



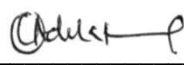
**NPF MICROFINANCE BANK PLC**

**RC. 220824**

**FIRST QUARTER UNAUDITED MANAGEMENT ACCOUNT  
31 MARCH 2025**

**STATEMENT OF FINANCIAL POSITION  
AS AT 28 MARCH 2025**

<i>In thousands of naira</i>	<b>Note</b>	<b>28-Mar-2025</b>	<b>31-Mar-2024</b>
<b>ASSETS</b>			
Cash and cash equivalents	16	29,462,690	20,572,824
Investment securities	19	3,583,663	1,378,877
Loans and advances to customers	18	29,275,170	21,496,005
Pledged assets	17	2,841,648	2,763,307
Other assets	20	950,236	807,848
Property and equipment	21	1,639,231	1,498,476
Intangible asset	22	872	171
<b>TOTAL ASSETS</b>		<b>67,753,510</b>	<b>48,517,508</b>
<b>LIABILITIES</b>			
Deposits from customers	23	44,986,055	27,905,411
Current tax liabilities	15(b)	1,403,876	196,730
Other liabilities	25	9,028,504	5,429,256
Borrowings	24	382,991	1,672,543
Deferred tax liabilities	15(c)	66,638	124,730
<b>TOTAL LIABILITIES</b>		<b>55,868,063</b>	<b>35,328,670</b>
<b>CAPITAL AND RESERVES</b>			
Share capital	26	2,996,477	2,996,477
Share premium	27(a)	4,166,786	4,166,786
Retained earnings	27(b)	2,353,000	3,791,809
Fair value reserve	27(c)	(13,147)	21,288
Statutory reserve	27(d)	2,382,331	1,733,915
Regulatory risk reserve	27(e)	-	478,563
<b>TOTAL EQUITY</b>		<b>11,885,447</b>	<b>13,188,838</b>
<b>TOTAL LIABILITIES AND EQUITY</b>		<b>67,753,510</b>	<b>48,517,508</b>

Approved by:   
**Mrs. Olamide M. Akin-Balogun, FCA**  
 Chief Financial Officer FRC/2015/ICAN/00000011044

*The accompanying notes are an integral part of these financial statements.*

STATEMENT OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME  
FOR THE PERIOD ENDED 28 MARCH 2025

<i>In thousands of naira</i>	Note	28-Mar-2025	31-Mar-2024
Gross earnings		4,504,766	2,747,428
Interest income calculated using the effective interest method	8	3,933,010	2,510,929
Interest expense	9	(297,343)	(277,499)
<b>Net interest income</b>		<b>3,635,667</b>	<b>2,233,430</b>
Fee and commission income*	10	571,512	236,175
<b>Revenue</b>		<b>4,207,179</b>	<b>2,469,605</b>
Other income*	11	244	324
Net impairment loss on financial instruments	12	-	-
Personnel expenses	13	(1,170,289)	(666,921)
Other operating expenses*	14	(1,384,131)	(947,450)
Depreciation of property and equipment	21	(132,201)	(103,779)
Amortisation of intangible assets	22	(131)	(1,876)
<b>Profit before tax</b>		<b>1,520,671</b>	<b>749,903</b>
Income tax expense	15(a)	(545,536)	(187,476)
<b>Profit for the year</b>		<b>975,135</b>	<b>562,427</b>
<b>Other comprehensive loss</b>			
<b>Items that will not be reclassified to profit or loss</b>			
Equity investment at fair value through OCI	19(a)	-	-
<b>Other comprehensive loss for the year</b>		<b>-</b>	<b>-</b>
<b>TOTAL COMPREHENSIVE INCOME FOR THE YEAR</b>		<b>975,135</b>	<b>562,427</b>
Basic and diluted earnings per share (kobo)	32	<b>16</b>	<b>9</b>

*\*Refer to note 36 for changes to the presentation of the comparative figures*

*The accompanying notes are an integral part of these financial statements.*

STATEMENT OF CHANGES IN EQUITY  
FOR THE PERIOD ENDED 28 MARCH 2025

	Share Capital	Share Premium	Retained Earnings	Fair Value Reserve	Statutory Reserve	Risk Reserve	Total
<b>Balance at 1 January 2025</b>	2,996,477	4,166,786	2,312,835	(13,147)	2,382,331	-	11,845,282
<b>Total comprehensive income</b>							
Profit for the year	-	-	975,135	-	-	-	975,135
Audit adjustments			(934,970)				(934,970)
<b>Other comprehensive loss</b>							
Fair value reserve (FVOCI equity instruments):							
Equity investments at FVOCI - net change in fair value	-	-	-	-	-	-	-
Loss on derecognition of equity investments	-	-	-	-	-	-	-
<b>Total other comprehensive loss</b>	-	-	-	-	-	-	-
<b>Total comprehensive income</b>	-	-	975,135	-	-	-	975,135
Transfer to statutory reserve (see note 27(d))	-	-	-	-	-	-	-
Transfer from regulatory risk reserve (see note 6(c)(ii))	-	-	-	-	-	-	-
<b>Contributions by and distributions to equity holders</b>							
Dividend paid (see note 33)	-	-	-	-	-	-	-
Increase in share capital	-	-	-	-	-	-	-
<b>Total contributions and distributions</b>	-	-	-	-	-	-	-
<b>Balance at 28th February 2025</b>	2,996,477	4,166,786	2,353,000	(13,147)	2,382,331	-	11,885,447

