

COMPANY PROFILE

&
ASSIGNMENT PROPOSAL

TO

NERA NETWORK AS

Kokstadveien 23, Bergen
NORWAY.

Prepared by:-

OLAJIDE AND ASSOCIATES NIG

(CHARTERED ACCOUNTANTS & TAX PRACTITIONERS)

583, AGEGE MOTOR ROAD, SHOGUNLE

P.O.BOX 5810 OSHODI

LAGOS, NIGERIA

Tell:-01-4961232,4961859,08023325784,08027385000

e-mail:-info@olajideassociates.com

Website:-www.olajideassociates.com

COMPANY PROFILE IN BREIF

NAME: **OLAJIDE AND ASSOCIATES NIG**

(Chartered Accountants)

CAC REGISTRATION NO: LAZ. 069213

DATE OF REGISTRATION: 26th June 1998

DATE OF COMMENCEMENT
OF BUSINESS: 26th June 1998

VAT REGISTRATION NUMBER: IUV10001069213

PARTNERS: **Mr. Yahaya O Olajide (fca, fcti)**

(MANAGING PARTNER)

ICAN No. 5410

LICENCE NO 2876 of 10/09/1998

S. O. Katola (Fca, Fcti)
(PARTNER)
ICAN No. 5410
LICENCE 27/01/1994

HEAD OFFICE 583 Agege Motor Road
Shogunle Opposite G.R.A Ikeja
Lagos Nigeria

BRANCH OFFICE: 28/30 Bukuru By-Pass, Jos
Plateau State,
Nigeria

Suite 56, Mambolo Street,
Wuse Zone 2,
Federal Capital Territory
Abuja

Liaison Office C/o. Bidrays Mortgage & Financial Services,
10101 Fondren Road,
Suite 250B, Huston,
Texas 77096.
U.S.A

TELEPHONE PHONE 234-01-4961232
FAX 234-01-4961859
MOBILE 0802-332-5784
0802-738=5000

E-MAIL info@olajideassociates.com
olajide@olajideassociates.com

WEBSITE www.olajideassociates.com

BANKERS Chartered Bank Plc
Triumph Bank Plc

NATURE OF BUSINESS: Chartered Accountants, Taxation Specialists, Bookkeeping, Auditing, Recruitment, Accountancy and Immigration Services.

NUMBER OF STAFF: 27 (TWENTY SEVEN)

PROFESSIONAL

ASSOCIATIONS The Institute of Chartered Accountants of Nigeria (ICAN)
Plot 16, Idowu Talyor Street,
Victoria Island, Lagos.

Website: www.ican.org.ng
E-mail: info.ican@ican.org.ng

The Chartered Institute of Taxation of Nigeria (CITN)
215/217, Ikorodu Road, Ilupeju, Lagos
Website: www.citn.org
E-mail: citn@citn.org

DETAILED PROFILE OF THE FIRM

OLAJIDE AND ASSOCIATES NIG is one of the leading professional Chartered Accounting Firm providing services to organizations within and outside Nigeria.

The firm deliver first-class auditing, advisory, taxation and consulting services. With about 27 professional staff, the firm serve various small and medium sized companies, as well as large national enterprises, public institutions and successful, fast-growing companies and non- profit making organisations.

Our internationally experienced professionals strive to deliver seamless, consistent services wherever our clients operate. Our mission is to help our clients and our people excel.

OLAJIDE AND ASSOCIATES NIG is a broad based Auditing Firm which was registered in Nigeria under the business name Act of the Companies and Allied Matters Decree (1990), on the 26th the of June 1998 with registration number LAZ.069213.

MISSION STATEMENT

Our mission is to maintain the highest level of satisfaction among our clients by offering high quality accountancy and taxation services while also generating employment opportunities and contributing to the professional development of our employees.

VISION

To be recognised as one of the biggest accounting firms in the world as a provider of valuable financial information for decision-making.

COMPANY VALUE

Accurate reporting and customised client service: We provide accurate financial information and excellent taxation services tailored to each client's needs.

Integrity and honesty: We are committed to honesty, clarity and professionalism in our operations; we strive to be above board at all time.

Rapid-response capability to meet the individual Client or Contractor's needs.

Across-the board provision of industry best practices, premier level of service to Clients and Contractors.

