



United Capital

UNITED CAPITAL PLC

**UNAUDITED CONSOLIDATED AND SEPARATE FINANCIAL STATEMENTS
FOR THE PERIOD ENDED 30 SEPTEMBER 2022**

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CORPORATE INFORMATION**DIRECTORS:**

Chika Mordi	Chairman (Non Executive Director)
Peter Ashade	Group Chief Executive Officer
Sunny Anene	Group Executive Director
Emmanuel N. Nnorom	Non Executive Director
Sonny Iroche	Independent Non Executive Director
Sir Stephen Nwadiuko	Independent Non Executive Director
Dipo Fatokun	Independent Non Executive Director
Hajjiya Sutura Aisha Bello	Independent Non-Executive Director
Leke Ogunlewe	Non-Executive Director

EXECUTIVE MANAGEMENT:

Peter Ashade	Group Chief Executive Officer
Sunny Anene	Group Executive Director
Gbadebo Adenrele	Managing Director, United Capital Investment Banking
Bawo Oritshajafar	Managing Director, United Capital Securities Limited
Odiri Oginni	Managing Director, United Capital Asset Management Limited
Buky Ikeotuonye	Managing Director, United Capital Trustees Limited
Shedrack Onakpoma	Group Chief Finance Officer
Leo Okafor	Group Company Secretary/General Counsel

RC No.

RC444999

FRC No.

FRC/2013/00000000001976

REGISTERED OFFICE:

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

BANKERS

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

AUDITORS:

PwC Nigeria
5B Water Coporation Road
Landmark Towers, Victoria Island
Lagos, Nigeria

STATEMENT OF DIRECTORS' RESPONSIBILITIES

The Directors of **United Capital Plc** are responsible for the preparation of the consolidated and separate financial statements that give a true and fair view of the financial position of the Group and Company as at 30 September 2022, and the results of its operations, cash flows and changes in equity for the period ended, in compliance with International Financial Reporting Standards ("IFRS") and in the manner required by the Companies and Allied Matters Act of Nigeria, the Financial Reporting Council of Nigeria Act and the Investments and Securities Act.

In preparing the consolidated and separate financial statements, the Directors are responsible for:

- properly selecting and applying accounting policies;
- presenting information, including accounting policies, in a manner that provides relevant, reliable, comparable and understandable information;
- providing additional disclosures when compliance with the specific requirements in IFRSs are insufficient to enable users to understand the impact of particular transactions, other events and conditions on the Group and Company's financial position and financial performance; and
- making an assessment of the Group's ability to continue as a going concern.

The Directors are responsible for:

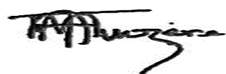
- designing, implementing and maintaining an effective and sound system of internal controls throughout the Group and Company;
- maintaining adequate accounting records that are sufficient to show and explain the Group's and company's transactions and disclose with reasonable accuracy at any time the financial position of the Group and Company, and which enable them to ensure that the financial statements of the Group and Company comply with IFRS;
- maintaining statutory accounting records in compliance with the legislation of Nigeria and IFRS;
- taking such steps as are reasonably available to them to safeguard the assets of the Group and Company; and
- preventing and detecting fraud and other irregularities.

Going Concern:

The Directors have made an assessment of the Group's and Company's ability to continue as a going concern and have no reason to believe the Group and Company will not remain a going concern for at least twelve months from the date of this financial statements.

The consolidated and separate financial statements of the Group and Company for the period ended 30 September 2022 have been authorised for issue and were approved by the Board of Directors on 12 October 2022.

On behalf of the Directors of the Group



Chika Mordi

Chairman

FRC/2014/IODN/00000006667



Peter Ashade

Group Chief Executive Officer

FRC/2013/NBA/00000002719

OPERATIONAL RISK MANAGEMENT

1 Operational Risk Management

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

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

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

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

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

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

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

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

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

2 Financial crime control

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

OPERATIONAL RISK MANAGEMENT

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

3 Reputational Risk

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

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

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

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

4 Capital Management

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

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

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

The Group's capital is divided into two tiers:

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

	2022	2021
	N'000	N'000
Tier 1 capital		
Share capital	3,000,000	3,000,000
Share premium	683,611	683,611
Retained earnings	27,375,801	28,660,538
Total qualifying for Tier 1 capital	31,059,412	32,344,149
Tier 2 capital		
Fair value reserve	(1,438,951)	(1,797,356)
Other borrowings	85,357,174	60,700,727
Total qualifying for Tier 2 capital	83,918,222	58,903,371
Total regulatory capital	114,977,634	91,247,520

LEGAL AND REGULATORY RISK**(a) Regulatory Provision**

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

Regulatory Capital Risk

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

(b) Legal Risk Assessment

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

**Consolidated Statement of Profit or Loss and Other Comprehensive Income
For The Period Ended 30 September 2022**

	Notes	Group				Company			
		30 September 2022 =N= '000	30 September 2021 =N= '000	Q3 2022 =N= '000	Q3 2021 =N= '000	30 September 2022 =N= '000	30 September 2021 =N= '000	Q3 2022 =N= '000	Q3 2021 =N= '000
Gross Earnings		14,546,254	11,329,284	5,435,812	4,475,555	2,359,514	2,250,402	801,652	760,938
Investment income	4	6,611,493	6,291,105	2,621,434	2,636,473	356,720	1,369,222	100,901	445,559
Fee and commission income	5	6,268,598	4,770,627	2,405,689	1,651,952	1,861,566	862,442	617,289	283,663
Net trading income	6	611,916	15,553	349,892	(22,637)	136,161	12,639	200,000	11,792
Net operating income		13,492,007	11,077,285	5,377,015	4,265,789	2,354,447	2,244,303	918,191	741,013
Other income	7	1,128,309	247,597	382,748	189,852	7,723	1,697	1,784	11
Net gain/(loss) on financial assets at fair value through profit or loss	8	(74,062)	4,402	(323,951)	19,914	(2,656)	4,402	(118,323)	19,914
Total Revenue		14,546,254	11,329,284	5,435,812	4,475,555	2,359,514	2,250,402	801,652	760,938
Personnel expenses	9	(1,743,631)	(1,306,994)	(643,915)	(597,415)	(415,565)	(463,530)	(194,041)	(327,317)
Other operating expenses	10	(2,772,528)	(2,136,359)	(968,430)	(761,626)	(572,841)	(408,003)	(178,377)	(148,021)
Depreciation of properties and equipment	11	(144,453)	(164,211)	(45,704)	(78,571)	(121,226)	(133,201)	(38,541)	(68,852)
Amortisation of intangible & right of use assets	11	(79,232)	(66,009)	(27,843)	(4,354)	(76,073)	(64,494)	(26,747)	(3,849)
Impairment for credit losses	12	(999,890)	(563,613)	7,319	318,301	(272,209)	(67,710)	(18,091)	277,290
Total Expenses		(5,739,733)	(4,237,187)	(1,678,573)	(1,123,666)	(1,457,915)	(1,136,938)	(455,797)	(270,750)
Operating profit before income tax		8,806,521	7,092,097	3,757,239	3,351,889	901,599	1,113,464	345,855	490,188
Share of accumulated (loss)/profit of associates	22	317,786	-	123,470	-	-	-	-	-
Profit before income tax		9,124,307	7,092,097	3,880,708	3,351,889	901,599	1,113,464	345,855	490,188
Taxation	13	(1,409,044)	(1,126,851)	(601,199)	(528,401)	(144,256)	(178,154)	(55,337)	(78,430)
Profit for the period		7,715,263	5,965,246	3,279,509	2,823,488	757,343	935,310	290,518	411,758
Other comprehensive income, net of income tax									
<i>Items that will not be reclassified subsequently to profit or loss</i>									
Fair value (loss)/gain on investments in equity instruments measured at FVTOCI (net of tax)	32.1	81,567	231,748	256,015	(9,352)	176,502	-	-	-
<i>Items that may be reclassified subsequently to profit or loss</i>									
Fair value (loss)/gain on investments in debt instruments measured at FVTOCI (net of tax)	32.2	276,837	465,557	(441,055)	520,704	-	(1,246)	-	-
Other comprehensive income/(loss) for the period, net of taxes		358,404	697,305	(185,040)	511,352	176,502	(1,246)	-	-
Total comprehensive income for the period		8,073,667	6,662,552	3,094,469	3,334,840	933,845	934,064	290,518	411,758
Profit for the period attributable to:									
Equity holders of the Company		7,715,263	5,965,246	3,279,509	2,823,488	757,343	935,310	290,518	411,758
Total comprehensive income attributable to:									
Equity holders of the Company		8,073,667	6,662,552	3,094,469	3,334,840	933,845	934,064	290,518	411,758
Earnings per share-basic (kobo)	14	171	133	219	188	17	21	19	27

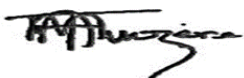
The accompanying notes form an integral part of these financial statements.

**Consolidated & Separate Statement of Financial Position
As at 30 September 2022**

	Notes	Group		Company	
		30 September 2022 =N=' 000	31 December 2021 =N=' 000	30 September 2022 =N=' 000	31 December 2021 =N=' 000
ASSETS					
Cash and cash equivalents	15	228,728,954	53,661,848	53,890,183	6,951,413
Investment securities	16	324,080,523	363,647,252	47,953,613	58,599,896
Trade and other receivables	17	37,498,046	30,919,246	33,271,710	29,889,598
Dividend receivable from subsidiaries	18	-	-	-	4,828,500
Right of use assets	19	159,809	212,819	159,809	212,819
Intangible assets	20	157,244	78,595	146,734	68,151
Investments in subsidiaries	21	-	-	901,000	901,000
Investments in associates	22	4,611,372	4,293,587	4,500,000	4,500,000
Property and equipment	23	418,889	471,852	376,249	414,185
Deferred tax assets	24	312,755	312,755	-	-
TOTAL ASSETS		595,967,592	453,597,954	141,199,298	106,365,562
LIABILITIES					
Managed funds	25	423,922,909	327,249,024	-	-
Borrowed funds	26	85,357,174	79,691,116	81,104,347	83,717,908
Other liabilities	27	54,307,326	14,225,310	50,610,004	5,139,989
Current tax liabilities	28	2,677,222	1,803,211	693,003	649,566
Deferred tax liabilities	24	82,500	82,500	82,500	82,500
TOTAL LIABILITIES		566,347,131	423,051,161	132,489,854	89,589,963
SHAREHOLDERS FUND					
Share capital	29	3,000,000	3,000,000	3,000,000	3,000,000
Share premium	30	683,611	683,611	683,611	683,611
Retained earnings	31	27,375,801	28,660,538	4,715,629	12,958,286
Fair value reserves	32	(1,438,951)	(1,797,356)	310,204	133,702
TOTAL SHAREHOLDERS FUND		29,620,461	30,546,793	8,709,444	16,775,599
TOTAL LIABILITIES AND SHAREHOLDERS FUND		595,967,592	453,597,954	141,199,298	106,365,562

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

The financial statements were approved by the Board of Directors on 12th October 2022 and signed on its behalf by:



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



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



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

**Consolidated Statement of Changes in Equity
As at 30 September 2022****2022
Group**

	Share capital =N=' 000	Retained earnings =N=' 000	Share premium =N=' 000	Fair value reserves =N=' 000	Shareholders' funds =N=' 000
At 1 January 2022	3,000,000	28,660,538	683,611	(1,797,356)	30,546,794
Transfer from profit or loss account	-	7,715,263	-	-	7,715,263
Net change in fair value on equity instruments at FVTOCI	-	-	-	81,567	81,567
Net change in fair value on debt instruments at FVTOCI	-	-	-	276,837	276,837
Total comprehensive income/(loss)	-	7,715,263	-	358,404	8,073,667
Transactions with owners in their capacity as owners					
Dividend paid	-	(9,000,000)	-	-	(9,000,000)
As at 30 September 2022	3,000,000	27,375,801	683,611	(1,438,951)	29,620,460

