholders' mandate including amongst others the following information:
 - i. The type of recurrent related party transaction; and
 - ii. The names of the related parties involved in each related party transaction entered into and their relationship with the Company;

And That
The Directors be and are hereby authorized to complete and do all such acts and things (including executing all such documents as may be required) to give effect to the transactions as authorized by this Ordinary Resolution.

BY ORDER OF THE BOARD



OLUBUNMI POPOOLA-MORDI
Company Secretary
FRC/2013/ICSAN/00000002042

24th March. 2015

Registered Office
TOTAL HOUSE
4 Churchgate Street,
Victoria Island,
Lagos,
Nigeria



NOTICE OF ANNUAL GENERAL MEETING



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NOTES:

I. PROXY

A member of the Company entitled to attend and vote at the meeting who is unable to attend the meeting and wishes to be represented at the meeting is entitled to appoint a proxy to attend, speak and vote in his/her stead. A proxy need not be a member of the Company. A Proxy Form is enclosed herewith, and if it is to be valid for the purpose of the meeting, it must be completed and duly stamped by the Commissioner of Stamp Duties and deposited at the office of the Registrars, CardinalStone Registrars Limited, 358 Herbert Macaulay Way, Yaba, Lagos not less than 48 hours before the time of the meeting.

II. PAYMENT OF DIVIDEND

If the payment of a dividend is approved and declared by members at the Annual General Meeting, the dividend warrants will be posted or the accounts of shareholders whose names are registered in the Company's Register of Members as at close of business on Friday 17th April, 2015 will be credited on Friday 12th June, 2015.

III. CLOSURE OF REGISTER AND TRANSFER BOOKS

Notice is hereby given that the Register of Members and Transfer Books of the Company will be closed from Monday the 20th day of April, 2015 to Friday the 24th day of April, 2015 both days inclusive for the purpose of preparing an up to date Register of Members.

IV. NOMINATIONS FOR THE AUDIT COMMITTEE:

In accordance with Section 359 (5) of the Companies and Allied Matters Act (CAP C20) Laws of the Federation of Nigeria, 2004 any member may nominate a shareholder for election 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. Such nominations should be guided by the requirements of the Securities and Exchange Commission's Code of Corporate Governance for Public Companies in Nigeria, 2011.

V. UNCLAIMED DIVIDEND WARRANTS AND SHARE CERTIFICATES

Several dividend warrants and share certificates remain unclaimed, and are yet to be presented for payment or returned to the Registrars for revalidation. We implore any shareholder affected by this to please write to the Company Secretary or Registrars or call at either office during working hours. Shareholders should please update their mailing addresses by forwarding same to the Company Secretary or the Registrars, CardinalStone Registrars Limited to enable timely receipt of information, dividend warrants and share certificates.

VI. e-DIVIDEND

Shareholders are hereby advised to open bank accounts, stockbroking and CSCS accounts for the purpose of timely receipt of dividend payments. A detachable application form for e-dividend is attached to this Annual Report to enable all shareholders furnish particulars of their bank accounts/CSCS details to the Registrar or Company Secretary as soon as possible.

VII. e-REPORT

In order to improve delivery of our Annual Reports, we have inserted a detachable form to this Annual Report and are requesting shareholders who wish to receive the Annual Report in an electronic format to complete and return the form to the Registrars or Company Secretary for further processing.

VIII. ELECTRONIC COMPLAINTS REGISTER

Please note that in accordance with the Securities and Exchange Commission's Rule No. 10(a) shareholders who have complaints should use the electronic complaints register on the website of the company at www.total.com.ng to register their complaints. This will enable the company handle complaints from shareholders in a timely, effective, fair and consistent manner.

The electronic version of the Annual Report and Accounts 2014 is available on the Company's website www.total.com.ng

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CHAIRMAN'S STATEMENT AT THE 37TH ANNUAL GENERAL MEETING OF TOTAL NIGERIA PLC

INTRODUCTION

Distinguished shareholders, members of the Board of Directors of Total Nigeria Plc, esteemed customers, gentlemen of the press, invited guests, ladies and gentlemen, it is with great pleasure that I on behalf of the Board of Directors welcome you to the 37th Annual General Meeting of your Company. During the course of this meeting, I shall present to you the Director's Report and Financial Statements for the year ended 31st December, 2014.

THE BOARD

Since our last Annual General Meeting, there have been changes to the composition of the Board. At the close of this meeting Engr. Wole Adeyinka who has served meritoriously on the Board of Directors for several years having attained the age of 70 on his last birthday will cease to be a Director. Engr. Kanu Ukonne also a non executive director resigned from the Board after many years of meritorious service and will cease to be a director at the end of this meeting. I use this opportunity on behalf of the Board, Management, staff and you our esteemed shareholders to recognise and thank both directors for their invaluable contributions to the Company. In accordance with our Articles of Association, Mr. Jefferson Nnamani has been appointed as an Executive Director. At this meeting, we shall be asking you to ratify his appointment. Please join me in wishing him a very successful tenure on the Board.

OUR ENVIRONMENT

2014 was a year fraught with security, regulatory, social and economic challenges.

SECURITY

Security matters escalated drastically particularly in the North Eastern parts of the country. The Boko Haram group ramped up its activities extending several attacks to Abuja and Lagos. An unsuccessful attempt was made on a depot in Lagos. The challenge of security upped several notches on the 14th of April, 2014 with the abduction of over 200 school girls from a boarding school in Chibok, Borno State. They are yet to be returned to their families. Our thoughts and prayers are with these girls and their families. Emergency rule was declared in Adamawa, Borno and Yobe states; as a precautionary measure we took action to protect our assets. These measures have affected our operations and sales in these locations.

REGULATORY

The regulatory environment continues to be exigent with the proliferation of taxes across the federal and local levels. Supply of our products remains a source of concern as allocations are still not fully reflective of investment, capacity and sales channels.

HEALTH

Mid 2014 the scourge of the Ebola Virus Disease (EVD) permeated the borders of our country resulting in the death of 7 people. However, medical personnel displayed exceptional professionalism that saw the EVD eradicated. The Total Group in Nigeria donated cars to the emergency operations centres and fuel for the vehicles. On the 20th of October, 2014 the World Health Organisation declared Nigeria EVD free.

SUBSIDY

Petroleum Marketers Premium Motor Spirit (PMS) unit margin is still a major source of concern as it has remained static despite rising costs of investment and devaluation of the Naira. The pattern remained the same as in the previous year; we have continued to experience late payment of subsidies and late payment of the interest and foreign exchange differential element of same. This has placed a huge financial burden on your Company. The global decline in crude oil prices, devaluation of the Naira, and rising interest rates have significantly affected our business operations and will raise our input costs.

On the 18th of January the Federal Government reduced the official pump price of PMS by ₦10 per litre from ₦97 per litre to ₦87.

CHAIRMAN'S STATEMENT





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COMPANY PERFORMANCE

Distinguished shareholders 2014 was indeed a year in which your Company experienced several challenges and difficulties which affected her performance and operating results. Despite these challenges your Company's turnover increased very slightly from ₦238.2 Billion in 2013 to ₦240.6 Billion. Profit after tax reduced by 17% from ₦5.3 Billion to ₦4.4 Billion. Interest expense was ₦2.6 Billion and 32% higher than the previous year mainly due to huge interests on borrowing as a result of unpaid sums under the Petroleum Subsidy Fund.

DIVIDENDS

The Company had earlier distributed the sum of ₦679 Million as interim dividends, representing ₦2.00 (Two Naira only) per share for the year ended 31st December, 2014. Given the challenges I had earlier stated, the Board proposes for approval by shareholders the sum of ₦3.1 Billion representing another ₦9.00 (Nine Naira only) to be distributed as final dividend for the year 2014 subject to the deduction of appropriate withholding taxes at the time of payment.

In line with our corporate reputation for early disbursement of shareholders dividends, we are delighted to confirm to you that if approved at this meeting, your dividends will be paid on the 12th of June, 2015.

OUR PEOPLE

Considering the challenges and uncertainties of the global economy we believe that your Company performed credibly and this is a testament to the passion and commitment of her staff body. Our people continue to show unwavering steadfastness to the growth of our business. We shall continue to invest in the development of our people and particularly support the advancement of our womenfolk by our feminisation initiatives. I am confident that our structure and workforce will enable delivery of excellent returns to our shareholders in 2015 and beyond.

On behalf of my colleagues on the Board of our great company and you the shareholders, I hereby express our appreciation to the management and staff of the Company for their dedication, unwavering loyalty and commitment to the Company.

KEY DEVELOPMENTS

In furtherance of our mission to market accessible solar solutions, in 2014 we introduced several solar lamps variations into the Nigerian market including one that charges mobile phones. Sales of our Awango lamps have increased significantly.

Being fully a part of 21st century marketing, Total's products can now be purchased on several online platforms like Konga. Our Total card has also been revamped.

More of our service stations are being converted to multi-service stations offering modern lube bays and car wash centres. Our bonjour shops now offer a wider range of products. We have expanded the network of quick service restaurants in our bouquet beyond the KFC food outlet that we opened in our Wuse 2 Station in Abuja to include Famous Brands (UAC Foods) and Chicken Republic. We are also partnering with several telecommunication companies who offer their products at some of our outlets.

Our Young Dealers Scheme is running smoothly; it's a scheme that was created as a platform for developing capacities of young Nigerians. We support and empower our TOTAL service station attendants to grow through the ranks from being station attendants to becoming dealers managing their own assigned stations. This scheme has become a symbol of hope to many and represents the bedrock of our success in the Nigerian downstream industry and has since its inception produced a good number of young dealers.

In further commitment to better energy sources, your Company opened another fully solar powered service station in Abuja bringing the number of solar powered stations in Nigeria to two.





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Our commitment to safety is unwavering and in alliance with the United Nations declaration of 2011-2020 as a Decade of Action for Road Safety, with the goal of stabilizing and eventually reducing the number of deaths and injuries. In 2014, we commenced construction of a Track Centre; the Track Centre is a complementary facility to the TOTAL Truck Driving Training School in Ibadan. The Centre was established to enrich the quality of driving knowledge and skill of the Nigerian truck drivers. Since the establishment of the school in 2011, the TOTAL Driver's accident rate has reduced by over 60%. Total is committed to Safety for me, For You, For All.

THE FUTURE

Prior to the fall in crude oil prices, the IMF forecasted the GDP to increase by 6.2% in 2015 (mainly driven by the non-oil sector). This is expected to change. The National Bureau of Statistics (NBS) announced that Nigeria expects to lower its forecast for 2015 economic growth again, after cutting its forecast to 5.54% in January. Inflation is projected to remain at single digit between 2015 and 2017. The NBS is expected to release a final figure by half year. There are tough times ahead.

Total is constantly seeking new ways to expand its offerings and is implementing strategies to ensure that we remain a brand of reference and leading energy solutions provider. We plan to increase the number of our Solar Powered stations this year by 8 additional stations and will be introducing our offer of Solar Home System. The Solar Home System is a solar power driven energy solution for homes. In the course of the year we will be seeking to align our business and structures with the dictates of the environment in which we operate. One of our major objectives in 2015 is to ensure ZERO FATALITY because of our operations. We hope to achieve this with the undiminished support of all our stakeholders and the unwavering commitment of our people. With all this in place, we expect to create sustainable value for you our shareholders.

CONCLUSION

Distinguished shareholders, I thank you for your encouragement, support and the cooperation given to the Board and Management.

I would also like to thank my colleagues on the Board for their support and commitment. Our gratitude also goes out to our customers, transporters, suppliers and other stakeholders. We thank you for your patronage, cooperation and contributions to achieving the results for the year.

Finally, I thank you all for your presence at this Annual General Meeting, and I look forward to your participation in this meeting.



Thank you.
Mr. MOMAR NGUER
Chairman



CHAIRMAN'S STATEMENT



**ANNUAL
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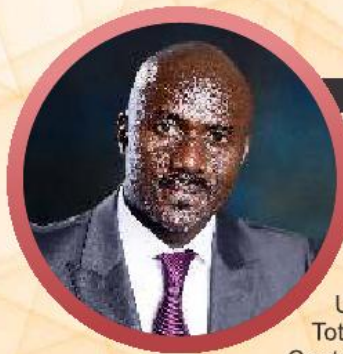
BOARD OF DIRECTORS PROFILE

**MR. MOMAR NGUER**

Chairman of the Board, is a graduate of Ecole Supérieure des Sciences Economiques et Commerciales (ESSEC) Business School, Paris. He began his career in 1982 in Hewlett Packard's Finance Department. He joined Total Africa in 1984 and was the General Manager, Sales and Marketing at Total Senegal from 1985 to 1991. Thereafter, he was appointed Vice President, Retail Network and Consumers, Total Africa with his office based in Paris. Subsequently, Mr. Nguer was appointed Chief Executive Officer, Total Cameroun, then Chief Executive Officer, Total Kenya and Executive Vice President, Total East Africa and Indian Ocean in 2000. Mr. Nguer became the Vice President, Aviation Fuel for Total in February 2007 until his appointment in December, 2011 as Senior Vice President, Africa/Middle East.

**MR. ALEXIS VOVK**

Mr. Vovk is a graduate of Ecole Supérieure des Sciences Economiques et Commerciales (ESSEC) Business School, Paris. He started his career with Total in the United Kingdom when he joined Total Oil in 1991 as Sales Area Manager, a position he held until 1993. He moved to Total France and worked as Retail Pricing Analyst from 1993 to 1996. He became the Corporate Planning and Information Technology Manager of Total Oil Turkey in 1996 and was thereafter appointed Sales Director of Total Tunisia in 1999. In 2002, he moved back to Paris where he was a Business Development and Strategy Analyst up until 2005 when he was appointed Deputy Vice President for Southern East Africa and Indian Ocean in Total Outre Mer, a position he held till 2007. Subsequently, he was appointed Managing Director, Total Zambia and Managing Director of Total Kenya in 2010. Mr. Vovk was appointed Managing Director of Total Nigeria Plc in 2013.

**Mr. WILFRIED KONDE**

Mr. Wilfried Jean-Yves Konde holds a degree in Management and a Master of Laws degree, both from the University of Abidjan. He started his career with KPMG Abidjan as an Auditor. In 1999 he joined Elf Oil Cote d'Ivoire as an internal auditor for Africa and the Caribbean and moved in 2001 to Total Outre Mer in France, where he occupied a similar position. He was later appointed Finance Manager of Total Uganda Ltd from 2003 to 2006 and Finance & Administration Manager of Total Madagascar SA from 2006 to 2009. He worked as a Financial Controller for Total Refining and Marketing SA, France from 2009, a position he held before his appointment as Executive Director, Finance & Development for Total Nigeria Plc in 2012.



BOARD OF DIRECTORS PROFILE

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BOARD OF DIRECTORS PROFILE



ENGR. WOLE ADEYINKA

Engr. Wole Adeyinka holds a degree in Mechanical Engineering from the University of Lagos. He joined Total Nigeria Plc as Lube Engineer and worked in Koko as Plant Manager. He held the position of Supply and Distribution Manager and rose to become Assistant General Manager Operations. Widely commended for his knowledge of industry matters, he headed the Major Oil Marketers Fuel Importation Committee and retired from Total as Executive Director (Special Duties). He currently owns and runs his own business.



ENGR. KANU UKONNE

Engr. Kanu Ukonne holds a first degree in Chemical Engineering and an M.Sc. in Petrochemical Engineering from the University of Petroleum & Gas, Baku and the University of Petroleum and Petrochemical, L'Vov all in the former Soviet Union. He started his working career with the Nigerian Petroleum Refining Company, Port Harcourt as a Process Engineer and rose to the position of Senior Process Engineer. In 1981, he joined Total Nigeria Plc as a Lubricants Engineer and was later promoted to the position of Branch Manager both in the East and Lagos. Engr. Ukonne was then promoted to the position of Assistant General Manager, Marketing and later as Head of Division, Operations. A well-known industry expert, he was active in the sector as Chairman, Major Oil Marketers Imports Committee for several years. He is a Chartered Engineer (COREN), a member of the Nigerian Society of Engineers and currently runs his own business.



CHIEF FELIX MAJEKODUNMI

Chief Felix Majekodunmi obtained a first degree in Mechanical Engineering from the Thames Polytechnic (Greenwich University) London in 1974, and a Certified Diploma in accounts & finance London in 1986. Chief Majekodunmi began his career in 1974 as Operations Engineer with the British Petroleum (BP) Nigeria Ltd. Thereafter, he held various managerial positions in BP. He joined Total Nigeria Plc in 1985 as the Supply and Distribution Manager and rose to the position of Chief Operating Officer. In 1998, he was appointed the Managing Director (MD) and Chief Executive Officer (CEO) Total Tanzania Ltd. A position he held until 2001 when he was appointed the MD and CEO Total Ghana Ltd. He subsequently became the Managing Director and Chief Executive Officer for Mobil Ghana Ltd, Total Petroleum Ghana Ltd and Total Kenya Ltd respectively. He is a member of several professional bodies including the Institute of Mechanical Engineers (United Kingdom) and the Nigerian Institute of



Engineers. He currently runs his own business.

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Ms. Tejiro Ibru obtained a first degree and a Masters in Engineering from Imperial College, London and started her career with Deloitte & Touche Petroleum Services Group, London. In 2005, she joined Oceanic Bank International as Head of International Banking Group and later on as Head of Project Management Office. She is presently the Head Programme Management Office Dorman Long Engineering Limited. She is a member of several professional bodies including the Institute of Petroleum and Society of Petroleum Engineers. She is also an Associate of the Royal School of Mines, Imperial College.

**MR. DENIS TOULOUSE**

Mr. Denis Toulouse is a graduate of Ecole des Hautes Etudes Commerciales (HEC) Business School, Paris. He joined Total in 1991, where he held different positions in the Finance Division and LPG business. He was appointed Chief Financial Officer (CFO) of Total Deutschland from 2000 to 2005 and CFO of Total Belgium from 2006 to 2008. He was in charge of the Merger and Acquisition Department for Refining and Marketing in 2009, a position he held before his appointment as Head of Corporate and Project Finance Department for Supply and Marketing in 2012. He is currently Vice President Corporate and Project Finance for Refining & Chemicals and Marketing & Services.

**ENGR. RUF'A'I SIRAJO**

Engr. Rufa'i Sirajo obtained a National Diploma in Electrical/Electronic Engineering from the Federal Polytechnic Mubi, a Higher National Diploma in Electronics/Telecommunications Engineering from Kaduna Polytechnic, Post Graduate Diploma in Electrical Engineering from Bayero University, Kano and an MBA degree from the University of Calabar. He commenced his working career in 1986 as Engineering Superintendent (Electrical) at Geotechnical Services Limited, moved on to NOCACO as Quality Control Supervisor. He is currently the Managing Director/Chief Executive Officer of Afri-International Projects Consulting Limited. He is registered with the Council for the Regulation of Engineering in Nigeria (COREN), Member of the Society of Engineers (MNSE), and is also a Member of the Solar Energy Association of Nigeria.