Recognition that our portfolio of placed Contractors is our most important underlying asset, and dedication to optimization of continuing employment opportunities for these professionals.

We are ethical, trustworthy and display unflinching integrity in all our relationships and dealings.

All of our undertakings are performed with honesty, and with a sense of community responsibility and respect for the individual.

We try to foresee Clients' needs and proactively present comprehensive, effective solutions. We are flexible and creative in our approaches to the work, and we continually seek out new global opportunities in which to serve and excel.

Our spirit of perseverance, and our ability to develop long-term, mutually beneficial alliances with Clients and Contractors alike, ensures our success.

OBJECTIVES

- To offer qualitative unique good accountancy and taxation plus business development services to our clients.
 - To be available continuously at all time to attend to our client's needs.
- To guarantee customised services not only to our clients but also to fulfil the needs of our highly qualified professional staff.
- To encourage and assist our professional staff to develop and expand their knowledge which are increasingly in need for new computerised accounting systems.

SERVICES RENDERED

Our firm, **OLAJIDE AND ASSOCIATES NIG** engages in the following services: -

AUDITING SERVICES
INTERNAL AUDIT AND INVESTIGATION
INSPECTIONS
TAXATION SERVICES
FEASIBILITY STUDIES
MERGER AND ACQUISITION AND CONSOLIDATION
ACCOUNTING AND BOOKKEEPING SERVICES

**LIQUIDATION AND RECEIVERSHIP
LOAN NEGOTIATION AND DEBT RECOVERIES
IMMIGRATION AND QUOTA SERVICES
EMPLOYMENT SERVICES
COMPANY ADMINISTRATION SERVICES
TECHNOLOGY CONSULTING**

PARTNERS AND ASSOCIATES

The seasoned Chartered Accountants, Tax experts, Consultancy experts and Resourceful managers managing our firm of Chartered Accountants are:-

**Yahaya Olatayo Olajide (fca, fcti, amnim, dcp)
Managing Partner**

Olajide, Y.O is the Founder and Proprietor of **OLAJIDE AND ASSOCIATES** (Chartered Accountants). In addition to his client commitments, he is responsible for overall management of the firm, professional development for the firm's staff, and the quality of the firm's work. As part of the service to our clients, he has helped them establish books of accounts and assisted in the reorganisation of accounting departments to promote efficiency and improve internal control.

His responsibilities also include planning, coordinating and performing audits, preparing financial statements, and consulting in the area of accounting systems. Mr. Y. O. Olajide contributes and oversees the content and quality of our web newsletter as well as producing other articles of special interest for our clients. Mr. Olajide Y. O has 23 years of Bookkeeping and auditing experience.

**MR. SEYI KATOLA (fca, fcti ,fnim)
Partner**

Mr. Seyi Katola is the Partner in charge of international audit assignments, for **OLAJIDE AND ASSOCIATES** (Chartered Accountants). In addition to his client commitments, he is responsible for the overall management of the firm's operations in the Southern

Dr. Gabriel Shobowale (fca, acti,mba,Phd,fnim) Partner

Dr. Gabriel Shobowale is the Branch Partner in charge of the Northern States of Nigeria, for **OLAJIDE AND ASSOCIATES** (Chartered Accountants). In addition to his client commitments, he is responsible for the overall management of the firm's Branches in the Northern states including the FCT, Abuja, Kano and Kaduna.

Oluniyi Felix Olaofin (Bsc, Aca, Acti)

(ABUJA PARTNER)

He is the Branch Partner in charge of the Federal Capital Territory Abuja, for **OLAJIDE AND ASSOCIATES (Chartered Accountants)** he coordinates all the Jobs that have to do with region. In addition to his client dedication, he also has a wealth of experience that we tap from.