Company

At 1 January 2022	3,000,000	12,958,286	683,611	133,702	16,775,599
Transfer from profit or loss account	-	757,343	-	-	757,343
Net change in fair value on debt instruments at FVTOCI	-	-	-	176,502	176,502
Total comprehensive income	-	757,343	-	176,502	933,845
Transactions with owners in their capacity as owners					
Dividend paid	-	(9,000,000)	-	-	(9,000,000)
As at 30 September 2022	3,000,000	4,715,629	683,611	310,204	8,709,444

**2021
Group**

	Share capital =N=' 000	Retained earnings =N=' 000	Share premium =N=' 000	Fair value reserves =N=' 000	Shareholders' funds =N=' 000
At 1 January 2021	3,000,000	21,601,800	683,611	(858,932)	24,426,479
Transfer from profit or loss account	-	11,258,738	-	-	11,258,738
Net change in fair value on equity instruments at FVTOCI	-	-	-	11,839	11,839
Net change in fair value on debt instruments at FVTOCI	-	-	-	(950,263)	(950,263)
Total comprehensive income	-	11,258,738	-	(938,424)	10,320,315
Transactions with owners in their capacity as owners					
Dividend paid	-	(4,200,000)	-	-	(4,200,000)
At 31 December 2021	3,000,000	28,660,538	683,611	(1,797,356)	30,546,794

Company

At 1 January 2021	3,000,000	10,434,895	683,611	71,177	14,189,683
Transfer from profit or loss account	-	6,723,391	-	-	6,723,391
Net change in fair value on debt instruments at FVTOCI	-	-	-	62,525	62,525
Total comprehensive income	-	6,723,391	-	62,525	6,785,915
Transactions with owners in their capacity as owners					
Dividend paid	-	(4,200,000)	-	-	(4,200,000)
At 31 December 2021	3,000,000	12,958,286	683,611	133,702	16,775,599

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

CONSOLIDATED STATEMENT OF CASH FLOWS
As at 30 September 2022

	Group		Company	
	30 September 2022 N' 000	31 December 2021 N' 000	30 September 2022 N' 000	31 December 2021 N' 000
Profit before tax	8,806,521	12,124,013	901,599	6,791,196
Adjustments for:				
Amortisation of Intangibles	11 26,222	20,996	23,062	16,157
Depreciation of property and equipment	11 144,453	204,408	121,226	171,513
Depreciation of right of use	11 53,011	70,875	53,011	70,875
Foreign exchange revaluation	7 (708,288)	(1,366,640)	(114)	(157,622)
Gain on disposal of property and equipment	7 (34)	(34)	(34)	(34)
Net interest income	4 (5,720,399)	(7,193,943)	(283,455)	(1,461,848)
Dividend income	4 (891,094)	(1,706,570)	(73,265)	(4,922,159)
Fair value changes on financial instruments at fair value through profit or loss	8 53,596	(237,285)	2,656	(114,816)
Impairment charge (write/back) on other financial assets	12 999,890	492,051	272,209	147,155
	2,763,877	2,407,872	1,016,895	540,417
Changes in working capital				
Trade receivables	(6,578,800)	(2,594,717)	(3,382,112)	(2,572,895)
Managed funds	96,673,885	211,229,947	-	-
Other liabilities	40,082,016	6,542,002	45,470,015	2,878,076
	132,940,977	217,585,104	43,104,798	845,598
Cash generated from/(used in) operations				
Interest received	31,740,949	13,376,206	4,011,115	5,950,754
Interest paid	(25,129,456)	(14,733,433)	(3,654,395)	(2,199,205)
Income tax paid	(535,033)	(728,957)	(100,819)	(462,218)
	139,017,438	215,498,920	43,360,699	4,134,928
Net cash generated by/(used in) operating activities				
Cash flows from investing activities				
Purchase of investment securities	(27,579,029)	(355,171,646)	-	(77,959,265)
Disposal of investment securities	76,126,218	153,195,483	12,614,662	65,431,343
Investment in associate	-	-	-	-
Purchase of property and equipment	23 (93,314)	(110,449)	(82,991)	(98,254)
Purchase of right of use assets	19 -	-	-	-
Purchase of intangible assets	20 (104,870)	(57,576)	(101,645)	(45,276)
Proceeds from the sale of property and equipment	(189)	47	(189)	47
Dividends received	4 & 18 891,094	1,706,570	4,901,765	3,763,659
	49,239,910	(200,437,571)	17,331,602	(8,907,747)
Net cash generated by/(used in) investing activities				
Cash flows from financing activities				
Dividend paid to owners of equity capital	(9,000,000)	(4,200,000)	(9,000,000)	(4,200,000)
Proceeds from borrowings	(2,613,561)	17,564,403	(2,613,561)	21,912,107
Repayment of borrowings	(2,179,908)	(18,184,345)	(2,179,908)	(18,184,345)
	(13,793,469)	(4,819,942)	(13,793,469)	(472,238)
Net cash used in financing activities				
Net increase/(decrease) in cash and cash equivalents	174,463,878	10,241,406	46,898,832	(5,245,057)
Effect of foreign exchange changes on cash	649,689	(42,658)	39,938	(3,560)
Cash and cash equivalents at beginning of year	53,615,387	43,416,639	6,951,413	12,196,469
	228,728,954	53,615,387	53,890,183	6,947,852
Cash and cash equivalents at end of period				

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

NOTES TO THE CONSOLIDATED AND SEPARATE FINANCIAL STATEMENTS**3 Financial Risk Management****3.1 Introduction and Overview**

Three Lines of Defence model

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

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

3.2 Risk Categories

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

3.21 Credit Risk

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

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

- i. **Primary credit risk:** The exposure at default arising from lending and related investment product activities (including their underwriting).
- ii. **Pre-settlement credit risk:** The exposure at default arising from unsettled forward and derivative transactions. This risk arises from the default of the counterparty to the transaction and is measured as the cost of replacing the transaction at current market rates.
- iii. **Issuer risk:** The exposure at default arising from traded credit and equity products (including the primary market issue underwriting of these products).

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

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

3.22 Country Risk

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

3.23 Liquidity Risk

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

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

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

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

3.24 Market Risk

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

3.25 Operational Risk

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

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

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

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

3.26 Reputational Risk

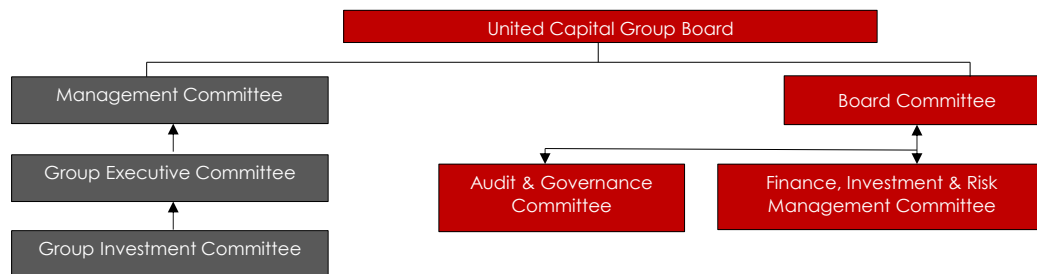
Reputational risk results from damage to the Group's image among stakeholders, which may impair its ability to retain and generate business. Such damage may result from a breakdown of trust, confidence or business relationships.

3.3 Risk Management Framework

3.31 Governance Structure

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

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



3.32 Risk Governance Process

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

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

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

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

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

- i. Providing strategic leadership and guidance;
- ii. Reviewing and approving annual budgets and forecasts, under both normal and stressed conditions, for the Group and each business unit; and
- iii. Regularly reviewing and monitoring the Group's risk performance through quarterly board reports.

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

- i. Residual risk: the leftover risk exposure after implementation of mitigation efforts and controls
- ii. Risk appetite: the amount or type of residual risk that the Group is prepared to accept to deliver on its financial/business objectives. It reflects the capacity to sustain losses and continue to meet obligations as they fall due, under both normal and a range of stress conditions.
- iii. Risk tolerance: the maximum amount or type of risk the Group is prepared to tolerate above stipulated risk appetite levels for short periods of time (based on the understanding that management action is taken to get back within risk appetite).
- iv. Risk capacity: the maximum amount of risk the Group is able to support within its available financial resources
- v. Risk profile: the amount or type of risk the Group holds at a specific point in time
- vi. Risk tendency: is defined as a forward-looking view of the anticipated change in the Group's risk profile as a result of portfolio effects and/or changes in economic conditions. Changes in economic conditions may either be in the form of formally approved macroeconomic stress scenarios or ad-hoc stress scenarios models

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

3.4 Credit Risk Management

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

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

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

NOTES TO THE CONSOLIDATED AND SEPARATE FINANCIAL STATEMENTS**Financial Risk Management****3.41 Risk Identification and Measurement**

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

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

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

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

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

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

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

3.42 Maximum exposure to credit risk

	Group		Company	
	2022 N'000	2021 N'000	2022 N'000	2021 N'000
Cash and cash equivalents	228,728,954	53,661,848	53,890,183	6,951,413
Financial assets:				
Amortised cost	194,065,701	169,041,801	42,731,848	55,049,661
Fair value through OCI (FVOCI)	19,876,668	18,129,425	-	-
Trade and other receivables	8,967,607	4,109,128	6,020,693	3,079,649
	451,638,931	244,942,203	102,642,723	65,080,723

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

NOTES TO THE CONSOLIDATED AND SEPARATE FINANCIAL STATEMENTS
Financial Risk Management**3.43 Credit risk analysis as at 30 September, 2022****Group**

	AAA - AA	A	BBB	Not rated	Carrying amount
	N'000	N'000	N'000	N'000	N'000
Cash and cash equivalents	-	-	228,728,954	-	228,728,954
Financial assets:					
Amortised cost	-	-	164,343,593	27,837,640	192,181,233
Long term placements	-	-	83,421,325	-	83,421,325
Loans to customers	-	-	-	27,837,640	27,837,640
Treasury bills	-	-	10,598,977	-	10,598,977
Federal government bonds	-	-	15,256,775	-	15,256,775
State government bonds	-	-	22,583,228	-	22,583,228
Corporate bonds	-	-	32,483,288	-	32,483,288
Fair value through OCI (FVOCI)	-	-	-	-	-
Bonds	-	-	-	-	-
Trade and other receivables	-	-	-	8,967,607	8,967,607
Total	-	-	393,072,547	36,805,247	429,877,795

Company

	AAA - AA	A	BBB	Not rated	Carrying amount
	N'000	N'000	N'000	N'000	N'000
Cash and cash equivalents	-	-	53,890,183	-	53,890,183
Financial assets:					
Amortised cost	-	-	14,894,207	27,837,640	42,731,848
Long term placements	-	-	-	-	-
Loans to customers	-	-	-	27,837,640	27,837,640
Treasury bills	-	-	-	-	-
Federal government bonds	-	-	-	-	-
State government bonds	-	-	11,716,164	-	11,716,164
Corporate bonds	-	-	3,178,044	-	3,178,044
Fair value through OCI (FVOCI)	-	-	-	-	-
Treasury bills	-	-	-	-	-
Bonds	-	-	-	-	-
Trade and other receivables	-	-	-	6,020,693	6,020,693
Total	-	-	68,784,391	33,858,333	102,642,723