**BOARD OF DIRECTORS PROFILE**

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REPORT **2014****BOARD OF DIRECTORS PROFILE****MR. MATHIEU SOULAS**

Mr. Mathieu Soulas is a graduate of Engineering from the France Ecole Polytechnique and holds a masters degree in Engineering specializing in the Petroleum industry from the French Petroleum Institute (IFP). He began his career with Total in 1994 in Total Refining Division where he held various positions. In 2002, he was transferred to Belgium to manage Crude oil purchasing for Total's refineries in southern Europe and in 2003 he became part of the team that managed purchasing related risks for crude oil supply for all of the Group's refineries in Europe. In 2006, Mr. Soulas was appointed Technical Manager of the Antwerp refinery and later became the head of refining and petrochemicals operations in the Benelux countries in 2009. In January 2013, he was appointed special adviser to the Senior Vice President, Africa/Middle East in Total Marketing & Services. In September 2013, he was appointed Executive Vice President, Indian Ocean. Mr. Mathieu Soulas became a Director of Total Nigeria Plc in 2013.

BOARD OF DIRECTORS PROFILE



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TOTAL NIGERIA PLC

REPORT OF THE DIRECTORS FOR THE YEAR ENDED 31ST DECEMBER, 2014

In accordance with the provisions of the Companies and Allied Matters Act, (Cap C20), Laws of the Federation of Nigeria 2004 the Directors present their Annual Report together with the Company's Audited Financial Statements for the year ended 31st December, 2014 which discloses the state of affairs of the Company.

1. PRINCIPAL ACTIVITIES

The principal activities of the Company are marketing and distribution of refined petroleum products.

2. LEGAL FORM

The Company was incorporated as a private limited liability company in 1956 and was converted to a public limited liability company in 1978. Its shares are currently quoted on the Nigerian Stock Exchange. Under a scheme of arrangement concluded and sanctioned by the Federal High Court on the 11th of September 2001, the Company merged with Elf Oil Nigeria Limited and changed its name to TotalFinaElf Nigeria Plc. To mark the completion of its corporate mergers, TotalFinaElf Group worldwide reverted to its former name TOTAL in 2003. Accordingly, the Company changed its name from TotalFinaElf Nigeria Plc to TOTAL Nigeria Plc in the same year.

61.72% of the Company's ordinary shares were held by Total Societe Anonyme and Elf Aquitaine S.A. until 2013 when a restructuring was concluded and Total Raffinage Marketing became the shareholder of 61.72% of Total Nigeria Plc while the remaining 38.28% are held by other shareholders

3. OPERATING RESULTS

The following is a summary of the Company's operating results:

	2014 N'000	2013 N'000
Revenue	240,618,693	238,163,160
Profit before taxation	5,558,326	8,120,018
Profit after taxation	4,423,733	5,334,091
Dividend	3,734,740	3,734,740

4. DIVIDEND

During the year ended 31st December, 2014 the Directors authorized the payment of ₦2.00 (2013: ₦2.00) per ordinary share of 50 kobo each as interim dividend and hereby recommend to members the payment of a final dividend of ₦9.00 (2013: ₦9.00) per ordinary share of 50 kobo each. The dividend is subject to deduction of withholding tax at the rate applicable at the time of payment.



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5. DIRECTORS

The directors who served during the year and to the date of this report are:

Mr. M.Nguer	-	Chairman	-	(Senegalese)
Mr. A. Vovk	-	Managing Director	-	(French)
Mr. W. J-Y Konde	-	Executive Director	-	(Ivorian)
Engr. J.W. Adeyinka				
Engr. K. Ukonne				
Chief F. Majekodunmi				
Ms. T. Ibru				
Mr. D Toulouse	-			(French)
Engr. A.R Sirajo				
Mr. M. Soulas	-			(French)

The names of the current Directors are listed on page 4. Their thumbnail pictures and brief profiles are also indicated on pages 13 to 16.

6. BOARD CHANGES

Since the last Annual General Meeting, there were no changes to the composition of the Board (as at 31st December, 2014).

7. DIRECTORS TO RETIRE BY ROTATION

In accordance with Section 259 (1) and (2) of the Companies and Allied Matters Act, (Cap C20), Laws of the Federation of Nigeria 2004, the Directors to retire by rotation at this Annual General Meeting are Mr. Wilfried Konde, Chief Felix Majekodunmi and Engr. Rufa Sirajo who, being eligible, offer themselves for re-election. Pursuant to Section 259 (1) of the Companies and Allied Matters Act, (Cap C20), Laws of the Federation of Nigeria 2004, a resolution will be proposed at the Annual General Meeting approving their appointment as Directors.

8. DIRECTORS INTEREST IN SHARE CAPITAL

The interests of each Director in the issued share capital of the company as recorded in the register of Directors shareholding, as notified by the Directors for the purpose of Section 275 of the Companies and Allied Matters Act, (Cap C20), Laws of the Federation of Nigeria 2004, and in compliance with the listing requirements of the Nigerian Stock Exchange and the 2011 Securities and Exchange Commission Corporate Governance Code as at 31st December, 2014 were as follows:

Directors	31 st December 2014 No. Of shares (Direct)	31 st December 2014 No. Of shares (Indirect)	31 st December 2013 No. Of shares (Direct)	31 st December 2013 No. Of shares (Indirect)
Engr. J. W. Adeyinka	46,974	-	46,974	-
Engr. K. Ukonne	17,873	-	17,873	-
Chief F. Majekodunmi	43,581	-	43,581	-
Ms. T. Ibru	902,903	1,875	902,903	1,875

Ms T. Ibru is a shareholder (0.5%) of Mas Makay Limited which owns shares in Total Nigeria Plc.

9. DIRECTORS INTEREST IN CONTRACTS

None of the Directors notified the Company for the purpose of Section 277 of the Companies and Allied Matters Act (CAP C20) Laws of the Federation of Nigeria, 2004 of any declarable interest in any contracts involving the company. However, some of the directors hold positions in other

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companies with which Total Nigeria Plc had transactions with during the current financial year. The selection and conduct of the other companies was in conformity with the rules of ethics and acceptable standards. In addition, Total ensures that such contracts are conducted at arm's length at all times.

10. PROPERTY, PLANT AND EQUIPMENT

Movements in intangible assets and Property, Plant and Equipment during the year are shown in Notes 15 and 16 respectively.

11. POST BALANCE SHEET EVENTS

As at 24th March, 2015 the Directors were not aware of any post balance sheet events which have not been adequately provided for and which could have a material effect on the financial position of the Company as at 31st December, 2014 as well as the profit for the year to that date.

12. COMPANY'S DISTRIBUTORS

The names of the Company's significant distributors are shown on pages 80 to 83.

13. SUPPLIERS

Key suppliers of products and materials to the Company are:

- Total Outre Mer
- Nigerian National Petroleum Corporation
- Greif Nigeria Limited
- Lanre Badmus Industries Limited
- Lotus Plastics Limited

14. INTER-COMPANY TRANSFERS AND TECHNICAL MANAGEMENT AGREEMENTS

The Company is a party to a subsisting agreement in respect of License, Marketing know-how and Training. This agreement is between the Company and Total Raffinage Marketing.

The terms of the agreement include:

- (a) Provision of assistance and advice on the general organization and management of the company.
- (b) Provision of suitable expatriate personnel for employment as required and at the request of the Company.
- (c) Provision of overseas training and retraining for Nigerian employees to enable them assume positions of higher responsibility within the Company.
- (d) Product research development assistance.
- (e) Constructions, engineering and design assistance, provision of accounting and operations computer software, sample analysis and control.
- (f) Technical assistance for inventory control, product storage and handling procedures; Aviation services assistance, provision of operational manual to ensure compliance with international standards.
- (g) Payment of technical assistance and management fees.

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15. ACQUISITION OF OWN SHARES

The Directors affirm that the Company did not purchase its own shares during the year. The employees of the Company are participants in the Total Group Employees shareholding plan. Total Nigeria Plc finances the purchases made by Staff and this is repayable over a number of years.

16. DONATIONS

As the Company did in the previous year, donations were made to several charitable organizations during the year 2014 and the beneficiaries are as follows:

S/N	NAME OF ORGANIZATION	Amount ₦
1.	Skills Acquisition Programmes	24, 000,000.00
2.	HIV Initiative	12,000,000.00
3.	World Malaria Day Campaigns	7,929,451.00
4.	SOS Children's Villages	7,000,000.00
5.	Dr. Lucas Memorial Junior Secondary School, Kirikiri, Lagos	1,699,500.00
6.	Red Cross Motherless Babies Home, Enugu, Enugu State	200,000.00
7.	Heart Of Dorcas Children Home, Ekiti, Ekiti State	200,000.00
8.	Good Shepherd Foundation For Destitute Children, Port Harcourt, Rivers State	200,000.00
9.	Heart of Delta Orphanage, Warri, Delta State	200,000.00
10.	Madonna School For The Handicapped, Delta state	200,000.00
11.	Orphanage Of The Holy Spirit, Ekpoma, Edo State	200,000.00
12.	Joshua Generation Foundation And Youth Development, Jos, Plateau State	200,000.00
13.	Grassroots Health Organisation Of Nigeria, Kano State	200,000.00
14.	Ministry Of Mercy Orphanage Home, Anisha- Lokoja, Kogi State	200,000.00
15.	Rose Mary Oganyi Orphanage Homes Otukpo Benue State (Children of Mary Orphanage)	200,000.00
16.	School Of Children With Special Needs, Shagamu, Ogun State	200,000.00
17.	Beth Torey, Home, Zaria, Kaduna.	200,000.00
18.	The Care People Foundation, Ibadan, Oyo State	200,000.00
19.	Little Saints Orphanage Homes, Lagos State	200,000.00
20.	NigerWives Braille Book Production Centre, Lagos State	200,000.00
21.	Bethesda Child Support Agency, Lagos State	200,000.00
22.	Modupe Cole Memorial Child Care and Treatment Home School, Lagos	200,000.00
23.	Wesley School For The Hearing Impaired, Lagos	200,000.00
24.	Koko Health Centre, Koko Delta State	200,000.00

No donation was made to any political party during the year.

17. EMPLOYMENT AND EMPLOYEES

(a) *Our Inclusion Policy*

Total Nigeria Plc is an equal opportunity employer and does not discriminate on any grounds. We support fair employment practices. Our employment policy is free of discrimination against existing or potential employees on grounds of race, ethnicity, nationality, gender, age, sexual orientation, disability, political opinion or faith. It is Total's policy not to discriminate against physically challenged persons or persons living with HIV/AIDS. The Company continues to pursue its policy of non discrimination in recruitment and continued employment, offering physically challenged persons career opportunities. The Company had two physically challenged persons in its employment as at the end of the year under review

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(b) ***Equal opportunities and Diversity***

All employees are given equal opportunities and resources to develop professionally and personally to their fullest potential. The Company recognizes the need for and values diversity and inclusion in its workforce and leadership. It is committed to promoting gender equality and actively pursues a feminization policy aimed at developing and empowering female managers.

(c) ***Health, Safety, Environment and Quality Policy.***

Total considers people safety and security, health protection, operational safety, respect for the environment, customer satisfaction and listening to stakeholders as paramount priorities. We are conscious at all levels of the organization, of our personal responsibility and give due consideration to the prevention of accidents, injury, environmental damage or adverse impacts of product and service quality.

We are committed to maintaining the highest standards of safety and enforce strict health and safety rules and practices. We have implemented and operate the Total Group Health, Safety, Environment and Quality Charter which places these issues above economic considerations. Emergency procedures are tested, drilled and updated systematically to ensure optimum performance. Compliance with these principles remains a crucial element in the performance evaluation of the company and its employees. Environmental, Industrial and Personal safety continue to be at the core of the company's operations. This is applicable in all our offices, depots, outlets, areas of operation and is further extended to our partners and visitors to our offices. We operate a proactive safety culture. Together with our employees, we ensure the safety of our workplace and surrounding environment.

Our facilities have been awarded significantly high recognition levels by local and international independent safety rating system experts in various audits.

Total is committed to *Safety for me, For You, For All.*



(d) ***Welfare of Employees, Staff Development and Training.***

The Company operates a medical scheme under which free healthcare is provided to employees and their dependants. We have well equipped clinics at our offices. Employees are mandated to undergo annual medical examinations which form the basis for the provision of timely medical interventions. The Company also periodically runs various health campaigns geared at addressing certain ailments. The 2014 edition was the 10th Healthy Living Campaign held by Total. The campaign slogan was *Let's talk: Hygiene, Food and Wellness*. This year's campaign delivered important messages which included discussions on the causes, symptoms and



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preventive measures of peptic ulcer diseases, ovarian health as well as personal hygiene in the workplace. This was conducted in conjunction with Health Management Organizations. In addition to this, the Company at some of its locations continues to provide aerobic classes and light football workout for staff.

We are committed to constantly ensuring that our staff understand their roles and rights. The Company constantly equips and updates its employees with the skills and knowledge required for the successful performance of their jobs. Furthermore, we encourage our staff to be members of professional institutions which will add value to both themselves and the Company.



18. MAJOR SHAREHOLDINGS.

- (a) The issued and fully paid shares of 50 kobo each of the Company as at 31st December, 2014, were beneficially held as follows:

	2014		2013	
	Number of share Holding '000	%	Number of share Holding '000	%
Total Raffinage Marketing	209,560	61.72	209,560	61.72
Other Shareholders	129,962	38.28	129,962	38.28
	339,522	100.00	339,522	100.00

- (b) No shareholder, except as disclosed above, held more than 5% of the issued share capital as at 31st December, 2014 and as at 24th March, 2015.

(c) Range analysis of ordinary shareholdings

Range			No. of Holders	Percentage	Units	Percentage
1	-	500	12,633	48.3763	2,309,344	0.6802
501	-	1,000	3,626	13.8853	2,695,566	0.7939
1,001	-	5,000	7,614	29.1568	16,020,561	4.7186
5,001	-	10,000	1,165	4.4612	7,984,741	2.3518
10,001	-	20,000	570	2.1827	7,863,289	2.316
20,001	-	50,000	257	0.9841	7,892,405	2.3246
50,001	-	100,000	99	0.3791	6,843,638	2.0157
100,001	-	500,000	111	0.4251	23,959,692	7.0569
500,001	-	5,000,000	36	0.1379	39,560,872	11.6519
5,000,001	-	50,000,000	2	0.0077	14,832,099	4.3685
50,000,001	-	339,521,837	1	0.0038	209,559,630	61.722
Grand Total			26,146	100.00	339,521,837	100.00

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19. INTERNAL FINANCIAL CONTROLS

Effective financial controls are an essential management tool. Accordingly, reasonable care has been taken to establish and maintain a framework of financial controls to ensure that the Company's assets are safeguarded and that proper accounting records are maintained with a view to providing reliable financial information.

There exist adequate guidelines for all aspects of internal controls relating to operational and compliance controls as well as risk management. The Board and Management will in line with regulation and international best practices continue to review the effectiveness and the adequacy of the company's internal control systems and update such as may be necessary.

20. AUDITORS

Messrs. Akintola Williams Deloitte were the Company's auditors for over ten years and in accordance with good corporate governance tendered their resignation so ceased to be our auditors at the end of the 2013 Annual General Meeting. Messrs. KPMG Professional Services were appointed External Auditors from the 11th of June, 2014. In accordance with Section 357 (2) of the Companies and Allied Matters Act, (Cap C20), Laws of the Federation of Nigeria 2004, Messrs. KPMG Professional Services have indicated their willingness to continue in office as External Auditors of the Company. A resolution will be proposed at the next Annual General Meeting authorizing the directors to determine their remuneration.

BY ORDER OF THE BOARD



Olubunmi Popoola-Mordi
FRC/2013/ICSAN/00000002042
Company Secretary

LAGOS, NIGERIA
24th March, 2015





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CORPORATE GOVERNANCE REPORT FOR THE YEAR ENDED 31ST DECEMBER, 2014

Total is committed to institutionalizing the principles of corporate governance and ethical business practices. We have always adopted a responsible attitude towards corporate governance and issues of corporate social responsibility in Nigeria. The Company conducts its business with integrity and pays due regard to the laws of Nigeria and the legitimate interest of its stakeholders. The Board of Directors ("the Board") is continually reviewing corporate governance standards and procedures in line with international best practices.

The Board of Total Nigeria Plc has demonstrated commitment towards embedding excellent corporate governance practice across the entire company. This commitment is visibly seen in its sustained drive to institutionalize practices, policies and structures which accentuate the very essence of good corporate governance and best practice in its functions and across the entire company.

THE BOARD OF DIRECTORS

As currently constituted, the Board of Directors comprises the Chairman, the Managing Director, the Executive Director, Finance and Development as well as seven other Non-Executive Directors. The positions of the Chairman and that of Managing Director are held by different persons. In accordance with the provisions of the Company's Articles of Association, the Board is mandated to manage the business and affairs of the Company except as required by statute or the Articles to be exercised by the Company in the general meeting. The Directors of Total are well established in various fields of endeavour and bring a wealth of experience to bear on the activities of the Board.

Roles and Responsibilities of the Board of Directors

The Board is responsible for ensuring that the Company is properly managed and meets its strategic objectives. The Directors act in good faith, with due diligence and care and in the best interest of the Company. The Board in discharging its duties, adopts best international practice principles in line with laid down regulations.