## FOR THE YEAR ENDED 31 DECEMBER 2024

	Share Capital	Share Premium	Retained Earnings	Fair Value Reserve	Statutory Reserve	Risk Reserve	Total
<b>Balance at 1 January 2024</b>	2,996,477	4,166,786	1,851,312	(13,147)	1,988,772	-	10,990,200
<b>Total comprehensive income</b>							
Profit for the period	-	-	1,574,237	-	-	-	1,574,237
Audit adjustments	-	-	-	-	-	-	-
<b>Other comprehensive loss</b>							
Fair value reserve (FVOCI equity instruments):							
Equity investments at FVOCI - net change in fair value	-	-	-	-	-	-	-
Loss on derecognition of equity investments	-	-	-	-	-	-	-
<b>Total other comprehensive loss</b>	-	-	-	-	-	-	-
<b>Total comprehensive income</b>	-	-	1,574,237	-	-	-	1,574,237
Transfer to statutory reserve (see note 27(d))	-	-	(393,559)	-	393,559	-	-
Transfer to regulatory risk reserve (see note 6(c)(ii))	-	-	-	-	-	-	-
<b>Contributions by and distributions to equity holders</b>							
Dividend paid (see note 33)	-	-	(719,155)	-	-	-	(719,155)
Increase in share capital	-	-	-	-	-	-	-
<b>Total contributions and distributions</b>	-	-	(719,155)	-	-	-	(719,155)
<b>Balance at 31 December 2024</b>	2,996,477	4,166,786	2,312,835	(13,147)	2,382,331	-	11,845,282

The accompanying notes are an integral part of these financial statements.

**STATEMENT OF CASH FLOWS**  
FOR THE PERIOD ENDED 28 MARCH 2025

<i>In thousands of naira</i>	<b>Note</b>	<b>28-Mar-2025</b>	<b>31-Mar-2024</b>
<b>Cash flows from operating activities</b>			
Profit before tax		1,520,671	749,903
<i>Adjustments for:</i>			
Depreciation of property and equipment	21	132,201	103,779
Amortization of intangible assets	22	131	1,876
Net impairment loss on loans and advances to customers	12	-	-
Net impairment loss on pledged assets	12	-	-
Net impairment loss on other assets	12	-	-
Net impairment (gain)/ loss on investment securities	12	-	-
Interest income	8	(3,933,010)	(2,510,929)
Payment of interest on lease liability	25(d)(i)	(9,142)	(2,630)
Interest expense	9	297,343	277,499
Profit on sale of property and equipment	11	(244)	324
Gain on derecognition of lease liability	11	-	-
		(1,992,050)	(1,380,178)
<i>Changes in:</i>			
- pledged assets	34(b)	(101,047)	(1,009,977)
- loans and advances to customers	34(c)	(3,205,930)	1,009,134
- other assets	34(d)	(1,170,567)	(4,009,403)
- deposits from customers	34(e)	2,911,230	954,281
- other liabilities	34(f)	(4,176,760)	1,800,198
		(7,735,124)	(2,635,945)
Interest received	34(h)	3,942,346	2,519,242
Interest paid*	34(i)	(302,936)	(275,135)
Tax paid	15(b)	(3)	(930,968)
VAT paid	25	(9,224)	4,509,079
<b>Net cash generated/ (used in) from operating activities</b>		<b>(4,104,941)</b>	<b>3,186,273</b>
<b>Cash flows from investing activities</b>			
Acquisition of property and equipment	34(a)(ii)	(3,526)	(73,946)
Acquisition of intangible assets	22	-	-
Payment for new leased properties*	34(j)	1,960	140,237
Proceeds from disposal of property and equipment	34(a)(i)	2,204	3,276
Dividends received	11	-	-
<b>Net cash flows used in investing activities</b>		<b>638</b>	<b>69,567</b>
<b>Cash flows from financing activities</b>			
Repayment of principal on borrowings	24(b)	(204,500)	(290,000)
Repayment of interest on borrowings	24(b)	-	(78,919)
Payment of principal on lease liability	25(d)(i)	(66,370)	(49,261)
Additions to borrowings	24(b)	-	-
Dividend paid	33	-	-
Proceeds from increase in share capital	26	-	-
Addition to share premium	27(a)	-	-
<b>Net cash (used in)/ generated from financing activities</b>		<b>(270,870)</b>	<b>(418,180)</b>
<b>Net increase in cash and cash equivalents</b>		<b>(4,375,173)</b>	<b>2,837,012</b>
Cash and cash equivalents as at 1 January		33,837,861	17,735,812
<b>Cash and cash equivalents as at 28 March</b>	16	<b>29,462,688</b>	<b>20,572,824</b>

The accompanying notes are an integral part of these financial statements.