Credit risk analysis as at 31 December, 2021**Group**

	AAA - AA	A	BBB	Not rated	Carrying amount
	N'000	N'000	N'000	N'000	N'000
Cash and cash equivalents	-	-	53,661,848	-	53,661,848
Financial assets:					
Amortised cost	29,472,850	15,151,370	95,623,877	27,837,640	168,085,737
Long term placements	-	-	83,394,077	-	83,394,077
Loans to customers	-	-	-	27,837,640	27,837,640
Treasury bills	8,842,628	-	-	-	8,842,628
Federal government bonds	8,057,445	-	-	-	8,057,445
State government bonds	12,572,777	-	12,229,800	-	24,802,577
Corporate bonds	-	15,151,370	-	-	15,151,370
Fair value through OCI (FVOCI)	730,435	-	-	-	730,435
Treasury bills	-	-	-	-	-
Bonds	730,435	-	-	-	730,435
Trade and other receivables	-	-	-	4,109,128	4,109,128
Total	30,203,285	15,151,370	149,285,725	31,946,767	226,587,147

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	AAA - AA	A	BBB	Not rated	Carrying amount
	N'000	N'000	N'000	N'000	N'000
Cash and cash equivalents	-	-	6,947,852	-	6,947,852
Financial assets:					
Amortised cost	14,285,117	1,465,703	11,461,200	27,837,640	55,049,661
Long term placements	-	-	11,461,200	-	11,461,200
Loans to customers	-	-	-	27,837,640	27,837,640
State government bonds	12,572,777	-	-	-	12,572,777
Corporate bonds	1,712,341	1,465,703	-	-	3,178,044
Fair value through OCI (FVOCI)	-	-	-	-	-
Trade and other receivables	-	-	-	3,079,649	3,079,649
Total	14,285,117	1,465,703	18,409,052	30,917,289	65,077,162

Geographical sectors**2022**

	Group		Company	
	Nigeria N'000	Other Countries N'000	Nigeria N'000	Other Countries N'000
Cash and cash equivalents (excluding cash in hand)	228,728,954	-	53,890,183	-
Financial assets:				
Amortised cost	194,065,701	-	42,731,848	-
Fair value through OCI (FVOCI)	19,876,668	-	-	-
Trade and other receivables	8,967,607	-	6,020,693	-
	451,638,931	-	102,642,723	-

2021

	Group		Company	
	Nigeria N'000	Other Countries N'000	Nigeria N'000	Other Countries N'000
Cash and cash equivalents	53,661,848	-	6,951,413	-
Financial assets:				
Amortised cost	169,041,801	-	55,049,661	-
Fair value through OCI (FVOCI)	18,129,425	-	-	-
Trade and other receivables	4,109,128	-	3,079,649	-
	244,942,202	-	65,080,723	-

Credit Quality

All financial assets are neither past due nor impaired except for N38.01b of trade receivables (2021: N32.01b) which is impaired and an allowance of N1.09b (2021: N1.09b) has been recognised.

3.44 Risk Monitoring and Management

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

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

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

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

NOTES TO THE CONSOLIDATED AND SEPARATE FINANCIAL STATEMENTS**Financial Risk Management****3.45 Risk reporting**

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

3.5 Country Risk Management

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

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

Risk Identification and Measurement

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

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

Risk Monitoring and Control

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

3.5 Liquidity Risk Management

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

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

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

NOTES TO THE CONSOLIDATED AND SEPARATE FINANCIAL STATEMENTS

Financial Risk Management

Risk Identification and Measurement

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

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

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

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

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

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

Category	Activities
Short term liquidity risk management	<ul style="list-style-type: none"> ● Monitor daily cash flow requirements ● Manage intra-day liquidity positions ● Monitor repo and bank funding shortage levels ● Manage short term cash flows ● Manage daily foreign currency liquidity ● Provide guidance on fund taking rates in conformity with longer term and contingent liquidity requirements (as informed by the management committees)
Structural liquidity risk management	<ul style="list-style-type: none"> ● Identify and manage medium to long term liquidity mismatches ● Ensure a structurally sound balance sheet ● Manage long term cash flows ● Determine and apply behavioural profiling to investor portfolios (in ● Preserve a diversified funding base ● Assess foreign currency liquidity exposures ● Establish liquidity risk appetite
Contingency liquidity risk management	<ul style="list-style-type: none"> ● Establish and maintain contingency funding plans ● Monitor and manage early warning liquidity indicators ● Ensure regular liquidity stress tests and scenario analysis ● Establish liquidity buffer levels in conformity with anticipated stress events ● Convene liquidity crisis management committees (as required) ● Ensure diversification of liquidity buffer portfolios

Risk Monitoring and Control

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

Foreign currency liquidity risk management

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

Funding

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

NOTES TO THE CONSOLIDATED AND SEPARATE FINANCIAL STATEMENTS

Financial Risk Management

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

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

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

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

Group – 30 September, 2022	< 30	31 - 90	91 - 180	181 - 365	1-3 years	> 3	Total
	days	days	days	days	years	years	
	N'000	N'000	N'000	N'000	N'000	N'000	N'000
Assets							
Cash and cash equivalents	24,491,586	204,237,368	-	-	-	-	228,728,954
Bond	-	-	15,342,567	35,162,479	-	17,019,064	67,524,110
Treasury bills	-	-	4,356,235	6,242,742	-	-	10,598,977
Mutual funds	40,321,720	1,299,234	5,765,234	39,354,125	15,636,730	6,031,982	108,409,024
Quoted equities	-	-	-	-	-	6,948,619	6,948,619
Unquoted equities	-	-	-	-	-	19,157,179	19,157,179
Trade and other receivables	-	-	3,252,930	6,400,512	-	25,715,827	35,369,269
Loans and receivables	-	-	-	-	83,421,325	32,521,289	115,942,614
Total	64,813,306	205,536,602	28,716,966	87,159,858	99,058,055	107,393,960	592,678,748
Liabilities							
Borrowings	-	-	-	-	-	85,357,174	85,357,174
Managed funds	13,893,215	148,555,138	14,345,142	90,374,535	140,332,145	16,422,735	423,922,909
Other Liabilities	48,712,389	-	5,594,938	-	-	-	54,307,326
Total	62,605,604	148,555,138	19,940,080	90,374,535	140,332,145	101,779,909	563,587,409
Assets	64,813,306	205,536,602	28,716,966	87,159,858	99,058,055	107,393,960	592,678,748
Liabilities	62,605,604	148,555,138	19,940,080	90,374,535	140,332,145	101,779,909	563,587,409
Liquidity gap	2,207,702	56,981,465	8,776,887	(3,214,677)	(41,274,090)	5,614,052	29,091,338

Company – 30 September, 2022	< 30	31 - 90	91 - 180	181 - 365	1-3 years	> 3	Total
	days	days	days	days	years	years	
	N'000	N'000	N'000	N'000	N'000	N'000	N'000
Assets							
Cash and cash equivalents	14,998,987	40,169,703	-	-	-	-	55,168,690
Long-term investments	-	17,639,699	1,278,507	3,684,232	-	-	22,602,438
Bond	-	-	-	1,345,234	-	13,548,973	14,894,207
Treasury bills	-	-	-	-	-	-	-
Mutual funds	-	-	-	4,122,805	-	-	4,122,805
Quoted equities	2,088,828	-	-	-	-	-	2,088,828
Unquoted equities	-	-	-	-	-	4,500,000	4,500,000
Trade and other receivables	-	-	1,613,493	4,854,092	-	25,142,732	31,610,317
Dividend receivable	-	-	-	-	-	-	-
Loans and receivables	-	-	-	-	-	27,837,640	27,837,640
Total	17,087,815	57,809,402	2,892,000	14,006,363	-	71,029,345	162,824,925
Liabilities							
Borrowings	-	-	-	-	-	81,104,347	81,104,347
Other liabilities	-	50,610,004	-	-	-	-	50,610,004
Total	-	50,610,004	-	-	-	81,104,347	131,714,351
Assets	17,087,815	57,809,402	2,892,000	14,006,363	-	71,029,345	162,824,925
Liabilities	-	50,610,004	-	-	-	81,104,347	131,714,351
Liquidity gap	17,087,815	7,199,398	2,892,000	14,006,363	-	(10,075,002)	31,110,574

NOTES TO THE CONSOLIDATED AND SEPARATE FINANCIAL STATEMENTS
Financial Risk Management**Group – 31 December, 2021**

	< 30 days	31 - 90 days	91 - 180 days	181 - 365 days	1-3 years years	> 3 years	Total
	N'000	N'000	N'000	N'000	N'000	N'000	N'000
Assets							
Cash and cash equivalents	1,940,710	51,721,138	-	-	-	-	53,661,848
Bond	-	3,500,000	17,466,781	19,156,600	33,314	6,785,840	46,942,536
Treasury bills	-	-	365,493	8,477,135	-	-	8,842,628
Mutual funds	25,321,720	1,299,234	5,765,234	94,354,125	15,636,730	2,935,532	145,312,575
Quoted equities	-	-	-	-	-	6,565,673	6,565,673
Unquoted equities	-	-	-	-	-	46,496,769	46,496,769
Trade and other receivables	-	-	1,888,652	1,345,057	-	25,715,827	28,949,537
Loans and receivables	-	-	-	-	83,394,077	30,592,996	113,987,074
Total	27,262,430	56,520,372	25,486,160	123,332,918	99,064,121	119,092,637	450,758,639
Liabilities							
Borrowings	-	-	1,000,818	18,088,112	-	60,602,186	79,691,116
Managed funds	3,893,215	50,008,721	14,345,142	171,247,066	40,332,145	47,422,735	327,249,024
Other liabilities	1,035,434	7,594,938	5,594,938	-	-	-	14,225,310
Total	4,928,649	57,603,659	20,940,898	189,335,179	40,332,145	108,024,921	421,165,450
Assets	27,262,430	56,520,372	25,486,160	123,332,918	99,064,121	119,092,637	450,758,639
Liabilities	4,928,649	57,603,659	20,940,898	189,335,179	40,332,145	108,024,921	421,165,450
Liquidity gap	22,333,781	(1,083,287)	4,545,262	(66,002,261)	58,731,976	11,067,717	29,593,188

Company – 31 December, 2021

	< 30 days	31 - 90 days	91 - 180 days	181 - 365 days	1-3 years years	> 3 years	Total
	N'000	N'000	N'000	N'000	N'000	N'000	N'000
Assets							
Cash and cash equivalents	85,372	6,866,041	-	-	-	-	6,951,413
Bond	-	-	-	14,401,757	33,314	1,315,749	15,750,820
Mutual funds	-	-	-	2,176,409	-	-	2,176,409
Quoted equities	2,091,484	-	-	-	-	-	2,091,484
Unquoted equities	-	-	-	-	-	4,500,000	4,500,000
Trade and other receivables	-	-	985,050	2,238,207	-	25,142,732	28,365,989
Dividend receivable	-	4,828,500	-	-	-	-	4,828,500
Loans and receivables	-	-	-	-	11,461,200	27,837,640	39,298,841
Total	2,176,855	11,694,541	985,050	18,816,373	11,494,515	58,796,121	103,963,456
Liabilities							
Borrowings	-	-	1,000,818	18,088,112	-	64,628,978	83,717,908
Other liabilities	-	5,139,989	-	-	-	-	5,139,989
Total	-	5,139,989	1,000,818	18,088,112	-	64,628,978	88,857,897
Assets	2,176,855	11,694,541	985,050	18,816,373	11,494,515	58,796,121	103,963,456
Liabilities	-	5,139,989	1,000,818	18,088,112	-	64,628,978	88,857,897
Liquidity gap	2,176,855	6,554,552	(15,768)	728,261	11,494,515	(5,832,857)	15,105,558

Stress Testing

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

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

NOTES TO THE CONSOLIDATED AND SEPARATE FINANCIAL STATEMENTS
Financial Risk Management**Credit Ratings**

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

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

3.6 Market Risk Management

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

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

- Market risk in trading activities: trading activities which may comprise market making, arbitrage and proprietary trading. These activities are primarily carried out within the Group's securities trading business
- Interest rate risk on the balance sheet: this refers to risks inherent in the different re-pricing characteristics of balance sheet assets and liabilities. These may include re-pricing risk, basis risk, yield curve risk, and optionality risk.
- Equity investments on the balance sheet: this refers to risks resulting from price changes in listed and unlisted equity investments carried on the group's balance sheet. These investments are typically classified as fair value through other comprehensive income (FVTOCI).
- Foreign currency risk: The Group may be exposed to foreign currency risk as a result of foreign-denominated cash exposures and accruals.

