

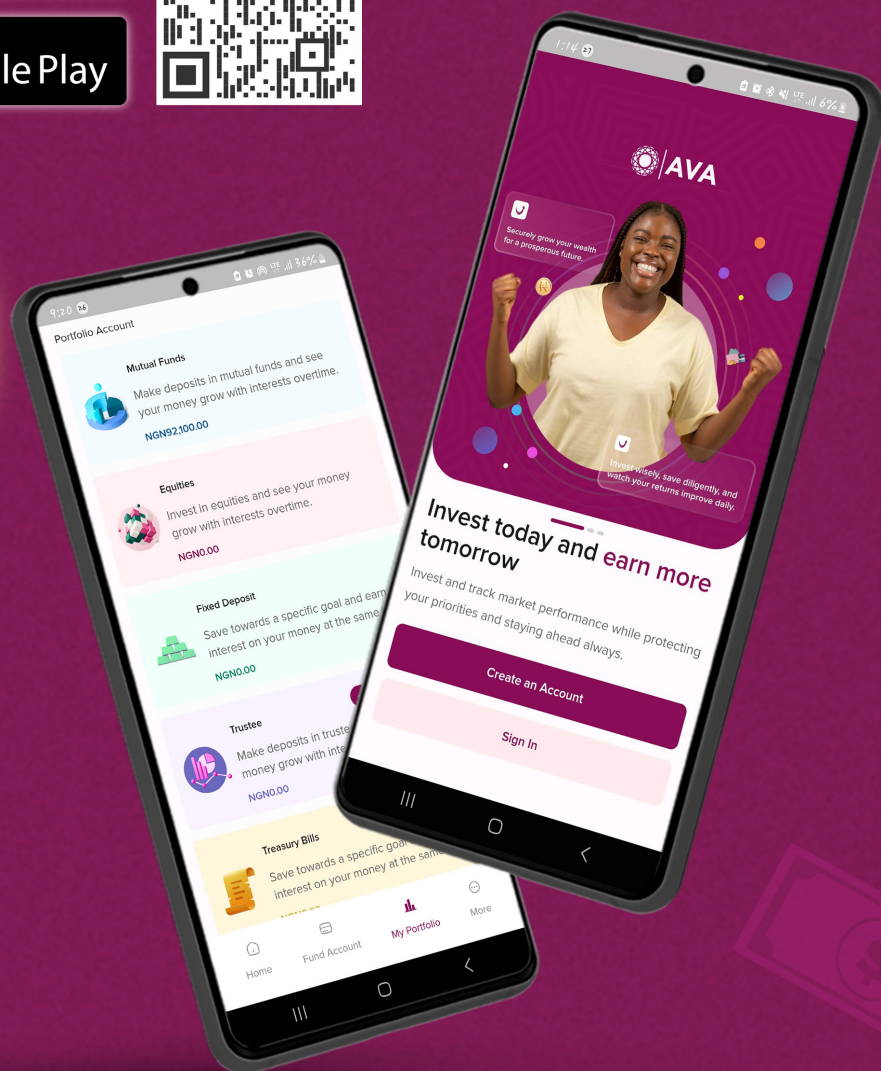


AVA
CAPITAL GROUP

Annual Report **2024**

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About AVA Capital Group

AVA Capital Group was founded with a commitment to help investors achieve and maintain long-term financial success by connecting and guiding our clients through the ever-changing and dynamic financial markets.

At AVA Capital Group, we offer a wide range of innovative and quality financial products that help our clients establish a solid foundation for today and a clear vision for tomorrow.

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Notice of Annual General Meeting

Notice is hereby given that the 5th Annual General Meeting (AGM) of the members of AVA Capital Group (the Company) will be held on the 19th day of May, 2025 at 10am, via Microsoft Teams Video Conference Call, to transact the following business:

AS ORDINARY BUSINESS

1. To consider, approve and adopt the Audited Financial Statements of the Company comprising the Balance Sheet, Statement of Profit & Loss and Cash Flow Statement and Notes thereto for the financial year ended on December 31, 2024 together with the Report of the Board of Directors and Auditors' thereon;
2. To elect/re-elect Directors;
3. To elect/re-elect members of the Audit Committee;
4. To authorize the Directors to appoint and fix the Remuneration of the Auditors;
5. To disclose the Remuneration of Managers of the Company.

SPECIAL BUSINESS

6. To approve the remuneration of Directors;

NOTES FOR MEMBERS' ATTENTION:

1. A member entitled to attend and vote at the Annual General Meeting (the "Meeting") is entitled to appoint a proxy to attend and vote on a poll instead of himself and the proxy need not be a member of the Company. The instrument appointing the proxy should, however, be deposited at the registered office of the Company not less than forty-eight hours before the commencement of the Meeting.
2. A person can act as a proxy on behalf of members not exceeding fifty and holding in the aggregate not more than ten percent of the total share capital of the Company carrying voting rights. A member holding more than ten percent of the total share capital of the Company carrying voting rights may appoint a single person as proxy and such person shall not act as a proxy for any other person or shareholder.
3. Members/proxies attending the meeting are requested to send their duly filled proxy forms to the Company Secretary at least 48 hours before the meeting along with the notice of annual general meeting at the meeting.
4. Corporate members intending to send their authorised representatives to attend the meeting are advised to send a duly certified copy of the Board Resolution authorizing their representative to attend and vote at the meeting.
5. In accordance with Section 404(6) of the Companies and Allied Matters Act, 2020 (as amended), any shareholder may nominate another shareholder for appointment to the Audit Committee. Such nomination should be in writing and should be forwarded to reach the Company Secretary at least 21 days before the Annual General Meeting.

6. Shareholders have a right to ask questions not only at the Meeting, but also in writing prior to the Meeting, and such questions must be submitted to the Company on or before the 17th day of May, 2025.

Dated 5th May, 2025

By Order of the Board



IDOWU PAUL FAMAKINWA

For: Company Secretary

3, Glover Road, Ikoyi,
Lagos.

Corporate Information

REGISTERED OFFICE

No 3, Glover Road, Ikoyi, Lagos, Nigeria

Website: www.avacapitalplcgroup.com

Email Address: info@avacapitalplcgroup.com

BOARD OF DIRECTORS

- Adeyinka Adedeji: Chairman, AVA Capital Group
- Efe Shaire: Group CEO/Managing Director, AVA Global Asset Managers Limited
- Adedotun Adegbite: Director, AVA Capital Partners Limited
- Taiwo Okurounmu: Director, AVA Capital Partners Limited
- Olukayode Fadahunsi: Director, AVA Capital Group
- Samson Adekunle: Director, AVA Capital Group
- Temiloluwa Okurounmu: Director, AVA Securities Limited
- Ifeyinwa Adeniji: Managing Director, AVA Securities Limited
- Bolanle Ekanim: Director, AVA Trustees Limited

OFFICERS & PROFESSIONAL ADVISERS

Company Secretary: Famakinwa Idowu Paul

Principal Banker: Guaranty Trust Bank Plc, Access Bank Plc, United Bank for Africa Plc, Keystone Bank Limited, Providus Bank Limited, Globus Bank Limited & Coronation Merchant Bank Limited.

Auditors: KPMG Professional Services
KPMG Tower, Bishop Aboyade Cole Street
Victoria Island, Lagos, Nigeria.

BUSINESS AFFILIATES

AVA Capital Partners Limited

RC Number: 1167339

Address: No 3, Glover Road, Ikoyi, Lagos, Nigeria.

AVA Securities Limited

RC Number: 815347

Address: No 3, Glover Road, Ikoyi, Lagos, Nigeria.

AVA Global Asset Managers Limited

RC Number: 1210383

Address: No 3, Glover Road, Ikoyi, Lagos, Nigeria.

AVA Trustees Limited

RC Number: 1696508

Address: No 3, Glover Road, Ikoyi, Lagos, Nigeria.

Vision, Mission, and Core Values

“Birthed from the identification of a significant gap in the industry, AVA Capital Group has been able to deepen its offering to its diverse base of clients in the financial markets since the acquisition of its first company.”

AVA Capital Group (‘the group’) offers a boutique of Financial services to its clients which includes investment banking, asset management, securities trading and trusteeship. The Group focuses on delivering cutting edge financial solutions to clients which includes Small, Medium & Large- sized Corporates, Governments (Federal, State & Local) and individuals (HNIs and Retail Clients). The Group was founded by a team of highly skilled and exceptional professionals with extensive experience in financial services.

Birthed from the identification of a significant gap in the industry, the Group has been able to deepen its offering to its clientele and industry participation in both the debt and equity capital markets. The Group started with two companies - ‘AVA Capital Partners Limited’ in 2018 and ‘AVA Securities Limited’, in the same year. At this stage, the Group commenced implementation of the intelligent roadmap and business model set up at the start of operations.

During this same phase, specifically in 2019, the Group added another company to its portfolio called ‘AVA Global Asset Managers Limited’. AVA GAM was created to provide customized asset management solutions to our clients based on our understanding of their needs and objectives. The business through innovative and disruptive product and services currently has an AUM in excess of ₦78 billion.

In 2020, the Group began another phase of evolution, adding ‘AVA Trustees Limited’ to its bouquet of financial services. AVA Trustees is positioned to provide comprehensive structuring and administrative services on a variety of trust arrangements, acting in a number of trustee roles from small portfolios trusts to more complex arrangements.



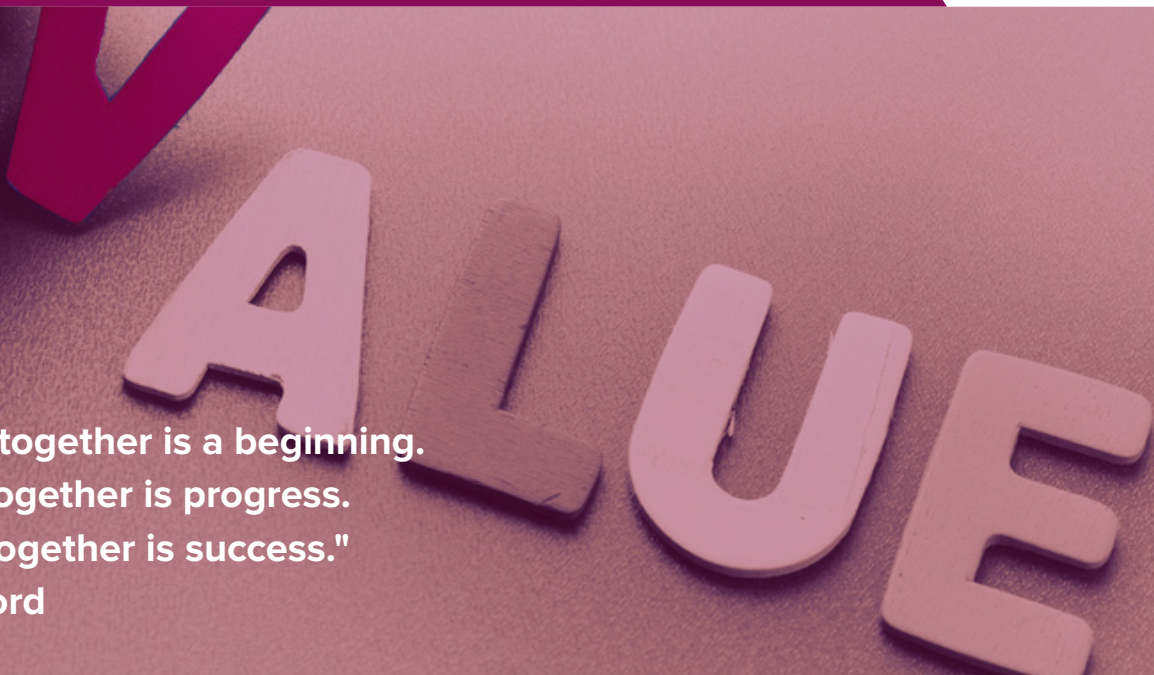
Our Mission

- To deliver long term value by providing innovative financial solutions that achieve optimal returns for our clients.
- To provide excellent operational & strategic advisory that promotes sound financial management.
- To contribute towards our communities and nation-building.

Our Vision



To be the preferred choice for financial advisory and management in all the markets we operate.



**" Coming together is a beginning.
Keeping together is progress.
Working together is success."
- Henry Ford**

Core Values

Performance

We focus on the details. With innovation and creativity, every step we take is intentional. We strive to outperform our competition fairly and deliver the best returns to our clients.

Execution

We believe in the relentless pursuit of excellence in execution—we work with passion, utilizing innovation, moving with speed and dexterity because time is our most valuable resource.

Adaptability

We are forward-thinking. We proactively seek out ways to do things more efficiently and focus on maintaining our effectiveness in these rapidly evolving times.

Character

We hold ourselves to the highest ethical standards. Our overarching philosophy is built around the 6 pillars of character: Trustworthiness, Respect, Responsibility, Fairness, Caring and Citizenship.

Enterprise

We are initiators. We are in constant pursuit of solutions to stakeholder's needs and challenges. Our collective focus is on providing sustainable value to our clients and the communities we serve.

Board of Directors



Adedeji Adeyinka, PhD
Chairman

Dr. Yinka Adedeji, a fervent finance professional who served as the Group Divisional Head of Digital Banking for the UBA Group before he joined the board of Prosperis Holdings Ltd as a Non-Executive Director. He holds a BSc (First Class) degree in Chemical Engineering from University of Lagos, Nigeria, MSc, and PhD in Polymer Physics from the Case Western Reserve University, USA; Master's in Business Administration and Master's in Finance from State University of New York. He was a Post Doctorate Fellow at the Chemical Engineering Department of the University of Minnesota, USA.



Samson Adekunle
Director

Samson is a Certified Risk Analyst (CRA), Chartered Stockbroker, Authorized Dealing Clerk of the Nigerian Stock Exchange, Associate of the Chartered Institute for Securities & Investment, UK and Fellow, Global Academy of Finance and Management (GAFM®). He has over 17 years working experience in the financial services industry spanning Banking and Capital Market with core expertise in Enterprise-wide Risk Management., Business Development, Strategy, Financial Advisory, Internal Control, Treasury Management & Securities trading. He worked at United Capital Plc as the Group Head, Risk Management & Internal Control. Prior to joining United Capital Plc, Samson worked in the Risk Management Division of Guaranty Trust Bank for almost 10 years.



Kayode Fadahunsi
Vice Chairman

Mr. Fadahunsi has over 24 years of experience in corporate finance & banking, investor relations and securities trading. He is an expert in investor relations strategy. He has worked for UBA Plc as Director - Investor Relations, Managing Director, Capital Markets United Capital Plc, and MD, United Capital Securities Ltd. He also completed the Owners Management Programme (OPM) at Harvard Business School, Boston.

He is an Associate Member of the Institute of Directors (IOD), an Honorary Senior member of the Chartered Institute of Bankers (HCIB), a Fellow at the Chartered Institute of Stockbrokers (FCS), and an Associate Member of the Chartered Institute of Securities and Investment (ACISI).



Dotun Adegbite
Director

Dotun brings in his over 18 years of experience in Corporate Finance, Investor Relations, Strategy and Capital Markets as a Director in AVA Capital Group. He has a track record in providing capital raising and advisory services for organizations in the power and energy sectors. He started his career in consulting and rose to the position of Manager in KPMG and has led a number of teams that closed high-value deals across telecommunications, consumer markets and FMCG industries. He has also led a team that acted as key transaction party to over ten sub-sovereign bond issuances by Nigerian State Governments. Dotun holds the CFA charter, an MBA in Finance from the University of Leicester and a BSc in Building from Obafemi Awolowo University.

Board of Directors



Taiwo Okunrounmu
Director

Taiwo is a chartered accountant with over 15 years' experience in the banking and advertising industry. He has core expertise in financial management having worked in the financial control units of two banks and as the country accountant for the Alliance Media Ghana Limited. He also has had brief stints in marketing and credit relations within the banking industry. Taiwo is a graduate of Business Administration and Management, he holds an MBA in management from Warwick Business School (2010) and has worked at different times in Magnum Trust Bank, UBA Ghana Limited, Alliance Media Ghana Limited and Bank PHB Plc.



Temi Okurounmu
Director, AVA Securities Limited

Temi Okurounmu is a seasoned banking operations expert and project manager with over 15 years of experience in payments, trade finance, and process improvement. Temi combines her expertise in program and project management with advanced skills in business analysis, stakeholder engagement, and Agile practices. She holds an MBA in Finance from Obafemi Awolowo University.

As a Business Analyst at Belezza Multiconcepts Ltd, Mrs. Okurounmu managed stakeholder needs analysis, conducted process and gap analysis, and maintained Agile ceremonies using JIRA and Confluence. She played a critical role in defining project scope, creating use cases, and working closely with architects and developers to design and refine solutions.



Efe Shaire
Group CEO, AVA Capital Group

Mr. Shaire is an entrepreneurial executive with extensive C-suite exposure and a proven track record helping clients achieve corporate and capital market objectives effectively. He is an experienced leader with demonstrable success leading international and multi-disciplinary teams encompassing clients, advisors, and other internal/external stakeholders to deliver both financial and non-financial goals. Mr. Shaire has over 21 years of professional experience spanning investment banking and capital markets and has led teams and executed transactions across Nigeria, East and Southern Africa. He holds a B.Sc. in Biochemistry and is a Chartered Financial Analyst Institute charter holder.



Bolanle Ekanim
Director, AVA Trustees Limited

Omobolanle is a highly proficient and effective people manager. She has led, grown and worked in diverse industry sectors both locally and internationally. Omobolanle holds a BSc (Hons) in Finance from University of Lagos, Akoka and a MSc in Computing and Information Technology from University of Bedfordshire, Luton, England; where she majored in Business Information Systems. She recently completed the Senior Management Program (SMP-84) from the prestigious Lagos Business School and currently oversees human capital at Prosperis. Omobolanle is a Member of the Chattered Institute of Personnel Management (MCIPM) and an Associate Member of the Chartered Institute of Directors (AM.CIoD). Bolanle is also a Securities and Exchange Commission (SEC) Sponsored Individual

Board of Directors



Ifeyinwa Adeniji

Managing Director, AVA Securities Limited

ACS, SEC Sponsored Individual, Authorized Dealing Clerk

Ifeyinwa Adeniji is the Managing Director of AVA Securities Limited and a licensed Sponsored Individual of the Securities and Exchange Commission (SEC). She is an Authorized Dealing Clerk of the Nigerian Exchange Limited (NGX) and an Associate Member of the Chartered Institute of Stockbrokers (CIS), with a solid background in capital market operations, securities trading, and portfolio management. She brings over six years of practical experience in the Nigerian capital market and has consistently demonstrated expertise in trading execution, compliance, fund and treasury management, and client engagement. Her leadership at AVA Securities has driven the firm's growth, ensuring strict adherence to regulatory standards and a focus on value delivery. Ifeyinwa holds a Master's in Business Administration (MBA) from Ajayi Crowther University (2023) and a Bachelor's degree in Banking and Finance from Bowen University (2007). She has also completed specialized training in Financial Modelling, Treasury & Fund Management, Marketing Communication Strategy, and Customer Experience from Piston & Fusion Business Academy. Her commitment to excellence, ethical standards, and innovation continues to shape AVA Securities' competitive edge and contribution to the development of the Nigerian capital market.



