Guaranty Trust Holding Company Plc.

Unaudited Consolidated and Separate Financial Statements

September 2024

Introduction

Guaranty Trust Holding Company Plc ("the Parent" or the "Company") and its Subsidiaries (hereafter referred to as 'the Group') Consolidated Financial Statements complies with the applicable legal Requirements of the Nigerian Securities and Exchange Commission interim Financial Statements and comprises Separate and Consolidated Financial Statements of the Group for the period ended 30 September 2024. The consolidated financial statements have been prepared in accordance with IAS 34 'Interim Financial Reporting', its interpretation issued by the International Accounting Standards Board and adopted by the Financial Reporting Council of Nigeria. For better understanding, certain disclosures and some prior period figures have been presented in line with current period figures. Due to rounding, numbers presented throughout this document may not add up precisely to the totals provided and percentages may not precisely reflect the absolute figures.

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Consolidated and separate statements of financial position

As at 30 September 2024

In thousands of Nigerian Naira	*Notes*	Group Sep-2024	Group Dec-2023	Company Sep-2024	Company Dec-2023
Assets					
Cash and bank balances	17	4,817,533,264	2,309,618,698	599,546	60,169
Financial assets at fair value through profit or loss	18	55,425,185	28,066,613	-	-
Derivative financial assets	19	61,134,644	28,961,143	-	-
Investment securities:					
– Fair value through profit or loss	20	3,947,850	3,947,850	-	-
– Fair value through other comprehensive income	20	2,513,023,422	894,064,002	-	-
– Held at amortised cost	20	1,693,465,771	1,571,317,478	-	-
Assets pledged as collateral	21	81,300,826	86,552,701	-	-
Loans and advances to banks	22	61,996	66,935	-	-
Loans and advances to customers	23	3,020,460,976	2,480,183,368	-	-
Restricted deposits and other assets	27	2,940,884,209	2,012,815,346	814,357	-
Investment in subsidiaries	24	-	-	162,956,560	162,956,560
Property and equipment, and Right of use assets	25	369,158,866	224,298,652	729,287	798,270
Intangible assets	26	40,902,180	33,076,038	-	-
Deferred tax assets		18,544,742	18,285,854	-	-
Total assets		**15,615,843,931**	**9,691,254,678**	**165,099,750**	**163,814,999**
Liabilities					
Deposits from banks	28	565,527,271	136,053,409	-	-
Deposits from customers	29	10,682,204,710	7,410,834,190	-	-
Financial liabilities at fair value through profit or loss	30	19,475,573	809,342	-	-
Derivative financial liabilities	19	-	-	-	-
Other liabilities	31	1,196,792,350	493,325,925	12,266,124	16,483,941
Current income tax liabilities	20	91,888,503	41,303,351	39,657	88,692
Other borrowed funds	33	304,488,285	72,119,485	-	-
Deferred tax liabilities		122,731,873	59,680,905	89,481	11,862
Total liabilities		**12,983,108,565**	**8,214,126,607**	**12,395,262**	**16,584,495**

Consolidated and separate statements of financial position (Continued)

In thousands of Nigerian Naira	*Notes*	Group Sep-2024	Group Dec-2023	Company Sep-2024	Company Dec-2023
Capital and reserves	34				
Share capital		14,715,590	14,715,590	14,715,590	14,715,590
Share premium		123,471,114	123,471,114	123,471,114	123,471,114
Treasury shares		(9,022,737)	(8,125,998)	-	-
Retained earnings		1,419,578,489	580,033,938	5,642,784	168,800
Regulatory risk reserves		74,868,972	75,085,447	-	-
Statutory reserves		644,805,007	487,807,671	-	-
Other components of equity		307,876,385	174,653,988	8,875,000	8,875,000
Capital and reserves attributable to equity holders of the parent entity		**2,576,292,820**	**1,447,641,750**	**152,704,488**	**147,230,504**
Non-controlling interests in equity		56,442,546	29,486,321	-	-
Total equity		**2,632,735,366**	**1,477,128,071**	**152,704,488**	**147,230,504**
Total liabilities and equity		**15,615,843,931**	**9,691,254,678**	**165,099,750**	**163,814,999**

Approved by the Board of Directors on 29th October 2024:

Group Chief Financial Officer
Banji Adeniyi
FRC/2013/ICAN/00000004318

Non Exective Director
Cathy Echeozo
FRC/2013/ICAN/00000001319

Group Chief Executive Officer
Segun Agbaje
FRC/2013/CIBN/00000001782

The accompanying notes to the financial statements form an integral part of these financial statements.

Consolidated and separate income statements

For the period ended 30 September 2024

In thousands of Nigerian Naira	*Notes*	**Group Sep-2024**	**Group Sep-2023**	**Company Sep-2024**	**Company Sep-2023**
Interest income calculated using the effective interest method	4	950,866,041	353,456,640	-	-
Interest income on financial assets at fair value through profit or loss	4	29,472,823	21,100,156	-	-
Interest expense	5	(198,862,508)	(77,017,945)	-	-
Net interest income		**781,476,356**	**297,538,851**	**-**	**-**
Loan impairment charges	6	(63,556,601)	(89,464,869)	-	-
Net interest income after loan impairment charges		**717,919,755**	**208,073,982**	**-**	**-**
Fee and commission income	7	180,232,479	91,318,596	2,528,234	2,353,873
Fee and commission expense	8	(21,677,692)	(8,838,898)	-	-
Net fee and commission income		**158,554,787**	**82,479,698**	**2,528,234**	**2,353,873**
Net trading gains on financial instruments held at fair value through profit or loss	9	60,272,942	29,186,631	-	-
Other income	10	577,394,528	355,271,062	84,507,182	105,992,324
Net impairment charge on other financial assets	11	(326,320)	(59,109,554)	-	-
Personnel expenses	12	(71,526,101)	(37,576,099)	(1,016,537)	(900,991)
Depreciation and amortisation	13	(44,507,086)	(29,704,396)	(69,143)	(71,741)
Other operating expenses	14	(178,316,659)	(115,417,913)	(219,600)	(303,093)
Profit before income tax		**1,219,465,846**	**433,203,411**	**85,730,136**	**107,070,372**
Income tax expense	15	(134,463,046)	(65,786,373)	(791,968)	(899,914)
Profit for the period		**1,085,002,800**	**367,417,038**	**84,938,168**	**106,170,458**
Profit attributable to:					
Equity holders of the parent entity		1,075,771,121	363,729,580	84,938,168	106,170,458
Non-controlling interests		9,231,679	3,687,458	-	-
		1,085,002,800	**367,417,038**	**84,938,168**	**106,170,458**
Earnings per share attributable to the equity holders of the parent entity during 'the period (expressed in naira per share):					
– Basic	16	38.41	12.98	2.89	3.61
– Diluted	16	38.41	12.98	2.89	3.61

The accompanying notes to the financial statements form an integral part of these financial statements.

Consolidated and separate statements of other comprehensive income

For the period ended 30 September 2024

In thousands of Nigerian Naira	***Notes***	**Group Sep-2024**	**Group Sep-2023**	**Company Sep-2024**	**Company Sep-2023**
Profit for the period		1,085,002,800	367,417,038	84,938,168	106,170,458
Other comprehensive income:					
Other comprehensive income not to be reclassified to profit or loss in subsequent years:					
Net change in fair value of equity investments FVOCI		-	16,987	-	-
		-	16,987	-	-
Other comprehensive income to be reclassified to profit or loss in subsequent Periods:					
Foreign currency translation differences for foreign operations		217,460,259	92,411,570	-	-
Income tax relating to foreign currency translation differences for foreign operations	15	(65,238,078)	(27,723,471)	-	-
Net change in fair value of other financial assets FVOCI		(1,157,546)	18,193,980	-	-
Income tax relating to change in fair value of other financial assets FVOCI	15	347,264	(4,282,494)	-	-
		151,411,899	78,599,585	-	-
Other comprehensive loss for the period, net of tax		151,411,899	78,616,572	-	-
Total comprehensive income for the period		**1,236,414,699**	**446,033,610**	**84,938,168**	**106,170,458**
Total Comprehensive Income attributable to:					
Equity holders of the parent entity		1,209,011,993	436,954,371	84,938,168	106,170,458
Non-controlling interests		27,402,706	9,079,239	-	-
Total comprehensive income for the period		**1,236,414,699**	**446,033,610**	**84,938,168**	**106,170,458**

The accompanying notes to the financial statements form an integral part of these financial statements.

Income statements

For 3 months ended 30 September 2023

In thousands of Nigerian Naira	Group Sep-2024	Group Sep-2023	Company Sep-2024	Company Sep-2023
Interest income	362,451,109	148,611,005	-	-
Interest expense	(72,486,349)	(28,530,872)	-	-
Net interest income	**289,964,760**	**120,080,133**	**-**	**-**
Loan impairment charges	(16,161,519)	(6,502,957)	-	-
Net interest income after loan impairment charges	**273,803,241**	**113,577,176**	**-**	**-**
Fee and commission income	66,313,285	32,903,514	784,624	784,624
Fee and commission expense	(8,827,692)	(1,971,984)	-	-
Net fee and commission income	**57,485,593**	**30,931,530**	**784,624**	**784,624**
Net gains on financial instruments classified as held for trading	29,801,162	13,168,349	-	-
Other income	(52,876,550)	(16,952,740)	-	20,601,825
Net impairment loss on financial assets	31,232	22,203,808	-	-
Personnel expenses	(30,025,412)	(16,782,537)	(360,299)	(325,034)
Depreciation and amortization	(16,987,873)	(10,343,912)	(21,316)	(23,914)
Other operating expenses	(45,541,173)	(29,995,996)	(45,033)	(50,405)
Profit before income tax	**215,690,220**	**105,805,678**	**357,976**	**20,987,096**
Income tax expense	(36,254,738)	(18,870,693)	-	(588,623)
Profit for the period	**179,435,482**	**86,934,985**	**357,976**	**20,398,473**
Profit attributable to:				
Equity holders of the parent entity	175,875,352	85,192,840	357,976	20,398,473
Non-controlling interests	3,560,130	1,742,145	-	-
	179,435,482	**86,934,985**	**357,976**	**20,398,473**
Earnings per share for the profit from continuing operations attributable to the equity holders of the parent entity during the period (expressed in naira per share):				
– Basic	6.41	3.10	0.01	0.69
– Diluted	6.41	3.10	0.01	0.69

The accompanying notes are an integral part of these financial statements

Statements of other comprehensive income

For 3 months ended 30 September 2023

In thousands of Nigerian Naira	Group Sep-2024	Group Sep-2023	Company Sep-2024	Company Sep-2023
Profit for the period	179,435,482	86,934,985	357,976	20,398,473
Other comprehensive income:				
Other comprehensive income not to be reclassified to profit or loss in subsequent years:				
Net change in fair value of equity investments FVOCI	(423,208)	-	-	-
	(423,208)	-	-	-
Other comprehensive income to be reclassified to profit or loss in subsequent years:				
Foreign currency translation differences for foreign operations	63,590,535	(11,249,260)	-	-
Income tax relating to foreign currency translation differences for foreign operations	(19,077,161)	3,374,778	-	-
Net change in fair value of financial assets FVOCI	14,328,283	9,858,283	-	-
Income tax relating to Net change in fair value of financial assets FVOCI	(4,298,485)	(1,787,108)	-	-
	54,543,172	196,693	-	-
Other comprehensive income for the period, net of tax	54,119,964	196,693	-	-
Total comprehensive income for the period	**233,555,446**	**87,131,678**	**357,976**	**20,398,473**
Profit attributable to:				
Equity holders of the parent entity	227,278,366	85,995,661	357,976	20,398,473
Non-controlling interests	6,277,080	1,136,017	-	-
Total comprehensive income for the period	**233,555,446**	**87,131,678**	**357,976**	**20,398,473**
Profit attributable to:				
Equity holders of the parent entity	227,278,366	85,995,661	357,976	20,398,473
Non-controlling interests	6,277,080	1,136,017	-	-
Total comprehensive income for the period	**233,555,446**	**87,131,678**	**357,976**	**20,398,473**

The accompanying notes are an integral part of these financial statements

Consolidated Statement of Changes in Equity
For the period ended 30 September 2024
Group

In thousands of Nigerian Naira	Share capital	Share premium	Equity Reserve	Regulatory risk reserve	Statutory reserves	Other regulatory shares	Treasury shares	Fair value reserve	Foreign currency translation reserve	Retained earnings	Total equity attributable to parent	Non-controlling interests	Total equity
Balance at 1 January 2024	**14,715,590**	**123,471,114**	**8,875,000**	**75,085,447**	**487,807,671**	**59,242,693**	**(8,125,998)**	**20,165,099**	**86,371,196**	**580,033,938**	**1,447,641,750**	**29,486,321**	**1,477,128,071**
Total comprehensive income for the period:													
Profit for the period	-	-	-	-	-	-	-	-	-	1,075,771,121	1,075,771,121	9,231,679	1,085,002,800
Other comprehensive income, net of tax													
Foreign currency translation difference	-	-	-	-	-	-	-	-	137,853,356	-	137,853,356	14,368,825	152,222,181
Fair value adjustment	-	-	-	-	-	-	-	(4,612,484)	-	-	(4,612,484)	3,802,202	(810,282)
Total other comprehensive Income/(loss)	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**(4,612,484)**	**137,853,356**	**-**	**133,240,872**	**18,171,027**	**151,411,899**
Total comprehensive income/(loss)	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**(4,612,484)**	**137,853,356**	**1,075,771,121**	**1,209,011,993**	**27,402,706**	**1,236,414,699**
Transactions with equity holders, recorded directly in equity:													
Transfers for the period[1]	-	-	-	(216,475)	156,997,336	(18,475)	-	-	-	(156,762,386)	-	-	-
(Acquisition)/disposal of own shares1	-	-		-	-	-	(896,739)	-	-	-	(896,739)	-	(896,739)
Dividend to equity holders[2]	-	-	-	-	-	-	-	-	-	(79,464,184)	(79,464,184)	(446,481)	(79,910,665)
Transfer to Non-controlling interest	-	-	-	-	-	-	-	-	-	-	-	-	-
	-	**-**	**-**	**(216,475)**	**156,997,336**	**(18,475)**	**(896,739)**	**-**	**-**	**(236,226,570)**	**(80,360,923)**	**(446,481)**	**(80,807,404)**
Balance at 30 September 2024	**14,715,590**	**123,471,114**	**8,875,000**	**74,868,972**	**644,805,007**	**59,224,218**	**(9,022,737)**	**15,552,615**	**224,224,552**	**1,419,578,489**	**2,576,292,820**	**56,442,546**	**2,632,735,366**

[1] Please refer to Note 34

[2] Please refer to Note 35

The accompanying notes to the financial statements form an integral part of these financial statements.

Consolidated Statement of Changes in Equity
For the period ended 30 September 2023
Group

In thousands of Nigerian Naira	Share capital	Share premium	Regulatory risk reserve	Equity reserves	Statutory reserves	Other regulatory shares	Treasury shares	Fair value reserve	Foreign currency translation reserve	Retained earnings	Total equity attributable to parent	Non-controlling interest	Total equity
Balance at 1 January 2023	**14,715,590**	**123,471,114**	**93,032,492**	**8,875,000**	**404,050,720**	**53,410,653**	**(8,125,998)**	**11,720,267**	**(4,003,765)**	**214,858,054**	**912,004,127**	**19,145,075**	**931,149,202**
Opening Adjustment	-	-	-	-	-	-		-	-	-	-	-	-
Restated balance as at 1 January 2019	**14,715,590**	**123,471,114**	**93,032,492**	**8,875,000**	**404,050,720**	**53,410,653**	**(8,125,998)**	**11,720,267**	**(4,003,765)**	**214,858,054**	**912,004,127**	**19,145,075**	**931,149,202**
Total comprehensive income for the per period:													
Profit for the period	-	-	-	-	-	-	-	-	-	363,729,580	363,729,580	3,687,458	367,417,038
Other comprehensive income, net of tax													
Foreign currency translation difference	-	-	-	-	-	-	-	-	58,426,477	-	58,426,477	6,261,622	64,688,099
Fair value adjustment	-	-	-	-	-	-	-	14,798,314	-	-	14,798,314	(869,841)	13,928,473
Total other comprehensive income/(loss)	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**14,798,314**	**58,426,477**	**-**	**73,224,791**	**5,391,781**	**78,616,572**
Total comprehensive income/(loss)	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**14,798,314**	**58,426,477**	**363,729,580**	**436,954,371**	**9,079,239**	**446,033,610**
Transactions with equity holders, recorded directly in equity:													
Transfers for the period	-	-	-	-	46,809,851	5,832,040	-	72,852	-	(52,714,743)	-	-	-
Acquisition of non-controlling interests	-	-	-	-	-	-	-	-	-	-	-	(4,943,588)	(4,943,588)
Dividend to equity holders[2]	-	-	-	-	-	-	-	-	-	(98,716,020)	(98,716,020)	(600,575)	(99,316,595)
Increase/ decrease from Subsidiaries acquisition	-	-	-	-	-	-	-	-	-	(2,662,454)	(2,662,454)	2,662,454	-
	-	**-**	**-**	**-**	**46,809,851**	**5,832,040**	**-**	**72,852**	**-**	**(154,093,217)**	**(101,378,474)**	**(2,881,709)**	**(104,260,183)**
Balance at 30 September 2023	**14,715,590**	**123,471,114**	**93,032,492**	**8,875,000**	**450,860,571**	**59,242,693**	**(8,125,998)**	**26,591,433**	**54,422,712**	**424,494,417**	**1,247,580,024**	**25,342,605**	**1,272,922,629**

The accompanying notes to the financial statements form an integral part of these financial statements.

Statement of Changes in Equity
For the period ended 30 September 2024
Company

In thousands of Nigerian Naira	Share capital	Share premium	Equity Reserve	Regulatory risk reserve	Statutory reserves	Other regulatory reserves	Fair value reserve	Retained earnings	Total equity
Balance at 1 January 2024	**14,715,590**	**123,471,114**	**8,875,000**	**-**	**-**	**-**	**-**	**168,800**	**147,230,504**
Total comprehensive income for the period:									
Profit for the period	-	-	-	-	-	-	-	84,938,168	84,938,168
Other comprehensive income, net of tax									
Total other comprehensive income	**-**	**-**		**-**	**-**	**-**	**-**	**-**	**-**
Total comprehensive income	-	-	-	-	-	-	-	84,938,168	**84,938,168**
Transactions with equity holders, recorded directly in equity:									
Dividend to equity holders	-	-	-	-	-	-	-	(79,464,184)	(79,464,184)
	-	**-**	**-**	**-**	**-**	**-**	-	**(79,464,184)**	**(79,464,184)**
Balance at 30 September 2024	**14,715,590**	**123,471,114**	**8,875,000**	**-**	**-**	**-**	**-**	**5,642,784**	**152,704,488**

The accompanying notes to the financial statements form an integral part of these financial statements.

Statement of Changes in Equity
For the period ended 30 September 2023
Company

In thousands of Nigerian Naira	Share capital	Share premium	Equity Reserve	Regulatory risk reserve	Statutory reserves	Other regulatory reserves	Fair value reserve	Retained earnings/(loss)	Total equity
Balance at 1 January 2023	**14,715,590**	**123,471,114**	**8,875,000**	**-**	**-**	**-**	**-**	**(9,110,185)**	**137,951,519**
Total comprehensive income for the period:									
Profit for the period	-	-	-	-	-	-	-	106,170,458	106,170,458
Other comprehensive income, net of tax									
Total comprehensive income	-	-	-	-	-	-	**-**	**106,170,458**	**106,170,458**
Transactions with equity holders, recorded directly in equity:									
Dividend to equity holders[1]	-	-		-	-	-	-	(97,122,892)	(97,122,892)
	-	**-**	**-**	**-**	**-**	**-**	-	**(97,122,892)**	**(97,122,892)**
Balance at 30 September 2023	**14,715,590**	**123,471,114**	**8,875,000**	**-**	**-**	**-**	**-**	**(62,619)**	**146,999,085**

The accompanying notes to the financial statements form an integral part of these financial statements.