The responsibilities of the Board include:

- a) Management of the business and affairs of the Company except as required by statute or the Articles to be exercised by the Company in the general meeting;
- b) Articulation and formation of strategy;
- c) Formulation of policies and overseeing the management and conduct of business;
- d) Formulation and management of risk management framework;
- e) Succession planning and the appointment, training, remuneration and replacement of Board members and Executive Committee members;
- f) Overseeing the effective performance of management in order to protect and enhance shareholder value and to meet the Company's obligations to its stakeholders.
- g) Overseeing the effectiveness and adequacy of internal control systems;
- h) Performance monitoring and appraisal of the Company;
- i) Overseeing the maintenance of the Company's communication and information dissemination policy;
- j) Serving the legitimate interests of the shareholders and the Company and account to them fully;





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CORPORATE GOVERNANCE REPORT FOR THE YEAR ENDED 31ST DECEMBER, 2014

- k) Ensuring effective communication with stakeholders;
- l) Reviewing and approving annual budgets.
- m) Ensuring the integrity of financial reports;
- n) Promoting and ensuring that ethical standards are maintained;
- o) Ensuring that the human and financial resources of the company are effectively deployed towards achieving her goals;
- p) Ensuring that no one person or group of persons has unfettered power and that there is an appropriate balance of power and authority on the Board which is usually reflected by separating the roles of the Managing Director/Chief Executive Officer (MD/CEO) and Chair and by having a balance between executive and non-executive Directors;
- q) Regularly assess its performance and effectiveness as a whole and that of the individual Directors, including the MD/CEO;
- r) Appointment of the MD/CEO;
- s) Ensuring the motivation and protection of human capital intrinsic to the Company, ensuring that there is adequate training in the Company for management and employees and a succession plan;
- t) Ensuring that all technology and systems used in the Company are adequate to properly run the business and for it to remain effectively competitive;
- u) Identifying key risk areas and key performance indicators of the business and monitor these factors;
- v) Ensuring annually that the Company will survive, thrive and continue as a viable going concern;
- w) Ensuring compliance with the Company's articles, all laws and regulations;
- x) Conducting performance and progress monitoring against the strategies and objectives of the Company, including assessing the Company's financial position and performance (at least quarterly);
- y) Approving the Company's interim dividend and propose dividends to be finally approved by the shareholders at the annual general meeting; and
- z) Deciding and approving the expenditure and authorising, investment and credit limits to be delegated to the Chair, Board Committees, Executive and Senior Management.

Board Appointment, Induction and Training

Once a vacancy on the Board of Directors is declared, curriculum vitae of suitable candidates (depending on the required experience, competencies and skills set) are obtained and reviewed, interviews are conducted and a recommendation is made to the Board of Directors. Appointment is by the Board of Directors. Subsequently, Directors appointed by the Board are presented to shareholders at the next Annual General Meeting for election. Board members undergo an induction and training from time to time. To ensure effective management of the Company, Directors regularly attend relevant seminars designed to expose them to new trends in governance and organizational development. The Board of Directors is able to retain external



governance and organizational development. The Board of Directors is able to retain external counsel for independent advice.

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REPORT **2014****CORPORATE GOVERNANCE REPORT**FOR THE YEAR ENDED 31ST DECEMBER, 2014**Board Evaluation**

The Board did not undertake any formal evaluation of its performance, individual or collective in the year under review. A process exists for following up on all matters of concern or potential improvement which may arise when an evaluation process is carried out.

Re-election of Directors

As prescribed by the Company's Articles of Association and the Companies and Allied Matters Act (CAP C20) Laws of the Federation of Nigeria, 2004 a maximum of one third of the Directors who are longest in office since their last appointment are required to retire by rotation and are eligible for re-election. Likewise, Directors appointed since the last Annual General Meeting retire and being eligible, offer themselves for re-election. Messrs. Konde, Majekodunmi and Sirajo are Directors seeking re-election at the Annual General Meeting. Their biographical details are contained on Pages 13 to 16 of this Annual Report and Accounts.

Code of business conduct and ethics

The Board is committed to conducting all business activities, legally, ethically and in accordance with the highest standards of integrity and propriety. The Board exercises leadership, enterprise, integrity and judgment in directing the Company so as to achieve continuing survival and prosperity for the company.

The Board promotes an ethical corporate culture. Every Director and employee subscribes to comply with the Company's Business Integrity Guide and Code of Conduct which covers our business principles and ethics. We are committed to maintaining a brand of repute and business reputation.

Attendance at Board Meetings

The Board met four (4) times during the 2014 financial year. Attendance at Board Meetings during the year ended 31st December, 2014 is as indicated below:

Directors	27th March	12th June	5th November	3rd December
Mr. M. Nguer	P	P	P	P
Mr. A. Vovk	P	P	P	P
Mr. W. J-Y Konde	P	P	P	P
Engr. J.W. Adeyinka	P	P	P	P
Engr. K. Ukonne	P	P	P	P
Chief F. Majekodunmi	P	P	P	P
Ms. T. Ibru	P	P	P	P
Mr. D. Toulouse	P	P	P	P
Engr. A.R. Sirajo	P	P	P	P
Mr. M. Soulas	P	P	P	A

Attendance Keys: P= Present A= Absent with apology

Board Committees

In line with its Articles, the Companies and Allied Matters Act Laws of the Federal Republic of Nigeria 2004 and in conformity with the Securities and Exchange Commission's 2011 Corporate Governance Code, the Board has established committees. These committees assist the Board to effectively perform its guidance and oversight functions. All committees have terms of reference which guide them in the carrying out of their responsibilities. The committees comprise of Directors and shareholder representatives. Currently, there are two Board committees and a statutory committee. The following committees are in existence: Diversity and Staff Development Committee, Corporate Governance Committee and the Statutory Audit Committee. In the opinion of the Board, the committees performed credibly during the year under review.





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CORPORATE GOVERNANCE REPORT

FOR THE YEAR ENDED 31ST DECEMBER, 2014

(i) Diversity and Staff Development Committee:

The Company recognizes diversity as a decisive factor for its competitiveness, attractiveness and ability to adapt. This committee is charged with studying diversity patterns in the work-force and developing ideas and solutions towards ensuring a balanced and productive human resource base for the Company as well as recommending methods for building and developing employee potential in line with Company policy. The members were:

- Engr. J.W. Adeyinka
- Engr. K. Ukonne
- Chief F. Majekodunmi

Attendance at meetings during the year ended 31st December, 2014:

Director	17 th February	27 th May	4 th November
Engr. J.W. Adeyinka (Chairman)	P	P	P
Engr. K. Ukonne	P	P	P
Chief F. Majekodunmi	P	P	P

Attendance Key: P = Present

(ii) Corporate Governance Committee:

This committee's brief is essentially geared towards the application of the Code of Corporate Governance to the structure and operations of the Company with a view to ensuring compliance with internationally accepted guidelines, practices and norms of corporate conduct. In this respect, it also examines matters that bear potential risks for the Company. The members were:

- Engr. K. Ukonne
- Engr. J.W. Adeyinka
- Chief F. Majekodunmi
- Ms. T. Ibru
- Engr. A.R. Sirajo

Attendance at meetings during the year ended 31st December, 2014:

Director	25 th March	4 th September	8 th December
Engr. K. Ukonne (Chairman)	P	P	P
Engr. J.W. Adeyinka	P	P	P
Chief F. Majekodunmi	P	P	P
Ms. T. Ibru	P	P	P
Engr. A.R. Sirajo	P	P	P

Attendance Keys: P= Present

(iii) Statutory Audit Committee:

In compliance with Section 359(3) of the Companies and Allied Matters Act, (CAP C20) Laws of the Federation, 2004 the Company has established a Statutory Audit Committee. The Statutory Audit Committee is composed of three Directors (two of whom are Non-Executive Directors) and three shareholders elected at the Annual General Meeting. It is chaired by a shareholder representative. The terms of reference of the committee are as prescribed in the provisions of Section 359(6) of the Companies and Allied Matters Act, (CAP C20) Laws of the Federation, 2004. In the performance of their duties, members have direct access to the internal audit department, the external auditors, management and any other officer that is required.



In compliance with the provisions of Section 359(5) of the Companies and Allied Matters Act, (CAP

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C20) Laws of the Federation, 2004 the following members and Directors were elected and will serve on the committee up to the conclusion of the 37th Annual General Meeting:

- Chief T.A. Adesiyon - Shareholder (Chairman)
- Alhaji K. Bello – Shareholder
- Mr. C. Achara - Shareholder
- Mr. W. J-Y. Konde - Director
- Engr. J.W. Adeyinka - Director
- Engr. K. Ukonne - Director

Attendance at meetings (13th June, 2014 – 19th March, 2015)

Members	8 th September	28 th October	8 th December	19 th March
Chief T.A. Adesiyon (Chairman)	P	P	P	P
Alhaji K. Bello	P	P	P	P
Mr. C. Achara	P	P	P	P
Engr. K. Ukonne	P	P	P	P
Engr. J.W. Adeyinka	P	P	P	P
Mr. W. J-Y. Konde	P	P	P	P

Attendance Key: P= Present

In accordance with Section 359(6) of the Companies and Allied Matters Act, (CAP C20) Laws of the Federation, 2004 the Shareholders and Directors stated above sat on the Audit Committee for the purpose of the Company's year 2014 audit.

COMPLIANCE STATEMENT

In accordance with the amended Post-listing Requirements of the Nigerian Stock Exchange, the Company has put in place a securities trading policy which has been circulated to all directors, employees and counterparts who may at any time possess inside or material information about the Company. The said policy which also contains a reminder of the Investment and Securities Act 2007 and the Companies and Allied Matters Act, (CAP C20) Laws of the Federation, 2004 can be found on our website.

In the course of 2014, none of our directors, employees and counterparts notified us of any contravention of the Post-listing Requirements of the Nigerian Stock Exchange and Total's Securities Trading Policy.

The Company has complied with the requirements of the Securities and Exchange Commission's 2011 Code of Corporate Governance for Public Companies in Nigeria and the Post-listing Requirements of the Nigerian Stock Exchange.

Total complied with all regulations guiding its operations and activities throughout the year. Total ensures that its existence and operations remain within the law. The Company complies with the laws and regulations of Nigeria.

WHISTLE-BLOWING POLICY

In line with the requirements of the Securities and Exchange Commission's 2011 Code of Corporate Governance and global best practices, the Company has put in place a Whistle-Blowing Policy which is a process whereby the illegal, unethical or inappropriate actions of employees that are injurious to the interest of the company can be reported. The whistle blowing hotline is confidentially managed by PriceWaterhouseCoopers.



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CORPORATE GOVERNANCE REPORT FOR THE YEAR ENDED 31ST DECEMBER, 2014

CORRUPTION

Total Nigeria Plc is an ethical business organisation. In all our dealings, we are committed to the highest standards of integrity. We do not tolerate bribery and corruption in any form. We actively promote transparency, encourage and monitor strict adherence to our anti-corruption policy. Not only is our anti-corruption policy entrenched in-house (as our staff are trained), we have extended it to our suppliers, partners and third parties acting for and on behalf of Total Nigeria Plc.

ANTI-COMPETITION

We recognize that competition is an instrument of promoting growth and sustainable development. We are at the forefront of fostering competition in our sector of the economy as we actively play by the rules and ensure that we do not engage in anti-competitive activities.

ROLE IN SOCIETY

Total Nigeria Plc is one of the major players in the downstream sector of the oil and gas industry and is an integral part of the Nigerian society as an employer, a supplier, a customer, a partner and a taxpayer. We consult with our stakeholders and have a policy which, not only drives but equally regulates our relationships within our operating environment. The Company has a strong belief that sustenance of its business is linked to the wellbeing of its immediate environment hence its decision to invest in health, education and economic empowerment of its host communities, stakeholders and the Nigerian public.

Yet again, the Company joined the world to commemorate the World Malaria Day on April 25, 2014, as declared by the World Health Organization. The World Malaria Day commemoration is an initiative aimed at reducing and possibly eradicating malaria all over the world and Africa in particular. In 2014, TNPLC collaborated with Total Exploration & Production (in alignment with the vision of the World Health Organisation and the Federal Government of Nigeria's Roll Back Malaria campaign) in the official launching of the Nigeria Malaria Control & Prevention Programme. The target community was Agungi in Lekki, Lagos. The programme was a huge success. The Company created awareness on the prevention and control of malaria, preventive treatment was administered to pregnant women, malaria tests and treatment was given to those that tested positive and 40 community workers were trained. In addition to this, valuable school kits, educational brochures, long lasting insecticide treated mosquito nets and T-Shirts were distributed to our target audience. We also distributed 1,300 mosquito nets to pregnant women in Enugu State and branded BRT buses in Lagos with malaria campaign messages and placed radio jingles on national radio stations.

In addition to the net distribution campaign, Total Nigeria supported a Malaria comedy skit that was promoted across several social media platforms. We also sponsored SMS blasts.

In line with the UNAIDS strategy goals on HIV/AIDS we are working towards Zero New Infections and Zero stigmatization and discrimination. We support Nigerian communities particularly those which play host to our facilities. In the year under review, the Company continued to deliver across the nation, its HIV/AIDS awareness and prevention programme which was launched in 2006 in partnership with the Nigerian Business Coalition Against AIDS (NIBUCAA) and in collaboration with Total Exploration & Production. The activities carried out included peer educators training programmes, free voluntary counseling and testing and the donation of two sets of high-tech screening machines to two hospitals in Cross Rivers and Rivers States.

We continued our Skills Acquisition Programme in Kaduna and Koko. The programme is a youth development scheme designed to train and empower youths in vocations such as welding and fabrication, fashion and designing, hairdressing, information technology, woodcraft and furniture making. 39 persons graduated in Koko, 6 more continued in training. 60 people graduated in Kaduna whilst 10 more continued



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CORPORATE GOVERNANCE REPORT FOR THE YEAR ENDED 31ST DECEMBER, 2014

Total supported less privileged but brilliant students in Koko Community with their educational needs. The Company also donated classroom chairs and school equipment to Dr Lucas Secondary School in Kirikiri, Lagos, Nigeria.

The Company continued its sponsorship of two family houses in the SOS Children's Villages Nigeria (Isolo, Lagos and Gwagwalada, Abuja). This involves payment of school fees and feeding and clothing of the children. A key component of the Corporate Sponsorship is the Mentor - a - Child – Programme. It is a programme which runs side by side with the corporate sponsorship whereby employees act as mentors through the monitoring of the moral, mental and general developmental stages in the lives of their chosen child while the child still lives in the village.

In 2014, Total conducted the Total Job Shadow CSR program which is designed with the objective of exposing senior secondary school students from government schools to the work environment and providing them with the opportunity to learn about various career options open to them, whilst inspiring them to dream big and become positive change agents inspite of the many challenges they face. We had 30 students from Government Junior College, Kuramo Secondary School and Victoria Island Secondary School. They were paired up with employees who acted as mentors for the day. They were also engaged in a leadership workshop. The students wrote an essay on their experience and learning points at the end of the program, five overall winners emerged from the three schools. A prize of an educational computer was given to each of the first three winners whilst consolation prizes were given to the runners up.

RELATIONSHIP WITH SHAREHOLDERS

The Board considers effective communication with Shareholders as being of utmost importance. The Company reports formally throughout the year with the quarterly and full year results announcements, Corporate Social Responsibility and Annual Reports to all Shareholders. Through these reports the Board renders an account of its stewardship to shareholders. Total maintains active dialogue with shareholders. From time to time the Company also makes reports and other announcements which can be found on our website (www.total.com.ng).

We can also be reached on social media via:



Twitter (www.twitter.com/totalnigeriaplc)



Facebook (www.facebook.com/totalnigeria).



Youtube (www.youtube.com/Total)

In addition to this, periodically, Total holds meetings with institutional investors and other Shareholders.

The Board also welcomes the participation of all Shareholders at the Annual General Meeting during which Shareholders are able to put questions to the Directors, Audit Committee and Senior Managers both formally during the meeting and informally after the meeting.

Olubunmi Popoola-Mordi
FRC/2013/ICSAN/00000002042
Company Secretary



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STATEMENT OF DIRECTORS RESPONSIBILITIES

In accordance with the provisions of Sections 334 and 335 of the Companies and Allied Matters Act (CAP C20) Laws of the Federation of Nigeria, 2004, the Company's Directors are responsible for the preparation of the financial statements which give a true and fair view of the state of affairs of the Company as at the end of the financial year and its results for that year. This responsibility includes ensuring that:

- Proper accounting records are maintained;
- Appropriate internal control procedures are instituted which, as far as is reasonably possible, safeguard the assets, prevent and detect fraud and other irregularities;
- Applicable accounting standards are followed;
- Suitable accounting policies and standards are adopted and consistently applied;
- Judgments and estimates made are reasonable and prudent; and
- The going concern basis is used, unless it is inappropriate to presume that the company will continue in business.

The Directors accept responsibility for these financial statements which have been prepared using the appropriate accounting policies supported by reasonable and prudent judgments and estimates, in conformity with the International Financial Reporting Standards, Financial Reporting Council of Nigeria Act No. 6 2011 and the Companies and Allied Matters Act (CAP C20) Laws of the Federation of Nigeria, 2004.

The Directors are of the opinion that these financial statements give a true and fair view of the state of affairs of the Company as at the end of the financial year and its results for that year. The Directors further accept responsibility for maintaining adequate accounting records as required by the Companies and Allied Matters Act of Nigeria and for such internal control as the Directors determine is necessary to enable the preparation of financial statements that are free from material misstatements whether due to fraud or error.

Nothing has come to the attention of the Directors that indicate that the Company will not remain a going concern for twelve months from the date of this statement.



Mr. Alexis Vovk
FRC/2013/IODN/00000005534
Managing Director
24th March, 2015



Mr. Momar Nguer
FRC/2013/IODN/00000003144
Chairman
24th March, 2015



STATEMENT OF DIRECTORS RESPONSIBILITIES

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REPORT OF THE STATUTORY AUDIT COMMITTEE TO THE MEMBERS OF TOTAL NIGERIA PLC

In compliance with section 359(6) of the Companies and Allied Matters Act (CAP C20) Laws of the Federation of Nigeria, 2004 we confirm that we have:-

- A. Reviewed the scope and planning of the audit requirements;
- B. Reviewed the External Auditors Management Report for the year ended 31st December, 2014 as well as the managements response thereon; and
- C. Ascertained that the accounting and reporting policies of the Company for the year ended 31st December, 2014 are in accordance with legal requirements and agreed ethical practices.

In our opinion, the scope and planning of the audit for the year ended 31st December, 2014 were adequate and Management's responses to the Auditor's findings were satisfactory.

In addition the scope, planning and reporting of these Financial Statements is compliant with the requirements of the International Financial Reporting Standards as adopted by the Company.

Dated this 19th day of March, 2015

MEMBERS OF THE COMMITTEE

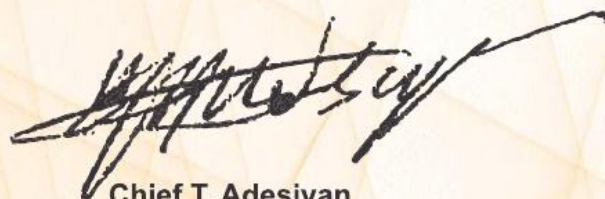
Mr. C. Achara

Alhaji K.O. Bello

Engr. J.W. Adeyinka

Engr. K. Ukonne

Mr. W. J-Y Konde



Chief T. Adesiyan
Chairman
FRC/2013/IODN/00000003745




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INDEPENDENT AUDITOR'S REPORT

To the Members of Total Nigeria Plc

Report on the Financial Statements

We have audited the accompanying financial statements of Total Nigeria Plc ("the Company"), which comprise the statement of financial position as at 31 December 2014, the statement of profit or loss and other comprehensive income, statement of changes in equity, statement of cash flows for the year then ended, a summary of significant accounting policies, and other explanatory information as set out on pages 35 to 76.