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

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

Risk Identification and Measurement

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

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

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

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

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

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

NOTES TO THE CONSOLIDATED AND SEPARATE FINANCIAL STATEMENTS**Financial Risk Management**

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

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

Interest rate sensitivity analysis as at 30 September, 2022

Group	Value as at 2022	1% higher	1% lower
	N'000	N'000	N'000
Financial asset FVTOCI	-	-	-
	-	-	-

Interest rate sensitivity analysis as at 31 December, 2021

Group	Value as at 2021	1% higher	1% lower
	N'000	N'000	N'000
Financial asset FVTOCI	730,435	737,739	723,130
	730,435	737,739	723,130

Foreign currency risk exposure may arise as a result of foreign-denominated cash exposures, foreign-denominated accruals, and foreign-denominated debt. The finance/treasury function maintains oversight of aggregate foreign currency risk exposure, taking into account naturally offsetting risk positions and managing the Group's residual risk. In general, the Group's policy is not to ordinarily hold significant open FX exposures on the balance sheet. The risk management function conducts foreign currency sensitivity tests to monitor potential impact from rate movements in the FX markets. The table below shows the impact on the Group's and Company's profit before tax if foreign exchange rates on financial instruments held at amortised cost or at fair value had increased by 5 percent (5%), with all other variables held constant.

Foreign currency sensitivity analysis

	Group		Company	
	30 September 2022	31 December 2022	30 September 2022	31 December 2021
	=N=' 000	=N=' 000	=N=' 000	=N=' 000
Assets	852,014	689,890	758,687	614,322
Liabilities	699,484	566,384	699,484	566,384
Impact on profit	152,530	123,506	59,203	47,938

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

3.7 Equity risk

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

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

	Group		Company	
	30 September 2022	31 December 2021	30 September 2022	31 December 2021
	=N=' 000	=N=' 000	=N=' 000	=N=' 000
Investment securities at FVTPL	1,925,230	1,927,885	833,021	835,676
Investment securities at FVOCI	12,688,332	12,665,456	1,255,808	1,232,932
Impact on Profit for the period				
Favourable change @ 5% increase in prices	96,261	96,394	41,651	41,784
Unfavourable change @ 5% reduction in prices	(96,261)	(96,394)	(41,651)	(41,784)
Impact on Other Comprehensive Income				
Favourable change @ 5% increase in prices	634,417	633,273	62,790	61,647
Unfavourable change @ 5% reduction in prices	(634,417)	(633,273)	(62,790)	(61,647)

NOTES TO THE CONSOLIDATED AND SEPARATE FINANCIAL STATEMENTS
Financial Risk Management**Risk Monitoring and Control**

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

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

3.7.1 Fair value estimation**a) Financial instruments measured at fair value**

IFRS 7 requires disclosures for all financial instruments measured at fair value.

The table below analyses financial instruments carried at fair value, by valuation method.

The different levels have been defined as follows:

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

Group 2022	Level 1	Level 2	Level 3	Total
Financial assets measured at fair value	N'000	N'000	N'000	N'000
Bonds	-	-	-	-
Equity- quoted	6,948,619	-	-	6,948,619
Equity- unquoted	-	15,933,608	-	15,933,608
Mutual funds	115,354,190	(6,945,166)	-	108,409,024
	122,302,810	8,988,442	-	131,291,252

Company 2022	Level 1	Level 2	Level 3	Total
Financial assets measured at fair value	N'000	N'000	N'000	N'000
Equity- quoted	1,255,808	-	-	1,255,808
Equity- unquoted	-	833,020	-	833,020
	1,255,808	833,020	-	2,088,828

Group 2021	Level 1	Level 2	Level 3	Total
Financial assets measured at fair value	N'000	N'000	N'000	N'000
Treasury bills	-	-	-	-
Bonds	730,435	-	-	730,435
Equity- quoted	6,565,673	-	-	6,565,673
Equity- unquoted	-	43,578,007	-	43,578,007
Mutual funds	138,943,490	6,369,085	-	145,312,575
	146,239,597	49,947,092	-	196,186,690

Company 2021	Level 1	Level 2	Level 3	Total
Financial assets measured at fair value	N'000	N'000	N'000	N'000
Equity- unquoted	1,255,808	-	-	1,255,808
Mutual funds	-	835,676	-	835,676
	1,255,808	835,676	-	2,091,484

Financial instruments in level 1

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

Financial instruments in level 2

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

Specific valuation techniques used to value financial instruments include:

- a) Quoted market prices or dealer quotes for similar instruments;
- b) The fair value of forward foreign exchange contracts is determined using forward exchange rates at the balance sheet date, with the resulting value discounted back to present value;
- c) Other techniques, such as discounted cash flow analysis, sales prices of comparable properties in close proximity, are used to determine fair value for the remaining financial instrument.

NOTES TO THE CONSOLIDATED AND SEPARATE FINANCIAL STATEMENTS**Financial Risk Management****Financial instruments in level 3**

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

Description of valuation methodology and inputs:

The steps involved in estimating the fair value of the company's unquoted equity investments are as follows:

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

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

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

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

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

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

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

There was no transfer of securities between levels in 2021 (2020: nil).

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

30 September 2022

Description	Fair value at 30 Sept. 2022	Valuation technique	Unobservable input	Reasonable possible shift +/- (absolute value)	Change in valuation +/- N'000
AFC ('USD - million)	8.385	DDM	-Discounted factor -Cashflow estimate	1%	85

31 December 2021

Description	Fair value at 31 Dec. 2021	Valuation technique	Unobservable input	Weighted average input	Reasonable possible shift +/- (absolute value)	Change in valuation +/- N'000
AFC ('USD - million)	8.385	DDM	-Discounted factor -Cashflow estimate		1%	85

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

The valuation of FSDH unquoted equity was based on the recent sales price of the shares. A 5% increase/(decrease) in the share price of the equities at the reporting date would have increased/(decreased) the profit before tax by N128million

NOTES TO THE CONSOLIDATED AND SEPARATE FINANCIAL STATEMENTS
Financial Risk Management**(b) Financial instruments not measured at fair value**
Group

	At 30 Sept 2022		At 31 December 2021	
	Carrying value N'000	Fair value N'000	Carrying value N'000	Fair value N'000
Financial assets				
Cash and bank	228,728,954	228,728,954	53,661,848	53,661,848
Investment securities at amortised cost	196,864,882	195,076,729	170,841,093	169,052,940
Trade and other receivables*	35,369,269	35,369,269	28,949,536	28,949,536
	460,963,106	459,174,953	253,452,477	251,664,324
Financial liabilities				
Trade and other payables*	37,498,046	37,498,046	30,919,246	30,919,246
Managed funds*	423,922,909	423,922,909	327,249,024	327,249,024
Borrowings	85,357,174	85,357,174	79,691,116	79,691,116
	546,778,129	546,778,129	437,859,386	437,859,386

Company

	At 30 Sept 2022		At 31 December 2021	
	Carrying value N'000	Fair value N'000	Carrying value N'000	Fair value N'000
Financial assets				
Cash and cash equivalents	53,890,183	53,890,183	6,951,413	6,951,413
Investment securities at amortised cost	42,731,848	40,943,695	55,049,661	53,261,508
Trade and other receivables	33,271,710	31,748,102	28,365,991	28,386,513
	129,893,740	126,581,980	90,367,065	88,599,434
Financial liabilities				
Trade and other payables	33,271,710	33,271,710	29,889,598	29,889,598
Borrowings	81,104,347	81,104,347	83,717,908	83,379,292
	114,376,057	114,376,057	113,607,506	113,268,890

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

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

NOTES TO THE CONSOLIDATED AND SEPARATE FINANCIAL STATEMENTS

	Group		Company	
	30 September 2022 =N=' 000	30 September 2021 =N=' 000	30 September 2022 =N=' 000	30 September 2021 =N=' 000
4 Net investment income				
Interest from placements and bonds	4,040,387	673,594	3,688,599	524,873
Income from loans	706,396	188,701	-	188,701
Dividend income from securities investments	891,094	1,138,413	73,265	55,089
Profit on disposal of investment	117,538	75,338	-	-
Income from managed Funds	25,985,533	4,215,060	249,251	600,558
	<u>31,740,949</u>	<u>6,291,105</u>	<u>4,011,115</u>	<u>1,369,222</u>
Interest expense on managed funds and other borrowings	(25,129,456)	-	(3,654,395)	-
	<u>6,611,493</u>	<u>6,291,105</u>	<u>356,720</u>	<u>1,369,222</u>
Investment income from items measured at amortised cost	5,944,178	5,330,809	323,774	1,150,826
Investment income from items carried at fair value through OCI	667,315	960,296	32,946	218,396
	<u>6,611,493</u>	<u>6,291,105</u>	<u>356,720</u>	<u>1,369,222</u>
5 Fees and commssion income				
Financial advisory fees	1,861,566	862,442	1,861,566	862,442
Other fees and commissions	4,407,032	3,908,186	-	-
	<u>6,268,598</u>	<u>4,770,627</u>	<u>1,861,566</u>	<u>862,442</u>
Fees recognised at point in time	3,117,082	1,687,734	1,861,566	862,442
Fees recognised over time	3,151,516	3,082,893	-	-
	<u>6,268,598</u>	<u>4,770,627</u>	<u>1,861,566</u>	<u>862,442</u>
Other fees and commission income include management fees of N740m (2021: N668m) from mutual fund which are recognised at point in time, fees and transaction sign-on fees which are recognised at point in time the mandate is consummated. Management fee accrues monthly as a percentage of the net asset value (NAV) at each point in time.				
6 Net Trading Income.				
Net trading income includes gains and losses arising both on the purchase and sale of financial instruments at FVTPL	<u>611,916</u>	<u>15,553</u>	<u>136,161</u>	<u>12,639</u>
7 Other income				
Exchange gains/(loss)	708,288	-	114	-
Interest on staff loans	1,357	(0)	-	-
Gain on Disposal of PPE	34	1,139	34	-
Other income	418,630	246,458	7,575	1,697
	<u>1,128,309</u>	<u>247,597</u>	<u>7,723</u>	<u>1,697</u>
Other income includes income from trade (N24.2m) realised by the Wealth Management business.				
8 Net loss from financial assets at fair valued through profit or loss				
Net gain/(loss) on equity instruments at FVTPL	(74,062)	4,402	(2,656)	4,402
	<u>(74,062)</u>	<u>4,402</u>	<u>(2,656)</u>	<u>4,402</u>
9 Personnel expenses				
Staff cost	1,707,205	1,296,732	399,641	461,542
Contributions to defined contribution plans	36,425	10,263	15,925	1,988
	<u>1,743,631</u>	<u>1,306,994</u>	<u>415,565</u>	<u>463,530</u>