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**NOTES TO THE FINANCIAL STATEMENTS**  
**FOR THE PERIOD ENDED 28 MARCH 2025**

**8 Interest income**

<i>In thousands of naira</i>	<b>28-Mar-2025</b>	<b>31-Mar-2024</b>	<b>Budgeted '31-Mar-2025</b>	<b>Audited 31-Dec-2024</b>
Loans and advances	3,017,217	2,258,555	3,252,554	10,007,858
Government Securities	0	-	25,609	78,797
Treasury bills	172,517	42,128	86,484	266,156
Call accounts	743,276	210,246	383,866	1,042,145
Pledged assets	-	-	-	-
Money market placement	-	-	-	79,115.00
<b>Total interest income calculated using the effective interest method</b>	<b>3,933,010</b>	<b>2,510,929</b>	<b>3,748,512</b>	<b>11,474,071</b>

**9 Interest expense**

<i>In thousands of naira</i>	<b>28-Mar-2025</b>	<b>31-Mar-2024</b>	<b>Budgeted '31-Mar-2025</b>	<b>Audited 31-Dec-2024</b>
Term deposits	234,398	246,201	284,914	740,417
Current deposits	20,624	15,763	22,790	52,554
Savings deposits	16,103	11,705	15,397	54,574
Borrowings (see note 24(b))	23,833	0	3,773	232,972
Lease liabilities (see note 25(c))	2,385	3,830	5,517	20,144
<b>Total interest expense</b>	<b>297,343</b>	<b>277,499</b>	<b>332,392</b>	<b>1,100,661</b>

Total interest expense reported above relates to financial liabilities measured at amortised cost using the applicable effective interest rates.

**10 Fees and commission income\***

<i>In thousands of naira</i>	<b>28-Mar-2025</b>	<b>31-Mar-2024</b>	<b>Budgeted '31-Mar-2025</b>	<b>Audited 31-Dec-2024</b>
Credit-related fees and commission	348,465	145,914	274,425	843,383
Deposit-related fees and commission	223,047	90,261	204,553	621,530
	<b>571,512</b>	<b>236,175</b>	<b>478,979</b>	<b>1,464,913</b>

**(i) Disagregation of fee and commission income**

In the following table, fee and commission income from contracts with customers in the scope of IFRS 15 is disaggregated by major type of fees.

<i>In thousands of naira</i>	<b>28-Mar-2025</b>	<b>31-Mar-2024</b>	<b>Budgeted '31-Mar-2025</b>	<b>Audited 31-Dec-2024</b>
Loan management fee	94,557	48,416	81,818	251,157
Loan commitment fee	150,656	63,313	120,446	370,687
Insurance fee	89,277	29,545	62,571	192,031
Credit search fee	13,975	4,640	9,590	29,508
	<b>348,465</b>	<b>145,914</b>	<b>274,425</b>	<b>843,383</b>
Admin and management fee	123,924	31,215	84,860	261,248
Account maintenance fee	67,722	36,655	55,598	171,072
Service fees and charges (see (iii) below)***	31,401	22,391	64,095	189,210
	<b>223,047</b>	<b>90,261</b>	<b>204,553</b>	<b>621,530</b>
	<b>571,512</b>	<b>236,175</b>	<b>478,979</b>	<b>1,464,913</b>

\*\*\* The value presented as service fees and charges, credit-related fees and commission was reported in the prior year financial statements as part of "Other income". Considering the nature of the income (see note iii) and in line with the requirements of IAS 1.  
The fee and commission presented above relate to financial assets and liabilities measured at amortised cost. These figures excludes amounts incorporated in determining the effective interest rate on such financial assets and liabilities.

Loan management fee relates to fees for loan processing and fee on overdraft facilities granted to customers.

**NOTES TO THE FINANCIAL STATEMENTS**  
**FOR THE PERIOD ENDED 28 MARCH 2025**

**(ii) Performance obligation and revenue recognition policy**

Fee and commission income from contracts with customers is measured based on the consideration specified in a contract with a customer. The Bank recognises revenue when it transfers control over a service to a customer.

The following table provides information about the nature and timing of the satisfaction of performance obligations in contracts with customers, including significant payment terms, and the related revenue recognition policies.

For the accounting policy for fees and commissions in the scope of IFRS 9, see note 4(b).

Type of service	Nature and timing of satisfaction of performance obligations, including significant payment terms	Revenue recognition under IFRS 15
Retail and corporate banking service	The bank provides banking services to retail and corporate customers, including account management, provision of overdraft facilities and servicing fees. Fees for ongoing account management are charged to the customer's account on a monthly basis. The rates for the different class of accounts are set on an annual basis. Transaction-based fees for interchange and overdrafts are charged to the customer's account when the transaction takes place. Loan servicing fees are charged once when the transaction takes place.	Revenue from deposit related services are recognized overtime as the services are provided.  Revenue from credit related services are recognized at a point in time when the transaction takes place.

(iii) Service fees and charges include fees on customer requests such as issuance of letter of indebtedness, charges on issuance of drafts, seals, stamps, reference letters and signature confirmation letters. These are recognized at the point in time when the transaction takes place.

**11 Other income**

<i>In thousands of naira</i>	<b>28-Mar-2025</b>	<b>31-Mar-2024</b>	<b>Budgeted '31-Mar-2025</b>	<b>Audited 31-Dec-2024</b>
Profit on disposal of property and equipment	244	324	2,703	9,010
Dividend income	-	-	-	245.00
	<u>244</u>	<u>324</u>	<u>2,703</u>	<u>9,255</u>

**12 Impairment loss/(write-back) on financial instruments**

<i>In thousands of naira</i>	<b>28-Mar-2025</b>	<b>31-Mar-2024</b>	<b>Budgeted '31-Mar-2025</b>	<b>Audited 31-Dec-2024</b>
Impairment loss on loans and advances to customers (see note 18(c))	-	-	-	-
Impairment loss/(write-back) on investment securities at amortised cost	-	-	-	16,390
Impairment loss on other assets (see note 20(e))	-	-	-	-
Impairment loss on cash and cash equivalent (see note 16(b))	-	-	-	13,404
Impairment loss on pledged assets (see note 17(b))	-	-	-	87,593
	<u>-</u>	<u>-</u>	<u>-</u>	<u>63,298</u>