Investment Banking, **Asset Management**,
Securities Trading & Trusteeship
 is what we do.



Let us help you **secure what matters financially.**

Investment
Banking



Asset
Management



Securities
Trading



Trusteeship



Call 0700-0000-AVA

www.avacapitalgroup.com

CHAIRMAN'S STATEMENT



Dr. Adedeji Adeyinka
Chairman,
AVA Capital Group

Dear Esteemed Shareholders,

It is my pleasure to welcome you all to the 2025 Annual General Meeting of AVA Capital Group. Today, we gather to reflect on the remarkable progress and accomplishments achieved by the Group during the 2024 financial year. I will also provide a comprehensive overview of the financial performance of our subsidiaries for the year ended 31st December 2024. Additionally, I look forward to sharing insights into our esteemed Company's strategic direction and future aspirations.

The Economic and Business Development

The global economic outlook for 2024 reflects a mixed trajectory of recovery, resilience, and persistent challenges. The world economy is

expected to grow moderately, with global GDP projected at approximately 2.5% to 3% . Based on data from the International Monetary Fund (IMF) and the World Bank, this projection is driven by easing inflationary pressures, stabilising monetary policies, and ongoing geopolitical uncertainties. Advanced economies such as the United States and the Eurozone are expected to experience modest growth as inflation subsides. Central banks, including the Federal Reserve and the European Central Bank, are likely to adopt less aggressive monetary tightening, fostering a more favourable environment for economic activity. However, growth in these regions remains constrained by high public debt levels and labour market challenges. During the year under review, China's economy has been recovering from prolonged COVID-19

restrictions and is forecasted to maintain roughly a 5% GDP growth rate. This recovery, driven by increased industrial output, consumer spending, and global trade, is expected to have positive spillover effects on commodity-exporting nations, including Nigeria. Meanwhile, volatility in global energy markets will persist due to geopolitical tensions and the ongoing transition to renewable energy. OPEC+ policies will continue to influence oil prices, while investments in green energy are gaining momentum in response to climate-related events and international commitments. Geopolitical tensions, including the Russia-Ukraine war, will likely disrupt supply chains, energy flows, and global trade. U.S.-China trade tensions are expected to continue reshaping global supply chains, with potential implications for emerging markets. Additionally, high global debt levels and tightening financial conditions will present fiscal challenges, particularly for developing countries that rely heavily on external financing.

Socioeconomic and Domestic Implications for Nigeria in 2025

These global dynamics will have significant implications for Nigeria in 2025, given its status as a major commodity exporter and a key player in Africa. Nigeria, heavily reliant on crude oil exports, stands to benefit from any sustained recovery in oil prices driven by China's rebound and OPEC+ strategies. However, the country's ability to capitalise on these gains will depend on addressing domestic challenges, including oil theft, production inefficiencies, and infrastructure deficits. Stable or rising oil prices could bolster Nigeria's foreign exchange reserves and provide fiscal relief, although volatility in the global energy market remains a risk.

The re-election of Donald Trump to the U.S. presidency introduces new complexities to the global economic and geopolitical landscape. Trump's "America First" policies, emphasising trade protectionism and energy independence, could influence international trade flows and reshape oil demand. If the U.S. scales up domestic oil production, global supply dynamics could weigh on crude oil prices, potentially limiting Nigeria's oil revenue. A stronger U.S. dollar

under Trump's administration could increase Nigeria's external debt-servicing burden, given the currency's centrality in global markets.

Slower global growth may dampen demand for Nigeria's non-oil exports, such as agricultural produce and solid minerals. Strengthening trade agreements and diversifying export markets will be crucial to mitigating these effects. Additionally, eased global inflation may provide an opportunity for Nigeria's Central Bank to reduce interest rates, fostering credit access and domestic investment. However, local structural factors such as high transportation costs and supply chain inefficiencies may limit these benefits.

Improved global investor confidence could also attract foreign direct investment (FDI) to Nigeria, particularly in technology, manufacturing, and agriculture sectors. However, this will hinge on Nigeria's ability to implement business-friendly reforms, enhance security, and stabilise its currency. Conversely, high global interest rates will increase Nigeria's borrowing costs, exacerbating its fiscal deficit and debt-servicing burden. Prudent fiscal management, increased revenue generation, and reduced reliance on external borrowing will be critical to addressing these challenges.

The global momentum towards renewable energy presents both challenges and opportunities for Nigeria. While long-term demand for fossil fuels may decline, Nigeria can leverage its abundant natural gas reserves as a transitional energy source and invest in renewable energy projects to diversify its economy. Climate change poses significant risks, particularly to Nigeria's agricultural sector and infrastructure. Developing climate-resilient policies and prioritising investments in sustainable industries will be essential. Geopolitical risks, including global trade and supply chain disruptions, may affect Nigeria's import-dependent sectors. Strategic partnerships and efforts to boost local production will be essential to mitigating these vulnerabilities. Strengthening Nigeria's role within the African Continental Free Trade Area (AfCFTA) could also enhance its export opportunities and

regional integration.

Opportunities in Nigeria's Digital Economy

Nigeria's burgeoning digital economy presents a significant opportunity for diversification. With a growing tech startup ecosystem and increasing internet penetration, sectors such as fintech, e-commerce, and digital services are poised for growth. Encouraging investment in technology infrastructure and fostering innovation will position Nigeria as a hub for digital transformation in Africa.

Recommendations for 2025

To navigate these dynamics effectively, Nigeria must prioritise several key actions:

- 1. Enhance Oil Sector Governance**
Curb oil theft, improve production efficiency, and invest in infrastructure to maximise revenues during favourable market conditions.
- 2. Accelerate Economic Diversification**
Invest in agriculture, manufacturing, technology, and the digital economy to reduce reliance on oil and build resilience against global economic shocks.
- 3. Strengthen Fiscal Discipline**
Implement tax reforms, reduce wasteful spending, and explore innovative revenue streams to address fiscal pressures.
- 4. Attract and Retain Investments**
Improve the ease of doing business, enhance security, and stabilise the naira to attract both foreign and domestic investments.
- 5. Embrace the Green Economy**
Develop policies and incentives to attract investments in renewable energy and sustainable industries. Leverage natural gas as a transitional energy source while scaling up renewable projects.
- 6. Boost Local Production and Trade**
Reduce import dependence by supporting local industries and leveraging opportunities within the African Continental Free Trade Area (AfCFTA).
- 7. Foster Climate Resilience**
Develop and implement climate adaptation strategies to protect agriculture, infrastructure, and energy production from climate-related risks.

Conclusion

The global economic environment in 2025 presents both opportunities and challenges for Nigeria. While favourable oil prices and easing inflation could provide some relief, structural issues such as fiscal deficits, overreliance on oil, and limited infrastructure development remain significant hurdles. By addressing these challenges, enhancing its digital and green economy potential, and aligning policies with global trends, Nigeria can position itself for sustainable growth and resilience in an increasingly interconnected world.

Below is a brief snapshot of the financial performance of all our subsidiaries for the year ended 2023.

AVA Capital Partners Limited (AVA Capital)

- AVA Capital recorded growth in its gross revenue, which increased by 33.51% year-on-year to close the year at ₦331.30 million.
- Shareholders' fund decreased by 2.00% to ₦1.02 billion to close the year under review.

AVA Global Asset Managers Limited (AVA GAM)

- AVA GAM continued on its upward trend by recording a 44.00% increase in gross revenue to end the year at ₦440.01 million.
- Shareholders' fund increased by 1.97% to ₦1.14 billion as a result of an increase in retained earnings.

AVA Securities Limited (AVA SEC)

- AVA SEC continued on its positive momentum to post a 37.73% increase in gross revenue to close the year at ₦188.33 million
- Shareholders' fund increased by 4.50% to ₦561.83 million.

AVA Trustees Limited (AVA Trustees)

- AVA Trustees saw a tremendous growth in its financial performance as the fees and commission income rose by 29.20% , resulting in a 604.51% increase in profit before tax to ₦ 116.12 million.
- Shareholders' fund increased by 10.69% to ₦1.13 billion as a result increase in retained earnings.

AVA Infrastructure Fund (AVA IF)

- AVA IF recorded a gross revenue of ₦799.09 million and a profit before tax of ₦733.21 million, which indicates room for more growth.
- Unitholders' contributions and retained earnings stand at ₦4.07 billion and ₦232.23 million, respectively, which amounts to a net asset of ₦ 4.31 billion.



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**AVA
INFRASTRUCTURE
FUND**

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A black and white photograph of a person in a dark suit, holding a light-colored leather briefcase with a metal handle. The person's hand is visible, gripping the handle. The background is a bright, hazy sky. A semi-transparent maroon rectangle is overlaid on the bottom half of the image, containing white text.

With a clear vision,
you will arrive at your
defined destination.

GROUP CHIEF EXECUTIVE OFFICER'S STATEMENT



Efe Shaire, CFA

Group CEO,
AVA Capital Group

Dear Stakeholders,

It is my pleasure to present to you the 2024 Annual Report for AVA Capital Group. This past year has profoundly tested our resilience, sharpened our strategic focus, and reinforced the importance of disciplined execution. Despite navigating a volatile economic environment, our team remained agile, innovative, and unwaveringly committed to delivering consistent value to our clients and stakeholders.

2024 was a pivotal year for AVA Capital Group. Despite ongoing inflationary pressures, significant foreign exchange volatility and other economic challenges, we maintained strong momentum and delivered consistent results. Our ability to strengthen core fundamentals, deepen client relationships, and drive sustainable performance

was evident across all our business segments. Globally, macroeconomic headwinds persisted. At home, Nigeria saw cautious optimism, as the new federal government administration continued its bold reforms and significant restructuring of FX markets. Inflation showed uneven signs of easing, and regulatory requirements continued to change, presenting additional challenges and complexities.

Our strategy remained anchored on three core pillars: improving profitability, expanding market reach, and enhancing client experience through innovation. From investment banking to trusteeship, to asset management, and securities trading, each business line delivered tangible and measurable progress, affirming the strength and relevance of our diversified business model.

in digital transformation. We deployed the AVA Mobile Investment App on both iOS store and the Play Store, upgraded our technology stack, automated core processes, and embedded data capabilities that empower better, faster decision-making. These enhancements not only increased efficiency but also positioned us to scale sustainably in a digital-first economy.

AVA Capital Partners Limited, AVA Global Asset Managers Limited, AVA Securities Limited, and AVA Trustees Limited, our subsidiaries, contributed meaningfully to the Group's performance.

Business Performance

AVA Capital Partners Limited

AVA Capital Partners Limited delivered a resilient performance despite market constraints. Gross Earnings reached ₦331.3 million, underpinned by high-value mandates and operational efficiency. Our advisory strength remained visible across both public and private sectors, including a successful capital raise for Gombe State.

AVA Global Asset Managers Limited

AVA Global Asset Managers Limited achieved 44.00% growth in gross revenue, closing at ₦440.02 million. This was driven by product innovation, new client acquisition and strong client retention. Our AUM rose to ₦77.98 billion, reflecting continued investor confidence. We also made significant headway on our ₦200 billion Infrastructure Fund Programme, securing SEC approval and executing a successful ₦20 billion Series I issuance.

AVA Securities Limited

AVA Securities Limited posted a 37.73% increase in gross revenue, reaching ₦188.33 million. Shareholders' funds grew by 4.50%, as we expanded our commodities desk and strengthened our institutional client base. Additionally, the company launched the inaugural AVA Securities University Trading Competition during the year, providing each of the 10 participating universities with access to its equities trading platform and ₦5 million each in funding. This initiative aims to promote financial literacy among students and enhance the company's brand visibility among the youth

demographic.

AVA Trustees Limited

AVA Trustees Limited recorded a 604.51% rise in profit before tax, with revenue growing to ₦166.12 million and shareholder funds increasing by 10.69%. These results reflect operational excellence and growing demand for bespoke trusteeship solutions.

AVA Infrastructure Fund

AVA Infrastructure Fund delivered strong performance, with ₦799.08 million in gross revenue and ₦733.20 million in profit before tax. We closed the year with net assets of ₦4.30 billion. The successful listing of this fund on the Nigerian Exchange was a defining milestone, furthering our commitment to infrastructure financing in Nigeria.

These results are more than numbers. They speak to the trust placed in us by clients, the strength of our people, and the strategic direction of our Board.

Looking Ahead: 2025 and Beyond

Our focus in 2025 is clear: deepen risk management, scale digital capabilities, and deliver differentiated value to our clients. We remain committed to governance, innovation, and building a business that is resilient across market cycles.

Our achievements in 2024 would not have been possible without the trust and partnership of our stakeholders and dedicated team. I am deeply grateful to our esteemed clients who continue to rely on our insights and expertise, our shareholders for their belief in our long-term vision, and the Board of Directors for their unwavering guidance and strategic oversight. We enter the new year with confidence, clarity, and an unwavering commitment to impact.

CORPORATE GOVERNANCE REPORT

1. Corporate Governance Structure

Committed to maintaining fair and efficient corporate activities, the Group commits to retaining the trust of our shareholders, customers, suppliers, local communities, employees, and other stakeholders, and to make further contribution to the international community in order to continue to grow and develop as a sustainable Group. To achieve this AVA Capital Group recognizes that continuous improvement of corporate governance is essential and top priority, hence we ensure adoption and compliance with relevant laws and regulations in line with global best practices.

In pursuit of the principles outlined in the Corporate Governance Code, the Group has continued to build structures that enhance the rights and equality of shareholders and improve the effectiveness of both the Board of Directors and the Audit & Supervisory Board. The Group has also made consistent efforts to upgrade the internal control system in response to both internal developments and global changes.

Furthermore, to strengthen trust with society and stakeholders, the Group has continued to disclose information promptly, fairly, and accurately, in accordance with applicable laws and regulations. It has also proactively disclosed information deemed beneficial for deepening stakeholders' understanding of the Group and for enhancing overall transparency.

2. The Board of Directors

The Board has the overall responsibility for ensuring that the highest standards of corporate governance are maintained and developing the Group's strategy. In addition to its statutory and fiduciary duties, it must ensure that the Group's available assets are employed towards attaining its set strategies and goals. The Board exercises supervisory jurisdiction over Management's activities, ensuring that the affairs of the Group are conducted in a way and manner beneficial (and leading to the increase) to shareholders and stakeholders of the Group respectively (and cumulatively).

The attributes taken into consideration in appointing Board Members are on the basis of strategic competence, financial literacy, communication and interaction skills, professional qualifications, knowledge and experience of seasoned professionals who have excelled in their various fields of human resource management, law, financial management, general management, information and communication technology and other relevant competencies related to the organization. There must be a balance of skills, character, and commitment.

At the end of the reporting year, the Board of Directors was comprised of the following:

1. Adeyinka Adedeji
2. Olukayode Fadahunsi
3. Efe Shaire
4. Samson Adekunle
5. Temi Okurounmu
6. Taiwo Okurounmu
7. Adedotun Adegbite
8. Bolanle Ekanim
9. Ifeyinwa Adeniji

The Group Company Secretary provides advice to the board on Corporate Governance, regulatory, and best practices.

3. Board Committees

Tasks and area of responsibility for each Committee of the Board of Directors

The powers and responsibilities of each Committee are established in the applicable Committee Charter, which is approved by the Board. Each Committee is entitled to engage outside counsel.

3.1. Corporate Governance Committee

The members of the corporate governance committee are nominated by the Board. It consists of members of the board, the Group Company Secretary, Head Human Resources, and Head of Compliance. It reports to the full Board of Directors in order to act as a consultant body to the Board and expedite, whenever necessary, the handling of the Group's business. The Committee regularly reviews the Corporate Governance of the Group and prepares recommendations for the Board. It also advises on certain finance-related matters including the Group's financing and financial management and periodically reviews its asset and liability management. While the Committee has limited authority regarding the Board Regulations, it may in exceptional and urgent matters deal with business matters which might arise between Board meetings. In all cases it keeps the Board fully apprised. It reviews the Board's annual work plan.

3.2. Audit Committee

The Audit Committee consists of a Chairman, who chairs the Committee, a minimum of two other non-executive members of the Board, and the Group's Internal Auditor, excluding the CEO and any former member of the Executive Board. At least one member of the committee must have recent and relevant financial expertise, while others must be familiar with the issues of accounting and audit and be able to demonstrate reasonable financial judgment. In discharging its responsibilities, it has unrestricted access to the Group's management, books and records. The Audit Committee supports the Board of Directors in its supervision of financial controls through a direct link to external auditors and the Group Audit (corporate internal auditors). The Audit Committee's main duties include the following:

- i. to discuss the Group's internal accounting procedures;
 - ii. to make recommendations to the Board of Directors regarding the nomination of external auditors to be appointed by the shareholders;
 - iii. to discuss the audit procedures, including the proposed scope and the results of the audit;
 - iv. to keep itself regularly informed on important findings of the audits and of their progress;
 - v. to oversee the quality of the internal and external auditing;
 - vi. to present the conclusions on the approval of the Financial Statements to the Board of Directors;
 - vii. to review certain reports regarding internal controls and the Group's annual risk assessment.
- The Audit Committee regularly reports to the Board on its findings and proposes appropriate actions. The responsibility for approving the annual Financial Statements remains with the Board of Directors.

3.3. Finance, Credit and Risk Committee

The Finance, Credit and Risk Committee include Executive Directors (NEDs) and Non-Executive Directors (NEDs), a majority of whom are NEDs, in accordance with Principle 11.5.2, of the Nigerian Code of Corporate Governance, 2018.

The Committee composed of three Directors (ED & NED), and one independent Director who has the required competence in accounting and auditing, and the Company Secretary act as its secretary.

The Committees shall have the following responsibilities:

- i. Monitor the financial reporting process, including:
 - reviewing the Company's annual accounts and the Company's annual report before submission to the Board;
 - advising the Board on appropriate financial procedures, the Company's financial position, indebtedness, and accounting rules;
 - discussing significant financial reporting issues with the Company and the Auditor(s);
- i. Establish, review and recommend for approval of the Board, the risk management policies and framework, as well as assist the Board in its oversight of risk management strategy. The policy should define risks and risk limits that are acceptable and unacceptable to the Company. It should provide guidelines and standards to administer the acceptance and management of risks;
- ii. Exercise oversight over the process for the identification and assessment of risks across the Company and the adequacy of prevention, detection, and reporting mechanisms;

4. Work methods of the Board of Directors and its Committees

The Board meets as often as necessary, at least quarterly in each financial year, and on notice by the Chairman or a person designated by him. In addition, the Board is convened as soon as a Board member requests the Chairman to call a meeting. All Committees provide a detailed report to the full Board at each meeting in a dedicated Chairman's session.

