United Capital

UNITED CAPITAL PLC

UNAUDITED CONSOLIDATED AND SEPARATE FINANCIAL STATEMENTS
FOR THE PERIOD ENDED 30 SEPTEMBER 2024

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CORPORATE INFORMATION

DIRECTORS:

Chika Mordi	Chairman (Non Executive Director)
Peter Ashade	Group Chief Executive Officer
Sunny Anene	Deputy Group Chief Executive Officer
Ayodeji Adigun	Group Executive Director (Appointed 25th April 2023)
Emmanuel N. Nnorom	Non Executive Director
Dipo Fatokun	Independent Non Executive Director
Leke Ogunlewe	Non-Executive Director
Sam Nwanze	Non-Executive Director (Appointed 24th February 2023)
Chiugo Ndubisi	Non-Executive Director (Appointed 24th February 2023)
Uche Ike	Non-Executive Director (Appointed 13th June 2023)
Sonny Iroche	Independent Non Executive Director (Resigned 30th June 2023)
Sir Stephen Nwadiuko	Independent Non Executive Director (Resigned 30th June 2023)
Mrs. Rose Nat Eshiett	Independent Non Executive Director (Appointed 8th February 2024)

EXECUTIVE MANAGEMENT:

Peter Ashade	Group Chief Executive Officer
Sunny Anene	Deputy Group Chief Executive Officer
Ayodeji Adigun	Group Executive Director/Chief Operating Officer
Gbadebo Adenrele	Managing Director, United Capital Investment Banking
Bawo Oritshajafor	Managing Director, United Capital Securities Limited
Odiri Oginni	Managing Director, United Capital Asset Management Limited
Micheal Abiodun-Thomas	Managing Director, United Capital Trustees Limited(Appointed 2nd January 2024)
Shedrack Onakpoma	Group Chief Finance Officer
Leo Okafor	Group Company Secretary/General Counsel

RC No. RC444999

FRC No. FRC/2013/00000000001976

REGISTERED OFFICE:
3rd & 4th Floor
Afriland Towers,
97/105 Broad Street,
Lagos Island,
Lagos, Nigeria

BANKERS
United Bank for Africa Plc
57, Marina,
Lagos Island,
Lagos.

AUDITORS:
PricewaterhouseCoopers
5B Water Corporation Road
Landmark Towers, Victoria Island
Lagos, Nigeria

STATEMENT OF DIRECTORS RESPONSIBILITY

The Companies and Allied Matters Act requires the Directors to prepare financial statements for each financial period that give a true and fair view of the state of financial affairs of the Group at the end of the period and of its profit or loss. The responsibilities include ensuring that the Group:

- keeps proper accounting records that disclose, with reasonable accuracy, the financial position of the Group and comply with the requirements of the Companies and Allied Matters Act 2020;
- establishes adequate internal controls to safeguard its assets and to prevent and detect fraud and other irregularities; and
- prepares its financial statements using suitable accounting policies supported by reasonable and prudent judgements and estimates, and are consistently applied.

a The Directors are responsible for the financial statements, which have been prepared using appropriate accounting policies supported by reasonable and prudent judgements and estimates, in conformity with International Financial Reporting Standards as issued by the International Accounting Standards Board, and the requirements of the Financial Reporting Council of Nigeria Act and the Companies and Allied Matters Act.

b The Directors are of the opinion that the financial statements give a true and fair view of the state of the financial affairs of the Group and of its profit.

c The Directors further accept responsibility for the maintenance of accounting records that may be relied upon in the preparation of financial statements, as well as adequate systems of internal financial control.

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

Chika Mordi
Chairman
FRC/2014/IODN/00000006667

Peter Ashade
Group Chief Executive Officer
FRC/2013/ICAN/00000002719

STATEMENT OF CORPORATE RESPOSIBILITY

Pursuant to Section 405 of the Companies and Allied Matters Act, 2020, we confirm that we have reviewed the Audited Financial Statements of UNITED CAPITAL PLC (“The Group ”) for the period ended June 30, 2024.

We acknowledge our responsibility for establishing and maintaining internal controls within UNITED CAPITAL PLC and have designed such internal controls to ensure that material information relating to the Group is made known to us by other officers of the Group, particularly during the period in which the Audited Financial Statements were prepared.

We have evaluated the effectiveness of the Group’s internal controls within 90 days prior to the date on our audited financial statements, and certify that the Group’s internal controls are effective as of that date.

We also confirm that the Group’s Auditors and Audit Committee have been informed about the following:

- that there are no significant deficiencies in the design or operation of internal controls which could adversely affect the Group’s ability to record, process, summarise and report financial data, and has identified for the Group’s Auditors any deficiency in internal controls, and
- that there are no fraud that involves management or other employees who have a significant role in the Group’s internal control;

During the period, there were no significant changes in internal controls or in other factors that could significantly affect internal controls subsequent to the date of our evaluation, including any corrective actions with regard to significant deficiencies and material weaknesses.

We hereby certify that based on our knowledge, the Financial Statements do not contain any untrue statement of material fact or material omission that may make the Financial Statements misleading and the Financial Statements fairly presents in all material respects the financial condition and results of operations of the Group and Company for the period ended June 30, 2024.

On behalf of the Directors of the Group

Chika Mordi
Chairman
FRC/2014/IODN/00000006667

Peter Ashade
Group Chief Executive Officer
FRC/2013/ICAN/00000002719

1 Legal and Regulatory Risk Management

(a) Regulatory Provision

Regulatory risk is the risk arising from a change in regulation in any legal, taxation and accounting pronouncement or specific industry regulations that pertain to the business of the Company and the Group. The Securities Business is subject to the extensive regulation which includes the SEC 2007 Rules and other Guidelines issued by the regulator. Violation of applicable laws or regulations could result in fines, temporary permanent prohibition of the engagement in certain activities, reputational harm and related client termination, suspension of personal or revocation of their licenses, or other sanctions, which could have material adverse effect of the Company's reputation, business, result of operations or financial condition and cause a decline in earnings. In order to actively manage these risks, the Company via its internal control and compliance unit engages in periodic assessments and review ensuring adherence to regulatory provisions at all times.

Regulatory Capital Risk

Regulatory capital risk is the risk that the entities within the United Capital Group will not have sufficient capital to meet either minimum regulatory or internal amount. The Securities and Exchange Commission sets and monitors capital requirement for all Investment, Registrar, Trust and Security Management Companies in Nigeria. The Securities and Exchange Commission prescribes the minimum capital requirement for asset management companies operating within Nigeria at N152m. Trustees business has a minimum capital of N300m Securities Business has a minimum capital base of N300m and Investment banking business has N200m as the minimum capital. As at the reporting date, the minimum capital requirement as set by the regulators have been met and the shareholders' funds are far in excess of the minimum capital requirement.

(b) Legal Risk Assessement

Legal risk is defined as the risk of loss due to defensive contractual arrangement, legal liability (both criminal and Civil) incurred during operations by the inability of the organization to enforce its rights, or by failure to address identified concerns to the appropriate authorities where changes in the law are proposed. The Company manages this risk by monitoring new legislation, creation of awareness of legislation amongst employee, identification of significant legal risks as well as assessing the potential impact of theses. Legal risk management in the Company is also being enhanced by appropriate product risk review and management of contractual obligations via well documented Service Level Agreement and other contractual documents. The Company's legal matters are handled by the Company's secretary and legal department.

2 Operational Risk Management

Operational risk is the risk of loss resulting from inadequate or failed processes or systems, human factors or external events.

Operational risk is inherent in each of the Group's businesses and support activities. Operational risk can manifest itself in various ways, including errors, fraudulent acts, business interruptions, inappropriate behaviour of employees, or vendors that do not perform in accordance with their arrangements. These events could result in financial losses, including litigation and regulatory fines, as well as other damage to the Group, including reputational harm.

To monitor and control operational risk, the Group maintains an overall framework that includes strong oversight and governance, comprehensive policies and processes, consistent practices across the lines of business, and enterprise risk management tools intended to provide a sound and well controlled operational environment. The framework includes:

· Ownership of the risk by the businesses and functional areas
· Monitoring and validation by internal control officers
· Oversight by independent risk management
· Independent review by Internal Audit

The goal is to keep operational risk at appropriate levels, in light of the Group's financial strength, the characteristics of its businesses, the markets in which it operates, and the competitive and regulatory environment to which it is subject.

In order to strengthen focus on the Group's control environment and drive consistent practices across businesses and functional areas, the Group established a group shared service operational platform in 2021. Critical to the effectiveness, efficiency and stability of this operating environment is the deployment and implementation of suitable technology leveraging an Enterprise Resource Platform. In addition, the Group has invested in the development of business continuity plans, systems and capabilities to ensure resilience and stability of our business operations in the face of unforeseen disruptions.

The Group's approach to operational risk management is intended to identify potential issues and mitigate losses by supplementing traditional control-based approaches to operational risk with risk measures, tools and disciplines that are risk-specific, consistently applied and utilized group-wide. Key themes are transparency of information, escalation of key issues and accountability for issue resolution. The Group has a process for monitoring operational risk event data, which permits analysis of errors and losses as well as trends. Such analysis, performed both at a line of business level and by risk-event type, enables identification of the causes associated with risk events faced by the businesses.

Internal Audit utilizes a risk-based program of audit coverage to provide an independent assessment of the design and effectiveness of key controls over the Group's operations, regulatory compliance and reporting. This includes reviewing the operational risk framework, the effectiveness of the internal control environment, and the loss data-collection and reporting activities.

Business and Strategic risks are governed by the group executive committee - which is ultimately responsible for managing the costs and revenues of the Group, and the board.

2 Financial crime control

Financial crime includes fraud, money laundering, violent crime and misconduct by staff, customers, suppliers, business partners, stakeholders and third parties. The Group will not condone any instance of financial crime and where these instances arise, the Group takes timely and appropriate remedial action.

Financial crime control is defined as the prevention and detection of, and response to, all financial crime in order to mitigate economic loss, reputational risk and regulatory sanction. This function is anchored by the Group's compliance, operations, internal control and internal audit functions.

3 Reputational Risk

Reputational risk results from damage to the Group's image which may impair its ability to retain and generate business. Such damage may result in a breakdown of trust, confidence or business relationships.

Safeguarding the Group's reputation is of utmost importance. Each business line, legal entity or support function executive is responsible for identifying, assessing and determining all reputational risks that may arise within their respective areas of business. The impact of such risks is considered alongside financial or other impacts.

Matters identified as a reputational risk to the Group are reported to the group chief executive officer and head, audit and business assurance; if required, the matter will be escalated to group executive committee.

Should a risk event occur, the Group's crisis management processes are designed to minimize the reputational impact of the event. This includes ensuring that the Group's perspective is fairly represented.

4 Capital Management

The Group's capital management approach is driven by its strategic and organizational requirements, taking into account the regulatory and commercial environment in which it operates. It is the Group's policy to maintain a strong capital base to support the development of its business and to meet regulatory capital requirements at all times. Capital management practices are designed to ensure that the group and its legal entities are capitalized in line with the risk profile, economic capital needs and target ratios approved by the board. Capital is managed under a seven-year sustainability framework which ensures the adequacy of regulatory capital despite seven consecutive years of allocated economic capital depletion.

Through its corporate governance processes, the Group maintains discipline over its investment decisions and where it allocates its capital, seeking to ensure that returns on investment are appropriate after taking account of capital costs.

The Group's strategy is to allocate capital to businesses based on their economic profit generation and, within this process, regulatory and economic capital requirements and the cost of capital are key factors.

The Group's capital is divided into two tiers:

· Tier 1 capital: core equity tier one capital including ordinary shares, statutory reserve, share premium and general reserve.
· Tier 2 capital: qualifying subordinated loan capital, preference shares, collective impairment allowances, and unrealized gains arising on the fair valuation of equity instruments through OCI.

	September 2024	December 2023
Tier 1 capital	**N'000**	**N'000**
Share capital	3,000,000	3,000,000
Share premium	665,011	683,611
Retained earnings	31,518,196	31,733,315
Total qualifying for Tier 1 capital	**35,183,207**	**35,416,926**
Tier 2 capital		
Fair value reserve	79,847,365	55,296,499
Other borrowings	320,207,878	179,844,249
Total qualifying for Tier 2 capital	**400,055,243**	**235,140,748**
Total regulatory capital	**435,238,450**	**270,557,674**

For The Period Ended 30 September 2024		Group				Company			
	Notes	9 Months 30 September 2024 =N=' 000	9 Months 30 September 2023 =N=' 000	3 Months 30 September 2024 =N=' 000	3 Months 30 September 2023 =N=' 000	9 Months 30 September 2024 =N=' 000	9 Months 30 September 2023 =N=' 000	3 Months 30 September 2024 =N=' 000	3 Months 30 September 2023 =N=' 000
Gross Earnings		**28,165,367**	**17,507,977**	**13,017,528**	**6,493,557**	**9,910,811**	**2,752,256**	**7,946,407**	**946,987**
Investment income	4	8,416,338	8,947,859	3,723,655	3,985,286	726,615	650,805	165,961	(69,957)
Fee and commission income	5	10,509,309	5,744,883	4,200,699	2,072,330	2,116,057	1,026,741	1,037,101	420,298
Net trading income	6	3,414,109	1,345,971	1,651,412	723,372	-	-	-	-
Net operating income		**22,339,756**	**16,038,713**	**9,575,767**	**6,780,988**	**2,842,672**	**1,677,546**	**1,203,061**	**350,342**
Other income	7	6,256,422	941,571	4,275,794	(187,338)	2,250,488	777,017	2,211,690	574,937
Dividend income from subsidiaries	18	-	-	-	-	5,040,000	-	5,040,000	-
Net gain/(loss) on financial assets at fair value through profit or loss	8	(430,811)	527,692	(834,033)	(100,092)	(222,349)	297,693	(508,344)	21,708
Total Revenue		**28,165,367**	**17,507,977**	**13,017,528**	**6,493,557**	**9,910,811**	**2,752,256**	**7,946,407**	**946,987**
Personnel expenses	9	(3,642,078)	(2,152,405)	(1,354,107)	(804,589)	(739,321)	(491,215)	(266,665)	(62,707)
Other operating expenses	10	(7,734,703)	(4,866,583)	(3,066,554)	(1,823,913)	(792,378)	(865,269)	(317,327)	(374,021)
Depreciation of property and equipment	11	(143,665)	(145,217)	(55,891)	(48,246)	(112,535)	(113,390)	(40,833)	(36,005)
Amortisation of intangible & right of use assets	11	(191,980)	(98,312)	(117,142)	(35,023)	(188,868)	(91,320)	(116,373)	(29,623)
Impairment for credit losses	12	569,172	(1,000,096)	117,590	194,699	236,324	41,617	(35,017)	107,652
Total Expenses		**(11,143,255)**	**(8,262,613)**	**(4,476,104)**	**(2,517,072)**	**(1,596,777)**	**(1,519,577)**	**(776,215)**	**(394,703)**
Operating profit before income tax		**17,022,112**	**9,245,364**	**8,541,423**	**3,976,486**	**8,314,034**	**1,232,679**	**7,170,192**	**552,283**
Share of accumulated profit of associates	22	1,708,996	474,662	1,132,133	200,128	-	-	-	-
Profit before income tax		**18,731,108**	**9,720,026**	**9,673,556**	**4,176,613**	**8,314,034**	**1,232,679**	**7,170,192**	**552,283**
Income tax expense	13	(2,746,228)	(1,249,775)	(1,425,569)	(395,614)	(530,394)	(197,229)	(345,091)	(88,366)
Profit for the period		**15,984,881**	**8,470,251**	**8,247,987**	**3,780,999**	**7,783,641**	**1,035,450**	**6,825,101**	**463,918**
Other comprehensive income, net of income tax									
Items that will not be reclassified subsequently to profit or loss									
Fair value gain on investments in equity instruments measured at FVTOCI (net of tax)	33.1	19,904,190	27,581,912	(7,734,861)	8,415,201	6,330,345	6,721,541	(6,311,064)	-
Items that may be reclassified subsequently to profit or loss									
Fair value gain on investments in debt instruments measured at FVTOCI (net of tax)	33.2	(902,010)	1,174,940	(317,199)	482,565	-	-	-	-
Other comprehensive income for the period, net of taxes		**19,002,180**	**28,756,853**	**(8,052,060)**	**8,897,766**	**6,330,345**	**6,721,541**	**(6,311,064)**	**-**
Total comprehensive income for the period		**34,987,061**	**37,227,104**	**195,927**	**12,678,765**	**14,113,985**	**7,756,991**	**514,036**	**463,918**
Profit for the period attributable to:									
Equity holders of the Company		**15,984,881**	**8,470,251**	**8,247,987**	**3,780,999**	**7,783,641**	**1,035,450**	**6,825,101**	**463,918**
Total comprehensive income attributable to:									
Equity holders of the Company		**34,987,061**	**37,227,104**	**195,927**	**12,678,765**	**14,113,985**	**7,756,991**	**514,036**	**463,918**
Earnings per share-basic (kobo)	14	355	188	550	252	173	23	455	31
Earnings per share-diluted (kobo)	14	355	188	550	252	173	23	455	31

The accompaning notes form an integral part of these financial statements.

CONSOLIDATED AND SEPARATE STATEMENTS OF FINANCIAL POSITION

As at 30 September 2024	Group		Company	
	30 September 2024 =N=' 000	31 December 2023 =N=' 000	30 September 2024 =N=' 000	31 December 2023 =N=' 000
ASSETS				
Cash and cash equivalents	434,828,394	145,255,523	66,760,826	12,683,441
Investment securities	623,479,065	693,984,483	141,010,517	150,008,248
Trade and other receivables	195,876,900	85,463,551	173,481,699	83,793,521
Dividend receivable from subsidiaries	-	-	-	6,309,000
Right of use assets	326,386	94,692	326,386	94,692
Intangible assets	829,315	188,615	795,809	151,997
Investments in subsidiaries	-	-	2,101,000	1,101,000
Investments in associates	7,014,784	5,305,788	4,500,000	4,500,000
Property and equipment	1,484,527	1,253,484	1,277,281	1,168,589
Deferred tax assets	402,044	402,044	-	-
TOTAL ASSETS	**1,264,241,416**	**931,948,180**	**390,253,519**	**259,810,488**
LIABILITIES				
Managed funds	768,050,377	600,106,217	-	-
Borrowed funds	320,207,878	200,822,968	313,824,656	199,132,509
Other liabilities	49,037,988	27,782,946	31,418,731	15,148,590
Defined benefit obligations	378,388	365,768	253,246	253,246
Current tax liabilities	2,330,161	2,950,806	1,156,167	1,435,398
Deferred tax liabilities	9,206,051	9,206,051	5,122,483	5,122,483
TOTAL LIABILITIES	**1,149,210,844**	**841,234,755**	**351,775,283**	**221,092,226**
SHAREHOLDERS FUND				
Share capital	3,000,000	3,000,000	3,000,000	3,000,000
Share premium	665,011	683,611	665,011	683,611
Retained earnings	31,518,196	31,733,315	9,836,994	18,253,353
Fair value reserves	79,847,365	55,296,499	24,976,231	16,781,298
TOTAL SHAREHOLDERS FUND	**115,030,572**	**90,713,425**	**38,478,236**	**38,718,262**
TOTAL LIABILITIES AND SHAREHOLDERS FUND	**1,264,241,416**	**931,948,180**	**390,253,519**	**259,810,488**

The accompaning notes form an integral part of these financial statements.

The financial statements were approved by the Board of Directors on 15th October 2024 and signed on its behalf by:

CHIKA MORDI
(Chairman)
FRC/2014/IODN/00000006667

PETER ASHADE
(Group Chief Executive Officer)
FRC/2013/ICAN/00000002719

SHEDRACK ONAKPOMA
(Group Chief Finance Officer)
FRC/2013/ICAN/00000001643

CONSOLIDATED AND SEPARATE STATEMENTS OF CHANGES IN EQUITY

For The Period Ended 30 September 2024

2024

Group

	Share capital =N=' 000	Retained earnings =N=' 000	Share premium =N=' 000	Fair value reserves =N=' 000	Shareholders' funds =N=' 000
At 1 January 2024	**3,000,000**	**31,733,315**	**665,010**	**60,845,184**	**96,243,510**
Transfer from profit or loss account	-	15,984,881	-	-	15,984,881
Net change in fair value on equity instruments at FVTOCI	-	-	-	19,904,190	19,904,190
Net change in fair value on debt instruments at FVTOCI	-	-	-	(902,010)	(902,010)
Total other comprehensive income	**-**	**-**	**-**	**19,002,180**	**19,002,180**
Total comprehensive income	**-**	**15,984,881**	**-**	**19,002,180**	**34,987,061**
Transactions with owners in their capacity as owners					
Dividend paid	-	(16,200,000)	-	-	(16,200,000)
As at 30 September 2024	**3,000,000**	**31,518,196**	**665,010**	**79,847,364**	**115,030,571**

Company

	Share capital =N=' 000	Retained earnings =N=' 000	Share premium =N=' 000	Fair value reserves =N=' 000	Shareholders' funds =N=' 000
At 1 January 2024	**3,000,000**	**18,253,353**	**665,010**	**18,645,888**	**40,564,250**
Transfer from profit or loss account	-	7,783,641	-	-	7,783,641
Net change in fair value on equity instruments at FVTOCI	-	-	-	6,330,345	6,330,345
Total other comprehensive income	**-**	**-**	**-**	**6,330,345**	**6,330,345**
Total comprehensive income	**-**	**7,783,641**	**-**	**6,330,345**	**14,113,985**
Transactions with owners in their capacity as owners					
Dividend paid	-	(16,200,000)	-	-	(16,200,000)
As at 30 September 2024	**3,000,000**	**9,836,994**	**665,010**	**24,976,232**	**38,478,236**

2023

Group

	Share capital =N=' 000	Retained earnings =N=' 000	Share premium =N=' 000	Fair value reserves =N=' 000	Shareholders' funds =N=' 000
At 1 January 2023	**3,000,000**	**32,263,064**	**683,611**	**26,539,646**	**62,486,321**
Transfer from profit or loss account	-	8,470,251	-	-	8,470,251
Net change in fair value on equity instruments at FVTOCI	-	-	-	27,581,912	27,581,912
Net change in fair value on debt instruments at FVTOCI	-	-	-	1,174,940	1,174,940
Share of other comprehensive income of associates				-	-
Total other comprehensive income	**-**	**-**	**-**	**28,756,853**	**28,756,853**
Total comprehensive income	**-**	**8,470,251**	**-**	**28,756,853**	**37,227,104**
Transactions with owners in their capacity as owners					
Dividend paid	-	(9,000,000)	-	-	(9,000,000)
At 31 December 2023	**3,000,000**	**31,733,315**	**683,611**	**55,296,499**	**90,713,425**

Company

	Share capital =N=' 000	Retained earnings =N=' 000	Share premium =N=' 000	Fair value reserves =N=' 000	Shareholders' funds =N=' 000
At 1 January 2023	3,000,000	26,217,903	683,611	10,059,757	39,961,271
Transfer from profit or loss account	-	1,035,450	-	-	1,035,450
Net change in fair value on equity instruments at FVTOCI	-	-	-	6,721,541	6,721,541
Net change in fair value on debt instruments at FVTOCI	-	-	-	-	-
Total other comprehensive income	**-**	**-**	**-**	**6,721,541**	**6,721,541**
Total comprehensive income	**-**	**1,035,450**	**-**	**6,721,541**	**7,756,991**
Transactions with owners in their capacity as owners					
Dividend paid	-	(9,000,000)	-	-	(9,000,000)
At 31 December 2023	**3,000,000**	**18,253,353**	**683,611**	**16,781,298**	**38,718,262**

The accompaning notes form an integral part of these financial statements.