OLAJIDE AND ASSOCIATES NIGERIA

(CHARTERED ACCOUNTANTS)

STAFF STRENGTH

NAME OF STAFF	POST/CATEGORY	QUALIFICATION
5. Mr. Shola Ayuba	Manager	ACA, ATS,
6. Mr. Isiaka Atanda	Senior	ACA, BSc.
7. Mrs. Kudi Wale.	Senior	ICAN FINALIST, H.N.D.,8. Mr. Gbenga Balogun Senior
		ICAN FINALIST, ATS,
9. Mr. Odewunmi R. M.	Senior	BSc.
10. Mr. Olawuyi R. L.	Senior	BSc. HND, ICAN FINALIST
11. Mr. Awojobi A. A.O	Senior	HND, ICAN PE II.
12. Mr. Ayadi E. O.	Senior	BSc.
13. Mr. Ganiyu Olajide	Senior	HND
14. Mr. Wasiu Olajide	Senior	HND
15. Mr. Lanre Ogundeyi	Senior	HND
16. Mr. Lanre Afolabi	Senior	HND
17. Mr. Ojo Busiyi	Senior	BSC
18. Mr. Odunayo Ojo	Audit trainee	OND
19. Mr. Olabode M.A.	Audit trainee	OND
20. Mr. Agbalaya T. Y.	Audit trainee	OND
21. Ms. Ayansola N. R.	Audit trainee	OND
22. Mr. Folarin O.I	Junior	OND
23. Mr. Akhimie P.E.	Junior	OND
24. Ms. Afishetu Ikhelowa	Secretary	OND
25. Mr. Lasisi Nurudeen	Computer Trainee	DIPLOMA
26. Ms. Ishegehi Blessing	Assistant	DIPLOMA
27. Ms. Uwota Faith	Secretary	DIPLOMA

OLAJIDE AND ASSOCIATES NIGERIA

(CHARTERED ACCOUNTANTS)

CLIENT LIST

CLIENTELE.

Below is a list of some of our client whom we have been dealing with continuously for the past 4 years.

CLIENT NAME NATURE OF BUSINESS

1. DOREL ENGINEERING LIMITED (Contractors)
- 2 TIME AND CHANCE LIMITED (Telecommunications)

- 3 AMCOTECH ENGINEERING LIMITED (Engineering)
- 4 KENNA AND ASSOCIATES (Legal Firm)
- 5 VERONA INDUSTRIES LIMITED (Importers)
- 6 COXHEYMANN NIGERIA LIMITED (Automobiles)
- 7 LENFENG NIGERIA LIMITED (Oil and Gas)
- 8 CHINA EXPORT & PROMOTION LTD (Importers)
- 9 CHINA UNITY MANU. CO. LTD (Manufacturers)
- 10 ZIKYLAMBO ENTERPRISES LIMITED (chemical & Allied Products)
- 11 ST MARIA HOSPITAL (Medical Services)
- 12 LECITRAILER NIGERIA LIMITED (Automobiles)
- 13 MARBROKER NIGERIA LIMITED (Shipping Services)
- 14 OLIVERSWEET INDUSTRIES LIMITED (Importer)
- 15 RAMJASAM INVESTMENTS LIMITED (Cosmetic Manufacturers)
- 16 TOACO NIGERIA LIMITED (Aluminum Fabricators)
- 17 CHINA FUYE & HOME APP. LTD (Importers)
- 18 CHINA UNITY MANUFACTURING CO LTD (Manufacturers)
- 19 VIETGUNS COMMUNICATIONS LIMITED (Telecommunications)
- 20 SEMOB NIGERIA LIMITED (General Contractors)
- 21 EMERSON NETWORK POWER LIMITED (Network Power)
- 22 EMEL ENTERPRISES GROUP (Importers)
- 23 IMAHO BLINDAJES NIGERIA LIMITED (Vehicle Armouring)
- 24 SGF NIGERIA LIMITED (Oil and Gas)

Apart from several one-off clients not listed above, we have had the opportunity of continuously working for most of the above listed clients since 1998 when our firm was formed.

If you will wish to contact any one of them for reference purposes, kindly inform us so we can write to them about our pending proposal with your company.

OUR PROPOSED SCOPE OF DUTIES TO NERA.