The average attendance at the Board meetings was 98%. Selected members of the Executive Board and senior management participate in certain Committee meetings.

5. Information and control instruments vis-à-vis the Executive Board

The Board of Directors is, on a regular basis, informed on material matters involving the Group's business. The members of the Executive Board attend the Board of Directors meetings and report on significant projects and events. In addition, regular written reports are provided, including consolidated financial information, capital investment and strategy progress reports. The Chairman and the CEO ensure the proper information flow between the Executive Board and the Board of Directors. The Board of Directors receives regular and ad-hoc reports from the Board's Committees, the Chairman, the CEO, as well as from the Executive Board. The minutes of Committee meetings are made available to the full Board. Furthermore, the Audit Committee reviews the financial performance and assesses the effectiveness of the internal and external audit processes as well as the internal risk management organisation and processes. Members of the Executive Board and other senior management may, upon the request of the Committee Chairman, attend the Audit Committee meetings.

Additional information and control instruments include: –

- i. The external auditors, who conduct their audit in compliance with Nigerian law and in accordance with International Standards on Auditing.
- ii. The Group and Market Audit function, the corporate internal auditors, which has a direct link to the Audit Committee. It comprises a unit of international auditors who travel worldwide, completing audit assignments.
- iii. Group Risk Services, the corporate risk management unit, providing assistance to all corporate entities with regard to risk management, loss prevention, claims handling and insurance. A top-level risk assessment is performed once a year for all businesses.
- iv. Group Compliance and other risk and control-related functions provide additional guidance and oversight. Risk and compliance activities are regularly co-ordinated through the Group Risk Committee to ensure a holistic, entity-wide approach.



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AVA CAPITAL PARTNERS LIMITED ANNUAL REPORT

31 December 2024

Corporate Information

Registered Number

RC 1167339

Business Address

**3 Glover Street
Ikoyi, Lagos,
Nigeria.**

Board of Directors

**Kayode Fadahunsi - Managing Director
Samson Adekunle - Non-Executive Director
Taiwo Okurounmu - Non-Executive Director
Adegbite Adedotun - Non-Executive Director**

Company Secretary

**Famakinwa Idowu Paul
FRC/2025/PRO/NBA/002/015122**

Independent Auditor

**KPMG Professional Services
KPMG Tower
Bishop Aboyade Cole Street
Victoria Island, Lagos, Nigeria**

Bankers

**Zenith Bank Plc
Providus Bank Limited
Access Bank Nigeria Plc
Wema Bank Plc
Taj Bank Limited
United Bank of Africa Plc
Suntrust Bank Plc
Globus Bank
Keystone Bank Plc
Lotus Bank Plc**

TIN

19090589-0001

AVA CAPITAL PARTNERS LIMITED ANNUAL REPORT

31 December 2024

Directors' Report for the year ended 31 December 2024

The directors present their report on the affairs of AVA Capital Partners Limited (“the Company”) together with the audited financial statements and the auditor’s report for the year ended 31 December 2024.

A. Legal form

The Company was incorporated as a private limited liability company on 29 January 2014.
The major shareholder in the company is Prosperis Holdings Company Limited.

B. Principal activity

The principal activities of the Company continue to include the promotion, provision of guarantees, underwriting, participation in, management, execution, and issuance, whether public or private, of shares, stocks, bonds, debentures, notes, or other securities of any company, corporation, or association.

C. Operating results

Highlights of the Company’s operating results for the period are as follows:

	31 December 2024	31 December 2023
	N'000	N'000
Gross Earnings	331,003	60,435
Profit before taxation	(3,639)	20,252
Taxation	(17,317)	(11,238)
Profit after taxation	(20,956)	9,014

D. Directors and their interests

The Directors who served during the period and up to the date of this report are as follows:

Kayode Fadahunsi - Managing Director
Samson Adekunle - Non-Executive Director
Taiwo Okurounmu - Non-Executive Director
Adegbite Adedotun - Non-Executive Director

The directors do not have any interest required to be disclosed under section 303 of the Companies and Allied Matters Act (CAMA), 2020.

E. Directors' Interests in Contracts

In accordance with section 303 of the Companies and Allied Matters Act (CAMA), 2020, none of the directors have notified the Company of any declarable interests in contracts with the Company.

F. Property and Equipment

Information relating to changes in property and equipment is given in Note 17 to the financial statements. In the directors' opinion, the realisable value of the Company's properties is not less than the value shown in the financial statements.

AVA Capital Partners Limited Annual Report

31 December 2024

Directors' Report for the year ended 31 December 2024

G. Shareholding Analysis

The issued and fully paid-up share capital of the Company was 1,000,000,000 ordinary shares of ₦1 each. The shareholding structure as at the balance sheet date were as shown below:

	31 December 2024	%	31 December 2023	%
Prosperis Holding Company Limited	900,000,000	90	900,000,000	90
Simple Business Combinations Limited	100,000,000	10	100,000,000	10
	1,000,000,000	100	1,000,000,000	100

H. Events after reporting period

There were no subsequent events which could have a material effect on the financial position of the Company as at 31 December 2024 or the profit for the year then ended on that date, that have not been adequately provided for or disclosed in the financial statements.

I. Human resources

Health, safety and welfare at work

The Company places a high premium on the health, safety and welfare of its employees in their place of work. Medical facilities are provided for employees and their immediate families at the company's expense, up to stated limits.

Employment of disabled persons

The Company has no disabled persons in its employment. However, applications for employment by disabled persons are always fully considered, bearing in mind the respective aptitudes and abilities of the applicants concerned. In the event of members of staff becoming disabled, every effort is made to ensure that their employment with the company continues and that appropriate training is arranged. It is the policy of the Company that the training, career development and promotion of disabled persons should, as far as possible, be identical with that of other employees.

Employee consultation and training

The Company places considerable value on the involvement of its employees and has continued its previous practice of keeping them informed on matters affecting them as employees and on various factors affecting the performance of the company. In line with this, formal and informal channels of communication are employed in keeping the staff abreast of various factors affecting the performance of the company. The Company organises in-house and external training for its employees.

J. Donations and charitable gifts

The company made no contributions to charitable and non-political organisations during the year (2024: nil).

K. Auditors

The previous auditor messer Joseph Dauda & Co who audited the prior year Financial statements up to 31 December 2023 resigned and KPMG professional services was appointed on 17th May 2024



SIGNED BY ORDER OF THE BOARD

Famakinwa Idowu Paul

FRC/2025/PRO/NBA/002/015122

28-Mar-25

STATEMENT OF DIRECTORS' RESPONSIBILITIES IN RELATION TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2024

The Directors accept responsibility for the preparation of the annual financial statements that give a true and fair view in accordance with International Financial Reporting Standards and in the manner required by the Companies and Allied Matters Act (CAMA), 2020 and Financial Reporting Council of Nigeria Act, 2023.

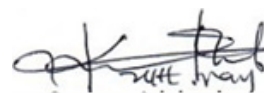
The Directors further accept responsibility for maintaining adequate accounting records as required by the Companies and Allied Matters Act (CAMA), 2020 and for such internal control as the directors determine is necessary to enable the preparation of financial statements that are free from material misstatement whether due to fraud or error.

The Directors have made an assessment of the Company's ability to continue as a going concern and have no reason to believe the Company will not remain a going concern in the year ahead.

SIGNED ON BEHALF OF THE BOARD OF DIRECTORS BY:



Kayode Fadahunsi
Managing Director
FRC/2025/PRO/NBA/002/015122
28-Mar-25



Samson Adekunle
Director
FRC/2020/003/00000021513
28-Mar-25

STATEMENT OF CORPORATE RESPONSIBILITY FOR THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2024

Further to the provisions of section 405 of the Companies and Allied Matters Act (CAMA), 2020, we, the Managing Director and Chief Financial Officer, hereby certify the financial statements of AVA Capital Partners Limited for the year ended 31 December 2024 as follows:

- A. That we have reviewed the audited financial statements of the Company for the year ended 31 December 2024.
- B. That the audited financial statements do not contain any untrue statement of material fact or omit to state a material fact which would make the statements misleading, in the light of the circumstances under which such statement was made.
- C. That the audited financial statements and all other financial information included in the statements fairly present, in all material respects, the financial condition and results of operation of the Company as of and for, the year ended 31 December 2024.
- D. That we are responsible for establishing and maintaining internal controls and have designed such internal controls to ensure that material information relating to the Company is made known to us by other officers of the companies, during the period end 31 December 2024.
- E. That we have evaluated the effectiveness of the Company's internal controls within 90 days prior to the date of audited financial statements, and certify that the Company's internal controls are effective as of that date.
- F. That there were no significant changes in internal controls or in other factors that could significantly affect internal controls subsequent to the date of our evaluation, including any corrective action with regard to significant deficiencies and material weaknesses.
- G. That we have disclosed the following information to the Company's Auditors and Audit Committee:
 - i. there are no significant deficiencies in the design or operation of internal controls which could adversely affect the Company's ability to record, process, summarise and report financial data, and have identified for the Company's auditors any material weaknesses in internal controls, and
 - ii. there is no fraud that involves management or other employees who have a significant role in the Company's internal control



Kayode Fadahunsi
Managing Director
FRC/2025/PRO/NBA/002/015122
28-Mar-25



Samson Adekunle
Non-Executive Director
FRC/2020/003/00000021513
28-Mar-25

MANAGEMENT'S ANNUAL ASSESSMENT OF INTERNAL CONTROL OVER FINANCIAL REPORTING

To comply with the provisions of Section 1.3 of SEC guidance on implementation of sections 60-63 of Investments and Securities Act 2007, we hereby make the following statements regarding the Internal Controls of AVA Capital Partners Limited for the year ended 31 December 2024:

- i. AVA Capital Partners Limited's management is responsible for establishing and maintaining a system of internal control over financial reporting ("ICFR") that provides reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with International Financial Reporting Standards.
- ii. AVA Capital Partners Limited's management used the Committee of Sponsoring Organization of the Treadway Commission (COSO) Internal Control-Integrated Framework to conduct the required evaluation of the effectiveness of the entity's ICFR;
- iii. AVA Capital Partners Limited's management has assessed that the entity's ICFR as of the end of 31 December 2024 is effective.
- iv. AVA Capital Partners Limited's external auditor Messrs. KPMG that audited the financial statements included in the annual report, has issued an attestation report on management's assessment of the entity's internal control over financial reporting.

The attestation report of Messrs. KPMG that audited its financial statements will be filed as part of AVA Capital Partners Limited's annual report.

Annual Report 2024.

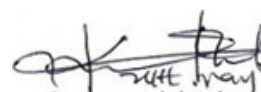


Kayode Fadahunsi

FRC/2015/PRO/DIR/003/0000001183

Managing Director

31-Mar-25



Samson Adekunle

FRC/2020/PRO/DIR/003/00000021513

Director

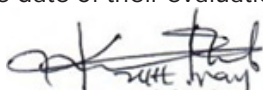
31-Mar-25

CERTIFICATION OF MANAGEMENT'S ASSESSMENT ON INTERNAL CONTROL OVER FINANCIAL REPORTING

To comply with the provisions of Section 1.1 of SEC Guidance on Implementation of Sections 60-63 of Investments and Securities Act 2007, I hereby make the following statements regarding the Internal Controls of AVA Capital Partners Limited for the year ended 31 December 2024.

I, Samson Adekunle, certify that:

- a. I have reviewed this management assessment on internal control over financial reporting of AVA Capital Partners Limited;
- b. Based on my knowledge, this report does not contain any untrue statement of a material fact or omit to state a material fact necessary to make the statements made, in light of the circumstances under which such statements were made, not misleading with respect to the period covered by this report;
- c. Based on my knowledge, the financial statements, and other financial information included in this report, fairly present in all material respects the financial condition, results of operations and cash flows of the entity as of, and for, the periods presented in this report;
- d. The entity's other certifying officer and I:
 1. are responsible for establishing and maintaining internal controls
 2. have designed such internal controls and procedures, or caused such internal controls and procedures to be designed under our supervision, to ensure that material information relating to the entity, is made known to us by others within the entity, particularly during the period in which this report is being prepared;
 3. have designed such internal control system, or caused such internal control system to be designed under our supervision, to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with IFRS Accounting Standards;
 4. have evaluated the effectiveness of the entity's internal controls and procedures as of a date within 90 days prior to the report and presented in this report our conclusions about the effectiveness of the internal controls and procedures, as of the end of the period covered by this report based on such evaluation.
- e. The entity's other certifying officer and I have disclosed, based on our most recent evaluation of internal control system, to the entity's auditors and the audit committee of the entity's board of directors (or persons performing the equivalent functions):
 1. There are no significant deficiencies or material weaknesses in the design or operation of the internal control system that would adversely affect the entity's ability to record, process, summarize, and report financial information; and
 2. Any fraud, regardless of materiality, involving management or other employees with a significant role in the entity's internal control system.
- f. The entity's other certifying officer(s) and I have not identified, in the report any significant changes in internal controls or other facts that could significantly affect internal controls subsequent to the date of their evaluation.



Samson Adekunle

FRC/2020/PRO/DIR/003/00000021513

Director

31-Mar-25

CERTIFICATION OF MANAGEMENT'S ASSESSMENT ON INTERNAL CONTROL OVER FINANCIAL REPOTING

To comply with the provisions of Section 1.1 of SEC Guidance on Implementation of Sections 60-63 of Investments and Securities Act 2007, I hereby make the following statements regarding the Internal Controls of AVA Capital Partners Limited for the year ended 31 December 2024.

I, Kayode Fadahunsi, certify that:

- a. I have reviewed this management assessment on internal control over financial reporting of AVA Capital Partners Limited;
- b. omit to state a material fact necessary to make the statements made, in light of the circumstances under which such statements were made, not misleading with respect to the period covered by this report;
- c. Based on my knowledge, the financial statements, and other financial information included in this report, fairly present in all material respects the financial condition, results of operations and cash flows of the entity as of, and for, the periods presented in this report;
- d. The entity's other certifying officer and I:
 1. are responsible for establishing and maintaining internal controls
 2. have designed such internal controls and procedures, or caused such internal controls and procedures to be designed under our supervision, to ensure that material information relating to the entity, is made known to us by others within the entity, particularly during the period in which this report is being prepared;
 3. have designed such internal control system, or caused such internal control system to be designed under our supervision, to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with IFRS Accounting Standards;
 4. have evaluated the effectiveness of the entity's internal controls and procedures as of a date within 90 days prior to the report and presented in this report our conclusions about the effectiveness of the internal controls and procedures, as of the end of the period covered by this report based on such evaluation.
- e. The entity's other certifying officer and I have disclosed, based on our most recent evaluation of internal control system, to the entity's auditors and the audit committee of the entity's board of directors (or persons performing the equivalent functions):
 1. There are no significant deficiencies or material weaknesses in the design or operation of the internal control system that would adversely affect the entity's ability to record, process, summarize, and report financial information; and
 2. Any fraud, regardless of materiality, involving management or other employees with a significant role in the entity's internal control system.
- f. The entity's other certifying officer(s) and I have not identified, in the report any significant changes in internal controls or other facts that could significantly affect internal controls subsequent to the date of their evaluation.

Kayode Fadahunsi

FRC/2015/PRO/DIR/003/0000001183

Managing Director

31-Mar-25

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Independent Auditor's Limited Assurance Report

To the Board of Directors of AVA Capital Partners Limited

Report on Limited Assurance Engagement Performed on Management's Assessment of Internal Control Over Financial Reporting

Conclusion

We have performed a limited assurance engagement on whether internal control over financial reporting of AVA Capital Partners Limited ("the Company") as of 31 December 2024 is effective in accordance with the criteria established in Internal Control - Integrated Framework (2013) issued by the Committee of Sponsoring Organizations of the Treadway Commission ("the COSO Framework") and the Financial Reporting Council of Nigeria Guidance on Management Report on Internal Control Over Financial Reporting.

Based on the procedures performed and evidence obtained, nothing has come to our attention to cause us to believe that the Company's internal control over financial reporting as of 31 December 2024 is not effective, in all material respects, in accordance with the criteria established in the COSO Framework and the Financial Reporting Council of Nigeria Guidance on Management Report on Internal Control Over Financial Reporting.

Basis for conclusion

We conducted our engagement in accordance with International Standard on Assurance Engagements (ISAE) 3000 (Revised), Assurance Engagements Other Than Audits or Reviews of Historical Financial Information issued by the International Auditing and Assurance Standards Board (IAASB) and the Financial Reporting Council of Nigeria Guidance on Assurance Engagement Report on Internal Control over Financial Reporting. Our responsibilities are further described in the "Our responsibilities" section of our report.

We have complied with the independence and other ethical requirements of the International Code of Ethics for Professional Accountants (including International Independence Standards) issued by the International Ethics Standards Board for Accountants (IESBA).

Our firm applies International Standard on Quality Management (ISQM) 1, Quality Management for Firms that Perform Audits or Reviews of Financial Statements, or Other Assurance or Related Services Engagements, issued by the IAASB. This standard requires the firm to design, implement and operate a system of quality management, including policies or procedures regarding compliance with ethical requirements, professional standards and applicable legal and regulatory requirements.

We believe that the evidence we have obtained is sufficient and appropriate to provide a basis for our conclusion

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Registered in Nigeria No BN 986925

A list of partners is available for inspection at the firm's address.



Other matter

We have audited the financial statements of AVA Capital Partners Limited in accordance with the International Standards on Auditing, and our report dated 31 March 2025 expressed an unmodified opinion of those financial statements.

Our conclusion is not modified in respect of this matter.

Responsibilities for Internal Control over Financial reporting

The Board of Directors of AVA Capital Partners Limited is responsible for maintaining effective internal control over financial reporting, and for its assessment of the effectiveness of internal control over financial reporting, included in the accompanying Management's report. Our responsibility is to express a conclusion on the Company's internal control over financial reporting based on our assurance engagement.

Our responsibilities

The Financial Reporting Council of Nigeria Guidance on Assurance Engagement Report on Internal Control over Financial Reporting ("the Guidance") requires that we plan and perform the assurance engagement and provide a limited assurance report on the Company's internal control over financial reporting based on our assurance engagement.

Summary of the work we performed as the basis for our conclusion

We exercised professional judgment and maintained professional skepticism throughout the engagement. As prescribed in the Guidance, the procedures we performed included obtaining an understanding of internal control over financial reporting, assessing the risk that a material weakness exists, and testing and evaluating the design and operating effectiveness of internal control based on the assessed risk. Our engagement also included performing such other procedures as we considered necessary in the circumstances. We believe the procedures performed provide a basis for our report on the internal control put in place by management over financial reporting.

The procedures performed in a limited assurance engagement vary in nature and timing from, and are less in extent than for, a reasonable assurance engagement. Consequently, the level of assurance obtained in a limited assurance engagement is substantially lower than the assurance that would have been obtained had a reasonable assurance engagement been performed.