Consolidated and separate statements of cash flows

For the period ended 30 September 2024

In thousands of Nigerian Naira	**Notes**	**Group Sep-2024**	**Group Sep-2023**	**Company Sep-2024**	**Company Sep-2023**
Cash flows from operating activities					
Profit for the period		1,085,002,800	367,417,038	84,938,168	106,170,458
Adjustments for:					
Depreciation of property and equipment	13	39,540,824	23,725,454	69,143	71,741
Amortisation of Intangible assets	13	4,966,262	5,978,942	-	-
Gain/(loss) on disposal of property and equipment	10	(182,008)	(98,678)	-	-
Impairment on financial assets		63,882,921	148,574,423	-	-
Net interest income		(781,476,356)	(297,538,851)	-	-
Unrealised Fair Value Gain on Financial Instrument	10	(523,219,970)	(242,122,034)	-	-
Unrealised Foreign exchange gains	10	1,745,154	(92,229,898)	-	-
Unrealised Gain on forward transactions	10	(32,173,501)	(16,687,402)	-	-
Fair value changes for assets at FVTPL	10	(10,004,440)	2,494,595	-	-
Dividend income	10	(430,718)	(153,508)	(84,467,484)	(105,952,245)
Income tax expense	15	134,463,046	65,786,373	791,968	899,914
		(17,885,986)	(34,853,546)	1,331,795	1,189,868
Net changes in:					
Financial assets at fair value through profit or loss		(16,060,973)	92,454,401	-	-
Assets pledged as collateral		9,825,757	5,037,323	-	-
Loans and advances to banks and placements with banks		(217,979,639)	(177,130,650)	-	-
Loans and advances to customers		487,702,198	274,385,206	-	-
Restricted deposits and other assets		(316,139,616)	(422,309,752)	(814,357)	144,538
Deposits from banks		197,407,219	(150,445,649)	-	-
Deposits from customers		1,176,160,111	571,660,592	-	-
Financial liabilities at fair value through profit or loss		18,666,231	10,383,927	-	-
Other liabilities		(137,323,942)	(267,798,642)	(4,217,817)	(9,226,924)
		1,202,257,346	(63,763,244)	(5,032,174)	(9,082,386)
Interest received		912,698,213	313,529,110	-	-
Interest paid		(175,988,016)	(68,022,353)	-	-
		736,710,197	245,506,757	-	-
		1,921,081,557	146,889,967	(3,700,379)	(7,892,518)
Income tax paid	15(b)	(83,149,038)	(58,036,233)	(763,384)	(899,914)
Net cash flow provided by operating activities		**1,837,932,519**	**88,853,734**	**(4,463,763)**	**(8,792,432)**

The accompanying notes to the financial statements form an integral part of these financial statements.

Consolidated and separate statements of cash flows

For the period ended 30 September 2024

In thousands of Nigerian Naira	***Notes***	**Group Sep-2024**	**Group Sep-2023**	**Company Sep-2024**	**Company Sep-2023**
Cash flows from investing activities					
Redemption of investment securities		3,653,839,053	2,657,867,734	-	-
Purchase of investment securities		(4,632,859,955)	(3,323,624,907)	-	-
Dividends received	15	430,718	153,508	84,467,484	105,952,245
Purchase of property and equipment and Right of use assets	25	(156,234,618)	(36,397,682)	(160)	-
Proceeds from the sale of property and equipment		221,072	127,138	-	-
Purchase of intangible assets	26	(11,953,976)	(6,778,641)	-	-
Net cash flow (used in)/ from investing activities		**(1,146,557,706)**	**(708,652,850)**	**84,467,324**	**105,952,245**
Cash flows from financing activities					
Repayment of long term borrowings		(45,071,123)	(34,965,309)	-	-
Proceeds from long term borrowings		254,560,120	-	-	-
Purchase of treasury shares		(896,739)	-	-	-
Lease liabilities		(6,518,539)	(3,340,332)	-	-
Dividends paid to owners	35	(79,464,184)	(98,716,020)	(79,464,184)	(97,122,892)
Dividends paid to non-controlling interests		(446,481)	(600,575)	-	-
Acquisition of non-controlling interests		-	(4,943,588)	-	-
Net cash flow used in financing activities		**122,163,054**	**(142,565,824)**	**(79,464,184)**	**(97,122,892)**
Net increase in cash and cash equivalents		813,537,867	(762,364,940)	539,377	36,921
Cash and cash equivalents at beginning of the period		2,005,936,197	1,596,078,639	60,169	-
Effect of exchange rate fluctuations on cash held		1,469,647,408	1,276,411,753	-	-
Cash and cash equivalents at end of the period	17(b)	**4,289,121,472**	**2,110,125,452**	**599,546**	**36,921**

The accompanying notes to the financial statements form an integral part of these financial statements.

1. Reporting entity

Guaranty Trust Holding Company PLC ("the Parent" or the "the Company") is a company incorporated in Nigeria. The address of the Company's registered office is Plot 635, Akin Adesola Street, Victoria Island, Lagos. These separate and consolidated financial statements, for the period ended 30 June 2024, are prepared for the Company and the Group (Holding Company and its subsidiaries, separately referred to as "Group entities") respectively. The Group is primarily involved in the provision of banking and other financial services to corporate and individual customers.

2. Basis of preparation

The consolidated and separate annual financial statements for the period ended 30 September 2024 have been prepared in accordance with the International Financial Reporting Standards as issued by the International Accounting Standards Board (IASB). The financial statements comply with the Companies and Allied Matters Act, the Banks and Other Financial Institutions Act, the Financial Reporting Council of Nigeria Act and other relevant Cental Bank of Nigeria circulars.

The Financial Statements were authorized for issue by the directors on 29 October 2024.

3. (a) Material Accounting Policies

The accounting policies set out below have been applied consistently to all periods presented in these financial statements. All entities within the Group apply the same accounting policies.

- **Functional and presentation currency**

  These Consolidated and Separate financial statements are presented in Nigerian Naira, which is the Company's functional currency. Except where indicated, financial information presented in Naira has been rounded to the nearest thousand.

- **Basis of measurement**

  These financial statements have been prepared on the historical cost basis except for the following:

  - ✓ Derivative financial instruments which are measured at fair value.
  - ✓ Assets and liabilities at fair value through profit or loss are measured at fair value.
  - ✓ Assets and Liabilities held to maturity are measured at amortised cost.
  - ✓ Fair value through other comprehensive income (FVOCI) financial assets are measured at fair value.
  - ✓ Liabilities for cash-settled share-based payment arrangements are measured at fair value.
  - ✓ The Employee benefit asset is recognized as the present value of the defined benefit obligation less the fair value of the plan assets.
  - ✓ The plan assets for defined benefit obligations are measured at fair value.

- **Use of Estimates and Judgements**

  The preparation of the financial statements in conformity with IFRS requires the directors to make judgements, estimates and assumptions that affect the application of policies and reported amounts of assets and liabilities, income and expenses. The estimates and associated assumptions are based on historical experience and various other factors that are believed to be reasonable under the circumstances, the results of which form the basis of making the judgements about carrying values of assets and liabilities that are not readily apparent from other sources. Actual results may differ from these estimates.

  The estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognized in the period in which the estimate is revised and in any future periods affected.

- **Changes to accounting policies**

  The accounting policies adopted are consistent with those of the previous financial period.

Standards and interpretations effective during the reporting period

Amendments to the following standard(s) became effective in the annual period starting from 1 January, 2024. The new reporting requirements as a result of the amendments and/or clarifications have been evaluated and their impact or otherwise are noted below:

- **Amendments to IAS 1 – Classification of Liabilities as Current or Non-current and Non-current Liabilities with Covenants**

  In January 2020, the IASB issued amendment to IAS 1 to specify the requirements for classifying liabilities as current or non-current. The amendments are effective for annual reporting periods beginning on or after 1 January 2024 and must be applied retrospectively.The amendment clarify:

  - What is meant by a right to defer settlement.
  - That a right to defer must exist at the end of the reporting period.
  - That classification is unaffected by the likelihood that an entity will exercise its deferral right.
  - That only if an embedded derivative in a convertible liability is itself an equity instrument would the terms of a liability not impact its classification.

  The Board also added two new paragraphs (Paragraph 76A and 76B) to IAS1 to clarify what is meant by “settlement” of a liability. The Board concluded that it was important to link the settlement of the liability with the outflow of resources of the entity.

  The amendment does not have any material impact on the Group.

- **Amendments to IFRS 16 – Lease Liability in a Sale and Leaseback**

  In September 2022, the Board issued Lease Liability in a Sale and Leaseback. The amendment to IFRS 16 specifies the requirements that a seller-lessee uses in measuring the lease liability arising in a sale and leaseback transaction, to ensure the seller-lessee does not recognise any amount of the gain or loss that relates to the right of use it retains.

However, the requirements do not prevent the seller-lessee from recognizing any gain or loss arising from the partial or full terminaton of a lease.

The amendment does not have any significant impact on the Group, as there is non-existent of such transaction as Sale and Leaseback within the Group or with external parties.

- **Amendments to IAS 7 & IFRS 7 – Supplier Finance Arrangements**

  In May 2023, the Board issued amendments to IAS 7 Statement of Cash Flows and IFRS 7 Financial Instruments. The amendments clarify the characteristics of supplier finance arrangements. In these arrangements, one or more finance providers pay amounts an entity owes to its suppliers. The entity agrees to settle those amounts with the finance providers according to the terms and conditions of the arrangements, either at the same date or at a later date than that on which the finance providers pay the entity's suppliers.

  The amendments require an entity to provide information about the impact of supplier finance arrangements on liabilities and cash flows, including terms and conditions of those arrangements, quantitative information on liabilities related to those arrangements as at the beginning and end of the reporting period and the type and effect of non-cash changes in the carrying amounts of those arrangements. The information on those arrangements is required to be aggregated unless the individual arrangements have dissimilar or unique terms and conditions.

  The amendment does not have any material impact on the Group.

Standards and interpretations issued/amended but not yet effective

The following standards have been issued or amended by the IASB but are yet to become effective for annual periods beginning on 1 January 2024:

Standard	Content	Effective Data
IAS 21	**Lack of exchangeability**	**01-Jan-25**
IFRS 9 & IFRS 7	**Classification and Measurement of Financial Instruments**	**01-Jan-26**
IFRS 18	**Presentation and Disclosure in Financial Statements**	**01-Jan-27**
IFRS 19	**Subsidiaries without Public Accountability: Disclosures**	**01-Jan-27**

The Group did not apply the following new or amended standards in preparing these consolidated and separate financial statements as it plans to adopt these standards at their respective effective dates. Commentaries on these new standards/amendments are provided below.

- **Amendments to IAS 21 – Lack of exchangeability**

  In August 2023, the Board issued Lack of exchangeability amendments to IAS 21. The amendments specifies how an entity should assess whether a currency is exchangeable and how it should determine a spot exchange rate when exchangeability is lacking. A currency is considered to be exchangeable into another currency when an entity is able to obtain the other currency within a time frame that allows for a normal administrative delay and through a market or exchange mechanism in which an exchange transaction would create enforceable rights and obligations.

  If a currency is not exchangeable into another currency, an entity is required to estimate the spot exchange rate at the measurement date. An entity's objective in estimating the spot exchange rate is to reflect the rate at which an orderly exchange transaction would take place at the measurement date between market participants under prevailing economic conditions. The amendments note that an entity can use an observable exchange rate without adjustment or another estimation technique.

  The amendment does not have any material impact on the Group.

- **IFRS 9 & IFRS 7 – Classification and Measurement of Financial Instruments**

  In May 2024, the Board issued Amendments to the Classification and Measurement of Financial Instruments (Amendments to IFRS 9 and IFRS 7), which:

  - ✓ Clarifies that a financial liability is derecognised on the 'settlement date', i.e., when the related obligation is discharged, cancelled, expires or the liability otherwise qualifies for derecognition. It also introduces an accounting policy option to derecognise financial liabilities that are settled through an electronic payment system before settlement date if certain conditions are met

  - ✓ Clarified how to assess the contractual cash flow characteristics of financial assets that include environmental, social and governance (ESG)-linked features and other similar contingent features

  - ✓ Clarifies the treatment of non-recourse assets and contractually linked instruments

  - ✓ Requires additional disclosures in IFRS 7 for financial assets and liabilities with contractual terms that reference a contingent event (including those that are ESG-linked), and equity instruments classified at fair value through other comprehensive income.

  The Group plans to adopt the amendement when it becomes effective.

- **IFRS 18 – Presentation and Disclosure in Financial Statements**

  In April 2024, the Board issued IFRS 18 to become effective on 1 January 2027. The objective of the Standard is to set out requirements for the presentation and disclosure of information in general purpose financial statements to help ensure they provide relevant information that faithfully represents an entity's assets, liabilities, equity, income and expenses, with emphasis on the subject matter as shown below:

- ✓ **Aggregation** : The adding together of assets, liabilities, equity, income, expenses or cash flows that share characteristics and are included in the same classification.
- ✓ **Classification**: The sorting of assets, liabilities, equity, income, expenses and cash flows based on shared characteristics.
- ✓ **Disaggregation**: The separation of an item into component parts that have characteristics that are not shared

The Group plans to adopt the full scope of the Standard when it becomes effective.

- **IFRS 19 – Subsidiaries without Public Accountability: Disclosures**

In May 2024, the Board issued IFRS 19 Subsidiaries without Public Accountability: Disclosures (IFRS 19), which allows eligible to elect to apply reduced disclosure requirements while still applying the recognition, measurement and presentation requirements in other IFRS accounting standards. Unless otherwise specified eligible entities that elect to apply IFRS 19 will not need to apply the disclosure requirements in other IFRS accounting standards.

An entity applying IFRS 19 is required to disclose that fact as part of its general IFRS accounting standards compliance statement. IFRS 19 requires an entity whose financial statements comply with IFRS accounting standards including IFRS 19 to make an explicit and unreserved statement of such compliance.

Eligible entities

- ✓ It is a subsidiary as defined in IFRS 10 Consolidation Financial Statement
- ✓ It does not have public accountability
- ✓ It has a parent (either ultimate or intermediate) that prepares consolidated financial statements, available for public use, which comply with IFRS accunting standards.

The standard does not have any Impact on the Group as the group is not an Eligible entity

(b) Other Accounting Policies

Other accounting policies that have been applied are:

(a) Consolidation

The financial statements of the subsidiaries used to prepare the consolidated financial statements were prepared as at the Holding Company's reporting date. The consolidation principles are unchanged as against the comparative period.

(i) Subsidiaries

Subsidiaries are entities controlled by the Company. Control exists when the Company has:

- ✓ power over the investee;
- ✓ exposure, or rights, to variable returns from its involvement with the investee; and
- ✓ the ability to use its power over the investee to affect the amount of the investor's returns.

Acquisition of subsidiaries

Business combinations are accounted for using the acquisition method as at the acquisition date, which is the date on which control is transferred to the Company. The Group measures goodwill as the fair value of the consideration transferred including the recognised amount of any non-controlling interest in the acquiree, less the net recognised amount (generally fair value) of the identifiable assets acquired and liabilities assumed, all measured as of the acquisition date. When the excess is negative, a bargain purchase gain is recognised immediately in profit or loss.

The Group elects on a transaction-by-transaction basis whether to measure at the acquisition date components of non-controlling interests in the acquiree at its fair value, or at its proportionate share of the acquiree's identifiable net assets. All other components of non-controlling interests are measured at their acquisition-date fair values, unless another measurement basis is required by IFRS. Transaction costs, other than those associated with the issue of debt or equity securities, that the Group incurs in connection with a business combination are expensed as incurred.

(ii) Structured entity

A structured entity is an entity that has been designed so that voting or similar rights are not the dominant factor in deciding who controls the entity, such as when any voting rights relate to administrative tasks only and the relevant activities are directed by means of contractual arrangements. A structured entity is consolidated if the Group is exposed, or has rights to variable returns from its involvement with the Structured Entity and has the ability to affect those returns through its power over the Structured Entity. Power is the current ability to direct the activities that significantly influence returns.

(iii) Accounting method of consolidation

Subsidiaries are fully consolidated from the date on which control is transferred to the Group. The results of the subsidiaries acquired or disposed of during the year are included in the consolidated financial statements from the effective acquisition date and or up to the effective date on which control ceases, as appropriate. The integration of the subsidiaries into the consolidated financial statements is based on consistent accounting and valuation methods for similar transactions and other occurrences under similar circumstances.

(iv) Transactions eliminated on consolidation

Intra-group balances, income and expenses (except for foreign currency translation gains or losses) arising from intra-group transactions, are eliminated in preparing the consolidated financial statements. Unrealised gains arising from transactions with subsidiaries are eliminated to the extent of the Group's interest in the entity. Unrealised losses are eliminated in the same way as unrealised gains, but only to the extent that there is no evidence of impairment. Profits and losses resulting from intra-group transactions are also eliminated.

(v) **Non-controlling interest**

The Group applies IFRS 10 Consolidated Financial Statements (2011) in accounting for acquisitions of non-controlling interests. Under this accounting policy, acquisitions of non-controlling interests are accounted for as transactions with equity holders in their capacity as owners and therefore no goodwill is recognised as a result of such transactions. The adjustments to non-controlling interests are based on the proportionate amount of the net assets of the subsidiary.

(b) Foreign currency translation

(i) Functional and presentation currency

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

(ii) Transactions and balances

Foreign currency transactions, that is transactions denominated, or that require settlement in a foreign currency, are translated into the functional currency using the exchange rates prevailing at the dates of the transactions.

Monetary items denominated in foreign currency are translated using the closing rate as at the reporting date. 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 items in a foreign currency that are measured at fair value are translated using the exchange rates at the date when the fair value was determined.

Foreign exchange gains and losses resulting from the settlement of foreign currency transactions and from the year end translation of monetary assets and liabilities denominated in foreign currencies are recognised in the Income statement, except when deferred in equity as gains or losses from qualifying cash flow hedging instruments or qualifying net investment hedging instruments.

All foreign exchange gains and losses recognised in the Income statement are presented net in the Income statement within the corresponding item. Foreign exchange gains and losses on other comprehensive income items are presented in other comprehensive income within the corresponding item.

In the case of changes in the fair value of monetary assets denominated in foreign currency classified as fair value through other comprehensive income, a distinction is made between translation differences resulting from changes in amortised cost of the security and other changes in the carrying amount of the security. Translation differences related to changes in the amortised cost are recognised in profit or loss, and other changes in the carrying amount, except impairment, are recognised in equity.

(iii) Group Entities

The results and financial position of all the Group entities (none of which has the currency of a hyperinflationary economy) that have a functional currency different from the presentation currency are translated into the presentation currency as follows:

- Assets and liabilities for each statement of financial position presented are translated at the closing rate at the date of that statement of financial position;

- Income and expenses for each Income statement are translated at average exchange rates (unless this average is not a reasonable approximation of the cumulative effect of the rates prevailing on the transaction dates, in which case income and expenses are translated at the dates of the transactions);

- All resulting exchange differences are recognised in other comprehensive income.

  Exchange differences arising from the above process are reported in shareholders' equity as 'Foreign currency translation reserve'.

  On consolidation, exchange differences arising from the translation of the net investment in foreign entities, and of borrowings and other currency instruments designated as hedges of such investments, are taken to 'Other comprehensive income'. When a foreign operation is disposed of, or partially disposed of, such exchange differences are recognised in the consolidated income statement as part of the gain or loss on sale.

  Goodwill and fair value adjustments arising on the acquisition of a foreign entity are treated as assets and liabilities of the foreign entity and translated at the closing rate.

(c) Interest

Interest income and expense for all interest-earning and interest-bearing financial instruments are recognised in the income statement within "interest income" and "interest expense" using the Effective Interest Method.

The effective interest rate is the rate that exactly discounts the estimated future cash payments and receipts through the expected life of the financial asset or liability (or, where appropriate, the next re-pricing date) to the carrying amount of the financial asset or liability. When calculating the effective interest rate, the Group estimates future cash flows considering all contractual terms of the financial instruments but not future credit losses.

The calculation of the effective interest rate includes contractual fees paid or received, transaction costs, and discounts or premiums that are an integral part of the effective interest rate.

Transaction costs are incremental costs that are directly attributable to the acquisition, issue or disposal of a financial asset or liability.

Interest income and expense presented in the Income statement include:

- Interest on financial assets and liabilities measured at amortised cost calculated on an effective interest rate basis.
- Interest on financial assets measured at fair value through OCI calculated on an effective interest rate basis.

Whilst interest revenue is always required to be presented as a separate line item, it is calculated differently according to the status of the asset with regard to credit impairment.