Our proposed scope of duties to NERA will cover the following:

a) Setting up and running the accounts department of your company with a view to producing its monthly financial reports. Specifically relating to:-

1. Maintaining Trade Receivable, specifying each customer and including age distribution.
2. Closing of accounts, including reconciliation of all balance sheet account.
3. Review and evaluate the periodical result whether all cost/income related to the period is included.
4. Maintaining detailed statement of within a specified time schedule for Trade Payables to other Nera Group companies within a specified time schedule.
5. Maintaining detailed statement of within a specified time schedule for Trade Receivables to other Nera Group companies within a specified time schedule.
6. Preparing of trial balance and submitting to Nera Network AS in Norway.
7. Preparing of Profit and Loss Account and submitting to Nera Network AS in Norway.
8. Preparing of Balance sheet and submitting to Nera Network AS in Norway.
9. Ensuring Intra-group transactions (transactions within Nera Network AS in Norway).
10. Ensuring report is to be full field within the Nera Group deadlines.

b) Setting up and running your company's tax administration system to ensure compliance with Tax and social security Laws and to avoid embarrassment from the Authorities. This will include but not limited to:-

1. Employees Personal Income Tax (PAYE / State Tax).
2. Company Income Tax (Federal Tax).
3. Withholding Tax.
4. Value Added Tax.
5. Local Government Rates & Levies.
6. Development Levies.
7. Education Levies.
8. Duties and all other forms of Taxes.
10. Nigerian Social Insurance Trust Fund (NSITF).

c) Remitting all taxes monthly and annually and filling all necessary monthly, quarterly and annual tax returns to avoid payment of penalties and interest on late payment.

d) Liasing with the Federal, State and Local Government on behalf of NERA to procure all necessary Tax clearance certificates for employees and the company as a whole.

e) Attending to Tax Auditors and inspectors from the Federal, State and Local authorities. Following up all letters from State, Local and Federal Authorities.

f) Following up remittances of tax payments and levies to Local, State and Federal authorities and obtaining tax receipts and all necessary documentations.

- g) Attending to Tax Auditors and inspectors from the State and Federal Inland Revenue in respect of Company tax, Employee tax, Withholding Tax and Value Added at regular intervals.
- h) Liasing and Attending to the External Auditors on Statutory Annual Audits. Liasing with External Auditors and prepare audit pack for annual audit. Updating and producing all accounting records necessary for the external auditors annually.

MODE OF OPERATION

Our assignment will require us to do the following:-

- a) Post at least one of our staff permanently to your office who is with a minimum qualification of Tertiary Qualification in Accountancy and minimum of 5 years accounting / Audit experience.
- b) Post additional support account staff for check and balances
- c) Have our senior partner pay regular visits to our staff posted to your company to ensure work is being performed to contract. He will also supervise production of monthly financial reports.
- d) Be in your premises continuously for 3 weeks with required staff strength to set up the accounts and tax department and records.
- e) Liaise with both your external auditors and Other Professionals in this regard.

ADVANTAGES OF ENGAGING OUR SERVICES

- a) Your company will benefit from the advantages of having the best hands handling your Accounts and tax matters and therefore avoids embarrassment from tax Authorities.
- b) Our tax advice on tax planning and tax avoidance will be of immense benefit to your organisation.
- c) Your Tax Clearance Certificates will always be ready for use very early in the year.
- d) We will get you acquainted with new tax directives every year, which will be helpful in respect of the company's financial planning.
- e) We will save you the problem associated with staff turnover, as we will act as backup at all times.

FEES

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- (a) Writing of Accounting up to final Account from

March 2005 September 2005

(Advance payment 50%-75%, once payment) 580,000.00

(b) **Monthly** Professional Accounting,
Reporting and tax Monitoring Service charge.

(Monthly payment) 160,000.00

(c) Setting-up of the Tax record of your company:-

i. Registration for PAYE **(Once Payment) 35,000.00**

ii. Procuring tax documentation for both
local and expatriates staff **(Yearly Payment) 50,000.00**

iii. Computing tax liabilities, negotiating
all overdue tax payment and attending to
all correspondence with The Revenue
up to September 2005 **(Once Payment) 120,000.00**

(d) Year-end Statutory Audit fee for first year.
Other Years depend on turnover but negotiable

(Yearly payment) 650,000.00

(e) Year-end tax fee to file company tax papers
With Revenue and obtain tax certificates

(Yearly payment) 110,000.00

(f) Debt Recovery fee is **10%** of amount recovered.

APPOINTMENT

We require your organization to engage us formally by writing to us a letter of engagement signed by the authorized signatories of Nera Microwave Limited. Also, find enclosed Samples of Appointment letters of Accountant, Reporting Services, Auditing and Tax Consultancy.

CONCLUSION.

We hope that our proposal will meet your good consideration and acceptance and we look forward to being of service to your company.