Definition and Limitations of Internal Control Over Financial Reporting

A company's internal control over financial reporting is a process designed to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles. A company's internal control over financial reporting includes those policies and procedures that:

- I. pertain to the maintenance of records that, in reasonable detail, accurately and fairly reflect the transactions and dispositions of the assets of the company;
- II. provide reasonable assurance that transactions are recorded as necessary to permit preparation of financial statements in accordance with generally accepted accounting principles, and that receipts and expenditures of the company are being made only in accordance with authorizations of management and directors of the company; and
- III. provide reasonable assurance regarding prevention or timely detection of unauthorised acquisition, use, or disposition of the company's assets that could have a material effect on the financial statements.



Because of its inherent limitations, internal control over financial reporting may not prevent or detect all misstatements. Furthermore, projections of any evaluation of effectiveness to future periods are subject to the risk that controls may become inadequate because of changes in conditions, or that the degree of compliance with the policies or procedures may deteriorate.

A handwritten signature in blue ink, appearing to read 'Onyinye Okere', is positioned above a horizontal line.

Onyinye Okere, ACA

FRC/2012ICAN/00000000421

For: KPMG Professional Services

Chartered Accountants

31 March 2025

Lagos, Nigeria.



KPMG Professional Services
KPMG Tower
Bishop Abiodun Cole Street
Victoria Island
PMG 40014, Falomo
Lagos

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INDEPENDENT AUDITOR'S REPORT

To the Board of Directors of AVA Capital Partners Limited

Report on the Audit of the Financial Statements

Opinion

We have audited the financial statements of AVA Capital Partners Limited ("the Company"), which comprise:

- the statement of financial position as at 31 December 2024;
- the statement of profit or loss and other comprehensive income;
- the statement of changes in equity;
- the statement of cash flows for the year then ended; and
- the notes, comprising material accounting policies and other explanatory information.

In our opinion, the accompanying financial statements give a true and fair view of the financial position of the Company as at 31 December 2024, and of its financial performance and its cash flows for the year then ended in accordance with IFRS Accounting Standards as issued by the International Accounting Standards Board (IFRS Accounting Standards) and in the manner required by the Companies and Allied Matters Act (CAMA), 2020 and the Financial Reporting Council of Nigeria (Amendment) Act.

Basis for Opinion

We conducted our audit in accordance with International Standards on Auditing (ISAs). Our responsibilities under those standards are further described in the Auditor's Responsibilities for the Audit of the Financial Statements section of our report. We are independent of the Company in accordance with International Ethics Standards Board for Accountants' International Code of Ethics for Professional Accountants (including International Independence Standards) (IESBA Code) together with the ethical requirements that are relevant to our audit of the financial statements in Nigeria and we have fulfilled our other ethical responsibilities in accordance with these requirements and the IESBA Code. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Other Matter relating to comparative information

The Financial Statements of the Company as at and for the year ended 31 December 2023 were audited by another auditor who expressed an unmodified opinion on those statements on 23 February 2024.

Other Information

The Directors are responsible for the other information. The other information comprises the Directors' Report, Statement of Directors' Responsibilities, Statement of Corporate Responsibility, Management's annual assessment of internal control over financial reporting, and Certification of management's assessment on internal control over financial reporting, but does not include the financial statements and our auditor's report thereon.

Our opinion on the financial statements does not cover the other information and we do not express any form of assurance conclusion thereon.

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Registered in Nigeria No BN 986925

A list of partners is available for inspection at the firm's address.



In connection with our audit of the financial statements, our responsibility is to read the other information and in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the audit or otherwise appears to be materially misstated. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.

Responsibilities of the Directors for the Financial Statements

The Directors are responsible for the preparation of financial statements that give a true and fair view in accordance with IFRS Accounting Standards and in the manner required by the Companies and Allied Matters Act (CAMA), 2020 and the Financial Reporting Council of Nigeria (Amendment) Act, 2023, and for such internal control as the directors determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, the directors are responsible for assessing the Company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the directors either intend to liquidate the Company or to cease operations, or have no realistic alternative but to do so.

Auditor's Responsibilities for the Audit of the Financial Statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with ISAs will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

As part of an audit in accordance with ISAs, we exercise professional judgment and maintain professional skepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Company's internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the directors.
- Conclude on the appropriateness of directors' use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Company to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

We communicate with the Board of Directors regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

Report on Other Legal and Regulatory Requirements

Compliance with the requirements of Schedule 5 of the Companies and Allied Matters Act (CAMA), 2020

- i. We have obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purpose of our audit.
- i. In our opinion, proper books of account have been kept by the Company, so far as appears from our examination of those books.
- ii. The Company's statement of financial position and statement of profit or loss and other comprehensive income are in agreement with the books of account.

Compliance with FRC Guidance on Assurance Engagement Report on Internal Control over Financial Reporting

In accordance with the requirements of the Financial Reporting Council of Nigeria, we performed a limited assurance engagement and reported on management's assessment of the Company's internal control over financial reporting as of December 31, 2024. The work performed was done in accordance with ISAE 3000 (Revised) Assurance Engagements Other Than Audits or Reviews of Historical Financial Information and the FRC Guidance on Assurance Engagement Report on Internal Control over Financial Reporting. We have issued an unmodified conclusion in our report dated 31 March 2025. That report is included on page 9 of the annual report.

Onyinye Okere, ACA

FRC/2012ICAN/00000000421

For: KPMG Professional Services

Chartered Accountants

31 March 2025

Lagos, Nigeria.



STATEMENT OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME FOR THE YEAR ENDED 31 DECEMBER 2024

	Note	31 'December 2024	31 'December 2023
		N'000	N'000
Revenue			
Advisory fee		106,297	190,949
Interest Income	4	225,005	57,193
Net Interest Income		331,302	248,142
Other Income	5	-	3,242
Total Income		-	3,242
Personnel expenses	7	(67,901)	(57,054)
Depreciation of Property and Equipment	17	(27,747)	(27,955)
Operating Expenses	6	(201,043)	(146,124)
Impairment on financial assest	11	(38,250)	-
Total Operating Expenses		(334,941)	(231,132)
(Loss)/Profit before Tax		(3,639)	20,252
Taxation	8.1	(17,317)	(11,238)
(Loss)/Profit after Tax		(20,956)	9,014
Other Comprehensive Income:			
Other Comprehensive Income net of Tax		-	-
Total Comprehensive Income for the year		(20,956)	9,014

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

STATEMENT OF FINANCIAL POSITION

AS AT 31 DECEMBER 2024

	Note	31 'December 2024 N'000	31 'December 2023 N'000
Assets			
Cash and Cash Equivalents	10	1,094,331	1,121,827
Other Asset	11	10,418	49,291
Property & Equipment	17	20,050	44,464
Deferred tax asset	9	13,638	14,226
Total Assets		1,138,438	1,229,808
Liabilities			
Accruals and Other Liabilities	12	93,135	180,278
Current Tax Liabilities	8	16,730	-
Total Liabilities		109,865	180,278
Equity			
Share Capital	13	1,000,000	1,000,000
Share premium	13	150,000	150,000
Retained Earnings	13	(121,426)	(100,470)
Total Equity		1,028,574	1,049,530
Total Equity & Liabilities		1,138,439	1,229,808

These financial statements were approved by the Board of Directors on 28th March 2025

SIGNED ON BEHALF OF THE BOARD OF DIRECTORS BY:

Kayode Fadahunsi

FRC/2015/PRO/DIR/003/00000011838

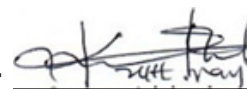
Managing Director



Samson Adekunle

FRC/2020/003/00000021513

Director



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

STATEMENT OF CHANGES IN EQUITY FOR THE YEAR ENDED 31 DECEMBER 2024

	Share Capital	Share Premium	Retained Earnings	Total
	N'000	N'000	N'000	N'000
Balance at 1 January 2024	1,000,000	150,000	(100,470)	1,049,530
Profit for the year	-		(20,956)	(20,956)
Other comprehensive income				
Fair value gain/(loss) on revaluation of financial assets at fair value through OCI	-		-	-
Total Comprehensive Income for the year	-		(20,956)	(20,956)
At 31 December 2024	1,000,000	150,000	(121,426)	1,028,574

	Share Capital	Share Premium	Retained Earnings	Total
	N'000	N'000	N'000	N'000
Balance at 1 January 2023	400,000	250,000	(109,484)	540,516
Issue of share capital	600,000			600,000
Profit for the year	-		9,014	9,014
Share premium		(100,000)		(100,000)
Prior year adjustments				-
Total Comprehensive Income for the year	600,000	(100,000)	9,014	509,014
At 31 December 2023	1,000,000	150,000	(100,470)	1,049,530

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

STATEMENT OF CASHFLOWS

FOR THE YEAR ENDED 31 DECEMBER 2024

	Note	31 'December 2024 N'000	31 'December 2023 N'000
Cash flows from operating activities			
(Loss)/Profit after income tax		(20,956)	9,014
Add back:			
Taxation expense	8.1	17,317	11,238
Profit before income tax		(3,639)	20,252
Adjustment for:			
Depreciation	17	27,747	27,955
Impairment on financial assest	11	38,250	
Change in working capital:			
Other asset	11	623	(21,562)
Payables and other liabilities	18	(100,783)	145,931
Total changes in working capital		(34,163)	152,324
Tax paid	8.1	-	(7,177)
Net cash generated from operating activities		(37,802)	165,399
Cash flows from investing activities			
Acquisition of Property Plant and Equipment	17	(3,333)	(17,238)
Net cash used in investing activities		(3,333)	(17,238)
Cash flows from financing activities			
Issue of shares		-	500,000
Net cash used in financing activities		-	500,000
Net increase in cash and cash equivalents		(27,496)	648,162
Cash and cash equivalents at start of year		1,121,827	473,665
Cash and cash equivalents at end of the year		1,094,331	1,121,827

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

NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 DECEMBER 2024

1. General information

AVA Capital Partners Limited (herein known as 'the Company') was incorporated as a private limited liability Company on 18 July 2004 and commenced operations in January 29, 2014. The Company is domiciled in Nigeria and the address of its registered office is 3, Glover Road, Ikoyi, Lagos. The primary activities of AVA Capital partners Limited is capital investment. The financial statement was approved on the 28 March 2025.

2. Summary of significant accounting policies

The principal accounting policies applied in the preparation of these financial statements are set out below. These policies have been consistently applied to all the years presented, unless otherwise stated.

2.1 Basis of preparation

These financial statements are the stand alone financial statements of AVA Capital Partners Limited. The financial statements for the year ended 31 December 2024 have been prepared in accordance with International Financial Reporting Standards (IFRS) as issued by the International Accounting Standard board IASB. Additional information required by national regulations is included where appropriate.

The financial statements have been prepared in accordance with the going concern principle under the historical cost convention, as modified by the valuation of financial assets at fair value through other comprehensive income. The financial statements are presented in Nigerian currency (Naira) and rounded to the nearest thousand.

The financial statements comprise the statement of profit or loss and other comprehensive income, the statement of financial position, the statement of changes in equity, the statement of cash flows and the related notes.

Use of Estimate and Judgement.

The preparation of financial statements in conformity with IFRS requires the use of certain critical accounting estimates. It also requires management to exercise its judgement in the process of applying the Company's accounting policies. Changes in assumptions may have a significant impact on the financial statements in the period the assumptions changed. Management believes that the underlying assumptions are appropriate and that the Company's financial statements therefore present the financial position and results fairly. The estimates and underlying assumptions are reviewed on an on-going basis. Revisions to accounting estimates are recognised in the period in which the estimate is revised, if the revision affects only that period, or in the period of the revision and future periods, if the revision affects both current and future periods. There were no material changes in management's estimates during the year.

2.2 Foreign currency translation

(a) Functional and presentation currency

Items included in the financial statements of the Company are measured using the currency of the primary economic environment in which the entity operates ('the functional currency'). The financial statements are presented in Naira (N), which is the Company's functional currency.

Standards and interpretations issued/amended but not yet effective.

The amendments clarifies:

A number of new IFRS Accounting Standards, Amendments to IFRS Accounting Standards, and Interpretations are effective for annual periods beginning after 1 January 2025 and have not been applied in preparing these financial statements. Those IFRS Accounting Standards,

Amendments to IFRS Accounting Standards and Interpretations which may be relevant to the Company are set out below:

Standard/ Interpretation	Date Issued by ISAB	Summary of the requirements and impact assessment
IFRS 18	Beginning 1 January 2025	i. Presentation and Disclosure in Financial Statements (IFRS 18) IFRS 18 Presentation and Disclosure in Financial Statements replaces IAS 1 Presentation of Financial Statements. The new standard introduces the following key new requirements: ii. It promotes a more structured income statement, in particular, it introduces a newly defined 'operating profit' subtotal and a requirement for all income and expenses to be classified into three new distinct categories, operating, investing, and financing, based on a company's main business activities. iii. All companies are required to report the newly defined 'operating profit' subtotal – an important measure for investors' understanding of a company's operating results – i.e. investing and financing results are specifically excluded. This means that the results of equity-accounted investees are no longer part of operating profit and are presented in the 'investing' category. iv. Management-defined performance measures (MPMs) are disclosed in a single note in the financial statements. v. Enhance guidance is provided on how to group information in the financial statements. This includes guidance on whether information is included in the primary financial statements or is further disaggregated in the notes. Companies are discouraged from labelling items as 'other' and will now be required to disclose more information if they continue to do so. vi. Entities are required to use the operating profit subtotal as the starting point for the statement of cash flows when presenting

- vii. It also requires Companies to analyse their operating expenses directly on the face of the income statement – either by nature, by function or using a mixed presentation. If any items are presented by function on the face of the income statement (e.g. cost of sales), then a company provides more detailed disclosures about their nature. IFRS 18 is effective from 1 January 2027 and applies retrospectively, it is available for early adoption. The Fund has not assessed the impact of IFRS 18. The IFRS Accounting Standards will be adopted in the period that they become mandatory unless otherwise indicated.

Standards and interpretations effective during the reporting period

Amendments to IFRS 10 and IAS 28

The standard is effective for annual periods beginning on or after 1 January 2024.

Classification of liabilities as current or non-current and Non-current Liabilities with Covenants (Amendments to IAS 1)

Under existing IAS 1 requirements, companies classify a liability as current when they do not have an unconditional right to defer settlement of the liability for at least 12 months after the end of the reporting period. As part of its amendments, the Board has removed the requirement for a right to be unconditional and instead, now requires that a right to defer settlement must have substance and exist at the end of the reporting period.

The existing requirement to ignore management's intentions or expectations for settling a liability when determining its classification is unchanged. In addition, a company will classify a liability as non-current if it has a right to defer settlement for at least 12 months after the reporting date. Such right may be subject to a company complying with conditions (covenants) specified in a loan arrangement.

The amendments also clarify how a company classifies a liability that includes a counterparty conversion option, which could either be recognized as either equity or liability separately from the liability component under IAS 32 Financial Instruments: Presentation.

NOTES TO THE FINANCIAL STATEMENT

FOR THE YEAR END 31ST DECEMBER, 2024.

(b) Transactions and balances

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

Monetary items denominated in foreign currency are translated with the closing rate as at the reporting date. If several exchange rates are available, the forward rate is used at which the future cash flows represented by the transaction or balance could have been settled if those cash flows had occurred. Non-monetary items measured at historical cost denominated in a foreign currency are translated with the exchange rate as at the date of initial recognition; non-monetary items in a foreign currency that are measured at fair value are translated using the exchange rates at the date when the fair value was determined.

Foreign exchange gains and losses resulting from the settlement of foreign currency transactions and from the translation at period-end exchange rates of monetary assets and liabilities denominated in foreign currencies are recognised in the income statement.

Material Accounting Policy

The accounting policies set below have been applied by the company in preparing the financial statement

3.0 Revenue

Advisory fees

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

Other fees and commission income are recognized at point in time when performance obligation on contracts are delivered to clients as brokerage fees and commission.

Dividend income

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

Fees, commissions and other income

Fees, commission and other income are recognized on an accrual basis for the period under review at amortized cost. The management fees earned on funds being managed are as stipulated by the guiding of the respective individual trust deeds.

Interest income

For all financial instruments measured at amortised cost and interest bearing financial assets classified as Fair value through OCI, interest income or expense is recognised using the effective interest rate (EIR).

The effective interest method is a method of calculating the amortised cost of a financial asset of allocating the interest income over the relevant period. The effective interest rate is the rate that exactly discounts estimated future cash payments or receipts through the expected life of the financial instrument or, when appropriate, a shorter period to the net carrying amount of the financial asset or financial liability.

Direct incremental transaction costs incurred and origination fees received, including loan commitment fees, as a result of bringing margin-yielding assets or liabilities in the statement of financial position, are capitalised to the carrying amount of financial instruments, excluding financial instruments at fair value through profit or loss, and amortised as interest income over the life of the asset as part of the effective interest rate.

When calculating the effective interest rate, the Company estimates cashflows considering all contractual terms of the financial instrument (for example, prepayment options) but does not consider future credit losses. The calculation includes all fees and points paid or received between parties to the contract that are an integral part of the effective interest rate, transaction costs and all other premiums or discounts. Where the estimated cashflows on financial assets are subsequently revised, other than impairment losses, the carrying amount of the financial assets is adjusted to reflect actual and revised estimated cash flows.

Where a financial asset or a group of similar financial assets has been written down as a result of an impairment loss, interest income is recognised using the rate of interest used to discount the future cash flows for the purpose of measuring the impairment loss.

3.1 Financial instruments

A financial instrument is any contract that gives rise to a financial asset of one entity and a financial liability or equity instrument of another entity

Financial assets

Initial recognition and measurement of financial assets

Financial assets are classified, at initial recognition, as subsequently measured at amortised cost, fair value through other comprehensive income (OCI), and fair value through profit or loss.

The classification of financial assets at initial recognition depends on the financial asset's contractual cashflow characteristics and the Company's business model for managing them. With the exception of trade receivables that do not contain a significant financing component or for which the Company has applied the practical expedient, the Company initially measures a financial asset at its fair value plus, in the case of a financial asset not at fair value through profit or loss, transaction costs. Trade receivables that do not contain a significant financing component or for which the Company has applied the practical expedient are measured at the transaction price determined under IFRS 15.

In order for a financial asset to be classified and measured at amortised cost or fair value through OCI, it needs to give rise to cashflows that are 'solely payments of principal and interest (SPPI)' on the principal amount outstanding. This assessment is referred to as the SPPI test and is performed at an instrument level.

The Company's business model for managing financial assets refers to how it manages its financial assets in order to generate cashflows. The business model determines whether cashflows will result from collecting contractual cash flows, selling the financial assets, or both.

Purchases or sales of financial assets that require delivery of assets within a time frame established by regulation or convention in the market place (regular way trades) are recognised on the trade date, i.e., the date that the Company commits to purchase or sell the asset.

Management classifies its financial assets into any of the asset categories above on the basis of both:

- The Company's business model for managing the financial assets, and
- The contractual cash flows characteristics of the financial assets

3.2 Business Model Assessment

The business model assessment is one of the two steps to classify financial assets. The Finance Department of the Company is responsible for performing the business model assessment of the Company's financial instruments at a level that reflects how groups of financial assets are managed together to achieve a particular business objective.