CONSOLIDATED AND SEPARATE STATEMENTS OF CASH FLOWS

For The Period Ended 30 September 2024

		Group		Company	
		30 September 2024 N' 000	**31 December 2023 N' 000**	**30 September 2024 N' 000**	**31 December 2023 N' 000**
Profit before tax		18,731,108	9,720,026	8,314,034	1,232,679
Adjustments for;					
Amortisation of Intangibles	11	83,927	59,237	80,814	51,030
Depreciation of property and equipment	11	143,665	311,251	112,535	271,136
Depreciation of right of use	11	108,053	74,281	108,053	74,281
Foreign exchange revaluation	7	(4,959,767)	(24,211,808)	(1,934,169)	(8,352,373)
Gain on disposal of property and equipment	7	-	(610)	-	(610)
Net interest income	4	(7,184,791)	(7,542,778)	(223,570)	(3,423,285)
Dividend income	4	(1,231,548)	(982,011)	(502,566)	(798,062)
Dividend income from subsidiary	18	-	-	11,349,000	(6,309,000)
Fair value changes on financial instruments at fair value through profit or loss	8	531,083	(905,412)	322,620	(508,928)
Impairment charge on other financial assets	12	(569,172)	18,697,784	(236,324)	1,068,915
		5,652,560	**(4,780,038)**	**17,390,428**	**(16,694,216)**
Changes in working capital					
Trade receivables	17	(110,413,349)	(34,488,824)	(89,688,179)	(36,204,503)
Managed funds	25	167,944,161	186,407,520	-	-
Other liabilities	27	21,255,042	(6,379,026)	16,270,141	(15,602,789)
Current service cost		378,388	365,768	253,246	253,246
Cash generated from/(used in) operations		**84,816,802**	**141,125,400**	**(55,774,364)**	**(68,248,262)**
Interest received	4	77,127,991	76,436,548	3,982,689	21,912,765
Interest paid	4	(68,711,653)	(67,911,760)	(3,256,074)	(17,690,939)
Income tax paid	29	(2,789,378)	(2,802,255)	(809,625)	(264,840)
Net cash generated by/(used in) operating activities		**90,443,761**	**146,847,933**	**(55,857,373)**	**(64,291,277)**
Cash flows from investing activities					
Purchase of investment securities		(25,355,189)	(291,277,043)	(13,183,451)	(65,339,232)
Disposal of investment securities		139,448,144	50,983,278	46,171,606	17,111,905
Purchase of property and equipment	23	(375,782)	(1,178,179)	(221,119)	(1,095,849)
Purchase of right of use assets	19	(339,748)	(27,029)	(339,748)	(27,029)
Purchase of intangible assets	20	(724,627)	(68,551)	(724,627)	(33,410)
Investment in subsidiary		-	-	(1,000,000)	(200,000)
Proceeds from the sale of property and equipment		-	1,012	(402)	610
Dividends received	4 & 18	1,231,548	982,011	11,851,566	8,016,062
Net cash used in investing activities		**113,884,346**	**(240,584,501)**	**42,553,825**	**(41,566,943)**
Cash flows from financing activities					
Dividend paid to owners of equity capital	32	(16,200,000)	(9,000,000)	(16,200,000)	(9,000,000)
Proceeds from borrowings	26	183,592,172	109,680,275	183,592,172	109,680,275
Repayment of borrowings		(68,534,257)	(11,031,648)	(68,900,025)	(11,397,416)
Net cash generated from financing activities		**98,857,914**	**89,648,627**	**98,492,147**	**89,282,859**
Net increase/(decrease) in cash and cash equivalents		303,186,019	(4,087,941)	85,188,599	(16,575,360)
Effect of foreign exchange changes on cash		(31,790,407)	2,989,013	(44,595,711)	6,997,239
Cash and cash equivalents at beginning of year	15b	144,400,152	145,499,080	12,680,840	22,258,962
Cash and cash equivalents at end of year		**415,795,765**	**144,400,152**	**53,273,728**	**12,680,840**

The accompaning notes form an integral part of these financial statements.

For The Period Ended 30 September 2024

1 Company information

These financial statements are the consolidated and separate financial statements of United Capital Plc, a Company incorporated in Nigeria and its subsidiaries (hereafter referred to as 'the Group').

United Capital Plc (previously called UBA Capital Plc) was incorporated and domiciled in Nigeria, as a Public liability company, on 3 August, 2012, to act as the ultimate holding company for the United Capital Group. The Company was listed on the Nigerian Stock exchange on 17 January, 2013. The Company changed its name to United Capital Plc following the approval of the resolution by shareholders on the 16th December, 2014.

The principal activities of the Group are mainly the provision of investment banking services, portfolio management services, securities trading and trusteeship.

2 Summary of material accounting policies

The principal accounting policies adopted by the Group in the preparation of these consolidated and separate financial statements are set out below. These policies have been consistently applied to all the periods presented, unless otherwise stated.

2.1 Going concern

These financial statements have been prepared on the going concern basis. The Group has no intention or need to reduce substantially its business operations. The management believes that the going concern assumption is approprate for the Group due to sufficient capital adequacy ratio and projected liquidity, based on historical experience that short term obligations will be refinanced in the normal course of business. Liquidity ratio and continuous evaluation of current ratio of the Group is carried out by the Group to ensure that there are no going concern threats to the operation of the Group.

2.2 Basis of preparation and measurement

The Group's consolidated and separate financial statements for the period ended 31 December 2023 have been prepared in accordance with International Financial Reporting Standards (IFRS) and interpretations as issued by the IASB. Additional information required by national regulations is included where appropriate.

The preparation of financial statements in conformity with IFRS requires the use of certain critical accounting estimates. It also requires the Directors to exercise its judgement in the process of applying the Group's accounting policies. Changes in assumptions may have a significant impact on the financial statements in the year the assumptions changed. The Directors believe that the underlying assumptions are appropriate and that the Group's financial statements therefore present the financial position and results fairly. The areas involving a higher degree of judgement or complexity, or areas where assumptions and estimates are significant to the financial statements, are disclosed in the notes to the financial statements.

2.2.1 Basis of measurement

The Group's consolidated and separate financial statements for the period ended 31 December 2023 have been prepared on the historical cost basis except for the following item in the statement of financial position.

- Financial instruments at fair value through profit or loss are measured at fair value
- Financial instrument at amortised cost are measured at amortised cost
- Financial instruments at fair value through other comprehensive income are measure at fair value through equity

The Group applies accrual accounting for recognition of its income and expenses.

The financial statements are presented and rounded to the nearest thousands of Naira.

For The Period Ended 30 September 2024

2.2.2 Statement of Compliance

The consolidated and separate financial statements have been prepared in accordance with International Financial Reporting Standards ("IFRS") issued by the International Accounting Standards Board (IASB) and adopted by the Financial Reporting Council of Nigeria.

The consolidated and separate financial statements comply with the requirement of the International Financial Reporting Standard, Companies and Allied Matters Act, Investment and Securities Act, the Financial Reporting Council Act, to the extent that they are not in conflict with the International Financial Reporting Standards (IFRS).

2.2.2 Use of estimates and judgement

The preparation of the consolidated and separate financial statements in conformity with IFRS requires management to make judgements, estimates and assumptions that affect the application of accounting policies and the reported amount of assets, liabilities, income and expenses. Actual results may differ from these estimates. In preparing these consolidated and separate annual financial statements, management has made judgements, estimates and assumptions that affect the application of the Group's accounting policies and the reported amounts of assets, liabilities, income and expenses.

2.2.3 Judgements

Information about judgements made in applying accounting policies that have the most significant effects on the amounts recognised in the consolidated financial statements is included in the note below;

2.2.4 Assumptions and estimation uncertainties

Information about assumptions and estimation uncertainties that have a significant risk of resulting in a material adjustment in the period ended 31 December 2023 is included in the following notes.

Impairment of financial instruments: assessment of whether credit risk on the financial asset has increased

significantly since initial recognition and incorporation of forward-looking information in the measurement of ECL.

Determination of the fair value of financial instruments with significant unobservable inputs. (note 3.7.1)

Recognition of deferred tax assets: - availability of future taxable profit against which carry-forward tax losses can be used (see note 24) as well as the likelihood and uncertainities of the extension of the tax exempt status of income on Government securities which we have assumed to be highly likely.

Recognition of defined benefit obligation in note 28 also spells out estimates and assumptions relied upon to determine the present values of defined benefit obligations recognised in the financial statements. A sensitivity analysis of these assumptions are also provided in the note to the financial statements.

The Group applies accrual accounting for recognition of its income and expenses.

The consolidated and separate financial statements have been prepared on the basis that the Group and Company will continue to operate as a going concern.

2.3 Changes in accounting policies

Except as decribed below, the Group has consistently applied the accounting policies as set out in note 2.3.1 to all periods presented in these annual financial statements.

For The Period Ended 30 September 2024

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

In the current period, the Group has applied a number of amendments to IFRSs issued by the International Accounting Standards Board (IASB) that are mandatorily effective for an accounting period that begins on or after 1 January 2024.

New or amended standards	Summary of the requirements	Impact on financial statements
Classification of Liabilities as Current or Non-Current (Amendments to IAS 1)	This amendment relates to classification of Liabilities as Current or Non-current which will provide a more general approach to the classification of liabilities under IAS 1 based on the contractual arrangements in place at the balance sheet date. The amendment only affect the presentation of liabilities in the statement of financial position and not the amount or timing of recognition of any asset, liability income or expenses, or the information that entities disclose about those items. The amendment will - clarify that classification of liabilities as current or non-current should be based on rights that are in existence at the end of the balance sheet date, - clarify that classification is unaffected by expectations about whether an entity will exercise its right to defer settlement of a liability and make clear that settlement refers to the transfer to the counterparty of cash, equity instruments, other assets or services. This amendment becomes effective 1 january 2024.	This standard does not have significant impact on the financial statements.
Lease Liability in a Sale and Leaseback (Amendments to IFRS 16)	The amendment clarifies how a seller-lessee subsequently measures sale and leaseback transactions that satisfy the requirements in IFRS 15 to be accounted for as a sale. This amendment becomes effective 1 January 2024.	This amendment is not expected to have significant impact on the financial statements. The Company has opted not to early adopt.
Supplier Finance Arrangements (Amendments to IAS 7 and IFRS 7)	The amendments add disclosure requirements, and 'signposts' within existing disclosure requirements, that ask entities to provide qualitative and quantitative information about supplier finance arrangements. This amendment becomes effective 1 January 2024	This amendment is not expected to have significant impact on the financial statements. The Company has opted not to early adopt.

All other amendment had no significant impact on the Group.

For The Period Ended 30 September 2024

2.3.2 Standards issued but not yet effective

The following standards and interpretations had been issued but were not mandatory for the reporting period ended 31 December 2024. The Group has not early adopted any other standard, interpretation or amendment that has been issued but is not yet effective.

New or amended standards	Summary of the requirements	Possible impact on financial statements
IFRS S1 General Requirements for Disclosure of Sustainability-related Financial Information	IFRS S1 sets out overall requirements for sustainability-related financial disclosures with the objective to require an entity to disclose information about its sustainability-related risks and opportunities that is useful to primary users of general purpose financial reports in making decisions relating to providing resources to the entity. This standard becomes effective 1 January 2024.	The impact of this standard on the financial statements is currently under assessment.
IFRS S2 Climate-related Disclosures	IFRS S2 sets out the requirements for identifying, measuring and disclosing information about climate-related risks and opportunities that is useful to primary users of general purpose financial reports in making decisions relating to providing resources to the entity. This standard becomes effective 1 January 2024.	The impact of this standard on the financial statements is currently under assessment.
Amendment to IAS 21- Lack of exchangability	An entity is impacted by the amendments when it has a transaction or an operation in a foreign currency that is not exchangeable into another currency at a measurement date for a specified purpose. A currency is exchangeable when there is an ability to obtain the other currency (with a normal administrative delay), and the transaction would take place through a market or exchange mechanism that creates enforceable rights and obligations. The amendment is not expected to have a material impact on the financial statements of the Group as the Group has foreign currency transactions in US Dollars and Euro that are readily exchangeable. This amendment becomes effective January 1 2025.	This amendment is not expected to have significant impact on the financial statements. The Company has opted not to early adopt.

All other amendment had no significant impact on the Company.

2.4 Consolidation

The financial statements of the subsidiaries used to prepare the consolidated financial statements were prepared as of the parent company's reporting date. The consolidation principles are unchanged as against the previous year.

2.4.1 *Subsidiaries*

The consolidated and separate financial statements incorporates the financial statements of the Company and all its subsidiaries where it is determined that there is a capacity to control. The Group controls an entity where the Group is exposed to, or has rights to, variable returns from its involvoment with the entity and has the ability to affect those returns through its power to direct the activities of the entity. Control is assessed on a continuous basis.

All the facts of a particular situation are considered when determining whether control exists. Control is usually present when an entity has:
• power over more than one-half of the voting rights of the other entity;
• power to govern the financial and operating policies of the other entity;
• power to appoint or remove the majority of the members of the board of directors or equivalent governing body; or
• power to cast the majority of votes at meetings of the board of directors or equivalent governing body of the entity.

a. Separate financial statements

Investments in subsidiaries are accounted for at cost less accumulated impairment losses (where applicable) in the separate financial statements. The carrying amounts of these investments are reviewed annually for impairment indicators and, where an indicator of impairment exists, are impaired to the higher of the investment's fair value less costs to sell and value in use.

b. Consolidated financial statements

Subsidiaries are consolidated from the date on which control is transferred to the Group and cease to be consolidated from the date that control ceases. Changes in the Group's interest in a subsidiary that do not result in a loss of control are accounted for as equity transactions (transactions with owners). Any difference between the amount by which the non-controlling interest is adjusted and the fair value of the consideration paid or received is recognised directly in equity and attributed to the Group.

Inter-company transactions, balances and unrealised gains on transactions between companies within the Group are eliminated on consolidation. Unrealised losses are also eliminated in the same manner as unrealised gains, but only to the extent that there is no evidence of impairment. Consistent accounting policies are used throughout the Group for the purposes of consolidation.

i. Acquisition

The acquisition method of accounting is used to account for the acquisition of subsidiaries by the Group. The consideration transferred is measured as the sum of the fair value of the assets given, equity instruments issued and liabilities incurred or assumed at the acquisition date. The consideration includes any asset, liability or equity resulting from a contingent consideration arrangement. The obligation to pay contingent consideration is classified as either a liability or equity based on the terms of the arrangement. The right to a return of previously transferred consideration is classified as an asset. Transaction costs are recognised within profit or loss as and when they are incurred. Where the initial accounting is incomplete by the end of the reporting year in which the business combination occurs (but no later than 12 months since the acquisition date), the Group reports provisional amounts.

Where applicable, the Group adjusts retrospectively the provisional amounts to reflect new information obtained about facts and circumstances that existed at the acquisition date and affected the measurement of the provisional amounts. Identifiable assets acquired, liabilities and contingent liabilities assumed in a business combination are measured initially at their fair values at the acquisition date, irrespective of the extent of any NCI. The excess (shortage) of the sum of the consideration transferred (including contingent consideration), the value of NCI recognised and the acquisition date fair value of any previously held equity interest in the subsidiary over the fair value of identifiable net assets acquired is recorded as goodwill in the statement of financial position (gain on bargain purchase, which is recognised directly in profit or loss).When a business combination occurs in stages, the previously held equity interest is remeasured to fair value at the acquisition date and any resulting gain or loss is recognised in profit or loss.

Increases in the Group's interest in a subsidiary, when the Group already has control, are accounted for as transactions with equity holders of the Group. The difference between the purchase consideration and the Group's proportionate share of the subsidiary's additional net asset value acquired is accounted for directly in equity.

For The Period Ended 30 September 2024

ii. Loss of Control

The Group could lose control of a subsidiary through the disposal of the subsidiary. When the Group loses control of a subsidiary, the profit or loss on disposal is calculated as the difference between the fair value of the consideration received (including the fair value of any retained interest in the underlying investee) and the carrying amount of the assets and liabilities and any non-controlling interest. Any gains or losses in OCI that relate to the subsidiary are reclassified to profit or loss at the time of the disposal.

iii. Partial Disposal

Where the Group partially disposes a subsidiary which gives rise to a reduction in the Group's ownership interest in an investee that is not a disposal (i.e. a reduction in the group's interest in a subsidiary whilst retaining control). Decreases in the Group's interest in a subsidiary, where the Group retains control, are accounted for as transactions with equity holders of the Group. Gains or losses on the partial disposal of the Group's interest in a subsidiary are computed as the difference between the sales consideration and the Group's proportionate share of the investee's net asset value disposed of, and are accounted for directly in equity.

iv Initial measurement of Non-Controlling Interest (NCI)

The Group elects on each acquisition to initially measure NCI on the acquisition date at either fair value or at the NCI's proportionate share of the investees' identifiable net assets.

2.4.2 ***Associates***

An associate is an entity in which the Group has significant influence. Significant influence is the power to participate in the financial and operating policy decisions of the investee but is not control over these policies. Significant influence is generally demonstrated by the Group holding in excess of 20%, but less than 50%, of the voting rights.

The Group's share of results of the associate entity is included in the consolidated income statement. Investments in associates are carried in the statement of financial position at cost plus the Group's share of post-acquisition changes in the net assets of the associate. Investments in associates are reviewed for any indication of impairment at least at each reporting date. The carrying amount of the investment is tested for impairment, where there is an indication that the investment may be impaired.

When the Group's share of losses or other reductions in equity in an associate equals or exceeds the recorded interest, including any other unsecured receivables, the Group does not recognise further losses, unless it has incurred obligations or made payments on behalf of the entity.

The Group's share of the results of associates is based on financial statements made up to a date not earlier than three months before the balance sheet date, adjusted to conform with the accounting policies of the Group. Unrealised gains and losses on transactions are eliminated to the extent of the Group's interest in the investee. Losses may provide evidence of impairment of the asset transferred in which case appropriate allowance is made for impairment.

In the separate financial statements of the Company, investments in associates are initially recognised at cost and subsequently adjusted for by the post-acquisition changes in the investor's share of net assets of the investees. The Group uses the equity method in accounting for investments in associates.

2.5 Common control transactions

A business combination involving entities or businesses under common control is excluded from the scope of IFRS 3: Business Combinations. The exemption is applicable where the combining entities or businesses are controlled by the same party both before and after the combination. Where such transactions occur, the Group, in accordance with IAS 8, uses its judgement in developing and applying an accounting policy that is relevant and reliable. In making this judgement, the Directors consider the requirements of IFRS dealing with similar and related issues and the definitions, recognition criteria and measurement concepts for assets, liabilities, income and expenses in the framework. The Directors also consider the most recent pronouncements of other standard setting bodies that use a similar conceptual framework to develop accounting standards, to the extent that these do not conflict with the IFRS Framework or any other IFRS or interpretation.

The Group incorporates the results of the acquired businesses only from the date on which the business combination occurs.

For The Period Ended 30 September 2024

2.6 Foreign currency translation

(a) *Functional and presentation currency*

Items included in the financial statements of each of the Group's entities are measured using the currency of the primary economic environment in which the entity operates ('the functional currency').

The consolidated and separate financial statements are presented in Naira, which is the Group's presentation and functional currency.

(b) *Transactions and balances*

Foreign currency transactions are translated into the functional currency using the exchange rates prevailing at the dates of the transactions or valuation where items are remeasured.

Monetary items denominated in foreign currencies are retranslated at the rate prevailing on the statement of financial position date. Foreign exchange gains and losses resulting from the retranslation and settlement of these items are recognised in profit or loss within other income.

Non-monetary items measured at historical cost denominated in a foreign currency are translated with the exchange rate as at the date of initial recognition;non-monetary assets that are measured at fair value are translated using the exchange rate at the date that the fair value was determined. Translation differences on non-monetary financial instruments held at fair value through profit or loss are reported as part of the fair value gain or loss. Translation differences on non-monetary financial instruments measured at fair value through other comprehensive income are included in the fair value reserve in other comprehensive income. Non-monetary items that are measured under the historical cost basis are not retranslated.

2.7 Revenue recognition

(a) Investment income

Interest income for all interest-bearing financial instruments are recognised within 'investment income' in the income statement using the effective interest on the gross carrying amount of the financial assets. However, when a financial asset is classified as Stage 3 impaired, interest income is calculated on the impaired value (gross carrying value less specific impairment) based on the original effective interest rate.

The effective interest method is a method of calculating the amortised cost of a financial asset or liability (or group of assets and liabilities) and of allocating the interest income/expense over the relevant period. The effective interest rate is the rate that exactly discounts the expected future cash payments or receipts through the expected life of the financial instrument, or when appropriate, a shorter period, to the net carrying amount of the instrument. The application of the method has the effect of recognising income (and expense) receivable (or payable) on the instrument evenly in proportion to the amount outstanding over the period to maturity or repayment. In calculating effective interest, the Group estimates cash flows considering all contractual terms of the financial instrument but excluding future credit losses.

(b) Fees and commission income

Unless included in the effective interest calculation, fees and commissions are recognised on an accruals basis as the service is provided. Fees and commissions not integral to effective interest arising from negotiating, or participating in the negotiation of a transaction from a third party, such as the acquisition of loans, shares or other securities or the purchase or sale of businesses, are recognised on completion of the underlying transaction. Portfolio and other management advisory and service fees are recognised over time based on the applicable service contracts. The same principle is applied to the recognition of income from wealth management, financial planning and custody services that are continuously provided over an extended period of time.

The Group recognises fees and commission from management of mutual funds over time on a monthly basis as fees are accrued as a percentage of net asset value (NAV). Arranger and issuing house services fees are recognised over time as milestones of performance obligations are delivered to clients. Other fees and commision income are recognise at point in time when performance obligation on contracts are delivered to clients as brokerage fees and commission.

For The Period Ended 30 September 2024

(c) Dividend income

Dividends are recognised in the income statement as "Dividend income" under investment income when the entity's right to receive payment is established

2.8 Income taxation

(a) *Current income tax*
Income tax is calculated on the basis of the applicable tax laws in Nigeria and is recognised as an expense or credit for the period except to the extent that current tax related to items that are charged or credited in other comprehensive income or directly to equity. In these circumstances, current tax is charged or credited to other comprehensive income or to equity (for example, current tax on equity instruments for which the entity has elected to present gains and losses in other comprehensive income).

(b) *Deferred income tax*
Deferred income tax is provided in full, using the liability method, on all temporary differences arising between the tax bases of assets and liabilities and their carrying amounts in the financial statements. However, the deferred income tax is not accounted for if it arises from initial recognition of an asset or liability in a transaction other than a business combination that at the time of the transaction affects neither accounting nor taxable profit or loss.

Deferred income tax is determined using tax rates (and laws) that have been enacted or substantially enacted by the date of the statement of financial position and are expected to apply when the related deferred income tax asset is realised or the deferred income tax liability is settled.

The tax effects of carry-forwards of unused losses, unused tax credits and other deferred tax assets are recognised when it is probable that future taxable profit will be available against which these losses and other temporary differences can be utilised.

Deferred income tax is provided on temporary differences arising from investments in subsidiaries and associates, except where the timing of the reversal of the temporary difference is controlled by the Group and it is probable that the difference will not reverse in the foreseeable future.

Deferred and current tax assets and liabilities are only offset when they arise in the same tax reporting group and where there is both the legal right and the intention to settle on a net basis or to realise the asset and settle the liability simultaneously.

2.9 Earnings per share

The Group presents basic earnings per share for its ordinary shares. Basic earnings per share are calculated by dividing the profit attributable to ordinary shareholders of the Group by the weighted average number of shares outstanding during the period.

2.10 Cash and cash equivalents

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 banks and other short-term highly liquid investments with original maturities of three months or less from the date of acquisition that are subject to an insignificant risk of changes in their fair values and are readily convertable to known amount of cash. Cash and cash equivalents includes balances and placements with banks and other short term investments including bank overdrafts. Bank overdrafts are shown seperately as current liabilities in the statement of financial position.

For The Period Ended 30 September 2024

2.11 Financial assets & liabilities

a) Classification and subsequent measurement

For the purpose of measuring a financial asset after initial recognition, the Group classifies financial assets into the following categories: at fair value through profit or loss; at fair value through other comprehensive income and at amortised cost. For debt financial assets, the classification is based on the results of the Group's business model test and the contractual cashflow characteristics of the financial assets. At initial recognition, all assets are measured at fair value plus transaction costs that are incremental and directly attributable to the acquisition of the financial assets in the case of financial asset not at fair value through profit or loss.

i. Financial assets at fair value through profit or loss

Debt instruments at fair value through profit or loss are financial assets held for trading and those designated by the Group as at fair value through profit or loss upon initial recognition. Financial assets classified as fair value through profit or loss are those that have been acquired principally for the purpose of selling in the short term or repurchasing in the near term, or held as part of a portfolio that is managed together for short-term profit.

Financial instruments included in this category are recognised initially at fair value; transaction costs are taken directly to profit or loss. Gains and losses arising from changes in fair value are included directly in profit or loss and are reported as 'Net gains/(losses) on financial assets classified as fair value through profit or loss'. Interest income and expense and dividend income on financial assets fair valued through profit or loss are included in 'Interest income, interest expense and dividend income', respectively and reported under investment income.

ii. Amortised Cost

Except for debt financial assets that are designated at initial recognition as at fair value through profit or loss, a debt financial asset is measured at amortised cost only if both of the following conditions are met:

a. The financial asset is held within a business model whose objective is to hold financial assets in order to collect contractual cash flows (the business model test) and

b. The contractual terms of the financial asset give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding (the contractual cash flows characteristics test).