OLAJIDE AND ASSOCIATES NIGERIA
(CHARTERED ACCOUNTANTS)

Y.O OLAJIDE (fca, fcti)

M.D/Chief consultant.

September 2005

Sample Letters of Appointment

Date

The Managing Partner
Olajide and Associates Nigeria
(Chartered Accountants)
583, Agege Motor Road
Shogunle Oshodi
Lagos

Dear sir,

APPOINTMENT AS ACCOUNTANT, REPORTING SERVICES AND TAX CONSULTANT

We are pleased to inform you that at the board meeting of our company held on at its registered address, your firm was appointed as the Accountant, Reporting and Tax consultant of our company.

You will be responsible for the accounts of our company and filing all the necessary tax returns of the directors and the employees monthly to the Lagos State Board of Internal Revenue and of the company's Value Added Returns Monthly and the filing of Company Income Tax returns Annually to the Federal Inland Revenue.

You will also process all necessary Tax Certificates required and ensure that all our tax records are up to date in time.

Your fees and expenses shall be based on work performed and negotiable.

Accept our congratulations.

Yours faithfully
FOR: NERA MICROWAVE NIGERIA LTD

Senior Vice President, Finance and Control

SAMPLE AUDITOR'S APPOINTMENT LETTER

Date.

The Managing Partner
Olajide And Associates Nigeria
(Chartered Accountants)
583, Agege Motor Road, Shogunle,
Lagos

Dear sir,

APPOINTMENT AS EXTERNAL AUDITOR

We are pleased to inform you that at the board meeting of our company held on at its registered address, your firm was appointed as the External Auditor of our company.

You will be responsible for the annual statutory auditing of the accounts of our company and filing all necessary documentations for Nigerian Taxation purposes. Your firm will also ensure that all our company records comply with Nigeria Tax Laws.

Your fees and expenses shall be based on work performed and negotiable.

Accept our congratulations.

Yours faithfully

FOR: NERA MICROWAVE NIGERIA LTD

Senior Vice President, Finance and Control

Date..

The Local VAT Officer

Lagos.

Dear Sir,

**RE: NERA MICROWAVE NIGERIA LTD
NOTIFICATION OF APPOINTMENT OF TAX CONSULTANTS**

We are pleased to inform you that our company has appointed the Tax consultant who will be incharge of filing our VAT returns and ensuring prompt payment of our Value Added Tax.

The firm is messers:- OLAJIDE AND ASSOCIATES NIGERIA
(Chartered Accountants)
583, Agege Motor Road, Shogunle, Lagos,
P. O. Box 5810 Oshodi
Lagos

We thank you for your anticipated cooperation.

Yours faithfully,

FOR: NERA MICROWAVE NIGERIA LTD

Senior Vice President, Finance and Control

Date

The Chairman
Federal Inland Revenue Service
Broad Street
Lagos.

Dear Sir,

**RE: FILE NUMBER
NOTIFICATION OF APPOINTMENT OF EXTERNAL AUDITOR
AND TAX CONSULTANTS**

We are pleased to inform you that our company has appointed the External Auditor and Tax consultant who will be in charge of auditing our accounts annually and filing our company Tax returns.

The firm is messers:- OLAJIDE AND ASSOCIATES NIGERIA
(Chartered Accountants)
583, Agege Motor Road, Shogunle, Lagos
P. O. Box 5810 Oshodi
Lagos

We thank you for your anticipated cooperation.

Yours faithfully,

FOR: NERA MICROWAVE NIGERIA LTD

Senior Vice President, Finance and Control

Date.

The Chairman
Lagos State Board of Internal Revenue,
Lagos.

Dear Sir,

RE: FILE NUMBER
NOTIFICATION OF APPOINTMENT OF TAX CONSULTANTS

We are pleased to inform you that our company has appointed the Tax consultant who will be in charge of filing our monthly and annual Pay As You Earn (P. A. Y. E) tax returns.

The firm is messers:- OLAJIDE AND ASSOCIATES NIGERIA
(Chartered Accountants)
583, Agege Motor Road, Shogunle, Lagos,
P. O. Box 5810 Oshodi
Lagos

We thank you for your anticipated cooperation.

Yours faithfully,

FOR: NERA MICROWAVE NIGERIA LTD

Senior Vice President, Finance and Control

OLAJIDE AND ASSOCIATES NIGERIA
(CHARTERED ACCOUNTANTS)

PLANNING THE AUDIT OF YOUR COMPANY.