Judgment is needed to determine the level of aggregation to which the business model assessment is applied.

That determination is made on the basis of how the Company manages its business, it is not made at the level of an individual asset, rather the Company performs this assessment at a higher level of aggregation which is at a portfolio level.

If cashflows are realised in a way that is different from the Company's expectations at the date that the Company assessed the business model (for example, if the Company sells more or fewer financial assets than it expected when it classified the assets), this does not:

- Give rise to a prior period error in the Company's financial statements (as defined in IAS 8 Accounting policies, changes in accounting estimates and errors), or
- Change the classification of the remaining financial assets held in that business model (i.e., those assets that the Company recognised in prior periods and still holds), as long as the Company has considered all relevant information that was available at the time that it made the business model assessment.

However, when the Company assesses the business model for newly originated or newly purchased financial assets, it considers information about how cashflows were realised in the past, along with all other relevant information. Where there was a change in the way that cashflows are realised, then this will affect the classification of new assets recognised in the future.

Hold-to-collect business model

Where the Company's objective is to hold the asset (or portfolio of assets) to collect the contractual cashflows, the asset (or portfolio of assets) are classified under the 'hold to collect' business model. Financial assets that are held within this business model are measured at amortised cost, (provided the asset also meets the contractual cash flowtest - see below). Such assets are managed to realise cash flows by collecting contractual payments over the life of the instrument.

In determining whether cash flows are going to be realised by collecting the financial assets' contractual cashflows, the Company considers the frequency and value of sales in prior periods, the timing of the sale of assets, the reasons for those sales, and the Company's expectations about future sales activity.

In accordance with IFRS 9, sales in themselves do not determine the business model and cannot be considered in isolation. However, information about past sales and expectations about future sales provide evidence related to how the Company's stated objective for managing the financial assets is achieved and, specifically, how cash flows are realised.

Hold-to-collect contractual cash flows and sell

Where the Company's objective is to hold a group of financial assets to collect the contractual cash flows and then to sell those financial assets, the portfolio of assets are classified under the 'hold to collect and sell' business model. The FVOCI measurement category is mandatory for portfolios of financial assets that are held within a business model whose objective is achieved by both collecting contractual cash flows and selling financial assets (provided the asset also meets the contractual cash flow test).

Collecting contractual cash flows and selling are fundamental to achieving the objective of the business model.

Compared to the business model with an objective to hold financial assets to collect contractual cash flows, this business model will typically involve greater frequency and value of sales. This is because selling financial assets is integral to achieving the business model's objective rather than only incidental to it. There is no threshold for the frequency or value of sales that can or must occur in this business model.

Other business models

IFRS 9 requires financial assets to be measured at fair value through profit or loss (FVTPL) if they are not held within either a business model whose objective is to hold assets to collect contractual cash flows or within a business model whose objective is achieved by both collecting contractual cash flows and selling financial assets.

A business model that results in measurement at FVTPL is where the financial assets are held for trading or where the assets are managed on a fair value basis. In each case, the Company manages the financial assets with the objective of realising cash flows through the sale of the assets. The Company makes decisions based on the assets' fair values and manages the assets to realise those fair values.

3.3 The contractual cash flows assessment – the Solely Payments of Principal and Interest

This assessment aims to identify whether the contractual cash flows are solely payments of principal and interest on the principal amount outstanding.

The SPPI test is based on the premise that it is only when the variability in the contractual cash flows arises to maintain the holder's return in line with a 'basic lending arrangement' that the application of the effective interest method provides useful information about the uncertainty, timing and amount of the financial asset's contractual cashflows.

The effective interest method is essentially to spread interest revenue or expense overtime. Amortised cost or FVOCI measurement is only appropriate for simple cash flows that have low variability such as those of loans and receivables and debt securities.

Subsequent measurement of financial assets

For purposes of subsequent measurement, financial assets are classified in four categories:

- Financial assets at amortised cost (debt instruments) ;
- Financial assets designated at fair value through OCI with recycling of cumulative gains and losses (debt instruments);
- Financial assets designated at fair value through OCI with no recycling of cumulative gains and losses upon derecognition (equity instruments); and
- Financial assets at fair value through profit or loss (The Company, however has no financial instrument in this category)

Financial assets at amortised cost (debt instruments)

This category is the most relevant to the Company. The Company measures financial assets at amortised cost if both of the following conditions are met:

- The financial asset is held within a business model with the objective to hold financial assets in order to collect contractual cash flows; and
- The contractual terms of the financial asset give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding.

Financial assets at amortised cost are subsequently measured using the effective interest (EIR) method and are subject to impairment. Gains and losses are recognised in profit or loss when the asset is derecognised, modified or impaired.

The Company's financial assets at amortised cost includes debt instruments, fixed deposits with banks and other financial institutions and other receivables.

Financial assets designated at fair value through OCI (equity instruments)

Upon initial recognition, the Company can elect to classify irrevocably its equity investments as equity instruments designated at fair value through OCI when they meet the definition of equity under IAS 32 Financial Instruments: Presentation and are not held for trading. The classification is determined on an instrument-by- instrument basis.

Gains and losses on these financial assets are never recycled to profit or loss. Dividends are recognised as other income in the statement of profit or loss and other comprehensive income when the right of payment has been established, except when the Company benefits from such proceeds as a recovery of part of the cost of the

financial asset, in which case, such gains are recorded in OCI. Equity instruments designated at fair value through OCI are not subject to impairment assessment.

Financial assets at fair value through OCI (debt instruments)

The Company measures debt instruments at fair value through OCI if both of the following conditions are met:

- The financial asset is held within a business model with the objective of both holding to collect contractual cash flows and selling; and
- The contractual terms of the financial asset give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding.

For debt instruments at fair value through OCI, interest income, foreign exchange revaluation and impairment losses or reversals are recognised in profit or loss and computed in the same manner as for financial assets measured at amortised cost. The remaining fair value changes are recognised in OCI. Upon derecognition, the cumulative fair value change recognised in OCI is recycled to profit or loss.

During the year under consideration, the Company did not have any debt instruments at fair value.

Financial assets at fair value through profit or loss

Financial assets at fair value through profit or loss include financial assets held for trading, financial assets designated upon initial recognition at fair value through profit or loss, or financial assets mandatorily required to be measured at fair value. Financial assets are classified as held for trading if they are acquired for the purpose of selling or repurchasing in the near term. Financial assets with cash flows that are not solely payments of principal and interest are classified and measured at fair value through profit or loss, irrespective of the business model. Notwithstanding the criteria for debt instruments to be classified at amortised cost or at fair value through OCI, as described above, debt instruments may be designated at fair value through profit or loss on initial recognition if doing so eliminates, or significantly reduces, an accounting mismatch.

Financial assets at fair value through profit or loss are carried in the statement of financial position at fair value with net changes in fair value recognised in the statement of profit or loss.

The Company did not have any equity investments under this category during the year under consideration.

Derecognition of financial assets

A financial asset (or, where applicable, a part of a financial asset or part of a group of similar financial assets) is primarily derecognised (i.e., removed from the Company's statement of financial position) when:

- The rights to receive cash flows from the asset have expired; or
- The Company has transferred its rights to receive cash flows from the asset or has assumed an obligation to pay the received cash flows in full without material delay to a third party under a 'pass-through' arrangement; and either (a) the Company has transferred substantially all the risks and rewards of the asset, or (b) the Company has neither transferred nor retained substantially all the risks and rewards of the asset, but has transferred control of the asset.

When the Company has transferred its rights to receive cash flows from an asset or has entered into a pass-through arrangement, it evaluates if, and to what extent, it has retained the risks and rewards of ownership. When it has neither transferred nor retained substantially all of the risks and rewards of the asset, nor transferred control of the asset, the Company continues to recognise the transferred asset to the extent of its continuing involvement. In that case, the Company also recognises an associated liability. The transferred asset and the associated liability are measured on a basis that reflects the rights and obligations that the Company has retained.

Continuing involvement that takes the form of a Guaranty over the transferred asset is measured at the lower of the original carrying amount of the asset and the maximum amount of consideration that the Company could be required to repay.

Impairment of financial assets

The Company recognises an allowance for Expected Credit Losses (ECLs) for all debt instruments not held at fair value through profit or loss. ECLs are based on the difference between the contractual cash flows due in accordance with the contract and all the cash flows that the Company expects to receive, discounted at an approximation of the original effective interest rate. The expected cash flows will include cash flows from the sale of collateral held or other credit enhancements that are integral to the contractual terms.

ECLs are recognised in two stages. For credit exposures for which there has not been a significant increase in credit risk since initial recognition, ECLs are provided for credit losses that result from default events that are possible within the next 12-months (a 12-month ECL). For those credit exposures for which there has been a significant increase in credit risk since initial recognition, a loss allowance is required for credit losses expected over the remaining life of the exposure, irrespective of the timing of the default (a lifetime ECL).

For trade receivables, the Company applies a simplified approach in calculating ECLs. Therefore, the Company does not track changes in credit risk, but instead recognises a loss allowance based on lifetime ECLs at each reporting date. The Company has established a provision matrix that is based on its historical credit loss experience, adjusted for forward-looking factors specific to the debtors and the economic environment.

The Company considers a financial asset in default when contractual payments are 90 days past due. However, in certain cases, the Company may also consider a financial asset to be in default when internal or external information indicates that the Company is unlikely to receive the outstanding contractual amounts in full before taking into account any credit enhancements held by the Company. A financial asset is written off when there is no reasonable expectation of recovering the contractual cash flows.

Further disclosures relating to impairment of financial assets are also provided in the following • Disclosures for significant judgments, estimates and assumptions- Note 3. • Financial assets at fair value through OCI - Note 15; and • Other assets - Note 16.

Financial liabilities Initial recognition and measurement of financial liabilities

Financial liabilities are classified, at initial recognition, as financial liabilities at fair value through profit or loss, borrowings and trade and other payables, as appropriate.

All financial liabilities are recognised initially at fair value and, in the case of loans and borrowings and payables, net of directly attributable transaction costs. The Company's financial liabilities include funds under management and trade and other payables. The Company did not have any financial liability that is

Subsequent measurement of financial liabilities

The measurement of financial liabilities depends on their classification, as described below:

After initial recognition, trade and other payables are subsequently measured at amortised cost. The amortised cost of a financial liability is the amount at which the financial liability is measured at initial recognition minus principal repayments, plus or minus the cumulative amortisation of any difference between that initial amount and the maturity amount.

Derecognition of financial liabilities

A financial liability is derecognised when the obligation under the liability is discharged or cancelled or expires. When an existing financial liability is replaced by another from the same lender on substantially different terms, or the terms of an existing liability are substantially modified, such an exchange or modification is treated as the derecognition of the original liability and the recognition of a new liability. The difference in the respective carrying amounts is recognised in the statement of profit or loss.

Offsetting of financial instruments

Financial assets and financial liabilities are offset and the net amount is reported in the statement of financial position, if there is a currently enforceable legal right to offset the recognised amounts and there is an intention to settle on a net basis, or to realise the assets and settle the liabilities simultaneously.

4.0 Taxes**4.1 Income tax expense**

The tax expense for the period comprises current tax. Tax is recognised in profit or loss, except to the extent that it relates to items recognised directly in equity. In this case, the tax is also recognised in equity and subsequently recognised in profit or loss when the related deferred gain or loss is recognised.

Current income tax

The current income tax charge is calculated on the basis of the tax laws enacted or substantively enacted at the reporting date.

Deferred tax

Deferred tax is recognised in respect of temporary differences between the carrying amounts of assets and liabilities for financial reporting purposes and the amounts used for taxation purposes. Deferred tax is not recognised for the following temporary differences: the initial recognition of goodwill, the initial recognition of assets or liabilities in a transaction that is not a business combination and that affects neither accounting nor taxable profit, and differences relating to investments in subsidiaries to the extent that they probably will not reverse in the foreseeable future. Deferred tax is measured at the tax rates that are expected to be applied to the temporary differences when they reverse, based on laws that have been enacted or substantively enacted by the reporting date. A deferred tax asset is recognised only to the extent that it is probable that future taxable profits will be available against which the asset 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.

Deferred tax - continuation

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

Additional income taxes that arise from the distribution of dividends are recognised at the same time as the liability to pay the related dividend is recognised.

4.2 Cash and cash equivalents

Cash and cash equivalents are balances that are held for the primary purpose of meeting short-term cash commitments. These include cash-on-hand, and those that are readily convertible to known amounts of cash, are subject to insignificant risk of changes in value and whose original maturity is three months or less. These include cash-on-hand, deposit held at call with banks and other short-term highly liquid investments (net of overdraft) which originally matures in three months or less.

4.3 Management fee receivables

Receivables include amounts due from clients. Receivables arising under margin arrangements are measured on initial recognition at the fair value of the consideration received or receivable. The carrying value of receivable is the utilised amount including the interest accrued as at the reporting period.

4.4 Share capital

(a) Share issue costs :

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

(b) Dividends on ordinary shares:

Dividends on ordinary shares are recognised in equity in the period in which they are approved by the Company's shareholders. Dividends for the year that are declared after the end of the reporting period are dealt with in the subsequent events note.

4.8 Property, plant and equipment

Property, plant and equipment is stated at cost, excluding the costs of day-to-day servicing, less accumulated depreciation and accumulated impairment. Replacement or major inspection costs are capitalised when incurred and if it is probable that future economic benefits associated with the item will flow to the entity and the cost of the item can be measured reliably.

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

Depreciation is provided on a straight line basis so as to allocate the cost less their residual values over the estimated useful lives of the following classes of assets:

- Office equipment 2 years
- Furniture and fittings 2 years
- Plant and equipment 5 years
- Computer equipment 2 years
- Motor vehicles 3 years

Depreciation methods, useful lives and residual values are reassessed at each reporting date and adjusted if appropriate.

De-recognition

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

Fair value definition and measurement

Fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date. The fair value measurement is based on the presumption that the transaction to sell the asset or transfer the liability takes place either:

- In the principal market for the asset or liability, or
 - In the absence of a principal market, in the most advantageous market for the asset or liability.
- The principal or the most advantageous market must be accessible to by the Company.

The fair value of an asset or a liability is measured using the assumptions that market participants would use when pricing the asset or liability, assuming that market participants act in their economic best interest.

The Company uses valuation techniques that are appropriate in the circumstances and for which sufficient data are available to measure fair value, maximising the use of relevant observable inputs and minimising the use of unobservable inputs.

All assets and liabilities for which fair value is measured or disclosed in the financial statements are categorised within the fair value hierarchy, described as follows, based on the lowest level input that is significant to the fair value measurement as a whole:

Level 1 — Quoted (unadjusted) market prices in active markets for identical assets or liabilities

Level 2 — Valuation techniques for which the lowest level input that is significant to the fair value measurement is directly or indirectly observable

Level 3 — Valuation techniques for which the lowest level input that is significant to the fair value measurement is unobservable

For assets and liabilities that are recognised in the financial statements on a recurring basis, the Company determines whether transfers have occurred between levels in the hierarchy by reassessing categorisation (based on the lowest level input that is significant to the fair value measurement as a whole) at the end of each reporting period.

Subsequent to initial recognition, the fair values of financial instruments are based on quoted market prices or dealer price quotations for financial instruments traded in active markets. If the market for a financial asset is not active or the instrument is unlisted, the fair value is determined by using applicable valuation techniques. These include the use of recent arm's length transactions, discounted cash flow analyses, pricing models and valuation techniques commonly used by market participants.

4.90 Impairment of non-financial assets

The Company assesses assets or groups of assets for impairment whenever events or changes in circumstances indicate that the carrying amount of an asset may not be recoverable. If any such indication of impairment exists; the carrying amount is greater than an estimate of the asset's recoverable amount. Individual assets are grouped for impairment assessment purposes at the lowest level (Cash generating unit) at which there are identifiable cash flows that are largely independent of the cash flows of other groups of assets.

An asset group's recoverable amount is the higher of its fair value less costs to sell and its value in use. Where the carrying amount of an asset group exceeds its recoverable amount, the asset group is considered impaired and is written down to its recoverable amount. In assessing value in use, the estimated future cash flows are adjusted for the risks specific to the asset group and are discounted to their present value using a pre-tax discount rate that reflects current market assessments of the time value of money.

Impairment losses are recognized in statement of profit or loss. Impairment losses recognized in prior periods can be reversed up to the original carrying amount, had the impairment loss not been recognized. Such reversal is recognized in profit or loss. After such a reversal, the depreciation charge is adjusted in future periods to allocate the asset's revised carrying amount, less any residual value, on a systematic basis over its remaining useful life. Impairment losses of continuing operations, including impairment on inventories, are recognised in the statement of profit or loss in those expense categories consistent with the function of the impaired asset, except for a property previously re-valued where the revaluation was taken to other comprehensive income. In this case, the impairment is also recognised in other comprehensive income up to the amount of any previous revaluation.

IFRS 16 Leases

At contract inception the Company assesses whether a contract is, or contains, a lease. That is, if the contract conveys the right to control the use of an identified asset for a period of time in exchange for consideration.

The Company's leases are short-term leases and leases of low-value assets. Therefore, there was no recognition of right-of-use assets and lease liabilities.

5. Significant accounting judgements, estimates and assumptions

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

Actual results may differ from these estimates.

The estimates and underlying assumptions are reviewed on an on-going basis. Revisions to accounting estimates are recognised in the period in which the estimate is revised, if the revision affects only that period, or in the period of the revision and future periods, if the revision affects both current and future periods.

Changes in accounting policies or measurement principles in light of new or revised standards are applied retrospectively, except as otherwise provided in the respective standard. The statement of profit or loss and other comprehensive income for the previous year and the opening statement of financial position for that year are adjusted as if the new accounting policies and/or measurement principles had always been applied.

ii. **Provision for expected credit losses of trade receivables**

The Company uses a provision matrix to calculate ECLs for trade receivables and contract assets. The provision rates are based on days past due for groupings of various customer segments that have similar loss patterns (i.e., customer type).

The provision matrix is initially based on the Company's historical observed default rates. The Company will calibrate the matrix to adjust the historical credit loss experience with forward-looking information. For instance, if forecast economic conditions (i.e., gross domestic product) are expected to deteriorate over the next year which can lead to an increased number of defaults in the various sectors, the historical default rates are adjusted. At every reporting date, the historical observed default rates are updated and changes in the forward-looking estimates are analysed.