**NOTES TO THE FINANCIAL STATEMENTS**  
**FOR THE PERIOD ENDED 28 MARCH 2025**

**13 Personnel expenses**

<i>In thousands of naira</i>	<b>28-Mar-2025</b>	<b>31-Mar-2024</b>	<b>Budgeted '31-Mar-2025</b>	<b>Audited 31-Dec-2024</b>
Wages and salaries	1,101,359	637,639	1,177,772	4,421,225
Post-employment benefits:				
Defined contribution plan - pension cost	47,040	21,756	50,448	145,357
NSITF	0	7,526	57,575	-
Gratuity	21,890	-	-	-
	<u>1,170,289</u>	<u>666,921</u>	<u>1,285,794</u>	<u>4,566,582</u>

(b) Director's emolument

The remuneration paid to the executive and non-executive Directors of the Bank (excluding pension and certain allowances) was:

<i>In thousands of naira</i>	<b>28-Mar-2025</b>	<b>31-Mar-2024</b>	<b>Audited 31-Dec-2024</b>
Directors' fees	12,500	6,250	50,000
Sitting allowances	22,250	42,450	99,300
Other Directors' expenses	197,757	142,821	415,285
Total non-executive Directors' remuneration (see note 14(a))	<u>232,507</u>	<u>191,521</u>	<u>564,585</u>
Executive compensation (see note 28(b)(i))	<u>9,631</u>	<u>21,661</u>	<u>58,534</u>
	<u>242,138</u>	<u>213,182</u>	<u>623,119</u>



**NOTES TO THE FINANCIAL STATEMENTS**  
**FOR THE PERIOD ENDED 28 MARCH 2025**

**14 Other operating expenses**

<i>In thousands of naira</i>	<b>28-Mar-2025</b>	<b>31-Mar-2024</b>	<b>Budgeted '31-Mar-2025</b>	<b>Audited 31-Dec-2024</b>
Repairs and maintenance cost	213,010	122,179	148,161	534,415
Vehicle and generator running cost	85,112	106,844	114,731	379,277
Office expenses	73,501	68,202	93,501	297,146
Computer expenses	329,543	105,543	335,082	884,637
Travel expenses	17,558	35,664	56,788	190,394
AGM expenses	21,616	5,539	21,616	50,977
Year-end expenses	107,227	50,819	106,985	353,468
Directors' remuneration	232,507	191,521	183,949	564,585
Bank charges	9,591	7172	9,703	32,086
Marketing/publicity expenses	129,999	75,040	111,279	374,772
Professional fees	57,655	41,499	46,033	68,879
Subscription fees	8,227	6,833	4,014	13,270
Charges and levies	27,742	44,963	37,469	136,885
Insurance cost	26,986	16,662	27,909	83,177
NDIC premium	0	13,209	21,973	72,637
Electricity expenses	26,744	14,502	18,781	62,084
Recruitment expenses	2,382	1,604	15,198	58,507
Legal expenses	3,384	1,067	10,025	20,699
SMS alerts	0	21,715	18,410	60,859
Rent and rates	-	-	-	(1.00)
Audit fees (see note (i) below)	9,406	9,617	13,706	48,375
Corporate social responsibility	-	-	3,097	1,000.00
Donations	1,486	1,030	2,606	8,615
Loan recovery expenses	440	4	7	24
Fines/penalty	0	1,510	-	8,893
Stamp duties	10	106	38	126
Bad debts written off	-	-	-	983
Share listing expenses	5	4,586	11,140	5,561
Fraud, forgery and theft	0	20	48	160
	<b>1,384,131</b>	<b>947,450</b>	<b>1,412,248</b>	<b>4,312,490</b>

(i) The auditors of the Bank did not offer any other services apart from the statutory audit related activities during the period.

**15 Income taxes**

<i>In thousands of naira</i>	<b>28-Mar-2025</b>	<b>31-Mar-2024</b>	<b>Audited 31-Dec-2024</b>
<b>(a) Amounts recognized in profit or loss</b>			
<b>Current tax expense</b>			
Company income tax	545,536	187,476	727,456
Education tax	-	-	91,040
National Information Technology Development Agency (NITDA) levy	-	-	24,375
Nigeria Police Trust Fund (NPTF) levy	-	-	122
National Agency for Science and Engineering Infrastructure (NASENI) levy	-	-	6,094
	<b>545,536</b>	<b>187,476</b>	<b>849,087</b>
<b>Deferred tax expense</b>			
Origination and reversal of temporary differences (see note (c))	-	-	14,175
<b>Tax expense</b>	<b>545,536</b>	<b>187,476</b>	<b>863,262</b>
<b>(b) Movement in current tax liabilities</b>			
Balance at 1 January	858,343	940,222	676,470
Income tax expense (see note (a) above)	545,536	187,476	849,087
Tax paid	(3)	(930,968)	(667,214)
Balance at 31 January	<b>1,403,876</b>	<b>196,730</b>	<b>858,343</b>

**NOTES TO THE FINANCIAL STATEMENTS**  
**FOR THE PERIOD ENDED 28 MARCH 2025**

**(c) Movement in deferred tax balances**

**28 March 2025**

	Balance at 1 January	Recognized in profit or loss (see (a))	Recognized in OCI	Balance at 28 February
<i>In thousands of naira</i>				
Property and equipment	308,932	-	-	<b>308,932</b>
Impairment allowance	(288,507)	-	-	<b>(288,507)</b>
Others	46,213	-	-	<b>46,213</b>
<b>Deferred tax liabilities</b>	<b>66,638</b>	<b>-</b>	<b>-</b>	<b>66,638</b>