1. INTRODUCTION:

We are pleased to present to you the audit plan of the account of your company for the financial year ending 200.....

We hope that our presentation will meet your requirement.

2. DIRECTORS' RESPONSIBILITIES:

The Companies and Allied Matters Decree 1990 Section 334 and 335 provide that the directors will be responsible for the maintenance of books of accounts in proper manner.

This entails keeping of the following books of accounts:

- i) The cash book ii) The Debtors Ledger
- iii) The Creditor Ledger iv) The Bank Book
- v) The Petty Cash Book vi) The Nominal Ledger
- vii) The Assets Accounts

We believe that these books of account are already available for the 200..... financial year.

3. AUDITORS' RESPONSIBILITIES:

Section 359 (6) Companies and Allied Matters Decree 1990 provides that the Auditors shall examine the Books of Accounts and Confirm that they are in order. We are also expected to express our opinion on the accounts presented and report to the Directors.

4. SCOPE OF WORK:

Since we have audited the account of your company in, we believe that apart from comparing the balances in the audit report of with your balance brought forward in your ledger, the major work will cover the period of 1st to

5. LOCATION IN WHICH THE AUDIT IS TO BE CARRIED OUT:

Since your organization operates centralized accounting transactions where records are kept at the head office, it is our belief that the job will be done at that location. Except where necessary, we may require visiting your branches (at your own costs) for operational audit and to confirm certain balances.

This audit shall be under the direct supervision of our Audit Manager Mr. / Mrs / Miss.

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We do not expect that we will require the service of experts apart from those listed above. If this is to be so, we shall inform you as soon as possible.

6. COST: In order to ensure that high quality result is achieved, our firm will make sure that all funds required for the purpose of meeting expenses of salaries and allowances of staffs shall be met promptly. We however seek your cooperation in the immediate payment of 75% of the agreed audit fee as soon as we are on site.

7. QUALITY CONTROL;

In the course of the audit, Superiors shall review work performed by junior officers before been inputted into the final accounts. All queries raised shall be investigated to conclusion. A management letter highlighting debt of work, showing areas of weakness in the system shall be one of the outputs of the audit assignment.

8. MATTERS TO CONSIDER;

In performing the audit of your company, we shall examine:

- A) The present organization structure.
- B) The accounting system of your company.
- C) Documents and report to produced.
- D) The system of operation of your company to ensure suitability.
- E) The accounting policies used in preparing the financial statements.
- F) The manual and computerized accounting records.
- G) The change in size of your organization (i .e new deports)
- H) The extent of reliance of the schedules of accounts presented to us.
- I) The internal control systems in operation.

9. AUDIT TESTS:

In producing a reliable audited financial statement, we intend to use the following tests;

- 1. Compliance test
- 2. Substantive test
- 2. Total control test.

These will be carried out using;

- a) Random Sampling Techniques
- b) Harsh Total Techniques
- c) Other relevant Sampling methods.

10. DURATION OF AUDIT:

Based on our previous experience on your job and with our knowledge of improvement of your accounting system and computerization, we do not expect that the job will exceed a period specified in our covering letter.

11. INFORMATION REQUIRED:

The following information shall be required for the purpose of carrying out the audit;

- 1. The General ledger
- 2. The Sales Books
- 3. The Cash Books
- 4. The Bank Books

5. The Petty Cash Books
6. The Payment Cash Books
7. The Payment Vouchers
8. The Sales Invoices
9. The Cheque Thumbs
10. The Schedule of Debtors
11. The Schedule of Creditors
12. The Fixed Assets Schedule
13. The Trial Balance
14. The Bank Reconciliation Statement
15. The Bank Statements
15. The Stock Schedule
17. The Staff Files

18. Other documents that may be of use to us for the purpose of carrying out the audit successfully.

12. OUTPUT:

At the end of the assignment, the following reports shall be produced for management:

- a) Management letter of weakness(s)
- b) Trading Account
- c) Profit and loss Account
- d) Balance Sheet
- e) Fund Flow Statement
- f) Profit and Loss
- Appropriation Account
- g) Value Added Statement
- h) Financial Summaries
- i) Ration Analysis
- j) Tax Computations