If a financial asset satisfies both of these conditions, it is required to be measured at amortised cost unless it is designated as at fair value through profit or loss (FVTPL) on initial recognition.

iii. Fair Value through other comprehensive income (FVTOCI)

Except for debt financial assets that are designated at initial recognition as at fair value through profit or loss, a financial asset is measured at fair value through other comprehensive income (FVTOCI) if both of the following conditions are met:

a. The financial asset is held within a business model whose objective is achieved by both collecting contractual cash flows and selling financial assets (the business model test); and

b The contractual terms of the financial asset give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding (the contractual cash flows characteristics test).

This assessment includes determining the objective of holding the asset and whether the contractual cash flows are consistent with a basic lending arrangement. Where the contractual terms introduces exposure to risk or volatility that are not considered de minimis and are inconsistent with a basis lending arrangement, the financial asset is classified as fair value through profit or loss – default.

For The Period Ended 30 September 2024

All equity financial assets are measured at fair value through profit or loss, however, equity financial assets which are not held for trading may be irrevocably elected (on an asset-by-asset basis) to be measured at fair value through OCI.

b) Impairment of financial assets

The impairment model under IFRS 9 reflects expected credit losses. Under the impairment approach in IFRS 9, it is no longer necessary for a credit event to have occurred before credit losses are recognised. Instead, the Group always accounts for expected credit losses and changes in those expected credit losses. The amount of expected credit losses should be updated at each reporting date to reflect changes in credit risk since initial recognition.

The Group recognizes loss allowances for Expected Credit Losses (ECL) on the following financial instruments that are not measured at FVTPL:

For financial assets that are debt instruments, trade receivables, Loan and advances to customers, Other receivables, and money market placements; The Group measures expected credit losses and recognizes interest income on risk assets based on the following stages:

Stage 1: Assets that are performing. If credit risk is low as of the reporting date or the credit risk has not increased significantly since initial recognition, the Group recognize a loss allowance at an amount equal to 12-month expected credit losses. This amount of credit losses is intended to represent lifetime expected credit losses that will result if a default occurs in the 12 months after the reporting date, weighted by the probability of that default occurring.

Stage 2: Assets that have significant increases in credit risk. In instances where credit risk has increased significantly since initial recognition, the Group measures a loss allowance at an amount equal to full lifetime expected credit losses. That is, the expected credit losses that result from all possible default events over the life of the financial instrument. For these debt instruments, interest income recognition will be based on the effective interest rate (EIR) multiplied by the gross carrying amount. Exposures which are overdue for more than 30days are considered to have significantly increased in credit risk.

Stage 3: A lifetime ECL is calculated for financial assets that are assessed to be credit impaired. For debt instruments that have observable evidence of impairment. Exposure which are overdue for more than 90 days are considered to be in default.

Default

The Group's definition of default has been aligned to its internal credit risk management definitions and approaches. A financial asset is considered to be in default when there is objective evidence of impairment. The following criteria are used in determining whether there is objective evidence of impairment for financial assets or groups of financial assets:

• significant financial difficulty of borrower and/or modification (i.e. known cash flow difficulties experienced by the borrower)
• a breach of contract, such as default or delinquency in interest and/or principal payments
• disappearance of active market due to financial difficulties
• it becomes probable that the borrower will enter bankruptcy or other financial reorganisation
• where the Group, for economic or legal reasons relating to the borrower's financial difficulty, grants the borrower a concession that the Group would not otherwise consider.

Exposures which are overdue for more than 90 days are also considered to be in default.

For The Period Ended 30 September 2024

The Group's process to assess changes in credit risk is multi-factor and has three main elements;

I. Quantitative element - A quantitative comparison of PD at the reporting date and PD at initial recognition

II. Qualitative elements

III. Backstop indicators

For individually significant exposures such as corporate and commercial risk assets, the assessment is driven by the internal credit rating of the exposure and a combination of forward-looking information that is specific to the individual borrower and forward-looking information on the macro economy, commercial sector (to the extent such information has not been already reflected in the rating process).

For other exposures, significant increases in credit risk is made on a collective basis that incorporates all relevant credit information, including forward-looking macroeconomic information and factors which are expected to have significant impact on the portfolio or individual counterparty exposures. For this purpose, the Group categorieses its exposures on the basis of shared credit risk characteristics.

Applicable forward looking macroeconomic information used in the impairment model includes;
a. GDP information
b. Inflation rate
c. exchange rates
d. Oil price fluctuation

The impact of these economic variables on the PD, EAD and LGD has been determined by performing statistical regression analysis to understand the impact changes in these variables have had historically on default rates and on the components of LGD and EAD.

Based on advice from the Group research team and economic experts and consideration of a variety of external actual and forecast information, the Group formulates a 'base case' view of the future direction of relevant economic variables as well as a representative range of other possible forecast scenarios and scenario weightings. This process involves developing two or more additional economic scenarios and considering the relative probabilities of each outcome. External information includes economic data and forecasts published by governmental bodies and monetary authorities where the Group operates, supranational organisations such as the International Monetary Fund, and selected private-sector and academic forecasters. The base case represents a most-likely outcome while the other scenarios represent more optimistic and more pessimistic outcomes. Periodically, the Group carries out stress testing of more extreme shocks to calibrate its determination of these other representative scenarios. The scenario weightings are determined by a combination of statistical analysis and expert credit judgement, taking account of the range of possible outcomes each chosen scenario is representative of.

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Significant increase in credit risk (SICR)

The Group's decision on whether expected credit losses are based on 12-month expected credit losses or lifetime expected credit losses depends on whether there has been a significant increase in credit risk since initial recognition. An assessment of whether credit risk has increased significantly is made at each reporting date. When making the assessment, the Group uses the change in the risk of a default occurring over the expected life of the financial instrument instead of the change in the amount of expected credit losses. This forms the basis of stage 1, 2 and 3 classification and subsequent migration.

The assessment of SICR is performed using the Lifetime PD under each of the base, and the other scenarios, multiplied by the associated scenario weighting, along with qualitative and backstop indicators. This determines whether the whole financial instrument is in Stage 1, Stage 2, or Stage 3 and hence whether 12-month or lifetime ECL should be recorded.

Following this assessment, the Group measures ECL as either a probability weighted 12 month ECL (Stage 1), or a probability weighted lifetime ECL (Stages 2 and 3). These probability-weighted ECLs are determined by running each scenario through the relevant ECL model and multiplying it by the appropriate scenario weighting (as opposed to weighting the inputs).

The criteria for determining whether credit risk has increased significantly vary by portfolio and include quantitative and qualitative factors. Using its expert credit judgement and where possible relevant historical experience, the Group may determine that an exposure has undergone a significant increase in credit risk based on particular qualitative indicators that it considers are indicative of such and whose effect may not otherwise be fully reflected in its quantitative analysis on a timely basis.

As a backstop, the Group considers that a significant increase in credit risk occurs no later than when an asset is more than 30 days past due. There is a rebuttable presumption that the credit risk has increased significantly if contractual payments are more than 30 days past due; this presumption is applied unless the Company has reasonable and supportable information demonstrating that the credit risk has not increased significantly since initial recognition. The number of days past due is determined by counting the number of days since the date the full payment has not been received. Due dates are determined without considering any grace period that might be available to the borrower. The Group monitors the effectiveness of the criteria used to identify significant increases in credit risk by regular reviews

i) Assets carried at amortised cost

The amount of the loss is measured as the difference between the asset's carrying amount and the present value of estimated future cash flows (excluding future credit losses that have not been incurred) discounted at the financial asset's original effective interest rate. The carrying amount of the asset is reduced through the use of an allowance account and the amount of the loss is recognised in income statement. If a financial instrument has a variable interest rate, the discount rate for measuring any impairment loss is the current effective interest rate determined under the contract.

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The calculation of the present value of the estimated future cash flows of a collateralised financial asset reflects the cash flows that may result from disposal less costs for obtaining and selling the collateral, whether or not disposal is probable.

For the purposes of a collective evaluation of impairment, financial assets are grouped on the basis of similar credit risk characteristics (i.e. on the basis of the Group's grading process that considers asset type, industry, geographical location, collateral type, past-due status and other relevant factors). Those characteristics are relevant to the estimation of future cash flows for groups of such assets by being indicative of the debtors' ability to pay all amounts due according to the contractual terms of the assets being evaluated.

Future cash flows in a group of financial assets that are collectively evaluated for impairment are estimated on the basis of the contractual cash flows of the assets in the group and historical loss experience for assets with credit risk characteristics similar to those in the group. Historical loss experience is adjusted on the basis of current observable data to reflect the effects of current conditions that did not affect the period on which the historical loss experience is based and to remove the effects of conditions in the historical period that do not currently exist.

Estimates of changes in future cash flows for groups of assets are reflected and directionally consistent with changes in related observable data from period to period (for example, changes in unemployment rates, property prices, payment status, or other factors indicative of changes in the probability of losses in the group and their magnitude). The methodology and assumptions used for estimating future cash flows are reviewed regularly by the Group to reduce any differences between loss estimates and actual loss experience.

When a loan is uncollectible, it is written off against the related allowance for loan impairment. Such loans are written off after all the necessary procedures have been completed and the amount of the loss has been determined. Impairment charges relating to loans and advances to banks, loans and advances to customers and investment securities are classified in 'Impairment writeback /(charge) for credit losses'.

If, in a subsequent period, the amount of the impairment loss decreases and the decrease can be related objectively to an event occurring after the impairment was recognised (such as an improvement in the debtor's credit rating), the previously recognised impairment loss is reversed by adjusting the allowance account. The amount of the reversal is recognised in profit or loss.

The Group applies the simplified approach and recognises lifetime ECL for trade receivables using a provision matrix. The provision matrix is based on the historical observed default rates, adjusted for forward looking estimates. At each reporting date, the historical observed default rates are updated.

ii) Assets classified as fair value through other comprehensive income

The Group can choose to make an irrevocable election at initial recognition for investments in equity instruments that do not meet the definition of held for trading, which would otherwise be measured at fair value through profit or loss, to present changes in fair value in other comprehensive income.

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Reclassification of amounts recognised in other comprehensive income and accumulated in equity to profit or loss is not done. This applies throughout the life of the instrument and also at derecognition; such investments will not be subject to the impairment requirements.

Dividends on investments in equity instruments with gains and losses irrevocably presented in other comprehensive income are recognised in profit or loss if the dividend is not a return on investment (like dividends on any other holdings of equity instrument) when:

a. the Group's right to receive payment of the dividend is established;

b. it is probable that the economic benefits associated with the dividend will flow to the Group; and

c. the amount of the dividend can be measured reliably.

For debt instruments measured at FVTOCI, changes in fair value is recognised in other comprehensive income, except for: interest calculated using the effective interest rate method, foreign exchange gains or losses and; impairment gains or losses until the financial asset is derecognised or reclassified.

When the financial asset is derecognised, the cumulative gain or loss previously recognised in other comprehensive income is reclassified from equity to profit or loss as a reclassification adjustment. Also, when a debt instrument asset is measured at fair value through other comprehensive income, the amounts that are recognised in profit or loss are the same as the amounts that would have been recognised in profit or loss if the financial asset had been measured at amortised cost.

c) Reclassification of financial assets

Reclassification of financial assets is determined by the Group's senior management, and is done as a result of external or internal changes which are significant to the Group's operations and demonstrable to external parties.

Reclassification of debt instruments occurs when the Group changes its business model for managing financial assets.

Investments in equity instruments that are designated as at FVTOCI at initial recognition cannot be reclassified because the election to designate as at FVTOCI is irrevocable.

d) Derecognition of financial assets

Financial assets are derecognised when the contractual rights to receive cash flows from the financial assets have expired, or where the Group has transferred its contractual rights to receive cash flows on the financial asset such that it has transferred substantially all the risks and rewards of ownership of the financial asset. Any interest in transferred financial assets that is created or retained by the Group is recognised as a separate asset or liability

In transfers where control over the asset is retained, the Group continues to recognise the asset to the extent of its continuing involvement, determined by the extent to which it is exposed to changes in the value of the transferred asset. Any cummulative gain/loss recognised in OCI in respect of equity investments designated at FVOCI is not recognised in profit or loss on derecognition of such assets.

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e) Modification of financial assets and liabilities

Where an existing financial asset or liability is replaced by another with the same counterparty on substantially different terms, or the terms of an existing financial asset or liability are substantially modified, such an exchange or modification is treated as a derecognition of the original asset or liability and the recognition of a new asset or liability at fair value and recalculates a new effective interest rate, with the difference in the respective carrying amounts being recognised in other gains and losses on financial instruments within non-interest revenue. The date of recognition of a new asset is consequently considered to be the date of initial recognition for impairment calculation purposes, including for the purpose of determining whether a significant increase in credit risk has occurred. However, the Group also assesses whether the new financial asset recognised is deemed to be credit-impaired at initial recognition, especially in circumstances where the renegotiation was driven by the debtor being unable to make the originally agreed payments. Differences in the carrying amount are also recognised in profit or loss as a gain or loss on derecognition.

If the terms are not substantially different, the renegotiation or modification does not result in derecognition, and the Group recalculates the gross carrying amount based on the revised cash flows of the financial asset and recognises a modification gain or loss in profit or loss. The new gross carrying amount is recalculated by discounting the modified cash flows at the original effective interest rate (or credit-adjusted effective interest rate for purchased or originated credit-impaired financial assets).

If the terms are not substantially different for financial assets or financial liabilities, the group recalculates the new gross carrying amount by discounting the modified cash flows of the financial asset or financial liability using the original effective interest rate. The difference between the new carrying gross carrying amount and the original gross carrying amount is recognised as a modification gain or loss within credit impairments (for distressed financial asset modifications) or gains and losses on financial instruments within non-interest revenue (for all other modifications).

f) Write off

Financial assets are written off when there is no reasonable expectation of recovery. Financial assets which are written off may still be subject to enforcement activities.

2.12 Financial liabilities

Classification and subsequent measurement

The Group's holding in financial liabilities represents mainly 'borrowings', 'managed funds' and 'other liabilities'. These are all classified as financial liabilities measured at amortised cost. These financial liabilities are initially recognised at fair value and subsequently measured at amortised cost. Any difference between the proceeds net of transaction costs and the redemption value is recognised in the income statement over the period of the borrowing using the effective interest rate method.

Fees paid on the establishment of the liabilities are recognised as transaction costs of the loan to the extent that it is probable that some or all of the facility will be drawn down. In this case, the fee is deferred until the draw down occurs. To the extent that there is no evidence that it is probable that some or all of the facility will be drawn down, the fee is capitalized as a pre-payment for liquidity services and amortised over the period of the facility to which it relates.

Financial liabilities are derecognised when the obligation of the financial liabilities are extinguished, that is, when the obligation is discharged, cancelled or expires.

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2.13 Property and Equipment

All property and equipment used by the Group is measured at historical cost less depreciation and impairment. Historical cost includes expenditure that is directly attributable to the acquisition of the items.

Subsequent expenditures are included in the asset's carrying amount or are recognised as a separate asset, as appropriate, only when it is probable that future economic benefits associated with the item will flow to the Group and the cost of the item can be measured reliably. The carrying amount of the replaced part is derecognised. All other repair and maintenance costs are charged to other operating expenses within the income statement during the financial period in which they are incurred.

Depreciation of other assets is calculated using the straight-line method to allocate their cost net of their residual values over their estimated useful lives, as follows:

Asset Class	Useful lives
Motor vehicles	4 years
Furniture, fittings & equipment	5 years
Computer equipment	5 years
Building	40 years
Leasehold improvements	over shorter of the useful life of item or lease period

Depreciation rates, methods and the residual values underlying the calculation of depreciation of items of property and equipment are kept under review on an annual basis to take account of any change in circumstances.

When deciding on depreciation rates and methods, the principal factors the Group takes into account are the expected rate of technological developments and expected market requirements for, and the expected pattern of usage of, the assets.

When reviewing residual values, the Group estimates the amount that it would currently obtain for the disposal of the asset after deducting the estimated cost of disposal if the asset were already of the age and condition expected at the end of its useful economic life.

Construction cost and improvements in respect of offices is carried at cost as capital work in progress. On completion of construction or improvements, the related amounts are transferred to the appropriate category of property and equipment.

Payments in advance for items of property and equipment are included as Prepayments in "Trade and other receivables" and upon delivery are reclassified as additions in the appropriate category of property and equipment.

Property and equipment are derecognised on disposal or when no future economic benefits are expected from their use or disposal. The gain or loss on derecognition is recognised in profit or loss and is determined as the difference between the net disposal proceeds and the carrying amount of the non-financial asset.

There are no restrictions to the use of property and equipment.

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2.14 Intangible assets

(a) Computer software

Costs associated with maintaining computer software programmes are recognised as an expense as incurred. Development costs that are directly attributable to the design and testing of identifiable and unique software products controlled by the Group, are recognised as intangible assets when the following criteria are met:

- It is technically feasible to complete the software product so that it will be available for use;
- Management intends to complete the software product and use or sell it;
- There is an ability to use or sell the software product;
- It can be demonstrated how the software product will generate probable future economic benefits;
- Adequate technical, financial and other resources to complete the development and to use or sell the software product are available; and
- The expenditure attributable to the software product during its development can be reliably measured.
- Subsequent expenditure on computer software is capitalised only when it increases the future economic benefits embodied in the specific asset to which it relates.

Direct computer software development costs recognised as intangible assets are amortised on the straight-line basis over 5 years and are carried at cost less any accumulated amortisation and any accumulated impairment losses. The carrying amount of capitalised computer software is reviewed annually and is written down when the carrying amount exceeds its recoverable amount.

(b) Impairment of tangible and intangible assets

At each reporting date, or more frequently where events or changes in circumstances dictate, tangible and intangible assets, are assessed for indications of impairment. If indications are present, these assets are subject to an impairment review. The impairment review comprises a comparison of the carrying amount of the asset with its recoverable amount: the higher of the asset's or the cash-generating unit's net selling price and its value in use. Net selling price is calculated by reference to the amount at which the asset could be disposed of in a binding sale agreement in an arm's length transaction evidenced by an active market or recent transactions for similar assets.

Value in use is calculated by discounting the expected future cash flows obtainable as a result of the asset's continued use, including those resulting from its ultimate disposal, at a market-based discount rate on a pre-tax basis.

The carrying values of tangible and intangible assets are written down by the amount of any impairment and this loss is recognised in the income statement in the period in which it occurs. A previously recognised impairment loss relating to a tangible or intangible asset may be reversed in part or in full when a change in circumstances leads to a change in the estimates used to determine the tangible or intangible asset's recoverable amount. The carrying amount of the tangible or intangible asset will only be increased up to the amount that it would have been had the original impairment not been recognised. For the purpose of conducting impairment reviews, cash-generating units are the lowest level at which the Directors monitor the return on investment on assets.

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2.15 Leased assets

For any new contracts entered into on or after 1 January 2019, United Capital Plc considers whether a contract is, or contains a lease. A lease is defined as 'a contract, or part of a contract, that conveys the right to use an asset (the underlying asset) for a period of time in exchange for consideration'. To apply this definition the United Capital Limited ('United Capital') assesses whether the contract meets three key evaluations which are whether:

· the contract contains an identified asset, which is either explicitly identified in the contract or implicitly specified by being identified at the time the asset is made available to United Capital
· United Capital has the right to obtain substantially all of the economic benefits from use of the identified asset throughout the period of use, considering its rights within the defined scope of the contract
· United Capital has the right to direct the use of the identified asset throughout the period of use. United Capital assess whether it has the right to direct 'how and for what purpose' the asset is used throughout the period of use.

Lease liabilities

At the commencement date of a lease, the Group recognises lease liabilities at the present value of lease payments to be made over the lease term. Lease liabilities include the net present value of the following lease payments:
- fixed payments (including in-substance fixed payments), less any lease incentives receivable
- variable lease payments that are based on an index or a rate
- amounts expected to be payable by the Group under residual value guarantees
- the exercise price of a purchase option if the lessee is reasonably certain to exercise that option, and
- payments of penalties for terminating the lease, if the lease term reflects the Group exercising that option.

Lease payments to be made under reasonably certain extension options are also included in the measurement of the liability. The variable lease payments that do not depend on an index or a rate are recognised as expenses in the period in which the event or condition that triggers the payment occurs.

The lease payments are discounted using the Group's incremental borrowing rate, being the rate that members of the Group would have to pay to borrow the funds necessary to obtain an asset of similar value to the right of use asset in a similar economic environment with similar terms, security and conditions.

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The finance cost is charged to profit or loss over the lease period so as to produce a constant periodic rate of interest on the remaining balance of the liability for each period. After the commencement date, the amount of lease liabilities is increased to reflect the accretion of interest and reduced for the lease payments made. In addition, the carrying amount of lease liabilities is remeasured if there is a modification, a change in the lease term, a change in the in-substance fixed lease payments or a change in the assessment to purchase the underlying asset.

The Group has elected not to separate lease and non-lease components.
There were no lease liability during the period.

Right of use assets

Right-of-use assets are initially measured at cost, comprising of the following:
- the amount of the initial measurement of lease liability
- any lease payments made at or before the commencement date, less any lease incentives received
- any initial direct costs, and
- restoration costs.

Right-of-use assets are generally depreciated over the shorter of the asset's useful life and the lease term on a straight-line basis. If the Group is reasonably certain to exercise a purchase option, the right-of-use asset is depreciated over the underlying asset's useful life. This depreciation is recognised as part of operating expenses.

Short term leases and leases of low-value-assets
Short-term leases are those leases that have a lease term of 12 months or less from the commencement date and do not contain a purchase option. Low-value assets are assets that have values less than N5,000,000.00 (Five million naira only) when new, and depends on the nature of the asset. Lease payments on short-term leases and leases of low-value assets would be recognised as expenses in profit or loss on a straight-line basis over the lease term.

Extension and termination options - Determining the lease term
In determining the lease term, management considers all facts and circumstances that create an economic incentive to exercise an extension option, or not exercise a termination option. Extension options (or periods after termination options) are only included in the lease term if the lease is reasonably certain to be extended (or not terminated).
For leases of properties, the following factors are normally the most relevant:
- If there are significant penalties to terminate (or not extend), the Group is typically reasonably certain to extend (or not terminate).
- If any leasehold improvements are expected to have a significant remaining value, the Group is reasonably certain to extend (or not terminate).
- Otherwise, the Group considers other factors, including historical lease durations and the costs and business disruption required to replace the leased asset.

The lease term is reassessed if an option is actually exercised (or not exercised) or the Group becomes obliged to exercise (or not exercise) it. The assessment of reasonable certainty is only revised if a significant event or a significant change in circumstances occurs, which affects this assessment, and is within the control of the Group.

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Termination of leases:
On derecognition of the right-of-use asset and lease liability, any difference is recognised as a derecognition gain or loss together with termination or cancelation costs in profit or loss. Payments made under these leases, net of any incentives received from the lessor, are recognised in operating expenses on a straight-line basis over the term of the lease. When these leases are terminated before the lease period has expired, any payment required to be made to the lessor by way of a penalty is recognised as operating expenses in the period in which termination takes place.

Lease Modification:
When the Group modifies the terms of a lease resulting in an increase in scope and the consideration for the lease increases by an amount commensurate with a stand-alone price for the increase in scope, the Group accounts for these modifications as a separate new lease. All other lease modifications that are not accounted for as a separate lease are accounted for in terms of IFRS 9, unless the classification of the lease would have been accounted for as an operating lease had the modification been in effect at inception of the lease. These lease modifications are accounted for as a separate new lease from the effective date of the modification and the net investment in the lease becomes the carrying amount of the underlying asset.

Reassessment of lease terms and lease modifications that are not accounted for as a separate lease:
When the Group reassesses the terms of any lease (i.e. it re-assesses the probability of exercising an extension or termination option) or modifies the terms of a lease without increasing the scope of the lease or where the increased scope is not commensurate with the stand-alone price, it adjusts the carrying amount of the lease liability to reflect the payments to be made over the revised term, which are discounted at the applicable rate at the date of reassessment or modification. The carrying amount of lease liability is similarly revised when the variable element of future lease payments dependent on a rate or index is revised. For reassessments to the lease terms, an equivalent adjustment is made to the carrying amount of the right-of-use asset, with the revised carrying amount being depreciated over the revised lease term. However, if the carrying amount of the right-of-use asset is reduced to zero any further reduction in the measurement of the lease liability, is recognised in profit or loss.

2.16 Investment Properties
Investment properties are properties held to earn rentals and/or capital appreciation (including property under construction for such purposes). Investment properties are measured initially at cost, including transaction costs. Subsequent to initial recognition, investment properties are measured at fair value. All of the Group's property interests held under operating leases to earn rentals or for capital appreciation purposes are accounted for as investment properties and are measured using the fair value model. Gains and losses arising from changes in the fair value of investment properties are included in profit or loss in the period in which they arise.