For a financial asset that has not become credit impaired since initial recognition, interest revenue is calculated using a 'gross method' of applying the effective interest rate method to the gross carrying amount of the asset (i.e. its carrying amount excluding the loss allowance).

For a financial asset that subsequently has become credit-impaired, from the beginning of the next reporting period, interest revenue is calculated using a 'net method' of applying the effective interest rate to the net amortised cost balance (i.e. including the loss allowance).

(d) Revenue from contract with customers

IFRS 15 establishes a five-step model to account for revenue arising from contracts with customers. It applies to all contracts with customers except leases, financial instruments and insurance contracts. The standard establishes a more systematic approach for revenue measurement and recognition by introducing a five-step model governing revenue recognition. The five step model requires the Company to (i) identify the contract with the customer, (i" identity each of the performance obligations included in the contract, (il) determine the amount of consideration in the contract, (iv) allocate the consideration to each of the identified performance obligations and (v) recognise revenue as each performance obligation is satisfied.

Guaranty Trust Pension Managers Limited

Revenue recognition by the Pension Manager subsidiary are under the following;

Asset Based Fees: These are fees earned on pension funds by the company and held by fund custodians as stipulated by Pension Reform Act 2014. It is earned over time and invoiced on a preceding month basis at the approved rates for the various funds under the multi-fund structure.

Fee Income earned from administrative services: These are fees earned over time from contributors to cover cost of administering each Retirement Savings Account. The Company does not recognize revenue from a contributor that has not made contribution for a particular month. The performance obligation is satisfied over the administration of each Retirement Savings Account.

Fee Income from providing management services: Fees earned for the provision of services over a period of time are accrued over that period. That is, the fees are invoiced on a preceding month basis but accrued on a daily basis on the fund. These fees include the administration and supervision of Pension Fund Assets. Revenue recognized is based on a percentage of the opening Net Asset value of the Pension Fund investment at the beginning of the period of charge. The performance obligation is satisfied over the administration and supervision of Pension Fund Assets.

Guaranty Trust Fund Managers Limited

Guaranty Trust Fund Managers Limited provides funds management services to individuals and corporate organisations. Revenue from contracts with customers is recognised when control of the goods or services are transferred to the customer at an amount that reflects the consideration to which the Company expects to be entitled in exchange for those goods or services. The Company has generally concluded that it is the principal in its revenue arrangements.

The Company has applied IFRS 15 practical expedient to a portfolio of contracts (or performance obligations) with similar characteristics since the Company reasonably expects that the accounting result will not be materially different from the result of applying the standard to the individual contracts. The disclosures of significant accounting judgements, estimates and assumptions relating to revenue from contracts with customers are provided below.

Payments Company- HabariPay Limited

The Company's sources of revenue are derived from the following:

Net commission recognized on merchant service charged to transaction value processed on behalf of our merchants.

Sales margin recognized on bills payments i.e., airtime vending, and bulk SMS sent on behalf of our customers.

The Company has generally concluded that it is the principal in its revenue arrangement. The five-step model as suggested by IFRS-15 has been followed in recognizing revenue.

(e) Fees and commission

Fees and Commission that are integral to the effective interest rate on a financial asset are included in the measurement of the effective interest rate. These fees are management fees on non revolving credit facilities.

Other fees and commissions which relates mainly to transaction and service fees, including commitment fees which are charged on undisbursed portion of credit facilities, investment management and other fiduciary activity fees, sales commission, placement line fees, syndication fees and guarantee issuance fees are recognised at a point in time, or over time as the related services are provided / performed.

Payments Company- HabariPay Limited

The Payment Company's fees and commissions are derived from net commissions recognized on merchant services charged to transaction value processed on behalf of our merchants. Revenue related to the above transactions are recognized at the point in time when the transaction takes place.

Guaranty Trust Fund Managers Limited

Fees and commissions in the Fund Manager subsidiary are recognized on an accrual basis for the period under review at amortized cost. The management fees earned on funds being managed are as stipulated by the guiding of the respective individual trust deeds.

(f) Net gains on financial instruments held at fair value through profit or loss.

Net trading income comprises gains less losses related to trading assets and liabilities, and it includes all fair value changes, dividends and foreign exchange differences.

(g) Net income from other financial instruments at fair value through profit or loss

Net income from other financial instruments at fair value through profit or loss relates to derivatives held for risk management purposes that do not form part of qualifying hedge relationships. Fair value changes on other derivatives held for risk management purposes, and other financial assets and liabilities carried at fair value through profit or loss, are presented in Other Income – Mark to market gain/(loss) on trading investments in the Income statement.

(h) Dividend income

Dividend income is recognised when the right to receive income is established. Dividends on trading equities are reflected as a component of Net gains on financial instruments held at fair value through profit or loss. Dividend income on long term equity investments is recognised as a component of other income.

(I) Leases

Leases (right-of-use asset) are accounted for in accordance with IFRS 16 and are accounted for in line with the following based on whether the Group is the Lessor or the Lessee:

(i) The Group is the lessee

At the commencement date, the Group recognises a right-of-use asset at cost and a lease liability, where applicable, at the present value of the lease payments that are not paid at that date.

The cost of the right-of-use asset comprises the amount of the initial measurement of the lease liability, any lease payments made at or before the commencement date less any lease incentives received, any initial direct costs incurred by the lessee and an estimate of costs to be incurred by the lessee in dismantling and removing the underlying asset, restoring the site on which it is located or restoring the underlying asset to the condition required by the terms and conditions of the lease.

After the commencement date, the Group measures the right-of-use asset at cost less any accumulated depreciation and any accumulated impairment losses and adjusted for any remeasurement of the lease liability, the right-of-use asset is included in Restricted deposit and other assets. The Group subsequently measures the lease liability by increasing the carrying amount to reflect interest on the lease liability, reducing the carrying amount to reflect the lease payments made and remeasuring the carrying amount to reflect any reassessment or lease modifications.

The corresponding lease liabilities, where applicable, are included in other liabilities. The interest element of the lease liabilities is charged to the Income statement over the lease period so as to produce a constant periodic rate of interest on the remaining balance of the liability for each period.

(ii) The Group is the lessor

When assets are leased to a third party under finance lease terms, the present value of the lease income is recognised as a receivable. The difference between the gross receivable and the present value of the receivable is recognised as unearned finance income. Lease income is recognised over the term of the lease using the net investment method (before tax), which reflects a constant periodic rate of return.

(J) Income Tax

(i) Current income tax

Income tax payable is calculated on the basis of the applicable tax law in the respective jurisdiction and it consists of Company Income Tax, Education tax, NITDEF tax and Nigeria Police Trust Fund levy. Company Income tax is assessed at a statutory rate of 30% of total profit or Dividend Declared, whichever is higher. Education tax is computed as 2.5% of assessable profit, NITDEF tax is a 1% levy on Profit before tax of the Bank, and Nigeria Police Trust Fund Levy is 0.005% of Net profit.

Current income tax is recognised as an expense for the period except to the extent that current tax is related to items that are charged or credited in other comprehensive income or directly to equity. In these circumstances, deferred tax is charged or credit to other comprehensive income or to equity (for example, current tax on FVOCI).

Where the Group has tax losses that can be relieved only by carrying it forward against taxable profits of future periods, a deductible temporary difference arises. Those losses carried forward are set off against deferred tax liabilities carried in the consolidated statement of financial position.
The Group evaluates positions stated in tax returns; ensuring information disclosed are in agreement with the underlying tax liability, which has been adequately provided for in the financial statements. The Group had determined that interest and penalties relating to income taxes, including uncertain tax treatments, do not meet the definition of income taxes, and therefore are accounted for under IAS 37 Provisions, Contingent Liabilities and Contingent Assets

(ii) Deferred income tax

Deferred income tax is provided in full, using the liability method, on temporary differences arising between the tax bases of assets and liabilities and their carrying amounts in the financial statements. Deferred income tax is determined using tax rates (and laws) that have been enacted or substantively enacted by the end of the reporting period and are expected to apply when the related deferred income tax asset is realised or the deferred income tax liability is settled.
However, the deferred income tax is not recognised for:

- temporary differences on the initial recognition of assets or liabilities in a transaction that is not a business combination and that affects neither accounting nor taxable profit or loss;
- temporary differences related to investments in subsidiaries where the timing of the reversal of the temporary difference is controlled by the Group and it is probable that they will not reverse in the foreseeable future; and
- temporary differences arising on the initial recognition of goodwill.

Deferred tax assets are recognised when it is probable that future taxable profit will be available against which these temporary differences can be utilised. The tax effects of carry-forwards of unused losses or unused tax credits are recognised as an asset when it is probable that future taxable profits will be available against which these losses can be utilised. Deferred tax related to fair value re-measurement of FVOCI investments and cash flow hedges, which are recognised in other comprehensive income, is also recognised in the other comprehensive income and subsequently in the income statement together with the deferred gain or loss.

Deferred tax assets and liabilities are offset if there is a legally enforceable right to offset current tax liabilities against current tax assets, and they relate to taxes levied by the same tax authority on the same taxable entity, or on different tax entities, but they intend to settle current tax liabilities and assets on a net basis or their tax assets and liabilities will be realised simultaneously.

(k) Financial assets and liabilities

i. Recognition

The Group on the date of origination or purchase recognizes loans, debt and equity securities, deposits and subordinated debentures at the fair value of consideration paid. For non-revolving facilities, origination date is the date the facility is disbursed, origination date for revolving facilities is the date the line is availed, while origination date for credit card is the date the credit limit is availed on the card. Regular-way purchases and sales of financial assets are recognized on the settlement date. All other financial assets and liabilities, including derivatives, are initially recognized on the trade date at which the Bank becomes a party to the contractual provisions of the instrument.

ii. Classification and Measurement

Initial measurement of a financial asset or liability is at fair value plus transaction costs that are directly attributable to its purchase or issuance. For instruments measured at fair value through profit or loss, transaction costs are recognized immediately in profit or loss. Financial assets include both debt and equity instruments.

Financial assets are classified into one of the following measurement categories:

- Amortised cost
- Fair Value through Other Comprehensive Income (FVOCI)
- Fair Value through Profit or Loss (FVTPL) for trading related assets

The Group classifies all of its financial assets based on the business model for managing the assets and the asset's contractual cash flow characteristics.

Business Model Assessment

Business model assessment involves determining whether financial assets are managed in order to generate cash flows from collection of contractual cash flows, selling financial assets or both. The Bank assesses business model at a portfolio level reflective of how groups of assets are managed together to achieve a particular business objective. For the assessment of business model the Bank takes into consideration the following factors:

- the stated policies and objectives for the portfolio and the operation of those policies in practice. In particular, whether management's strategy focuses on earning contractual interest revenue, maintaining a particular interest rate profile, matching the duration of the financial assets to the duration of the liabilities that are funding those assets or realizing cash flows through the sale of the assets
- how the performance of assets in a portfolio is evaluated and reported to Group heads and other key decision makers within the Bank's business lines;
- the risks that affect the performance of assets held within a business model and how those risks are managed;
- how compensation is determined for the Bank's business lines' management that manages the assets; and

- the frequency and volume of sales in prior periods and expectations about future sales activity.

Management determines the classification of the financial instruments at initial recognition. The business model assessment falls under three categories:

- Business Model 1(BM1): Financial assets held with the sole objective to collect contractual cash flows;
- Business Model 2 (BM2): Financial assets held with the objective of both collecting contractual cash flows and selling; and
- Business Model 3 (BM3): Financial assets held with neither of the objectives mentioned in BM1 or BM2 above. These are basically financial assets held with the sole objective to trade and to realize fair value changes.

The Group may decide to sell financial instruments held under the BM1 category with the objective to collect contractual cash flows without necessarily changing its business model if one or more of the following conditions are met:

- When the Group sells financial assets to reduce credit risk or losses because of an increase in the assets' credit risk. The Group considers sale of financial assets that may occur in BM1 to be infrequent if the sales is one-off during the Financial Year and/or occurs at most once during the quarter or at most three (3) times within the financial year.
- Where these sales are infrequent even if significant in value. A Sale of financial assets is considered infrequent if the sale is one-off during the Financial Year and/or occurs at most once during the quarter or at most three (3) times within the Financial Year.
- Where these sales are insignificant in value both individually and in aggregate, even if frequent. A sale is considered insignificant if the portion of the financial assets sold is equal to or less than five (5) per cent of the carrying amount (book value) of the total assets within the business model.
- When these sales are made close to the maturity of the financial assets and the proceeds from the sales approximates the collection of the remaining contractual cash flows. A sale is considered to be close to maturity if the financial assets has a tenor to maturity of not more than one (1) year and/or the difference between the remaining contractual cash flows expected from the financial asset does not exceed the cash flows from the sales by ten (10) per cent.
- Other reasons: The following reasons outlined below may constitute 'Other Reasons' that may necessitate selling financial assets from the BM1 category that will not constitute a change in business model:
  - Selling the financial asset to realize cash to deal with unforeseen need for liquidity (infrequent).
  - Selling the financial asset to manage credit concentration risk (infrequent).
  - Selling the financial assets as a result of changes in tax laws (infrequent).
  - Other situations also depends upon the facts and circumstances which need to be judged by the management.

Cash flow characteristics assessment

The contractual cash flow characteristics assessment involves assessing the contractual features of an instrument to determine if they give rise to cash flows that are consistent with a basic lending arrangement. Contractual cash flows are consistent with a basic lending arrangement if they represent cash flows that are solely payments of principal and interest on the principal amount outstanding (SPPI).

Principal is defined as the fair value of the instrument at initial recognition. Principal may change over the life of the instruments due to repayments. Interest is defined as consideration for the time value of money and the credit risk associated with the principal amount outstanding and for other basic lending risks and costs (liquidity risk and administrative costs), as well as a profit margin.

In assessing whether the contractual cash flows are solely payments of principal and interest, the Group considers the contractual terms of the instrument. This includes assessing whether the financial asset contains a contractual term that could change the timing or amount of contractual cash flows such that it would not meet this condition. In making the assessment, the Group considers:

- contingent events that would change the amount and timing of cash flows;
- leverage features;
- prepayment and extension terms;
- terms that limit the Group’s claim to cash flows from specified assets (e.g. non-recourse asset arrangements); and
- Features that modify consideration of the time value of money.

(a) Financial assets measured at amortised cost

Financial assets are measured at amortised cost if they are held within a business model whose objective is to hold for collection of contractual cash flows where those cash flows represent solely payments of principal and interest. After initial measurement, debt instruments in this category are carried at amortised cost using the effective interest rate method. Amortised cost is calculated taking into account any discount or premium on acquisition, transaction costs and fees that are an integral part of the effective interest rate. Amortisation is included in Interest income in the Consolidated and Separate Income Statement. Impairment on financial assets measured at amortised cost is calculated using the expected credit loss approach.

Loans and debt securities measured at amortised cost are presented net of the allowance for credit losses (ACL) in the statement of financial position.

(b) Financial assets measured at FVOCI

Financial assets are measured at FVOCI if they are held within a business model whose objective is to hold for collection of contractual cash flows and for selling financial assets, where the assets' cash flows represent payments that are solely payments of principal and interest. Subsequent to initial recognition, unrealized gains and losses on debt instruments measured at FVOCI are recorded in other comprehensive Income (OCI), unless the instrument is designated in a fair value hedge relationship. Upon derecognition, realized gains and losses are reclassified from OCI and recorded in Other Income in the Consolidated and Separate Income Statement. Foreign exchange gains and losses that relate to the amortised cost of the debt instrument are recognized in the Consolidated and Separate Income Statement. Premiums, discounts and related transaction costs are amortised over the expected life of the instrument to Interest income in the Consolidated and Separate of Income Statement using the effective interest rate method. Impairment on financial assets measured at FVOCI is calculated using the expected credit loss approach.

(c) Financial assets measured at FVTPL

Debt instruments measured at FVTPL include assets held for trading purposes, assets held as part of a portfolio managed on a fair value basis and assets whose cash flows do not represent payments that are solely payments of principal and interest. Financial assets may also be designated at FVTPL if by so doing eliminates or significantly reduces an accounting mismatch which would otherwise arise. These instruments are measured at fair value in the Consolidated and Separate Statement of Financial Position, with transaction costs recognized immediately in the Consolidated and Separate Income Statements as part of Other Income. Realized and unrealized gains and losses are recognized as part of Other Income in the Consolidated and Separate Income Statements.

(d) Equity Instruments

Equity instruments are instruments that meet the definition of equity from the issuer's perspective; that is, any contract that evidences a residual interest in the issuer's net assets.

Equity instruments are measured at FVTPL, unless an election is made to designate them at FVOCI upon purchase. For equity instruments measured at FVTPL, changes in fair value are recognized as part of Other Income in the Consolidated and Separate Income Statement. The Bank can elect to classify non-trading equity instruments at FVOCI. This election will be used for certain equity investments for strategic or longer term investment purposes. The FVOCI election is made upon initial recognition, on an instrument-by-instrument basis and once made is irrevocable. Gains and losses on these instruments including when derecognized/sold are recorded in OCI and are not subsequently reclassified to the Consolidated and Separate Income Statement. Dividends received are recorded in other income in the Consolidated and Separate Income Statement. Any transaction costs incurred upon purchase of the security are added to the cost basis of the security and are not reclassified to the Consolidated and Separate Income Statement on sale of the security. Transaction cost on disposal of equity instruments is recognised as an expense in the income statement.

Financial liabilities are classified into one of the following measurement categories:

- Amortised cost
- Fair Value through Profit or Loss (FVTPL)

(e) Financial Liabilities at fair value through profit or loss

Financial liabilities at fair value through profit or loss are financial liabilities held for trading. A financial liability is classified as held for trading if it is incurred principally for the purpose of repurchasing it in the near term or if it is part of a portfolio of identified financial instruments that are managed together and for which there is evidence of a recent actual pattern of short-term profit-taking. Derivatives are also categorized as held for trading unless they are designated and effective as hedging instruments. Financial liabilities held for trading also include obligations to deliver financial assets borrowed by a short seller.

Gains and losses arising from changes in fair value of financial liabilities classified as held for trading are included in the income statement and are reported as 'Net gains/(losses) on financial instruments held at fair value through profit or loss'. Interest expenses on financial liabilities held for trading are included in 'Net interest income'.

Financial Liabilities are designated at FVTPL when either the designation eliminates or significantly reduces an accounting mismatch which would otherwise arise or the financial liability contains one or more embedded derivatives which significantly modify the cash flows otherwise required. For liabilities designated at fair value through profit or loss, all changes in fair value are recognized in Other Income in the Consolidated and Separate Statement of Income, except for changes in fair value arising from changes in the Bank's own credit risk which are recognized in OCI. Changes in fair value of liabilities due to changes in the Bank's own credit risk, which are recognized in OCI, are not subsequently reclassified to the Consolidated and Separate Income Statement upon derecognition/extinguishment of the liabilities.

(f) Financial Liabilities at amortised cost

Financial liabilities that are not classified at fair value through profit or loss fall into this category and are measured at amortised cost using the Effective Interest Rate method. Financial liabilities measured at amortised cost are deposits from banks or customers, other borrowed funds, debt securities in issue for which the fair value option is not applied, convertible bonds and subordinated debts.

Cash and bank balances

Cash and bank balances include notes and coins on hand, unrestricted balances held with central banks, balances held with other banks and Money market placements which are used by the Group in the management of its short-term commitments.

Cash and Cash equivalents referred to in the statement of cash flow comprises cash in hand, non-restricted balance held with central banks and amount due from banks on demands with an original maturity of three months or less.

Cash and bank balances are carried at amortised cost in the Statements of financial position.

iii. Reclassifications

Financial assets are not reclassified subsequent to their initial recognition, except in the period after the Group changes its business model for managing financial assets. A change in the Group's business model will occur only when the Group either begins or ceases to perform an activity that is significant to its operations such as:

- Significant internal restructuring or business combinations; for example an acquisition of a private asset management company that might necessitate transfer and sale of loans to willing buyers, this action will constitute changes in business model and subsequent reclassification of the Loan held from BM1 to BM2 Category
- Disposal of a business line i.e. disposal of a business segment
- Any other reason that might warrant a change in the Group's business model as determined by management based on facts and circumstances.

The following are not considered to be changes in the business model:

- A change in intention related to particular financial assets (even in circumstances of significant changes in market conditions)
- A temporary disappearance of a particular market for financial assets.
- A transfer of financial assets between parts of the Group with different business models.