The assessment of the correlation between historical observed default rates, forecast economic conditions and ECLs is a significant estimate. The amount of ECLs is sensitive to changes in circumstances and of forecast economic conditions. The Company's historical credit loss experience and forecast of economic conditions may also not be representative of customer's actual default in the future

Staging

Stage 1: On origination, a financial asset (provided that it is not a purchased or originated credit impaired asset) will be in stage 1 of the general model for expected credit losses. Financial assets that have not had a significant increase in credit risk since initial recognition or that (upon assessment and option selected by the Company) have low credit risk at the reporting date remain in stage 1. For these assets, 12-month expected credit losses ('ECL') are recognised and interest revenue is calculated on the gross carrying amount of the asset (that is, without deduction for credit allowance). 12-month ECL are the ECL that result from default events that are possible within 12 months after the reporting date. It is not the expected cash shortfalls over the 12-month period but the entire credit loss on an asset, weighted by the probability that the loss will occur in the next 12 months.

Stage 2: Financial instruments that have had a significant increase in credit risk since initial recognition (unless they have low credit risk at the reporting date and this option is taken by the Company) but that do not have objective evidence of impairment. For these assets, lifetime ECL are recognised and interest revenue is still calculated on the gross carrying amount of the asset.

Lifetime ECL are the ECL that result from all possible default events over the maximum contractual period during which the Company is exposed to credit risk. ECL are the weighted average credit losses, with the respective risks of a default occurring as the weights.

The Company, when determining whether the credit risk on a financial instrument has increased significantly, considers reasonable and supportable (both historical and forward-looking) information available, in order to compare the risk of a default occurring at the reporting date with the risk of a default occurring at initial recognition of the financial instrument.

Stage 3: This includes financial assets that have objective evidence of impairment at the reporting date. For these assets, lifetime ECLs are recognised and interest revenue is calculated on the net carrying amount (that is, net of credit allowance). This is done by applying the EIR in subsequent reporting periods to the amortised cost of the financial asset.

When the Company has no reasonable expectations of recovering the financial asset, then the gross carrying amount of the financial asset can be directly reduced in its entirety via a write off. A write-off constitutes a derecognition event.

3. Financial risk management report

Introduction and overview

Enterprise Risk Management (ERM)

3.1

The Company seeks to achieve an appropriate balance between risk and reward in its business and strategy, and continues to build and enhance the risk management capabilities that will assist it in delivering its growth plans in a controlled environment.

The Company's ERM framework ensures risks are managed using a structured and disciplined approach that aligns strategy, processes, people, technology and knowledge with the purpose of evaluating and managing the opportunities and threats faced. The Company's "enterprise-wide" risk management methodology ensures the removal of functional, divisional, departmental or cultural barriers to managing risks.

AVA Capital Partners Limited's ERM framework sets the basis for the holistic management of risk across the organisation. The key elements are as follows:

ERM vision:

Our ERM vision is to become the reference point for risk management by adopting an integrated risk management framework where all risks facing the Company are identified, assessed, measured, monitored and controlled within the Company's risk appetite and relevant global best practices.

ERM philosophy:

The risk philosophy for the organisation is to institutionalize a sound and robust enterprise-wide risk management framework with focus on generating enduring earnings by minimizing losses, and maximizing our earnings potential in compliance with local and relevant global best practices. In our strategy setting, risk considerations are given high priority. We adopt a company risk management framework that operates within an integrated structure in ensuring that appropriate processes are used to address all risks across the Company and to promote sound risk management practices.

We only assume risks that fall within our risk appetite. We promote risk awareness through risk education and acculturation across the organisation and risk awareness is top-down driven.

The risk management philosophy of AVA Capital Partners Limited is drawn from its mission statement and seeks to enrich the financial well being of our stakeholders, while ensuring strong commitment to the following key indices:

- Professionalism while delivering value to the customers;
- Strong performance reporting (financial and non-financial);
- Good corporate governance; and
- Consistent appreciation in shareholders' value.

ERM principles

- Risk management is protective of the Company and well thought out. All risks must be objectively assessed, measured and effectively managed.
- We ensure that risk parameters and limits across the company are implemented and strictly adhered to.
- In determining an appropriate risk response, the cost of risk control and the impact of risks occurring are balanced with the benefits of risk education.
- We only assume risks that fall within our risk appetite.
- Compliance with all Securities and Exchange Commission (SEC) risk regulations is ensured.
- The Risk Management Framework is monitored and reviewed frequently to ensure adequate capture of emerging risks in our business.

Risk appetite principles

The following principles guide the definition of the Company's risk appetite:

- The Company adopts a top-down risk appetite definition approach based on analysis of the internal and external environment.
- The Board of Directors, through the Risk Management Committee, have direct responsibility for articulating the Company's risk appetite.
- The Chief Risk Officer recommends the most appropriate metrics/statements for defining the risk appetite.
- The Risk Appetite metrics/statements are forwarded for adoption/approval.
- Risk Appetite metrics/statements are quantitative, specific and easily measurable.

The Company is exposed to the following major risks from its use of financial instruments:

- Credit risks
- Liquidity risks
- Market risks

This note presents information about the Company's exposure to each of the above risks, the Company's objectives, policies and processes for measuring and managing risks, and the Company's management of capital.

3.2 Risk Management Framework

The risk management policies in the Company are established to identify and analyse the risks faced by the Company, to set appropriate risk limits and controls, to monitor risks and adherence to limits. This policy is subject to review at least once a year, but more frequent reviews may be conducted in the opinion of the Board, when changes in laws, regulations, market conditions or the Company's activities are material enough to impact on the continued adoption of existing policies. The Company, through its training and management standards and procedures, aims to develop a disciplined and constructive control environment, in which all employees understand their roles and obligations.

The Board of Directors has overall responsibility for the establishment and oversight of the Company's risk management framework.

3.3 Management Responsibility

The ERM structure dovetails into management's responsibilities with the oversight function of the Board, complemented and implemented by management.

The Investment Committee periodically reviews portfolio of investment holdings and performance to ensure achievement of company and client investment objectives. The Committee also evaluates the organisation's investment risk profile and the action plans to manage risks within the Company's investment risk appetite.

The Risk Management and Control Department is responsible for identifying, controlling, monitoring and reporting risk issues.

By the nature of its business, the Company is exposed to market and credit risks as the most critical risks. Positions in fixed income securities, comprising mainly of government securities account for the major portion of the Company's assets and source of its revenue. Thus, the Company ensures that market and credit risks exposures are properly monitored, managed and controlled.

Risk management methodology

The Company recognizes that it is in the business of managing risks to derive optimal satisfaction for all stakeholders. It has therefore, over the years detailed its approach to risk through various policies and procedures, which include the following:

- Credit and Investment Risk Management Policy;
- Enterprise Risk Management Policy;
- Human Resources Policy Manual; and
- Manual of Operations – for All business and support units

3.4 ERM Functional Framework

The structure for risk management framework aligns with the Enterprise Risk Management framework published by the Committee of Sponsoring Organizations (COSO) of the Treadway Commission and also complements risk management policies suggested by the Anti-Money Laundering (AML) framework, and the Securities and Exchanges Commission (SEC) rules and regulations for capital market operators.

A top-bottom ERM model has been adopted. This ensures that the risk process starts from the corporate strategy which is then translated into tactical and operational objectives with each handling credit, market and operational risks. All risk functions possess their separate risk missions, objectives, and principles.

3.5 Credit Risk

The Company continues to focus attention on intrinsic and concentration risks inherent in its business to manage the Company's credit risk.

The Company has placed commensurate emphasis on effective management of its exposure to credit risk. The Company defines credit risk as the risk of counterparty's failure to meet the terms of any lending contracts with the Company or otherwise to perform as agreed. Credit risk arises anytime the Company's funds are extended, committed, invested or otherwise exposed through actual or implied contractual agreements.

For risk management purposes, credit risk arising on investment securities is managed independently, but reported as a component of market risk exposure.

Credit risk measurement

- High End Corporate (Highly Outstanding and Outstanding Investments)
- Commercial and Middle Market (Above Average Investments)
- Low End Market (Average, Acceptable and Unacceptable Investments)

3.5.1 Maximum exposure to credit risk

	31 'December 2024 N'000	31 'December 2023 N'000
Cash and cash equivalents:		
Current account balances	101,527	115,357
Placements with banks		
Fixed deposits	992,803	1,006,470
	1,094,331	1,121,827
Impairment allowance		
Impairment allowance on investment securities	-	-
	-	-
Carrying amount	1,094,331	1,121,827

3.7 Liquidity risk

Liquidity risk is the current and future risk to the Company's earnings and capital arising from its inability to meet its financial obligations and commitments as and when due and at a reasonable price.

Management's of liquidity risk

A brief overview of the Company's liquidity management processes includes the following: Maintenance of minimum levels of liquid and marketable assets above the regulatory requirement of 5%. The Company has set for itself more stringent in-house limit of 65%, to which it adheres.

Monitoring of its cash flow and financial position trends. The Company also makes forecasts of anticipated deposits and withdrawals to determine their potential effect on the Company.

Regular measurement & monitoring of its liquidity position/ratios in line with regulatory requirements and in-house limits.

The Company's Investment Committee is charged with the responsibility of managing the Company's daily liquidity position. A daily liquidity position is monitored and regular liquidity stress testing is conducted under a variety of scenarios covering both normal and more severe market conditions.

3.7.1 Liquidity gap analysis

The table below analyses financial assets and liabilities of the Company into relevant maturity groupings based on the remaining period at balance sheet date to the contractual maturity date. The table includes both principal and interest cash flows.

31 December 2024 (N'000)	Gross Nominal Amount	3 - 6 months	Over 1 year
Financial assets (expected maturity)			
Current account balances	101,527	101,527	-
Placements with banks	-	-	-
Fixed deposits	992,803	992,803	
Financial assets:	-		
At amortised Cost	10,418	10,418	
	1,104,749	1,104,749	
Financial liabilities			
Other payables	93,135	93,135	
Total	93,135	93,135	
Liquidity gap (assets less liabilities)		1,011,614	-
31 December 2023 (N'000)	Gross Nominal Amount	3 - 6 months	Over 1 year
Financial assets (expected maturity)			
Current account balances	115,357	115,357	-
Placements with banks	1,006,470	1,006,470	-
Financial assets:			
At amortised Cost	49,291	49,291	-
Management fee receivable	1,171,118	1,171,119	-
Financial liabilities			
Other payables	180,278	180,278	-
Total	180,278	180,278	-
Liquidity gap (assets less liabilities)		990,841	

3.8 Market risk

Market risk is the risk that changes in market prices, such as interest rate, security prices and foreign exchange rates will adversely affect the Company's income or the value of its holdings of financial instruments. The objective of market risk management is to manage and control market risk exposures within acceptable parameters, while optimising the return on risk.

3.8.1 Management of market risk

The Company separates its exposure to market risk between trading and non-trading portfolios. Trading portfolios are mainly held by the Treasury group, and include positions arising from market making and proprietary position taking, together with financial assets and liabilities that are managed on a fair value basis.

Overall authority for market risk is vested in the Investment Committee. However, the Market Risk Management Unit within the Risk Management and Control Department is responsible for the development of detailed risk management policies and for the day-to-day review of their implementation.

3.9 Foreign exchange risk

Foreign Exchange risk is the exposure of the Company's financial condition to adverse movements in exchange rates. The Group is minimally exposed to the financial risk related to the fluctuation of foreign exchange rates. This is because its revenues, capital expenditures are principally based in Naira. A significant change in the exchange rates between the Naira (N) (functional and presentation currency) relative to the US dollar would have an insignificant effect on operations, financial position and cash flows.

3.10 Operational risk

Operational risk is the risk of direct or indirect loss arising from a wide variety of causes associated with the Company's processes, personnel, technology and infrastructure, and from external factors other than credit, market and liquidity risks such as those arising from legal and regulatory requirements and generally accepted standards of corporate behaviour. Operational risks arise from all of the Company's operations and are faced by all business entities.

The Company's objective is to manage operational risk so as to balance the avoidance of financial losses and damage to the Company's reputation with overall cost effectiveness and to avoid control procedures that restrict initiative and creativity.

The primary responsibility for the development and implementation of controls to address operational risk is assigned to senior management within each business unit, and co-ordinated by the Risk Management and Control Department. This responsibility is supported by the development of standards for the management of operational risk in the following areas:

- requirements for appropriate segregation of duties, including the independent authorisation of transactions;
- requirements for reconciliations and monitoring of transactions;
- compliance with regulatory and other legal requirements;
- documentation of controls and procedures;
- requirements for reporting operational losses and proposed remedial action;
- development of contingency plans, and periodic contingency tests;
- training and professional development;
- ethical and business standards; and
- risk mitigation, including insurance where this is effective.

3.11 Capital risk management

Capital includes equity attributable to the equity holders of the Company. The primary objectives of the Company's capital management policy are to ensure that they maintains strong ratings and healthy capital ratios in order to support its business and to maximise shareholder value.

The Company manages its capital structure and makes adjustments to it according to changes in economic conditions and the risk characteristics of its activities.

Equity includes all capital and reserves of the Company that are managed as capital.

4 Revenue**4.1 Interest Income**

	31 'December 2024	31 'December 2023
	N'000	N'000
Interest Income	214,030	57,193
Revenue	10,975	
	225,005	57,193

4.2 Interest Income

	31 'December 2024	31 'December 2023
	N'000	N'000
Advisory fee	106,297	190,949
	106,297	190,949

5 Other income

Other income	106,297	190,949
	106,297	190,949

6 Foreign exchange risk.

Expenses by nature

Auditor's remuneration	3,500	1,000
Office Expenses	75,743	56,317
Advertising and Branding	20,248	6,170
Travel Expenses	2,940	27,927
IT Expenses	-	-
Directors fees	1,333	1,592
Bank charges	1,817	1,415
Insurance	1,214	885
Rent	8,250	12,630
Repairs & Maintenance	1,556	16,329
Business Development	2,009	7,212
Year End Expenses	52,431	-
Medical expenses	3,272	
Legal and professional fees	8,426	4,702
Other Operating Expenses	18,304	9,945
	201,043	146,124

7 Personnel expenses

Staff costs (excluding executive Directors):

13th Month Allowance	902	781
Leave Allowance	1,359	1,283
Cost of living allowance	15,878	13,278
Training Expense	17,800	8,259
PAYE Expenses	2,312	3,478
Pension Contribution-Employee	2,079	1,423
Pension Contribution-Employer	1,655	1,796
Salaries & Wages	17,074	16,866
Staff Welfare	8,585	9,869
NHF	257	20
	67,901	57,054

The average number of persons, excluding directors, employed by the Company

	31 'December 2024	1 'December 2023
	N'000	N'000
Managerial	3	0
Non-management	4	3
	4	3

The table below shows the number of employees (excluding directors), who

	31 'December 2024	1 'December 2023
	N'000	N'000
N1,000,001 - N3,000,000	2	1
N3,000,001 - N5,000,000	1	1
N5,000,001 - N7,000,000	1	1
N7,000,001 - above	3	0
	7	3

8 Taxation

8.1 Current income tax

	31 'December 2024	31 'December 2023
	N'000	N'000
Company Income Tax	14,886	11,238
Education Tax	1,844	
Police Trust Fund Levy	-	
Information Technology Levy	-	
Current Income Tax Charge	16,730	11,238
	16,730	11,238
Deferred Tax liability	587	-
	17,317	11,238

8.2 Effective tax reconciliation

The tax on the Company's profit before tax differs from the theoretical amount that would arise using the basic tax rate of the Company as follows:

	%	%
Profit before tax	100%	100%
Tax using domestic rate	30%	
Tax exempt income		
Change in prior year temporary differences	(454)%	
Education tax	(51)%	
Information Technology Levy		
Police Levy	0%	0%
Effective tax rate	(476)%	

8.3 Current income tax payable

	31 December 2024 N'000	31 December 2024 N'000
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At the beginning of the year:	-	-
Current income tax charge	16,730	11,238
Withholding tax credit note		(4,061)
Payments during the year	-	(7,177)
	16,730	

9 Deferred Taxation

	31 December 2024 N'000	31 December 2023 N'000
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Opening balance	14,226	-
Reognised during the year	(587)	-
	-	-
Closing balance	13,638	14,226

(a) Movements in temporary differences during the period:

In thousands of Naira	1 January 2024	Recognised in profit or loss	31 December 2024
Opening balance	14,226	(13,210)	1,016
Other asset	-	12,622	12,622
	14,226	(587)	13,638

10 Cash and cash equivalents

In thousands of Naira	31 December 2024 N'000	31 December 2023 N'000
Cash in bank	101,527	115,357
Fixed deposits-placement	992,803	1,006,470
Cash and cash equivalents for cashflow purposes Impairment allowance	1,094,331	1,121,827
	1,094,331	1,121,827
Current	1,094,331	1,121,827
Non-Current	-	-
	1,094,331	1,094,331

11 Other Assets

	31 December 2024 N'000	31 December 2023 N'000
Interest receivable	38,250	-
Allowance for credit loss impairment	(38,250)	-
Prepayments	2,260	49,291
Withholding tax receivables	8,158	-
Total	10,418	49,291
Current	10,418	49,291
Non-Current	-	-
	1,094,331	1,094,331

11.1 Impairment of financial Asset

	31 December 2024 N'000	31 December 2023 N'000
Opening balance	-	-
Allowance for credit loss impairment for the year	(38,250)	-
	38,250	-

12 Other payables and accruals

	31 December 2024 N'000	31 December 2023 N'000
Accrued expenses	6,418	17,876
Payable to Trivs	-	-
WHT payable	12,847	8,873
Other payable	73,870	153,530
Total	93,135	180,278
Current	93,135	180,278
Non- Current	-	-
	93,135	180,278

13 Share capital

The share capital comprises of ordinary shares of 1,000,000 units issued at N1 each.

Authorized and issued:	31 December 2024 N'000	31 December 2023 N'000
Balance at beginning of year	1,000,000	1,000,000
Balance at end of year	1,000,000	1,000,000
Share premium		
	31 December 2024 N'000	31 December 2023 N'000
Balance at beginning of year	150,000	150,000
Balance at end of year	150,000	150,000

13.2 Retained earnings

	31 December 2024	31 December 2023
Balance, beginning of year	(100,470)	(109,484)
Profit for the year	20,956	9,014
Prior year adjustment	-	-
Balance, end of year	(121,426)	(100,470)

14 Contingent liabilities and capital commitments

There were no contingent liabilities and capital commitments at the end of the year (2023:Nil)

15. Events after reporting date

There were no subsequent events which could have a material effect on the financial position of the Company as at 31 December 2024 or the profit for the year then ended on that date, that have not been adequately provided for or disclosed in the financial statements.

16 Non-Audit Services

There were no non-audit services provided during the year by the External Auditor.