NOTES TO THE CONSOLIDATED AND SEPARATE FINANCIAL STATEMENTS

	Group		Company	
	30 September 2022 =N=' 000	30 September 2021 =N=' 000	30 September 2022 =N=' 000	30 September 2021 =N=' 000
10 Other operating expenses				
Premises and equipment costs	54,169	59,823	1,770	445
Auditors remuneration	41,670	26,529	8,869	8,023
Professional fees	425,561	198,274	142,247	149,345
Travel and accommodation	20,075	5,785	10,711	1,870
Rent and rates (See note a)	48,668	48,018	15,638	15,638
AGM/Dividend processing expenses	31,312	541,906	31,312	-
Donations	224,668	8,800	46,999	-
Subscription	9,921	9,961	9,264	7,581
Insurance	13,516	15,125	3,001	5,655
Statutory expenses	8,845	2,321	-	-
General administrative expenses	1,644,936	941,426	242,521	214,246
Advertisement and branding	9,597	189,424	604	1,628
Share register fee	-	-	-	-
Directors fees and other allowances	38,860	2,960	35,649	-
Printing and stationeries	3,944	1,410	1,972	609
Office running expenses	119,151	65,596	-	-
Business entertainment	12,371	2,934	11,097	1,702
Fines and penalties	1,451	3,000	1,451	-
Business development	4,719	-	4,241	-
IT license and maintenance fee	53,265	545	225	545
Loss on disposal of assets	51	-	-	-
Training and conference	5,779	12,523	5,268	714
	2,772,528	2,136,359	572,841	408,003
During the period, there were no non-audit fees paid to the Auditors.				
a This represent payment for short tem and low value leases				
11 Depreciation & amortisation				
11.1 Depreciation of property and equipments (note 23)	144,453	164,211	121,226	133,201
11.2 Amortisation				
Amortisation of intangible assets (note 20)	26,222	12,999	23,062	11,484
Amortisation of right of use assets (note 19)	53,011	53,011	53,011	53,011
	79,232	66,009	76,073	64,494
12 Impairment charge/(writeback) for credit losses				
Loss allowance on cash and cash equivalents (note 15a)	-	-	-	-
write back on financial assets at amortised cost (note 16.1a)	(17,590)	-	-	-
Loss allowance on financial assets at amortised cost (note 16.1a)	1,017,480	538,362	272,210	42,560
Loss allowance on trade receivables (note 17.1)	1	25,251	(0)	25,150
	999,890	563,613	272,209	67,710
13 Income tax expense				
Recognised in the profit or loss				
Income tax	1,144,848	915,566	117,208	144,750
Education tax	176,130	140,856	18,032	22,269
Information technology tax	88,066	70,428	9,016	11,135
	1,409,044	1,126,851	144,256	178,154
Deferred tax	-	-	-	-
	1,409,044	1,126,851	144,256	178,154
13.1 Proof of Tax				
The income tax expense for the period can be reconciled to the accounting profit as follows:				
Profit before tax from continuing operations	8,806,521	7,092,097	901,599	1,113,464
Income tax expense calculated at 30% of PBT	2,641,956	2,112,845	270,480	334,039
Effect of Income that is exempt from taxation	-	(566,975)	-	(112,162)
Effect of expenses that are not deductible in determining taxable profit	(424,391)	(94,034)	(114,899)	(16,902)
Effect of Concessions (research and development and other allowances)	-	-	-	-
Effect of tax adjustment	(395,836)	63,880	36,064	29,281
Adjustment recognised due to difference in tax rates	971	(1,320)	971	59
Education tax at 2.5% of assessable profits	220,163	140,856	22,540	22,269
	2,042,865	1,655,253	215,156	256,585
Adjustment recognised in the current period relating to the deferred tax of prior periods	-	-	-	-
	2,042,865	1,655,253	215,157	256,585
Recognised in other comprehensive income				
deferred tax recognised in other comprehensive income	3,620	7,043	1,783	(13)
	3,620	7,043	1,783	(13)

NOTES TO THE CONSOLIDATED AND SEPARATE FINANCIAL STATEMENTS

	Group		Company	
	30 September 2022 =N=' 000	30 September 2021 =N=' 000	30 September 2022 =N=' 000	30 September 2021 =N=' 000
14 Earnings per share				
Basic earnings per share				
Basic earnings attributable to shareholders (N'000)	7,715,263	5,965,246	757,343	935,310
Weighted number of ordinary shares in issue for basic ('000)	6,000,000	6,000,000	6,000,000	6,000,000
Weighted number of ordinary shares in issue on conversion of dilutive shares ('000)	6,000,000	6,000,000	6,000,000	6,000,000
Basic earnings per share (kobo)	171	133	17	21
Diluted earnings per share (kobo)	171	133	17	21

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

	Group		Company	
	30 September 2022 =N=' 000	31 December 2021 =N=' 000	30 September 2022 =N=' 000	31 December 2021 =N=' 000
15 Cash and cash equivalents				
Cash and balances with banks	24,491,586	1,940,710	13,720,480	85,372
Money market placements	204,237,368	51,721,138	40,169,703	6,866,041
	228,728,954	53,661,848	53,890,183	6,951,413
Impairment charge	-	-	-	-
	228,728,954	53,661,848	53,890,183	6,951,413
Current	228,728,954	53,661,848	53,890,183	6,951,413
Non-Current	-	-	-	-
	228,728,954	53,661,848	53,890,183	6,951,413

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

All bank balances and money market placements are assessed as stage 1 credit risk at each reporting date as they are held with reputable financial institutions and in most cases secured by way of Government securities. The identified ECL on cash and cash equivalent for the Company is considered immaterial and has not been recognised

	Group		Company	
	30 September 2022 =N=' 000	31 December 2021 =N=' 000	30 September 2022 =N=' 000	31 December 2021 =N=' 000
15b Cash and cash equivalent for cashflow purposes				
Cash and cash equivalent	228,728,954	53,661,848	53,890,183	6,951,413
Bank overdraft	-	(46,461)	-	(3,561)
Closing Balance	228,728,954	53,615,387	53,890,183	6,947,852
16 Investment securities				
Financial assets measured at amortised cost - (note 16.1)	194,065,701	169,041,801	41,741,980	54,332,003
Financial assets at Fair value through other comprehensive income - (note 16.2)	19,876,668	18,129,425	5,378,613	3,432,217
Financial assets at Fair value through profit or loss - (note 16.3)	110,138,154	176,476,026	833,020	835,676
	324,080,523	363,647,252	47,953,613	58,599,896
Current	61,104,023	48,996,009	7,556,867	18,669,650
Non-Current	262,976,500	314,651,243	40,396,746	39,930,246
	324,080,523	363,647,252	47,953,614	58,599,896

16.1 Financial assets measured at amortised cost				
Investment in long term placement	83,421,325	85,236,778	-	11,461,200
Loans to customer	32,521,289	28,750,296	27,837,640	27,837,640
Treasury bills	10,598,977	8,842,628	-	-
Federal government bonds	15,256,775	8,057,445	-	-
State government bonds	22,583,228	24,802,577	11,716,164	12,572,777
Corporate bonds	32,483,288	15,151,370	3,178,044	3,178,044
	196,864,882	170,841,093	42,731,848	55,049,661
Loss allowance on financial assets at amortised costs (note 16.1a)	(2,799,181)	(1,799,292)	(989,868)	(717,658)
	194,065,701	169,041,801	41,741,980	54,332,003
16.1a Loss allowance on financial assets at amortised costs				
At 1 January	1,799,291	1,725,216	717,658	717,658
Charge during the period:				
(Writeback)/allowance on loan to customers	(17,590)	-	-	-
Loss allowance on other financial assets	1,017,480	74,077	272,210	0
	2,799,181	1,799,293	989,868	717,658

FGN bonds measured at amortised cost are assessed to have low credit risk at each reporting date based on their respective external credit ratings. As such, the Group assumes that the credit risk on these financial instruments have not increased significantly since initial recognition as permitted by IFRS 9 and recognises 12 month ECL for these assets. There was additional impairment of N1.007b on financial assets and a writeback of N1.7m on loans to customers during the period under review.

NOTES TO THE CONSOLIDATED AND SEPARATE FINANCIAL STATEMENTS

	Group		Company	
	30 September 2022 =N=' 000	31 December 2021 =N=' 000	30 September 2022 =N=' 000	31 December 2021 =N=' 000
16.2 Financial assets measure at fair value through other comprehensive income (FVTOCI)				
Treasury bills	-	-	-	-
Bonds	-	730,435	-	-
Equity- quoted	4,764,214	4,770,259	1,255,808	1,255,808
Equity- unquoted	10,007,366	9,033,538	-	-
Mutual funds	6,544,040	5,392,549	3,812,601	2,042,707
	21,315,620	19,926,781	5,068,409	3,298,515
Fair value adjustments (16.2a)	(1,438,952)	(1,797,356)	310,204	133,702
	19,876,668	18,129,425	5,378,613	3,432,217
16.2a Changes in fair value reserve				
At 1 January	(1,797,356)	(888,393)	133,702	66,692
Arising during the period	358,404	(908,963)	176,502	67,010
At 31 December	(1,438,952)	(1,797,356)	310,204	133,702
16.3 Financial asset measured at fair Value Through Profit or Loss (FVTPL)				
Quoted equity investment	2,184,405	1,856,784	742,027	742,027
Mutua Funds	101,864,985	139,920,025	-	-
Equity- Unquoted	5,926,242	34,483,099	-	-
	109,975,632	176,259,908	742,027	742,027
Fair value adjustment (note 16.3a)	162,522	216,118	90,993	93,649
	110,138,154	176,476,026	833,020	835,676
16.3a Changes in fair value reserve				
At 1 January	(216,118)	10,800	(93,649)	10,800
Arising during the period	53,596	(226,918)	2,656	(104,449)
At 31 December	(162,522)	(216,118)	(90,993)	(93,649)
	Group		Company	
	30 September 2022 =N=' 000	31 December 2021 =N=' 000	30 September 2022 =N=' 000	31 December 2021 =N=' 000
17 Trade receivables & other receivables				
Trade debtors	697,328	934,451	461,085	161,471
Prepayments	1,775,370	214,115	446,892	143,609
Accrued income	1,869,767	1,829,620	705,516	679,971
Other receivables	6,400,512	1,345,057	4,854,092	2,238,207
WHT Receivable	2,128,777	1,969,710	1,661,393	1,523,608
Deposit for investment	25,715,827	25,715,827	25,715,827	25,715,827
	38,587,581	32,008,780	33,844,805	30,462,693
Loss allowance on trade receivables (note 17.1)	(1,089,535)	(1,089,534)	(573,095)	(573,095)
	37,498,046	30,919,246	33,271,710	29,889,598
17.1 Loss allowance on trade receivables				
At 1 January	1,089,534	1,315,688	573,095	787,255
Provision no longer required	-	(374,366)	-	(374,366)
Arising during the period	1	148,212	(0)	160,207
At 31 December	1,089,535	1,089,534	573,095	573,095
Current	9,653,442	3,223,709	6,467,585	3,223,257
Non-Current	27,844,603	27,695,537	26,804,125	26,666,341
	37,498,046	30,919,246	33,271,710	29,889,598
The Group applies the simplified approach and recognises lifetime ECL for trade receivables using a provision matrix. The provision matrix is based on the historical observed default rates, adjusted for forward looking estimates. At each reporting date, the historical observed default rates are updated. More information on ECL is disclosed in note 2.11b				
18 Dividend receivable from Subsidiaries				
At 1 January	-	-	4,828,500	3,670,000
Arising during the year	-	-	-	4,828,500
Receipt during the year	-	-	(4,828,500)	(3,670,000)
	-	-	-	4,828,500
Current	-	-	-	4,828,500
Non-Current	-	-	-	-
	-	-	-	4,828,500

NOTES TO THE CONSOLIDATED AND SEPARATE FINANCIAL STATEMENTS

19	Right of use assets	Group =N=' 000	Company =N=' 000
	Cost		
	At 1 January 2022	354,375	354,375
	Addition	-	-
	As at 30 September 2022	<u>354,375</u>	<u>354,375</u>
	Depreciation		
	At 1 January 2022	141,556	141,556
	Charge for the period	53,011	53,011
	Disposal	-	-
	As at 30 September 2022	<u>194,566</u>	<u>194,566</u>
	Carrying amounts		
	As at 30 September 2022	<u>159,809</u>	<u>159,809</u>
	At 31 December 2020	<u>212,819</u>	<u>212,819</u>
19.1	Right of use assets	Group =N=' 000	Company =N=' 000
	Cost		
	At 1 January 2021	354,375	354,375
	Addition	-	-
	At 31 December 2021	<u>354,375</u>	<u>354,375</u>
	Depreciation		
	At 1 January 2021	70,561	70,561
	Charge for the period	70,995	70,995
	At 31 December 2021	<u>141,556</u>	<u>141,556</u>
	Carrying amounts		
	At 31 December 2021	<u>212,819</u>	<u>212,819</u>
	At 1 January 2021	<u>283,814</u>	<u>283,814</u>