**31 December 2024**

	Balance at 1 January	Recognized in profit or loss (see (a))	Recognized in OCI	Balance at 31 December
<i>In thousands of naira</i>				
Property and equipment	235,908	73,024	-	<b>308,932</b>
Impairment allowance	(229,658)	(58,849)	-	<b>(288,507)</b>
Others	46,213	-	-	<b>46,213</b>
<b>Deferred tax liabilities</b>	<b>52,463</b>	<b>14,175</b>	<b>-</b>	<b>66,638</b>

**Deferred tax liabilities**

The Bank's deferred tax liabilities are attributable to the following:

	<b>28-Mar-2025</b>		<b>31-Dec-2024</b>	
<i>In thousands of naira</i>	<b>Gross amount</b>	<b>Tax effect</b>	<b>Gross amount</b>	<b>Tax effect</b>
Property and equipment	1,489,723	308,932	1,606,107	308,932
Impairment allowance	(223,727)	(288,507)	(223,727)	(288,507)
Others	48,467	46,213	42,501	46,213
	<b>1,314,462</b>	<b>66,638</b>	<b>1,424,881</b>	<b>66,638</b>

**(d) Reconciliation of effective tax rate**

*In thousands of naira*

	<b>28-Mar-2025</b>		<b>31-Dec-2024</b>	
	<b>%</b>	<b>1,520,671</b>	<b>%</b>	<b>2,437,499</b>
Profit before tax	92	476,980	30	731,250
Tax using the Bank's domestic tax rate	0	-	0	10,381
Non-deductible expenses	0	-	0	-
Tax-exempt items	3	49,472	4	91,040
Tertiary Education Tax	1	15,207	1	24,375
NITDA Levy	0	76	0	122
Nigeria Police Trust Fund (NPTF) levy	0	3,802	0	6,094
NASENI Levy	97	<b>545,537</b>	35	<b>863,262</b>

**16 Cash and cash equivalents**

	<b>28-Mar-2025</b>	<b>31-Mar-2024</b>	<b>Audited 31-Dec-2024</b>
<i>In thousands of naira</i>			
(a) Cash and cash equivalent comprise:			
<b>Cash on hand:</b>			
Cash on hand	157,951	133,199	112,183
<b>Held-to-maturity Treasury Bills:</b>			
Treasury Bills	60,607	94,790	60,607
	<b>218,558</b>	<b>227,989</b>	<b>172,790</b>
<b>Deposits with banks:</b>			
Current account balances with other banks	6,002,049	9,798,341	19,781,210
Money market placements	23,318,964	10,548,088	13,960,742
	<b>29,539,571</b>	<b>20,574,418</b>	<b>33,914,742</b>
<b>Cash and cash equivalents for cash flow purposes:</b>			
Impairment allowance (see note (b))	(76,881) -	1,594	(76,881)
<b>Cash and cash equivalents</b>	<b>29,462,690</b>	<b>20,572,824</b>	<b>33,837,861</b>

**NOTES TO THE FINANCIAL STATEMENTS**  
**FOR THE PERIOD ENDED 28 MARCH 2025**

(b) Movement in impairment allowance:

Balance at 1 January	76,881	1,594	63,477
Impairment loss (see note 12)	-	-	13,404
	<u>76,881</u>	<u>1,594</u>	<u>76,881</u>

Cash and cash equivalents comprise balances with less than three months' maturity from the date of acquisition, including cash-in-hand, deposits held at call with other banks, other short-term highly liquid investments with original maturities less than three months. The current balances with other banks also includes ATM working capital accounts and the suspense accounts used to manage settlement of ATM transactions with Sterling Bank to be refunded to the Head office by branches. For financial reporting purposes, the balances in the ATM related accounts were combined in order to have a net position.

**17 Pledged assets**

Pledged assets, initially recognised at fair value and subsequently measured at amortised cost, represent placements and Treasury Bills with banks that serve as collateral for the Bank's borrowings, use of NIBSS platform and ATM transactions as analysed below:

<i>In thousands of naira</i>			28-Mar-2025	31-Mar-2024	Audited 31-Dec-2024
<i>Underlying transaction</i>	<i>Counterparty</i>	<i>Asset description</i>			
DBN concessionary loan	Development Bank of Nigeri	Treasury Bills	727,371	533,965	696,600
NIBSS Platform	First Bank of Nigeria Plc	Fixed placement	-	1,225,203	0
NIBSS Platform	Zenith Bank Plc	Fixed placement	1,200,035	1,000,000	1,124,618
NIBSS Platform	Zenith Bank Plc	Fixed placement	1,002,319	-	1,002,319
ATM Transactions	Sterling Bank Plc	Call placement	20,000	20,000	20,000
NIBSS Platform	First Bank of Nigeria Plc	Fixed placement	-	-	-
			<u>2,949,725</u>	<u>2,779,168</u>	<u>2,843,537</u>
Impairment allowance (see note (b) below)			<u>(108,077)</u>	<u>(15,861)</u>	<u>(108,077)</u>
			<u>2,841,648</u>	<u>2,763,307</u>	<u>2,735,460</u>
Current			2,841,648	2,763,307	2,735,460
Non-current			-	-	-
			<u>2,841,648</u>	<u>2,763,307</u>	<u>2,735,460</u>

(b) Movement in impairment allowance:

Balance at 1 January	108,077	15,861	20,484
Impairment loss (see note 12)	-	-	87,593
	<u>108,077</u>	<u>15,861</u>	<u>108,077</u>

**18 Loans and advances to customers**

<i>In thousands of naira</i>		28-Mar-2025	31-Mar-2024	Audited 31-Dec-2024
(a) Loans and advances to customers comprise:				
Loan and advances to customers at amortised cost		29,275,170	21,496,005	25,528,160
		<u>29,275,170</u>	<u>21,496,005</u>	<u>25,528,160</u>
Current		24,670,039	15,224,925	21,525,046
Non-current		4,605,131	6,271,080	4,003,114
		<u>29,275,170</u>	<u>21,496,005</u>	<u>25,528,160</u>

(b) Loans and advances to customers at amortised cost:

<i>In thousands of naira</i>	28 March 2025		31 December 2024		
	Amount	Allowance	Amount	Gross Amount	ECL Allowance
Term loans	29,601,370	(253,862)	29,347,508	25,920,379	(253,862)
Overdrafts	1,064,251	(1,136,589)	(72,338)	1,002,743	(1,141,100)
	<u>30,665,621</u>	<u>(1,390,451)</u>	<u>29,275,170</u>	<u>26,923,122</u>	<u>(1,394,962)</u>
					<u>25,528,160</u>

**NOTES TO THE FINANCIAL STATEMENTS**  
**FOR THE PERIOD ENDED 28 MARCH 2025**

(c) Movement in allowances for impairment

	28 March 2025				31 December 2024			
<i>In thousands of naira</i>	12-month ECL	Lifetime ECL not credit impaired	Lifetime ECL credit impaired	Total	12-month ECL	Lifetime ECL not credit impaired	Lifetime ECL credit impaired	Total
Balance at the beginning of the year	(669,592)	384,620	1,477,625	1,192,653	(669,592)	384,620	1,477,625	1,192,653
Additional allowance during the year (see note 12)	-	-	-	-	-	-	-	-
Writeback/(writeoffs) during the year	-	-	-	197,798	-	-	-	-
Balance at the end of the year	(669,592)	384,620	1,477,625	1,390,451	(669,592)	384,620	1,477,625	1,192,653

**19 Investment securities**

Investment securities comprise:

(a) Investment securities measured at FVTOCI:

	28-Mar-2025	31-Mar-2024	Audited 31-Dec-2024
<i>Equity securities:</i>			
Listed equities	1,056	5,324	1,056
Unlisted equities	-	30,167	-
	1,056	35,491	1,056

The Bank has designated these equity investment securities at FVTOCI. They are held to be disposed off in the nearest future. The balance in unlisted equity investments have been fully impaired during the year ended 31 December 2024 (31 December 2023: Impaired), and there were no transfers to profit or loss account of any cumulative gain or loss within equity relating to these investments (31 December 2023: nil). The change in fair value on these investments were

	28-Mar-2025	31-Mar-2024	31-Dec-2024
<b>Balance at beginning of the year</b>			
Listed equities	1,056	5,324	1,056
Unlisted equities	-	30,167	0
	1,056	35,491	1,056
<b>Balance at end of the year</b>			
Listed equities	1,056	5,324	1,056
Unlisted equities	-	30,167	-
	1,056	35,491	1,056
Fair value gain/(loss)	-	-	-
Loss on derecognition of equity investments	-	-	-

(b) Investment securities at amortised cost

Treasury bills	3,062,980	843,605	3,383,007
ECL impairment	(16,470)	(219)	(16,470)
	3,046,510	843,386	3,366,537
Government Bond	536,097	500,000	517,110
<b>Total investment securities</b>	<b>3,583,663</b>	<b>1,378,877</b>	<b>3,884,703</b>
<b>Total investment securities for cashflow purpose</b>	<b>3,064,036</b>	<b>879,096</b>	<b>3,384,063</b>
Current	3,583,663	1,378,877	3,884,703
Non-current	-	-	-
	3,583,663	1,378,877	3,884,703

(c) Movement in impairment allowance

Balance at the beginning of the year	16,470	219	80
Impairment loss/(writeback) during the year (see note 12)	-	-	16,390
Balance at the end of the year	16,470	219	16,470

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**FOR THE PERIOD ENDED 28 MARCH 2025**

**20 Other assets**

<i>In thousands of naira</i>	<b>28-Mar-2025</b>	<b>31-Mar-2024</b>	<b>Audited 31-Dec-2024</b>
<i>Other financial assets:</i>			
Other receivables (see note (c) below)	18,259	410,282	772,279
Impairment allowance (see note (d) below)	(92,706)	(156,664)	(92,707)
	<u>(74,447)</u>	<u>253,618</u>	<u>679,572</u>
<i>Non financial assets:</i>			
Prepayments (see note (a) below)	466,989	386,302	72,120
Inventories (see note (b) below)	557,694	167,928	118,867
	<u>1,024,683</u>	<u>554,230</u>	<u>190,987</u>
	<u>950,236</u>	<u>807,848</u>	<u>870,559</u>
Current	950,236	762,660	870,559
Non-current	0	45,188	0
	<u>950,236</u>	<u>807,848</u>	<u>870,559</u>

(a) Prepayments comprise the following:

Prepaid insurance	72,709	50,442	42,825
Prepaid staff benefits	-	45,188	-1
Other prepaid expense (see note (i) below)	394,280	290,672	29,295
	<u>466,989</u>	<u>386,302</u>	<u>72,120</u>

(i) *Other prepaid expense comprise:*

Prepayment of computer maintenance cost	74,566	20,694	22,629
cost	319,714	269,978	6,666
	<u>394,280</u>	<u>290,672</u>	<u>29,295</u>

(b) Inventories comprise stock of debit cards, stock of credit cards, stock of cheques, books/journals/CDs, stock of office stationeries, stock of micr cheques and non micr cheques, assets under construction, deferred share issue cost.