Directors' Responsibility for the Financial Statements

The directors are responsible for the preparation of financial statements that give a true and fair view in accordance with International Financial Reporting Standards and in the manner required by the Companies and Allied Matters Act of Nigeria and the Financial Reporting Council of Nigeria Act, 2011, and for such internal control as the directors determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

Auditor's Responsibility

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

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditor's 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 auditor considers internal control relevant to the entity's preparation and fair presentation of the financial statements that give a true and fair view 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 the directors, as well as evaluating the overall presentation of the financial statements.

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

Opinion

In our opinion, the financial statements give a true and fair view of the financial position of Total Nigeria Plc as at 31 December 2014, and of the Company's financial performance and cash flows for the year then ended in accordance with International Financial Reporting Standards and in the manner required by the Companies and Allied Matters Act of Nigeria and the Financial Reporting Council of Nigeria Act, 2011.

Other Matter

The financial statements of Total Nigeria Plc for the year ended 31 December 2013 were audited by another auditor whose report issued on 27 March 2014 expressed an unmodified opinion on those financial statements.

Report on Other Legal and Regulatory Requirements**Compliance with the Requirements of Schedule 6 of the Companies and Allied Matters Act of Nigeria**

In our opinion, proper books of account have been kept by the Company, so far as appears from our examination of those books and the Company's statement of financial position and statement of profit or loss and other comprehensive income are in agreement with the books of account.

Signed: *Chibuzor Anyanechi*

Chibuzor N. Anyanechi, FCA
FRC/2013/ICAN/00000000789
For: KPMG Professional Services
Chartered Accountants
24 March 2015
Lagos, Nigeria



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Joseph O. Tegbe	Kabi O. Olanibisi	Mohammed M. Adams	Diadeco R. Okubadejo
Chadimeji I. Salaudeen	Olusola E. James	Olumide O. Oluyinka	Olusegun A. Sowande
Olufemi T. Bokerstedt	Oluwatemi O. Awotayo	Oluwatoyin A. Gbogi	Tayo I. Ogunbemis
Victor U. Oyenaka			



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TOTAL NIGERIA FINANCIAL STATEMENTS



Total Nigeria plc FINANCIAL STATEMENTS


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TOTAL NIGERIA PLC


STATEMENT OF FINANCIAL POSITION AS AT 31 DECEMBER

		2014	2013
	Note	N'000	N'000
Non-current assets			
Property, plant and equipment	16	21,921,619	20,852,161
Intangible assets	15	171,907	138,486
Prepayments	19	3,085,316	2,289,809
Total non-current assets		25,178,842	23,280,456
Current assets			
Inventories	17	19,826,763	14,640,893
Trade and other receivables	18	35,379,702	31,118,583
Prepayments	19	658,676	919,012
Cash and bank balances	23	14,468,445	9,444,643
Total current assets		70,333,586	56,123,131
Total assets		95,512,428	79,403,587
Equity			
Share capital	22	169,761	169,761
Retained earnings		13,760,017	13,071,024
Total Equity		13,929,778	13,240,785
Non-current liabilities			
Deferred tax liabilities	11.3	2,767,576	3,003,042
Employee benefits	12	211,087	-
Total non-current liabilities		2,978,663	3,003,042
Current liabilities			
Trade and other payables	21	61,773,238	43,536,179
Deferred income	21.2	43,676	-
Current tax liabilities	11.2	1,104,147	3,015,922
Borrowings	20	15,682,926	16,607,659
Total current liabilities		78,603,987	63,159,760
Total liabilities		81,582,650	66,162,802
Total equity and liabilities		95,512,428	79,403,587

These financial statements were approved by the Board of Directors of the Company on 24 March 2015 and signed on behalf of the Board by:


Bassey Okon - Head of Finance
FRC/2015/ICAN/00000011585


Wilfried J.Y. Konde - Director
FRC/2013/IODN/0000002084


Alexis Vovk - Managing Director
FRC/2013/IODN/0000005534

STATEMENT OF FINANCIAL POSITION

The notes on pages 39 to 76 form an integral part of these financial statements.

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REPORT **2014****TOTAL NIGERIA PLC****STATEMENT OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME
FOR THE YEAR ENDED 31st DECEMBER**

STATEMENT OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME

		<u>2014</u>	<u>2013</u>
	Note	N'000	N'000
Revenue	5	240,618,693	238,163,160
Cost of sales	10	<u>(212,714,398)</u>	<u>(209,461,533)</u>
Gross profit		27,904,295	28,701,627
Other income	9	1,171,824	1,216,899
Selling & distribution costs	10	(4,555,066)	(5,263,937)
Administrative expenses	10	<u>(16,684,435)</u>	<u>(15,785,934)</u>
Operating profit		7,836,618	8,868,655
Finance income	8	342,919	1,232,748
Finance costs	8	<u>(2,621,211)</u>	<u>(1,981,385)</u>
Net finance costs		(2,278,292)	(748,637)
Profit before tax		5,558,326	8,120,018
Income tax expense	11	<u>(1,134,593)</u>	<u>(2,785,927)</u>
Profit for the year		4,423,733	5,334,091
Other comprehensive income		-	-
Total comprehensive income for the year		4,423,733	5,334,091
Earnings per share			
Basic earnings per share	14	<u>13.03</u>	<u>15.71</u>

The notes on pages 39 to 76 form an integral part of these financial statements.

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REPORT 2014TOTAL NIGERIA PLC
STATEMENT OF CHANGES IN EQUITY

For the year ended 31 December 2013

		Share capital	Retained earnings	Total equity
		N'000	N'000	N'000
	Notes			
Balance at 1 st January 2013		169,761	11,132,152	11,301,913
Total comprehensive income for the year		-	5,334,091	5,334,091
Transactions with owners of the Company				
Final dividend	13	-	(2,716,175)	(2,716,175)
Interim dividend	13	-	(679,044)	(679,044)
Balance at 31 st December 2013		169,761	13,071,024	13,240,785

For the year ended 31st December 2014

		Share capital	Retained earnings	Total equity
		N'000	N'000	N'000
	Notes			
Balance at 1 st January 2014		169,761	13,071,024	13,240,785
Total comprehensive income for the year		-	4,423,733	4,423,733
Transactions with owners of the Company				
Final dividend	13	-	(3,055,696)	(3,055,696)
Interim dividend	13	-	(679,044)	(679,044)
Balance at 31 st December 2014		169,761	13,760,017	13,929,778

The notes on pages 39 to 76 form an integral part of these financial statements.



STATEMENT OF CHANGES IN EQUITY

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TOTAL NIGERIA PLC

STATEMENT OF CASH FLOWS
FOR THE YEAR ENDED 31st DECEMBER

STATEMENT OF CASH FLOWS

	Note	2014 N'000	2013 N'000
Profit after tax		4,423,733	5,334,091
Adjustments for:			
Depreciation	16	2,854,661	2,589,271
Amortisation	15	51,412	31,638
Provision for employee benefits		211,087	-
Gains on sale of PPE	9	(58,442)	(81,167)
NBV of reclassified and transferred assets		-	(148,578)
Foreign exchange gain on domiciliary accounts	9	(140,950)	(193,805)
Write-back of provision for inventories	9	-	(159,418)
Net finance costs	8	2,278,292	748,637
Tax expense	11.1.1	1,134,593	2,785,927
		<u>10,754,386</u>	<u>10,906,596</u>
Changes in:			
- Inventories		(5,185,870)	10,023,105
- Trade and other receivables		(4,261,119)	(4,874,094)
- Prepayments		(535,171)	(120,235)
- Trade and other payables		18,070,725	(1,213,901)
- Deferred income		43,676	-
		<u>18,886,627</u>	<u>14,721,472</u>
Cash generated from operating activities		18,886,627	14,721,472
Taxes paid		<u>(3,281,834)</u>	<u>(2,121,486)</u>
Net cash generated from operating activities		15,604,793	12,599,986
Cash flows from investing activities			
Purchase of property, plant and equipment	16	(3,965,684)	(4,620,511)
Purchase of intangible assets	15	(56,753)	(3,189)
Interest received	8	342,919	1,232,748
Proceeds from disposal of property, plant and equipment		71,927	123,364
		<u>(3,607,591)</u>	<u>(3,267,588)</u>
Net cash used in investing activities		(3,607,591)	(3,267,588)
Cash flow from financing activities			
Interest paid on overdrafts	8	(2,621,211)	(1,981,385)
Repayments of obligations under finance lease		-	(318,603)
Dividends paid	13.1	<u>(3,568,406)</u>	<u>(3,177,000)</u>
Net cash used in financing activities		(6,189,617)	(5,476,988)
Net increase in cash and cash equivalents		5,807,585	3,855,409
Cash and cash equivalents at 1 January		(7,163,016)	(11,212,230)
Effect of movement in exchange rates on cash		140,950	193,805
Cash and cash equivalents as at 31 December	23	<u>(1,214,481)</u>	<u>(7,163,016)</u>

In the prior years, the Company had presented its cash flows from operating activities under the direct method. To ensure comparability with the rest of the industry players, the Company has elected to present cash flows from operating activities under the indirect method. The prior year amounts have also been restated to reflect this change.

The notes on pages 39 to 76 form an integral part of these financial statements.

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TOTAL NIGERIA PLC

NOTES TO THE FINANCIAL STATEMENTS

1 The Company

Legal form:

The Company was incorporated as a private limited liability Company in 1956 and was converted to a public Company in 1978. The merger of the Company with Elf Oil Nigeria Limited which commenced globally in November 1999 was completed in Nigeria in 2002. With this development, the authorized, issued and fully paid share capital was ₦148,541,000 made up of 297,082,000 ordinary shares of 50k each. In 2003, to mark the completion of its corporate mergers, Total Group worldwide reverted to its former name Total and adopted a new logo with a unifying design to express its corporate ambition.

Accordingly, the Company changed its name from TotalFinaElf Nigeria Plc to Total Nigeria Plc in the same year. With the capitalisation of the bonus issue of 42,440,228 ordinary shares of 50k each in March 2004, the authorised share capital became ₦169,760,918 made up of 339,521,837 ordinary shares of 50k each. 61.72% of the Company's ordinary shares were held by Total Societe Anonyme up until 2013 when a restructuring was concluded and Total Raffinage Marketing became the shareholders of 61.72% of Total Nigeria Plc while the remaining 38.28% are held by the Nigerian public.

	31 st December 2014		31 st December 2013	
	Number '000	Holdings %	Number '000	Holdings %
Total Raffinage Marketing	209,560	61.72	209,560	61.72
Other shareholders	129,962	38.28	129,962	38.28
	339,522	100.00	339,522	100.00

No shareholder, except as disclosed above, held more than 10% of the issued share capital of the Company as at 31 December 2014 (2013: Nil).

Principal activities

The principal activity of the Company is the blending of lubricants as well as the sales and marketing of refined petroleum products.

Description of business

Total Nigeria Plc. ("the Company") is a subsidiary of Total Raffinage Marketing ("the Parent Company") in France and operates in the petroleum marketing and distribution business in Nigeria. The Company's registered office is situated at:

No. 4, Churchgate street
Victoria Island
Lagos state

It has over 500 retail outlets, 5 LPG bottling plants, 3 lubricant blending plants and 4 aviation depots as well as other facilities spread across the country.

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TOTAL NIGERIA PLC

NOTES TO THE FINANCIAL STATEMENTS

2.0 Basis of preparation

2.1 Statement of compliance

The financial statements of the Company have been prepared in accordance with International Financial Reporting Standards (IFRS) as issued by the International Accounting Standards Board (IASB). They were authorised for issue by the Board of Directors on 24th March 2015.

2.2 Basis of measurement

The financial statements have been prepared on the historical cost basis.

2.3 Functional and presentation currency

These financial statements are presented in Nigerian Naira, which is the Company's functional currency. All financial information presented in Naira have been rounded to the nearest thousand unless otherwise stated.

2.4 Financial period

These financial statements cover the financial period from 1st January to 31st December 2014, with corresponding figures for the financial period from 1st January to 31st December 2013.

2.5 Use of estimates and judgments

In preparing these financial statements, management has made judgements, estimates and assumptions that affect the application of the Company's accounting policies and the reported amounts of assets, liabilities, income and expenses. Actual results may differ from these estimates.

Estimates and underlying assumptions are reviewed on an on-going basis. Revisions to accounting estimates are recognised in the period in which the estimates are revised and in any future periods affected.

(i) *Judgement*

Information about judgements made in applying accounting policies that have the most significant effects on amounts recognised in the financial statements is included in Note 23 with respect to cash balances held with Total Treasury.

(ii) *Assumptions and estimation uncertainties*

Information about assumptions and estimation uncertainties that have the most significant effect on the amounts recognised in the financial statements is included in Note 12 on employee benefits - measurement of defined benefit obligation relating to the Company's Long Service Award (LSA) scheme.



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TOTAL NIGERIA PLC

NOTES TO THE FINANCIAL STATEMENTS

3 New standards and interpretations not yet adopted

A number of new standards, amendments to standards and interpretations are effective for annual periods beginning after 1 January 2014, and have not been applied in preparing these financial statements. Those which may be relevant to the Company are set out below. The Company does not plan to adopt these standards early. These will be adopted in the period that they become mandatory unless otherwise indicated.

Effective for the financial year commencing 1 January 2016

- Disclosure Initiative (Amendments to IAS 1)

Effective for the financial year commencing 1 January 2017

- IFRS 15 *Revenue from Contracts with Customers*

Effective for the financial year commencing 1 January 2018

- IFRS 9 *Financial Instruments*

All standards and interpretations will be adopted at their effective date (except for those Standards and Interpretations that are not applicable to the Company).

IFRS 14 Regulatory Deferral Accounts, Clarification of acceptable methods of depreciation and amortisation (Amendments to IAS 16 and IAS 38), Defined Benefit Plans: Employee Contributions (Amendments to IAS 19), Accounting for acquisitions of interests in joint operations (Amendments to IFRS 11), Agriculture: Bearer plants (Amendments to IAS 6 and IAS 41) are not applicable to the business of the Company and will therefore have no impact on future financial statements.

The directors are of the opinion that the impact of the application of the remaining Standards and Interpretations will be as follows:



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TOTAL NIGERIA PLC

NOTES TO THE FINANCIAL STATEMENTS

Standard/Interpretation not yet effective as at 31 December 2014		Date issued by IASB	Effective date Periods beginning on or after	Summary of the requirements and assessment of impact
IAS 1	Disclosure Initiative	December 2014	1 January 2016 <i>Early adoption is permitted</i>	The amendments provide additional guidance on the application of materiality and aggregation when preparing financial statements.
IFRS 15	Revenue from contract with customers	May 2014	1 January 2017 <i>Early adoption is permitted</i>	<p>This standard replaces IAS 11 <i>Construction Contracts</i>, IAS 18 <i>Revenue</i>, IFRIC 13 <i>Customer Loyalty Programmes</i>, IFRIC 15 <i>Agreements for the Construction of Real Estate</i>, IFRIC 18 <i>Transfer of Assets from Customers</i> and SIC-31 <i>Revenue – Barter of Transactions Involving Advertising Services</i>.</p> <p>The standard contains a single model that applies to contracts with customers and two approaches to recognising revenue: at a point in time or over time. The model features a contract-based five-step analysis of transactions to determine whether, how much and when revenue is recognised.</p> <p>This new standard will most likely have a significant impact on the Company, which will include a possible change in the timing of when revenue is recognised and the amount of revenue recognised.</p> <p>The Company will adopt the amendments for the year ending 31 December 2017.</p>

NOTES TO THE FINANCIAL STATEMENTS



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TOTAL NIGERIA PLC

NOTES TO THE FINANCIAL STATEMENTS

Standard/Interpretation not yet effective as at 31 December 2014		Date issued by IASB	Effective date Periods beginning on or after	Summary of the requirements and assessment of impact
IFRS 9	Financial Instruments	July 2014	1 January 2018 Early adoption is permitted	<p>On 24 July 2014, the IASB issued the final IFRS 9 Financial Instruments Standard, which replaces earlier versions of IFRS 9 and completes the IASB's project to replace IAS 39 <i>Financial Instruments: Recognition and Measurement</i>.</p> <p>This standard will have a significant impact on the Company, which will include changes in the measurement bases of the Company's financial assets to amortised cost, fair value through other comprehensive income or fair value through profit or loss. Even though these measurement categories are similar to IAS 39, the criteria for classification into these categories are significantly different. In addition, the IFRS 9 impairment model has been changed from an "incurred loss" model from IAS 39 to an "expected credit loss" model, which is expected to increase the provision for bad debts recognised in the Company.</p> <p>The amendments apply retrospectively. The Company will adopt the amendments for the year ending 31 December 2018.</p>

NOTES TO THE FINANCIAL STATEMENTS

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TOTAL NIGERIA PLC

NOTES TO THE FINANCIAL STATEMENTS

4 Significant accounting policies

The accounting policies set out below have been applied consistently to all periods presented in these financial statements.

4.1 Foreign currency transactions

Transactions denominated in foreign currencies are translated at the exchange rate on the transaction date. At each reporting date, monetary assets and liabilities are translated at the closing rate and the resulting exchange differences are recognised in profit or loss on a net basis as "Other income" (exchange gain) or "Other expenses" (exchange loss). Non monetary items that are measured based on historical cost in a foreign currency are not translated.

4.2 Revenue

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

(i) Sale of goods

Revenue from the sale of goods is recognised when the following conditions are satisfied

- The Company has transferred to the buyer significant risks and rewards of ownership of the goods;
- The Company retains neither continuing managerial involvement in the goods to the degree usually associated with ownership nor effective control over goods sold;
- The amount of revenue can be measured reliably;
- It is probable that economic benefits associated with the transaction will flow to the Company;
- The cost incurred or to be incurred in respect of the transaction can be measured reliably.

(ii) Other Income

The Company recognises income from commission on sales at its bonjour shops as well as the rental of some of its space for mast kiosks. The period of occupancy is the basis upon which rental income is recognised. Rental income is recognised in profit or loss on a straight line basis over the term of the lease.



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TOTAL NIGERIA PLC

NOTES TO THE FINANCIAL STATEMENTS

4.3 Finance income and finance costs

The Company's finance income comprises interest income on funds invested and interest on delayed subsidy payment by Petroleum Product Pricing and Regulatory Agency (PPPRA). Finance income is recognised as it accrues in profit or loss, using the effective interest method, by reference to the principal outstanding.

Finance costs comprise interest expense on borrowings, unwinding of the discount on provisions and borrowing costs that are not directly attributable to the acquisition, construction or production of a qualifying asset are recognised in profit or loss using the effective interest method.