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

NOTES TO THE CONSOLIDATED AND SEPARATE FINANCIAL STATEMENTS

20	Intangible assets	Group =N=' 000	Company =N=' 000
	Cost		
	At 1 January 2022	177,268	154,869
	Addition	<u>104,870</u>	<u>101,645</u>
	As at 30 September 2022	<u>282,138</u>	<u>256,514</u>
	Amortisation		
	At 1 January 2022	98,672	86,717
	Charge for the period	<u>26,222</u>	<u>23,062</u>
	As at 30 September 2022	<u>124,894</u>	<u>109,780</u>
	Carrying amounts		
	As at 30 September 2022	<u>157,244</u>	<u>146,734</u>
	At 31 December 2021	<u><u>78,595</u></u>	<u><u>68,151</u></u>
20.1	Intangible assets	Group =N=' 000	Company =N=' 000
	Cost		
	At 1 January 2021	119,692	109,593
	Addition	<u>57,576</u>	<u>45,276</u>
	At 31 December 2021	<u>177,268</u>	<u>154,869</u>
	Amortisation		
	At 1 January 2021	77,677	70,561
	Charge for the period	<u>20,996</u>	<u>16,157</u>
	At 31 December 2021	<u>98,673</u>	<u>86,717</u>
	Carrying amounts		
	At 31 December 2021	<u><u>78,595</u></u>	<u><u>68,151</u></u>
	At 31 December 2020	<u><u>42,015</u></u>	<u><u>39,032</u></u>

NOTES TO THE CONSOLIDATED AND SEPARATE FINANCIAL STATEMENTS

21 Investment in subsidiaries

	Date of Investment	Holding	Value	Country
United Capital Securities Limited	2006	100%	100,000	Nigeria
United Capital Assets Management Limited	2013	100%	500,000	Nigeria
United Capital Trustees Limited	2013	100%	300,000	Nigeria
UC Plus Advance Limited	2019	100%	1,000	Nigeria
United Capital Management Limited	2020	100%	1,000	Ghana
			<u>901,000</u>	

21.1 Other information on subsidiaries

- (i) United Capital Securities Limited is a dealing member of the Nigerian Stock Exchange (NSE) and registered by the Securities & Exchange Commission (SEC) as a Broker/Dealer. It is also a registered dealing member of NASD OTC Plc and FMDQ OTC Plc. This enables the Company to deal in over-the-counter Equity and Fixed Income Securities. The Company provides services such as securities dealing, receiving agents to new issues, stockbrokers to primary issues, designated adviser to SME's and equity portfolio management services.
- (ii) United Capital Assets Management Limited is registered and licensed by the Securities and Exchange Commission of Nigeria (SEC) to act as investment advisers, funds and portfolio managers.
- (iii) United Capital Trustees Limited is a leading provider of Trust services such as debenture trust, bond trusteeship to corporate and sub-sovereign issuers of public debt instruments and trustees to collective investment schemes.
- (iv) UC Plus Advance Limited is a consumer lending company established by United Capital Plc with the sole objective of enhancing financial inclusion and providing pay day loans to working class individuals and SMEs. UC Plus Advance Limited was licensed by the Lagos State Government in 2019 but and commence operations in 2020.

21.2 Non-controlling interest of subsidiaries

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

21.3 Significant restrictions

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

22 Investment in Associates

	Date of Investment	Holding	Country	30 September 2022 =N=' 000	31 December 2021 =N=' 000
Heirs Insurance Limited	2020	25%	Nigeria	2,500,000	2,500,000
Heirs Life Assurance Limited	2020	25%	Nigeria	2,000,000	2,000,000
				<u>4,500,000</u>	<u>4,500,000</u>

22.1 Other information on Associates

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

NOTES TO THE CONSOLIDATED AND SEPARATE FINANCIAL STATEMENTS

22 Investment in associates	Group		Company	
	30 September 2022	31 December 2021	30 September 2022	31 December 2021
	N' 000	N' 000	N' 000	N' 000
Heirs Insurance Limited	2,482,389	2,358,404	2,500,000	2,500,000
Heirs Life Assurance Limited	2,128,982	1,935,183	2,000,000	2,000,000
	<u>4,611,371</u>	<u>4,293,587</u>	<u>4,500,000</u>	<u>4,500,000</u>

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

This represents holding in the ordinary share capital of Heirs Insurance Limited and Heirs Life Assurance Limited respectively, companies incorporated and operating in Nigeria (2020: 25%). The holding became an associate at commencement of the investee businesses in 2020.

(b) Summarised financial information for associates

Below are the summarised financial information for investment in associates accounted for using the equity method.

(i) Summarised balance sheet

	Heirs Insurance Limited	Heirs Life Assurance Limited	Heirs Insurance Limited	Heirs Life Assurance Limited
	30 September 2022	30 September 2022	31 December 2021	31 December 2021
	N' 000	N' 000	N' 000	N' 000
Assets				
Cash and Cash Equivalents	603,921	398,574	4,522,006	833,368
Financial Assets	8,829,902	13,339,782	3,212,322	6,937,773
Receivables and prepayments	1,423,086	388,635	1,605,258	388,368
Right-of-use asset	642,653	705,016	662,710	385,471
Property and equipment	286,444	238,062	205,904	154,631
Intangible asset	220,213	286,847	213,890	201,130
Statutory deposit	1,000,000	800,000	1,000,000	800,000
Total assets	<u>13,006,219</u>	<u>16,156,917</u>	<u>11,422,090</u>	<u>9,700,742</u>
Liabilities				
Financial liabilities	422,210	194,831	1,312,067	224,973
Other liabilities	2,816,240	7,283,287	700,427	1,735,039
Total liabilities	<u>3,238,450</u>	<u>7,478,118</u>	<u>2,012,494</u>	<u>1,960,012</u>
Total equity	<u>9,767,769</u>	<u>8,678,799</u>	<u>9,409,596</u>	<u>7,740,730</u>

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

	Heirs Insurance Limited	Heirs Life Assurance Limited	Heirs Insurance Limited	Heirs Life Assurance Limited
	30 September 2022	30 September 2022	31 December 2021	31 December 2021
	N' 000	N' 000	N' 000	N' 000
Underwriting profit/(loss)	1,077,614	1,951,167	-	647,899
Investment income	688,396	504,124	1,222,084	662,866
	<u>1,766,010</u>	<u>2,455,291</u>	<u>1,127,659</u>	<u>1,310,765</u>
Operating expense	(1,153,739)	(1,498,255)	(1,692,673)	(1,569,408)
Profit before tax	<u>612,271</u>	<u>957,036</u>	<u>(565,014)</u>	<u>(258,643)</u>
Income tax	(116,332)	(181,837)	(1,370)	(627)
Profit after tax	<u>495,940</u>	<u>775,199</u>	<u>(566,384)</u>	<u>(259,270)</u>
Other comprehensive income				
Total comprehensive income	<u>495,940</u>	<u>775,199</u>	<u>-</u>	<u>259,270</u>

(c) Movement in investment in associate Group

	30 September 2022	31 December 2021
	N' 000	N' 000
Balance at 1 January 2022	4,293,587	4,500,000
Share of current period profit	317,786	(206,413)
Balance at end of period	<u>4,611,372</u>	<u>4,293,587</u>

NOTES TO THE CONSOLIDATED AND SEPARATE FINANCIAL STATEMENTS

23 (i) Property and equipment Group	Leasehold Improvements =N=' 000	Furniture, fittings & equipment =N=' 000	Motor vehicles =N=' 000	Computer equipment =N=' 000	Total =N=' 000
Cost					
At 1 January 2022	258,059	175,461	692,035	263,104	1,388,658
Additions	-	3,578	59,000	30,735	93,314
Disposals	-	-	-	-	-
As at 30 September 2022	258,059	179,040	751,035	293,839	1,481,972
Depreciation					
At 1 January 2022	94,923	69,700	575,438	176,745	916,807
Charge for the year	40,708	14,956	65,658	23,130	144,453
Disposals	-	1,495	521	(193)	1,823
As at 30 September 2022	135,631	86,151	641,618	199,682	1,063,082
Carrying amounts					
As at 30 September 2022	122,427	92,888	109,417	94,157	418,889
At 31 December 2021	163,135	105,761	116,596	86,359	471,852

Property and equipment Company	Leasehold Improvements	Furniture, fittings & equipment	Motor vehicles	Computer equipment	Total
Cost					
At 1 January 2022	258,059	133,869	446,837	182,064	1,020,828
Addition	-	3,578	51,000	28,413	82,991
Disposals	-	-	-	-	-
As at 30 September 2022	258,059	137,447	497,837	210,477	1,103,819
Depreciation					
At 1 January 2022	94,923	41,187	366,498	104,035	606,643
Charged for the year	40,708	11,734	48,146	20,637	121,226
Disposals	-	-	-	(299)	(299)
As at 30 September 2022	135,631	52,921	414,644	124,373	727,570
Carrying amounts					
As at 30 September 2022	122,427	84,525	83,193	86,104	376,249
At 31 December 2021	163,135	92,681	80,339	78,029	414,185

All PPE items are non-current

NOTES TO THE CONSOLIDATED AND SEPARATE FINANCIAL STATEMENTS

23.1 (i) Property and equipment Group	Leasehold Improvements =N=' 000	Furniture, fittings & Equipment =N=' 000	Motor vehicles =N=' 000	Computer Equipment =N=' 000	Total =N=' 000
Cost					
At 1 January 2021	258,059	122,012	684,035	214,340	1,278,445
Additions	-	53,449	8,000	49,000	110,449
Disposals	-	-	-	(236)	(236)
At 31 December 2021	<u>258,059</u>	<u>175,461</u>	<u>692,035</u>	<u>263,104</u>	<u>1,388,658</u>
Depreciation					
At 1 January 2021	40,645	41,254	477,619	153,103	712,621
Charge for the year	54,278	28,446	97,820	23,864	204,408
Disposals	-	-	-	(223)	(223)
At 31 December 2021	<u>94,923</u>	<u>69,700</u>	<u>575,438</u>	<u>176,745</u>	<u>916,806</u>
Carrying amounts					
At 31 December 2021	<u>163,135</u>	<u>105,760</u>	<u>116,596</u>	<u>86,360</u>	<u>471,852</u>
At 31 December 2020	<u>217,413</u>	<u>80,758</u>	<u>206,416</u>	<u>61,237</u>	<u>565,823</u>
(ii) Company	Leasehold Improvements =N=' 000	Furniture, fittings & Equipment =N=' 000	Motor vehicles =N=' 000	Computer Equipment =N=' 000	Total =N=' 000
Cost					
At 1 January 2021	258,059	80,841	446,837	137,074	922,810
Additions	-	53,028	-	45,226	98,254
Disposals	-	-	-	(236)	(236)
At 31 December 2021	<u>258,059</u>	<u>133,869</u>	<u>446,837</u>	<u>182,064</u>	<u>1,020,828</u>
Depreciation					
At 1 January 2021	40,645	16,314	293,943	84,450	435,353
Charge for the year	54,278	24,874	72,555	19,807	171,513
Disposals	-	-	-	(223)	(223)
At 31 December 2021	<u>94,923</u>	<u>41,187</u>	<u>366,498</u>	<u>104,035</u>	<u>606,643</u>
Carrying amounts					
At 31 December 2021	<u>163,135</u>	<u>92,681</u>	<u>80,339</u>	<u>78,029</u>	<u>414,185</u>
At 31 December 2020	<u>217,413</u>	<u>64,527</u>	<u>152,894</u>	<u>52,624</u>	<u>487,457</u>