17 Property, Plant and Equipment

	Motor Vehicle	Computer Equipment	Office Equipment	Furniture & Fittings	Total
Cost	N'000	N'000	N'000	N'000	N'000
As at 1 January 2024	53,100	6,210	24,731	1,640	85,681
Additions	-	3,332	0	0	3,333
As at 31 December 2024	53,100	9,542	24,731	1,640	89,014

Accumulated Depreciation					
As at 1 January 2024	26,209	2,399	11,132	1,477	41,217
Charge for the year	16,833	2,849	8,065	-	27,747
As at 31 December 2024	43,042	5,248	19,197	1,477	68,964

Carrying amount					
As at 31 December 2024	10,058	4,294	5,535	163	20,050

Accumulated Depreciation Cost	Furniture & Fittings	Computer Equipment	Furniture & Fittings	Computer Equipment	Computer Equipment
N'000	N'000	N'000	N'000	N'000	N'000
As at 1 January 2023	53,100	2,506	11,197	1,640	68,443
Additions	-	3,704	13,534	-	17,238
As at 31 December 2023	53,100	6,210	24,731	1,640	85,681

Accumulated Depreciation					
As at 1 January 2023	9,098	1,323	2,133	708	13,262
Charge for the year	17,111	1,076	8,999	769	27,955
As at 31 December 2023	26,209	2,399	11,132	1,477	41,217

Carrying amount					
As at 31 December 2023	26,891	3,811	13,599	163	44,464

12 Statement of cash flow notes

(a) Other asset

	Notes	31 December 2024	31 December 2023
In thousands of Naira			
At the beginning of the year	11	49,291	(96,640)
Impairment of asset		38,250	
Movement during the year Cash outflow/(inflow) Closing balance		628 10,418	145,931 49,291

(b) Payables and other liabilities

	Notes	31 December 2024	31 December 2023
In thousands of Naira			
At the beginning of the year		180,278	201,840
Non cash adjustment		13,639	
Movement during the year Cash outflow/(inflow) Closing balance		(100,783) 93,135	(21,562) 180,278



Other National Disclosures

VALUE ADDED STATEMENT

FOR THE YEAR ENDED 31 DECEMBER 2024

	2024 ₦'000	2023 ₦'000	%
Gross earnings	331,302	251,384	
Impairment on financial asset	(38,250)	-	
Bought in materials and services	(159,130)	(164,153)	
Value added	133,921	87,232	100%

Distribution

Employees				
Wages, salaries and benefits	67,901	51%	57,054	65%
Government				
Company income tax	17,317	13%	11,238	13%
Depreciation and amortization	27,747	21%	27,955	32%
Retained in the company	20,956	16%	(9,014)	-10%
	133,921	100%	87,232	100%

THREE YEAR FINANCIAL SUMMARY

FOR THE YEAR ENDED 31 DECEMBER 2024

	31 Dec 2024 N'000	31 Dec 2023 N'000	31 Dec 2022 N'000
ASSETS			
Cash and Cash Equivalents	1,094,331	1,121,827	473,665
Other asset	10,418	49,291	27,729
Property & Equipment	20,050	44,464	55,181
Deferred tax asset	13,638	14,226	14,226
	1,138,437	1,229,808	570,801
LIABILITIES			
Other liabilities	93,135	169,040	23,108
Current income tax payable	16,730	11,238	7,177
TOTAL LIABILITIES	109,865	180,278	30,285
NET ASSETS	1,028,571	1,049,530	540,516
CAPITAL AND RESERVES			
Share capital	1,000,000	1,000,000	400,000
Share premium	150,000	150,000	250,000
Retained earnings	(121,426)	(100,470)	(109,484)
TOTAL CAPITAL AND RESERVES	1,028,571	1,049,530	540,516
TOTAL EQUITY + LIABILITY	1,138,437	1,229,808	570,801

	31 Dec 2024 N'000	31 Dec 2023 N'000	31 Dec 2022 N'000
Profit before tax	(3,639)	20,252	16,183
Income tax	(17,317)	(11,238)	(3,319)
Profit for the year	(20,956)	9,014	12,864



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Email: investadviser@avacapitalgroup.com

Website: www.avacapitalgroup.com





[@avacapitalgroup](https://www.instagram.com/avacapitalgroup)

AVA GLOBAL ASSET MANAGERS LIMITED ANNUAL REPORT FOR THE YEAR END 31 DECEMBER 2024

Corporate Information

Registered Number

RC 1210383

Business Address

**3 Glover Street
Ikoyi, Lagos,
Nigeria.**

Board of Directors

**Adeyinka Adedeji - Chairman
Efe Shaire - Managing Director
Olukayode Fadahunsi - Non-Executive Director
Samson Adekunle - Non-Executive Director
Taiwo Okurounmu - Non-Executive Director**

Company Secretary

**Famakinwa Idowu Paul
FRC/2025/PRO/NBA/002/015122**

Independent Auditor

**KPMG Professional Services
KPMG Tower
Bishop Aboyade Cole Street
Victoria Island, Lagos, Nigeria**

Bankers

**Guaranty Trust Bank Plc
Providus Bank Limited
Access Bank Nigeria Plc
Wema Bank Plc
Taj Bank Limited
United Bank of Africa Plc
Union Bank Plc
Coronation Merchant Bank
Keystone Bank Plc**

TIN

20666209-0001

DIRECTORS' REPORT

FOR THE YEAR END 31 DECEMBER 2024

The directors present their report on the affairs of AVA Global Asset Managers Limited ("the Company") together with the audited financial statements and the auditor's report for the year ended 31 December 2024.

A. Legal form

The Company was incorporated as a private limited liability company on 13 August 2014. The major shareholders in the company are Hermes Supply Limited and Prosperis Holdings Company Limited, for which it is a subsidiary. It is registered with the Securities and Exchange Commission (SEC) to undertake asset management business.

B. Principal activity

The principal activity of the Company remains the provision of asset management services to both individual and corporate clients. Income generated from these activities, including commissions and management fees, is recognized in the Statement of Profit or Loss and Other Comprehensive Income.

C. Operating results

Highlights of the Company's operating results for the period are as follows:

	31 December 2024	31 December 2023
	N'000	N'000
Gross Earnings	1,514,036	1,201,180
Profit before taxation	40,158	78,387
Taxation	(17,975)	(25,065)
Profit after taxation	22,183	53,322

D. Directors and their interests

The Directors who served during the period and up to the date of this report are as follows:

Efe Shaire - Managing Director
 Samson Adekunle - Non-Executive Director
 Olukayode Fadahunsi - Non-Executive Director
 Adeyinka Adedeji - Non- Executive Director
 Taiwo Okurounmu - Non- Executive Director

The directors do not have any interest required to be disclosed under section 303 of the Companies and Allied Matters Act (CAMA), 2020.

E. Directors' Interests in Contracts

In accordance with section 303 of the Companies and Allied Matters Act (CAMA), 2020, none of the directors have notified the Company of any declarable interests in contracts with the Company.

F. Property and Equipment

Information relating to changes in property and equipment is given in Note 13 to the financial statements. In the directors' opinion, the realisable value of the Company's properties is not less than the value shown in the financial statements.

G. Shareholding Analysis

The issued and fully paid-up share capital of the Company was 250,000,000 ordinary shares of ₦1 each. The shareholding structure as at the balance sheet date were as shown below:

	Number of Units	%	Number of Units	%
Prosperis Holding Company Limited	375,000,000	75	375,000,000	75
Hermes Supply Limited	125,000,000	25	125,000,000	25
	500,000,000	100	500,000,000	100

H. Funds under management

The Company's core business is asset management which involves investing funds deposited by client in fixed income instruments. These investments are not included in the financial statements. As of 31st December 2024, the Company had a total of ₦77.98 billion under management (2023: ₦54.02 billion).

As of 31st December 2024, the exposure to different counterparties is shown in the tables below. Financial institutions' periodic credit and risk ratings as well as other performance metrics are obtained and analyzed in order to manage exposure and react as appropriate to ensuing realities.

	2024		2023	
Funds Under Management	Exposure (₦'bn)	Percentage of Total AUM	Exposure (₦'bn)	Percentage of Total AUM
Counterparty				
Equity	0.00	0.00	0.00	0.00
Treasury Bills	2.1	2.69	3.8	7.03
FGN Bonds	13.27	17.02	5.39	9.98
Corporate Bonds	0.96	1.23	0.79	1.46
Money Market	28.23	36.20	30.07	55.66
Others	33.42	42.86	30.07	55.66
Total	77.98	100.00	54.02	100.00

I. Events after reporting period

There were no subsequent events which could have a material effect on the financial position of the Company as at 31 December 2024 or the profit for the year then ended on that date, that have not been adequately provided for or disclosed in the financial statements.

J. Human resources**Health, safety and welfare at work**

The Company places a high premium on the health, safety and welfare of its employees in their place of work. Medical facilities are provided for employees and their immediate families at the company's expense, up to stated limits.

Employment of disabled persons

The Company has no disabled persons in its employment. However, applications for employment by disabled persons are always fully considered, bearing in mind the respective aptitudes and abilities of the applicants concerned. In the event of members of staff becoming disabled, every effort is made to ensure that their employment with the company continues and that appropriate training is arranged. It is the policy of the Company that the training, career development and promotion of disabled persons should, as far as possible, be identical with that of other employees.

Employee consultation and training

The Company places considerable value on the involvement of its employees and has continued its previous practice of keeping them informed on matters affecting them as employees and on various factors affecting the performance of the company. In line with this, formal and informal channels of communication are employed in keeping the staff abreast of various factors affecting the performance of the company. The Company organises in-house and external training for its employees.

H. Donations and charitable gifts

The company made no contributions to charitable and non-political organisations during the year (2024: nil).

L. Auditors

The previous auditor messer Joseph Dauda & Co who audited the prior year Financial statements up to 31 December 2023 resigned and KPMG professional services was appointed on 17th May 2024


SIGNED BY ORDER OF THE BOARD

Famakinwa Idowu Paul

FRC/2025/PRO/NBA/002/015122

31-Mar-25

STATEMENT OF DIRECTORS' RESPONSIBILITIES IN RELATION TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2024

The Directors accept responsibility for the preparation of the annual financial statements that give a true and fair view in accordance with International Financial Reporting Standards and in the manner required by the Companies and Allied Matters Act (CAMA), 2020 and Financial Reporting Council of Nigeria Amendment Act, 2023.

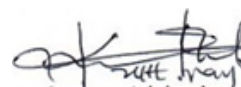
The Directors further accept responsibility for maintaining adequate accounting records as required by the Companies and Allied Matters Act (CAMA), 2020 and for such internal control as the directors determine is necessary to enable the preparation of financial statements that are free from material misstatement whether due to fraud or error.

The Directors have made an assessment of the Company's ability to continue as a going concern and have no reason to believe the Company will not remain a going concern in the year ahead.

SIGNED ON BEHALF OF THE BOARD OF DIRECTORS BY:



Kayode Fadahunsi
Director
FRC/2015/CISN/00000011838
31-Mar-25



Samson Adekunle
Director
FRC/2020/003/00000021513
31-Mar-25

STATEMENT OF CORPORATE RESPONSIBILITY OF THE FINANCIAL STATEMENT FOR THE YEAR ENDED 31 DECEMBER 2024

Further to the provisions of section 405 of the Companies and Allied Matters Act (CAMA), 2020, we, the Managing Director and Chief Financial Officer, hereby certify the financial statements of AVA Global Asset Mangers Limited for the year ended 31 December 2024 as follows:

- a. That we have reviewed the audited financial statements of the Company for the year ended 31 December 2024.
- b. That the audited financial statements do not contain any untrue statement of material fact or omit to state a material fact which would make the statements misleading, in the light of the circumstances under which such statement was made.
- c. That the audited financial statements and all other financial information included in the statements fairly present, in all material respects, the financial condition and results of operation of the Company as of and for, the year ended 31 December 2024.
- d. That we are responsible for establishing and maintaining internal controls and have designed such internal controls to ensure that material information relating to the Company is made known to us by other officers of the companies, during the period end 31 December 2024.
- e. That we have evaluated the effectiveness of the Company's internal controls within 90 days prior to the date of audited financial statements, and certify that the Company's internal controls are effective as of that date.
- f. That there were no significant changes in internal controls or in other factors that could significantly affect internal controls subsequent to the date of our evaluation, including any corrective action with regard to significant deficiencies and material weaknesses.
- g. That we have disclosed the following information to the Company's Auditors and Audit Committee:
 - i. there are no significant deficiencies in the design or operation of internal controls which could adversely affect the Company's ability to record, process, summarise and report financial data, and have identified for the Company's auditors any material weaknesses in internal controls, and
 - ii. there is no fraud that involves management or other employees who have a significant role in the Company's internal control



Efe Shaire
Managing Director
FRC/2015/CISN/00000011838
31-Mar-25



Hakeem Raheem
Chief Financial Officer
FRC/2020/003/00000021513
31-Mar-25

MANAGEMENT'S ANNUAL ASSESSMENT OF INTERNAL CONTROL OVER FINANCIAL REPORTING

To comply with the provisions of Section 1.3 of SEC guidance on implementation of sections 60-63 of Investments and Securities Act 2007, we hereby make the following statements regarding the Internal Controls of AVA Global Asset Managers Limited for the year ended 31 December 2024:

- i. AVA Global Asset Managers Limited's management is responsible for establishing and maintaining a system of internal control over financial reporting ("ICFR") that provides reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with International Financial Reporting Standards.
- ii. AVA Global Asset Managers Limited's management used the Committee of Sponsoring Organization of the Treadway Commission (COSO) Internal Control-Integrated Framework to conduct the required evaluation of the effectiveness of the entity's ICFR;
- iii. AVA Global Asset Managers Limited's management has assessed that the entity's ICFR as of the end of 31 December 2024 is effective.
- iv. AVA Global Asset Managers Limited's external auditor Messrs. KPMG that audited the financial statements included in the annual report, has issued an attestation report on management's assessment of the entity's internal control over financial reporting.

The attestation report of Messrs. KPMG that audited its financial statements will be filed as part of AVA Global Assets Managers Limited's annual report.



Kayode Fadahunsi
FRC/2015/CISN/00000011838
Director
31-Mar-25



Samson Adekunle
FRC/2020/003/00000021513
Director
31-Mar-25

CERTIFICATION OF MANAGEMENT'S ASSESSMENT ON INTERNAL CONTROL OVER FINANCIAL REPORTING

To comply with the provisions of Section 1.1 of SEC Guidance on Implementation of Sections 60-63 of Investments and Securities Act 2007, I hereby make the following statements regarding the Internal Controls of AVA Global Asset Managers Limited for the year ended 31 December 2024.

I, Efe Shaire, certify that:

- a. I have reviewed this management assessment on internal control over financial reporting of AVA Global Asset Managers Limited;
- b. Based on my knowledge, this report does not contain any untrue statement of a material fact or omit to state a material fact necessary to make the statements made, in light of the circumstances under which such statements were made, not misleading with respect to the period covered by this report;
- c. Based on my knowledge, the financial statements, and other financial information included in this report, fairly present in all material respects the financial condition, results of operations and cash flows of the entity as of, and for, the periods presented in this report;
- d. The entity's other certifying officer and I:
 1. are responsible for establishing and maintaining internal controls;
 2. have designed such internal controls and procedures, or caused such internal controls and procedures to be designed under our supervision, to ensure that material information relating to the entity, is made known to us by others within the entity, particularly during the period in which this report is being prepared;
 3. have designed such internal control system, or caused such internal control system to be designed under our supervision, to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with IFRS Accounting Standards;
 4. have evaluated the effectiveness of the entity's internal controls and procedures as of a date within 90 days prior to the report and presented in this report our conclusions about the effectiveness of the internal controls and procedures, as of the end of the period covered by this report based on such evaluation.
- e. The entity's other certifying officer and I have disclosed, based on our most recent evaluation of internal control system, to the entity's auditors and the audit committee of the entity's board of directors (or persons performing the equivalent functions):
 1. There are no significant deficiencies or material weaknesses in the design or operation of the internal control system that would adversely affect the entity's ability to record, process, summarize, and report financial information; and
 2. Any fraud, regardless of materiality, involving management or other employees with a significant role in the entity's internal control system.
- f. The entity's other certifying officer(s) and I have not identified, in the report any significant changes in internal controls or other facts that could significantly affect internal controls subsequent to the date of their evaluation.



Efe Shaire

FRC/2020/003/00000021513

Director

31-Mar-25

CERTIFICATION OF MANAGEMENT'S ASSESSMENT ON INTERNAL CONTROL OVER FINANCIAL REPORTING

To comply with the provisions of Section 1.1 of SEC Guidance on Implementation of Sections 60-63 of Investments and Securities Act 2007, I hereby make the following statements regarding the Internal Controls of AVA Global Asset Managers Limited for the year ended 31 December 2024.

I, Hakeem Raheem, certify that:

- a. I have reviewed this management assessment on internal control over financial reporting of AVA Global Asset Managers Limited;
- b. Based on my knowledge, this report does not contain any untrue statement of a material fact or omit to state a material fact necessary to make the statements made, in light of the circumstances under which such statements were made, not misleading with respect to the period covered by this report;
- c. Based on my knowledge, the financial statements, and other financial information included in this report, fairly present in all material respects the financial condition, results of operations and cash flows of the entity as of, and for, the periods presented in this report;
- d. The entity's other certifying officer and I:
 1. are responsible for establishing and maintaining internal controls;
 2. have designed such internal controls and procedures, or caused such internal controls and procedures to be designed under our supervision, to ensure that material information relating to the entity, is made known to us by others within the entity, particularly during the period in which this report is being prepared;
 3. have designed such internal control system, or caused such internal control system to be designed under our supervision, to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with IFRS Accounting Standards;
 4. have evaluated the effectiveness of the entity's internal controls and procedures as of a date within 90 days prior to the report and presented in this report our conclusions about the effectiveness of the internal controls and procedures, as of the end of the period covered by this report based on such evaluation.
- e. The entity's other certifying officer and I have disclosed, based on our most recent evaluation of internal control system, to the entity's auditors and the audit committee of the entity's board of directors (or persons performing the equivalent functions):
 1. There are no significant deficiencies or material weaknesses in the design or operation of the internal control system that would adversely affect the entity's ability to record, process, summarize, and report financial information; and
 2. Any fraud, regardless of materiality, involving management or other employees with a significant role in the entity's internal control system.
- f. The entity's other certifying officer(s) and I have not identified, in the report any significant changes in internal controls or other facts that could significantly affect internal controls subsequent to the date of their evaluation.



Hakeem Raheem

FRC/2015/CISN/00000011838

Director

31-Mar-25

**KPMG Professional Services**

KPMG Tower
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Victoria Island
PMG 40014, Folorunso
Lagos

Telephone 234 (1) 271 8955

234 (1) 271 8599

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Independent Auditor's Limited Assurance Report

To the Board of Directors of AVA Global Asset Managers Limited

Report on Limited Assurance Engagement Performed on Management's Assessment of Internal Control Over Financial Reporting

Conclusion

We have performed a limited assurance engagement on whether internal control over financial reporting of AVA Global Asset Managers Limited ("the Company") as of 31 December 2024 is effective in accordance with the criteria established in Internal Control - Integrated Framework (2013) issued by the Committee of Sponsoring Organizations of the Treadway Commission ("the COSO Framework") and the Financial Reporting Council of Nigeria Guidance on Management Report on Internal Control Over Financial Reporting.