When reclassification occurs, the Group reclassifies all affected financial assets in accordance with the new business model. Reclassification is applied prospectively from the 'reclassification date'. Reclassification date is 'the first day of the first reporting period following the change in business model. For example, if the Group decides to shut down the retail business segment on 31 January 2018, the reclassification date will be 1 April, 2019 (i.e. the first day of the entity's next reporting period), the Group shall not engage in activities consistent with its former business model after 31 January, 2018. Gains, losses or interest previously recognised are not restated when reclassification occurs.

iv. Modification of financial assets and liabilities

(a) Financial assets

The Group sometimes modifies the contractual cashflows of loans to customers. Where the terms of a financial asset are modified via amendments to the loan agreements, the Group evaluates whether the cash flows of the modified asset are substantially different from the original cashflows. If the cash flows are substantially different, then the contractual rights to cash flows from the original financial asset are deemed to have expired. In this case, the original financial asset is derecognised and a new financial asset is recognised at fair value. Any difference between the amortised cost of the original financial asset and the present value of the estimated future cashflows of the new asset is debited or credited to the customer's account.

Scenarios where modifications will lead to derecognition of existing loan and recognition of a new loan include but not limited to:

- The exchange of a loan for another financial asset with substantially different contractual terms and conditions such as the restructuring of a loan to a bond; conversion of a loan to an equity instrument of the borrower.
- Roll up of interest into a single bullet payment of interest and principal at the end of the loan term.
- Conversion of a loan from one currency to another currency.
- Extension of maturity dates will lead to modification and derecognition of existing loan and recognition of a new loan.

When the contractual cash flows of a financial asset are renegotiated or otherwise modified and the renegotiation or modification does not result in the derecognition of that financial asset in accordance with IFRS 9, the Group shall recalculate the gross carrying amount of the financial asset and shall recognize a modification gain or loss in profit or loss. For example, contractual cashflows of loan to customers may also be modified due to blanket payment holidays imposed by law and regulations and effective automatically without amendments being made to the loan agreements. In this scenario, the bank revises the expected gross carrying amount by discounting the rescheduled payments at original effective interest rate and the resulting loss is recognised immediately in Other income in Profit or loss as a cumulative catch-up adjustment.

Fees that are considered in determining the fair value of modified financial asset and fees that represent reimbursement of eligible transaction costs are included in the initial measurement of the asset and form part of the effective interest on the modified financial asset while other fees are included in profit or loss as part of the gain or loss on derecognition.

Impairment assessment is performed on modified financial assets before modification.

(b) Financial Liabilities

A financial liability is derecognised when the obligation under the liability is discharged, cancelled or expired. The Group derecognises a financial liability when its terms are modified and the cash flows of the modified liability are substantially different. In this case, a new financial liability based on the modified terms is recognised at fair value. The difference between the carrying amount of the financial liability extinguished and the new financial liability with modified terms is recognised in profit or loss.

De-recognition of financial instruments

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

Financial assets that are transferred to a third party but do not qualify for derecognition are presented in the statement of financial position as 'Assets pledged as collateral', if the transferee has the right to sell or repledge them.

On derecognition of a financial asset, the difference between the carrying amount of the asset (or the carrying amount allocated to the portion of the asset transferred), and the sum of (i) the consideration received (including any new asset obtained less any new liability assumed) and (ii) any cumulative gain or loss that had been recognized in other comprehensive income is recognized in profit or loss.

(v) Impairment of Financial Assets

In line with IFRS 9, the Group assesses the under listed financial instruments for impairment using Expected Credit Loss (ECL) approach:

- Amortised cost financial assets;
- Debt securities classified as at FVOCI;
- Off-balance sheet loan commitments; and
- Financial guarantee contracts.

Equity instruments and financial assets measured at FVPL are not subjected to impairment under the standard.

Expected Credit Loss Impairment Model

The Group's allowance for credit loss calculations are outputs of models with a number of underlying assumptions regarding the choice of variable inputs and their interdependencies. The expected credit loss impairment model reflects the present value of all cash shortfalls related to default events either over the following twelve months or over the expected life of a financial instrument depending on credit deterioration from inception. The allowance for credit losses reflects an unbiased, probability-weighted outcome which considers multiple scenarios based on reasonable and supportable forecasts.

The Group adopts a three-stage approach for impairment assesment based on changes in credit quality since initial recognition.

- Stage 1 – Where there has not been a significant increase in credit risk (SICR) since initial recognition of a financial instrument, an amount equal to 12 months expected credit loss is recorded. The expected credit loss is computed using a probability of default occurring over the next 12 months. For those instruments with a remaining maturity of less than 12 months, a probability of default corresponding to remaining term to maturity is used.

- Stage 2 – When a financial instrument experiences a SICR subsequent to origination but is not considered to be in default, it is included in Stage 2. This requires the computation of expected credit loss based on the probability of default over the remaining estimated life of the financial instrument.

- Stage 3 – Financial instruments that are considered to be in default are included in this stage. Similar to Stage 2, the allowance for credit losses captures the lifetime expected credit losses.

The guiding principle for ECL model is to reflect the general pattern of deterioration or improvement in the credit quality of financial instruments since initial recognition. The ECL allowance is based on credit losses expected to arise over the life of the asset (life time expected credit loss), unless there has been no significant increase in credit risk since origination.

Measurement of Expected Credit Losses

The probability of default (PD), exposure at default (EAD), and loss given default (LGD) inputs used to estimate expected credit losses are modelled based on macroeconomic variables that are most closely related with credit losses in the relevant portfolio. Details of these statistical parameters/inputs are as follows:

- PD – The probability of default is an estimate of the likelihood of default over a given time horizon. A default may only happen at a certain time over the remaining estimated life, if the facility has not been previously derecognized and is still in the portfolio.

    - 12-month PDs – This is the estimated probability of default occurring within the next 12 months (or over the remaining life of the financial instrument if that is less than 12 months). This is used to calculate 12-month ECLs. The Bank obtains the constant and relevant coefficients for the various independent variables and computes the outcome by incorporating forward looking macroeconomic variables and computing the forward probability of default.

    - Lifetime PDs – This is the estimated probability of default occurring over the remaining life of the financial instrument. This is used to calculate lifetime ECLs for 'stage 2' and 'stage 3' exposures. PDs are limited to the maximum period of exposure required by IFRS 9. The Bank obtains 3 years forecast for the relevant macroeconomic variables and adopts exponentiation method to compute cumulative PD for future time periods for each obligor.

- EAD – The exposure at default is an estimate of the exposure at a future default date, taking into account expected changes in the exposure after the reporting date, including repayments of principal and interest, whether scheduled by contract or otherwise, expected drawdowns on committed facilities, and accrued interest from missed payments.

- LGD – The loss given default is an estimate of the loss arising in the case where a default occurs at a given time. It is based on the difference between the contractual cash flows due and those that the lender would expect to receive, including from the realization of any collateral. It is usually expressed as a percentage of the EAD.

To estimate expected credit loss for off balance sheet exposures, credit conversion factor (CCF) is usually computed. CCF is a modelled assumption which represents the proportion of any undrawn exposure that is expected to be drawn prior to a default event occurring. It is a factor that converts an off balance sheet exposure to its credit exposure equivalent. In modelling CCF, the Bank considers its account monitoring and payment processing policies including its ability to prevent further drawings during periods of increased credit risk. CCF is applied on the off balance sheet exposures to determine the EAD and the ECL impairment model for financial assets is applied on the EAD to determine the ECL on the off balance sheet exposures.

Forward-looking information

The measurement of expected credit losses for each stage and the assessment of significant increases in credit risk considers information about past events and current conditions as well as reasonable and supportable forecasts of future events and economic conditions. The estimation and application of forward-looking information requires significant judgement.

The measurement of expected credit losses for each stage and the assessment of significant increases in credit risk considers information about past events and current conditions as well as reasonable and supportable forecasts of future events and economic conditions. The estimation and application of forward-looking information requires that:

- The Group uses internal subject matter experts from Risk, Treasury and Business Divisions to consider a range of relevant forward looking data, including macro-economic forecasts and assumptions, for the determination of unbiased general economic adjustments in order to support the calculation of ECLs.

- Macro-economic variables taken into consideration include, but are not limited to, unemployment, interest rates, gross domestic product, inflation, crude-oil prices and exchange rate, and requires an evaluation of both the current and forecast direction of the macro-economic cycle.

- Macro-economic variables considered have strong statistical relationships with the risk parameters (LGD, EAD, CCF and PD) used in the estimation of the ECLs, and are capable of predicting future conditions that are not captured within the base ECL calculations.

- Forward looking adjustments for both general macro-economic adjustments and more targeted at portfolio / industry levels. The methodologies and assumptions, including any forecasts of future economic conditions, are reviewed regularly.

Macroeconomic factors

The Group relies on a broad range of forward looking information as economic inputs, such as: GDP growth, unemployment rates, central bank base rates, crude oil prices, inflation rates and foreign exchange rates. The inputs and models used for calculating expected credit losses may not always capture all characteristics of the market at the date of the financial statements. To reflect this, qualitative adjustments or overlays may be made as temporary adjustments using expert credit judgement.

The macroeconomic variables and economic forecasts as well as other key inputs are reviewed and approved by management before incorporated in the ECL model. Any subsequent changes to the forward looking information are also approved before such are inputted in the ECL model.

The macro economic variables are obtained for 3 years in the future and are reassessed every 6 months to ensure that they reflect prevalent circumstances and are up to date.

Where there is a non-linear relationships, one forward-looking scenario is never sufficient as it may result in the estimation of a worst-case scenario or a best-case scenario. The Bank's ECL methodology considers weighted average of multiple economic scenarios for the risk parameters (basically the forecast macroeconomic variables) in arriving at impairment figure for a particular reporting period. The model is structured in a manner that the final outcome, which is a probability cannot be negative.

SICR is assessed once there is an objective indicator of a deterioration in credit risk of customer. In addition, the Bank as part of its routine credit processes perform an assessment on a quarterly basis to identify instances of SICR.

Multiple forward-looking scenarios

The Group determines allowance for credit losses using three probability-weighted forward-looking scenarios. The Group considers both internal and external sources of information in order to achieve an unbiased measure of the scenarios used. The Group prepares the scenarios using forecasts generated by credible sources such as Business Monitor International (BMI), International Monetary Fund (IMF), Nigeria Bureau of Statistics (NBS), World Bank, Central Bank of Nigeria (CBN), Financial Markets Dealers Quotation (FMDQ), and Trading Economics.

The Group estimates three scenarios for each risk parameter (LGD, EAD, CCF and PD) – Normal, Upturn and Downturn, which in turn is used in the estimation of the multiple scenario ECLs.
The ' normal case' represents the most likely outcome and is aligned with information used by the Bank for other purposes such as strategic planning and budgeting. The other scenarios represent more optimistic and more pessimistic outcomes. The Bank has identified and documented key drivers of credit risk and credit losses for each portfolio of financial instruments and, using an analysis of historical data, has estimated relationships between macro-economic variables, credit risk and credit losses.

Assessment of significant increase in credit risk (SICR)

At each reporting date, the Bank assesses whether there has been a significant increase in credit risk for exposures since initial recognition by comparing the risk of default occurring over the remaining expected life from the reporting date and the date of initial recognition. The assessment considers borrower-specific quantitative and qualitative information without consideration of collateral, and the impact of forward-looking macroeconomic factors.The common assessments for SICR on retail and non-retail portfolios include macroeconomic outlook, management judgement, and delinquency and monitoring. Forward looking macroeconomic factors are a key component of the macroeconomic outlook. The importance and relevance of each specific macroeconomic factor depends on the type of product, characteristics of the financial instruments and the borrower and the geographical region.

The Group adopts a multi factor approach in assessing changes in credit risk. This approach considers: Quantitative (primary), Qualitative (secondary) and Back stop indicators which are critical in allocating financial assets into stages.

The quantitative models considers deterioration in the credit rating of obligor/counterparty based on the Bank's internal rating system or External Credit Assessment Institutions (ECAI) while qualitative factors considers information such as expected forbearance, restructuring, exposure classification by licensed credit bureau, etc.

A backstop is typically used to ensure that in the (unlikely) event that the primary (quantitative) indicators do not change and there is no trigger from the secondary (qualitative) indicators, an account that has breached the 30 days past due criteria for SICR and 90 days past due criteria for default is transferred to stage 2 or stage 3 as the case may be except there is a reasonable and supportable evidence available without undue cost to rebut the presumption.

Definition of Default and Credit Impaired Financial Assets

At each reporting date, the Group assesses whether financial assets carried at amortised cost and debt financial assets carried at FVOCI are credit-impaired. A financial asset is 'credit-impaired' when one or more events that have a detrimental impact on the estimated future cash flows of the financial asset have occurred.

Evidence that a financial asset is credit-impaired includes the following observable data:

- Significant financial difficulty of the borrower or issuer;
- A breach of contract such as a default or past due event;
- The lender(s) of the borrower, for economic or contractual reasons relating to the borrower's financial difficulty, having granted to the borrower a concession(s) that the lender(s) would not otherwise consider;
- It is becoming probable that the borrower will enter bankruptcy or other financial reorganisation; or
- The disappearance of an active market for a security because of financial difficulties.
- The purchase or origination of a financial asset at a deep discount that reflects the incurred credit losses.
- Others include death, insolvency, breach of covenants, etc.

A loan that has been renegotiated due to a deterioration in the borrower's condition is usually considered to be credit-impaired. In addition, loans that are more than 90 days past due are considered impaired.

In making an assessment of whether an investment in sovereign debt is credit-impaired, the Group considers the following factors.

- The market's assessment of creditworthiness as reflected in the bond yields.
- The rating agencies' assessments of creditworthiness.
- The country's ability to access the capital markets for new debt issuance.
- The probability of debt being restructured, resulting in holders suffering losses through voluntary or mandatory debt forgiveness.
- The international support mechanisms in place to provide the necessary support as 'lender of last resort' to that country, as well as the intention, reflected in public statements, of governments and agencies to use those mechanisms. This includes an assessment of the depth of those mechanisms and, irrespective of the political intent, whether there is the capacity to fulfil the required criteria.

Presentation of allowance for ECL in the statement of financial position

Loan allowances for ECL are presented in the statement of financial position as follows:

- Debt instruments measured at FVOCI: no loss allowance is recognised in the statement of financial position because the carrying amount of these assets is their fair value. However, the loss allowance is disclosed and is recognised in the fair value reserve.
- Financial assets measured at amortised cost: as a deduction from the gross carrying amount of the assets;
- Loan commitments and financial guarantee contracts: generally, as a provision;
- Where a financial instrument includes both a drawn and an undrawn component, and the Group cannot identify the ECL on the loan commitment component separately from those on the drawn component: the Group presents a combined loss allowance for both components. The combined amount is presented as a deduction from the gross carrying amount of the drawn component. Any excess of the loss allowance over the gross amount of the drawn component is presented as a provision.

(vi) Write-off

The Group writes off an impaired financial asset (and the related impairment allowance), either partially or in full, where there is no reasonable expectation of recovery as set out in IFRS 9, paragraph 5.4.4. After a full evaluation of a non-performing exposure, in the event that either one or all of the following conditions apply, such exposure shall be recommended for write-off (either partially or in full):

- continued contact with the customer is impossible;
- recovery cost is expected to be higher than the outstanding debt;
- The bank's recovery method is foreclosing collateral and the value of the collateral is such that there is reasonable expectation of recovering the balance in full.

All credit facility write-offs shall require endorsement at the appropriate level, as defined by the Bank. Credit write-off approval shall be documented in writing and properly initialed by the approving authority.

A write-off constitute a derecognition event. However, financial assets that are written off could still be subject to enforcement activities in order to comply with the Group's procedures for recovery of amount due. Whenever amounts are recovered on previously written-off credit exposures, such amount recovered is recognised as income on a cash basis only.

(vii) Embedded derivatives

An embedded derivative is a component of a hybrid contract that also includes a non-derivative host—with the effect that some of the cash flows of the combined instrument vary in a way similar to a stand-alone derivative. An embedded derivative causes some or all of the cash flows that otherwise would be required by the contract to be modified according to a specified interest rate, financial instrument price, commodity price, foreign exchange rate, index of prices or rates, credit rating or credit index, or other variable, provided in the case of a non-financial variable that the variable is not specific to a party to the contract. A derivative that is attached to a financial instrument but is contractually transferable independently of that instrument, or has a different counterparty, is not an embedded derivative, but a separate financial instrument. Where a hybrid contains a host that is a financial asset in the scope of IFRS 9, the entire hybrid contract, including the embedded features, is measured at FVTPL.

(viii) Offsetting financial instruments

Master agreements provide that, if an event of default occurs, all outstanding transactions with the counterparty will fall due and all amounts outstanding will be settled on a net basis.

Financial assets and liabilities are offset and the net amount reported in the statement of financial position when there is a currently legally enforceable right to offset the recognised amounts and there is an intention to settle on a net basis or realise the asset and settle the liability simultaneously. The legally enforceable right must not be contingent on future events and must be enforceable in the normal course of business and in event of default, insolvency or bankruptcy of the company or the counterparty.

Income and expenses are presented on a net basis only when permitted under IFRSs, or for gains and losses arising from a group of similar transactions such as in the Group’s trading activity.

(l) Investment securities

Investment securities are initially measured at fair value plus, in case of investment securities not at fair value through profit or loss, incremental direct transaction costs and subsequently accounted for depending on their classification as amortised cost, fair value through profit or loss or fair value through other comprehensive income. See description in accounting policy Note J (ii) above.

(m) Derivatives held for risk management purposes

Derivatives are classified as assets when their fair value is positive or as liabilities when their fair value is negative. Derivative assets and liabilities arising from different transactions are only offset where there is a legal right of offset of the recognised amounts and the parties intend to settle the cash flows on a net basis, or realise the asset and settle the liability simultaneously.

Derivatives held for risk management purposes include all derivative assets and liabilities that are not classified as trading assets or liabilities. Derivatives are recognised initially at fair value; attributable transaction costs are recognised in profit or loss when incurred. Subsequent to initial recognition, derivatives are measured at fair value with changes in fair value recognised in profit or loss.

(n) Repossessed Collateral

In certain circumstances, property is repossessed following the foreclosure on loans that are in default. Repossessed properties are measured at the lower of carrying amount and fair value less costs to sell and reported within 'Other assets'.

(o) Investment in subsidiaries

Investments in subsidiaries are reported at cost less any impairment (if any) in the separate financial statement of the Bank.

A subsidiary is not consolidated but classified as 'held for sale' if it is available for immediate sale in its present condition and its sale is highly probable. A sale is 'highly probable' where: there is evidence of management commitment; there is an active programme to locate a buyer and complete the plan; the asset is actively marketed for sale at a reasonable price compared to its fair value; the sale is expected to be completed within 12 months of the date of classification; and actions required to complete the plan indicate that it is unlikely that there will be significant changes to the plan or that it will be withdrawn.

(p) Property and equipment

(i) Recognition and measurement

The Group recognises items of property and equipment as assets when it is probable that the future economic benefits associated with the asset will flow to the Group and the cost can be measured reliably, items of property and equipment is recognised at the time the cost is incurred. These costs include costs incurred initially to acquire or construct an item of property and equipment as well as the costs of its dismantlement, removal or restoration, the obligation for which an entity incurs as a consequence of using the item during a particular period.

Items of property and equipment are measured at cost less accumulated depreciation and impairment losses. Cost includes expenditures that are directly attributable to the acquisition of the asset. When parts of an item of property or equipment have different useful lives, they are accounted for as separate items (major components) of property and equipment.

The assets' carrying values and useful lives are reviewed, and written down if appropriate, at each reporting date. Assets are impaired whenever events or changes in circumstances indicate that the carrying amount is less than the recoverable amount; see note (q) on impairment of non-financial assets.

(ii) Subsequent costs

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

(iii) Depreciation

Depreciation is recognised in the income statement on a straight-line basis to write down the cost of each asset, to their residual values over the estimated useful lives of each part of an item of property and equipment. Leased assets under finance lease are depreciated over the shorter of the lease term and their useful lives.

Depreciation begins when an asset is available for use and ceases at the earlier of the date that the asset is derecognised or classified as held for sale in accordance with IFRS 5. A non-current asset or disposal group is not depreciated while it is classified as held for sale.