4.4 Income taxes

Income taxes disclosed in the statement of profit or loss and other comprehensive income include the current tax expenses and the deferred tax expenses.

Current tax is the expected tax payable or receivable on the taxable income or loss for the year, using tax rates statutorily enacted at the reporting date, and any adjustment to tax payable in respect of previous years.

The Company offsets the tax assets arising from WHT credits and current tax liabilities if, and only if, the entity has a legally enforceable right to set-off the recognised amounts, and it intends to either settle on a net basis, or to realise the asset and settle the liability simultaneously. The tax asset is reviewed at each reporting date and written down to the extent that it is no longer probable that future economic benefit would not be realised.

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

Total Nigeria Plc uses the liability method whereby deferred income taxes are recorded based on the temporary differences between the carrying amounts of assets and liabilities recorded in the statement of financial position and their tax bases, and on carry forwards of unused tax losses and tax credits.

The carrying amount of deferred tax assets is reviewed at each reporting date 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 year 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 Company expects, at the end of the reporting period, to recover or settle the carrying amount of its assets and liabilities.

Current and deferred tax are recognised in the statement of profit or loss and other comprehensive income, except when they relate to items that are recognised in other comprehensive income or directly in equity, in which case, the current and deferred tax are also recognised in other comprehensive income or directly in equity respectively. Where current tax or deferred tax arises from the initial accounting for a business combination, the tax effect is included in the accounting for the business combination.



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4.5 Earnings per share

Basic earnings per share is calculated by dividing the profit attributable to ordinary shareholders of the Company by the weighted average number of ordinary shares outstanding during the year.

4.6 Property plant and equipment

i Recognition and measurement

Property, plant and equipment are measured at cost, less accumulated depreciation and any accumulated impairment losses.

Property, plant and equipment under construction are disclosed as work in progress. The cost of self-constructed assets includes the cost of materials and direct labour, any other costs directly attributable to bringing the asset to a working condition for their intended use including, where applicable, the cost of dismantling and removing the items and restoring the site on which they are located and borrowing costs on qualifying assets.

When parts of an item of property, plant and equipment have different useful lives, they are accounted for as separate items (major components) of property, plant and equipment.

Gains and losses on disposal of an item of property, plant and equipment are determined by comparing the proceeds from disposal with the carrying amount of property, plant and equipment, and are recognised net within other income in profit or loss.

ii Subsequent costs

The cost of replacing a part of an item of property, plant and equipment is recognised in the carrying amount of the item if it is probable that the future economic benefits embodied within the part will flow to the Company and its cost can be measured reliably. The carrying amount of the replaced part is derecognised. The costs of the day-to-day servicing of property, plant and equipment are recognised in profit or loss as incurred.

iii Depreciation

Depreciation methods, useful lives and residual values are reviewed each financial year end and adjusted if appropriate.

Leased assets are depreciated over the shorter of the lease term and their useful lives unless it is reasonably certain that the Company will obtain ownership by the end of the lease term.

Property, plant and equipment are depreciated to their residual values using the straight-line method over their useful lives for current and corresponding periods as follows:

Type of asset	Useful lives
• Furniture, office equipment, machinery and tools	3 - 12 years
• Transportation equipment	5 - 20 years
• Storage tanks and related equipment	10 - 15 years
• Specialized complex installations and pipelines	10 - 30 years
• Buildings	10 - 50 years

Work in progress is not depreciated. The attributable cost of each asset is transferred to the relevant asset category immediately the asset is available for use and depreciated accordingly.

4.7 Intangible assets

i Recognition and measurement

Intangible assets that are acquired by the Company and have finite useful lives are measured at cost less accumulated amortisation and accumulated impairment losses.

Intangible assets are computer softwares and licenses with an estimated useful life of between 3 to 5 years. These are capitalised on the basis of acquisition costs as well as costs incurred to bring the

assets to use.

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ii Subsequent expenditure

Subsequent expenditure is capitalized only when it increases the future economic benefits embodied in the specific intangible asset to which it relates. All other expenditure is recognised in profit or loss as incurred.

iii Amortisation of intangible assets

Amortisation is calculated over the cost of the asset, or other amount substituted for cost, less its residual value. Amortisation is recognised in profit or loss on a straight-line basis over the estimated useful lives of intangible assets from the date that they are available for use, since this most closely reflects the expected pattern of consumption of the future economic benefits embodied in the asset.

4.8 Technical assistance and management fees

The parent Company charges Total Nigeria Plc for General Assistance and Research & Development costs. The expenses are generally charged to profit or loss.

Development expenses are capitalized when the following can be demonstrated:

- The technical feasibility of the project and availability of adequate resources for completion of the asset.
- The ability of the asset to generate probable future economic benefits.
- The ability to measure reliably the expenditures attributable to the asset.

Subsequent to initial recognition, development expenditure is measured at cost less accumulated amortisation and any accumulated impairment losses.

Amortisation is calculated to write off the cost of intangible assets less their estimated useful lives, and is generally recognised in the profit or loss.



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4.9 Impairment

Non-derivative financial assets

Financial assets not classified at fair value through profit or loss are assessed at each reporting date to determine whether there is objective evidence of impairment.

Objective evidence that financial assets are impaired includes;

- Default or delinquency by a debtor
- Restructuring of an amount due to the Company on terms that the Company would not consider otherwise
- Indications that a debtor or issuer will enter bankruptcy
- Adverse changes in the payment status of borrowers or issuers
- Observable data indicating that there is a measurable decrease in the expected cash flows from a group of financial assets

Financial assets measured at amortised cost

The Company considers evidence of impairment for these assets at both an individual asset and collective level. All individually significant assets are individually assessed for impairment. Those found not to be impaired are then collectively assessed for any impairment that has been incurred but not yet individually identified. Assets that are not individually significant are collectively assessed for impairment. Collective assessment is carried out by grouping together assets with similar risk

In assessing collective impairment, the Company uses historical information on timing of recoveries and the amount of loss incurred, and makes adjustment if current economic and credit conditions are such that the actual losses are likely to be greater or less than suggested by historical trends.

An impairment loss is calculated as the difference between an asset's carrying amount and the present value of the estimated future cash flows discounted at the asset's original effective interest rate. Losses are recognised in profit or loss and reflected in an allowance account. When the Company considers that there are no realistic prospect of recovery of the asset, the relevant amounts are written off. If the amount of impairment loss subsequently decreases and the decrease can be related objectively to an event occurring after the impairment was recognised, then the previously recognised impairment loss is reversed through profit or loss.

Non financial assets

At each reporting date, the Company reviews the carrying amounts of its non-financial assets (other than inventories and deferred tax assets) to determine whether there is any indication of impairment. If any such indication exists, then the asset's recoverable amount is estimated.

For impairment testing, assets are grouped together into the smallest group of assets that generates cash flows from continuing use that are largely independent of the cash flows of other assets or CGUs.

The recoverable amount of an asset or cash-generating unit is the greater of its value in use and its fair value less costs to sell. Value in use is based on the estimated future cash flows, 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 or CGU.

An impairment loss is recognised if the carrying amount of an asset or CGU exceeds its estimated recoverable amount.

Impairment losses are recognised in profit or loss. An impairment loss is reversed only to the extent that the asset's carrying amount does not exceed the carrying amount that would have been determined, net of depreciation or amortisation, if no impairment loss had been recognised.



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4.10 Financial instruments

Tools

Non-derivative financial assets

The Company initially recognises loans and receivables on the date that they are originated. All other financial assets (including assets designated at fair value through profit or loss, if any) are recognised initially on the trade date at which the Company becomes a party to the contractual provisions of the instrument.

The Company derecognises a financial asset when the contractual rights to the cash flows from the asset expires, or it transfers the rights to receive the contractual cash flows on the financial asset in a transaction in which substantially all the risks and rewards of ownership of the financial asset are transferred. Any interest in transferred financial assets that is created or retained by the Company is recognised as a separate asset or liability.

The Company has only loans and receivables as well as cash and cash equivalents as non-derivative financial assets.

Loans and receivables

Loans and receivables are financial assets with fixed or determinable payments that are not quoted in an active market. Such assets are recognised initially at fair value plus any directly attributable transaction costs. Subsequent to initial recognition, loans and receivables are measured at amortised cost using the effective interest method, less any impairment losses.

Short term receivables that do not attract interest are measured at original invoice amount where the effect of discounting is not material.

Loans and receivables comprise trade and other receivables, employee loans, as well as cash and cash equivalents.

Cash and cash equivalents

Cash and cash equivalents comprise cash on hand, cash balances with banks and call deposits with original maturities of three months or less. Bank overdrafts that are repayable on demand and form an integral part of the Company's cash management are included as a component of cash and cash equivalents for the purpose of statement of cash flows.

ii Non-derivative financial liabilities

All financial liabilities (including liabilities designated at fair value through profit or loss, if any) are recognised initially on the trade date at which the Company becomes a party to the contractual provisions of the instrument.

The Company derecognises a financial liability when its contractual obligations are discharged, cancelled or expire.



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The Company has the following non-derivative financial liabilities: loans and borrowings, trade and other payables.

Such financial liabilities are recognised initially at fair value plus any directly attributable transaction costs. Subsequent to initial recognition these financial liabilities are measured at amortised cost using the effective interest method.

The Company classifies non-financial liabilities into the other financial liabilities category.

Short-term payables that do not attract interest are measured at original invoice amount where the effect of discounting is not material.

Financial assets and liabilities are offset and the net amount presented in the statement of financial position when, and only when, the Company has a legal right to offset the amounts and intends either to settle on a net basis or to realise the asset and settle the liability simultaneously.

iii Share capital

The Company has only one class of shares namely ordinary shares. Ordinary shares are classified as equity. When new shares are issued, they are recorded in share capital at their par value. The excess of the issue price over the par value is recorded in the share premium reserve.

Incremental costs directly attributable to the issue of ordinary shares are recognised as a deduction from equity, net of any tax effects.

When shares recognised as equity are repurchased, the amount of the consideration paid, which includes directly attributable costs, net of any tax effects, is recognised as a deduction from equity

4.11 Inventories

Inventories are measured at the lower of cost and net realizable value. Net realizable value represents the estimated selling price for inventories less estimated cost to make the sale. The cost of blended products/lubricants includes an appropriate share of production overheads based on normal operating capacity.

Net realizable value is the estimated selling price in the ordinary course of business, less the estimated costs of completion and selling expenses. Inventory values are adjusted for obsolete, slow-moving or defective items.

The basis of costing inventories are as follows:

Product Type	Cost Basis
Refined Petroleum Products (AGO, ATK, PMS, DPK)	Weighted Average Cost of costs incurred (for deregulated products reduced by the value of subsidies due)
Packaging Materials, Lubricants and Greases	Weighted Average Cost
Inventories-in-transit	Purchase cost incurred to date



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4.12 Provisions

Provisions comprise liabilities for which the amount and the timing are uncertain. They arise from environmental risks, legal and tax risks, litigation and other risks. A provision is recognised when the Company has a present obligation (legal or constructive) as a result of a past event for which it is probable that an outflow of resources will be required and when a reliable estimate can be made regarding the amount of the obligation. Provisions are determined by determining the expected future cash flow at a pre-tax rate that reflects current market assessment of the value and the risk specific to the liability. The unwinding of the discount is recognised in profit or loss.

4.13 Employee benefits

i Defined contribution plan

A defined contribution plan is a post-employment benefit plan under which the Company pays fixed contributions into a separate entity. The Company has no legal or constructive obligations to pay further contributions if the fund does not hold sufficient assets to pay all employees the benefits relating to employee service in the current and prior periods.

In line with the provisions of the Pension Reform Act 2004, the Company has instituted a defined contribution pension scheme for its permanent staff. Employees contribute 7.5% each of their Basic salary, Transport and Housing Allowances to the Fund on a monthly basis. The Company's contribution is 7.5% of each employee's Basic salary, Transport and Housing Allowances. Staff contributions to the scheme are funded through payroll deductions while the Company's contribution is recognised in profit or loss as employee benefit expense in the periods during which services are rendered by employees.

ii Gratuity scheme

The Company operates a gratuity scheme for its employees in service before January 2001. This is funded by the Company monthly, at a rate of contribution of 9.5% of total annual emolument and paid to Fund Managers chosen by each employee.

The Company's obligation are extinguished once the amounts have been transferred to the Fund Managers.

iii Other long-term employee benefits

The Company's other long-term employee benefits represents a Long Service Award scheme instituted for all permanent employees. The Company's obligations in respect of this scheme is the amount of future benefits that employees have earned in return for their service in the current and prior periods. The benefit is discounted to determine its present value. The discount rate is the yield at the reporting date on Federal Government of Nigeria issued bonds that have maturity dates approximating the term of the Company's obligation. The calculation is performed using the Projected Unit Credit method. Remeasurements are recognised in profit or loss in the period in which they arise. This Scheme is not funded. The obligations are paid out of the Company's Cash flows as and when due.

iv Termination benefits

Termination benefits are expensed at the earlier of when the Company can no longer withdraw the offer of those benefits and when the Company recognises costs for a restructuring. If benefits are not expected to be settled wholly within 12 months of the end of the reporting period, then they are discounted.

v Short-term employee benefits

Short-term employee benefit obligations are measured on an undiscounted basis and are expensed as the related service is provided.

A liability is recognised for the amount expected to be paid under short-term cash bonuses if the Company has a present legal or constructive obligation to pay this amount as a result of past service provided by the employee, and the obligation can be estimated reliably.



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4.14 Government grant

Petroleum Products Pricing Regulatory Agency (PPPRA) subsidises the cost of importation of certain refined petroleum products whose prices are regulated in the Nigerian market. The subsidies are recognised when there is reasonable assurance that they will be recovered and the Company has complied with the conditions attached to receiving the subsidy. The subsidies are recognised as reduction to landing cost of the subsidised petroleum product.

4.15 Leases

Determining whether an arrangement contains a lease

At inception of an arrangement, the Company determines whether the arrangement is or contains a lease. At inception or on reassessment of an arrangement that contains a lease, the Company separates payment and other consideration required by the arrangement into those for the lease and those for other elements on the basis of their relative fair values. If the Company concludes for a finance lease that is impracticable to separate the payment reliably, then an asset and a liability are recognised at an amount equal to the fair value of the underlying asset. Subsequently, the liability is reduced as payments are made and an imputed finance cost on the liability is recognised using the Company's incremental borrowing rate.

Leased assets

Assets held by the Company under leases that transfer to the Company substantially all of the risk and reward of ownership are classified as finance lease. The leased assets are measured initially at an amount equal to the lower of the fair value and the present value of the minimum lease payments. Subsequent to initial recognition, the assets are accounted for in accordance with the accounting policy applicable to that asset. Any other type of lease is an operating lease.

Lease payments

Payments made under operating leases are recognised in profit or loss on a straight line basis over the term of lease. Lease incentives received are recognised as an integral part of the total lease expense, over the term of the lease. Minimum lease payments made under finance leases are apportioned between the finance expense and the reduction of the outstanding liability. The finance expense is allocated to each period during the lease term so as to produce a constant periodic rate of interest on the remaining balance of the liability.

4.16 Measurement of fair values

Some of the Company's accounting policies and disclosures require the determination of fair value, for both financial and non-financial assets and liabilities.

The Company has an established control framework with respect to the measurement of fair values. The Executive Director, Finance & Development (EDFD) has overall responsibility for overseeing all significant fair value measurements, including Level 3 fair values, and reports directly to the Board of Directors.

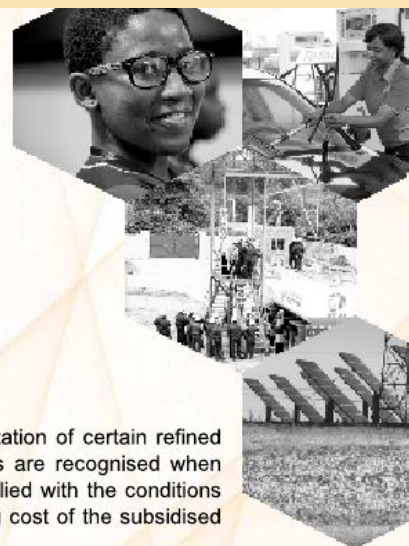
The EDFD regularly reviews significant unobservable inputs and valuation adjustments. If third party information, such as broker quotes or pricing services, is used to measure fair values, then the EDFD assesses the evidence obtained from the third parties to support the conclusion that such valuations meet the requirements of IFRS, including the level in the fair value hierarchy in which such valuations should be classified. Significant valuation issues are reported to the Board of Directors.

When measuring the fair value of an asset or a liability, the Company uses market observable data as far as possible. Fair values are categorised into different levels in a fair value hierarchy based on the inputs used in the valuation techniques as follows:

- Level 1: quoted prices (unadjusted) in active markets for identical assets or liabilities
- Level 2: inputs other than quoted prices included in Level 1 that are observable for the asset or liability, either directly (i.e. as prices) or indirectly (i.e. derived from prices)
- Level 3: inputs for the asset or liability that are not based on observable market data (unobservable inputs)

If the inputs used to measure the fair value of an asset or a liability might be categorised in different levels of the fair value hierarchy, then the fair value measurement is categorised in its entirety in the same level of the fair value hierarchy as the lowest level input that is significant to the entire measurement.

The Company recognises transfers between levels of the fair value hierarchy at the end of the reporting period during which the change has occurred.



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5 Revenue

An analysis of the entity's revenue is as follows:

	2014 N'000	2013 N'000
Petroleum products	212,614,977	211,415,477
Lubricants and others	28,003,716	26,747,683
	240,618,693	238,163,160

6 Segment reporting

Products and services from which reportable segments derive their revenues

Information reported to the Company's Chief Executive for the purposes of resource allocation and assessment of segment performance is focused on the category of products for each type of activity (petroleum products, lubricants and others). The principal sales channels are Network, General Trade and Aviation. The Company's reportable segments under IFRS 8 are therefore as follows: Network, General Trade and Aviation.

Segment revenue reported below represents revenue generated from external customers. There were no inter-segment sales in the current period (2013: Nil).