NOTES TO THE CONSOLIDATED AND SEPARATE FINANCIAL STATEMENTS

	Group		Company	
	30 September 2022 =N=' 000	31 December 2021 =N=' 000	30 September 2022 =N=' 000	31 December 2021 =N=' 000
24 Deferred tax - (Asset)				
Deferred tax assets:				
– Deferred tax asset to be recovered after more than 12 months	312,755	314,735	-	-
Charge for the period	-	(1,981)	-	-
	<u>312,755</u>	<u>312,755</u>	<u>-</u>	<u>-</u>
The break down of deferred tax assets are as follows:				
Property and equipment	26,943	26,943	-	-
Exchange difference	-	-	-	-
Losses	187,557	187,557	-	-
Provisions	98,255	98,255	-	-
	<u>312,755</u>	<u>312,755</u>	<u>-</u>	<u>-</u>
Deferred tax liabilities:				
– Deferred tax liability to be recovered after more than 12 months (Writeback)/Charge for the period	82,500	126,974	82,500	113,701
	-	(44,474)	-	(31,201)
Total	<u>82,500</u>	<u>82,500</u>	<u>82,500</u>	<u>82,500</u>
The break down of deferred tax liabilities are as follows:				
Property and equipment	753	753	753	753
Exchange difference	174,489	174,489	174,489	174,489
Losses	(92,742)	(92,742)	(92,742)	(92,742)
FVTOCI	-	-	-	-
	<u>82,500</u>	<u>82,500</u>	<u>82,500</u>	<u>82,500</u>
Parent - Deferred tax liabilities				
	1 January 2022	Recognised	Recognised	30 September 2022
	N'000	in P&L	in OCI	N'000
		N'000	N'000	
Property and equipment	753	-	-	753
Exchange difference	174,489	-	-	174,489
Losses	(92,742)	-	-	(92,742)
FVTOCI	-	-	-	-
	<u>82,500</u>	<u>-</u>	<u>-</u>	<u>82,500</u>
Group - Deferred tax liabilities				
	1 January 2022	Recognised	Recognised	30 September 2022
	N'000	in P&L	in OCI	N'000
		N'000	N'000	
Property and equipment	97,299	-	-	97,299
Exchange difference	71,868	-	-	71,868
Losses	(39,083)	-	-	(39,083)
FVTOCI	(3,110)	-	-	(3,110)
	<u>126,974</u>	<u>-</u>	<u>-</u>	<u>126,974</u>
Group - Deferred tax asset				
	1 January 2022	Recognised	Recognised	30 September 2022
	N'000	in P&L	in OCI	N'000
		N'000	N'000	
Property and equipment	26,943	-	-	26,943
Exchange difference	-	-	-	-
Losses	187,557	-	-	187,557
Provisions	98,255	-	-	98,255
	<u>312,755</u>	<u>-</u>	<u>-</u>	<u>312,755</u>

NOTES TO THE CONSOLIDATED AND SEPARATE FINANCIAL STATEMENTS

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

The Group has not recognised deferred tax assets of about N3.6b arising from tax losses during the period under review as it considers the probability of recovering these losses to be low. This is because the tax exempt status of income realised on Nigerian government securities is one of the major drivers for the negative taxable profit within the Group, which is the largest contributor to the deferred tax asset, through tax losses, in the Group. The uncertainty surrounding the extension or termination of the tax exempt status at the end of 2021 has made management conclude that not all tax losses carried forward should be recorded as deferred tax assets.

	Group		Company	
	30 September 2022	31 December 2021	30 September 2022	31 December 2021
	=N=' 000	=N=' 000	=N=' 000	=N=' 000
25 Managed Funds				
Short term investments	255,651,739	204,940,905	-	-
Ucap Investments	69,599,353	65,092,136	-	-
Trust funds	77,019,444	34,772,369	-	-
Sinking Funds	20,286,754	19,943,655	-	-
Payable on trust accounts	1,365,619	2,499,959	-	-
	423,922,909	327,249,024	-	-
Current	267,168,029	239,494,144	-	-
Non-Current	156,754,879	87,754,880	-	-
	423,922,908	327,249,024	-	-

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

26 Borrowed funds				
Borrowing from banks and other financial institutions	66,605,853	53,083,375	62,353,026	57,110,167
Issued debt - Bonds	18,751,321	7,617,351	18,751,321	7,617,351
Commercial Papers	-	18,990,389	-	18,990,389
	85,357,174	79,691,116	81,104,347	83,717,908
Current	-	19,088,930	-	19,088,930
Non-Current	85,357,174	60,602,186	81,104,347	64,628,978
	85,357,174	79,691,116	81,104,347	83,717,908

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

Issued debt (Bond) - In 2020, the company successfully issued its 1st bond of series 1, N10b out of its N30b bond issuance programme. The debt is an unsecured, amortising subordinated 5 year bond instrument. The Group has not had any defaulted in payment of principal and interest.

Commercial papers - In 2021, the Company issued several series of CPs. Series 5, 6 and 7 matured in H1 2022 and was paid down during the period under review. The Company currently carries in its books Series 8 and 9 CP with a face value of N13.53b which was issued in 2022 with different maturity profiles.

NOTES TO THE CONSOLIDATED AND SEPARATE FINANCIAL STATEMENTS

	Group		Company	
	30 September 2022 =N=' 000	31 December 2021 =N=' 000	30 September 2022 =N=' 000	31 December 2021 =N=' 000
27 Other liabilities				
Bank overdraft	-	46,461	-	3,561
Creditors and accruals	831,651	1,472,846	562,225	768,089
Customers deposit	1,135,345	7,403,221	-	-
Other current liabilities	52,340,330	5,302,782	50,047,779	4,368,339
Dividend payable	-	-	-	-
	54,307,326	14,225,310	50,610,004	5,139,989
Current	54,307,326	14,225,310	50,610,004	5,139,989
Non-Current	-	-	-	-
	54,307,326	14,225,310	50,610,004	5,139,989
28 Current tax liabilities				
At 1 January	1,803,211	1,864,099	649,566	1,012,778
Charge for the period	1,409,044	1,126,851	144,256	178,154
Tax paid	(535,033)	(1,187,740)	(100,819)	(541,367)
Closing Balance	2,677,222	1,803,211	693,003	649,566
The charge for income tax in these financial statements is based on the provisions of the Companies Income Tax Act as amended, while Education Tax is based on Education Tax Act. We also have tax charged on information technology levy and police trust fund based on Police trust fund Act.				
29 Share capital				
The share capital comprises:				
(i) Authorised - 6,000,000,000 Ordinary shares of N0.5 each	3,000,000	3,000,000	3,000,000	3,000,000
(ii) Issued and fully paid - 6,000,000 Ordinary shares of N0.5 each	3,000,000	3,000,000	3,000,000	3,000,000
30 Share Premium				
Share premium balance	683,611	683,611	683,611	683,611
31 Retained earnings				
At 1 January	28,660,538	21,601,800	12,958,286	10,434,895
Transfer from profit or loss account	7,715,263	11,258,738	757,343	6,723,391
Dividend paid during the period (2022: N1.50k, 2021: N0.70k)	(9,000,000)	(4,200,000)	(9,000,000)	(4,200,000)
	27,375,801	28,660,538	4,715,629	12,958,286
32 Fair Value Reserves				
At 1 January	(1,797,356)	(858,932)	133,702	71,177
Arising during the period:				
Fair valuation on items that will not be subsequently reclassified to profit or loss (note 32.1)	81,567	11,839	176,502	-
Fair valuation on items that will be subsequently reclassified to profit or loss (note 32.2)	276,837	(950,263)	-	62,525
	(1,438,951)	(1,797,356)	310,204	133,702
32.1 Fair valuation on items that will not be subsequently reclassified to profit or loss				
Net fair value (loss)/gain on investments in quoted equity instruments measured at FVTOCI	81,567	11,839	176,502	-
Net fair value gain/(loss) on investments in unquoted equity instruments measured at FVTOCI	-	-	-	-
	81,567	11,839	176,502	-
32.2 Fair valuation on items that may be subsequently reclassified to profit or loss				
Net fair value (loss)/gain on investments in other financial instruments measured at FVTOCI	276,837	(950,263)	-	62,525
	276,837	(950,263)	-	62,525

NOTES TO THE CONSOLIDATED AND SEPARATE FINANCIAL STATEMENTS

33 Related parties

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

33.1 Identity of related parties

	Relationship	%
United Capital Asset Management Limited	Subsidiary	100
United Capital Trustees Limited	Subsidiary	100
United Capital Securities Limited	Subsidiary	100
UC Plus Advance Limited	Subsidiary	100
United Capital Management Limited Ghana	Subsidiary	100
Heirs Insurance Limited	Associate	25
Heirs Life Assurance Limited	Associate	25

33.2 Key management personnel

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

	Group		Company	
	30 September 2022 =N='000	30 September 2021 =N='000	30 September 2022 =N='000	30 September 2021 =N='000
33.3 Other information on key management personnel				
Emoluments:				
Chairman	3,654	3,654	875	875
Other Directors	35,206	21,532	34,774	10,783
	38,860	21,359	35,649	597
Fees	5,250	4,750	5,250	4,750
Other emoluments	33,610	16,609	30,399	(4,153)
	38,860	21,359	35,649	597
The total number of Directors were:	10	9	10	9
33.4 The number of persons employed (excluding directors) in the company during the period was as follows:	103	94	11	10
33.5 The table below shows the number of employees of the company that earned over N1,000,000.00 in the period and which fell within the bands stated below:				
	30 September 2022	30 September 2021	30 September 2022	30 September 2021
N2,000,000 - N5,999,999	60	57	4	4
N6,000,000 - N7,999,999	15	12	2	2
N8,000,000 - N9,999,999	12	10	2	2
N10,000,000 and above	16	15	3	2
	103	94	11	10

33.6 Transactions with related companies

The following are the transactions and balances arising from dealings with subsidiaries of United Capital Group during the period.