The estimated useful lives for the current and comparative periods are as follows:

Item of Property and Equipment	Estimated Useful Life
Leasehold improvements and buildings:	
Leasehold improvements	Over the shorter of the useful life of the item or lease term
Buildings	50 years
Leasehold Land	Over the remaining life of the lease
Furniture and equipment:	
Furniture and fittings	5years
Machine and equipment	5years
Computer hardware	3years
Motor vehicles:	4years

Capital work in progress is not depreciated. Upon completion it is transferred to the relevant asset category. Depreciation methods, useful lives and residual values are reassessed at each reporting date.

Cost of leasehold land is amortised over the remaining life of the lease as stated in the certificate of occupancy issued by Government.

(iv) De-recognition

An item of property and equipment is derecognised on disposal or when no future economic benefits are expected from its use or disposal. Any gain or loss arising on de-recognition of the asset (calculated as the difference between the net disposal proceeds and the carrying amount of the asset) is included in the income statement in the year the asset is derecognised.

(q) Intangible assets

(i) Goodwill

Goodwill represents the excess of the cost of the acquisition over the Group's interest in the net fair value of the identifiable assets, liabilities and contingent liabilities of the acquired subsidiaries at the date of acquisition. When the excess is negative, it is recognised immediately in profit or loss; Goodwill on acquisition of subsidiaries is included in intangible assets.

Subsequent measurement

Goodwill is allocated to cash-generating units or groups of cash-generating units for the purpose of impairment testing. The allocation is made to those cash-generating units or groups of cash-generating units that are expected to benefit from the business combination in which the goodwill arose identified in accordance with IFRS 8. Goodwill is tested annually as well as whenever a trigger event has been observed for impairment by comparing the present value of the expected future cash flows from a cash generating unit with the carrying value of its net assets, including attributable goodwill and carried at cost less accumulated impairment losses. Impairment losses on goodwill are not reversed. Gains and losses on the disposal of an entity include the carrying amount of goodwill relating to the entity sold.

(ii) Software

Software acquired by the Group is stated at cost less accumulated amortisation and accumulated impairment losses.

Expenditure on internally developed software is recognised as an asset when the Group is able to demonstrate its intention and ability to complete the development and use the software in a manner that will generate future economic benefits, and can reliably measure the costs to complete the development. Development costs previously expensed cannot be capitalised. The capitalised costs of internally developed software include all costs directly attributable to developing the software and capitalised borrowing costs, and are amortised over its useful life. Internally developed software is stated at capitalised cost less accumulated amortisation and impairment.

Subsequent expenditure on software assets is capitalised only when it increases the future economic benefits embodied in the specific asset to which it relates. All other expenditure is expensed as incurred.

Amortisation is recognised in profit or loss on a straight-line basis over the estimated useful life of the software, from the date that it is available for use since this most closely reflects the expected pattern of consumption of the future economic benefits embodied in the asset. The maximum useful life of software is five years.

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

(r) Impairment of Non financial assets

The carrying amounts of the Group's non-financial assets, inclusive of deferred tax assets are reviewed at each reporting date to determine whether there is any indication of impairment. If any such indication exists then the asset's recoverable amount is estimated. For goodwill and intangible assets that have indefinite useful lives or that are available for use, the recoverable amount is estimated each year.

An impairment loss is recognised in the income statement if the carrying amount of an asset or its cash-generating unit exceeds its recoverable amount. A cash-generating unit is the smallest identifiable asset group that generates cash flows that largely are independent from other assets and groups. Impairment losses recognised in respect of cash-generating units are allocated first to reduce the carrying amount of any goodwill allocated to the units and then to reduce the carrying amount of the other assets in the unit (group of units) on a *pro rata* basis.

The recoverable amount of an asset or cash-generating unit is the greater of its value in use and its fair value less costs to sell. In assessing value in use, the estimated future cash flows are discounted to their present value using a pre-tax discount rate that reflects current market assessments of the time value of money and the risks specific to the asset.

An impairment loss in respect of goodwill is not reversed. In respect of other assets, impairment losses recognised in prior periods are assessed at each reporting date for any indications that the loss has decreased or no longer exists. An impairment loss is reversed if there has been a change in the estimates used to determine the recoverable amount only to the extent that the asset's carrying amount does not exceed the carrying amount that would have been determined, net of depreciation or amortisation, if no impairment loss had been recognised.

(s) Deposits, debt securities issued

Deposits and debt securities issued are the Group's sources of debt funding. When the Group sells a financial asset and simultaneously enters into a "repo" or "stock lending" agreement to repurchase the asset (or a similar asset) at a fixed price on a future date, the arrangement is accounted for as a deposit, and the underlying asset continues to be recognised in the Group's financial statements.

The Group classifies capital instruments as financial liabilities or equity instruments in accordance with the substance of the contractual terms of the instruments.

Deposits and debt securities issued are initially measured at fair value plus transaction costs, and subsequently measured at their amortised cost using the effective interest method, except where the Group chooses to carry the liabilities at fair value through profit or loss.

(t) Provisions

A provision is recognized if, as a result of a past event, the Group has a present legal or constructive obligation that can be estimated reliably, and it is probable that an outflow of economic benefits will be required to settle the obligation. Provisions are determined by discounting the expected future cash flows at a pre-tax rate that reflects current market assessments of the time value of money and, where appropriate, the risks specific to the liability.

A provision for restructuring is recognised when the Group has approved a detailed and formal restructuring plan, and the restructuring either has commenced or has been announced publicly. The Group recognizes no provision for future operating losses.
A provision for onerous contracts is recognised when the expected benefits to be derived by the Group from a contract are lower than the unavoidable cost of meeting its obligations under the contract. The provision is measured at the present value of the lower of the expected cost of terminating the contract and the expected net cost of continuing with the contract. Before a provision is established, the Group recognises any impairment loss on the assets associated with that contract.

(u) Financial guarantees and loan commitments

Financial guarantees are contracts that require the Group to make specified payments to reimburse the holder for a loss it incurs because a specified debtor fails to make payment when due in accordance with the terms of a debt instrument. Financial guarantee liabilities are initially recognised at their fair value, and the initial fair value is amortised over the life of the financial guarantee. After initial recognition, guarantee contracts are subsequently measured at the higher of:

a) The amount of the loss allowance, and

b) The amount initially recognised less, when appropriate, the cumulative amount of income recognised in accordance with the principles of IFRS 15.

Financial guarantees, principally consisting of letters of credit are included within other liabilities.
Loan commitments are firm commitments to provide credit under pre-specified terms and conditions. The Group recognises a provision in accordance with IAS 37 if the contract was considered to be onerous.

(v) Employee benefits

(i) Defined contribution plans

A defined contribution plan is a pension plan under which the Group pays fixed contributions to a separate entity. The rate of contribution by the Bank and its employee is 10% and 8% respectively of basic salary, housing and transport allowance. 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.

For defined contribution plans, the Group pays contributions to publicly or privately administered Pension Fund Administrators (PFA) on a mandatory, contractual or voluntary basis. The Group has no further payment obligations once the contributions have been paid. The contributions are recognised as employee benefit expense in the Statements of Comprehensive Income when they are due. Prepaid contributions are recognised as an asset to the extent that a cash refund or a reduction in the future payments is available.

(ii) Defined benefit plans

A defined benefit plan is a pension plan that defines an amount of pension benefit that an employee will receive on retirement, usually dependent on one or more factors, such as age, years of service and compensation.

The liability recognised in the Statements of financial position in respect of defined benefit pension plans is the present value of the defined benefit obligation at the date of the Statements of financial position less the fair value of plan assets. The defined benefit obligation is calculated annually by independent actuaries using the projected unit credit method. In determining the appropriate discount rate, the Group considers the market yields on Government Bonds of medium duration as compiled by the Debt Management Organisation.

Remeasurements arising from experience adjustments and changes in actuarial assumptions in excess of the plan assets or of the defined benefit obligation are charged or credited to Other Comprehensive Income in the financial year in which they arise. Past-service costs are recognised immediately in the Income statement.

(iii) Termination Benefits

Termination benefits are recognised as an expense when the Group is demonstrably committed, without realistic possibility of withdrawal, to a formal detailed plan to terminate employment before the normal retirement date. Termination benefits for voluntary redundancies are recognised if the Group has made an offer encouraging voluntary redundancy, it is probable that the offer will be accepted, and the number of acceptances can be estimated reliably.

(iv) 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.

(v) Share-based payment transactions

Guaranty Trust Bank operates a cash settled share based compensation scheme managed by a Special Purpose Vehicle (SPV) - Guaranty Trust Bank Staff Investment Trust. The scheme was introduced as a compensation plan for the bank's management personnel to enhance employee retention, by offering the shares acquired by the SPV by way of Share Appreciation Rights (SARs) and Stock Options (hybrid plan) to qualifying members of staff at prevailing net book value.

Acquisition of the bank's shares by the SPV was by means of an overdraft facility extended to the scheme. The hybrid nature (i.e. mix of SARs and Stock Options) entitles the scheme to cash dividend which it uses to defray its obligations on the facility, make dividend payments to members that furnished consideration and extinguish its liability to exiting members. Employees exiting the scheme are granted the right to redeem their holdings for cash at the prevailing market price on fulfilment of specified vesting conditions.

At each reporting period, the fair value of the amount payable to employees in respect of share appreciation rights, which are settled in cash, is recognized as an expense, with a corresponding increase in liabilities, over the period in which the employees become unconditionally entitled to payment. Any change in the fair value of the liability is recognized as personnel expense in the bank's income statement.

(w) Share capital and reseves

(i) Share issue costs

Incremental costs directly attributable to the issue of an equity instrument are deducted from the initial measurement of the equity instrument.

(ii) Dividend on the Bank's ordinary shares

Dividends on the Bank's ordinary shares are recognised in equity when approved by the Bank's shareholders.

(iii) Treasury shares

Where the Bank or any member of the Group purchases the Bank's shares, the consideration paid is deducted from shareholders' equity as treasury shares until they are cancelled. Where such shares are subsequently sold or reissued, any consideration received is included in shareholders' equity.

(wi) Earnings per share

The Group presents Basic Earnings Per Share (EPS) for its ordinary shares. Basic EPS is calculated by dividing the profit or loss attributable to ordinary shareholders of the Bank by the weighted average number of ordinary shares outstanding during the period.

Diluted EPS is determined by adjusting the profit or loss that is attributable to ordinary shareholders and the weighted-average number of ordinary shares outstanding for effects of all dilutive potential ordinary shares.

(x) Segment reporting

An operating segment is a component of the Group that engages in business activities from which it can earn revenues and incur expenses, including revenues and expenses that relate to transactions with any of the Group's other components, whose operating results are reviewed regularly by the Executive Management Committee to make decisions about resources allocated to each segment and assess its performance, and for which discrete financial information is available. All costs directly traceable to the operating segments are allocated to the segment concerned, while indirect cost are allocated based on the benefits derived from such costs.

Habaripay Limited

The following summary describes the operations in each of the Payment Company's reportable segments:

Payment Gateway: payments processed via virtual accounts, USSD, card and bank transfer channels for merchants classified as tech stars, large corporates, small and medium enterprise, and micro merchants

Switching Vertical: payment processed through our payment Switch i.e., account to account bank transfers and card transactions.

Value Added Vertical: bill payments for airtime vending and distribution of bulk SMS processed through Value Added Service Aggregators licensed by Nigeria Communications Commission.

(y) Levies

A levy is an outflow of resources embodying economic benefits that is imposed by governments on entities in accordance with legislation (i.e. laws and/or regulations), other than:

- Those outflows of resources that are within the scope of other Standards (such as income taxes that are within the scope of IAS 12 Income Taxes); and
- Fines or other penalties that are imposed for breaches of the legislation

The Group recognises a levy when the obligating event that gives rise to a liability as identified by the legislation, occurs. This triggers the obligation to pay the levy and recognise the expense for the period.

(z) Stocks

Stocks include consumables and cards held for resale or subsequent issuance to customers. They are measured at lower of cost and net realizable value. Cost comprises of purchase and other costs incurred in bringing the items of stock to their present location and condition. Net realizable value is the estimated issuance price. When items of stocks are issued to customers, their carrying amount is recognized as an expense in the period in which the relevant revenue is recognized.

Accounting classification measurement basis and fair values (continued)

Financial instruments at fair value (including those FVTPL and FVOCI) are either priced with reference to a quoted market price for that instrument or by using a valuation model. Where the fair value is calculated using a valuation model, the methodology is to calculate the expected cash flows under the terms of each specific contract and then discount these values back to present value. The expected cash flows for each contract are determined either directly by reference to actual cash flows implicit in observable market prices or through modelling cash flows using appropriate financial markets pricing models. Wherever possible these models use as their basis observable market prices and rates including, for example, interest rate yield curves and prices.

4 Interest income

In thousands of Nigerian Naira	Group Sep-2024	Group Sep-2023	Company Sep-2024	Company Sep-2023
Interest income calculated using the effective interest method				
Loans and advances to banks	1,864	18,651	-	-
Loans and advances to customers	392,330,150	212,295,541	-	-
	392,332,014	212,314,192	-	-
Cash and cash equivalents	171,062,033	49,736,232	-	-
Investment securities:				
– Investment securities FVOCI	223,295,333	40,971,141	-	-
– Investment securities at amortised cost	152,709,860	46,231,102	-	-
Assets pledged as collateral	11,466,801	4,203,973	-	-
	950,866,041	353,456,640	-	-
Interest income on financial assets FVTPL				
Investment securities FVTPL	29,472,823	21,100,156	-	-
	29,472,823	21,100,156	-	-
Total interest income	**980,338,864**	**374,556,796**	**-**	**-**
Geographical location				
Interest income earned in Nigeria	556,896,293	233,817,369	-	-
Interest income earned outside Nigeria	423,442,571	140,739,427	-	-
	980,338,864	**374,556,796**	**-**	**-**

5 Interest expense

In thousands of Nigerian Naira	Group Sep-2024	Group Sep-2023	Company Sep-2024	Company Sep-2023
Interest expense calculated using the effective interest method				
Deposit from banks	12,507,569	3,528,893	-	-
Deposit from customers	161,202,384	69,616,804	-	-
	173,709,953	73,145,697	-	-
Other borrowed funds	24,345,379	2,975,581	-	-
	198,055,332	**76,121,278**	**-**	**-**
Interest expense on financial liabilities FVTPL				
Financial liabilities at fair value through profit or loss	807,176	896,667	-	-
Total interest expense	**198,862,508**	**77,017,945**	**-**	**-**
Geographical location				
Interest expense paid in Nigeria	92,025,784	49,352,385	-	-
Interest expense paid outside Nigeria	106,836,724	27,665,560	-	-
	198,862,508	**77,017,945**	**-**	**-**

6 Loan impairment (reversal) / charges

In thousands of Nigerian Naira	Group Sep-2024	Group Sep-2023	Company Sep-2024	Company Sep-2023
12 Months ECL and SICR	46,132,737	86,092,922	-	-
Lifetime ECL Credit Impaired	17,423,864	3,371,947	-	-
	63,556,601	**89,464,869**	**-**	**-**

7 **Fee and commission income**

In thousands of Nigerian Naira	Group Sep-2024	Group Sep-2023	Company Sep-2024	Company Sep-2023
Credit related fees and commissions	19,220,759	9,243,330	-	-
Account maintenance charges	29,346,913	18,040,085	-	-
Corporate finance fees	4,149,816	3,213,473	-	-
Asset management fees	1,404,153	654,983	-	-
E-business Income	47,539,182	30,906,499	-	-
Commission on foreign exchange deals	23,437,384	9,116,074	-	-
Commission on touch points	724,171	113,014	-	-
Income from financial guarantee contracts issued	11,758,490	4,281,300	-	-
Account services, maintenance and anciliary banking charges	26,002,801	8,296,653	-	-
Shared service fees	-	-	2,528,234	2,353,873
Transfers related charges	16,648,810	7,453,185	-	-
	180,232,479	**91,318,596**	**2,528,234**	**2,353,873**

[1]Credit related fees and commissions are loans and advances related fees that are not integral part of effective interest.

8 **Fee and commission expense**

In thousands of Nigerian Naira	Group Sep-2024	Group Sep-2023	Company Sep-2024	Company Sep-2023
Bank charges	18,927,017	7,211,750	-	-
Loan recovery expenses	2,750,675	1,627,148	-	-
	21,677,692	**8,838,898**	**-**	**-**

9 **Net trading gains on financial instruments held at FVPL**

In thousands of Nigerian Naira	Group Sep-2024	Group Sep-2023	Company Sep-2024	Company Sep-2023
Bonds FVPL	2,316,646	505,725	-	-
Treasury bills FVPL	5,573,124	2,786,720	-	-
Special Bills	-	506	-	-
Euro Bond	1,066,425	199,286	-	-
Net foreign exchange realized trading gain	51,316,747	25,694,394	-	-
Net trading income	**60,272,942**	**29,186,631**	**-**	**-**

10 **Other income**

In thousands of Nigerian Naira	Group Sep-2024	Group Sep-2023	Company Sep-2024	Company Sep-2023
Mark to market gains/(loss) on trading investments	10,004,440	(2,494,595)	-	-
Unrealised Fair value gain on financial instrument[1]	523,219,970	242,122,034	-	-
Unrealised Foreign exchange revaluation gain/(loss)[1]	(1,745,154)	92,229,898	-	-
Unrealised Gain on forward transactions[1]	32,173,501	16,687,402	-	-
Gain on disposal of property and equipment	182,008	98,678	-	-
Discounts and recoverables (FX)	9,433,599	3,877,966	-	-
Recoveries	3,695,446	2,596,171	39,698	40,079
Dividends income[2]	430,718	153,508	84,467,484	105,952,245
	577,394,528	**355,271,062**	**84,507,182**	**105,992,324**

[1]These gains are strictly unrealised

[2]This relates to dividend received from GTBank Nigeria for onward distribution to equity holders subject to appropriate deduction of withholding tax, and would be adjusted for the purpose of CIT Computation at Holding Company Level

11 **Net impairment charge / (reversal) on other financial assets**

In thousands of Nigerian Naira	Group Sep-2024	Group Sep-2023	Company Sep-2024	Company Sep-2023
Impairment charges on investment securities	(14,492,145)	20,017,779	-	-
Impairment charges on other assets	326,320	1,053,049	-	-
Impairment charges on placements	-	1,923,524	-	-
Impairment chargeson contingents	14,492,145	36,115,202	-	-
	326,320	**59,109,554**	**-**	**-**

12 **Personnel expenses**

In thousands of Nigerian Naira	Group Sep-2024	Group Sep-2023	Company Sep-2024	Company Sep-2023
Wages and salaries	68,755,743	36,332,483	1,016,537	900,991
Contributions to defined contribution plans	2,770,358	1,243,616	-	-
	71,526,101	**37,576,099**	**1,016,537**	**900,991**

13 **Depreciation and amortisation**

In thousands of Nigerian Naira	Group Sep-2024	Group Sep-2023	Company Sep-2024	Company Sep-2023
Amortisation of intangible assets (see note 25)	4,966,262	5,978,942	-	-
Depreciation of property equipment (see note 26)	39,540,824	23,725,454	69,143	71,741
	44,507,086	**29,704,396**	**69,143**	**71,741**

14 **Other operating expenses**

In thousands of Nigerian Naira	Group Sep-2024	Group Sep-2023	Company Sep-2024	Company Sep-2023
Deposit insurance premium	18,793,425	12,685,762	-	-
Other insurance premium	3,718,791	1,755,364	-	-
Auditors' remuneration	2,057,838	1,093,577	37,500	54,250
Professional fees and other consulting costs	4,464,909	2,162,797	5,658	85,169
AMCON expenses	36,656,104	27,433,162	-	-
Stationery and postage	2,558,938	1,553,964	1,950	7,679
Business travel expenses	2,589,957	1,269,787	-	-
Advert, promotion and corporate gifts	11,417,443	5,375,382	-	-
Repairs and maintenance	9,473,709	6,568,221	10,866	2,963
Occupancy costs	16,844,325	8,592,729	-	-
Directors' emoluments	2,308,122	803,325	107,847	55,571
Outsourcing services	22,412,749	14,861,206	-	-
Communications, Administrative and Technological related expense	39,353,679	21,187,045	55,779	97,461
Shared Service Fees	283,337	457,698	-	-
Customer service related expenses	5,383,333	9,617,894	-	-
	178,316,659	**115,417,913**	**219,600**	**303,093**

15 **Income tax expense**

recognised in the Income statement

In thousands of Nigerian Naira	Group Sep-2024	Group Sep-2023	Company Sep-2024	Company Sep-2023
a) **Current tax expense:**				
Company income tax	133,682,787	54,772,028	714,349	899,914
	133,682,787	54,772,028	714,349	899,914
Prior year’s under provision	351,723	644,892	-	-
Deferred tax expense:				
Origination of temporary differences	428,536	10,369,453	77,619	-
	134,463,046	**65,786,373**	**791,968**	**899,914**

Income tax recognised in other comprehensive income

In thousands of Nigerian Naira	Group Sep-2024	Group Sep-2023	Company Sep-2024	Company Sep-2023
Income tax relating to Foreign currency translation differences for foreign operations	65,238,078	27,723,471	-	-
Income tax relating to Net change in FVOCI financial assets	(347,264)	4,282,494	-	-
	64,890,814	**32,005,965**	**-**	**-**

(b) **Current income tax payable**

The movement on the current income tax payable account during the period was as follows:

In thousands of Nigerian Naira	Group Sep-2024	Group Dec-2023	Company Sep-2024	Company Dec-2023
Balance, beginning of the year	41,303,351	35,307,860	88,692	-
Exchange difference on translation	(300,320)	11,771,446	-	-
Charge for the year	133,682,787	73,893,925	714,349	88,692
Prior year’s under provision	351,723	3,003,000	-	1,481,118
Payments during the year	(83,149,038)	(82,672,880)	(763,384)	(1,481,118)
Balance, end of the period	**91,888,503**	**41,303,351**	**39,657**	**88,692**

16 Basic and Diluted earnings per share

Basic earnings per share is calculated by dividing the net profit attributable to equity holders of the company by the weighted average number of ordinary shares in issue during the period, excluding the average number of ordinary shares purchased by the company and held as treasury shares.