An investment property is derecognised upon disposal or when the investment property is permanently withdrawn from use and no future economic benefits are expected from the disposal. Any gain or loss arising on derecognition of the property (calculated as the difference between the net disposal proceeds and the carrying amount of the asset) is included in profit or loss in the period in which the property is derecognised.

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2.17 Trade and other receivables

Trade and other receivables are non-derivative financial assets with fixed or determinable payments that are not quoted in an active market, other than those classified by the Group as fair value through profit or loss or through other comprehensive income or those for which the Group may not recover substantially all of its initial investment, other than because of credit deterioration.

Trade and other receivables are subsequently measured at amortised cost using the effective interest method, less any impairment losses. Transaction costs that are integral to the effective rate are capitalised to the value of the receivables and amortised through interest income using the effective interest rate method. The Group's trade and other receivables include prepayments, WHT receivables, accrued income, other receivables, trade debtors as well as deposits for investments.

2.18 Provisions and Contingent Liabilities

Provisions are recognised for present obligations arising as consequences of past events where it is probable that a transfer of economic benefit will be necessary to settle the obligation, and it can be reliably estimated.

Provisions are determined by discounting the expected future cash flows using a pre-tax discount rate that reflects current market assessments of the time value of money and the risks specific to the liability.

Contingent liabilities are possible obligations whose existence will be confirmed only by uncertain future events or present obligations where the transfer of economic benefit is uncertain or cannot be reliably measured. Contingent liabilities are not recognised but are disclosed unless they are remote.

2.19 Issued debt and equity securities

Issued financial instruments or their components are classified as liabilities where the contractual arrangement results in the Group having a present obligation to either deliver cash or another financial asset to the holder, to exchange financial instruments on terms that are potentially unfavourable or to satisfy the obligation otherwise than by the exchange of a fixed amount of cash or another financial asset for a fixed number of equity shares. Issued financial instruments, or their components, are classified as equity where they meet the definition of equity and confer on the holder a residual interest in the assets of the company. The components of issued financial instruments that contain both liability and equity elements are accounted for separately with the equity component being assigned the residual amount after deducting from the instrument as a whole the amount separately determined as the fair value of the liability component.

2.20 Share capital

Ordinary shares are classified as share capital.

(a) *Share issue costs*

Incremental costs directly attributable to the issue of new shares or options or to the acquisition of a business are shown in equity as a deduction, net of tax, from the proceeds.

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(b) ***Dividend on ordinary shares***

Dividend on ordinary shares are recognised in equity in the period in which they are approved by the company's shareholders.

Dividend for the year that are declared after the date of the statement of financial position are dealt with in the subsequent events note.

Dividend proposed by the Directors but not yet approved by members are disclosed in the financial statements in accordance with the requirements of the Company and Allied Matters Act.

2.21 Employee benefits

Defined contribution plan

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

The Company operates a contributory pension plan in line with the Pension Reform Act 2014. Employees and the Company contribute 8% and 10% respectively of each of the qualifying staff salary in line with the provisions of the Pension Reforms Act 2014.

Termination benefits
Termination benefits are payable when employment is terminated by the Group before the normal retirement date, or whenever an employee accepts voluntary redundancy in exchange for these benefits. The Group recognises termination benefits at the earlier of the following dates: (a) when the Group can no longer withdraw the offer of those benefits; and (b) when the entity recognises costs for a restructuring that is within the scope of IAS 37 and involves the payment of termination benefits. In the case of an offer made to encourage voluntary redundancy, the termination benefits are measured based on the number of employees expected to accept the offer. Benefits falling due more than 12 months after the end of the reporting year are discounted to their present value.

Defined benefit obligation - long service awards
The Group runs an unfunded lumpsum defined benefit plan on long service awards to all staff. The long service award is designed to reward employees who have served for periods convering 5years and subsequent 5 years following the initial 5 years of service rendered. For the first 5 years the amount payable is 2 monthly salary for prioneer staff and 1.5 monthly salary for non-prioneer staff. Subsequent 5 year is 2.5 monthly salary for all categories of staff.

The calculation of the defined benefit is performed annually by a qualified actuary using the projected unit credit method. When the benefits of a plan are improved, the portion of the increased benefit relating to past service by employees is immediately recognized in the income statement. The Group recognizes all actuarial gains or losses and all expenses arising from defined benefit plan immediately in the balance sheet, with a charge or credit to other comprehensive income (OCI) in the years in which they occur. They are not recycled subsequently in the income statement.

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 bonus or profit-sharing plans if the Group 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.

2.22 Fiduciary activities

The Group acts as trustees and in other fiduciary capacities that result in the holding or placing of assets on behalf of individuals, trusts, retirement benefit plans and other institutions.

2.23 Related party transactions
Transactions with related parties are conducted and recorded at arms' length and disclosed in accordance with IAS 24 "Related party disclosures".

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3 Financial Risk Management

3.1 Introduction and Overview

Three Lines of Defence model

The Group adopts the 3 lines of defence model. Reporting lines reinforce the segregation of duties and independence within the model:

	Functions	Responsibilities
1st Line of Defence	Business Line and Legal Entity Management	As the point of contact, they have primary responsibility for risk management. The process of assessing, measuring and controlling risks is ongoing and integrated in the day-to-day activities of the business through business and risk frameworks set by the second line of defence.
2nd Line of Defence	Consists of specialist roles: Finance function; Risk Management function; Legal function; the governance and assurance functions (excluding Internal Audit)	The second line of defence functions are responsible for setting frameworks within the parameters set by the Board; and report to the Board Governance Committees. They implement the Group's risk management framework and policies, approve risk within specific mandates and provide an independent overview of the effectiveness of risk management by the first line of defence.
3rd Line of Defence	Internal Audit	They set the internal audit framework and provide an independent assessment of the adequacy and effectiveness of the overall risk management framework and risk governance structures, and reports to the board through the Audit & Governance committee.

3.2 Risk Categories

The risk types that the Group is exposed to within its business operations are defined below. The definitions are consistent with the Group's risk culture and language

3.21 Credit Risk

Credit risk is the risk of loss from obligor or counterparty default on financial or contractual obligations. Credit risk comprises counterparty risk, settlement risk and concentration risk. These risk types are defined as follows:

Counterparty risk: The risk of credit loss to the Group as a result of the failure by a counterparty to meet its financial and/or contractual obligations to the Group as they fall due. This risk type has three components:

i. **Primary credit risk**: The exposure at default arising from lending and related investment product activities (including their underwriting).

ii. **Pre-settlement credit risk**: The exposure at default arising from unsettled forward and derivative transactions. This risk arises from the default of the counterparty to the transaction and is measured as the cost of replacing the transaction at current market rates.

iii. **Issuer risk**: The exposure at default arising from traded credit and equity products (including the primary market issue underwriting of these products).

Settlement risk: Settlement is the exchange of two payments or the exchange of an asset for a payment. Settlement risk represents the risk of loss to the Group from settling a transaction where value is exchanged, but where the Group may not receive all or part of the counter value.

Credit concentration risk: The risk of loss to the Group as a result of excessive build-up of exposure to, among others, a single counterparty or counterparty segment, an industry, a market, a product, a financial instrument or type of security, a country or geography, or a maturity. This concentration typically exists where a number of counterparties are engaged in similar activities and have similar characteristics, which could result in their ability to meet contractual obligations being similarly affected by changes in economic or other conditions

3.22 Country Risk

The Group defines country risk to include cross-border risk. Country risk is the risk of loss arising where political or economic conditions or events in a particular country inhibit the ability of counterparties resident in that country to meet their financial obligations. Country risk events may include sovereign defaults, banking or currency crises, social instability and governmental policy changes or interventions such as expropriation, nationalization and asset confiscation. Transfer and convertibility risk (such as exchange controls and foreign debt moratoria) represent an important element of cross-border country risk.

3.23 Liquidity Risk

Liquidity risk arises when the Group, despite being solvent, is unable to maintain or generate sufficient cash resources to meet its payment obligations as they fall due, and/or can only do so on materially disadvantageous terms. This may arise when counterparties who provide the Group with funding withdraw or do not roll over that funding, or as a result of a general disruption in asset markets that renders normally liquid assets illiquid

Liquidity risk encompasses both funding liquidity risk and asset liquidity risk:

i. Funding liquidity risk (also referred to as cash-flow risk) is defined as the risk that a financial institution will be unable to raise the cash necessary to roll over its debt; to fulfil the cash, margin, or collateral requirements of counterparties; or to meet capital withdrawals.

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ii. Asset liquidity risk (also referred to as market or trading liquidity risk) results from a large position size forcing transactions to influence the price of securities. This is managed by establishing position limits on assets (especially assets that are not heavily traded).

3.24 Market Risk

Market risk is the exposure to an adverse change in the market value, earnings (actual or effective) or future cash flows of a portfolio of financial instruments (including commodities) caused by adverse movements in market variables such as equity, bond and commodity prices; currency exchange and interest rates; credit spreads; recovery rates and correlations; as well as implied volatilities in these variables.

3.25 Operational Risk

Operational risk is the risk of loss resulting from inadequate or failed internal processes, people and systems or from external events. This includes business risk, information and legal risk; but excludes reputational risk.

Business risk: is the risk of loss, due to operating revenues not covering operating costs and is usually caused by:

- inflexible cost structures;
- market-driven pressures, such as decreased demand, increased competition or cost increases;
- group-specific causes, such as a poor choice of strategy, reputational damage or the decision to absorb costs or losses to preserve reputation.

It includes strategic risk, which is the risk that the Group's future business plans and strategies may be inadequate to prevent financial loss or protect the Group's competitive position and shareholder value.

3.26 Reputational Risk

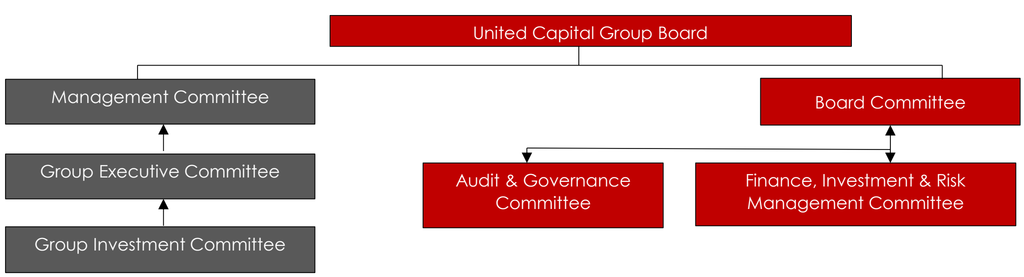
Reputational risk results from damage to the Group's image among stakeholders, which may impair its ability to retain and generate business. Such damage may result from a breakdown of trust, confidence or business relationships.

3.3 Risk Management Framework

3.31 Governance Structure

Strong independent oversight is in place at all levels throughout the Group. The risk governance structure is based on the principle that each line of business is responsible for managing the risks inherent in its business, albeit with appropriate corporate oversight. In support of this framework, business risk policies are approved to guide each line of business for decisions regarding the business' risk strategy, policies as appropriate and controls.

Risk management reports independently of the lines of business to provide oversight of Group-wide risk management and controls, and is viewed as a partner in achieving appropriate business risk and reward objectives. Risk Management coordinates and communicates with each line of business through the Group executive committee and business line governance committees. The chief risk officer (Head, Risk Management) is a member of the business line governance committees (which also has the business line chief executive officer as a member).



3.32 Risk Governance Process

The Group has established a practical risk governance process that relies on both individual responsibility and collective oversight, supported by comprehensive and independent reporting. This approach balances strong corporate oversight at Group level with participation by the senior executives of the Group in all significant risk matters. This also supports the effectiveness of the three lines of defense system as business line managers are kept abreast of inherent and emerging risks related to their respective business lines.

The governance committees are a key component of the risk management framework. They have clearly defined mandates and authorities, which are reviewed regularly. Board committees meet at least quarterly to review business strategies and ongoing achievement of risk and business objectives. This is achieved by means of formal reporting by respective business and governance units within the Group; as well as interviews/testimonials from key senior business and support executives.

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Financial Risk Management

Management committees meet at least monthly to review the business environment, execute strategy revalidation, and are focused on measuring, monitoring and managing risk. The Group Investment Committee is charged with the asset/liability management, as well as ongoing capital and liquidity risk management of the Group and individual business entities; as well as the review and risk analysis of investment and/or new product/business proposals from business units (either due to the type of product/investment or the size/risk profile of the transaction). All approvals are executed in line with clearly defined authority levels (e.g. new business product/service lines must be approved by the Board on recommendation of the Finance, Investments and Risk Management committee).

Business line governance committees are constituted in line with the nature and risk of specific business activities. Business (line) risk framework/policies defined by the Group Risk Management function may prescribe the establishment of a business line governance committee to guide the strategy/operation of specific business lines (for instance: proprietary trading activities). Business line governance committees typically have membership from independent research, risk management, internal control and business line managers. These committees typically meet weekly (or as otherwise defined in specific business risk policy). Business risk frameworks define the risk appetite for the specific business lines amidst capital allocated for the business operation. In aggregate, the Group seeks to maintain a low-moderate risk appetite.

The board establishes and maintains oversight of the Group's risk appetite by:

i. Providing strategic leadership and guidance;

ii. Reviewing and approving annual budgets and forecasts, under both normal and stressed conditions, for the Group and each business unit; and

iii. Regularly reviewing and monitoring the Group's risk performance through quarterly board reports.

The Group's ERM framework stipulates the following terms which have specific meaning within the Group and guide risk management considerations:

i. Residual risk: the leftover risk exposure after implementation of mitigation efforts and controls

ii. Risk appetite: the amount or type of residual risk that the Group is prepared to accept to deliver on its financial/business objectives. It reflects the capacity to sustain losses and continue to meet obligations as they fall due, under both normal and a range of stress conditions.

iii. Risk tolerance: the maximum amount or type of risk the Group is prepared to tolerate above stipulated risk appetite levels for short periods of time (based on the understanding that management action is taken to get back within risk appetite).

iv. Risk capacity: the maximum amount of risk the Group is able to support within its available financial resources

v. Risk profile: the amount or type of risk the Group holds at a specific point in time

vi. Risk tendency: is defined as a forward-looking view of the anticipated change in the Group's risk profile as a result of portfolio effects and/or changes in economic conditions. Changes in economic conditions may either be in the form of formally approved macroeconomic stress scenarios or ad-hoc stress scenarios models

The Group runs a Group Shared Service operations process supported by an Enterprise Resource Platform system. Risk Management is supported by risk technology and operations functions that are responsible for building the information technology infrastructure used to monitor and manage risk Group-wide and at respective business line and entity levels. Risk Management has oversight of all risk types (excluding Legal risk which is managed by the Legal and Compliance; and Reputational risk which is under the oversight of the Group Chief Operating Officer)

3.4 Credit Risk Management

Credit risk is the risk of loss from obligor or counterparty default on financial or contractual obligations. The Group may be exposed to credit risk arising primarily from trading activities (including debt securities), settlement balances with market counterparties, fair value through other comprehensive income (FVTOCI) and reverse repurchase lending agreements. Other sources include wholesale credit to large corporate and institutional clients (on a restrictive basis)

Credit risk management is overseen by the group risk management function and implemented within the lines of business; with oversight by the management and board committees. The Group's credit risk management governance consists of the following objectives:

- Establish a robust risk policy and control framework
- Maintain a strong culture of responsible investing
- Identify, assess and measure credit risk across the Group, from the level of individual securities and counterparties; up to aggregate portfolio holdings
- Define, implement and continually re-evaluate business risk appetite under actual and scenario conditions
- Monitoring and managing credit risk across individual exposures and all portfolio segments
- Assigning and ensuring adherence to agreed controls
- Ensure there is independent, expert analysis of credit risks; and their mitigation

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Financial Risk Management

3.41 Risk Identification and Measurement

The Group is exposed to credit risk through its capital and money market activities and advisory services businesses. Risk Management works in partnership with the business segments in identifying and aggregating exposures across all lines of business.

The Group dedicates considerable resources to gaining a clear and accurate understanding of credit risk across the business and ensuring that its balance sheet correctly reflects the value of the assets in accordance with IFRS.

To measure credit risk, the Group employs several methodologies for estimating the likelihood of obligor or counterparty default. In the year under review, credit risk exposure was quantified on the basis of both adjusted exposure and absolute exposure. External credit ratings are considered in evaluating probability of default. The enterprise risk management framework recognizes credit ratings from Basel recognized External Credit Assessment Institutions (ECAI) and Agusto & Co. Ltd. External ratings are often internally adjusted for prudence. The Group regularly validates the performance of ratings and their predictive power with regard to default events.

Primary credit risk arising from debt exposure is measured in accordance with the accounting value for outstanding exposure, including applicable accrued interest and gross of any specific credit impairments, and a measure of the expectation of additional exposure which may arise at default. Debt portfolios are structured to have an investment grade profile.

Wholesale credit risk exposure, where it exists, is monitored regularly at an aggregate portfolio, industry and individual counterparty basis with established concentration limits that are reviewed and revised, as deemed appropriate by Group investment committee, at least on an annual basis. Industry and counterparty limits, as measured in terms of exposure and economic credit risk capital, are subject to stress-based loss constraints. Management of the Group’s wholesale credit risk exposure is accomplished through a number of means including: stringent loan underwriting and credit approval process; as well as collateral and other risk-reduction techniques. Wholesale credit exposure are at a minimum reviewed and approved at the level of the Group investment committee

Pre-settlement risk is measured on a potential future exposure basis, taking into account implicitly the liquidity and explicitly the volatility of the reference asset or price of the instrument or product and the tenor of the exposure. Instruments that give rise to issuer credit risk are measured as primary credit risk

Settlement risk is measured on a notional basis, assuming that the counter value will not be received. The daily settlement profile for the counterparty concerned is the aggregate of all settlements due by the counterparty on that date, either on a gross or net basis, depending on whether the underlying transaction agreements include netting or not.

3.42 Maximum exposure to credit risk

	Group		Company	
	2024	**2023**	**2024**	**2023**
	N'000	**N'000**	**N'000**	**N'000**
Cash and cash equivalents	434,828,394	145,255,523	66,760,826	12,683,441
Financial assets:				
Amortised cost	256,337,988	307,107,805	103,185,588	123,377,070
Fair value through OCI (FVOCI)	16,209,439	78,521,666	13,102,278	23,473,120
Trade and other receivables	112,706,560	16,805,499	99,605,206	4,717,400
	820,082,380	**547,690,493**	**282,653,899**	**164,251,031**

Balances included in Trade and other receivables above are those subject to credit risks. Items not subject to credit risk, which include deposit for shares, prepayment, and WHT receivable have been excluded.

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Financial Risk Management

3.43 Credit risk analysis as at 30 September, 2024
Group

	AAA - A-	BBB+ - B-	CCC+ - C-	Not rated	Carrying amount
	N'000	N'000	N'000	N'000	N'000
Cash and cash equivalents	84,943,226	59,456,927	271,395,612	-	415,795,765
Financial assets:					
Amortised cost	**50,373,983**	**17,698,433**	**94,915,103**	**93,350,468**	**256,337,988**
Long term placements	(38,404,548)	-	4,811,598	27,035,627	(6,557,323)
Commercial papers	4,477,831	-	7,553,965	-	12,031,796
Loans to customers	16,368,628	-	-	66,314,841	82,683,469
Treasury bills	18,504,648	-	2,752,731	-	21,257,379
Federal government bonds	43,721,723	-	30,810,329	-	74,532,052
State government bonds	5,705,701	-	15,435,635	-	21,141,335
Eurobond	-	-	1,067,558	-	1,067,558
Corporate bonds	-	17,698,433	32,483,288	-	50,181,721
Fair value through OCI (FVOCI)	**-**	**-**	**16,209,439**	**-**	**16,209,439**
Treasury bills	-	-	-	-	-
Bonds	-	-	-	-	-
Mutual funds	-	-	16,209,439	-	16,209,439
Trade and other receivables	-	-	-	112,706,560	112,706,560
Total	**135,317,209**	**77,155,360**	**382,520,154**	**206,057,028**	**801,049,752**

Company

	AAA - A-	BBB+ - B-	CCC+ - C-	Not rated	Carrying amount
	N'000	N'000	N'000	N'000	N'000
Cash and cash equivalents	9,687,803	2,995,638	54,077,385	-	66,760,826
Financial assets:					
Amortised cost	**23,680,634**	**9,580,566**	**-**	**71,382,827**	**104,644,027**
Long term placements	326,511	3,938,611	-	5,067,986	9,333,108
Commercial papers	-	-	-	-	-
Loans to customers	16,368,628	-	-	66,314,841	82,683,469
Treasury bills	-	-	-	-	-
Eurobonds	1,067,558	-	-	-	1,067,558
Federal government bonds	212,236	-	-	-	212,236
State government bonds	5,705,701	2,153,994	-	-	7,859,695
Corporate bonds	-	3,487,960	-	-	3,487,960
Fair value through OCI (FVOCI)	**8,136,966**	**-**	**-**	**4,965,312**	**13,102,278**
Bonds	-	-	-	-	-
Mutual funds	8,136,966	-	-	4,965,312	13,102,278
Trade and other receivables	**-**	**-**	-	99,605,206	99,605,206
Total	**41,505,404**	**12,576,204**	**54,077,385**	**175,953,344**	**284,112,337**

Credit risk analysis as at 31 December, 2023

Group	AAA - A-	BBB+ - B-	CCC+ - C-	Not rated	Carrying amount
	N'000	N'000	N'000	N'000	N'000
Cash and cash equivalents	35,388,485	109,867,038	-	-	145,255,523
Financial assets:					
Amortised cost	**171,077,399**	**3,812,301**	**105,497,303**	**25,653,244**	**306,040,248**
Long term placements	48,239,206		41,604,619	-	89,843,825
Commercial papers	5,863,351	-	1,752,655	-	7,616,006
Loans to customer	24,187,495	-	-	25,653,244	49,840,739
Treasury bills	821,783	1,930,948	-	-	2,752,731
Federal government bonds	23,393,618	1,881,353	15,256,775	-	40,531,746
State government bonds	588,562	-	20,059,507	-	20,648,069
Corporate bonds	67,983,384	-	26,823,747	-	94,807,131
Fair value through OCI (FVOCI)	**66,324,589**	**12,197,077**	**-**	**-**	**78,521,665**
Bonds	3,145,099	5,076,346	-	-	8,221,445
Mutual Funds	63,179,490	7,120,731	-	-	70,300,221
Trade and other receivables	**-**	**-**	**-**	**16,805,499**	**16,805,499**
Total	**272,790,472**	**125,876,416**	**105,497,303**	**42,458,744**	**546,622,935**

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Financial Risk Management

Company

	AAA - A-	BBB+ - B-	CCC+ - C-	Not rated	Carrying amount
	N'000	N'000	N'000	N'000	N'000
Cash and cash equivalents	9,776,105	2,907,336	-	-	12,683,441
Financial assets:					
Amortised cost	**38,183,384**	**477,685**	**29,592,831**	**54,055,613**	**122,309,512**
Long term placements	-		27,057,497	17,949,099	45,006,597
Loans to customers	28,513,566		-	36,106,513	64,620,079
Federal government bonds	1,586,011	477,685	-	-	2,063,695
State government bonds	7,783,895	-	1,370,100	-	9,153,994
Corporate bonds	299,913	-	1,165,234	-	1,465,147
Fair value through OCI (FVOCI)	**1,055,632**	**3,771,601**	**-**	**-**	**4,827,234**
Bonds	-	-			-
Mutual funds	1,055,632	3,771,601	-	-	4,827,234
Trade and other receivables	-	-	-	4,717,400	4,717,400
Total	**49,015,122**	**7,156,622**	**29,592,831**	**58,773,013**	**144,537,587**

Geographical sectors

2024	Group		Company	
	Nigeria	Other Countries	Nigeria	Other Countries
	N'000	N'000	N'000	N'000
Cash and cash equivalents (excluding cash in hand)	434,828,394	-	66,760,826	-
Financial assets:				
Amortised cost	256,337,988	-	104,644,027	-
Fair value through OCI (FVOCI)	16,209,439	-	13,102,278	-
Trade and other receivables	112,706,560	-	99,605,206	-
	820,082,380	**-**	**284,112,337**	**-**

2023	Group		Company	
	Nigeria	Other Countries	Nigeria	Other Countries
	N'000	N'000	N'000	N'000
Cash and cash equivalents	145,255,523	-	12,683,441	-
Financial assets:				
Amortised cost	307,107,805	-	123,377,070	-
Fair value through OCI (FVOCI)	78,521,666	-	23,473,120	-
Trade and other receivables	16,805,499	-	4,717,400	-
	547,690,493	**-**	**164,251,031**	**-**

3.44 Risk Monitoring and Management

The Group employs the use of internal exposure limits to its counterparties. Money market counterparties are selected on using a set of criteria that includes an investment grade credit rating and a systemic risk relevance based on a benchmark hurdle rate. Exposure limits are assigned on the basis of the counterparty assessment based on these selection criteria.