The Company made the following sales to the industry partners during the year which have been included in the network and aviation segments respectively as shown below:

	Quantity (Ltrs) '000	Revenue N'000
Premium Motor Spirit (PMS)	10,450	916,047
JET A1 fuel (ATK)	57,307	7,147,609

6.1 Segment profit or loss (key items)

31 December 2014							
	NETWORK		GENERAL TRADE		AVIATION		Total
	N'000		N'000		N'000		N'000
Revenue	67%	160,716,599	22%	54,077,512	11%	25,824,582	100% 240,618,693
Gross profit	78%	21,637,451	19%	5,334,382	3%	932,462	100% 27,904,295
Finance income	71%	244,946	22%	74,574	7%	23,399	100% 342,919
Finance cost	71%	(1,872,320)	22%	(570,032)	7%	(178,859)	100% (2,621,211)
Depreciation and amortisation	78%	2,528,776	17%	550,024	5%	152,485	100% 3,231,285

31 December 2013							
	NETWORK		GENERAL TRADE		AVIATION		Total
	N'000		N'000		N'000		N'000
Revenue	65%	155,512,303	24%	56,094,278	11%	26,556,579	100% 238,163,160
Gross Profit	74%	21,113,627	22%	6,256,524	5%	1,331,476	100% 28,701,627
Finance Income	72%	888,516	19%	239,086	9%	105,146	100% 1,232,748
Finance Cost	72%	(1,428,105)	19%	(384,280)	9%	(169,000)	100% (1,981,385)
Depreciation and amortisation	90%	2,566,392	8%	239,500	2%	58,528	100% 2,864,420

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6.2 Segment Asset and liabilities

31 December 2014								
		NETWORK N'000		GENERAL TRADE N'000		AVIATION N'000		Total N'000
Non current assets	83%	20,898,439	12%	3,021,461	5%	1,258,942	100%	25,178,842
Inventories	63%	12,490,861	30%	5,948,029	7%	1,387,873	100%	19,826,763
Receivables & prepayments	54%	19,460,724	40%	14,415,351	6%	2,162,303	100%	36,038,378
Cash	67%	9,693,858	22%	3,183,058	11%	1,591,529	100%	14,468,445
ASSETS	65%	62,543,882	28%	26,567,899	7%	6,400,647	100%	95,512,428
Payables	64%	40,143,637	28%	17,554,976	8%	5,222,448	100%	62,921,061
Borrowings	67%	10,475,107	22%	3,524,637	11%	1,683,182	100%	15,682,926
Long-term provisions	88%	2,621,223	12%	357,440	0%	-	100%	2,978,663
LIABILITIES	65%	53,239,967	26%	21,437,053	8%	6,905,630	100%	81,582,650

31 December 2013								
		NETWORK N'000		GENERAL TRADE N'000		AVIATION N'000		Total N'000
Non current assets	82%	19,050,803	13%	2,925,456	6%	1,304,197	100%	23,280,456
Inventories	50%	7,284,113	34%	4,957,816	16%	2,398,964	100%	14,640,893
Receivables and prepayments	57%	18,133,279	38%	12,046,135	6%	1,858,181	100%	32,037,595
Cash	65%	6,167,025	24%	2,224,485	11%	1,053,133	100%	9,444,643
ASSETS	64%	50,635,220	28%	22,153,892	8%	6,614,475	100%	79,403,587
Payables	71%	32,976,385	20%	9,229,075	9%	4,346,641	100%	46,552,101
Borrowings	65%	10,852,476	24%	4,003,586	11%	1,751,597	100%	16,607,659
Long-term provisions	58%	1,743,847	34%	1,026,471	8%	232,724	100%	3,003,042
LIABILITIES	69%	45,572,708	22%	14,259,132	10%	6,330,962	100%	66,162,802

For the purposes of monitoring segment performance and allocating resources between segments, Cash and borrowings are allocated to reportable segments on the basis of the revenues earned by individual segments.

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7 Auditors' remuneration

The analysis of auditors' remuneration is as follows:

	2014	2013
	N'000	N'000
Fees payable to the Company's auditors for the audit of the Company's annual accounts	21,446	29,977
Total audit fees	21,446	29,977

7.1 - Other services

	-	7,545
Total non-audit fees	-	7,545

7.2 Fees paid to other professional consultants

- Tax services	127,100	121,267
- Information technology services	212,297	197,329
- Litigation services	41,525	39,894
- Recruitment and remuneration services	3,182	15,620
- Other services ¹	52,692	77,752
	436,796	451,862

¹Other Services include Subscription to professional bodies (N18 million) Secretarial Fees (N7 million) Attendance Fees (N10 million)

8 Finance income and finance cost

	2014	2013
	N'000	N'000
Finance income:		
Interest on deposits	181,826	114,230
Interest on delayed subsidy payment	-	1,099,141
Interest on other loans and receivables (Note 8.1)	161,093	19,377
Total finance income	342,919	1,232,748
Finance Costs		
Interest on bank overdrafts and loans	(2,621,211)	(1,981,385)
Total finance costs	(2,621,211)	(1,981,385)
Net finance costs	(2,278,292)	(748,637)

8.1 Interest on other loans and receivables include interest on employee loans (N41 million) and interest on bank current accounts (N74 million).

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9 Other income

	2014 N'000	2013 N'000
Network income ¹	927,125	553,210
Other sundry income ²	50,317	229,299
Gain on sales of property, plant and equipment	58,442	81,167
Net foreign exchange gain	135,940	193,805
Stock and assets in progress write back	-	159,418
	1,171,824	1,216,899

¹ Network income represents income from Bonjour shop, rent, vendor management fees and other miscellaneous income.

² Other sundry income relates to royalty received.

10 Expenses by nature

	2014 N'000	2013 N'000
Changes in inventory of lubes, greases and refined products	208,894,634	206,282,001
Custom duties	1,695,279	1,275,741
Transport on supplies	2,124,485	1,903,791
Staff cost (Note 31(iii))	6,906,511	5,874,427
Selling and other distribution Costs	4,555,066	5,263,937
Depreciation and amortisation	3,231,285	2,864,420
Technical assistance and management fees	1,274,596	746,359
Maintenance expenses	1,302,313	1,284,822
Motor fuels and travelling expenses	717,377	971,733
Communication, computer and stationery expenses	624,203	483,290
Bank charges	427,753	821,575
Business promotion and publicity	458,050	518,183
Other expenses ¹	62,751	149,371
Sub-contracted service security & guarding	308,373	367,148
Bad and doubtful debts impairment	339,448	491,905
Professional and legal fees	377,678	362,251
Rental services	132,434	155,565
Purchase of consumables	120,846	176,262
Insurance	112,873	159,941
Sub-contracted services others	75,514	106,683
Licences and similar charges	64,013	112,510
Entertainment expenses	54,229	88,068
Sub-contracted service engineering studies	43,558	21,322
Sub-contracted services de-pollution and environment	29,184	122
Auditor's remuneration	21,446	29,977
Total cost of sales, selling & distribution and administrative expenses	233,953,899	230,511,404

¹ Other expenses include other station consumables of N37 million and AGM expenses of N18 million

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11 Income tax

Income tax expense

The tax charge for the year has been computed after adjusting for certain items of expenditure and income, which are not deductible or chargeable for tax purposes and comprises:

11.1.1 Amounts recognised in profit or loss

	2014 N'000	2013 N'000
Tax		
Corporation tax expenses:		
Income tax	1,602,729	2,628,551
Education tax	181,412	233,681
Capital gains tax	288	646
Current year tax expense	1,784,429	2,862,878
Reversal of prior year over provision	(414,370)	(477,673)
	1,370,059	2,385,205
Origination and reversal of temporary differences (Note 11.3)	(235,466)	400,722
Tax expense	1,134,593	2,785,927

11.1.2 Reconciliation of effective tax rate

	2014 N'000	2013 N'000
Profit before tax	5,558,326	8,120,018
Income tax using the statutory tax rate (30%)	1,667,498	2,436,005
Effect of:		
Education tax	181,412	233,681
Capital gains tax	288	646
Non-deductible expenses	58,540	130,904
Tax incentives	(42,307)	(41,521)
Recognition of previously unrecognised temporary differences	(323,442)	-
Changes in estimates related to prior year	(414,370)	(477,673)
Others	6,974	503,885
	1,134,593	2,785,927

11.2 Movement in current tax liability

	2014 N'000	2013 N'000
Balance as at 1 January	3,015,922	2,752,203
Net provision for the year (Note 11.1.1)	1,370,059	2,385,205
Payments during the year	(2,234,491)	(1,751,205)
Withholding tax credit notes	(1,047,343)	(370,281)
Balance as at 31 December	1,104,147	3,015,922



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11.3 Deferred taxation

Deferred tax assets and liabilities are attributable to the following;

	Assets		Liabilities		Net	
	2014	2013	2014	2013	2014	2013
	N'000	N'000	N'000	N'000	N'000	N'000
Property, plant and equipment	-	-	(3,244,840)	(3,003,042)	(3,244,839)	(3,003,042)
Provision for doubtful debts	418,307	-	-	-	418,307	-
Provision for employee benefits	63,326	-	-	-	63,326	-
Provision for stock	9,561	-	-	-	9,561	-
Unrealised exchange differences	-	-	(13,931)	-	(13,931)	-
	491,194	-	(3,258,771)	(3,003,042)	(2,767,576)	(3,003,042)

Movement in deferred tax balances during the year;

	Balance 1 January 2013 N'000	Recognised in profit or loss N'000	Balance 31 December 2013 N'000	Recognised in profit or loss N'000	Balance 31 December 2014 N'000
Property, plant and equipment	(2,602,320)	(400,722)	(3,003,042)	(241,797)	(3,244,839)
Provision for doubtful debts	-	-	-	418,307	418,307
Provision for employee benefits	-	-	-	63,326	63,326
Provision for stock	-	-	-	9,561	9,561
Unrealised exchange differences	-	-	-	(13,931)	(13,931)
	(2,602,320)	(400,722)	(3,003,042)	235,466	(2,767,576)

11.4 The charge for income tax in these financial statements is based on the provisions of the Companies Income Tax Act CAP C21 LFN 2004 (as amended) and the tertiary education tax charge is based on the Tertiary Education Trust Fund Act, 2011. There are no unrecognised deferred tax assets or liabilities.



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12.0 Employee benefits

Employee benefits represent the Company's liability for long service awards. Staff who have attained the milestones for the specified number of years of service in the Company (i.e. 10 years, 15 years and 20 years) are rewarded with cash and gift items as long service awards.

The provision was performed using the projected unit credit method as at 31 December 2014.

Actuarial Assumptions

Principal actuarial assumptions at the reporting date (expressed as weighted averages) are as shown below:

	2014	2013
Long-term average discount rate (p.a.)	13%	*N/A
Future average pay increase (p.a.)	10%	*N/A
Average rate of inflation (p.a.)	9%	*N/A

* Not applicable

These assumptions depict management's estimate of the likely future experience of the Company.

Due to unavailability of published reliable demographic data in Nigeria, the demographic assumptions regarding future mortality are based on the rates published jointly by the Institute and Faculty of Actuaries in the UK. The data were rated down by one year to more accurately reflect mortality in Nigeria as follows:

Mortality in service

Sample age	2014
	Number of deaths in year out of 10,000 lives
25	7
30	7
35	9
40	14
45	26

13 Dividends

Declared dividends

The following dividends were declared by the Company during the year.

	2014 N'000	2013 N'000
<i>Prior year final dividend:</i>		
₦9.00 per qualifying ordinary share (2013: ₦ 8.00)	3,055,697	2,716,175
<i>Current year interim dividend:</i>		
₦2.00 per qualifying ordinary share (2013: ₦ 2.00)	679,044	679,044
	3,734,741	3,395,219

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13.1 Dividend payable

	2014 N'000	2013 N'000
Balance as at 1 January	1,086,413	868,194
Final dividend	3,055,697	2,716,175
Interim dividend	679,044	679,044
	<u>4,821,154</u>	<u>4,263,413</u>
Dividend paid	<u>(3,568,406)</u>	<u>(3,177,000)</u>
Balance as at 31 December	<u>1,252,748</u>	<u>1,086,413</u>

Interim dividend of ₦2.00 per share was paid during the year. At a board meeting of 24 March 2015 a final dividend of ₦9.00 per share was proposed for the year ended 31 December 2014.

All of the dividend payable at year end is held with the Company's registrar (Note 18).

14 Earnings per share (EPS) and dividend declared per share

Basic earnings per share

Basic earnings per share of ₦13.03 (2013: ₦15.71) is based on profit attributable to ordinary shareholders of ₦4.4 billion (2013: ₦5.3 billion), and on the 339,521,837 ordinary shares of 50 kobo each, being the weighted average number of ordinary shares in issue during the year (2013: 339,521,837 ordinary shares).

	2014	2013
Earnings		
Profit for the year attributable to shareholders (expressed in Naira)	<u>4,423,733,000</u>	<u>5,334,091,000</u>
Number of shares		
Weighted average ordinary shares of 50 kobo each	<u>339,521,837</u>	<u>339,521,837</u>
Basic earnings per 50 kobo share (expressed in Naira)	<u>13.03</u>	<u>15.71</u>

The denominators for the purposes of calculating basic earnings per share are based on issued and paid ordinary shares of 50 kobo each.

Dividend declared per share

Dividend declared per share of ₦11.00 in (2013: is based on total declared dividend of ₦3.7 billion (2013: ₦3.7 billion) on 339,521,837 ordinary shares of 50 kobo each, being the ordinary shares in issue during the year (2013: 339,521,837 ordinary shares).



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15 Intangible assets

Cost

Balance as 1 January 2014

262,635

Additions

56,753

Transfers (Note 15.2)

28,080

Reclassification (Note 15.1)

1,037

Balance as at 31 December 2014

348,505

Amortisation

Balance as 1 January 2014

(124,149)

Reclassification (Note 15.1)

(1,037)

Charge for the year

(51,412)

Balance as at 31 December 2014

(176,598)

Carrying amount

At 31 December 2014

171,907

At 31 December 2013

138,486

- 15.1 These balances represent assets that were previously classified as other tangible assets in property, plant and equipment now reclassified as intangible assets.
- 15.2 Amortisation of ₦51.5 million is included in administrative expenses in the statement of profit or loss (2013: ₦31.6 million).
The transfers represent additions to the intangible assets from previous years' work-in-progress.



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16 Property, plant and equipment

The movement on these accounts were as follows:

	Leasehold land and buildings N'000	Plant, machinery and fittings N'000	Office equipment and furniture N'000	Computer equipment and other tangible assets N'000	Motor vehicles N'000	Capital work in progress N'000	Total N'000
Cost or valuation							
Balance as at 1 January 2014	12,682,051	9,573,816	557,345	5,860,214	1,172,737	4,306,219	34,152,382
Additions	512,328	542,857	15,146	452,198	167,190	2,275,965	3,965,684
Transfers (Note 16.1)	1,089,006	787,786	8,226	529,251	17,640	(2,459,989)	(28,080)
Disposals	(10,335)	(34,691)	(1,433)	(5,363)	(118,149)	-	(169,971)
Reclassification (Note 16.2)	-	-	-	(1,037)	-	-	(1,037)
Balance as at 31 December 2014	14,273,050	10,869,768	579,284	6,835,263	1,239,418	4,122,195	37,918,978
Accumulated depreciation and impairment							
Balance as at 1 January 2014	(2,928,561)	(4,710,275)	(396,542)	(4,564,311)	(700,532)	-	(13,300,221)
Charge for the year	(548,620)	(979,093)	(67,729)	(1,042,475)	(216,744)	-	(2,854,661)
Eliminated on disposals	8,641	32,650	1,417	4,876	108,902	-	156,486
Reclassification (Note 16.2)	-	-	-	1,037	-	-	1,037
At 31 December 2014	(3,468,540)	(5,656,718)	(462,854)	(5,600,873)	(808,374)	-	(15,997,359)
Carrying amount							
At 31 December 2014	10,804,510	5,213,050	116,430	1,234,390	431,044	4,122,195	21,921,619
At 31 December 2013	9,753,490	4,863,541	160,803	1,295,903	472,205	4,306,219	20,852,161

16.1 Capital work in progress relates to projects under construction and technical installations. As each project is completed, it is transferred to the appropriate class of property, plant and equipment.

16.2 These balances represent assets that were previously classified as other tangibles now reclassified as intangibles.



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17 Inventories

Inventories comprise:

	2014	2013
	N'000	N'000
Raw materials	1,740,789	2,120,183
Goods in transit	3,524,121	1,602,732
Finished goods	14,168,671	10,548,194
Consumable equipment and spares	393,182	369,784
	19,826,763	14,640,893

The value of changes in products, packaging materials and work-in-progress included in cost of sales amounted to ₦208.8 billion (2013: ₦206.3 billion). Net write down of inventories during the year amounted to ₦86, million. The net write down has been recorded in cost of sales in the profit or loss.

18 Trade and other receivables

	2014	2013
	N'000	N'000
Customers account	14,843,694	13,037,680
Due from related parties (Note 30.2)	2,523,394	1,790,122
	17,367,088	14,827,802
Other receivables	1,821,094	4,078,746
Bridging claims	9,049,629	7,009,386
Receivable from Petroleum Support Funds	5,889,143	4,116,235
Cardinal Stone Registrars (Unclaimed dividends)	1,252,748	1,086,414
	18,012,614	16,290,781
	35,379,702	31,118,583

18.1 As at 31 December 2014, the ageing of trade receivables that were not impaired was as follows:

	2014	2013
	N'000	N'000
Neither past due nor impaired	12,049,867	8,581,763
0 - 90 days past due	3,739,264	5,366,870
91 - 180 days past due	416,423	448,091
Above 180 days past due	1,161,534	431,078
	17,367,088	14,827,802

18.2 Ageing of impaired trade receivables

The Company considers its receivables to be impaired when normal collection methods fail and the receivables are referred to the legal team / collection agents. During the year ₦339,5 million worth of receivables were considered to be impaired.

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18.3 Movement in the allowance for doubtful debts

	2014	2013
	N'000	N'000
Balance as at 1 January	1,080,379	588,474
Impairment losses recognised	728,285	639,804
Amounts written off during the year as uncollectible	(25,471)	(5,348)
Amounts recovered during the year	(388,837)	(142,551)
Balance as at 31 December	1,394,356	1,080,379

In determining the recoverability of a trade receivable the Company considers changes in the credit quality of the trade receivable from the date credit was initially granted up to the reporting date. The concentration of credit risk is limited due to the Company's diverse customer base.

19 Prepayments

Non-current and current prepayments mainly represent advance payment for rent, insurance expenses, and long term prepaid network assets prepaid by the Company as at year end.

The long term prepaid network assets relate to amounts paid in advance for leased stations, as well as leased lands on which stations and other Company installations are built.



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	2014	2013
	N'000	N'000
20 Borrowings		
Unsecured borrowing at amortised cost		
Bank overdrafts & trade finance loan	15,682,926	16,607,659
Total borrowings	15,682,926	16,607,659

The other principal features of the Company's borrowings are as follows:

- Bank overdrafts are repayable on demand. The average interest rate on bank overdrafts for the year was approximately 13.9% per annum (2013: 13% per annum). This was determined based on banks' cost of funding plus lenders' mark-up. These overdrafts are neither guaranteed nor is any collateral given on the balances.
- Trade finance loan represents short term borrowings obtained to fund letters of credits for product importation. These facilities are either secured with products financed or domiciliation of Petroleum Products Pricing Regulatory Agency (PPPRA) payments.
- The fair value of current borrowings equals their carrying amount as at 31 December 2014, as the impact of discounting is not significant.