The calculation of basic earnings per share for the reporting period was based on the profit atttributable to ordinary shareholders of N1,075,771,121,000 (Company: N84,938,168,000) and a weighted average number of ordinary shares outstanding of 28,008,658,000 (after adjusting for Treasury shares) for the Group and 29,431,179,000 for the Company.

Profit attributable to ordinary shareholders

In thousands of Nigerian Naira	**Group Sep-2024**	**Group Sep-2023**	**Company Sep-2024**	**Company Sep-2023**
Net profit attributable to equity holders of the Company	1,075,771,121	363,729,580	84,938,168	106,170,458
Net profit used to determine diluted earnings per share	**1,075,771,121**	**363,729,580**	**84,938,168**	**106,170,458**

Number of ordinary shares

In thousands of shares	**Group Sep-2024**	**Group Sep-2023**	**Company Sep-2024**	**Company Sep-2023**
Weighted average number of ordinary shares in issue	28,008,658	28,022,000	29,431,179	29,431,179
Basic earnings per share (expressed in naira per share)	38.41	12.98	2.89	3.61

The Group does not have any dilutive potential ordinary shares. Therefore, Basic EPS and Diluted EPS are the same for the Group.

17 Cash and bank balances

(a)

In thousands of Nigerian Naira	Group Sep-2024	Group Dec-2023	Company Sep-2024	Company Dec-2023
Cash in hand	528,227,274	208,510,813	599,546	60,169
Balances held with other banks	969,899,734	493,734,665	-	-
Unrestricted balances with central banks	230,691,054	238,378,190	-	-
Money market placements	3,092,381,419	1,371,081,069	-	-
	4,821,199,481	**2,311,704,737**	**599,546**	**60,169**
Impairment on Placements	(3,666,217)	(2,086,039)	-	-
	4,817,533,264	**2,309,618,698**	**599,546**	**60,169**

18 Financial assets at fair value through profit or loss

(a)

In thousands of Nigerian Naira	Group Sep-2024	Group Dec-2023	Company Sep-2024	Company Dec-2023
Financial assets Fair Value through Profit or Loss:				
Bonds	11,734,827	16,648,838	-	-
Treasury Bills	6,419,434	7,791,115	-	-
Trading Euro Bonds	37,266,581	3,622,871	-	-
Promissory Notes	4,343	3,789	-	-
	55,425,185	**28,066,613**	**-**	**-**

19 Derivative financial instruments

(a) **Group**

Sep-2024

In thousands of Nigerian Naira	Notional Contract Amount	Fair Value Assets	Fair Value Liability
Foreign Exchange Derivatives:			
Foreign exchange forward	616,776,000	61,134,644	-
Derivative assets/(liabilities)	**616,776,000**	**61,134,644**	**-**

Group

Dec-2023

In thousands of Nigerian Naira	Notional Contract Amount	Fair Value Assets	Fair Value Liability
Foreign Exchange Derivatives:			
Foreign exchange forward	329,280,930	28,961,143	-
Derivative assets/(liabilities)	**329,280,930**	**28,961,143**	**-**

(b) All derivatives are settled in less than one year.

(c) **Foreign exchange contracts**

The Group enters into forward foreign exchange contracts which include currency swaps and normal trading forwards designated as held for trading. A forward foreign exchange contract is an agreement by two counterparties to exchange currencies at a pre-determined rate on some future date. No funds change hands when a typical forward foreign exchange contract originates; a funds flow occurs only at the contract's stated future delivery time. Additionally the Group offers its customers derivatives in connection with their risk management objectives to transfer or reduce market risk (commodity price) for their own trading purpose. The hedge transaction with the customer is backed by visible trade transaction. The foreign currency forward is subject to the same risk management policies. The Group's foreign exchange derivatives do not qualify for hedge accounting; therefore all gains and losses from changes in their fair values are recognised immediately in the income statement and are reported in Net gains/(losses) on financial instruments at fair value through profit or loss'.

20 Investment securities

In thousands of Nigerian Naira	Group Sep-2024	Group Dec-2023	Company Sep-2024	Company Dec-2023
(a) (i)				
Investment securities at fair value through OCI				
Debt securities - Treasury bills FVOCI	1,980,128,864	773,458,489	-	-
Debt securities - Bonds FVOCI	274,019,928	42,542,939	-	-
Eurobond	38,995,433	19,140,022	-	-
US Treasury Note	217,524,818	27,244,454	-	-
Special Bills - FVOCI	-	1,999,013	-	-
Commercial Paper- FVOCI	-	27,532,674	-	-
Investment securities - Equity (See note 20(a)(ii) below	1,710,939	1,694,521	-	-
Investment in Mutual Funds	643,440	451,890	-	-
Total	**2,513,023,422**	**894,064,002**	**-**	**-**
Investment securities at fair value through profit or loss				
Investment securities - FVPL Notes	-	-	-	-
Investment securities - Equity	3,947,850	3,947,850	-	-
	3,947,850	**3,947,850**	**-**	**-**
Investment securities at amortised cost:				
Bonds	308,938,979	586,551,443	-	-
Treasury bills	1,246,781,403	450,040,761	-	-
Promissory Note	1,768	1,698	-	-
Commercial Paper	3,789,419	-	-	-
Special Treasury Bills - Amortized Cost	-	545,381,360	-	-
Eurobonds- Amortized Cost	152,041,443	18,568,542	-	-
Corporate bond	-	1,360,388	-	-
	1,711,553,012	**1,601,904,192**	**-**	**-**
ECL on Bonds - Amortised Cost	(16,093,539)	(13,917,397)	-	-
ECL on Treasury Bills - Amortised Cost	(1,993,366)	(3,873,168)	-	-
ECL on Corporate bond - Amortised Cost	-	(258,022)	-	-
ECL on Promissory- Amortised Cost	(336)	(336)	-	-
ECL on Special Treasury Bills - Amortized Cost	-	(12,537,791)	-	-
Total Investment securities at amortised cost	**1,693,465,771**	**1,571,317,478**	**-**	**-**
Total investment securities	**4,210,437,043**	**2,469,329,330**	**-**	**-**

(a) (ii) Equity investment securities is analysed below:

In thousands of Nigerian Naira	Group Sep-2024	Group Dec-2023	Company Sep-2024	Company Dec-2023
FVOCI equity instrument				
- GIM UEMOA	39,402	22,984	-	-
- SANEF	50,000	50,000	-	-
- Unified Payment Services Limited[1]	713,804	713,804	-	-
- Nigeria Automated Clearing Systems	778,180	778,180	-	-
- Afrexim	129,553	129,553	-	-
	1,710,939	**1,694,521**	**-**	**-**
FVTPL equity instrument				
- Africa Finance Corporation	3,947,850	3,947,850	-	-
	3,947,850	**3,947,850**	**-**	**-**
	5,658,789	**5,642,371**	**-**	**-**

[1] Unified Payment Services Limited was formerly known as Valucard Nigeria Plc

(b) (i) Impairment on investment securities

	Group Sep-2024	Group Dec-2023	Company Sep-2024	Company Dec-2023
ECL on Bonds	1,579,370	1,615,402	-	-
ECL on EuroBonds	8,787,969	5,169,886	-	-
ECL on Treasury Bills	5,829,277	5,831,563	-	-
ECL on Promissory Notes	40,387	40,387	-	-
ECL on Commercial Papers	430,403	430,403	-	-
ECL on Special Treasury bill	266,775	266,775	-	-
ECL on Bonds - Amortised Cost	16,093,539	13,917,397	-	-
ECL on Treasury Bills - Amortised Cost	1,993,366	3,873,168	-	-
ECL on Corporate bond - Amortised Cost	-	258,022	-	-
ECL on Special Treasury Bills - Amortised Cost	-	12,537,791	-	-
ECL on Promisory - Amortised Cost	336	336	-	-
	35,021,422	**43,941,130**	**-**	**-**

21 Assets pledged as collateral

(a)

In thousands of Nigerian Naira	Group Sep-2024	Group Dec-2023	Company Sep-2024	Company Dec-2023
Financial assets at FVOCI				
- Treasury bills	81,300,826	86,552,701	-	-
Total Assets Pledged as Collateral	**81,300,826**	**86,552,701**	**-**	**-**

(b) Assets pledged as collateral for both periods relate to assets pledged to Federal Inland Revenue Service (FIRS), Nigerian Interbank Settlement System (NIBSS), Interswitch Nigeria Limited, Unified payment Services Ltd and Bank of Industries Limited for collections and other transactions. The Group is required to pledge the funds in order to have continuous access to the collection and settlement platforms, as well as the underlying transactions. There are no readily determinable associated liabilities to these pledged assets.

22 Loans and advances to banks

In thousands of Nigerian Naira	Group Sep-2024	Group Dec-2023	Company Sep-2024	Company Dec-2023
Loans and advances to banks	140,454	155,027	-	-
Less Impairment:				
Stage 1 Loans	(159)	(92)	-	-
Stage 2 Loans	(17)	-	-	-
Stage 3 Loans	(78,282)	(88,000)	-	-
	61,996	**66,935**	**-**	**-**

23 Loans and advances to Customers

In thousands of Nigerian Naira	Group Sep-2024	Group Dec-2023	Company Sep-2024	Company Dec-2023
Loans	2,860,221,604	2,264,604,420	-	-
Overdraft	298,293,896	209,590,706	-	-
Others[1]	23,606,813	30,846,536	-	-
Performing Loans	**3,182,122,313**	**2,505,041,662**	**-**	**-**
Non Performing Loans	102,271,089	109,428,132	-	-
Gross Loans	**3,284,393,402**	**2,614,469,794**	**-**	**-**
Impairment on Stage 1 Loans	(24,587,350)	(20,037,054)	-	-
Impairment on Stage 2 Loans	(159,599,442)	(50,853,071)	-	-
Impairment on Stage 3 Loans	(79,745,634)	(63,396,301)	-	-
Total Impairment	**(263,932,426)**	**(134,286,426)**	**-**	**-**
Net Loans	**3,020,460,976**	**2,480,183,368**	**-**	**-**

[1] Others include Usance and Usance Settlements

24 ## Investment in subsidiaries

(a) (i) Investment in subsidiaries comprises:

	Company Sep-2024 % ownership	Company Dec-2023 % ownership	Company Sep-2024 ₦'000	Company Dec-2023 ₦'000
GTB Nigeria	100.00	100.00	138,186,703	138,186,703
Habari Pay (Payment Company)	100.00	100.00	3,100,000	3,100,000
GT Fund Managers	100.00	100.00	4,036,560	4,036,560
GT Pension Fund Adminstrator	100.00	100.00	17,633,297	17,633,297
			162,956,560	**162,956,560**

GTBank Nigeria Limited has investment in the following subsidiaries:

	Sep-2024 % ownership	Dec-2023 % ownership
GTB Gambia	77.81	77.81
GTB Sierra Leone	83.74	83.74
GTB Ghana	98.32	98.32
GTB UK Limited	100.00	100.00
GTB Liberia Limited	99.43	99.43
GTB Cote D'Ivoire Limited	100.00	100.00
GTB Kenya Limited	76.90	76.90
GTB Tanzania	76.20	76.20

Condensed results of consolidated entities

(b) Condensed results of the consolidated entities as at 30 September 2024, are as follows:

Full year profit and loss

Sep-2024		West Africa Subsidiaries					East Africa Subsidiaries		United Kingdom	Non-Banking Subsidiaries			
In thousands of Nigerian Naira	**GT Bank Nigeria**	**GT Bank Ghana**	**GT Bank Sierra Leone**	**GT Bank Liberia**	**GT Bank Gambia**	**GT Bank Cote D'Ivoire**	**GT Bank Kenya Group**	**GT Bank Tanzania**	**GT Bank UK**	**Habari Pay Ltd**	**Asset Management**	**Pension Fund**	**Staff Investment Trust**
Operating income	1,231,024,929	138,067,250	29,625,378	34,275,487	27,361,969	43,784,390	44,000,973	3,271,973	37,276,194	4,433,306	7,997,231	2,298,439	178,250
Operating expenses	(181,823,867)	(27,367,559)	(12,543,312)	(10,734,869)	(7,167,690)	(5,938,133)	(21,340,980)	(3,891,626)	(21,157,267)	(1,065,522)	(1,441,502)	(1,100,473)	-
Loan impairment charges	(51,129,344)	640,277	(856,175)	(6,231,606)	(334,867)	(2,081,011)	(3,524,315)	(39,561)	-	-	-	-	-
Profit before tax	**998,071,718**	**111,339,968**	**16,225,891**	**17,309,012**	**19,859,412**	**35,765,246**	**19,135,678**	**(659,214)**	**16,118,927**	**3,367,784**	**6,555,729**	**1,197,966**	**178,250**
Taxation	(69,865,021)	(38,968,967)	(4,056,473)	(4,327,796)	(5,362,029)	-	(6,579,216)	(17,194)	(4,076,409)	(335,603)	(21,347)	(61,024)	-
Profit after tax	**928,206,697**	**72,371,001**	**12,169,418**	**12,981,216**	**14,497,383**	**35,765,246**	**12,556,462**	**(676,408)**	**12,042,518**	**3,032,181**	**6,534,382**	**1,136,942**	**178,250**

Condensed financial position

Sep-2024		West Africa Subsidiaries					East Africa Subsidiaries		United Kingdom	Non-Banking Subsidiaries			
In thousands of Nigerian Naira	GT Bank Nigeria	GT Bank Ghana	GT Bank Sierra Leone	GT Bank Liberia	GT Bank Gambia	GT Bank Cote D'Ivoire	GT Bank Kenya Group	GT Bank Tanzania	GT Bank UK	Habari Pay Ltd	Asset Management	Pension Fund	Staff Investment Trust
Assets													
Cash and bank balances	2,767,199,415	308,865,221	68,747,391	119,847,287	89,014,714	59,175,001	207,327,310	17,824,520	691,510,661	2,499,120	607,007,580	67,827	8,334,975
Loans and advances to banks	61,996	-	-	-	-	-	-	-	-	-	-	-	-
Loans and advances to customers	2,364,309,257	166,430,075	8,562,462	135,868,906	34,962,854	62,151,618	113,104,658	10,536,120	124,535,026	-	-	-	-
Financial assets at fair value through profit or loss	42,989,172	12,241,052	-	-	-	194,962	-	-	-	-	-	-	-
Investment securities:													
– Fair Value through other comprehensive Income	1,945,383,062	-	-	-	113,161,410	39,402	175,593,711	61	269,002,907	-	643,440	13,147,278	64,493,770
– Held at amortised cost	1,432,284	631,722,487	137,177,395	145,318,429	72,188,221	423,254,176	158,696,018	6,076,985	-	5,879,215	111,720,561	-	-
Derivative financial assets	61,134,644	-	-	-	-	-	-	-	-	-	-	-	-
Investment in subsidiaries	62,538,955	-	-	-	-	-	-	-	-	-	-	-	-
Assets pledged as collateral	81,300,826	-	-	-	-	-	-	-	-	-	-	-	-
Restricted deposits and other assets	2,555,704,320	290,500,664	9,491,375	35,341,610	10,680,749	14,428,093	25,970,231	1,744,187	5,036,404	2,028,144	1,111,698	329,315	-
Property and equipment	240,006,534	22,773,228	4,929,966	16,109,858	11,873,262	23,090,241	16,060,384	5,700,064	27,415,623	67,180	1,768	401,598	-
Intangible assets	19,571,671	467,364	160,991	532,207	276,107	75,138	232,614	311,695	-	134,932	59,383	46,002	-
Deferred tax assets	-	16,265,564	45,217	-	-	-	2,146,693	-	25,525	-	61,742	-	-
Total assets	**10,141,632,136**	**1,449,265,655**	**229,114,797**	**453,018,297**	**332,157,317**	**582,408,631**	**699,131,619**	**42,193,632**	**1,117,526,146**	**10,608,592**	**720,606,172**	**13,992,020**	**72,828,745**
Financed by:													
Deposits from banks	8,361,966	-	-	-	-	63,483,984	-	-	615,641,626	-	-	-	-
Deposits from customers	6,723,650,609	1,182,885,901	171,669,633	392,750,621	276,610,889	375,816,272	452,413,669	30,160,324	374,227,226	-	710,546,565	-	-
Financial liabilities held for trading	19,475,573	-	-	-	-	-	-	-	-	-	-	-	-
Derivative financial liabilities	-	-	-	-	-	-	-	-	-	-	-	-	-
Current income tax liabilities	69,111,260	10,632,062	4,093,070	4,038,917	1,260,346	-	2,701,460	-	-	-	-	11,731	-
Other liabilities	1,022,108,652	19,755,596	1,673,196	11,778,880	16,861,586	458,478	73,107,877	1,975,204	34,026,674	1,382,414	899,707	314,991	12,480,045
Other borrowed funds	304,080,302	-	-	-	-	-	407,983	-	-	-	-	-	-
Deferred tax liabilities	15,587,598	-	-	965,254	137,325	-	-	-	-	84,706	-	29,622	-
Total liabilities	**8,162,375,960**	**1,213,273,559**	**177,435,899**	**409,533,672**	**294,870,146**	**439,758,734**	**528,630,989**	**32,135,528**	**1,023,895,526**	**1,467,120**	**711,446,272**	**356,344**	**12,480,045**
Equity and reserve	1,979,256,176	235,992,096	51,678,898	43,484,625	37,287,171	142,649,897	170,500,630	10,058,104	93,630,620	9,141,472	9,159,901	13,635,676	60,348,700
	10,141,632,136	**1,449,265,655**	**229,114,797**	**453,018,297**	**332,157,317**	**582,408,631**	**699,131,619**	**42,193,632**	**1,117,526,146**	**10,608,592**	**720,606,172**	**13,992,020**	**72,828,745**