The Group has developed policies and practices that are designed to preserve the independence and integrity of the approval and business decision-making process to ensure credit risks are assessed accurately, approved properly, monitored regularly and managed actively at both the transaction and portfolio levels.

The framework establishes credit approval authorities, concentration limits, risk-rating methodologies, and portfolio review parameters. The Group manages, limits and controls concentrations of credit risk wherever they are identified − in particular, to individual counterparties and groups, and to industries, geographies and countries.

Impairment allowances are recognized for financial reporting purposes only for losses that have been incurred at the date of the consolidated statement of financial position based on objective evidence of impairment.

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3.45 Risk reporting

To enable monitoring of credit risk and effective decision making, aggregate credit exposure, credit quality forecasts, concentration levels and risk profile changes are reported regularly to the management committees; and board committee at least quarterly. Stress testing is important in measuring and managing credit risk in the Group's business portfolios. The process assesses the potential impact of alternative economic and business scenarios on estimated credit losses for the Group. In conjunction with independent research, the risk management function considers economic scenarios (and parameters underlying those scenarios) which may lead to credit migration, changes in counterparty liquidity and/or solvency states and the potential losses from credit exposures. During the period under review, credit exposures are considered on the basis of absolute loss exposure impact.

3.5 Country Risk Management

Country risk is the risk that a political, economic or sovereign event or action alters the value or terms of contractual obligations of obligors, counterparties and issuers related to a country.

The Risk and Investment Committee (RIC) is responsible for the management of country risk across the Group. The RIC committee delegates the functional oversight of country risk management to the Group executive committee. The Group risk management function maintains oversight of country risk exposures and reports to the Group executive committee monthly and the RIC committee on a quarterly basis.

Risk Identification and Measurement
The Group country risk governance standards incorporate the use of external ratings from qualifying External Credit Assessment Institutions (ECAIs). Country risk exposure management is based on country, sovereign and business environment risk assessment. Exposure in countries qualifying as medium and high risk countries is subject to increased analysis and monitoring.

Country exposures are generally measured by considering the Group's risk to an immediate default of the counterparty or obligor, with zero recovery. Where required, the group seeks to incorporate country risk mitigation via methods like co-financing with multilateral institutions; political and commercial risk insurance; transaction structures to mitigate transferability and convertibility risk (such as collateral, collection and margining deposits outside the jurisdiction in question)

Risk Monitoring and Control
Group risk management in conjunction with independent research employs the use of surveillance tools for early identification of potential country risk concerns. Country ratings and exposures are actively monitored and reported on a regular basis based on an assessment of potential risk of loss associated with a significant sovereign, political, social, or economic crisis

3.5 Liquidity Risk Management

Liquidity risk management is intended to ensure that the Group has the appropriate amount, composition and tenor of funding and liquidity to support its assets.

The primary objectives of effective liquidity management are to ensure that the Group's legal entities are able to operate in support of client needs and meet contractual and contingent obligations under both normal and stressed market conditions; as well as to maintain debt ratings that enable the Group to optimize its funding mix and liquidity sources at minimal cost.

United Capital manages liquidity and funding using a centralized Treasury approach in order to actively manage liquidity for the Group as a whole, monitor exposure and identify constraints on the transfer of liquidity within the Group; and maintain the appropriate amount of surplus liquidity as part of the Group's overall balance sheet management strategy.

For The Period Ended 30 September 2024
Financial Risk Management

Risk Identification and Measurement

In the context of the Group's liquidity management, Treasury is responsible for:

- Measuring, managing, monitoring and reporting the Firm's current and projected liquidity sources and uses;
- Managing funding mix and deployment of excess short term cash

In addition, in conjunction with the Group risk management function, Treasury is also responsible for:

- Understanding the liquidity characteristics of the Firm's assets and liabilities;
- Defining and monitoring Group-wide and legal entity liquidity strategies and contingency funding plans;
- Liquidity stress testing under a variety of adverse scenarios;
- Defining and addressing the impact of regulatory changes on funding and liquidity.

The Group adopts a three pronged approach to its liquidity risk management process which aligns strategies to liquidity risk categories. The Group recognizes three categories of liquidity risk - short-term, structural, and contingent liquidity risk. These three liquidity risk management categories are governed by a comprehensive internal governance framework to identify, measure and manage exposure to liquidity risk

Treasury, in conjunction with the Group risk management, is responsible for business activities governing the implementation of the Group's liquidity management process:

Category	Activities
Short term liquidity risk management	●Monitor daily cash flow requirements ●Manage intra-day liquidity positions ●Monitor repo and bank funding shortage levels ●Manage short term cash flows ●Manage daily foreign currency liquidity ●Provide guidance on fund taking rates in conformity with longer term and contingent liquidity requirements (as informed by the management committees)
Structural liquidity risk management	●Identify and manage medium to long term liquidity mismatches ●Ensure a structurally sound balance sheet ●Manage long term cash flows ●Determine and apply behavioural profiling to investor portfolios (in ●Preserve a diversified funding base ●Assess foreign currency liquidity exposures ●Establish liquidity risk appetite
Contingency liquidity risk management	●Establish and maintain contingency funding plans ●Monitor and manage early warning liquidity indicators ●Ensure regular liquidity stress tests and scenario analysis ●Establish liquidity buffer levels in conformity with anticipated stress events ●Convene liquidity crisis management committees (as required) ●Ensure diversification of liquidity buffer portfolios

Risk Monitoring and Control
Monitoring and reporting entails cash flow measurement and forecasting for the next day, week, biweekly, month, quarter, half-year and yearly as these are key periods for liquidity management. The starting point for those projections is an analysis of the contractual maturity of the financial liabilities and the expected receivable date of the financial assets.

Foreign currency liquidity risk management

The Group maintains active monitoring and management of foreign currency assets and liabilities using suitable indicators to consistently track changes in market liquidity and/or exchange rates. In general, uncovered or unmatched or un-hedged FX positions is restricted.

Funding
The Group is funded primarily by a well-diversified mix of retail, corporate and public sector funds. This funding base ensures stability and low funding cost with minimal reliance on more expensive tenured deposit and loan markets. The Group places considerable importance on the Sinking fund portfolio and other managed funds from both Trusteeship and wealth management business.

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Financial Risk Management

The Group employs a diversified funding strategy to fund its balance sheet which incorporates a coordinated approach to accessing capital and loan markets (where necessary). Funding markets are evaluated on an ongoing basis to ensure appropriate Group funding strategies are executed depending on the market, competitive and regulatory environment.

Concentration risk limits are used within the Group to ensure that funding diversification is maintained across products, sectors, geography and counterparties.

Non-derivative financial liabilities and assets held for managing liquidity risk

Presented in the table below are the cash flows payable by the Group under non-derivative financial liabilities and assets held for managing liquidity risk by remaining contractual maturities at the date of the consolidated statement of financial position. The amounts disclosed in the table below, are the contractual undiscounted cash flow and the assets held for managing liquidity risk.

Group – 30 September, 2024	< 30 days	31 - 90 days	91 - 180 days	181 - 365 days	1-3 years years	> 3 years	Total
Assets	**N'000**	**N'000**	**N'000**	**N'000**	**N'000**	**N'000**	**N'000**
Cash and cash equivalents	25,289,129	409,539,265	-	-	-	-	434,828,394
Eurobonds	-	-	22,378,254	43,454,749	-	13,935,453	79,768,456
Federal government bonds				74,532,052			74,532,052
State government bonds				21,141,335			21,141,335
Corporate bonds				50,181,721			50,181,721
Commercial papers	-	-	-	12,031,796	-	-	12,031,796
Mutual funds	-	-	-	127,594,759	9,675,234	64,950,235	202,220,228
Quoted equities	25,630,038	-	-	-	-	2,708,341	28,338,379
Unquoted equities	-	-	-	-	-	113,664,535	113,664,535
Trade and other receivables	-	-	6,888,421	103,841,471	-	60,678,481	171,408,373
Loans and receivables	-	-	-	-	9,347,608	66,778,539	76,126,146
Total	**50,919,167**	**409,539,265**	**29,266,675**	**432,777,884**	**19,022,842**	**322,715,583**	**1,264,241,416**
Liabilities							
Borrowings	-	-	7,427,355	22,297,547	-	290,482,977	320,207,878
Managed funds	11,969,749	129,540,480	4,345,142	552,729,127	14,043,145	55,422,735	768,050,378
Other Liabilities	31,894,211	29,058,378	-	-	-	-	60,952,588
Total	**43,863,960**	**158,598,857**	**11,772,497**	**575,026,674**	**14,043,145**	**345,905,712**	**1,149,210,844**
Assets	50,919,167	409,539,265	29,266,675	432,777,884	19,022,842	322,715,583	1,264,241,416
Liabilities	43,863,960	158,598,857	11,772,497	575,026,674	14,043,145	345,905,712	1,149,210,844
Liquidity gap	**7,055,207**	**250,940,408**	**17,494,178**	**(142,248,790)**	**4,979,697**	**(23,190,129)**	**115,030,572**
Cummulative gap	**7,055,207**	**257,995,615**	**275,489,794**	**133,241,004**	**138,220,701**	**115,030,572**	

Company – 30 September, 2024	< 30 days	31 - 90 days	91 - 180 days	181 - 365 days	1-3 years years	> 3 years	Total
Assets	**N'000**	**N'000**	**N'000**	**N'000**	**N'000**	**N'000**	**N'000**
Cash and cash equivalents	19,779,265	47,499,525	-	-	-	-	67,278,790
Long-term investments	-	-	19,738,988	(15,473,866)	-	5,067,986	9,333,108
Bond	-	-	-	1,094,529	-	10,465,362	11,559,891
Commercial paper	-	-	-	-	-	-	-
Mutual funds	-	-	-	4,456,465	8,645,813	-	13,102,278
Quoted equities	17,795,442	-	-	-	-	-	17,795,442
Unquoted equities	-	-	-	-	-	-	-
Trade and other receivables	27,709	677	3,620,248	96,731,697	725,057	67,566,902	168,672,289
Dividend receivable	-	-	-	-	-	-	-
Loans and receivables	-	-	-	-	-	81,225,031	81,225,031
Total	**37,602,415**	**47,500,202**	**23,359,236**	**86,808,825**	**9,370,870**	**164,325,281**	**368,966,830**
Liabilities							
Borrowings	-	16,237,079	7,427,355	22,297,547	-	267,862,675	313,824,656
Other liabilities	-	31,418,731	-	-	-	-	31,418,731
Total	**-**	**47,655,810**	**7,427,355**	**22,297,547**	**-**	**267,862,675**	**345,243,387**
Assets	37,602,415	47,500,202	23,359,236	86,808,825	9,370,870	164,325,281	368,966,830
Liabilities	-	47,655,810	7,427,355	22,297,547	-	267,862,675	345,243,387
Liquidity gap	**37,602,415**	**(155,607)**	**15,931,882**	**64,511,279**	**9,370,870**	**(103,537,395)**	**23,723,443**
Cummulative gap	**37,602,415**	**37,446,808**	**53,378,690**	**117,889,968**	**127,260,838**	**23,723,443**	

For The Period Ended 30 September 2024
Financial Risk Management

Group – 31 December, 2023	< 30 days	31 - 90 days	91 - 180 days	181 - 365 days	1-3 years years	> 3 years	Total
Assets	N'000	N'000	N'000	N'000	N'000	N'000	N'000
Cash and cash equivalents	17,444,761	127,810,762	-	-	-	-	145,255,523
Bond	-	-	15,342,567	116,608,612	2,031,874	13,751,235	147,734,288
Treasury bills	-	-	(4,821,982)	7,574,713	-	-	2,752,731
Mutual funds	40,321,720	1,299,234	5,765,234	39,354,125	15,636,730	64,624,433	167,001,475
Quoted equities	-	-	-	-	-	25,630,038	25,630,038
Unquoted equities	-	-	-	-	-	86,847,154	86,847,154
Trade and other receivables	-	-	(6,083,879)	5,670,511	-	72,904,620	72,491,252
Loans and receivables	-	-	-	-	89,843,825	66,314,841	156,158,666
Total	**57,766,481**	**129,109,996**	**10,201,939**	**169,207,962**	**107,512,429**	**330,072,321**	**803,871,128**
Liabilities							
Borrowings	-	-	3,160,905	5,176,693	-	192,485,370	200,822,968
Managed funds	13,893,215	148,555,138	14,345,142	266,557,842	140,332,145	16,422,735	600,106,217
Other liabilities	14,593,071	7,594,938	5,594,938	-	-	-	27,782,946
Total	**28,486,286**	**156,150,076**	**23,100,985**	**271,734,535**	**140,332,145**	**208,908,105**	**828,712,131**
Assets	57,766,481	129,109,996	10,201,939	169,207,962	107,512,429	330,072,321	803,871,128
Liabilities	28,486,286	156,150,076	23,100,985	271,734,535	140,332,145	208,908,105	828,712,131
Liquidity gap	**29,280,195**	**(27,040,080)**	**(12,899,045)**	**(102,526,573)**	**(32,819,716)**	**121,164,216**	**(24,841,003)**
Cummulative gap	**29,280,195**	**2,240,115**	**(10,658,930)**	**(113,185,504)**	**(146,005,219)**	**(24,841,003)**	

Company – 31 December, 2023

	< 30 days	31 - 90 days	91 - 180 days	181 - 365 days	1-3 years years	> 3 years	Total
Assets	N'000	N'000	N'000	N'000	N'000	N'000	N'000
Cash and cash equivalents	899,832	12,301,573	-	-	-	-	13,201,405
Long term investment	-	5,558,458	39,448,139	-	-	-	45,006,597
Bond	-	-	-	-	2,031,874	10,650,962	12,682,836
Mutual funds	-	-	-	23,473,120	-	-	23,473,120
Quoted equities	2,643,567	-	-	-	-	-	2,643,567
Unquoted equities	-	-	-	-	-	-	-
Trade and other receivables	-	-	1,480,857	3,884,162	-	72,149,972	77,514,991
Dividend receivable	-	6,309,000	-	-	-	-	6,309,000
Loans and receivables	-	-	-	3,187,772	9,563,317	53,563,752	66,314,841
Total	**3,543,399**	**24,169,031**	**40,928,996**	**30,545,054**	**11,595,191**	**136,364,686**	**247,146,356**
Liabilities							
Borrowings	1,882,177	7,716,114	3,160,905	5,176,693	27,771,310	153,425,310	199,132,509
Other liabilities	-	15,148,590	-	-	-	-	15,148,590
Total	**1,882,177**	**22,864,704**	**3,160,905**	**5,176,693**	**27,771,310**	**153,425,310**	**214,281,098**
Assets	3,543,399	24,169,031	40,928,996	30,545,054	11,595,191	136,364,686	247,146,356
Liabilities	1,882,177	22,864,704	3,160,905	5,176,693	27,771,310	153,425,310	214,281,098
Liquidity gap	**1,661,222**	**1,304,327**	**37,768,091**	**25,368,361**	**(16,176,119)**	**(17,060,623)**	**32,865,258**
Cummulative gap	**1,661,222**	**2,965,549**	**40,733,639**	**66,102,000**	**49,925,881**	**32,865,258**	

Stress Testing

Liquidity stress tests are intended to ensure sufficient liquidity for the Group under adverse scenarios. Stress tests are considered in the formulation of the Group's funding plan and assessment of its liquidity position. Liquidity outflow assumptions are modelled across a range of time horizons and market and idiosyncratic stress.

Liquidity stress tests assume all of the Group's contractual obligations, as well as estimates of potential non-contractual and contingent outflows are met and also take into consideration varying levels of access to unsecured and secured funding markets.

For The Period Ended 30 September 2024
Financial Risk Management

Credit Ratings
The cost and availability of financing are influenced by the Group's credit ratings. Reductions in these ratings could have an adverse effect on the Group's access to liquidity sources, increase the cost of funds, trigger additional collateral or funding requirements and decrease the number of investors and counterparties willing to lend to the Group. Accordingly, the Group places due emphasis on maintaining and improving its credit rating.

Credit ratings are dependent on multiple factors including the sovereign rating, capital adequacy levels, quality of earnings, credit exposure, our risk management framework and funding diversification. The Group's F.I.RM committee ensures proper monitoring of these parameters and their possible impact on our credit rating as part of the Group's liquidity risk management and contingency planning considerations.

3.6 Market Risk Management

Market risk is the exposure to an adverse change in the market value of portfolios and financial instruments caused by a change in their market prices

The Group's exposure to market risks is categorized as follows:

· Market risk in trading activities: trading activities which may comprise market making, arbitrage and proprietary trading. These activities are primarily carried out within the Group's securities trading business

· Interest rate risk on the balance sheet: this refers to risks inherent in the different re-pricing characteristics of balance sheet assets and liabilities. These may include re-pricing risk, basis risk, yield curve risk, and optionality risk.

· Equity investments on the balance sheet: this refers to risks resulting from price changes in listed and unlisted equity investments carried on the group's balance sheet. These investments are typically classified as fair value through other comprehensive income (FVTOCI).

· Foreign currency risk: The Group may be exposed to foreign currency risk as a result of foreign-denominated cash exposures and accruals.

In managing market risks, the Group risk management function works in close partnership with the lines of business, including Treasury, to identify and monitor market risks throughout the Group. The Group's market risk management practices seek to control risk, facilitate efficient risk/return decisions, reduce volatility in operating performance, and provide transparency of the Group's market risk profile to executive management and the board of directors. This involves:

- Independent measurement, monitoring and control of business line and Group wide market risk in accordance to approved risk limits

- Qualitative risk assessments and stress tests

Risk Identification and Measurement
The risk management function articulates market risk management framework and specific business (line) risk frameworks that guide each line of business in the management of the market risks within its unit. The risk management function also responsible for independent oversight of each line of business to ensure that all material market risks are appropriately identified, measured, monitored and managed in accordance with framework guidelines approved.

The Group risk management function uses various metrics, both statistical and non-statistical, to measure and manage market risks including: value-at-risk; stop-loss triggers; stress tests; back-testing; and specific business unit portfolio and product controls.

Value-at-risk, a statistical risk measure, is used to measure the potential loss from adverse market moves under normal market conditions. Historical VaR simulation is used specifically for market risk under normal conditions. Where adopted historical VaR is be based un-weighted historical data for the previous 12 months, a holding period of one day and a 99% confidence level. Daily VaR estimates are converted to a ten-day holding period. Expected shortfall is quantified to counteract the limitations of VaR.

Stop-loss triggers are used to protect the profitability of trading desks, and refer to cumulative or daily trading losses that prompt a review or close-out of positions in trading portfolios.

Specific business unit portfolio and product controls are market risk controls applied to specific business units. These may include permissible instruments, concentration of exposures, gap limits, maximum tenor, stop loss triggers, price validation and balance sheet substantiation. In addition, only approved products that can be independently priced and properly processed are permitted to be traded.

In recognition of the unpredictability of markets, stress testing is adopted to provide an indication of the potential losses that could occur under extreme market conditions and where longer holding periods may be required to exit positions.

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Financial Risk Management

Stress tests carried out by the Group include individual market risk factor testing, combination of market risk factor testing, combination of market factors per trading desk and combinations of trading desks. The testing considers both historical market events and hypothetical forward-looking scenarios. A consistent stress-testing methodology is applied to trading and non-trading books. Stress scenarios are regularly updated to reflect changes in risk profile and economic events.

Interest rate risks in trading and non-trading portfolios are quantified using both earnings- and valuation-based measurement techniques. This is monitored at least on a monthly basis by the Group investment committee.

Interest rate sensitivity analysis as at 30 September, 2024

Group	**Value as at 2024**	**5% higher**	**5% lower**
	N'000	**N'000**	**N'000**
Cash and cash equivalent	409,539,265	20,476,963	(20,476,963)
Financia asset measured at armotised cost	256,337,988	12,816,899	(12,816,899)
Trade and other receivables - deposit for investment	67,566,902	3,378,345	(3,378,345)
	733,444,155	**36,672,208**	**(36,672,208)**

Company	**Value as at 2024**	**5% higher**	**5% lower**
	N'000	**N'000**	**N'000**
Cash and cash equivalent	47,499,525	2,374,976	(2,374,976)
Financia asset measured at armotised cost	103,185,588	5,159,279	(5,159,279)
Trade and other receivables - deposit for investment	67,566,902	3,378,345	(3,378,345)
	218,252,016	**10,912,601**	**(10,912,601)**

Interest rate sensitivity analysis as at 31 December, 2023

Group	**Value as at 2023**	**5% higher**	**5% lower**
	N'000	**N'000**	**N'000**
Cash and cash equivalent	127,810,762	6,390,538	(6,390,538)
Financia asset measured at armotised cost	307,107,805	15,355,390	(15,355,390)
Trade and other receivables - deposit for investment	72,904,620	3,645,231	(3,645,231)
	72,904,620	**3,645,231**	**(3,645,231)**

Company	**Value as at 2023**	**5% higher**	**5% lower**
	N'000	**N'000**	**N'000**
Cash and cash equivalent	12,301,573	615,079	(615,079)
Financia asset measured at armotised cost	123,377,070	6,168,853	(6,168,853)
Trade and other receivables - deposit for investment	72,904,620	3,645,231	(3,645,231)
	208,583,262	**10,429,163**	**(10,429,163)**

Foreign currency risk exposure may arise as a result of foreign-denominated cash exposures, foreign-denominated accruals, and foreign-denominated debt. The finance/treasury function maintains oversight of aggregate foreign currency risk exposure, taking into account naturally offsetting risk positions and managing the Group's residual risk. In general, the Group's policy is not to ordinarily hold significant open FX exposures on the balance sheet. The risk management function conducts foreign currency sensitivity tests to monitor potential impact from rate movements in the FX markets. The table below shows the impact on the Group's and Company's profit before tax if foreign exchange rates on financial instruments held at amortised cost or at fair value had increased by 15 percent (15%), with all other variables held constant.

Foreign currency sensitivity analysis

	Group		**Company**	
	30 September 2024	**31 December 2023**	**30 September 2024**	**31 December 2023**
	=N=' 000	**=N=' 000**	**=N=' 000**	**=N=' 000**
Assets	11,431,020	852,014	9,122,053	758,687
Liabilities	7,799,249	699,484	7,869,197	699,484
Impact on profit	3,631,771	152,530	1,252,856	59,203

The Group's market risk management process ensures disciplined risk-taking within a framework of well-defined risk appetite that enables the group to boost shareholders value while maintaining competitive advantage through effective utilization of risk capital.

3.7 Equity risk

The Group holds investments in listed and unlisted securities. Listed equity securities (quoted on the Nigerian Stock Exchange) is exposed to movement based on the general movement of the all share index and movement in prices of specific securities held by the Group.

Sensitivity analysis assuming a 5% increase/decrease in value of equities.

	Group		**Company**	
	30 September 2024	**31 December 2023**	**30 September 2024**	**31 December 2023**
	=N=' 000	**=N=' 000**	**=N=' 000**	**=N=' 000**
Investment securities at FVTPL	2,658,606	1,971,040	1,566,397	1,387,759
Investment securities at FVOCI	27,661,569	12,688,332	16,229,045	1,255,808
Impact on Profit for the period				
Favourable change @ 5% increase in prices	132,930	98,552	78,320	69,388
Unfavourable change @ 5% reduction in prices	(132,930)	(98,552)	(78,320)	(69,388)
Impact on Other Comprehensive Income				
Favourable change @ 5% increase in prices	1,383,078	634,417	811,452	62,790
Unfavourable change @ 5% reduction in prices	(1,383,078)	(634,417)	(811,452)	(62,790)

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Financial Risk Management

Risk Monitoring and Control

Market risk is controlled primarily through a series of limits set in the context of the market environment and business strategy. In setting limits, the Group takes into consideration factors such as market volatility, asset liquidity and accommodation of client business and management experience.

Limits may also be allocated within the lines of business, as well at portfolio level. Limits are established by risk management. Limits are reviewed regularly and updated as appropriate, with any changes approved by appropriate governance committees and risk management.