	30 September 2022	31 December 2021
Placements		
United Capital Asset Management Limited	580,826	580,826
United Capital Trustees Ltd	1,541,966	1,541,966
UC Plus Advance Ltd	542,996	542,996
	2,665,788	2,665,788
Account receivables		
United Capital Asset Management Limited	1,348,735	1,348,735
United Capital Securities Limited	236,822	236,822
UC Plus Advance Limited	72,862	72,862
	1,658,419	1,658,419
Account payable		
United Capital Trustees Limited	113,799	113,799
United Capital Asset Management Limited	-	-
	113,799	113,799
Borrowings		
United Capital Asset Management Ltd	4,137,788	4,372,310
	4,137,788	4,372,310
Interest expense		
United Capital Trustees Limited	-	-
United Capital Asset Management Limited	65,741	262,966
	65,741	262,966
Interest income		
United Capital Asset Management Ltd	6,500	26,000
United Capital Trustees Ltd	10,314	41,254
UC Plus Advance Ltd	983	3,934
	17,797	71,188

34 Operating Segments

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

Geographical segments

The Group operates in the following geographical regions:

- Nigeria:** This comprise the Head office in Lagos and regional offices in all geo-political zones
- Ghana:** The Group operates in Ghana under the name United Capital Management Limited

Business segments

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

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

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

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

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

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

34.1 Summarised statement of consolidating segments	Investment banking	Asset Management	Ucap Investment Wealth Management	Trustees	Securities trading	Consumer finance	Eliminating items	Total
	N'000	N'000	N'000	N'000	N'000	N'000	N'000	N'000
Income statement								
Gross earnings	2,359,514	5,350,475	971,357	3,713,509	1,521,776	629,622	-	14,546,253
Personnel expense	(415,565)	(528,483)	(136,783)	(369,074)	(204,312)	(89,412)	-	(1,743,630)
Other operating expense	(770,140)	(922,441)	(109,620)	(701,339)	(330,929)	(161,744)	-	(2,996,214)
Impairment charge/(writeback)	(272,209)	16,961	(100,000)	(645,270)	630	-	-	(999,889)
Total expense	(1,457,915)	(1,433,964)	(346,403)	(1,715,683)	(534,612)	(251,155)	-	(5,739,734)
Operating profit before tax	901,599	3,916,511	624,954	1,997,826	987,164	378,467	-	8,806,518
Share of (loss)/profit of associate	-	-	-	-	-	-	317,786	317,786
Profit before tax	901,599	3,916,511	624,954	1,997,826	987,164	378,467	317,786	9,124,304
Taxation	(144,256)	(626,642)	(99,993)	(319,652)	(157,947)	(60,555)	-	(1,409,044)
Profit after tax	757,343	3,289,870	524,961	1,678,173	829,217	317,912	317,786	7,715,260
Financial position								
Total assets	141,199,298	267,317,335	168,442,307	108,122,624	3,370,088	5,213,760	(97,697,820)	595,967,592
Total liabilities	132,489,854	258,646,230	167,917,346	99,665,556	645,233	4,563,177	(97,580,265)	566,347,131
Shareholders' fund	8,709,444	8,671,104	524,961	8,457,068	2,724,855	650,582	(117,553)	29,620,461

NOTES TO THE CONSOLIDATED AND SEPARATE FINANCIAL STATEMENTS**35 Events after reporting period**

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

36 Contingent liabilities

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

37 Capital/financial commitments

The directors are of the opinion that all known liabilities and commitments which are relevant in assessing the state of affairs of the Group have been taken into account in the preparation of the financial statements. There are no commitments for capital expenditure authorised by the Directors which has not been provided for in the financial statements as at 30 September 2022.

38 Contraventions

The Group incurred no fines during the period under review (2021: N3m). The penalty in 2021 was incurred by the Asset Management subsidiary in relation to delay in updating Director's details with Securities and Exchange Commission.

39 Securities Trading Policy

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

40 Litigation and claims

The Group is involved in cases with claims amounting to N152m (2021: N152m). Directors are of the opinion that the possibility of an outflow of resources embodying economic benefit is remote and as such no provision is required.

41 Impact of COVID 19

Since early 2020, the Coronavirus disease (COVID-19) outbreak across China and beyond has caused significant disruption to the society, impacting the business operations, employees and customers. It is an evolving situation that the Group is monitoring closely, and any impact will depend on future developments. The Group is unable to reliably estimate the future impact of covid-19, however, we are constantly monitoring and adapting to the current realities. During the lockdown of the country due to the virus, the Group was able to minimize the impact on operations by triggering the Business Continuity Plan; part of which is working remotely as well as reaching out to customers through our online platforms (InvestNow) and as a result of this, transactions are being executed successfully.

As a Group, we continued to remain nimble and focused as we tapped into the opportunities this pandemic presented whilst we increased our risk management focus to ensure we are not significantly impacted by all the hazards that Covid-19 presented in 2021.

Going into Q1 2022 there seemed to be a resurgence of the pandemic in China which has led to another round of economic shutdown in some parts of China. We are monitoring these events even as we continue to strengthen our risk management apparatus and commitment to ensuring business continuity.

We can confidently report that the Group has not been adversely impacted by the resurgence of the pandemic in China and this is displayed by the impressive performance recorded in Q1 and H1 2022 performance. The Group is however not resting on the current performance recorded. The Group shall continue to ensure all necessary precautions and national as well as global guidelines with respect to Covid-19 are adhered to as we go into the remaining quarters of the year.

Other Financial Information

VALUE ADDED STATEMENT

For The Period Ended 30 September 2022

	Group				Company			
	2022 =N=' 000	%	2021 =N=' 000	%	2022 =N=' 000	%	2021 =N=' 000	%
Gross earnings	14,546,254		11,329,284		2,359,514		2,250,402	
Share of (loss)/profit in associates	317,786		-		-		-	
Operating expenses: Local	(2,772,528)		(2,136,359)		(572,841)		(408,003)	
VALUE ADDED	12,091,512	100%	9,192,925	100%	1,786,673	100%	1,842,399	100%
				0				
Applied as follows:								
To pay employees:								
Salaries and other benefits	1,743,631	14%	1,306,994	14%	415,565	23%	463,530	25%
To pay Government:								
Taxes	1,409,044	12%	1,126,851	12%	144,256	8%	178,154	10%
Retained for future replacement of assets and expansion of business:								
- Deferred tax	-	0%	-	0%	-	0%	-	0%
- Depreciation	144,453	1%	164,211	2%	121,226	7%	133,201	7%
- Amortisation	79,232	1%	66,009	0.7%	76,073	4%	64,494	3.5%
- Impairment loss	999,890	8%	563,613	6%	272,209	15%	67,710	4%
- Retained profit for the year	7,715,263	64%	5,965,246	65%	757,343	42%	935,310	51%
	12,091,512	100%	9,192,925	100%	1,786,673	100%	1,842,399	100%

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

Other Financial Information
5 Year Financial Summary - Group

	September 2022 =N=' 000	December 2021 =N=' 000	December 2020 =N=' 000	December 2019 =N=' 000	December 2018 =N=' 000
ASSETS					
Cash and cash equivalents	228,728,954	53,661,848	43,420,443	30,132,099	35,186,157
Investment in financial assets	324,080,523	363,647,252	145,148,841	94,142,345	88,182,725
Trade and other receivables	37,498,046	30,919,246	28,472,742	25,528,546	24,545,883
Rights of use assets	159,809	212,819	283,694	312	-
Intangible assets	157,244	78,595	42,015	43,771	14,993
Investments in associates	4,611,372	4,293,587	4,500,000	-	-
Property and equipment	418,889	471,852	565,824	357,118	301,351
Deferred tax assets	312,755	312,755	314,736	260,184	465,955
TOTAL ASSETS	595,967,592	453,597,954	222,748,295	150,464,375	148,697,064
LIABILITIES					
Managed Funds	423,922,909	327,249,024	116,019,077	72,379,297	75,685,719
Borrowed funds	85,357,174	79,691,116	72,661,645	50,876,737	49,163,296
Other liabilities	54,307,326	14,225,310	7,683,308	5,400,633	4,846,405
Current tax liabilities	2,677,222	1,803,211	1,830,812	1,569,828	1,923,707
Deferred tax liabilities	82,500	82,500	126,974	652,041	1,243,930
TOTAL LIABILITIES	566,347,131	423,051,161	198,321,816	130,878,536	132,863,057
EQUITY					
Share capital	3,000,000	3,000,000	3,000,000	3,000,000	3,000,000
Share premium	683,611	683,611	683,611	683,611	683,611
Retained earnings	27,375,801	28,660,538	21,601,800	16,790,622	13,817,203
Other reserves	(1,438,951)	(1,797,356)	(858,932)	(888,394)	(1,666,807)
SHAREHOLDER'S FUND	29,620,460	30,546,793	24,426,479	19,585,839	15,834,007
TOTAL LIABILITIES AND EQUITY	595,967,592	453,597,954	222,748,295	150,464,375	148,697,064

Other Financial Information

5 Year Financial Summary - Company

	September 2022 =N=' 000	December 2021 =N=' 000	December 2020 =N=' 000	December 2019 =N=' 000	December 2018 =N=' 000
ASSETS					
Cash and cash equivalents	53,890,183	6,951,413	12,196,469	2,401,282	2,125,972
Investment in financial assets	47,953,613	58,599,896	40,456,026	35,071,034	33,335,015
Trade and other receivables	33,271,710	29,889,598	27,476,909	24,558,776	24,116,058
Dividend receivable from subsidiaries	-	4,828,500	3,670,000	2,520,000	1,711,111
Rights of use assets	159,809	212,819	283,694	312	-
Intangible assets	146,734	68,151	39,032	38,768	7,970
Investments in subsidiaries	901,000	901,000	901,000	901,000	900,000
Investments in associates	4,500,000	4,500,000	4,500,000	-	-
Property and equipment	376,249	414,185	487,457	269,384	227,207
Deferred tax	-	-	-	-	134,039
TOTAL ASSETS	141,199,298	106,365,562	90,010,587	65,760,556	62,557,372
LIABILITIES					
Borrowed funds	81,104,347	83,717,908	72,432,512	50,876,737	49,163,296
Other liabilities	50,610,004	5,139,989	2,261,913	2,213,132	1,589,507
Current tax liabilities	693,003	649,566	1,012,778	729,230	1,068,504
Deferred tax liabilities	82,500	82,500	113,701	343,324	186,906
TOTAL LIABILITIES	132,489,854	89,589,963	75,820,904	54,162,423	52,008,213
EQUITY					
Share capital	3,000,000	3,000,000	3,000,000	3,000,000	3,000,000
Share premium	683,611	683,611	683,611	683,611	683,611
Retained earnings	4,715,629	12,958,286	10,434,895	7,847,830	6,811,757
Other reserves	310,204	133,702	71,177	66,692	53,791
SHAREHOLDER'S FUND	8,709,444	16,775,599	14,189,683	11,598,133	10,549,159
TOTAL LIABILITIES AND EQUITY	141,199,297	106,365,562	90,010,587	65,760,556	62,557,372

5 Year Financial Summary - Group

	9M 2022 =N=' 000	9M 2021 =N=' 000	FY 2020 =N=' 000	FY 2019 =N=' 000	FY 2018 =N=' 000
Gross earnings	14,546,254	11,329,284	12,873,897	8,591,929	9,259,398
Gross operating expenses	(5,739,733)	(4,237,187)	(4,926,227)	(3,642,209)	(3,038,151)
Operating profit before income tax	8,806,521	7,092,097	7,947,670	4,949,720	6,221,247
Share of (loss)/profit in associate companies	317,786	-	-	-	-
Profit before income tax	9,124,307	7,092,097	7,947,670	4,949,720	6,221,247
Income tax write back/(expense)	(1,409,044)	(1,126,851)	(136,492)	23,699	(1,883,257)
Profit for the year from continuing operations	7,715,263	5,965,246	7,811,178	4,973,419	4,337,990
Other comprehensive income for the year	358,404	697,305	29,462	778,413	23,843
Total comprehensive income for the year	8,073,667	6,662,551	7,840,640	5,751,832	4,361,833
Earnings per share-basic (kobo) - annualised	171	133	130	83	72

5 Year Financial Summary - Company

	9M 2022 =N=' 000	9M 2021 =N=' 000	FY 2020 =N=' 000	FY 2019 =N=' 000	FY 2018 =N=' 000
Gross earnings	2,359,514	2,250,402	7,560,671	4,930,671	3,988,933
Gross operating expenses	(1,457,915)	(1,136,938)	(1,733,601)	(1,494,323)	(696,434)
Operating profit before income tax	901,599	1,113,464	5,827,070	3,436,348	3,292,499
Share of (loss)/profit in associate companies	-	-	-	-	-
Profit before income tax	901,599	1,113,464	5,827,070	3,436,348	3,292,499
Income tax expense	(144,256)	(178,154)	(240,006)	(400,275)	(588,796)
Profit for the year from continuing operations	757,343	935,310	5,587,064	3,036,073	2,703,703
Other comprehensive income for the year	176,502	(1,246)	4,485	12,901	(17,470)
Total comprehensive income for the year	933,845	934,064	5,591,549	3,048,974	2,686,233
Earnings per share-basic (kobo) - annualised	17	21	93	51	45