Condensed cash flow

Sep-2024		West Africa Subsidiaries					East Africa Subsidiaries		United Kingdom	Non-Banking Subsidiaries			
In thousands of Nigerian Naira	**GT Bank Nigeria**	**GT Bank Ghana**	**GT Bank Sierra Leone**	**GT Bank Liberia**	**GT Bank Gambia**	**GT Bank Cote D'Ivoire**	**GT Bank Kenya Group**	**GT Bank Tanzania**	**GT Bank UK**	**Habari Pay Ltd**	**Asset Management**	**Pension Fund**	**Staff Investment Trust**
Net cash flow:													
- from operating activities	727,071,112	130,564,074	54,130,053	25,382,874	48,566,237	95,395,468	19,486,002	(382,417)	162,300,271	4,417,713	517,908,729	5,284,886	9,603,451
- from investing activities	(859,932,867)	(102,400,464)	(31,699,920)	(21,858,583)	(18,976,344)	(68,157,919)	(17,969,015)	(2,413,643)	21,897,317	(5,888,438)	22,539,366	(13,076,483)	(7,243,769)
- from financing activities	125,470,964	(30,013,879)	-	-	-	-	(449,451)	-	-	-	-	-	-
Increase in cash and cash equivalents	(7,390,791)	(1,850,269)	22,430,133	3,524,291	29,589,893	27,237,549	1,067,536	(2,796,060)	184,197,588	(1,470,725)	540,448,095	(7,791,597)	2,359,682
Cash balance, beginning of period	1,354,132,333	236,302,190	29,686,366	72,118,873	41,460,013	22,091,058	102,692,150	12,999,125	284,347,233	3,969,845	66,559,485	7,859,424	5,975,293
Effect of exchange difference	990,854,790	63,794,092	16,630,892	44,204,123	17,964,807	9,846,394	103,567,624	7,621,454	222,965,838	-	-	-	-
Cash balance, end of period	**2,337,596,332**	**298,246,013**	**68,747,391**	**119,847,287**	**89,014,713**	**59,175,001**	**207,327,310**	**17,824,519**	**691,510,659**	**2,499,120**	**607,007,580**	**67,827**	**8,334,975**

Condensed results of the consolidated entities as at 30 September 2023, are as follows:

Sep-2023		West Africa Subsidiaries					East Africa Subsidiaries		United Kingdom	Non-Banking Subsidiaries			
In thousands of Nigerian Naira	GT Bank Nigeria	GT Bank Ghana	GT Bank Sierra Leone	GT Bank Liberia	GT Bank Gambia	GT Bank Cote D'Ivoire	GT Bank Kenya Group	GT Bank Tanzania	GT Bank UK	Habari Pay	Asset Management	Pension Fund	Staff Investment Trust
Condensed profit and loss													
Operating income	566,008,469	57,429,447	8,457,742	13,583,197	8,423,508	11,839,642	17,397,803	1,198,380	15,675,408	3,421,649	1,918,099	1,444,357	2,508,534
Operating expenses	(142,149,255)	(10,707,953)	(2,678,423)	(4,536,213)	(2,507,989)	(2,250,825)	(7,963,817)	(1,100,487)	(7,405,119)	(1,102,090)	(642,236)	(732,049)	-
Loan impairment charges	(86,054,139)	(861,227)	(560,537)	(2,142,688)	(80,852)	(4,206)	265,934	(27,154)	-	-	-	-	-
Profit/(loss) before tax	**337,805,075**	**45,860,267**	**5,218,782**	**6,904,296**	**5,834,667**	**9,584,611**	**9,699,920**	**70,739**	**8,270,289**	**2,319,559**	**1,275,863**	**712,308**	**2,508,534**
Taxation	(40,085,039)	(16,497,978)	(1,304,695)	(1,726,054)	(1,575,364)	-	(2,913,889)	(6,369)	(156,031)	(186,363)	(129,799)	(304,878)	-
Profit/(loss) after tax	**297,720,036**	**29,362,289**	**3,914,087**	**5,178,242**	**4,259,303**	**9,584,611**	**6,786,031**	**64,370**	**8,114,258**	**2,133,196**	**1,146,063**	**407,430**	**2,508,534**

Condensed results of the consolidated entities as at 31 December 2023, are as follows:

Dec-2023		West Africa Subsidiaries					East Africa Subsidiaries		United Kingdom	Non-Banking Subsidiaries			
In thousands of Nigerian Naira	GT Bank Nigeria	GT Bank Ghana	GT Bank Sierra Leone	GT Bank Liberia	GT Bank Gambia	GT Bank Cote D'Ivoire	GT Bank Kenya Group	GT Bank Tanzania	GT Bank UK	Habari Pay	Asset Management	Pension Fund	Staff Investment Trust
Condensed financial position													
Assets													
Cash and bank balances	1,600,954,303	236,302,190	29,686,366	72,118,873	41,460,013	22,091,058	102,692,150	12,999,125	284,347,233	3,969,845	66,559,485	7,859,424	5,975,293
Loans and advances to banks	66,935	-	-	-	-	-	-	-	-	-	-	-	-
Loans and advances to customers	2,034,513,828	136,709,553	8,676,788	84,952,666	23,135,992	35,730,243	83,516,626	6,228,477	66,719,196	-	-	-	-
Derivative financial assets	28,961,143	-	-	-	-	-	-	-	-	-	-	-	-
Financial assets at fair value through profit or loss	19,103,705	4,649,878	-	-	-	-	-	-	-	-	-	4,313,031	-
Investment securities:													
– Fair Value through other comprehensive Income	586,454,091	-	-	-	69,722,888	22,984	65,930,055	-	175,429,944	-	451,890	-	57,071,751
– Held at amortised cost	534,564,450	421,185,148	67,095,059	70,709,225	44,290,809	208,971,330	87,179,637	2,902,841	-	-	134,418,979	-	-
Investment in subsidiaries	62,538,955	-	-	-	-	-	-	-	-	-	-	-	-
Assets pledged as collateral	73,400,983	11,974,997	-	-	-	-	1,176,721	-	-	-	-	-	-
Restricted deposits and other assets	1,822,886,075	22,069,352	4,229,803	13,615,721	841,913	10,433,433	8,807,455	905,432	13,792,765	2,507,614	128,923,314	351,785	-
Property and equipment	172,453,464	11,076,484	2,326,487	8,890,535	5,702,243	8,336,300	7,490,793	2,971,752	3,691,623	84,767	367	475,687	-
Intangible assets	12,006,377	320,034	136,679	385,522	182,208	66,635	457,027	224,588	-	165,999	54,188	42,708	-
Deferred tax assets	-	12,726,265	989,965	-	-	-	3,410,870	-	1,097,013	-	61,742	-	-
Total assets	**6,947,904,309**	**857,013,901**	**113,141,147**	**250,672,542**	**185,336,066**	**285,651,983**	**360,661,334**	**26,232,215**	**545,077,774**	**6,728,226**	**330,469,965**	**13,042,635**	**63,047,044**
Financed by:													
Deposits from banks	7,645,080	-	-	-	-	49,091,378	139,711	-	250,544,386	-	-	-	-
Deposits from customers	5,258,962,005	688,087,673	86,561,262	220,411,402	153,652,221	175,636,596	261,065,146	18,372,056	226,877,742	-	327,297,771	-	-
Financial liabilities held for trading	809,342	-	-	-	-	-	-	-	-	-	-	-	-
Derivative financial liabilities	-	-	-	-	-	-	-	-	-	-	-	-	-
Current income tax liabilities	36,414,385	-	-	810,115	989,876	-	2,525,032	-	-	-	249,504	225,745	-
Other liabilities	417,525,131	11,464,276	1,727,158	8,123,170	2,504,586	6,009,670	15,544,673	1,274,614	18,717,405	579,132	338,718	181,028	9,401,874
Other borrowed funds	71,702,608	-	-	-	-	-	416,877	-	-	-	-	-	-
Deferred tax liabilities	16,709,957	-	-	583,272	10,439	-	-	-	21,940	39,802	-	29,622	-
Total liabilities	**5,809,768,508**	**699,551,949**	**88,288,420**	**229,927,959**	**157,157,122**	**230,737,644**	**279,691,439**	**19,646,670**	**496,161,473**	**618,934**	**327,885,992**	**436,395**	**9,401,874**
Equity and reserve	1,138,135,801	157,461,952	24,852,727	20,744,583	28,178,944	54,914,339	80,969,895	6,585,545	48,916,301	6,109,292	2,583,973	12,606,240	53,645,170
	6,947,904,309	**857,013,901**	**113,141,147**	**250,672,542**	**185,336,066**	**285,651,983**	**360,661,334**	**26,232,215**	**545,077,774**	**6,728,226**	**330,469,965**	**13,042,635**	**63,047,044**

Sep-2023		West Africa Subsidiaries					East Africa Subsidiaries		United Kingdom	Non-Banking Subsidiaries			
In thousands of Nigerian Naira	GT Bank Nigeria	GT Bank Ghana	GT Bank Sierra Leone	GT Bank Liberia	GT Bank Gambia	GT Bank Cote D'Ivoire	GT Bank Kenya Group	GT Bank Tanzania	GT Bank UK	Habari Pay	Asset Management	Pension Fund	Staff Investment Trust
Condensed cash flow													
Net cash flow:													
- from operating activities	(248,597,705)	222,382,976	15,058,849	9,747,324	16,485,238	56,149,033	39,820,993	(394,008)	(173,779,471)	888,331	196,478,198	(1,103,504)	17,585,075
- from investing activities	(311,046,006)	(227,564,792)	(15,234,661)	2,791,171	(13,593,146)	(49,359,576)	(31,028,732)	(201,359)	(52,631,461)	41,714	2	(374,058)	(14,401,615)
- from financing activities	(140,871,626)	-	-	-	-	-	(1,639,056)	-	-	-	-	-	-
Increase in cash and cash equivalents	(700,515,337)	(5,181,816)	(175,812)	12,538,495	2,892,092	6,789,457	7,153,205	(595,367)	(226,410,932)	930,045	196,478,200	(1,477,562)	3,183,460
Cash balance, beginning of period	1,140,424,271	95,748,106	16,012,503	22,414,132	18,111,893	9,806,647	48,297,811	5,129,128	245,790,439	-	68,177,716	11,260,469	4,958,347
Effect of exchange difference	1,008,119,750	23,230,135	6,887,059	11,494,939	10,075,186	4,377,313	16,424,325	2,824,957	157,208,847	-	-	-	-
Cash balance, end of period	**1,448,028,684**	**113,796,425**	**22,723,750**	**46,447,566**	**31,079,171**	**20,973,417**	**71,875,341**	**7,358,718**	**176,588,354**	**930,045**	**264,655,916**	**9,782,907**	**8,141,807**

30 Property and equipment and Right of use assets

(a) Group

In thousands of Nigerian Naira	Leasehold improvement and buildings	ROU Assets	Furniture & equipment	Motor vehicle	Capital work-in - progress	Total
Cost						
Balance at 1 January 2024	168,845,262	54,874,874	131,836,030	21,910,162	11,072,598	388,538,926
Exchange difference	26,249,168	8,871,422	26,862,479	4,909,509	3,576,494	70,469,072
Additions	3,181,252	63,212,869	57,019,113	4,822,838	27,998,546	156,234,618
Disposals	(8,248)	-	(1,268,998)	(1,128,452)	-	(2,405,698)
Transfers	3,878,144	73,750	1,292,034	332,067	(5,575,995)	-
Balance at 30 September 2024	**202,145,578**	**127,032,915**	**215,740,658**	**30,846,124**	**37,071,643**	**612,836,918**
Balance at 1 January 2023	143,453,110	46,010,683	156,667,588	16,075,926	10,558,075	372,765,382
Exchange difference	14,313,662	5,501,473	15,564,277	2,985,117	1,856,194	40,220,723
Additions	8,356,499	3,362,718	21,864,022	2,547,131	5,489,950	41,620,320
Disposals	(99,659)	-	(64,753,467)	(1,214,373)	-	(66,067,499)
Transfers	2,821,650	-	2,493,610	1,516,361	(6,831,621)	-
Balance at 31 December 2023	**168,845,262**	**54,874,874**	**131,836,030**	**21,910,162**	**11,072,598**	**388,538,926**

All Property and equipment are non-current.

Property and equipment and Right of use assets(continued)

Group

Accumulated Depreciation *In thousands of Nigerian Naira*	**Leasehold improvement and buildings**	**ROU Assets**	**Furniture & equipment**	**Motor vehicle**	**Capital work-in - progress**	**Total**
Balance at 1 January 2024	43,183,186	17,489,205	88,374,096	15,193,787	-	164,240,274
Exchange difference	11,337,056	5,810,935	22,125,811	2,989,786	-	42,263,588
Charge for the period	5,034,385	8,185,141	23,300,874	3,020,424	-	39,540,824
Disposal	(4,292)	-	(1,263,875)	(1,098,467)	-	(2,366,634)
Balance at 30 September 2024	**59,550,335**	**31,485,281**	**132,536,906**	**20,105,530**	**-**	**243,678,052**
Balance at 1 January 2023	32,847,652	9,965,860	120,237,945	11,853,441	-	174,904,898
Exchange difference	6,105,397	1,864,791	13,814,038	2,149,638	-	23,933,864
Charge for the period	4,329,795	5,658,554	19,073,184	2,339,073	-	31,400,606
Disposal	(99,658)	-	(64,751,071)	(1,148,365)	-	(65,999,094)
Balance at 31 December 2023	**43,183,186**	**17,489,205**	**88,374,096**	**15,193,787**	**-**	**164,240,274**
Carrying amounts:						
Balance at 30 September 2024	**142,595,243**	**95,547,634**	**83,203,752**	**10,740,594**	**37,071,643**	**369,158,866**
Balance at 31 December 2023	**125,662,076**	**37,385,669**	**43,461,934**	**6,716,375**	**11,072,598**	**224,298,652**

Property and equipment and Right of use assets(continued)

(b) Company

In thousands of Nigerian Naira	Leasehold improvement and buildings	ROU Assets	Furniture & equipment	Motor vehicle	Capital work-in - progress	Total
Cost						
Balance at 1 January 2024	154,083	443,238	420,514	-	-	1,017,835
Additions	-	-	160	-	-	160
Balance at 30 September 2024	**154,083**	**443,238**	**420,674**	**-**	**-**	**1,017,995**
Balance at 1 January 2023	154,083	443,238	420,514	-	-	1,017,835
Additions	-	-	-	-	-	-
Balance at 31 December 2023	**154,083**	**443,238**	**420,514**	**-**	**-**	**1,017,835**

All Property and equipment are non-current.

Property and equipment and Right of use assets(continued)

Company

Accumulated Depreciation In thousands of Nigerian Naira	**Leasehold improvement and buildings**	**ROU Assets**	**Furniture & equipment**	**Motor vehicle**	**Capital work-in - progress**	**Total**
Balance at 1 January 2024	10,793	7,855	200,917	-	-	219,565
Charge for the period	3,350	5,049	60,744	-	-	69,143
Balance at 30 September 2024	**14,143**	**12,904**	**261,661**	**-**	**-**	**288,708**
Balance at 1 January 2023	6,327	1,122	116,462	-	-	123,911
Charge for the period	4,466	6,733	84,455	-	-	95,654
Balance at 31 December 2023	**10,793**	**7,855**	**200,917**	**-**	**-**	**219,565**
Carrying amounts:						
Balance at 30 September 2024	**139,940**	**430,334**	**159,013**	**-**	**-**	**729,287**
Balance at 31 December 2023	**143,290**	**435,383**	**219,597**	**-**	**-**	**798,270**

31 Intangible assets

(a) Group

In thousands of Nigerian Naira	Goodwill	Purchased Software	Total
Cost			
Balance at 1 January 2024	19,160,832	43,567,679	62,728,511
Exchange translation differences	133,960	10,353,271	10,487,231
Additions	-	11,953,976	11,953,976
Balance at 30 September 2024	**19,294,792**	**65,874,926**	**85,169,718**
Balance at 1 January 2023	19,115,779	40,273,538	59,389,317
Exchange translation differences	45,053	4,809,349	4,854,402
Additions	-	10,978,926	10,978,926
Derecognition	-	(12,494,134)	(12,494,134)
Balance at 31 December 2023	**19,160,832**	**43,567,679**	**62,728,511**
Amortisation and impairment losses			
Balance at 1 January 2024	-	29,652,473	29,652,473
Exchange translation differences	-	9,648,803	9,648,803
Amortisation for the period	-	4,966,262	4,966,262
Balance at 30 September 2024	**-**	**44,267,538**	**44,267,538**
Balance at 1 January 2023	-	29,977,419	29,977,419
Exchange translation differences	-	4,474,347	4,474,347
Amortisation for the year	-	7,694,837	7,694,837
Derecognition	-	(12,494,130)	(12,494,130)
Balance at 31 December 2023	**-**	**29,652,473**	**29,652,473**
Carrying amounts:			
Balance at 30 September 2024	**19,294,792**	**21,607,388**	**40,902,180**
Balance at 31 December 2023	**19,160,832**	**13,915,206**	**33,076,038**

All intangible assets are non-current.

Goodwill is reviewed annually for impairment, or more frequently when there are indications that impairment may have occurred. There was no impairment identified in the period ended September 2024 (December 2023: nil

27 Restricted deposits and other assets

In thousands of Nigerian Naira	Group Sep-2024	Group Dec-2023	Company Sep-2024	Company Dec-2023
Prepayments	147,258,883	65,992,119	814,357	-
Accounts Receivable	149,992,066	181,821,181	-	-
Stocks	2,824,866	2,477,259	-	-
Foreign Banks - cash collateral	230,934,826	62,556,044	-	-
Restricted deposits with central banks (See note 27(i) below)	2,356,737,181	1,646,506,036	-	-
Contribution to AGSMEIS (See note 27(ii) below)	54,991,740	54,991,740	-	-
Recognised assets for defined benefit obligations (See note 31)	24,218,604	24,218,604	-	-
	2,966,958,166	**2,038,562,983**	**814,357**	**-**
Impairment on other financial assets	(26,073,957)	(25,747,637)	-	-
	2,940,884,209	**2,012,815,346**	**814,357**	**-**

(i) Restricted deposits with central banks comprises of restricted deposits with central banks not available for use in the Group’s day-to-day operations. The GTBank Nigeria had restricted balances of N2,137,755,124,000 with the Central Bank of Nigeria (CBN) as at 30 September 2024 (December 2023: N1,646,348,063,000). This balance is CBN cash reserve requirement. The cash reserve ratio represents a mandatory total Naira deposits which should be held with the Central Bank of Nigeria as a regulatory requirement.

(ii) This represents contribution to Agri-Business/Small and Medium Enterprises Investment Scheme aimed at supporting the Federal Government's effort at promoting agricultural businesses as well as Small and Medium Enterprises. It is an initiative of the Bankers' Committee in which Banks are required to set aside 5% of their Profit After Tax for investment in qualified players. The fund is domiciled with the Central Bank of Nigeria.

28 Deposits from banks

In thousands of Nigerian Naira	Group Sep-2024	Group Dec-2023	Company Sep-2024	Company Dec-2023
Money market deposits	63,483,984	49,121,466	-	-
Other deposits from banks	502,043,287	86,931,943	-	-
	565,527,271	**136,053,409**	**-**	**-**

29 Deposits from customers

In thousands of Nigerian Naira	Group Sep-2024	Group Dec-2023	Company Sep-2024	Company Dec-2023
Term deposits	1,458,133,525	846,086,748	-	-
Current deposits	6,502,303,581	4,444,292,207	-	-
Savings	2,721,767,604	2,120,455,235	-	-
	10,682,204,710	**7,410,834,190**	**-**	**-**

30 Financial liabilities at fair value through profit or loss

In thousands of Nigerian Naira	Group Sep-2024	Group Dec-2023	Company Sep-2024	Company Dec-2023
Bond short positions	581,304	589,122	-	-
Treasury bills short positions	18,894,269	220,220	-	-
	19,475,573	**809,342**	**-**	**-**

31 Other liabilities

In thousands of Nigerian Naira	Group Sep-2024	Group Dec-2023	Company Sep-2024	Company Dec-2023
Cash settled share based payment liability	12,480,045	9,401,874	-	-
Lease liabilities	21,165,357	11,417,411	-	-
Liability for defined contribution obligations (Note 31(a))	835,450	1,240,914	-	-
Deferred income on financial guarantee contracts	17,876	543,253	-	-
Litigation claims provision (Note 31(c))	9,205,380	9,333,463	-	-
Certified cheques	13,168,124	11,248,125	-	-
Provision for restoration cost	306,396	306,396	-	-
Customers' deposit for foreign trade (Note 31(b))	467,891,335	118,438,562	-	-
Customers' escrow balances	136,225,939	79,863,107	-	-
Account payables	307,306,344	102,152,375	12,233,374	16,433,941
Creditors and agency services	111,933,786	82,405,798	32,750	50,000
Customers deposit for shares of other Corporates	35,728,887	959,328	-	-
Impairment on contingents	80,527,431	66,015,319	-	-
	1,196,792,350	**493,325,925**	**12,266,124**	**16,483,941**

(a) The Group and its employees each contribute a minimum of 10% and 8% respectively of basic salary, housing and transport allowance to each employee's retirement savings account maintained with their nominated pension fund administrators.