	2014	2013
	N'000	N'000
21 Trade and other payables		
Trade payables :		
Amount due to related companies (Note 30.2)	12,019,175	6,592,454
Trade creditors	14,796,488	4,617,810
Bridging contribution	9,228,732	8,801,052
Other suppliers	804,256	2,045,183
Suppliers retention	75,081	87,461
	36,923,732	22,143,960
Other payables:		
Sundry creditors	3,183,644	2,286,779
Security deposit	4,685,320	4,347,283
Accrued liabilities	15,667,637	13,634,145
Unclaimed dividend (Note 13.1)	1,252,748	1,086,414
Pay As You Earn (PAYE)	34,161	13,763
Staff pension	25,653	15,997
Staff gratuity	343	7,838
	24,849,506	21,392,219
Total trade and other payables	61,773,238	43,536,179

Trade and other payables principally comprise amounts outstanding for trade purchases and ongoing costs. The average credit period taken for trade purchases is thirty days.

Accrued liabilities principally comprise provision for product bills and other charges not yet received.

The Directors consider that the carrying amount of trade payables as at 31 December 2014 approximates their fair value.

21.1 Other suppliers represents accruals made for transport payments.

	2014	2013
	N'000	N'000
21.2 Deferred income		
Rental services	43,676	-
	43,676	-

The deferred income represents amounts billed or collected in accordance with contractual terms in advance of when the work is performed. These advance payments primarily relate to the rental income and prepaid revenue for goods and services yet to be rendered. The Company estimates this will be earned as revenue during the next financial year.

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22 Share capital

Authorised, Issued and fully paid:

339,521,837 ordinary shares of 50k each

2014 N'000	2013 N'000
<u>169,761</u>	<u>169,761</u>

All ordinary shares rank equally with regard to the Company's residual assets. Holders of these shares are entitled to dividends as declared from time to time and are entitled to one vote per share at general meetings of the Company.

23 Cash and cash equivalents

	2014 N'000	2013 N'000
Bank and cash balances	13,848,156	7,935,687
Cash balances with Total Treasury (Note 31.2)	<u>620,289</u>	<u>1,508,956</u>
Cash & cash equivalents in statement of financial position	14,468,445	9,444,643
Bank overdrafts & trade finance loan (Note 20)	<u>(15,682,926)</u>	<u>(16,607,659)</u>
Cash & cash equivalents in statement of cash flows	(1,214,481)	(7,163,016)

The directors believe that the amounts held with Total Treasury qualify as cash and cash equivalents because they can be withdrawn at any time without penalty.

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24 Commitments and contingent liabilities Financial commitments

The Company did not charge any of its assets to secure liabilities of third parties.

The Directors are of the opinion that all known liabilities and commitments have been taken into account in the preparation of these financial statements. These liabilities are relevant in assessing the Company's state of affairs.

	2014 N'000	2013 N'000
Bonds		
Total commitments given	1,415,020	698,350
Total commitments received	100,000	155,000

Commitments given primarily include Bonds to Major Oil Marketers Association of Nigeria (MOMAN) for joint petroleum product importation in the ordinary course of business. No losses are anticipated in respect of these.

Commitments received include customers' guarantees.

Commitments received and given are held with local banks.

At 31 December 2014, the Company had contractual commitments for the acquisition of property, plant and equipment amounting to ₦345,408,112 (2013: ₦119,617,648).

Contingent liabilities

There are contingent liabilities in respect of legal actions against the Company amounting to approximately ₦22 billion. The Directors have not made provision for these contingent liabilities as consultation with the Company's external solicitors has indicated that the likely outcome of the legal actions will favour the Company and as such no material losses will crystallise against the Company.

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25 Capital risk management

The Company manages its capital to ensure that the Company will be able to continue as a going concern while maximising the return to stakeholders through the optimisation of the debt and equity balance. The Company's overall strategy remains unchanged from prior year.

The capital structure of the Company consists of debt, which includes the borrowings disclosed in Note 23, cash and cash equivalents and equity attributable to equity holders, comprising issued capital, reserves and retained earnings and the Statement of Changes in Equity.

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

Gearing ratio

The gearing ratio is as follows:

	2014 N'000	2013 N'000
Debt	15,682,926	16,607,659
Cash and cash equivalents	(14,468,445)	(9,444,643)
Net Debt	1,214,481	7,163,016
Equity	13,929,778	13,240,785
Net debt to equity ratio	9%	54%

Debt is defined as long and short-term borrowings (excluding derivatives and financial guarantee contracts) and obligations under finance lease.

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



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26 Financial Risk Management

(i) Financial risk management objectives

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

The Corporate Treasury function reports monthly to the Group's Treasury, a section of the Group that monitor's risk and policies implemented to mitigate risk exposures.

(ii) Market risk

Market risk is the risk that changes in market prices, such as foreign exchange rates, interest rates and equity prices will affect the Company's income or the value of its holdings of financial instruments. The objective of market risk management is to manage and control market risk exposures within acceptable parameters, while optimizing the return.

The Company manages market risks by keeping costs low through various cost optimization programs. Moreover, market developments are monitored and discussed regularly, and mitigating actions are taken where necessary.

(iii) Interest rate risk management

The Company is exposed to interest rate risk as it borrows funds at multiple interest rates. The risk is managed by the Company by constantly negotiating with the banks to ensure that interest rates are consistent with the monetary policy rates as defined by the Central Bank of Nigeria.

Interest rate risk

Sensitivity analysis

At the reporting date the interest rate profile of the Company's interest-bearing financial instruments was:

		2014 N'000	2013 N'000
Variable rate instruments	Average rate		
Bank overdrafts and trade finance loans	13.9%	15,682,926	16,607,659
		15,682,926	16,607,659

Sensitivity analysis for variable rate instruments

A change of 200 basis points in interest rates at the reporting date would have increased (decreased) equity and profit or loss by the amounts shown below:

Change of 200 basis points or 2%

	Interest charged N'000	Effect of increase/decrease in Interest rate	N'000
31 December 2014	2,621,211	+/-2 %	377,153
31 December 2013	1,981,385	+/-2 %	332,153

(iv) Foreign exchange risk management

The Company uses the spot deals to hedge its foreign exchange exposure. The Company also has access to purchase foreign exchange at the Central Bank of Nigeria (CBN) rates.

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26 Financial Risk Management (cont'd)

Foreign exchange risk management

A movement in the exchange rate either positively or negatively by 1500 basis points is illustrated below. Such movements would have increased (decreased) the Statement of Financial Position by the amounts shown below. This analysis is based on foreign currency exchange rate variances that the Company considered to be reasonably possible at the end of the reporting period. The analysis assumes that all other variables, in particular interest rates, remain constant.

Effect in thousands of Naira

As at 31 December 2014

	Foreign currency '000	Naira balance N'000	Exchange rate	Effect of increase/decrease in exchange rate	N'000
Trade receivables					
USD	17,923	3,298,516	184.04	'15%	494,777
Euro	-	-	-	-	-
Cash Deposits					
USD	2,122	390,555	184.04	'15%	58,583
EURO	71	15,909	223.79	'15%	2,386
Trade Payables					
USD	(56,551)	(10,407,628)	184.04	'15%	(1,561,144)
EURO	(3,123)	(698,931)	223.79	'15%	(104,840)
Net impact on Profit and Loss					
USD	(36,506)	(6,718,557)	184.04	'15%	(1,007,784)
EURO	(3,052)	(683,022)	223.79	'15%	(102,454)

As at 31 December 2013

	Foreign currency '000	Naira balance N'000	Exchange rate	Effect of increase/decrease in exchange rate	N'000
Trade Receivables					
USD	17,615	2,828,967	160.60	'15%	424,345
Euro	-	-	216.89	'15%	-
Cash Deposits					
USD	9,733	1,563,120	160.60	'15%	234,468
EURO	511	110,831	216.89	'15%	16,625
Trade Payables					
USD	(22,628)	(3,634,134)	160.60	'15%	(545,120)
EURO	(4,702)	(1,019,790)	216.89	'15%	(152,968)
Net impact on Profit and Loss					
USD	4,720	757,953	160.60	'15%	113,693
EURO	(4,191)	(908,959)	216.89	'15%	(136,343)

A decrease in exchange rate by 1500 basis points against the above currencies at the reporting period would have had the equal but opposite effect on the above currencies to the amounts shown above, on the basis that all other variables remain constant.



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(v) Liquidity risk management

Liquidity and interest risk tables

The following tables detail the Company's remaining contractual maturity for its non-derivative financial liabilities with agreed repayment periods. The tables have been drawn up based on the undiscounted cash flows of financial liabilities based on the earliest date on which the Company can be required to pay. The tables include both interest and principal cash flows. To the extent that interest flows are floating rate, the undiscounted amount is derived from interest rate curves at the end of the reporting period. The contractual maturity is based on the earliest date on which the Company may be required to pay.

	Weighted average effective	Less than 1 month	1 to 3 months	3 months to 1 year	1 to 5 Years
		N'000	N'000	N'000	N'000
31 December 2014					
Borrowings	13.9%	-	-	15,682,926	-
Trade payables		8,441,624	15,216,886	12,063,648	-
Other Payables		9,922,459	9,322,729	8,506,696	-
		18,364,083	24,539,615	36,253,270	-
31 December 2013					
Borrowings	13.0%	-	-	16,607,659	-
Trade payables		6,592,454	4,617,810	10,933,696	-
Other Payables		5,371,557	13,634,145	1,916,438	-
		11,964,011	18,251,955	29,457,793	-

The Company manages liquidity risk by maintaining reserves, banking facilities by monitoring forecasts and actual cash flows and matching the maturity profiles of financial assets and liabilities. Below is a listing of financing facilities that the Company has at its disposal to further reduce liquidity risk.

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Financial Risk Management (cont'd)

Financing facilities

Unsecured bank loans and overdrafts payable at call and reviewed annually.

	2014 N'000	2013 N'000
Amount used	15,682,926	16,607,659
Amount unused	36,517,074	34,592,341
Total Facilities	52,200,000	51,200,000

(vi) Credit risk management

Credit risk refers to the risk that a counterparty will default on its contractual obligations resulting in financial loss to the Company. The Company has adopted a policy of only dealing with creditworthy counterparties and obtaining sufficient collateral where appropriate e.g. security deposits, as a means of mitigating the risk of financial loss from defaults. The Company uses other publicly available financial information and its own trading records to rate its major customers. Credit exposure is controlled by setting credit limits that are reviewed and approved by the management.

The Company does not have any significant credit risk exposure to any single counterparty or any group of counterparties having similar characteristics. The Company defines counterparties as having similar characteristics if they are related entities.

The credit policy of Total Nigeria Plc is set in accordance with the Sales Channel the Customer belongs:

Network Channel: Credit is extended to dealers who operate the Company Owned, Dealer Operated Service Station (CODO) and some of the Dealer Owned, Dealer Operated service stations (DODO) who specifically apply to operate under the DODO credit scheme. Under both CODO and DODO credit schemes, credit is extended to each dealer to cover the working capital needs of the station. Each day's sales proceeds are lodged into the Company's bank account at least twice daily. The Company's financial risk exposure is covered by retentions from dealers income to increase the security deposit, as well as, physical stock in the station.

General Trade (GT) Channel: Credit for the GT customers is set at the monthly average sales to the customer for a period of one year or six months after proper financial and qualitative analysis. The approved credit limit is extended for 30 days or 45 days in rare occasions for blue chip companies.

The credit risk on liquid funds is limited because most of the counterparties are banks with high credit-ratings assigned by international credit-rating agencies or Total Treasury, a related entity within the Group.

As at 31 December 2014

	Fully Performing N'000	Past Due N'000	Total N'000
Network	2,932,840	-	2,932,840
General Trade	4,356,428	8,948,782	13,305,210
Gross receivables	7,289,268	8,948,782	16,238,050

As at 31 December 2013

	Fully Performing N'000	Past Due N'000	Total N'000
Network	3,398,301	18,952	3,417,253
General Trade	4,994,797	5,706,009	10,700,806
Gross receivables	8,393,098	5,724,961	14,118,059



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NOTES TO THE FINANCIAL STATEMENTS

Financial Risk Management (cont'd)

27 Fair value

The Directors consider that the fair value of financial assets and liabilities are not significantly different from their carrying values.

The classification of financial assets and liabilities, together with the carrying amounts shown in the statement of financial position, are shown in the table below. It does not include fair value information for financial assets and financial liabilities not measured at fair value if the carrying amount is a reasonable approximation of fair value.

31 December 2014

	Loans and receivables	Carrying amount Other financial liabilities	Total
	N'000	N'000	N'000
Financial assets not measured at fair value			
Trade and other receivables ¹	34,922,036	-	34,922,036
Cash and cash equivalents	14,468,445	-	14,468,445
	<u>49,390,481</u>	<u>-</u>	<u>49,390,481</u>
Financial liabilities not measured at fair value			
Bank overdrafts & trade advance loan	-	15,682,926	15,682,926
Trade and other payables	-	61,773,238	61,773,238
	<u>-</u>	<u>77,456,164</u>	<u>77,456,164</u>

As at 31 December 2013

	Loans and receivables	Carrying amount Other financial liabilities	Total
	N'000	N'000	N'000
Financial assets not measured at fair value			
Trade and other receivables	30,401,023	-	30,401,023
Cash and cash equivalents	9,444,643	-	9,444,643
	<u>39,845,666</u>	<u>-</u>	<u>39,845,666</u>
Financial liabilities not measured at fair value			
Bank overdrafts & Trade Advance Loan	-	16,607,659	16,607,659
Trade and other payables	-	43,536,179	43,536,179
	<u>-</u>	<u>60,143,838</u>	<u>60,143,838</u>

¹Amount excludes receivables for inventory owed by Major Oil Marketers Association of Nigeria (MOMAN) members of ₦457, million which are not considered to be financial assets.

28 Assets pledged as security

As at the year ended 31 December 2014 there were no assets pledged as security (2013: Nil)



As at the year ended 31 December 2014 there were no assets pledged as security (2013: Nil).

ANNUAL REPORT 2014

TOTAL NIGERIA PLC

NOTES TO THE FINANCIAL STATEMENTS

29 Events after the reporting date

There were no post balance sheet events that could have material effect on the financial position of the Company at 31 December 2014 and on the profit for the year ended on that date that have not been taken into account in these financial statements.

However, effective from 19 January 2015, the Petroleum Products Pricing and Regulatory Agency (PPPRA) reduced the pump price of PMS from ₦97 to ₦87. This change however has no impact on the financial position and financial performance of the Company as at 31 December 2014.

30 Related party transactions

As at the year ended 31 December 2014, Total Marketing and Services (incorporated in France) owned 61.72 % of the issued shares of Total Nigeria PLC. The Ultimate parent Company and ultimate controlling party is Total S.A (incorporated in France).

30.1 Trading transactions

During the year, the Company entered into the following transactions with related parties, who are members of the Total Group, as shown below:

	Sale of goods		Purchase of goods		Others	
	2014	2013	2014	2013	2014	2013
	N'000	N'000	N'000	N'000	N'000	N'000
Total Outre Mer	-	-	53,302,790	64,857,459	-	-
Total Oil Trading	-	-	5,430,488	7,758,406	-	-
Total E&P Nigeria	6,794,575	10,283,818	-	-	-	-
Total Lubricants	436,640	360,193	-	-	-	-
Total Access to Solar	-	-	-	-	327,821	-
Air Total international	-	-	-	-	70,371	-
Total SA	-	-	-	-	384,754	-
Total Gestion international	-	-	-	-	121,674	-
Total Raffinage & Marketing	-	-	-	-	2,224,563	-
	7,231,215	10,644,011	58,733,278	72,615,865	3,129,183	-

30.2 Outstanding balance

The following amounts were outstanding at the reporting date:

	Amounts owed by related parties		Amounts owed to related parties	
	2014	2013	2014	2013
	N'000	N'000	N'000	N'000
Total Outre Mer	-	-	8,816,945	5,325,221
Total E&P Nigeria	2,503,286	1,747,513	-	-
Air Total international	-	-	6,840	10,298
Total SA	-	-	-	24,406
Total Gestion international	-	-	4,208	4,283
Total Access to Solar	-	-	1,236	-
Total Ghana	176	-	-	-
Total Oil Trading	-	-	2,751,823	796,586
Total Raffinage & Marketing	-	-	438,123	431,659
Total Lubrificants	19,931	42,608	-	-
	2,523,393	1,790,121	12,019,175	6,592,453
Total Treasury ¹	620,289	1,508,956	-	-
	3,143,682	3,299,077	12,019,175	6,592,453

¹ Included in the analysis above is the balance of funds held with Total Treasury as at year end amounting to ₦620 million (2013: ₦1.5 billion). This has however been classified along with cash and cash equivalents in the statement of financial position. See Note 23.

30.3 Technical service agreement

The Company has a general assistance and cost sharing agreement with Total Outre Mer as well as Total Raffinage Marketing which is still subject to the approval of the National Office for Technology Acquisition and Promotion (NOTAP). The amount provided for in profit or loss for the year ended 2014 is ₦1.27 billion (2013: ₦746.4 million)



ANNUAL REPORT 2014

TOTAL NIGERIA PLC

NOTES TO THE FINANCIAL STATEMENTS

30.4 Related party transactions (continued)

Emoluments of the Directors of the Company were:

	2014 N'000	2013 N'000
Director's remuneration	129,405	91,303
	129,405	91,303
Fees for service as directors	1,500	1,500
Other remunerations	127,905	89,803
Chairman's remuneration	-	-
	129,405	91,303

Emoluments of the highest paid director was ₦59,976,122.56 (2013 - ₦37,463,552.25). The chairman of the board earned Nil (2013:Nil).

Dividends totalling ₦10,477,219 were paid in the year in respect of ordinary shares held by the Company's directors.