3.7.1 Fair value estimation

a) Financial instruments measured at fair value

IFRS 13 requires disclosures for all financial instruments measured at fair value.
The table below analyses financial instruments carried at fair value, by valuation method.
The different levels have been defined as follows:
- Quoted prices (unadjusted) in active markets for identical assets or liabilities (level 1)
- Inputs other than quoted prices included within level 1 that are observable for the asset or liabilities, either directly (that is, as prices) or indirectly (that is, derived from prices) (level 2).
- Inputs for the asset or liability that are not based on observable market data (that is, unobservable inputs (level 3).

Group 2024	**Level 1**	**Level 2**	**Level 3**	**Total**
Financial assets measured at fair value	**N'000**	**N'000**	**N'000**	**N'000**
Bonds	-	-	-	-
Equity- quoted	28,338,379	-	-	28,338,379
Equity- unquoted	-	33,230,742	-	33,230,742
Mutual funds	-	58,136,689	167,001,475	225,138,164
	28,338,379	**91,367,431**	**167,001,475**	**286,707,286**

Company 2024	**Level 1**	**Level 2**	**Level 3**	**Total**
	N'000	**N'000**	**N'000**	**N'000**
Financial assets measured at fair value				
Treasury bills	-	-	-	-
Bonds	-	-	-	-
Equity- quoted	17,795,442	-	-	17,795,442
Mutual funds	-	4,456,465	8,645,813	13,102,278
	17,795,442	**4,456,465**	**8,645,813**	**30,897,720**

Group 2023	**Level 1**	**Level 2**	**Level 3**	**Total**
Financial assets measured at fair value	**N'000**	**N'000**	**N'000**	**N'000**
Bonds	8,221,445	-	-	8,221,445
Equity- quoted	87,592,733	-	-	87,592,733
Equity- unquoted	-	20,384,459	-	20,384,459
Mutual funds	-	42,009,035	124,992,441	167,001,475
	95,814,177	**62,393,494**	**124,992,441**	**283,200,112**

Company 2023	**Level 1**	**Level 2**	**Level 3**	**Total**
Financial assets measured at fair value	**N'000**	**N'000**	**N'000**	**N'000**
Equity- quoted	21,289,453	-	-	21,289,453
Mutual funds	-	-	6,594,222	6,594,222
	21,289,453	**-**	**6,594,222**	**27,883,675**

Financial instruments in level 1

The fair value of financial instruments traded in active markets is based on quoted market prices at the balance sheet date. A market is regarded as active if quoted prices are readily and regularly available from an exchange, dealer, broker, industry Company, pricing service, or regulatory agency, and those prices represent actual and regularly occurring market transactions on an arm's length basis. The quoted market price used for financial assets held by the Company is the current bid price. These instruments are included in level 1. Instruments included in level 1 comprise primarily NSE equity investments, treasury bills and bonds classified as trading securities or financial asset through OCI.

Financial instruments in level 2

The fair value of financial instruments that are not traded in an active market (for example, over-the-counter derivatives) is determined by using valuation techniques. These valuation techniques maximise the use of observable market data where it is available and rely as little as possible on entity specific estimates. If all significant inputs required to fair value an instrument are observable, the instrument is included in level 2.
If one or more of the significant inputs is not based on observable market data, the instrument is included in Level 3.

Specific valuation techniques used to value financial instruments include:
a) Quoted market prices or dealer quotes for similar instruments;

b) The fair value of forward foreign exchange contracts is determined using forward exchange rates at the balance sheet date, with the resulting value discounted back to present value;

c) Other techniques, such as discounted cash flow analysis, sales prices of comparable properties in close proximity , are used to determine fair value for the remaining financial instrument.

For The Period Ended 30 September 2024
Financial Risk Management

Financial instruments in level 3
Inputs for the asset or liability in this fair value hierarchy are not based on observable market data (unobservable inputs). This level includes equity investments with significant unobservable components.

Description of valuation methodology and inputs:
The steps involved in estimating the fair value of the company's unquoted equity investments are as follows:

Step 1: The most appropriate valuation methodology was selected to value each of the unquoted equity investment.

Step 2: Comparative multiples were sourced from S & P Capital IQ based on available comparable companies in Sub- Saharan Africa and Emerging Asia and an average multiple was computed.

Step 3: The enterprise value was derived by multiplying the average multiple to the relevant financial metric.

Step 4: Equity value of the firm was derived by deducting the value of the debt of the company and adding the closing cash balance.

Step 5: A lack of marketability discount of 14.9% was applied to the equity value.

Step 6: The equity value was derived by multiplying the company's equity value by Roger Miller equity stake.

Step 7: The latest transaction price was adopted to estimate the fair value of unquoted equity investment in Brozi Leisures Limited.

There was no transfer of securities between levels in 2024 (2023: nil).

Information about the fair value measurements using significant unobservable Inputs (Level 3) are given below:

30 September 2024

Description	Fair value at 31 Dec. 2024	Valuation technique	Unobservable input	Reasonable possible shift +/- (absolute value)	Change in valuation +/- N'000
FSDH (Naira - million)	5,402	DDM	-Discounted factor -Cashflow estimate	1%	54
AFC ('USD - million)	12,592	DDM	-Discounted factor -Cashflow estimate	1%	125.92

31 December 2023

Description	Fair value at 31 Dec. 2023	Valuation technique	Unobservable input	Reasonable possible shift +/- (absolute value)	Change in valuation +/- N'000
FSDH (Naira - million)	2,351	Justified P/BV	-Discounted factor -Cashflow estimate	1%	24
AFC ('USD - million)	4,665	DDM	-Discounted factor -Cashflow estimate	1%	46.65

The change in valuation disclosed in the table shows the direction an increase or decrease in the respective input variables would have on the valuation result. For equity securities, increase in the EBITDA multiple would lead to an increase in estimated value. However, an increase in the discount for lack of marketability would lead to a decrease in value.

The valuation of FSDH unquoted equity was based on the recent sales price of the shares. A 1% increase/(decrease) in the share price of the equities at the reporting date would have increased/(decreased) the profit before tax by N270million

For The Period Ended 30 September 2024
Financial Risk Management

(b) Financial instruments not measured at fair value

Group	At 30 September 2024		At 31 December 2023	
	Carrying value	Fair value	Carrying value	Fair value
Financial assets	N'000	N'000	N'000	N'000
Cash and cash equivalent	434,828,394	434,828,394	145,255,523	145,255,523
Investment securities at amortised cost	272,242,918	270,454,765	323,581,907	312,783,584
Trade and other receivables*	190,066,957	190,066,957	80,996,356	80,996,356
	897,138,270	**895,350,117**	**549,833,786**	**539,035,463**
Financial liabilities				
Other liabilities	195,876,900	195,876,900	75,169,658	75,169,658
Managed funds*	768,050,377	768,050,377	600,106,217	600,106,217
Borrowings	320,207,878	320,207,878	200,822,968	200,822,968
	1,284,135,156	**1,284,135,156**	**876,098,843**	**876,098,843**

Company	At 30 September 2024		At 31 December 2023	
	Carrying value	Fair value	Carrying value	Fair value
Financial assets	N'000	N'000	N'000	N'000
Cash and cash equivalents	66,760,826	66,760,826	12,683,441	12,683,441
Investment securities at amortised cost	104,644,026	102,855,873	125,071,832	123,283,679
Trade and other receivables	173,481,699	169,707,542	72,076,019	80,238,942
	344,886,552	**339,324,241**	**209,831,292**	**216,206,062**
Financial liabilities				
Other liabilities	173,481,699	173,481,699	83,793,521	83,793,521
Borrowings	313,824,656	313,824,656	199,132,509	199,132,509
	487,306,355	**487,306,355**	**282,926,029**	**282,926,030**

*The carrying values of these assets and liabilities approximates their fair values.

Cash and cash equivalent balances have been designated as level 2 while loans, managed funds, long term placements as well as trade and other payables have been designated as level 3 within the fair value hierarchy. State and corporate bonds are designated as level 1 within the fair value hierarchy.

For The Period Ended 30 September 2024

		Group		Company	
		30 September 2024	30 September 2023	30 September 2024	30 September 2023
		=N=' 000	=N=' 000	=N=' 000	=N=' 000
4	**Net investment income**				
	Interest from placements and bonds	11,604,264	3,601,294	1,697,209	1,453,681
	Income from loans	8,739,320	4,450,308	1,782,914	2,641,966
	Dividend income from securities investments	1,231,548	2,423,175	502,566	246,110
	Profit on disposal of investment	(479,068)	97,172	-	-
	Income from managed Funds	56,031,927	36,239,624	-	210,964
		77,127,991	46,811,572	3,982,689	4,552,720
	Interest expense on managed funds and other borrowings	(68,711,653)	(37,863,713)	(3,256,074)	(3,901,916)
		8,416,338	**8,947,859**	**726,615**	**650,804**
	Investment income from items measured at amortised cost	(10,261,493)	9,202,958	726,615	617,858
	Investment income from items carried at fair value through OCI	18,677,832	(255,099)	-	32,946
		8,416,338	**8,947,859**	**726,615**	**650,804**
5	**Fees and commssion income**				
	Financial advisory fees	2,116,057	1,026,741	2,116,057	1,026,741
	Other fees and commissions	8,393,251	4,718,141	-	-
		10,509,309	**5,744,883**	**2,116,057**	**1,026,741**
	Fees recognised at point in time	4,912,645	2,420,084	2,116,057	1,026,741
	Fees recognised over time	5,596,664	3,324,799	-	-
		10,509,309	**5,744,883**	**2,116,057**	**1,026,741**

Managemnt fees and commission income include brokrage fee of N2.03b, Management fee of N3.68b and trustees feess of N676m which are recognised at point in time. Management fees and transaction sign-on fees which are recognised at point in time the mandate is consumated. Management fee accrues monthly as a percentage of the net asset value (NAV) at each point in time.

6	**Net Trading Income.**				
	Net trading income includes gains and losses arising both on the purchase and sale of financial instruments at FVTPL	**3,414,109**	**1,345,971**	**-**	**-**
7	**Other income**				
	Exchange gains/(loss)	4,959,767	154,683	1,934,169	7,469
	Interest on staff loans	1,555	1,861	-	-
	Gain/(loss) on disposal of PPE	-	-	-	-
	Other income	1,295,100	785,027	316,319	769,548
		6,256,422	**941,571**	**2,250,488**	**777,017**

Other income includes trading gain of N370m as well as interest on current account bank balances of N1.25m.

8	**Net loss/(loss) from financial assets at fair valued through profit or loss**				
	Net gain/(loss) on equity instruments at FVTPL	(430,811)	527,692	(222,349)	297,693
		(430,811)	**527,692**	**(222,349)**	**297,693**
9	**Personnel expenses**				
	Staff cost	3,542,303	2,093,697	708,930	473,178
	Contributions to defined contribution plans	87,154	58,708	20,955	18,037
	Defined benefit cost (Note 28)	12,621	-	9,436	-
		3,642,078	**2,152,405**	**739,321**	**491,215**

For The Period Ended 30 September 2024

		Group		Company	
		30 September 2024 =N=' 000	30 September 2023 =N=' 000	30 September 2024 =N=' 000	30 September 2023 =N=' 000
10	**Other operating expenses**				
	Premises and equipment costs	116,819	216,074	35,168	67,250
	Auditors remuneration	43,925	52,784	9,731	14,589
	Professional fees	1,022,233	548,521	281,520	237,473
	Travel and accommodation	240,249	75,514	58,144	24,333
	Rent and rates (See note a)	126,014	52,196	14,110	11,542
	AGM expenses	67,664	61,824	17,280	19,095
	Dividend processing expenses	82,028	14,219	16,198	-
	Donations	232,597	150,950	33,825	33,790
	Subscription	140,701	23,881	53,024	4,855
	Insurance	94,276	49,732	21,184	21,814
	Statutory expenses	94,860	40,255	-	-
	General administrative expenses	4,140,827	3,048,314	124,620	350,427
	Advertisement and branding	121,539	31,743	8,278	10
	Share register fee	41,834	16,486	-	5,838
	Directors fees and other allowances	140,434	86,036	25,464	24,739
	Printing and stationeries	11,221	1,690	3,736	1,173
	Office running expenses	587,022	195,705	-	-
	Business entertainment	223,718	25,286	54,872	8,752
	Fines and penalties	-	12,179	-	425
	Business development	82,649	41,962	17,488	30
	IT license and maintenance fee	65,342	65,280	5,797	225
	Loss on disposal of assets	-	-	-	-
	Training and conference	58,750	55,952	11,937	38,909
	Bad debt	-	-	-	-
		7,734,703	**4,866,583**	**792,378**	**865,269**

The Group did not incur a non-audit fees paid to the Auditors during the period under review (2023: Nil)

Professional fees of N1.493b includes payment made on Technical Service Agreement of N657m (2023: N412m). In 2023 the Group embarked on a major overhaul of IT infrastructure, a total of N820m was incurred and included in the General admin expenses for associated expenses other than the cost of infrastructure procured.

a This represent payment for short tem and low value leases paid for during the period.

		Group 2024	Group 2023	Company 2024	Company 2023
11	**Depreciation & amortisation**				
11.1	Depreciation of property and equipments (note 23)	143,665	145,217	112,535	113,390
11.2	**Amortisation**				
	Amortisation of intangible assets (note 20)	83,927	45,884	80,814	38,892
	Amortisation of right of use assets (note 19)	108,053	52,428	108,053	52,428
		191,980	**98,312**	**188,868**	**91,320**
12	**Impairment charge/(writeback) for credit losses**				
	Loss allowance on cash and cash equivalents (note 15a)	(0)	63,391	-	-
	write back on financial assets at amortised cost (note 16.1a)	(763,457)	(3,496,179)	(236,324)	(41,617)
	Loss allowance on financial assets at amortised cost (note 16.1a)	194,285	238,738	-	-
	Loss allowance on trade receivables (note17.1)	0	4,194,146	0	-
		(569,172)	**1,000,096**	**(236,324)**	**(41,617)**
12a	**Impairment Categorisation**				
	Stage 1	(17,205,025)	(3,614,590)	(503,319)	(166,184)
	Stage 2	-	-	-	-
	Stage 3	16,635,853	4,610,498	266,995	124,567
		(569,172)	**995,908**	**(236,324)**	**(41,617)**

The stage 3 impairment have been approved by the Board and the impairments relating to financial assets that are deemed to be bad and doubtful of recovery.

		Group 2024	Group 2023	Company 2024	Company 2023
13	**Income tax expense**				
	Recognised in the profit or loss				
	Income tax	2,266,300	969,899	478,846	160,248
	Education tax	316,563	186,584	41,570	24,654
	Information technology tax	145,810	93,292	8,314	12,327
	Police trust fund levy	17,555	-	1,663	-
		2,746,228	1,249,775	530,394	197,229
	Deferred tax expense (note 24)	-	-	-	-
		2,746,228	**1,249,775**	**530,394**	**197,229**

13.1 Proof of Tax

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

	Group 2024	Group 2023		Company 2024	Company 2023	
Profit before tax from continuing operations	**18,731,108**	**9,720,026**		**8,314,034**	**1,232,679**	
Income tax expense calculated at 30% of PBT	6,619,103	2,773,610	29%	2,494,210	369,804	30%
Effect of Income that is exempt from taxation	(5,133,632)	(4,110,401)	-42%	(557,248)	(957,633)	-78%
Effect of expenses that are not deductible in determining taxable profit	3,237,294	2,065,427	21%	325,468	250,772	20%
Effect of Concessions (research and development and other allowances)	-	(1,286)	0%	-	(1,183)	0%
Effect of tax adjustment	940,787	73,118	1%	190,229	113,692	9%
Adjustment recognised due to difference in tax rates	489,947	(276,951)	-3%	251,215	9,529	1%
Education tax at 3% of assessable profits	228,704	429,323	4%	90,249	115,313	9%
	6,382,204	**952,841**	10%	**2,794,124**	**(99,707)**	-8%
Adjustment recognised in the current period relating to the deferred tax of prior periods	(806,564)	382,818	4%	(395,404)	382,818	31%
	5,575,640	**1,335,659**	14%	**2,398,721**	**283,111**	23%
Recognised in other comprehensive income						
defered tax recognised in other comprehensive income	-	-		-	67,894	
	-	**-**		**-**	**67,894**	

For The Period Ended 30 September 2024

		Group		Company	
		30 September 2024 =N=' 000	30 September 2023 =N=' 000	30 September 2024 =N=' 000	30 September 2023 =N=' 000
14	**Earnings per share**				
	Basic earnings per share				
	Basic earnings attributable to shareholders (N'000)	15,984,881	8,470,251	7,783,641	1,035,450
	Weighted number of ordinary shares in issue for basic ('000)	6,000,000	6,000,000	6,000,000	6,000,000
	Weighted number of ordinary shares in issue on conversion of dilutive shares ('000)	6,000,000	6,000,000	6,000,000	6,000,000
	Basic earnings per share (kobo)	**355**	**188**	**173**	**23**
	Diluted earnings per share (kobo)	**355**	**188**	**173**	**23**

There are no dilutive instruments in issue as at the reporting date. Consequently, basic and diluted EPS are same.

		Group		Company	
		30 September 2024 =N=' 000	31 December 2023 =N=' 000	30 September 2024 =N=' 000	31 December 2023 =N=' 000
15	**Cash and cash equivalents**				
	Cash and balances with banks	27,071,769	19,227,401	19,779,265	899,832
	Money market placements	409,539,265	127,810,762	47,499,525	12,301,573
		436,611,034	147,038,163	67,278,790	13,201,405
	Impairment charge	(1,782,640)	(1,782,640)	(517,964)	(517,964)
		434,828,394	**145,255,523**	**66,760,826**	**12,683,441**
	Current	434,828,394	145,255,523	66,760,826	12,683,441
	Non-Current	-	-	-	-
		434,828,394	**145,255,523**	**66,760,826**	**12,683,441**
15a	**Impairment adjustments on Cash**				
	At 1 January	1,782,640	1,719,249	517,964	517,964
	Arising during the period	(0)	63,391	-	-
	Closing Balance	**1,782,640**	**1,782,640**	**517,964**	**517,964**

"Cash and cash equivalents comprise balances with less than three months' maturity from the date of acquisitions, including cash in hand, deposits held at call with other banks and other short-term highly liquid investments with original maturities less than three months".

All bank balances and money market placements are assessed as stage 1 credit risk at each reporting date as they are held with reputable financial institutions and in most cases secured by way of Government securities. However, impairment charge of N2.86b has been recognised in H1 2024.

		Group		Company	
15b	**Cash and cash equivalent for cashflow purposes**	30 September 2024 =N=' 000	31 December 2023 =N=' 000	30 September 2024 =N=' 000	31 December 2023 =N=' 000
	Cash and cash equivalent	434,828,394	145,255,523	66,760,826	12,683,441
	Bank overdraft	(19,032,630)	(855,370)	(13,487,098)	(2,601)
	Closing Balance	**415,795,765**	**144,400,152**	**53,273,728**	**12,680,840**
16	**Investment securities**				
	Financial assets measured at amortised cost - (note 16.1)	256,337,988	307,107,805	103,185,588	123,377,070
	Financial assets at Fair value through other comprehensive income - (note 16.2)	117,242,027	99,282,580	35,515,738	24,728,928
	Financial assets at Fair value through profit or loss - (note 16.3)	249,899,050	287,594,098	2,309,192	1,902,251
		623,479,065	**693,984,483**	**141,010,517**	**150,008,248**
	Current	77,864,799	60,481,636	23,346,436	7,087,409
	Non-Current	545,614,266	633,502,847	117,664,081	142,920,839
		623,479,065	**693,984,483**	**141,010,517**	**150,008,248**
16.1	**Financial assets measured at amortised cost**				
	Investment in long term placement	9,347,608	89,843,825	9,333,108	45,006,597
	Commercial papers	12,031,796	7,616,006	-	-
	Loans to customer	82,683,469	66,314,841	82,683,469	66,314,841
	Treasury bills	21,257,379	2,752,731	-	-
	Eurobonds	1,067,558	1,067,558	1,067,558	1,067,558
	Federal government bonds	74,532,052	40,531,746	212,236	2,063,695
	State government bonds	21,141,335	20,648,069	7,859,695	9,153,994
	Corporate bonds	50,181,721	94,807,131	3,487,960	1,465,147
		272,242,918	**323,581,907**	**104,644,026**	**125,071,832**
	Loss allowance on financial assets at amortised costs (note 16.1a)	(15,904,931)	(16,474,102)	(1,458,438)	(1,694,762)
		256,337,988	**307,107,805**	**103,185,588**	**123,377,070**
16.1a	**Loss allowance on financial assets at amortised costs**				
	At 1 January	16,474,102	19,731,544	1,694,762	1,736,379
	Charge during the period:				
	(Writeback)/allowance on loan to customers	(763,457)	(3,496,179)	(236,324)	(41,617)
	Loss allowance on other financial assets	194,285	238,738	-	-
		15,904,931	**16,474,102**	**1,458,438**	**1,694,762**

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		Group		Company	
		30 September 2024 =N=' 000	31 December 2023 =N=' 000	30 September 2024 =N=' 000	31 December 2023 =N=' 000
16.2	**Financial assets measure at fair value through other comprehensive income (FVTOCI)**				
	Bonds	-	8,221,445	-	-
	Equity- quoted	20,601,593	20,760,915	1,255,807	1,255,808
	Equity- unquoted	583,631	-	-	-
	Mutual funds	16,209,439	9,455,036	9,283,699	4,827,234
		37,394,663	38,437,396	10,539,506	6,083,041
	Fair value adjustments (16.2a)	79,847,364	60,845,184	24,976,231	18,645,887
		117,242,027	**99,282,580**	**35,515,738**	**24,728,928**
16.2a	**Changes in fair value reserve**				
	At 1 January	60,845,184	(1,797,356)	18,645,887	133,702
	Arising during the period	19,002,180	62,642,540	6,330,345	18,512,185
	At 30 September	**79,847,364**	**60,845,184**	**24,976,231**	**18,645,887**
16.3	**Financial asset measured at fair Value Through Profit or Loss (FVTPL)**				
	Quoted equity investment	7,736,786	4,869,123	1,325,659	742,027
	Bonds	-	103,676,567	-	-
	Mutual funds	208,928,725	157,546,439	660,421	514,491
	Equity- unquoted	32,647,111	20,384,459	-	
		249,312,622	**286,476,588**	**1,986,080**	**1,256,519**
	Fair value adjustment (note 16.3a)	586,428	1,117,510	323,112	645,732
		249,899,050	**287,594,098**	**2,309,192**	**1,902,251**
16.3a	**Changes in fair value**				
	At 1 January	(1,117,510)	(589,818)	(645,732)	(348,039)
	Arising during the period	531,083	(527,692)	322,620	(297,693)
	At 30 September	**(586,428)**	**(1,117,510)**	**(323,112)**	**(645,732)**

		Group		Company	
		30 September 2024	31 December 2023	30 September 2024	31 December 2023
17	**Trade and other receivables**	=N=' 000	=N=' 000	=N=' 000	=N=' 000
	Trade debtors	6,102,479	288,248	1,674,540	19,553
	Prepayments	1,875,001	803,862	1,394,152	647,619
	Accrued income	2,762,610	2,341,636	-	813,685
	Other receivables	103,841,471	5,670,511	98,685,315	3,884,162
	Due from related parties	-	-	1,044,412	2,504,372
	Due from Counter-parties	17,436,120	8,505,104	-	-
	WHT receivable	5,809,943	4,467,195	3,871,026	3,774,158
	Deposit for investment	67,566,902	72,904,620	67,566,902	72,904,620
		205,394,525	**94,981,176**	**174,236,348**	**84,548,169**
	Loss allowance on trade receivables (note 17.1)	(9,517,625)	(9,517,625)	(754,649)	(754,648)
		195,876,900	**85,463,551**	**173,481,699**	**83,793,521**
	Current	110,729,892	6,220,459	100,351,945	4,946,952
	Non-Current	85,147,008	79,243,092	73,129,754	78,846,569
		195,876,900	**85,463,551**	**173,481,699**	**83,793,521**
17.1	**Loss allowance on trade receivables**				
	At 1 January	9,517,625	5,323,479	754,649	754,649
	Provision no longer required (write off)	-	-	-	-
	Arising during the period	0	4,194,146	0	-
	At 30 September	**9,517,625**	**9,517,625**	**754,649**	**754,649**

The Group applies the simplified approach and recognises lifetime ECL for trade receivables using a provision matrix. The provision matrix is based on the historical observed default rates, adjusted for forward looking estimates. At each reporting date, the historical observed default rates are updated. More information on ECL is disclosed in note 2.11b

18	**Dividend receivable from Subsidiaries**				
	At 1 January	-	-	6,309,000	4,828,500
	Arising during the year	-	-	5,040,000	-
	Receipt during the year	-	-	(11,349,000)	1,480,500
		-	-	-	**6,309,000**
	Current	-	-	-	**6,309,000**
	Non-Current	-	-	-	-
		-	-	-	**6,309,000**

For The Period Ended 30 September 2024

19	**Right of use assets**	**Group =N=' 000**	**Company =N=' 000**
	Cost		
	At 1 January 2024	381,404	381,404
	Addition	339,748	339,748
	As at 30 September 2024	**721,152**	**721,152**
	Depreciation		
	At 1 January 2024	286,712	286,712
	Charge for the period	108,053	108,053
	Disposal	-	-
	As at 30 September 2024	**394,765**	**394,765**
	Carrying amounts		
	As at 30 September 2024	**326,386**	**326,386**
	At 31 December 2022	**94,692**	**94,692**

19.1	**Right of use assets**	**Group =N=' 000**	**Company =N=' 000**
	Cost		
	At 1 January 2023	354,375	354,375
	Addition	27,029	27,029
	At 31 December 2023	**381,404**	**381,404**
	Depreciation		
	At 1 January 2023	212,431	212,431
	Charge for the period	74,281	74,281
	At 31 December 2023	**286,712**	**286,712**
	Carrying amounts		
	At 31 December 2023	**94,692**	**94,692**
	At 1 January 2023	**141,944**	**141,944**

Right of use asset relate to lease rentals on the head office occupied by the Group. The lease agreement covers a period of five (5) years. Depreciation is charged over the period of the lease.