(b) This represents the Naira value of foreign currencies held on behalf of customers in various foreign accounts to cover letters of credit transactions. Of the sum of N467,891,335,000 reported, the sum of N230,934,826,000 represents customers cash collateral balances with the corresponding balance included in Foreign Banks - Cash Collateral in other assets. The balance of N236,956,509,000 represents customer's FEM balances.

(C) Provision for litigation arose from the assessment carried out by the Solicitors of the Bank of all the pending litigations the Bank was involved in as at September 30, 2024.

Movement in provision for litigation claims during the period ended is as follows:

In thousands of Nigerian Naira	Group Sep-2024	Group Dec-2023	Company Sep-2024	Company Dec-2023
Opening Balance	9,333,463	233,111	-	-
Effect of exchange rate fluctuation	(128,083)	-		
Increase/(reversal) during the period ended	-	9,100,352	-	-
Closing Balance	**9,205,380**	**9,333,463**	**-**	**-**

This relates to provision on pending cases that the bank is currently involved in.
Timing of resulting outflows of economic resources with respect to the provision can not readily be determined.

32 Defined benefit obligations

The Group operates a non-contributory, funded lump sum defined benefit gratuity scheme. Employees are automatically admitted into the scheme after completing 10 consecutive years of service with the Bank. Employees' terminal benefits are calculated based on number of years of continuous service, limited to a maximum of 10 years. The defined benefit obligation valuation was carried out by Alexander Forbes Consulting Actuaries with FRC Number: FRC/2012/0000000000504.
The report was sign by Management Partner Wayne van Jaarsveld with FRC Number: FRC/2021/002/00000024507.

(a) The amounts recognised in the statement of financial position are as follows:

In thousands of Nigerian Naira	**Group Sep-2024**	**Group Dec-2023**	**Company Sep-2024**	**Company Dec-2023**
Present value of funded obligations	(1,787,419)	(1,787,419)	-	-
Total present value of defined benefit obligations	(1,787,419)	(1,787,419)	-	-
Fair value of plan assets	26,006,023	26,006,023	-	-
Present value of net asset/(obligations)	24,218,604	24,218,604	-	-
Recognized asset/(liability) for defined benefit obligations	**24,218,604**	**24,218,604**	**-**	**-**

The Company has a right to the surplus on its plan assets. The defined benefit scheme is not open to asset ceiling, therefore, there is no need to determine any difference between net defined benefit asset and asset ceiling.
Recognised asset for defined benefit obligations is included within Restricted deposits and other assets in note 27.

(b) Movement in the present value of defined benefit obligations:

In thousands of Nigerian Naira	**Group Sep-2024**	**Group Dec-2023**	**Company Sep-2024**	**Company Dec-2023**
surplus on defined benefit obligations, beginning of year	24,218,604	16,709,808	-	-
Net Income recognised in Profit and Loss	-	2,392,316	-	-
Past Service Cost	-	(897,424)	-	-
Re-measurements recognised in Other Comprehensive Income	-	5,622,571	-	-
Contributions paid	-	391,333	-	-
Surplus for defined benefit obligations, end of period	**24,218,604**	**24,218,604**	**-**	**-**

(c) Plan assets consist of the following:

In thousands of Nigerian Naira	Group Sep-2024	Group Dec-2023	Company Sep-2024	Company Dec-2023
Equity securities:				
- Quoted	4,099,185	4,099,185	-	-
Government securities				
- Quoted	1,046,711	1,046,711	-	-
Cash and bank balances				
- Unquoted	20,860,127	20,860,127	-	-
	26,006,023	**26,006,023**	**-**	**-**

Group

In thousands of Nigerian Naira	Sep-2024		Dec-2023	
Equity securities	4,099,185	16%	4,099,185	16%
Government securities	1,046,711	4%	1,046,711	4%
Cash and bank balances	20,860,127	80%	20,860,127	80%
	26,006,023	**100%**	**26,006,023**	**100%**

(d) Defined benefit cost for the year ended December 2023 is expected to be as follows:

	Company	Company
	-	-
Net Interest on Net benefit assets	2,559,324	2,132,861
Current service cost	(29,739)	(33,368)
Income/(Expense) recognised in profit or loss	2,529,585	2,099,493

Components of net interest on defined benefit liability for year ended December 2023 is estimated to be as follows:

	Company	Company
	-	-
Interest income on assets	2,682,923	2,250,453
Interest cost on defined benefit obligation	(123,599)	(117,592)
Total net interest income	2,559,324	2,132,861

Plan assets are valued at current market value. The expected return on plan assets is determined by considering the expected returns available on the assets underlying the current investment policy. Expected yields on fixed interest investments are based on gross redemption yields as at the date of the consolidated statement of financial position. Expected returns on equity reflect long-term real rates of return experienced in the respective markets.

(e) Movement in plan assets:

In thousands of Nigerian Naira	Group Sep-2024	Group Dec-2023	Company Sep-2024	Company Dec-2023
Fair value of plan assets, beginning of the year	26,006,023	17,535,443	-	-
Contributions paid into the plan	-	391,333	-	-
Benefits paid by the plan	-	(391,333)	-	-
Actuarial loss	-	5,787,657	-	-
Return on plan assets	-	2,682,923	-	-
Fair value of plan assets, end of the period	**26,006,023**	**26,006,023**	**-**	**-**

Actual return on plan asset is made up of expected return on plan assets and actuarial gains / losses.

(f) Movement in present value of obligations:

In thousands of Nigerian Naira	Group Sep-2024	Group Dec-2023	Company Sep-2024	Company Dec-2023
Present value of obligation, beginning of the year	1,787,419	825,635	-	-
Interest cost	-	241,244	-	-
Current service cost	-	49,363	-	-
Past service cost	-	897,424	-	-
Benefits paid	-	(391,333)	-	-
Actuarial loss/(gain) on obligation	-	165,086	-	-
Present value of obligation at end of the period	**1,787,419**	**1,787,419**	**-**	**-**

(g) Actuarial assumptions

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

	2024	2023
Discount rate	17.9%	17.9%
Salary increase rate	4.2%	4.2%
Inflation	17.2%	17.2%
Retirement age for both male and female	60 years	60 years
Withdrawal Rate: 18 – 29	4.5%	4.5%
Withdrawal Rate: 30 – 44	6.0%	6.0%
Withdrawal Rate: 45 – 50	5.0%	5.0%
Withdrawal Rate: 51	4.5%	4.5%
Withdrawal Rate: 52	4.0%	4.0%
Withdrawal Rate: 53	3.5%	3.5%
Withdrawal Rate: 54	3.0%	3.0%
Withdrawal Rate: 55	2.5%	2.5%
Withdrawal Rate: 56	2.0%	2.0%
Withdrawal Rate: 57	1.5%	1.5%
Withdrawal Rate: 58	1.0%	1.0%
Withdrawal Rate: 59	0.5%	0.5%
Withdrawal Rate: 60	100.0%	100.0%

Assumptions regarding future mortality before retirement are based on A1967/70 ultimate table published by the Institute of Actuaries of United Kingdom.

The overall expected long-term rate of return on assets is 17.9%. The expected long-term rate of return is based on the portfolio as a whole and not on the sum of the returns on individual asset categories. The return is based entirely on current market yields on Nigerian Government Bonds. The component of the rate of remuneration increase based on seniority and promotion is an average of 4.2% p.a. The inflation component has been worked out at 17.2% per annum.

For members in active service as at the valuation date, the projected unit credit method of valuation as required under the IFRS has been adopted.

(j) Defined Benefit Risk Management

The Group's exposure to risks through its defined benefit plan is mitigated through a number of strategies. Most important of them is the asset-liability matching strategy. Thus, fluctuations in macro-economic variables have minimal impact on its exposure to the plan.

Over the years, the Group not only ensures that it has sufficient plan assets to fund its defined benefit obligation but also adopts a robust strategy that ensures that the macro-economic variables affecting the obligations are similar to those of the plan assets.
The significant risks inherent in the Group's defined benefit plan are detailed below:

Asset volatility

Post employment benefit obligations are calculated using a discount rate determined with reference to market yields on high quality bonds. The Group ensures that the plan assets do not underperform this yield. This is achieved through maintaining an efficient portfolio of investments in plan assets significantly made up of high quality equities and government securities. Consequently, the yield on the Group's plan assets has consistently outperformed interest cost on plan obligations. The Group also ensures that as tenured investments in plan assets mature, they are replaced with top quality investments which better match the liabilities.

Overall, the Group's defined benefit investment strategy aims at reducing investment risks while maintaining the right mix of investments in high quality equities, debt and near cash instruments void of impairment threats. The choice of investment in equities stems from the long term nature of the Group's defined benefit plan and expected maturity of the plan's liabilities.

Changes in bond yields

The rate used to discount post-employment benefit obligations is determined with reference to market yields at the balance sheet date on high quality corporate bonds. In countries where there is no deep market in such bonds, the market yields on government bonds are used. The Group is of the opinion that there is no deep market in Corporate Bonds in Nigeria and as such assumptions underlying the determination of discount rate are referenced to the yield on Nigerian Government bonds of medium duration, as compiled by the Debt Management Organisation. A decrease in Nigerian Government Bond yields will increase the plan's liabilities. However, this growth is offset by an increase in the value of the plan assets.

Inflation risk

We believe this is less a material risk given the accretion to the Group's plan assets arising from continuous contribution to the plan and improved yield. Growth in inflation, all other things being equal, should lead to increased basic salaries (which is an important determinant of the Group's defined benefit liability) and consequently higher plan liabilities. This growth in liabilities should be offset with increased plan assets.

33 Other borrowed funds

In thousands of Nigerian Naira	Group Sep-2024	Group Dec-2023	Company Sep-2024	Company Dec-2023
Due to National Bank of Rwanda	407,983	416,877	-	-
Due to BOI	2,483,415	4,624,108	-	-
Due to CACS	1,227,232	2,159,052	-	-
MSME Development Fund	846	846	-	-
Excess Crude Account -Secured Loans Fund	12,708,848	12,526,250	-	-
RSSF on lending	8,595,075	10,017,685	-	-
SANEF Intervention Fund	799,731	835,735	-	-
NESF Fund	5,180	170,107	-	-
Due to Anchor Borrowers' Fund	-	40,397,274	-	-
Due To Cbn	277,498,352	-	-	-
Due To P-Aads Loan	761,622	971,551	-	-
	304,488,284	**72,119,485**	**-**	**-**

34 Capital and reserves

Share capital

The holders of ordinary shares are entitled to receive dividends as declared from time to time and are entitled to vote at meetings of the Group. All ordinary shares and GDR shares rank pari-passu with the same rights and benefits at meetings of the Group.

In thousands of Nigerian Naira	Group Sep-2024	Group Dec-2023	Company Sep-2024	Company Dec-2023
Issued and fully paid:				
29,431,179,224 ordinary shares of 50 kobo each (31 December 2023: 29,431,179,224 ordinary shares of 50k each)	14,715,590	14,715,590	14,715,590	14,715,590

The movement on the value of issued and fully paid-up share capital (Non GDR and GDR) account during the period ended was as follows:

In thousands of Nigerian Naira	Group Sep-2024	Group Dec-2023	Company Sep-2024	Company Dec-2023
Balance, beginning of period	14,715,590	14,715,590	14,715,590	14,715,590
Balance, end of period	**14,715,590**	**14,715,590**	**14,715,590**	**14,715,590**

Share capital

Movement in the components of share capital for the Group is as shown below:

	Number of shares (thousands)	Ordinary shares	Share premium	Treasury shares
At January 2023	**29,431,180**	**14,715,590**	**123,471,114**	**(8,125,998)**
Purchases of treasury shares	-	-	-	-
At 31 December 2023	**29,431,180**	**14,715,590**	**123,471,114**	**(8,125,998)**
Purchases of treasury shares	-	-	-	(896,739)
At 30 September 2024	**29,431,180**	**14,715,590**	**123,471,114**	**(9,022,737)**

Share premium

Share premium is the excess paid by shareholders over the nominal value for their shares.

Other regulatory reserves

The other regulatory reserve includes movements in the statutory reserves, the small and medium enterprises equity investment reserve and Agri-Business/Small and Medium Enterprises Investment Scheme (AGSMEIS).

(i) **Statutory Reserves**: Nigerian banking regulations require the Bank to make an annual appropriation to a statutory reserve. As stipulated by S.16(1) of the Banks and Other Financial Institution Act of 1991 (amended), an appropriation of 30% of profit after tax is made if the statutory reserve is less than paid-up share capital and 15% of profit after tax if the statutory reserve is greater than the paid up share capital. In the current year, the Company appropriated N156,997,336,000 representing 15% of its profit after tax to statutory reserves. Total statutory reserves was N644,805,443,007 at the end of the period.

(ii) **Small and medium enterprises equity investment reserve (SMEEIS)**: The SMEEIS reserve is maintained to comply with the Central Bank of Nigeria (CBN) requirement that all licensed banks set aside a portion of the profit after tax in a fund to be used to finance equity investment in qualifying small and medium scale enterprises. Under the terms of the guideline (amended by CBN letter dated 11 July 2006), the contributions will be 10% of profit after tax and shall continue after the first 5 years but banks' contributions shall thereafter reduce to 5% of profit after tax. However, this requirement is no longer mandatory. The small and medium scale industries equity investment scheme reserves are non-distributable. Total SMEEIS reserves was N4,232,478,000 at the end of the period.

(iii) **Treasury shares:** Treasury shares in the sum of N9,022,737,000 (31 December 2023:N8,125,998,000) represents the Company's shares held by the Staff Investment Trust as at 30 September 2024.

(iv) **Fair value reserve:** The fair value reserve includes the net cumulative change in the fair value of fair value through other comprehensive income investments until the investment is derecognised or impaired.

(v) **Regulatory risk reserve**: The regulatory risk reserves warehouses the difference between the impairment balance on loans and advances as determined in accordance with the provisions of Prudential guidelines of Central Bank of Nigeria when compared with the assessment in line with the requirement of IFRS 9 Expected credit loss model. The key component of CBN Prudential Guidelines (PG) is the setting aside of additional 2% provision on all performing loans assessed under the PG. This 2% provision is not required under IFRS 9. Therefore it has been recognised in Regulatory Risk Reserve. The Company's total balance in Regulatory Risk Reserve is N74,868,972,000.

(vi) **Retained earnings**: Retained earnings are the carried forward recognised income net of expenses plus current year profit attributable to shareholders.

(vii) Agri-Business/Small and Medium Enterprises Investment Scheme (AGSMEIS): The AGSMEIS is maintained to support the Federal Government's effort at promoting Agricultural businesses and Small and Medium Enterprises. Effective 2017 all Deposit Money Banks (DMBs) are required to set aside 5% of their Profit After Tax for equity investment in permissible activities as stipulated in the scheme guidelines. The fund is domiciled with CBN.

(viii) **Other regulatory reserves breakdown**

		Group	
		Sep-2024	
In thousands of Nigerian Naira	**SMEEIS Reserves**	**AGSMEIS Reserves**	**Total**
Opening Balance	4,232,478	55,010,215	59,242,693
Total comprehensive income for the period:			
Transfers for the period ended	-	(18,475)	(18,475)
Total transactions with equity holders	**-**	**(18,475)**	**(18,475)**
Balance as at 30 September 2024	**4,232,478**	**54,991,740**	**59,224,218**

In thousands of Nigerian Naira	SMEEIS Reserves	Group Dec-2023 AGSMEIS Reserves	Total
Opening Balance	4,232,478	49,178,175	53,410,653
Total comprehensive income for the year:			
Transfers for the year	-	5,832,040	5,832,040
Total transactions with equity holders	**-**	**5,832,040**	**5,832,040**
Balance as at 31 December 2023	**4,232,478**	**55,010,215**	**59,242,693**

35 Dividends

The following dividends were declared and paid by the Group during the period :

In thousands of Nigerian Naira	Group Sep-2024	Group Dec-2023	Company Sep-2024	Company Dec-2023
Balance, beginning of year	-	-	-	-
Final dividend declared[1]	79,910,665	84,601,004	79,464,184	82,407,301
Interim dividend declared	-	14,715,590	-	14,715,590
Payment during the period	(79,910,665)	(99,316,594)	(79,464,184)	(97,122,891)
Balance, end of period	**-**	**-**	**-**	**-**

Contingent liabilities and commitments

In common with other banks, the Group conducts business involving transaction related bonds and indemnities. Contingent liabilities and Commitments comprise guarantees and letters of credit.

Nature of instruments

Guarantees and letters of credit are given as security to support the performance of a customer to third parties. As the Group will only be required to meet these obligations in the event of the customer's default, the cash requirements of these instruments are expected to be considerably below their nominal amounts.

Other contingent liabilities include transaction related customs and performances bond and are, generally, commitments to third parties which are not directly dependent on the customer's creditworthiness. Documentary credits commit the Group to make payments to third parties on production of documents, which is usually reimbursed immediately by customers. The following tables summarise the nominal amount of contingent liabilities and commitments with off-financial position risk.

Acceptances, bonds, guarantees and other obligations for the account of customers:

a. These comprise:

In thousands of Nigerian Naira	**Group Sep-2024**	**Group Dec-2023**	**Company Sep-2024**	**Company Dec-2023**
Contingent liabilities:				
Transaction related bonds and guarantees	589,161,274	623,937,083	-	-
	589,161,274	**623,937,083**	**-**	**-**
Commitments:				
Clean line facilities and letters of credit	110,302,435	19,416,461	-	-
Other commitments	17,650,390	16,940,851	-	-
	127,952,825	**36,357,312**	**-**	**-**

37. Involvement with Unconsolidated Structured Entities

The table below describes the various investment funds which the Group does not consolidate but in which it holds interest. The funds are not consolidated because they are held in other entities which are considered as legally separate from the Group.

Type of Investment funds	Nature and purpose	Revenues
Mutual Funds	- To generate fees arising from managing assets on behalf of third party investors. - These vehicles are financed through the issue of units to investors.	Investments in units issued by the funds from which the Group earns Management Fees
- Retirement Savings Accounts (RSAs); - Approved Existing Schemes; - Closed Pension Fund Administrators	- To generate fees arising from managing pension contributions and investing same in safe and high yield investment opportunities on behalf of Pension Contributors. - To seamlessly handle benefit payment to Retirees	Administrative and Management Fees earned by the Group on the Net asset Value of the Funds under Management

The table below sets out an anlysis of the Investment funds managed by the Group, their Assets Under Management, and the carrying amounts of interest held by the Group in the investment funds. The maximum exposure to loss is the carrying amount of the interest held by the Group.

Assets under Management (AuM)- Guaranty Trust Fund Managers Limited

In thousands of Nigerian Naira	Asset under Management			Interest Held by the Group	
Investment funds	**Sep-24**	**Dec-23**		**Sep-24**	**Dec-23**
Guaranty Trust Money Market Fund	39,812,201	20,355,812		185,010	122,794
Guaranty Trust Guaranteed Income Fund	11,566,793	11,164,911		126,382	168,704
Guaranty Trust Balanced Fund	2,922,069	2,776,814		-	-
Guaranty Trust Dollar Fund	73,139,617	25,473,343		132,130	119,373
Guaranty Trust Equity Income Fund	592,276	585,902		49,813	40,914
Guaranty Trust Investment Fund 724	-	-		150,000	-
Kedari Investment Fund	-	-		-	-
TOTAL	**128,032,956**	**60,356,784**		**643,335**	**451,785**

Funds under Management (FuM)- Guaranty Trust Pension Managers Limited

In thousands of Nigerian Naira	Funds under Management	
	Sep-24	**Dec-23**
Retirement Savings Account Fund Classes:		
Fund I	344,467	197,167
Fund II	45,954,854	37,996,225
Fund III	9,704,863	5,943,874
Fund IV	1,875,893	1,724,829
Fund V	9,478	5,086
Fund VI	107,803	49,034
TCF[1] And Reconiliation	496,154	616,351
Privately Managed Funds:		
Approved Existing Schemes	37,276,121	33,882,334
TOTAL	**95,769,634**	**80,414,900**

[1] **Transitional Contribution Fund- A Nominal Retirement Savings Account for any employee that has failed to open RSA within a period of six months, to enable the remmitance of pension contributions by Employer.**

37. Securities Trading Policy

In compliance with Rule 17.15 Disclosure of Dealings in Issuers' Shares, Rulebook of the Exchange 2015 (Issuers Rule) **Guaranty Trust Holding Company 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.