<i>In thousands of naira</i>	<b>28-Mar-2025</b>	<b>31-Mar-2024</b>	<b>31-Dec-2024</b>
Stock (see note (i) below)	124,399	150,749	129,724
Assets under construction	433,295	17,179	-10,857
Deferred share issue cost	-	-	-
	<u>557,694</u>	<u>167,928</u>	<u>118,867</u>

(i) *The amount in stock comprise:*

	<b>28-Mar-2025</b>	<b>31-Mar-2024</b>	<b>31-Dec-2024</b>
Stock of cheques	372	90	396
Stock of office stationeries	14,456	20,485	15,401
Stock of micr cheques	26,108	26,127	26,108
Stock of non-micr cheques	33,896	39,927	35,466
Stock of ATM cards	19	16,441	4,787
Stock of credit cards	33,611	36,262	35,081
Stock of adhesive stamps	15,938	11,417	12,485
	<u>124,400</u>	<u>150,749</u>	<u>129,724</u>

(c) Other receivables includes staff cash advances and sundry debtors.

(d) Movement in impairment allowances:

<i>In thousands of naira</i>	<b>28-Mar-2025</b>	<b>31-Mar-2024</b>	<b>31-Dec-2024</b>
Balance at the beginning of the year	92,707	156,664	92,707
Impairment loss during the year	-	-	-
Balance at the end of the year	<u>92,707</u>	<u>156,664</u>	<u>92,707</u>

**NOTES TO THE FINANCIAL STATEMENTS**  
**FOR THE PERIOD ENDED 28 MARCH 2025**

**21 Property and Equipment**

*In thousands of naira*

	<b>Buildings</b>	<b>Freehold Land</b>	<b>Right-of-Use Asset</b>	<b>Furniture and Fittings</b>	<b>Motor Vehicles</b>	<b>Computer Equipment</b>	<b>Office Equipment</b>	<b>Total</b>
<b>Cost:</b>								
Balance as at 1 January 2024	510,775	52,118	395,322	247,415	821,613	726,845	461,004	3,215,091
Additions during the year	-	-	29,305	30,977	370,746	165,056	102,184	698,268
Disposals	-	-	(12,691)	(1,173)	(89,124)	(6,976)	(27,524)	(137,487)
Write-off	-	-	-	(727)	-	(670)	-	(1,397)
<b>Balance at 31 December 2024</b>	<b>510,775</b>	<b>52,118</b>	<b>411,936</b>	<b>276,493</b>	<b>1,103,235</b>	<b>884,255</b>	<b>535,664</b>	<b>3,774,475</b>
Balance as at 1 January 2025	510,775	52,118	411,936	276,493	1,103,235	884,255	535,664	3,774,475
Additions during the year	-	-	-	-	-	3,526	-	3,526
Disposals	-	-	(1,960)	-	-	(2,202)	-	(4,162)
Write-off	-	-	-	-	-	-	-	-
<b>Balance at 28 March 2025</b>	<b>510,775</b>	<b>52,118</b>	<b>409,976</b>	<b>276,493</b>	<b>1,103,235</b>	<b>885,579</b>	<b>535,664</b>	<b>3,773,838</b>
<b>Accumulated Depreciation:</b>								
Balance as at 1 January 2024	82,110	-	204,225	135,460	527,147	450,695	284,192	1,683,828
Charge for the year	10,355	-	63,644	36,221	136,781	149,752	69,912	466,665
Disposals	-	-	(19,693)	(1,173)	(89,124)	(6,976)	(27,524)	(144,489)
Write-off	-	-	-	(727)	-	(670)	-	(1,397)
<b>Balance at 31 December 2024</b>	<b>92,465</b>	<b>-</b>	<b>248,176</b>	<b>169,781</b>	<b>574,804</b>	<b>592,802</b>	<b>326,580</b>	<b>2,004,608</b>
Balance as at 1 January 2025	92,465	-	248,176	169,781	574,804	592,802	326,580	2,004,608
Charge for the year	2,589	-	12,291	8,928	48,649	42,022	17,722	132,201
Disposals	-	-	-	-	-	(2,202)	-	(2,202)
Write-off	-	-	-	-	-	-	-	-
<b>Balance at 28 March 2025</b>	<b>95,054</b>	<b>-</b>	<b>260,467</b>	<b>178,709</b>	<b>623,453</b>	<b>632,621</b>	<b>344,302</b>	<b>2,134,607</b>
Carrying amount as at 1 January 2024	428,665	52,118	191,097	111,955	294,466	276,150	176,812	1,531,263
Carrying amount: 31 December 2024	418,310	52,118	163,760	106,711	528,432	291,454	209,083	1,769,867
Carrying amount: 28 March 2025	415,721	52,118	149,509	97,783	479,782	252,958	191,362	1,639,231

- There was no impairment loss on all classes property and equipment during the year (31 December 2024: Nil).

- There were no property and equipment pledged as securities for liabilities (31 December 2024: Nil).

- There were no contractual commitments for the acquisition of property and equipment (31 December 2024: Nil).