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		Group	Company
20	**Intangible assets**	**=N=' 000**	**=N=' 000**
	Cost		
	At 1 January 2024	383,653	322,888
	Addition	724,627	724,627
	As at 30 September 2024	**1,108,281**	**1,047,515**
	Amortisation		
	At 1 January 2024	195,038	170,892
	Charge for the period	83,927	80,814
	As at 30 September 2024	**278,966**	**251,706**
	Carrying amounts		
	As at 30 September 2024	**829,315**	**795,809**
	At 31 December 2022	**188,614**	**151,997**

		Group	Company
20.1	**Intangible assets**	**=N=' 000**	**=N=' 000**
	Cost		
	At 1 January 2023	315,103	289,479
	Addition	68,551	33,409
	At 31 December 2023	**383,654**	**322,888**
	Amortisation		
	At 1 January 2023	135,802	119,862
	Charge for the period	59,237	51,030
	At 31 December 2023	**195,039**	**170,892**
	Carrying amounts		
	At 31 December 2023	**188,615**	**151,997**
	At 1 January 2023	**179,301**	**169,617**

For The Period Ended 30 September 2024

21	Investment in subsidiaries	Date of Investment	Holding	Value	Country
	United Capital Securities Limited	2006	100%	100,000	Nigeria
	United Capital Assets Management Limited	2013	100%	500,000	Nigeria
	United Capital Trustees Limited	2013	100%	300,000	Nigeria
	UC Plus Advance Limited	2019	100%	1,000	Nigeria
	UCEE MFB	2023	100%	1,200,000	Nigeria
				2,101,000	

21.1 Other information on subsidiaries

(i) United Capital Securities Limited is a dealing member of the Nigerian Exchange Limited (NGX) and registered by the Securities & Exchange Commission (SEC) as a Broker/Dealer. It is also a registered dealing member of NASD OTC Plc and FMDQ OTC Plc. This enables the Company to deal in over-the-counter Equity and Fixed Income Securities. The Company provides services such as securities dealing, receiving agents to new issues, stockbrokers to primary issues, designated adviser to SME's and equity portfolio management services.

(ii) United Capital Assets Management Limited is registered and licensed by the Securities and Exchange Commission of Nigeria (SEC) to act as investment advisers, funds and portfolio managers.

(iii) United Capital Trustees Limited is a leading provider of Trust services such as debenture trust, bond trusteeship to corporate and sub-sovereign issuers of public debt instruments and trustees to collective investment schemes.

(iv) UC Plus Advance Limited is a consumer lending company established by United Capital Plc with the sole objective of enhancing financial inclusion and providing pay day loans to working class individuals and SMEs. UC Plus Advance Limited was licensed by the Lagos State Government in 2019 but and commence operations in 2020.

(v) UCEE MFB was established in 2022 and obtained her operating licence from the Central Bank of Nigeria (CBN) in 2023 to commence business as a digital Bank under the Micro Finance Banking Licence. The Bank is fully owned by United Capital Plc.

21.2 Non-controlling interest of subsidiaries

The Group does not have any non-wholly owned subsidiaries that have material non-controlling interest.

21.3 Significant restrictions

The Group does not have significant restrictions on its ability to access or use the assets and settle the liabilities of any member of the Group other than those resulting from the subsidiaries' supervisory frameworks. Disclosures on liquidity, capital adequacy and credit risk were disclosed in the enterprise risk management.

22	Investment in Associates	Date of Investment	Holding	Country	30 September 2024 =N=' 000	31 December 2023 =N=' 000
	Heirs Insurance Limited	2020	25%	Nigeria	2,500,000	2,500,000
	Heirs Life Assurance Limited	2020	25%	Nigeria	2,000,000	2,000,000
					4,500,000	**4,500,000**

22.1 Other information on Associates

(i) **Heirs Insurance Limited** was formerly registered as a General Insurance Company by the Nigeria Insurance Commission (NAICOM) in September 2020. The Company fully commence operations in 2021. United Capital Plc currently own 25% stake in the Company.

(ii) **Heirs Life Assurance Limited** was formerly registered as a Life Assurance Company by the Nigeria Insurance Commission (NAICOM) in September 2020. The Company fully commence operations in 2021. United Capital Plc currently own 25% stake in the Company.

For The Period Ended 30 September 2024

		Group		Company	
22	**Investment in associates**	**30 September 2024 N' 000**	**31 December 2023 N' 000**	**30 September 2024 N' 000**	**31 December 2023 N' 000**
	Heirs Insurance Limited	3,879,749	3,048,678	2,500,000	2,500,000
	Heirs Life Assurance Limited	3,135,035	2,257,110	2,000,000	2,000,000
		7,014,784	5,305,788	4,500,000	4,500,000

		Place of business/country of incorporation	% of ownership interest	Nature of relationship	Measurement method
(a)	**Nature of investment in associates**				
	Investment in Heirs Insurance Limited	Nigeria	25%	Investee	Equity method
	Investment in Heirs Life Assurance Limited	Nigeria	25%	Investee	Equity method

This represents holding in the ordinary share capital of Heirs Insurance Limited and Heirs Life Assurance Limited respectively, companies incorporated and operating

in Nigeria (2020: 25%). The holding became an associate at commencement of the investee businesses in 2020.

(b) **Summarised financial information for associates**
Below are the summarised financial information for investment in associates accounted for using the equity method.

(i) **Summarised balance sheet**

	Heirs Insurance Limited 30 September 2024	Heirs Life Assurance Limited 30 September 2024	Heirs Insurance Limited 31 December 2023	Heirs Life Assurance Limited 31 December 2023
Assets	**N' 000**	**N' 000**	**N' 000**	**N' 000**
Cash and Cash Equivalents	1,419,498	1,717,639	1,469,395	1,707,586
Financial Assets	15,884,466	53,391,103	11,285,638	33,273,641
Insurance contract assets	-	47,985	770,911	-
Reinsurance contract assets	1,750,933	180,401	2,556,773	-
Receivables and prepayments	1,678,829	231,541	1,335,474	667,783
Right-of-use asset	533,778	559,292	599,392	633,650
Property and equipment	223,896	604,659	473,745	333,420
Intangible asset	674,531	201,158	291,939	267,815
Statutory deposit	1,000,000	800,000	1,000,000	800,000
Total assets	23,165,930	57,733,778	19,783,267	37,683,895
Liabilities				
Insurance Contract liabilities	6,621,296	42,367,235	5,825,250	26,633,849
Reinsurance contract liabilities	-	1,087,855	867,644	-
Other liabilities	1,025,639	1,738,547	895,662	2,021,607
Total liabilities	7,646,936	45,193,637	7,588,556	28,655,456
Total equity	15,518,995	12,540,141	12,194,711	9,028,440

(i) **Summarised statement of profit or loss and other comprehensive income**

	Heirs Insurance Limited 30 September 2024 N' 000	Heirs Life Assurance Limited 30 September 2024 N' 000	Heirs Insurance Limited 30 September 2023 N' 000	Heirs Life Assurance Limited 30 September 2023 N' 000
Net insurance service result	1,333,961	2,668,744	712,278	1,916,484
Investment return	1,322,159	2,609,515	1,800,374	2,221,505
Net Insurance and Investment Result	**2,656,120**	**5,278,259**	**2,512,652**	**4,137,989**
Other income	2,094,199	546,680	-	-
Operating expense	(761,734)	(1,956,075)	(1,849,788)	(2,618,503)
Profit before tax	3,988,586	3,868,864	662,864	1,519,486
Income tax	(518,516)	(502,952)	(86,172)	(197,533)
Profit after tax	3,470,069	3,365,912	576,692	1,321,953
Other comprehensive income	-	-	-	-
Total comprehensive income	3,470,069	3,365,912	576,692	1,321,953
Total comprehensive income	3,470,069	3,365,912	576,692	1,321,953

(c) **Movement in investment in associate**

Group	**30 September 2024 N' 000**	**30 September 2023 N' 000**
Balance at 1 January	5,305,788	4,831,126
Share of current period profit	1,708,996	474,662
Balance as at 31 December	7,014,784	5,305,788

For The Period Ended 30 September 2024

23 (i) Property and equipment
Group

	Leasehold Improvements =N=' 000	Land and Building =N=' 000	Furniture, fittings & equipment =N=' 000	Motor vehicles =N=' 000	Computer equipment =N=' 000	Total =N=' 000
Cost						
At 1 January 2024	258,059	284,383	304,854	826,120	1,004,850	2,678,266
Additions	-	21,963	15,808	230,064	107,946	375,782
Disposals	-	-	-	-	-	-
As at 30 September 2024	**258,059**	**306,346**	**320,662**	**1,056,184**	**1,112,796**	**3,054,047**
Depreciation						
At 1 January 2024	203,479	6,517	151,492	727,595	335,700	1,424,782
Charge for the year	40,708	-	18,246	46,503	38,208	143,665
Disposals	-	-	-	450	623	1,073
As at 30 September 2024	**244,187**	**6,517**	**169,738**	**774,548**	**374,531**	**1,569,521**
Carrying amounts						
As at 30 September 2024	**13,872**	**299,829**	**150,924**	**281,636**	**738,265**	**1,484,527**
At 31 December 2023	**54,580**	**277,865**	**153,362**	**98,525**	**669,150**	**1,253,484**

Property and equipment
Company

	Leasehold Improvements	Land and Building	Furniture, fittings & equipment	Motor vehicles	Computer equipment	Total
Cost						
At 1 January 2024	258,059	284,383	262,632	497,837	909,456	2,212,367
Addition	-	21,963	13,380	85,000	100,776	221,119
Disposals	-	-	-	-	-	-
As at 30 September 2024	**258,059**	**306,346**	**276,012**	**582,837**	**1,010,233**	**2,433,486**
Depreciation						
At 1 January 2024	203,479	6,517	114,239	463,465	255,971	1,043,670
Charged for the year	40,708	-	14,944	22,116	34,767	112,535
Disposals	-	-	-	-	-	-
As at 30 September 2024	**244,187**	**6,517**	**129,183**	**485,581**	**290,738**	**1,156,205**
Carrying amounts						
As at 30 September 2024	**13,872**	**299,829**	**146,829**	**97,256**	**719,495**	**1,277,281**
At 1 January 2024	**54,580**	**277,865**	**148,393**	**34,372**	**653,486**	**1,168,696**

All property and equipment items are non-current

For The Period Ended 30 September 2024

23.1 (i) Property and equipment Group

	Leasehold Improvements =N=' 000	Land and Building	Furniture, fittings & Equipment =N=' 000	Motor vehicles =N=' 000	Computer Equipment =N=' 000	Total =N=' 000
Cost						
At 1 January 2023	258,059	-	182,229	813,835	311,748	1,565,870
Additions	-	284,383	122,626	12,285	693,504	1,112,797
Disposals	-	-	-	-	(402)	(402)
At 31 December 2023	258,059	284,383	304,854	826,120	1,004,850	2,678,266
Depreciation						
At 1 January 2023	162,770	6,517	134,280	670,124	306,387	1,280,078
Charge for the year	40,708	-	17,212	57,471	29,780	145,172
Disposals	-	-	-	-	(467)	(467)
At 31 December 2023	203,479	6,517	151,492	727,595	335,700	1,424,783
Carrying amounts						
At 31 December 2023	**54,580**	**277,865**	**153,362**	**98,525**	**669,150**	**1,253,484**
At 1 January 2023	**95,288**	**(6,517)**	**47,949**	**143,711**	**5,362**	**285,792**

(ii) Company

	Leasehold Improvements =N=' 000	Land and Building	Furniture, fittings & Equipment =N=' 000	Motor vehicles =N=' 000	Computer Equipment =N=' 000	Total =N=' 000
Cost						
At 1 January 2023	258,059	-	140,006	497,837	221,018	1,116,920
Additions	-	284,383	122,626	-	688,840	1,095,849
Disposals	-	-	-	-	(402)	(402)
At 31 December 2023	258,059	284,383	262,632	497,837	909,456	2,212,367
Depreciation						
At 1 January 2023	162,770	6,517	100,297	431,735	229,536	930,855
Charge for the year	40,708	-	13,942	31,730	27,009	113,390
Disposals	-	-		-	(467)	(467)
At 31 December 2023	203,479	6,517	114,239	463,465	256,078	1,043,778
Carrying amounts						
At 31 December 2023	**54,580**	**277,865**	**148,393**	**34,372**	**653,378**	**1,168,589**
At 1 January 2023	**95,288**	**(6,517)**	**39,709**	**66,102**	**(8,518)**	**186,065**

For The Period Ended 30 September 2024

		Group		Company	
		30 September 2024	31 December 2023	30 September 2024	31 December 2023
24	**Deferred tax - (Asset)**	=N=' 000	=N=' 000	=N=' 000	=N=' 000
	Deferred tax assets:				
	1 January	402,044	1,238,493	-	-
	(Reversal)/charge for the period	-	(836,449)	-	-
		402,044	**402,044**	**-**	**-**
	Deferred tax asset recoverable within 12 months	-	15,078	-	-
	Deferred tax asset recoverable after 12 months	402,044	386,966	-	-
		402,044	**402,044**	**-**	**-**
	The break down of deferred tax assets are as follows:				
	Property and equipment	(3,313)	(3,313)	-	-
	Exchange difference	(87,046)	(87,046)	-	-
	Losses	1,153,448	1,153,448	-	-
	Fair value adjustments	(1,030,955)	(1,030,955)	-	-
	Provisions	369,910	369,910	-	-
		402,045	**402,045**	**-**	**-**
	Deferred tax liabilities:				
	1 January	9,206,051	833,034	5,122,483	787,448
	Charge for the period	-	8,373,017	-	4,335,035
	Total	**9,206,051**	**9,206,051**	**5,122,483**	**5,122,483**
	Deferred tax liabilities recoverable within 12 months	1,798,732	1,798,732	165,305	165,305
	Deferred tax liabilities recoverable within 12 months	7,407,319	7,407,319	4,957,178	4,957,178
		9,206,051	**9,206,051**	**5,122,483**	**5,122,483**
	The break down of deferred tax liabilities are as follows:				
	Property and equipment	180,383	180,383	165,305	165,305
	Exchange difference	7,401,915	7,401,915	2,879,498	2,879,498
	Losses	(213,419)	(213,419)	-	-
	Fair value adjustments	4,194,989	4,194,989	2,077,680	2,077,680
	Provisions	(2,357,816)	(2,357,816)	-	-
		9,206,051	9,206,051	5,122,483	5,122,483

Parent - Deferred tax liabilities	1 January 2023	Recognised in P&L	Recognised in OCI	31 December 2023
	N'000	N'000	N'000	N'000
Property and equipment	165,305	-	-	165,305
Exchange difference	2,879,498	-	-	2,879,498
Losses	-	-	-	-
Fair value adjustments	2,077,680	(1,864,589)	1,864,589	2,077,680
Provisions	-	-	-	-
	5,122,483	(1,864,589)	1,864,589	5,122,483

Group - Deferred tax liabilities	1 January 2023	Recognised in P&L	Recognised in OCI	31 December 2023
	N'000	N'000	N'000	N'000
Property and equipment	180,383	-	-	180,383
Exchange difference	7,401,915	-	-	7,401,915
Losses	(213,419)	-	-	(213,419)
Fair value adjustments	4,194,989	(3,981,898)	3,981,898	4,194,989
Provisions	(2,357,816)	-	-	(2,357,816)
	9,206,051	(3,981,898)	3,981,898	9,206,051

Group - Deferred tax asset	1 January 2023	Recognised in P&L	Recognised in OCI	31 December 2023
	N'000	N'000	N'000	N'000
Property and equipment	(3,313)	-	-	(3,313)
Exchange difference	(87,046)	-	-	(87,046)
Losses	1,153,448	-	-	1,153,448
Fair value adjustments	(1,030,955)	1,566,788	(1,566,788)	(1,030,955)
Provisions	369,910	-	-	369,910
	402,045	1,566,788	(1,566,788)	402,044

For The Period Ended 30 September 2024

Deferred tax assets are recognised to the extent that it is probable that future taxable income will be available against which the unused tax losses can be utilised. Deferred tax assets are reviewed at each reporting date and are reduced to the extent that it is no longer probable that the related tax benefit will be realised.

The Group has not recognised deferred tax assets of about N2.34b arising from tax losses during the period under review as it considers the probability of recovering these losses to be low. This is because the tax exempt status of income realised on Nigerian government securities is one of the major drivers for the negative taxable profit within the Group, which is the largest contributor to the deferred tax asset, through tax losses, in the Group. The uncertainty surrounding the extension or termination of the tax exempt status at the end of 2021 has made management conclude that not all tax losses carried forward should be recorded as deferred tax assets.

		Group		Company	
		30 September 2024	**31 December 2023**	**30 September 2024**	**31 December 2023**
25	**Managed Funds**	**=N=' 000**	**=N=' 000**	**=N=' 000**	**=N=' 000**
	Short term investments	414,428,147	304,924,697	-	-
	Ucap Investments	173,962,038	171,001,966		
	Trust funds	158,586,201	106,291,933	-	-
	Sinking Funds	19,913,590	16,864,039	-	-
	Payable on trust accounts	1,160,402	1,023,580	-	-
		768,050,377	**600,106,217**	**-**	**-**
	Current	698,584,498	443,351,337	**-**	**-**
	Non-Current	69,465,879	156,754,880	**-**	**-**
		768,050,377	**600,106,217**	**-**	**-**

Sinking Funds are funds managed by Trustees on behalf of bond issuers. The funds are invested in fixed income instruments for liquidity purposes in order to meet bondholders obligations as they become due.

26	**Borrowed funds**				
	Borrowing from banks and other financial institutions	286,915,411	161,754,081	286,077,720	160,916,390
	Bank overdraft	19,032,630	855,370	13,487,098	2,601
	Issued debt - Bonds	14,259,837	17,234,798	14,259,837	17,234,798
	Commercial Papers	-	20,978,719	-	20,978,719
		320,207,878	**200,822,968**	**313,824,656**	**199,132,509**
	Current	23,785,909	6,600,303	18,240,377	5,747,534
	Non-Current	296,421,969	194,222,665	295,584,279	193,384,975
		320,207,878	**200,822,968**	**313,824,656**	**199,132,509**

Borrowing from bank - Loans from commercial bank represent different facilities with interest rates indexed to money market conditions for a period of ten (10) years maturing in 2030. The loans are collaterised by negative pledge.

Issued debt (Bond) - In 2020, the Company successfuly issued its first bond of N10b out of its N30b bond issuance programe. the debt is an unsecured, amortising subordinate 5 year bond instrument. In September 2022 the series 2 bond of N11.73b was issued. The series 2 bond is a bullet payment bond of 7 years instrument. The Company has not had any default in payment of principal and interests.

Commercial papers - In 2023, the Company issued several series of CPs. Some of which matured same period except for series 2, 3, 5 and 6 which are maturing at different dates in 2024. The Company currently carries in its books Series 2, 3, 5 and 6 CPs with a total face value of N20.98b.

For The Period Ended 30 September 2024

		Group		Company	
		30 September 2024	31 December 2023	30 September 2024	31 December 2023
27	**Other liabilities**	=N=' 000	=N=' 000	=N=' 000	=N=' 000
	Creditors and accruals	6,502,302	5,863,298	771,431	1,818,137
	Due to related parties	3,826,525	-	3,826,525	1,275,432
	Customers deposit	4,846,146	8,340,838	-	-
	Due to counter-parties	26,820,775	12,055,021	26,820,775	12,055,021
	Other current liabilities	7,042,240	1,523,789	-	-
	Dividend payable	-	-	-	-
		49,037,988	**27,782,946**	**31,418,731**	**15,148,590**
	Current	49,037,988	27,782,946	31,418,731	15,148,590
	Non-Current	-	-	-	-
		49,037,988	**27,782,946**	**31,418,731**	**15,148,590**
28	**Defined Benefit Obligation**	=N=' 000	=N=' 000	=N=' 000	=N=' 000
	Opening	365,768	365,768	253,246	253,246
	Recognised during the year	12,621	-	-	-
		378,388	**365,768**	**253,246**	**253,246**
	Current	212,893	196,408	153,021	139,110
	Non-Current	165,496	169,360	100,225	114,136
		378,388	**365,768**	**253,246**	**253,246**
28.1	**Expense recognised in income statement**				
	Current service cost	12,621	-	-	-
	Total expense recognised in profit and loss (see note 9)	**12,621**	**-**	**-**	**-**

The Group operates a long service award scheme which prior to 2023 was expensed as they occure. Management has decided to carry out an actuarial valuation of the scheme to make provision for this liabilities. The actuarial was carried out by EY consulting (The consulting Actuary was Miller Kingsley (FNAS, FSA) - FRC/2012/NAS/00000002392) and the outcome of the actuarial valuation has been recognised in the books of the Group as highlighted in note 28 above.

The long service award is designed to reward employees who have served for periods convering 5years and subsequent 5 years following the initial 5 years of service rendered. For the first 5 years the amount payable is 2 monthly salary for prioneer staff and 1.5 monthly salary for non-prioneer staff. Subsequent 5 year is 2.5 monthly salary for all categories of staff.

The following assumptions have been made in ariving at the defined benefit obligations recognised in the financial statements.
* Inflation rate of 14.5% per annum,
* Discount rate of 15.5% per annum,
* Salary increase rate of 15% per annum.

In line with IAS 19, the Projected Unit Credit (PUC) method has been adopted to establish the value of accrued liabilities. In calculating the liabilities, the method;
a. Recognised the Group's service rendered by each member of staff at the review date.
b. Anticipates that benefits will increase between the review date and each future milestone.
c. Discounts the expected benefitpayments to the review date.
The emerging total value (for each individual) is described by IAS 19 as the defined benefit obligation.

28.2 Sensitivity analysis on defined benefit obligation

		30 September 2024 =N=' 000	31 December 2023 =N=' 000	30 September 2024 =N=' 000	31 December 2023 =N=' 000
Base		378,388	365,768	253,246	253,246
Discount Rate	+1%	382,172	369,425	255,779	255,779
	-1%	374,604	362,110	250,714	250,714
Salary increase rate	+1%	385,956	373,083	258,311	258,311
	-1%	374,529	362,037	250,663	250,663
Mortality experience	Age rated up by 1 Year	387,848	374,912	259,577	259,577
	Age rated down by 1 Year	372,618	360,190	249,384	249,384

29 Current tax liabilities

	Group		Company	
	30 September 2024	31 December 2023	30 September 2024	31 December 2023
	=N=' 000	=N=' 000	=N=' 000	=N=' 000
At 1 January	2,950,806	3,055,704	1,435,398	1,902,059
Charge for the period	2,746,228	1,249,775	530,394	197,229
WHT credit note settlement	(577,495)	(1,372,833)	-	(1,185,848)
Cash settlement	(2,789,378)	18,161	(809,625)	521,958
Closing Balance	**2,330,161**	**2,950,806**	**1,156,167**	**1,435,398**

The charge for income tax in these financial statements is based on the provisions of the Companies Income Tax Act as amended, while Education Tax is based on Education Tax Act. We also have tax charged on information technology levy and police trust fund based on Police trust fund Act.