The table below shows the number of Directors whose emoluments during the year excluding pension contributions were within the ranges stated:

	2014 Number	2013 Number
Less than - 1,000,000	-	5
4,000,001 and above	7	2
	7	7
Number of Directors who had no emoluments during the year	3	5

ANNUAL REPORT 2014

TOTAL NIGERIA PLC

NOTES TO THE FINANCIAL STATEMENTS

31 Information regarding employees

- (i) The table below shows the number of staff of the Company whose emoluments during the year excluding pension contributions were within the ranges stated:

	2014 Number	2013 Number
1,500,001 - 2,000,000	5	-
2,500,001 - 3,000,000	16	6
3,000,001 - 3,500,000	12	7
3,500,001 - 4,000,000	11	4
4,000,001 - 4,500,000	73	13
4,500,001 - 5,000,000	36	33
5,000,001 - 5,500,000	80	23
5,500,001 - 6,000,000	51	53
6,000,001 - 6,500,000	88	72
6,500,001 and above	111	257
	483	468

- (ii) The average number of persons employed in the financial year and the staff costs were as follows:

	2014 Number	2013 Number
Managerial staff	113	105
Senior staff	342	338
Junior staff	28	25
	483	468

- (iii) The related salaries and wages amounted to ₦6.9 billion (2013: ₦5.8 billion).

Staff costs relating to the above were:

	2014 N'000	2013 N'000
Salaries and wages	5,749,432	4,915,522
Termination benefits	153,749	161,256
Pension and social benefit	319,464	386,648
Medical expenses	216,590	234,735
Training expenses	134,538	123,312
Provision for long service award.	211,087	-
Staff welfare expenses ¹	121,651	52,954
	6,906,511	5,874,427

¹ Staff welfare expenses in 2014 includes staff bus expenses reclassified from Motor fuels and travelling expenses



ANNUAL REPORT 2014

Total Nigeria Plc
Financial Statements -- 31 December 2014
Together with Directors' and Auditor's Reports

OTHER FINANCIAL INFORMATION STATEMENT OF VALUE ADDED

	<u>2014</u>		<u>2013</u>	
	<u>N'000</u>	%	<u>N'000</u>	%
Revenue	240,618,693		238,163,160	
Bought in material and services				
Less: Bought in materials and services :				
- Imported	(60,490,041)		(77,705,449)	
- Local	(159,266,698)		(140,498,928)	
	<u>20,861,954</u>		<u>19,958,783</u>	
Other Income	1,171,824		1,216,899	
Finance Income	342,919		1,232,748	
Value added	<u>22,376,697</u>	<u>100</u>	<u>22,408,430</u>	<u>100</u>
Applied as follows:				
To pay government:				
Income tax, education tax and capital gains tax	1,784,429	8	2,862,878	12
To pay employees:				
Salaries, wages, pensions and social benefits	6,906,511	30	5,874,427	26
To pay providers of finance:				
Finance costs	2,621,211	12	1,981,385	9
Interim dividend	679,044	3	679,044	3
Retained in the Business				
To maintain and replace:				
- Property, plant and equipment	2,854,661	13	2,589,271	12
- Intangible assets	51,412	-	31,638	-
Proposed dividend	3,055,696	14	3,055,696	14
To augment retained earnings	4,423,733	20	5,334,091	24
	<u>22,376,697</u>	<u>100</u>	<u>22,408,430</u>	<u>100</u>

OTHER FINANCIAL INFORMATION STATEMENT OF VALUE ADDED

ANNUAL REPORT 2014



OTHER FINANCIAL INFORMATION

FINANCIAL SUMMARY

	2014 N'000	2013 N'000	2012 N'000	2011 N'000
ASSETS				
Property, plant and equipment	21,921,619	20,852,161	18,864,302	16,598,750
Intangible assets	171,907	138,486	17,176	15,145
Prepayments - Non- current portion	3,085,316	2,289,809	1,449,306	1,677,884
Current assets	70,333,586	56,123,131	55,736,281	40,428,031
	95,512,428	79,403,587	76,067,065	58,719,810
CAPITAL AND LIABILITIES				
Current liabilities	78,603,987	63,159,760	61,951,375	46,055,646
Non -current liabilities	2,978,663	3,003,042	2,813,776	2,637,949
Share capital	169,761	169,761	169,761	169,761
Retained earnings	13,760,017	13,071,024	11,132,153	9,856,454
	95,512,428	79,403,587	76,067,065	58,719,810
TURNOVER AND PROFITS				
Revenue	240,618,693	238,163,160	217,843,731	173,948,954
Profit before taxation	5,558,326	8,120,018	7,098,172	5,858,613
Profit after taxation	4,423,733	5,334,091	4,670,917	3,813,202
Dividends (interim & proposed)	3,734,740	3,734,740	3,734,740	3,055,697
Basic earnings per share:				
Per 50k share (basic) (Naira)	13.03	15.71	13.76	11.23
Dividend per share:				
Per 50k share (actual) (Naira)	11	11	11	9
Net assets:				
Per 50k share (actual) (Naira)	41.03	39.00	33.29	29.53

NOTE:

Earnings per share is based on profit after tax and the number of ordinary shares of 50k in issue at the end of each financial year.

Dividend per share is based on the interim dividend declared and paid within the year and the final dividend proposed for that year which is subject to approval at the Annual General Meeting divided by the number of ordinary shares in issue at the end of the year.

Net assets per share are based on the net assets of the Company and number of ordinary shares of 50k in issue at the end of each financial year.

Interim dividend of ₦2.00 (2013: ₦2.00) was paid during the year. A final dividend of ₦9.00 (2013: ₦9.00) was proposed for the year ended 31 December 2014.

The financial information presented above reflects historical summaries based on International Financial Reporting Standards.

Information related to earlier periods have not been presented as they are based on a different financial reporting framework (Nigerian GAAP) and is therefore not directly comparable.

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SHARE CAPITAL HISTORY

The authorized share capital has been increased as follows:

S/N	DATE	RESOLUTION
1.	10 th of April, 1958 18 th of August, 1959 25 th of May, 1960 30 th of November, 1976 21 st of June, 1978	₦1,500,000 ₦2,000,000 ₦3,000,000 ₦5,000,000 ₦10,000,000
2.	21 st of June, 1978	Each share of ₦20 each was sub-divided into 40 shares of 50 kobo each.
3.	10 th of October, 1978	Authorized capital of the company was ₦10,000,000 divided into 20,000,000 shares of 50 kobo each.
4.	8 th of August, 1980	By a special resolution of the Annual General Meeting the authorized Share capital of the company was increased to ₦15,000,000 divided into 30,000,000 ordinary shares of 50 kobo each.
5.	18 th of October, 1982	By a special resolution of the Extra - ordinary General Meeting, the authorized share capital of the company was increased to ₦22,500,000 divided into 45,000,000 ordinary shares of 50 kobo each.
6.	27 th of June, 1984	By a special resolution of the Annual General Meeting the authorized Share capital of the company increased to ₦33,750,000 divided into 67,500,000 ordinary Shares of 50 kobo each.
7.	23 rd of June, 1988	By a special resolution of the Annual General Meeting the authorized Share capital of the company was increased to ₦40,500,000 divided into 81,000,000 Ordinary shares of 50 kobo each.
8.	11 th of July, 1991	By a special resolution of the Annual General Meeting the authorized Share capital of the company was increased to ₦54,000,000 divided into 108,000,000 Ordinary shares of 50 kobo each.
9.	8 th of June 1994	By a special resolution of the Annual General Meeting the authorized Share capital of the company was increased to ₦72,000,000 divided into 144,000,000 Ordinary shares of 50 kobo each.
10.	7 th of June, 1995	By a special resolution of the Annual General Meeting the Authorized Share capital of the company was increased to ₦96,000,000 divided into 192,000,000 Ordinary shares of 50 kobo each.
11.	11 th of June, 1997	By a special resolution of the Annual General Meeting the Authorized Share capital of the company was increased to ₦112,000,000 divided into 224,000,000 Ordinary shares of 50 kobo each.
12.	28 th of August, 2001	By a special resolution of the Annual General Meeting the Authorized share capital of the company was increased to ₦148,540,804 divided into 297,081,608 ordinary shares of 50kobo each.
13.	17 th of June 2004	By a special resolution of the Annual General Meeting the Authorized and issued share capital of the company was increased to ₦169,760,918.00 divided into 339,521,836 ordinary shares of 50 kobo each.

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LIST OF MAJOR DISTRIBUTORS

WESTERN TERRITORY

NO.	STATE	NAME OF DEALER	NAME OF STATION
1	KWARA	FEMI AKINPELU	OFFA TOWN
2	KWARA	ABIOLA S.	OGBOMOSHO ROAD
3	LAGOS	DELE RABIU	ONIGBAGBO
4	LAGOS	OLAJIDE C.	DIYA
5	LAGOS	MOZIA S. C.	AWOLOWO RD
6	LAGOS	OLOFIN S. A.	SURULERE
7	LAGOS	ADEGOKE SULEIMAN	OSHODI
8	LAGOS	OKORIE	SURA
9	LAGOS	KEMI NWIDOBIE	WESTERN AVE
10	LAGOS	BIMBO KUSHIMO	OJOTA 2
11	LAGOS	OYINLOLA O.	ALAPERE 2
12	LAGOS	ANURUO JOSEPHINE	IKEJA
13	LAGOS	ATOYEBI MOSES	LEKK 2
14	LAGOS	JIDE ALESE	LEKKI 1
15	LAGOS	TUNDE MAKUN	IGBOBI
16	LAGOS	STEPHEN HART	OLD TOLL GATE
17	LAGOS	MOMODU V. O. K	ITIRE
18	LAGOS	OLANIYAN SAMUEL	OJOTA 1
19	LAGOS	AIYEOMONI	AKOKA
20	LAGOS	SALAMI AKINROLE	IJORA
21	LAGOS	ENG. LEKE AWOFESE	AJEGUNLE
22	LAGOS	BASHIR ONI	CHALLENGE
23	LAGOS	ADUMBU M.	SEME-BADAGRY
24	LAGOS	AYO AJAYI	ALAUSA
25	LAGOS	AIGBIGIE BERNARD	OLD OJO ROAD
26	LAGOS	ANIFOWOSE SEFIU	COATES

LIST OF MAJOR DISTRIBUTORS



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LIST OF MAJOR DISTRIBUTORS

WESTERN TERRITORY

NO.	STATE	NAME OF DEALER	NAME OF STATION
27	LAGOS	AGBO CECILIA	HERBERT MACUALAY
28	LAGOS	SEMIU O. RASAKI	TINCAN
29	LAGOS	AIDOLOGIE SOLOMON	MILE 2
30	LAGOS	RASAKI ADESANYA	AJANGBADI
31	LAGOS	ALEEM MARUF	IKORODU RD
32	LAGOS	OLATUNDUN ONI	MM WAY
33	LAGOS	MRS KEHINDE AMOO	CAMPBELL
34	LAGOS	SEMIU AMOO	MUSHIN
35	LAGOS	HENRY ABUMERE	WHARF ROAD
36	LAGOS	AYODELE SUNDAY	OJUELEGBA
37	LAGOS	WANDE RASHEED	BONNY ROAD
38	OGUN	JACOB ADEDEJI	IPERU
39	OYO	GBENGA IDOWU	NEW IFE RD S/S
40	OYO	OPARA PHILIP	IBADAN RD
41	OYO	ELDER DEGUN	ELEIYELE I S/S
42	OYO	OLADIPO O.	IBADAN RD. SS
43	OYO	F. AKINDOYIN	NEW RESERVATION F/S

LIST OF MAJOR DISTRIBUTORS



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LIST OF MAJOR DISTRIBUTORS

EASTERN TERRITORY

NO.	STATE	NAME OF DEALER	NAME OF STATION
44	AKWA IBOM	UDUAK UMOH	UYO TOWN
45	CROSS RIVER	FRANCIS UDOKA	MARIAN ROAD
46	CROSS RIVER	COMFORT ETIM	CALABAR ROAD
47	DELTA	ERICK UMUKORO	OKIRIGWHRE SS
48	DELTA	MIKE ODNLUMEN	ASABA UMUEZEI FS
49	DELTA	UZOR UZOR	OKUMAGBA ESTATE SS
50	DELTA	JOSEPH ERIAGBOR	BRIDGE HEAD 1
51	DELTA	YOMI OGUNLANA	AIRPORT ROAD SS
52	DELTA	FELIX EGHE	SAPELE ROAD
53	DELTA	KINSLEY EHOLOR	WARRI CENTRE SS
54	DELTA	JOSEPH OSSAI	OGORODE FS
55	DELTA	SUNNY NWOGO	EFFURUN SS
56	DELTA	ELIZEBETH DUDUSOLA	MARKET ROAD UGHELLI
57	DELTA	KAYODE OLAWUNMI	PATANI ROAD FS
58	DELTA	SILAS SHABBA	AGBOR FS
59	DELTA	ABASIAMA ASUQUO	ASABA FERRY
60	DELTA	EFE OGUNAME	OKUMAGBA AVENUE FS
61	EDO	JOHN OYERE	UGBOWO
62	EDO	ADAMU BAMALI	BENIN/ASABA EXP SS
63	EDO	AMINU ATAIRU	AUCHI SS
64	EDO	TONY OHUE	LAGOS ROAD
65	EDO	JOHN UKPONAUNSI	138 AKPAKPAVA
66	EDO	AMBROSE AYEMENRE	BENIN CENTRE
67	EDO	ANDREW EKEAMANYE	1ST EAST CIRCULAR
68	EDO	FUNMI DAIRO	KM 8
69	KOGI	S OBIYAN	OKENE
70	RIVERS	MOSES ONWUMERE	GRA
71	RIVERS	UCHE NNADI	RUMUOMASI
72	RIVERS	S.N OBIDIKE	PH 1
73	RIVERS	PATRICIA ODIWE	OROGBUM
74	RIVERS	J. EREKOSIMA	RUMUOBIAKANI

LIST OF MAJOR DISTRIBUTORS



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LIST OF MAJOR DISTRIBUTORS

NORTHERN TERRITORY

NO.	STATE	NAME OF DEALER	NAME OF STATION
75	RIVERS	ANTHONY BIRAGBARA	MILE 5
76	RIVERS	UKA IGBOKWE	LIBERATION DRIVE
77	BENUE	ISAH MOHAMMED	K/IBRAHIM F/S
78	F.C.T	ALH. A MINJIBRI	ASOKORO
79	F.C.T	FRANCES SULE	TOTAL HOUSE
80	F.C.T	ALH. UMAR	JS TARKA
81	F.C.T	SAMUEL ARO BAMIDELE	WUSE 1
82	F.C.T	HENRY ASEMOTA	WUSE 2
83	F.C.T	CHIEF OKOGU	SULTAN ABUBAKAR
84	F.C.T	ALH. IKANDE	HERBERT MACAULAY
85	F.C.T	ADA MARK	NEW KARU
86	KADUNA	MOHAMMED ABUBAKAR	KADUNA ZARIA
87	KADUNA	ABUBAKAR HASSAN	SOUTH BRIDGE
88	KADUNA	M.K.UMAR	WAFF RD
89	KADUNA	SEFI MOHAMMED	UNGWAN RIMI
90	KADUNA	ALH. ALAGBE	KEFFI
91	KADUNA	VICTOR MAJEKODUNMI	KADARA SS
92	KADUNA	IDRIS YUSUF	MAIN STREET
93	KADUNA	NNONAH EMMANUEL	REFINERY RD
94	KANO	AJIBOLA SAMSON	AIRPORT ROAD
95	KANO	BASHIRU MOGAJI	CLUB ROAD SS
96	NIGER	LARREY DANIEL	KUBWA 1
97	NIGER	HARUNA BABA	BOSSO RD S/S, MINNA
98	NIGER	OTETA AUGUSTINE	TIPPER GARAGE
99	NIGER	ADAMS SULIEMAN	ZUBA JUNCTION
100	NIGER	SEUN EMIOLA	NEW BUSSA

LIST OF MAJOR DISTRIBUTORS



PROXY FORM


TOTAL NIGERIA PLC. RC 1396

Annual General Meeting to hold at The Banquet Hall, City Hall, Catholic Mission Street, Lagos Island, Lagos at 11.00 a.m on Wednesday 10th June, 2015

I/We

 being a member/members of
TOTAL NIGERIA PLC hereby

Appoint _____

or failing him the Chairman of the meeting as my/our proxy to vote for me/us on my/our behalf at the Annual General Meeting of the Company to be held on the 10th day of June, 2015 and any adjournment thereof.

Dated the _____ day of _____ 2015

Shareholder's Signature _____

NOTES

- (1) A member (Shareholder) who is unable to attend an Annual General Meeting is allowed by law to vote by proxy. The above proxy form has been prepared to enable you exercise your vote cannot personally attend.
- (2) Provision has been made on this form for the Chairman of the meeting to act as your proxy, but if you wish, you may insert in the blank space on the form (marked*) the name of any person, whether a member and vote on your behalf instead of the Chairman of the meeting.
- (3) Please sign, stamp the above form and post it so as to reach the address shown overleaf not later than 11.00 a.m. on 8th June, 2015. If executed by a corporation, the proxy form should be sealed with its common seal.
- (4) The proxy must produce the Admission Card sent with the Annual Report and Accounts to obtain admission to the meeting.

RESOLUTIONS	FOR	AGAINST
To adopt the Report and Financial Statements		
To declare a dividend		
To re-elect Mr. W. J-Y. Konde as a Director		
To re- elect Chief F. Majekodunmi as a Director		
To re-elect Engr. R. Sirajo as a Director		
To elect Mr. J. Nnamani as a Director		
To authorize the Directors to fix the remuneration of the Auditors		
To elect members of the Audit Committee		
To fix the remuneration of the Directors		
To authorize the company to enter into recurrent related party transactions		

Please indicate with an "X" in the appropriate space how you wish your vote to be cast on resolutions set out above. Unless otherwise instructed, the proxy will vote or abstain from voting at his discretion


TOTAL NIGERIA PLC. RC 1396

 Annual General Meeting Admission Card
Please admit:

 to the Annual General Meeting of TOTAL NIGERIA PLC which will hold at The Banquet Hall, City Hall, Catholic Mission Street, Lagos Island, Lagos on Wednesday, 10th June 2015.

NUMBER OF SHARES HELD	
--------------------------	--

This admission card must be produced by shareholder or his proxy in order to obtain admission to the Annual General Meeting.

OLUBUNMI POPOOLA -MORDI
Company Secretary



FIRST FOLD HERE

Please Affix
Stamp

The Registrar
CardinalStone Registrars Limited
358 Herbert Macaulay Way,
Yaba,
Lagos.

SECOND FOLD HERE

THIRD FOLD HERE



ELECTRONIC DELIVERY MANDATE FORM

I, Chief/Mr./Mrs.

Of.....

Hereby agree to the electronic delivery of annual report and other statutory document
Nigeria Plc by choosing the option below:

☐

The company should forward the material to the following e-mail address:

Signature and date.....

Please fill and return the completed form to either:

The Registrar

CardinalStone (Registrars) Limited

358 Herbert Macaulay Way,

Yaba, Lagos.

OR

The Company Secretary

Total Nigeria Plc

4 Churchgate Street,

Victoria Island,

Lagos

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