On 1 January 2019, following the adoption of IFRS 16, the Bank recognises right-of-use assets for leases of branch premises and has presented right-of-use assets within 'property and equipment' – i.e. the same line item in which it presents underlying assets of the same nature that it owns.

**22 Intangible asset**

*In thousands of naira*

	<b>28-Mar-2025</b>	<b>31-Mar-2024</b>	<b>Audited 31-Dec-2024</b>
Computer software			
<b>Cost:</b>			
Balance at beginning of the year	96,062	96,062	96,062
Addition during the year	-	-	-
<b>Balance at end of the year</b>	<b>96,062</b>	<b>96,062</b>	<b>96,062</b>
<b>Accumulated Amortisation:</b>			
Balance at start of the year	95,059	94,015	94,015
Charge for the year	131	1,876	1,044
<b>Balance at end of the year</b>	<b>95,190</b>	<b>95,891</b>	<b>95,059</b>
<b>Carrying amount at end of the year</b>	<b>872</b>	<b>171</b>	<b>1,003</b>

- All intangible assets are non current. Intangible assets of the Bank have finite useful life and are amortised over 3 years.

- The Bank does not have internally generated intangible assets.

**NOTES TO THE FINANCIAL STATEMENTS**  
**FOR THE PERIOD ENDED 28 MARCH 2025**

**23 Deposits from customers**

<i>In thousands of naira</i>	<b>28-Mar-2025</b>	<b>31-Mar-2024</b>	<b>Audited 31-Dec-2024</b>
Current deposits	26,832,589	16,404,754	27,119,227
Savings deposits	7,538,670	6,045,947	6,917,061
Term deposits	8,166,834	5,050,398	5,575,006
Sundry deposits	2,447,962	404,312	2,447,961
	<b>44,986,055</b>	<b>27,905,411</b>	<b>42,059,255</b>

**24 Borrowings**

<i>In thousands of naira</i>	<b>28-Mar-2025</b>	<b>31-Mar-2024</b>	<b>Audited 31-Dec-2024</b>
(a) Borrowings comprise:			
DBN concessionary loan (see note (i) below)	382,991	1,672,543	572,483
CBN housing microfinance loan	-	-	-
	<b>382,991</b>	<b>1,672,543</b>	<b>572,483</b>

- (i) The Bank obtained the following Development Bank of Nigeria (DBN) loans for on-lending to micro, small and medium enterprises to grow their businesses.

<b>Date facility was obtained</b>	<b>Amount (₦'million)</b>	<b>Outstanding Amount (₦'million) 28- Mar-2025</b>	<b>Outstanding Amount (₦'million) 31-Dec-2024</b>	<b>Rate (%)</b>	<b>Tenor</b>
10 August 2022	1,000	-	-	14.00	2 years
29 September 2022	400	-	-	14.50	2 years
29 November 2022	450	-	-	17.50	2 years
04 August 2023	500	84	187	18.50	2 years
19 September 2023	1,000	299	385	18.50	2 years
	<b>5,575</b>	<b>383</b>	<b>572</b>		

The Bank has not had any defaults of principal or interest or other breaches with respect to the loan facilities as at year end 28 February 2025.

- (b) The movement in borrowings during the YEAR was as follows:

<i>In thousands of naira</i>	<b>28-Mar-2025</b>	<b>31-Mar-2024</b>	<b>31-Dec-2024</b>
Balance, beginning of the year	572,483	2,041,462	2,065,020
Additions during the year	-	-	-
Interest accrued during the year (see note 9)	15,008	-	259,960
Interest paid during the year	-	(78,919)	(252,496)
Principal repayment during the year	(204,500)	(290,000)	(1,500,000)
Balance at period end	<b>382,991</b>	<b>1,672,543</b>	<b>572,483</b>
Total repayment of borrowings (for cashflow)	<b>(204,500)</b>	<b>(368,919)</b>	<b>(1,752,496)</b>

**NOTES TO THE FINANCIAL STATEMENTS**  
**FOR THE PERIOD ENDED 28 MARCH 2025**

**25 Other liabilities**

<i>In thousands of naira</i>	<b>28-Mar-2025</b>	<b>31-Mar-2024</b>	<b>Audited 31-Dec-2024</b>
<i>Financial liabilities:</i>			
Accounts payable	6,212	4,571	5,845
Productivity bonus (see note (a))	915,090	5,266	902,116
Sundry creditors (see note (b))	135,672	260,117	241,844
Accruals	441,755	85,873	341,721
Settlement accounts (see note (c))	6,188,133	8,913,862	10,980,290
Other payables	1,169,102	549,971	534,342
Unearned income	783.00	783	783
Deposit for shares	388	(55,280)	388
	<u>8,857,135</u>	<u>9,765,163</u>	<u>13,007,329</u>
Lease liability (see note (d))	101,914	121,481	122,262
<i>Non-financial liabilities:</i>			
Withholding tax payable	60,231	51,691	78,532
VAT payable	9,224	-4,509,079	17,489
	<u>9,028,504</u>	<u>5,429,256</u>	<u>13,225,612</u>
Current	8,926,590	2,451,813	13,103,350
Non-current	101,914	137,506	122,262
	<u>9,028,504</u>	<u>5,429,256</u>	<u>13,225,612</u>

- (a) This amounts represents accrual made at the end of the year for payment of productivity bonus to employees of the Bank. It is linked to the performance of the Bank.
- (b) This amount represents provision for leave allowance to staff and profit sharing unpaid as at year end.
- (c) These amounts comprise the transactions of the Bank's customers performed through the various e-channels but were yet to be settled as at year end.