30 Share capital

		Group		Company	
		30 September 2024	31 December 2023	30 September 2024	31 December 2023
	The share capital comprises:	=N=' 000	=N=' 000	=N=' 000	=N=' 000
(i)	Authorised - 6,000,000,000 Ordinary shares of N0.5 each	**3,000,000**	**3,000,000**	**3,000,000**	**3,000,000**
(ii)	Issued and fully paid - 6,000,000 Ordinary shares of N0.5 each	**3,000,000**	**3,000,000**	**3,000,000**	**3,000,000**

31 Share Premium

Share premium balance	**665,011**	**683,611**	**665,011**	**683,611**

		Group		Company	
		30 September 2024	31 December 2023	30 September 2024	31 December 2023
		=N=' 000	=N=' 000	=N=' 000	=N=' 000
32	**Retained earnings**				
	At 1 January	31,733,315	32,263,064	18,253,353	26,217,903
	Transfer from profit or loss account	15,984,881	8,470,251	7,783,641	1,035,450
	Dividend paid during the period (2023: N1.80k)	(16,200,000)	(9,000,000)	(16,200,000)	(9,000,000)
		31,518,196	**31,733,315**	**9,836,994**	**18,253,353**
33	**Fair Value Reserves**				
	At 1 January	60,845,185	32,088,332	18,645,887	11,924,345
	Arising during the period:				
	Fair valuation on items that will not be subsequently reclassified to profit or loss (note 33.1)	19,904,190	27,581,912	6,330,345	6,721,541
	Fair valuation on items that will be subsequently reclassified to profit or loss (note 33.2)	(902,010)	1,174,940	-	-
		79,847,365	**60,845,185**	**24,976,231**	**18,645,887**
33.1	**Fair valuation on items that will not be subsequently reclassified to profit or loss**				
	Net fair value (loss)/gain on investments in quoted equity instruments measured at FVTOCI	19,904,190	27,581,912	6,330,345	6,721,541
	Net fair value gain/(loss) on investments in unquoted equity instruments measured at FVTOCI	-	-	-	-
		19,904,190	**27,581,912**	**6,330,345**	**6,721,541**
33.2	**Fair valuation on items that may be subsequently reclassified to profit or loss**				
	Net fair value (loss)/gain on investments in other financial instruments measured at FVTOCI	(902,010)	1,174,940	-	-
		(902,010)	**1,174,940**	**-**	**-**
33.3	**Fair Value Reserves - Net of taxes**				
	Fair value reserve	79,847,365	60,845,185	24,976,231	18,645,887
	Deferred tax	-	(5,548,686)	-	(1,864,589)
	Balance	**79,847,365**	**55,296,499**	**24,976,231**	**16,781,298**

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34 Reconcilaition of profit after tax to net cash from operating activities

Profit before tax	**18,731,108**	**9,720,026**	**8,314,034**	**1,232,679**
Adjustments to reconcile net cash provided:				
Depreciation and amortisation	335,645	243,529	301,403	204,710
Foreign exchange revaluation	(4,959,767)	(24,211,808)	(1,934,169)	(8,352,373)
Net interest income	(7,184,791)	(7,542,778)	(223,570)	(3,423,285)
Dividend income	(1,231,548)	(982,011)	(502,566)	(798,062)
Fair value changes on financial instruments at fair value through profit or loss	531,083	(905,412)	322,620	(508,928)
Gain on disposal of property and equipment	-	(610)	-	(610)
Allowance for impairment - financial assets	(569,172)	(3,194,049)	(236,324)	(41,617)
Allowance for impairment - other assets	0	4,194,146	0	-
	5,652,559	**(22,678,967)**	**1,001,428**	**(11,687,486)**
Net movement in operating assets and liabilities				
Trade receivables and prepayment	(110,413,349)	(30,714,605)	(89,688,178)	(35,938,727)
Managed funds	167,944,161	186,407,520	-	-
Defined benefit obligation	12,621	(365,768)	-	(253,246)
Other liabilities	21,255,042	(20,819,791)	16,270,141	(32,519,485)
Net cash from operations	**84,451,034**	**111,828,389**	**(72,416,609)**	**(80,398,944)**
Interest received	77,127,991	76,436,548	3,982,689	21,912,765
Interest paid	(68,711,653)	(67,911,760)	(3,256,074)	(17,690,939)
Tax Paid	(2,789,378)	(2,802,255)	(809,625)	(264,840)
Net cash (used in)/provided by operating activities	**90,077,994**	**117,550,923**	**(72,499,619)**	**(76,441,958)**

35 Related parties

Parties are considered to be related if one party has the ability to control the other party or exercise influence over the other party in making financial and operational decisions, or one other party controls both. The definition includes subsidiaries, associates, joint ventures as well as key management personnel.

35.1 Identity of related parties

Identity of related parties	**Relationship**	**%**
United Capital Asset Management Limited	Subsidiary	100
United Capital Trustees Limited	Subsidiary	100
United Capital Securities Limited	Subsidiary	100
UC Plus Advance Limited	Subsidiary	100
Heirs Insurance Limited	Associate	25
Heirs Life Assurance Limited	Associate	25
UCEE MFB	Subsidiary	100

35.2 Key management personnel

Key management personnel constitutes those individuals who have the authority and the responsibility for planning, directing and controlling the activities of United Capital Plc, directly or indirectly, including any director (whether executive or non-executive). The individuals who comprise the key management personnel are the Board of Directors as well as certain key management and officers. These personnels include Managing Directors/CEOs within the Group.

	Group		**Company**	
35.3 Other information on key management personnel	**30 September 2024 =N='000**	**30 September 2023 =N='000**	**30 September 2024 =N='000**	**30 September 2023 =N='000**
Emoluments:				
Chairman	23,315	7,725	5,829	1,931
Highest paid director	145,525	134,525	145,525	134,525
Other Directors	661,580	633,772	564,096	578,268
	830,420	**776,022**	**715,450**	**714,725**
Fees	72,488	25,500	6,375	6,375
Other emoluments	757,932	750,522	709,075	708,350
	830,420	**776,022**	**715,450**	**714,725**
The total number of Directors were:	10	10	10	10
35.4 Transactions with key management personnel				
Loan obtained during the year	109,750	100,200	27,438	25,050
Interest income recognised	16,463	15,030	4,116	3,758
35.5 The number of persons employed (excluding directors) in the company during the period was as follows:	166	139	14	11

35.6 The table below shows the number of employees of the company that earned over N1,000,000.00 in the period and which fell within the bands stated below;

	30 September 2024	**30 September 2023**	**30 September 2024**	**30 September 2023**
N4,000,000 - N9,999,999	66	67	4	4
N10,000,000 - N20,999,999	55	37	5	5
N22,000,000 - N48,999,999	27	20	5	2
N49,000,000 and above	18	15	-	-
	166	**139**	**14**	**11**

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35.7 Transactions with related companies

The following are the transactions and balances arising from dealings with subsidiaries of United Capital Group during the period. All transactions with related parties are conducted at arms length and in the odinary course of business.

	30 September 2024	31 December 2023
Placements		
United Capital Asset Management Limited	7,985,389	663,157
United Capital Trustees Ltd	3,134,384	4,634,384
UC Plus Advance Ltd	5,126,786	230,437
UCEE Microfinance Bank Ltd	914,219	-
	17,160,778	**5,527,978**
Account recievables		
United Capital Asset Management Limited	462,270	-
United Capital Securities Limited	93,043	14,009
UC Plus Advance Limited	281,217	-
UCEE Microfinance Bank Limited	3,924	-
United Capital Ghana	2,121	-
United Capital Investments Limited	6,277	-
	848,852	**14,009**
Account payable		
United Capital Trustees Limited	1,275,432	54,725
United Capital Asset Management Limited	-	-
	1,275,432	**54,725**
Borrowings		
United Capital Asset Management Ltd	12,187,902	9,215,382
United Capital Trustees Limited	-	3,032,722
United Capital Securities Limited	7,546,575	10,000,000
	19,734,477	**22,248,104**
Interest expense		
United Capital Trustees Limited	34,373	40,564
United Capital Asset Management Ltd	199,034	96,299
United Capital Securities Limited	90,279	40,304
	323,686	**177,167**
Interest income		
United Capital Asset Management Ltd	91,266	7,389
United Capital Trustees Ltd	112,500	88,009
UC Plus Advance Ltd	30,991	3,120
UCEE Microfinance Bank Ltd	32,039	-
	266,796	**98,518**

36 Operating Segments

Segment information is presented in respect of the Group's geographic segments which represents the primary segment reporting format and is based on the Group's management and reporting structure. The Board of Directors, reviews the Group's performance along these business segments and resources are allocated accordingly.

Geographical segments

The Group operates in the following geographical regions:

-Nigeria: This comprise the Head office in Lagos and regional offices in all geo-political zones

Business segments

Investment Banking: This business segment engage in the business of investment banking and provides issuing house, corporate investment advisory services, project finance, debt restructuring, mergers & acquisitions and debt capital markets

Asset Management: The principal activities of this business segment is to carry out the business of fund/portfolio manager and investment advisory.

Wealth Management: The principal activities of this business segment is to carry out wealth management activities that caters to institutions and High Net Worth clients.

Trustees: The principal activity of the Company is the provision of a wide range of quality trusteeship services tailored to meet the varying needs of its customers, such as debenture trust, bond trusteeship, trustees to collective investment scheme, private trusts and security trusts.

Securitires Trading: The principal activity of the Company is the provision of a wide range of quality stockbroking services tailored to meet the varying needs of its customers.

Consumer Finance: The principal activity of this business segment is to carry out consumer lending and engage in financing of micro, small and medium scale enterprises under the license of the Lagos State Government.

UCEE MFB: The principal activity of this business segment is to carry out consumer lending and engage in financing of micro, small and medium scale enterprises under the license of the Central Bank of Nigeria.

36.1 Summarised statement of consolidating segments

For The Period Ended 30 September 2024	Investment banking	Asset Management	Ucap Investment Wealth Management	Trustees	Securities trading	Consumer finance	MFB	Eliminating items	Total
	N'000	N'000	N'000	N'000	N'000	N'000	N'000	N'000	N'000
Income statement									
Gross earnings	**9,910,811**	**9,827,371**	**3,454,578**	**4,136,917**	**3,810,688**	**1,826,103**	**238,898**	**(5,040,000)**	**28,165,367**
Personnel expense	(739,321)	(1,063,147)	(332,707)	(658,327)	(469,459)	(314,191)	(64,925)	-	(3,642,078)
Other operating expense	(1,093,781)	(2,875,554)	(1,043,362)	(1,390,002)	(1,114,460)	(480,908)	(72,279)	-	(8,070,348)
Impairment charge/(writeback)	236,324	95,641	(194,285)	415,138	16,353	0	-	-	569,172
Total expense	(1,596,778)	(3,843,060)	(1,570,354)	(1,633,191)	(1,567,566)	(795,099)	(137,204)	-	(11,143,255)
Operating profit before tax	**8,314,033**	**5,984,311**	**1,884,224**	**2,503,727**	**2,243,123**	**1,031,004**	**101,694**	**(5,040,000)**	**17,022,112**
Share of profit of associate	-	-	-	-	-	-	-	1,708,996	1,708,996
Profit before tax	**8,314,033**	**5,984,311**	**1,884,224**	**2,503,727**	**2,243,123**	**1,031,004**	**101,694**	**(3,331,004)**	**18,731,109**
Taxation	(530,394)	(963,474)	(303,360)	(403,100)	(363,639)	(165,992)	(16,270)	-	(2,746,228)
Profit after tax	**7,783,640**	**5,020,837**	**1,580,864**	**2,100,627**	**1,879,484**	**865,012**	**85,425**	**(3,331,004)**	**15,984,881**
Financial position									
As at 30 September 2024									
Total assets	390,253,519	466,295,064	206,120,855	197,512,238	21,220,010	56,342,051	1,723,884	(75,226,205)	1,264,241,416
Total liabilities	351,775,283	423,382,225	206,221,530	180,462,111	12,031,129	58,004,422	439,129	(83,104,986)	1,149,210,844
Shareholders' fund	38,478,236	42,912,839	(100,675)	17,050,127	9,188,881	(1,662,371)	1,284,755	7,878,780	115,030,572

36.2 Summarised statement of consolidating segments

For the period ended 30 September 2023	Investment banking	Asset Management	Ucap Investment Wealth Management	Trustees	Securities trading	Consumer finance	MFB	Eliminating items	Total
	N'000	N'000	N'000	N'000	N'000	N'000	N'000	N'000	N'000
Income statement									
Gross earnings	**2,752,256**	**6,329,196**	**1,516,510**	**3,527,879**	**2,466,276**	**897,095**	**18,766**	**-**	**17,507,978**
Personnel expense	(491,215)	(685,996)	(123,634)	(385,047)	(299,089)	(83,959)	(83,465)	-	(2,152,406)
Other operating expense	(1,069,979)	(1,403,028)	(629,023)	(1,094,436)	(547,602)	(351,111)	(14,933)	-	(5,110,113)
Impairment charge/(writeback)	41,617	(234,526)	335,031	(1,138,006)	(24)	-	(4,188)		(1,000,097)
Total expense	(1,519,577)	(2,323,550)	(417,626)	(2,617,489)	(846,715)	(435,071)	(102,586)	-	(8,262,615)
Operating profit before tax	**1,232,679**	**4,005,646**	**1,098,885**	**910,390**	**1,619,561**	**462,025**	**(83,820)**	**-**	**9,245,363**
Share of (loss)/profit of associate	-	-	-	-	-	-	-	474,662	474,662
Profit before tax	**1,232,679**	**4,005,646**	**1,098,885**	**910,390**	**1,619,561**	**462,025**	**(83,820)**	**474,662**	**9,720,026**
Taxation	(197,229)	(520,734)	(202,918)	(118,351)	(210,543)	-	-	-	(1,249,775)
Profit after tax	**1,035,450**	**3,484,912**	**895,967**	**792,040**	**1,409,018**	**462,025**	**(83,820)**	**474,662**	**8,470,251**
Financial position									
As at 31st December 2023									
Total assets	259,810,488	385,324,370	170,567,948	134,779,392	11,545,337	24,853,302	507,554	(55,440,211)	931,948,180
Total liabilities	221,092,226	355,178,466	171,002,966	124,845,949	2,985,729	23,345,923	422,784	(57,639,288)	841,234,755
Shareholders' fund	38,718,262	30,145,904	(435,018)	9,933,443	8,559,608	1,507,378	84,770	2,199,077	90,713,425

For The Period Ended 30 September 2024

37 Events after reporting period

The Directors are of the opinion that no event or transaction has occurred since the reporting date which would have had a materal effect on the financial statement as at that date other than the proposed interim dividend.

38 Contingent liabilities

The Group had no contigent liabilities during the period and no provision was made in financial statements during the period under review.

39 Capital/financial commitements

The Directors are of the opinion that all known liabilities and commitements which are relevant in assessing the state of affairs of the Group have been taken into account in the preparation of the financial statements. There are no commitements for capital expenditure authorised by the Directors which has not been provided for in the financial statements as at 30 September 2024.

40 Contraventions

The Group incured no fines during the period under review (2023: N11.75m). The fines during the period under review were as a result of reporting and presentation error in filing of Trustees investment portfolio returns to the SEC. as well as fine incurred and paid to FMDQ on delays in filling arranges report on CP issuance of a client.

41 Securities Trading Policy

In compliance with Rule 17.15 Disclosure of Dealings in Issuers' Shares, Rulebook of the Exchange 2015 (Issuers Rule) United Capital Plc maintains a Security Trading Policy which guides Directors, Audit Committee members, employees and all individuals categorized as insiders as to their dealing in the Company's shares. The policy undergoes periodic reviews by the Board and is updated accordingly. The Company has made specific inquiries of all its Directors and other insiders and is not aware of any infringement of the policy during the period.

42 Litigation and claims

The Group is involved in cases with claims amounting to N152m (2023: N152m). Directors are of the opinion that the possibility of an outflow of resources embodying economic benefit is remote and as such no provision is required.

VALUE ADDED STATEMENTS
For The Period Ended 30 September 2024

	Group				Company			
	2024 =N=' 000	%	2023 =N=' 000	%	2024 =N=' 000	%	2023 =N=' 000	%
Gross earnings	28,165,367		17,507,977		9,910,811		2,752,256	
Share of profit in associates	1,708,996		474,662		-		-	
Operating expenses: Local	(7,734,703)		(4,866,583)		(792,378)		(865,269)	
VALUE ADDED	**22,139,660**	**100%**	**13,116,056**	**100%**	**9,118,433**	**100%**	**1,886,987**	**100%**
Applied as follows:								
To pay employees:								
Salaries and other benefits	3,642,078	16%	2,152,405	16%	739,321	8%	491,215	26%
To pay Government:								
Taxes	2,746,227	12%	1,249,775	10%	530,394	6%	197,229	10%
Retained for future replacement of assets and expansion of business:								
- Deferred tax	-	0%	-	0%	-	0%	-	0%
- Depreciation	143,665	1%	145,217	1%	112,535	1%	113,390	6%
- Amortisation	191,980	1%	98,312	0.7%	188,868	2%	91,320	4.8%
- Impairment loss	(569,172)	-3%	1,000,096	8%	(236,324)	-3%	(41,617)	-2%
- Retained profit for the year	15,984,881	72%	8,470,251	65%	7,783,641	85%	1,035,450	55%
	22,139,660	100%	**13,116,056**	100%	**9,118,433**	100%	**1,886,987**	100%

Value added represents the additional wealth which the Group and Company has been able to create on its own and employees' efforts. The statement shows the allocation of that wealth between the employees, government and that retained by the company for the future creation of more wealth.

Five -Year Financial Summary - Group
For The Period Ended 30 September 2024

	September 2024 =N=' 000	December 2023 =N=' 000	December 2022 =N=' 000	December 2021 =N=' 000	December 2020 =N=' 000
ASSETS					
Cash and cash equivalents	434,828,394	145,255,523	149,867,038	53,661,848	43,420,443
Investment in financial assets	623,479,065	693,984,483	386,544,095	363,647,252	145,148,841
Trade and other receivables	195,876,900	85,463,551	58,943,091	30,919,246	28,472,742
Rights of use assets	326,386	94,692	141,944	212,819	283,694
Intangible assets	829,315	188,615	179,301	78,595	42,015
Investments in associates	7,014,784	5,305,788	4,614,694	4,293,587	4,500,000
Property and equipment	1,484,527	1,253,484	386,555	471,852	565,824
Deferred tax assets	402,044	402,044	1,238,493	312,755	314,736
TOTAL ASSETS	**1,264,241,416**	**931,948,180**	**601,915,211**	**453,597,954**	**222,748,295**
LIABILITIES					
Managed Funds	768,050,377	600,106,217	413,698,697	327,249,024	116,019,077
Borrowed funds	320,207,878	200,822,968	100,454,344	79,691,116	72,661,645
Other liabilities	49,037,988	27,782,946	48,649,198	14,225,310	7,683,308
Defined benefit liabilities	378,388	365,768	-	-	-
Current tax liabilities	2,330,161	2,950,806	5,292,648	1,803,211	1,830,812
Deferred tax liabilities	9,206,051	9,206,051	833,034	82,500	126,974
TOTAL LIABILITIES	**1,149,210,844**	**841,234,755**	**568,927,921**	**423,051,161**	**198,321,816**
EQUITY					
Share capital	3,000,000	3,000,000	3,000,000	3,000,000	3,000,000
Share premium	665,011	683,611	683,611	683,611	683,611
Retained earnings	31,518,196	31,733,315	29,313,563	28,660,538	21,601,800
Other reserves	79,847,365	55,296,499	(9,884)	(1,797,356)	(858,932)
SHAREHOLDER'S FUND	**115,030,572**	**90,713,425**	**32,987,290**	**30,546,793**	**24,426,479**
TOTAL LIABILITIES AND EQUITY	**1,264,241,416**	**931,948,180**	**601,915,211**	**453,597,954**	**222,748,295**

Five - Year Financial Summary - Company
For The Period Ended 30 September 2024

	September 2024 =N=' 000	December 2023 =N=' 000	December 2022 =N=' 000	December 2021 =N=' 000	December 2020 =N=' 000
ASSETS					
Cash and cash equivalents	66,760,826	12,683,441	22,907,336	6,951,413	12,196,469
Investment in financial assets	141,010,517	150,008,248	85,387,058	58,599,896	40,456,026
Trade and other receivables	173,481,699	83,793,521	47,812,682	29,889,598	27,476,909
Dividend receivable from subsidiaries	-	6,309,000	7,218,000	4,828,500	3,670,000
Rights of use assets	326,386	94,692	141,944	212,819	283,694
Intangible assets	795,809	151,997	169,617	68,151	39,032
Investments in subsidiaries	2,101,000	1,101,000	901,000	901,000	901,000
Investments in associates	4,500,000	4,500,000	4,500,000	4,500,000	4,500,000
Property and equipment	1,277,281	1,168,589	343,876	414,185	487,457
TOTAL ASSETS	**390,253,519**	**259,810,488**	**169,381,513**	**106,365,562**	**90,010,587**
LIABILITIES					
Borrowed funds	313,824,656	199,132,509	100,849,650	83,717,908	72,432,512
Other liabilities	31,418,731	15,148,590	47,671,635	5,139,989	2,261,913
Defined benefit liabilities	253,246	253,246	-	-	-
Current tax liabilities	1,156,167	1,435,398	1,902,059	649,566	1,012,778
Deferred tax liabilities	5,122,483	5,122,483	787,448	82,500	113,701
TOTAL LIABILITIES	**351,775,283**	**221,092,226**	**151,210,792**	**89,589,963**	**75,820,904**
EQUITY					
Share capital	3,000,000	3,000,000	3,000,000	3,000,000	3,000,000
Share premium	665,011	683,611	683,611	683,611	683,611
Retained earnings	9,836,994	18,253,353	13,305,941	12,958,286	10,434,895
Other reserves	24,976,231	16,781,298	1,181,169	133,702	71,177
SHAREHOLDER'S FUND	**38,478,236**	**38,718,262**	**18,170,721**	**16,775,599**	**14,189,683**
TOTAL LIABILITIES AND EQUITY	**390,253,519**	**259,810,488**	**169,381,513**	**106,365,562**	**90,010,587**

Five - Year Financial Summary - Group

	9 Months 2024 =N=' 000	9 Months 2023 =N=' 000	FY 2022 =N=' 000	FY 2021 =N=' 000	FY 2020 =N=' 000
Gross earnings	28,165,367	17,507,977	26,896,411	18,065,183	12,873,897
Gross operating expenses	(11,143,255)	(8,262,613)	(13,717,130)	(5,941,170)	(4,926,227)
Operating profit before income tax	**17,022,112**	**9,245,363**	**13,179,281**	**12,124,013**	**7,947,670**
Share of (loss)/profit in associate companies	1,708,996	474,662	321,107	(206,412)	-
Profit before income tax	**18,731,109**	**9,720,025**	**13,500,388**	**11,917,601**	**7,947,670**
Income tax expense	(2,746,228)	(1,249,775)	(3,847,363)	(658,863)	(136,492)
Profit for the year from continuing operations	**15,984,881**	**8,470,251**	**9,653,025**	**11,258,738**	**7,811,178**
Other comprehensive income for the year	19,002,180	28,756,853	1,787,472	(938,423)	29,462
Total comprehensive income for the year	**34,987,061**	**37,227,103**	**11,440,496**	**10,320,315**	**7,840,640**
Earnings per share-basic (kobo) - annualised	355	188	161	188	130

5 Year Financial Summary - Company

	9 Months 2024 =N=' 000	9 Months 2023 =N=' 000	FY 2022 =N=' 000	FY 2021 =N=' 000	FY 2020 =N=' 000
Gross earnings	9,910,811	2,752,256	13,981,324	8,238,600	7,560,671
Gross operating expenses	(1,596,777)	(1,519,577)	(2,575,408)	(1,447,404)	(1,733,601)
Operating profit before income tax	**8,314,034**	**1,232,679**	**11,405,916**	**6,791,196**	**5,827,070**
Share of (loss)/profit in associate companies	-	-	-	-	-
Profit before income tax	**8,314,034**	**1,232,679**	**11,405,916**	**6,791,196**	**5,827,070**
Income tax expense	(530,394)	(197,229)	(2,058,261)	(67,805)	(240,006)
Profit for the year from continuing operations	**7,783,641**	**1,035,450**	**9,347,655**	**6,723,392**	**5,587,064**
Other comprehensive income for the year	6,330,345	6,721,541	1,047,467	62,525	4,485
Total comprehensive income for the year	**14,113,985**	**7,756,991**	**10,395,122**	**6,785,917**	**5,591,549**
Earnings per share-basic (kobo) - annualised	173	23	156	112	93