Based on the procedures performed and evidence obtained, nothing has come to our attention to cause us to believe that the Company's internal control over financial reporting as of 31 December 2024 is not effective, in all material respects, in accordance with the criteria established in the COSO Framework and the Financial Reporting Council of Nigeria Guidance on Management Report on Internal Control Over Financial Reporting.

Basis for conclusion

We conducted our engagement in accordance with International Standard on Assurance Engagements (ISAE) 3000 (Revised), Assurance Engagements Other Than Audits or Reviews of Historical Financial Information issued by the International Auditing and Assurance Standards Board (IAASB) and the Financial Reporting Council of Nigeria Guidance on Assurance Engagement Report on Internal Control over Financial Reporting. Our responsibilities are further described in the "Our responsibilities" section of our report.

We have complied with the independence and other ethical requirements of the International Code of Ethics for Professional Accountants (including International Independence Standards) issued by the International Ethics Standards Board for Accountants (IESBA).

Our firm applies International Standard on Quality Management (ISQM) 1, Quality Management for Firms that Perform Audits or Reviews of Financial Statements, or Other Assurance or Related Services Engagements, issued by the IAASB. This standard requires the firm to design, implement and operate a system of quality management, including policies or procedures regarding compliance with ethical requirements, professional standards and applicable legal and regulatory requirements.

KPMG Professional Services, a partnership registered in Nigeria and a member firm of the KPMG global organisation of independent member firms affiliated with KPMG International Limited, a private English company limited by guarantee.

Registered in Nigeria No BN 986925

A list of partners is available for inspection at the firm's address.



We believe that the evidence we have obtained is sufficient and appropriate to provide a basis for our conclusion.

Other matter

We have audited the financial statements of AVA Global Asset Managers Limited in accordance with the International Standards on Auditing, and our report dated 31 March 2025 expressed an unmodified opinion of those financial statements.

Our conclusion is not modified in respect of this matter.

Responsibilities for Internal Control over Financial reporting

The Board of Directors of AVA Global Asset Managers Limited is responsible for maintaining effective internal control over financial reporting, and for its assessment of the effectiveness of internal control over financial reporting, included in the accompanying Management's report. Our responsibility is to express a conclusion on the Company's internal control over financial reporting based on our assurance engagement.

Our responsibilities

The Financial Reporting Council of Nigeria Guidance on Assurance Engagement Report on Internal Control over Financial Reporting ("the Guidance") requires that we plan and perform the assurance engagement and provide a limited assurance report on the Company's internal control over financial reporting based on our assurance engagement.

Summary of the work we performed as the basis for our conclusion

We exercised professional judgment and maintained professional skepticism throughout the engagement. As prescribed in the Guidance, the procedures we performed included obtaining an understanding of internal control over financial reporting, assessing the risk that a material weakness exists, and testing and evaluating the design and operating effectiveness of internal control based on the assessed risk. Our engagement also included performing such other procedures as we considered necessary in the circumstances. We believe the procedures performed provide a basis for our report on the internal control put in place by management over financial reporting.

The procedures performed in a limited assurance engagement vary in nature and timing from, and are less in extent than for, a reasonable assurance engagement. Consequently, the level of assurance obtained in a limited assurance engagement is substantially lower than the assurance that would have been obtained had a reasonable assurance engagement been performed.

Definition and Limitations of Internal Control Over Financial Reporting

A company's internal control over financial reporting is a process designed to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles. A company's internal control over financial reporting includes those policies and procedures that:

- i. pertain to the maintenance of records that, in reasonable detail, accurately and fairly reflect the transactions and dispositions of the assets of the company;
- ii. provide reasonable assurance that transactions are recorded as necessary to permit preparation of financial statements in accordance with generally accepted accounting principles, and that receipts and expenditures of the company are being made only in accordance with authorizations of management and directors of the company; and

- iii. provide reasonable assurance regarding prevention or timely detection of unauthorised acquisition, use, or disposition of the company's assets that could have a material effect on the financial statements.

Because of its inherent limitations, internal control over financial reporting may not prevent or detect all misstatements. Furthermore, projections of any evaluation of effectiveness to future periods are subject to the risk that controls may become inadequate because of changes in conditions, or that the degree of compliance with the policies or procedures may deteriorate..



Onyinye Okere, ACA

FRC/2012ICAN/00000000421

For: KPMG Professional Services

Chartered Accountants

31 March 2025 Lagos, Nigeria

**KPMG Professional Services**

KPMG Tower
Bishop Aboyade Cole Street
Victoria Island
PMG 40014, Falomo
Lagos

Telephone 234 (1) 271 8955

234 (1) 271 8599

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INDEPENDENT AUDITOR'S REPORT

To the Board of Directors of AVA Global Asset Managers Limited

Report on the Audit of the Financial Statements

Opinion

We have audited the financial statements of AVA Global Asset Managers Limited ("the Company"), which comprise:

- the statement of financial position as at 31 December 2024;
- the statement of profit or loss and other comprehensive income;
- the statement of changes in equity;
- the statement of cash flows for the year then ended; and
- the notes, comprising material accounting policies and other explanatory information.

In our opinion, the accompanying financial statements give a true and fair view of the financial position of the Company as at 31 December 2024, and of its financial performance and its cash flows for the year then ended in accordance with IFRS Accounting Standards as issued by the International Accounting Standards Board (IFRS Accounting Standards) and in the manner required by the Companies and Allied Matters Act (CAMA), 2020 and the Financial Reporting Council of Nigeria (Amendment) Act.

Basis for Opinion

We conducted our audit in accordance with International Standards on Auditing (ISAs). Our responsibilities under those standards are further described in the Auditor's Responsibilities for the Audit of the Financial Statements section of our report. We are independent of the Company in accordance with International Ethics Standards Board for Accountants' International Code of Ethics for Professional Accountants (including International Independence Standards) (IESBA Code) together with the ethical requirements that are relevant to our audit of the financial statements in Nigeria and we have fulfilled our other ethical responsibilities in accordance with these requirements and the IESBA Code. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Other Matter relating to comparative information

The Financial Statements of the Company as at and for the year ended 31 December 2023 were audited by another auditor who expressed an unmodified opinion on those statements on 27 February 2024.

Other Information

KPMG Professional Services, a partnership registered in Nigeria and a member firm of the KPMG global organisation of independent member firms affiliated with KPMG International Limited, a private English company limited by guarantee.

Registered in Nigeria No BN 989925

A list of partners is available for inspection at the firm's address.

Other Information

The Directors are responsible for the other information. The other information comprises the Directors' Report, Statement of Directors' Responsibilities, Statement of Corporate Responsibility, Management's annual assessment of internal control over financial reporting, and Certification of management's assessment on internal control over financial reporting, but does not include the financial statements and our auditor's report thereon.

Our opinion on the financial statements does not cover the other information and we do not express any form of assurance conclusion thereon.

In connection with our audit of the financial statements, our responsibility is to read the other information and in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the audit or otherwise appears to be materially misstated. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.

Responsibilities of the Directors for the Financial Statements

The Directors are responsible for the preparation of financial statements that give a true and fair view in accordance with IFRS Accounting Standards and in the manner required by the Companies and Allied Matters Act (CAMA), 2020 and the Financial Reporting Council of Nigeria (Amendment) Act, 2023, and for such internal control as the directors determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, the directors are responsible for assessing the Company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the directors either intend to liquidate the Company or to cease operations, or have no realistic alternative but to do so.

Auditor's Responsibilities for the Audit of the Financial Statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with ISAs will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

As part of an audit in accordance with ISAs, we exercise professional judgment and maintain professional skepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Company's internal control.

- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the directors.
- Conclude on the appropriateness of directors' use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Company to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

We communicate with the Board of Directors regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

Report on Other Legal and Regulatory Requirements

Compliance with the requirements of Schedule 5 of the Companies and Allied Matters Act (CAMA), 2020

- We have obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purpose of our audit.
- In our opinion, proper books of account have been kept by the Company, so far as appears from our examination of those books.
- The Company's statement of financial position and statement of profit or loss and other comprehensive income are in agreement with the books of account.

Compliance with FRC Guidance on Assurance Engagement Report on Internal Control over Financial Reporting

In accordance with the requirements of the Financial Reporting Council of Nigeria, we performed a limited assurance engagement and reported on management's assessment of the Company's internal control over financial reporting as of December 31, 2024. The work performed was done in accordance with ISAE 3000 (Revised) Assurance Engagements Other Than Audits or Reviews of Historical Financial Information and the FRC Guidance on Assurance Engagement Report on Internal Control over Financial Reporting. We have issued an unmodified conclusion in our report dated 31 March 2025. That report is included on page 9 of the annual report.

Signed:



Onyinye Okere, ACA

FRC/2012ICAN/00000000421

For: KPMG Professional Services

Chartered Accountants

31 March 2025 Lagos, Nigeria



STATEMENT OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME FOR THE YEAR ENDED 31 DECEMBER 2024

	Note	31 'December 2024 N'000	31 'December 2023 N'000
Interest Income	4	1,499,237	1,152,601
Interest Expense	5	(1,084,018)	(927,223)
Net Interest Income		415,219	225,378
Management fee	4.2	10,000	31,604
Total Revenue		425,219	256,982
Other Income	6	14,798	48,580
Total Income		440,018	305,562
Personnel expenses	8	(54,290)	(33,604)
Depreciation of Property and Equipment	13	(24,828)	(9,725)
Operating Expenses	7	(298,435)	(183,847)
Impairment on interest receivables	12	(22,307)	-
Total Operating Expenses		(399,859)	(227,175)
Profit before Tax		40,158	78,387
Taxation	9	(17,975)	(25,065)
Profit after Tax		22,183	53,322
Other Comprehensive Income:			
Items that may be subsequently reclassified to profit or loss:			
Other Comprehensive Income net of Tax			
Total Comprehensive Income for the year		22,183	53,322



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STATEMENT OF FINANCIAL POSITION AS AT 31 DECEMBER 2024

	Note	31 'December 2024 N'000	31 'December 2023 N'000
Assets			
Cash and Cash Equivalents	10	119,645	2,085,202
Investment securities	11	984,354	786,547
Other Assets	12	214,607	444,137
Property & Equipment	13	35,527	24,623
Deferred tax asset		3,187	
Total Assets		1,357,322	3,340,509
Liabilities			
Accruals and Other Liabilities	14	190,312	2,191,780
Current Tax Liabilities	9	21,162	25,065
Total Liabilities		211,474	2,216,845
Equity			
Share Capital	16	250,000	250,000
Share Premium	16	750,000	750,000
Retained Earnings	16.1	145,847	123,664
Total Equity		1,145,847	1,123,664
Total Equity & Liabilities		1,357,321	3,340,508

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

SIGNED ON BEHALF OF THE BOARD OF DIRECTORS BY:

Samson Adekunle
FRC/2020/003/00000021513

Director



Kayode Fadahunsi
FRC/2015/CISN/00000011838

Director



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

STATEMENT OF CHANGES IN EQUITY

FOR THE YEAR ENDED 31 DECEMBER 2023

	Share Capital	Share Premium	Retained Earnings	Total Equity
	N'000	N'000	N'000	N'000
Balance at 1 January 2024	250,000	750,000	123,664	1,123,664
Profit for the year	-	-	22,183	22,183
Other comprehensive income				
Fair value gain/(loss) on revaluation of financial assets at fair value through OCI				
Total Comprehensive Income for the year	-		22,183	22,183
Transaction(s) with owner:				
Dividend payable	-	-	-	-
Total transaction with owner of the Company	-	-	-	-
At 31 December 2024	250,000	750,000	145,847	1,145,847
	Share Capital	Share Premium	Retained Earnings	Total Equity
	N'000	N'000	N'000	N'000
Balance at 1 January 2023	250,000	750,000	70,342	1,070,342
Profit for the year	-	-	53,322	53,322
Other comprehensive income				
Fair value gain/(loss) on revaluation of financial assets at fair value through OCI				
Total Comprehensive Income for the year	-		53,322	53,322
Transaction(s) with owner:				
Dividend payable	-	-	-	-
Total transaction with owner of the Company	-	-	-	-
At 31 December 2024	250,000	750,000	123,664	1,123,664

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

STATEMENT OF CASHFLOWS

FOR THE YEAR ENDED 31 DECEMBER 2024

	Note	31 'December 2024 N'000	31 'December 2023 N'000
Cash flows from operating activities			
Profit after income tax	16.1	22,183	53,322
Add back:			
Taxation expense	9.1	21,162	25,065
Profit before income tax		43,346	78,387
Adjustment for:			
Depreciation	13	24,828	9,725
		68,174	88,112
Change in operating assets and liabilities:			
Changes in investment securities	11	(197,808)	(222,621)
Changes in other liabilities	14	(2,001,468)	2,091,843
Other assets	12	229,529	(378,777)
Tax paid	9.3	(25,065)	(16,092)
Net cash generated from operating activities		(1,926,636)	1,562,466
Cash flows from investing activities			
Acquisition of Property plant and equipment assets	13	(35,733)	(21,705)
Net cash used in investing activities		(35,733)	(21,705)
Cash flows from financing activities			
		-	-
Net cash used in financing activities		-	-
Net increase in cash and cash equivalents		(1,962,370)	1,540,761
Effect of foreign exchange difference on cash and cash equivalent		-	-
Cash and cash equivalents at start of year	10	2,085,202	544,442
Cash and cash equivalents at end of the year		122,832	2,085,202

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

NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 DECEMBER 2024

1. General information

AVA Global Asset Managers Limited (herein known as 'the Company') was incorporated as a private limited liability company on 13 August 2014. The Company is domiciled in Nigeria and the address of its registered office is No 3, Glover road, ikoyi, Lagos, Nigeria. AVA Global Asset Managers Limited is a subsidiary of Prosperis Holding Company Limited.

2. Summary of significant accounting policies

The principal accounting policies applied in the preparation of these financial statements are set out below. These policies have been consistently applied to all the years presented, unless otherwise stated.

2.1 Basis of preparation

These financial statements are the stand alone financial statements of AVA Global Asset Managers Limited.

The financial statements for the year ended 31 December 2024 have been prepared in accordance with International Financial Reporting Standards (IFRS) as issued by the IASB. Additional information required by national regulations is included where appropriate.

The financial statements have been prepared in accordance with the going concern principle under the historical cost convention, The financial statements are presented in Nigerian currency (Naira) and rounded to the nearest thousand.

The financial statements comprise the statement of profit or loss and other comprehensive income, the statement of financial position, the statement of changes in equity, the statement of cash flows and the related notes.

The preparation of financial statements in conformity with IFRS requires the use of certain critical accounting estimates. It also requires management to exercise its judgement in the process of applying the Company's accounting policies. Changes in assumptions may have a significant impact on the financial statements in the period the assumptions changed. Management believes that the underlying assumptions are appropriate and that the Company's financial statements therefore present the financial position and results fairly. The estimates and underlying assumptions are reviewed on an on-going basis. Revisions to accounting estimates are recognised in the period in which the estimate is revised, if the revision affects only that period, or in the period of the revision and future periods, if the revision affects both current and future periods. There were no material changes in management's estimates during the year.

2.2 Foreign currency translation

(a) Functional and presentation currency

Items included in the financial statements of the Company are measured using the currency of the primary economic environment in which the entity operates ('the functional currency'). The financial statements are presented in Naira (N), which is the Company's functional currency.

(b) Transactions and balances

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

Monetary items denominated in foreign currency are translated with the closing rate as at the reporting date. If several exchange rates are available, the forward rate is used at which the future cash flows represented by the transaction or balance could have been settled if those cash flows had occurred. Non-monetary items measured at historical cost denominated in a foreign currency are translated with the exchange rate as at the date of initial recognition; non monetary items in a foreign currency that are measured at fair value are translated using the exchange rates at the date when the fair value was determined.

Foreign exchange gains and losses resulting from the settlement of foreign currency transactions and from the translation at period-end exchange rates of monetary assets and liabilities denominated in foreign currencies are recognised in the income statement.

Standards and interpretations issued/amended but not yet effective.

Standard/ Interpretation	Date Issued by ISAB	Summary of the requirements and impact assessment
IFRS 18	Beginning 1 January 2025	The amendments clarifies: A number of new IFRS Accounting Standards, Amendments to IFRS Accounting Standards, and Interpretations are effective for annual periods beginning after 1 January 2025 and have not been applied in preparing these financial statements. Those IFRS Accounting Standards, Amendments to IFRS Accounting Standards and Interpretations which may be relevant to the Company are set out below: i. Presentation and Disclosure in Financial Statements (IFRS 18) IFRS 18 Presentation and Disclosure in Financial Statements replaces IAS 1 Presentation of Financial Statements. The new standard introduces the following key new requirements: ii. It promotes a more structured income statement, in particular, it introduces a newly defined 'operating profit' subtotal and a requirement for all income and expenses to be classified into three new distinct categories, operating, investing, and financing, based on a company's main business activities. iii. All companies are required to report the newly defined 'operating profit' subtotal – an important measure for investors' understanding of a company's operating results – i.e. investing and financing results are specifically excluded. This means that the results of equity-accounted investees are no longer part of operating profit and are presented in the 'investing' category. iv. Management-defined performance measures (MPMs) are disclosed in a single note in the financial statements.

- v. Enhance guidance is provided on how to group information in the financial statements. This includes guidance on whether information is included in the primary financial statements or is further disaggregated in the notes. Companies are discouraged from labelling items as 'other' and will now be required to disclose more information if they continue to do so.
- vi. Entities are required to use the operating profit subtotal as the starting point for the statement of cash flows when presenting operating cash flows under the indirect method.
- vii. It also requires Companies to analyse their operating expenses directly on the face of the income statement – either by nature, by function or using a mixed presentation. If any items are presented by function on the face of the income statement (e.g. cost of sales), then a company provides more detailed disclosures about their nature. IFRS 18 is effective from 1 January 2027 and applies retrospectively, it is available for early adoption. The Fund has not assessed the impact of IFRS 18. The IFRS Accounting Standards will be adopted in the period that they become mandatory unless otherwise indicated.

Standards and interpretations effective during the reporting period

Amendments to IFRS 10 and IAS 28

The standard is effective for annual periods beginning on or after 1 January 2024.

Classification of liabilities as current or non-current and Non-current Liabilities with Covenants (Amendments to IAS 1)

Under existing IAS 1 requirements, companies classify a liability as current when they do not have on or after 1 an unconditional right to defer settlement of the liability for at least 12 months after the end of the January 2024 reporting period. As part of its amendments, the Board has removed the requirement for a right to be unconditional and instead, now requires that a right to defer settlement must have substance and exist at the end of the reporting period.

The existing requirement to ignore management's intentions or expectations for settling a liability when determining its classification is unchanged. In addition, a company will classify a liability as non-current if it has a right to defer settlement for at least 12 months after the reporting date. Such right may be subject to a company complying with conditions (covenants) specified in a loan arrangement.

The amendments also clarify how a company classifies a liability that includes a counterparty conversion option, which could either be recognized as either equity or liability separately from the liability component under IAS 32 Financial Instruments: Presentation.

3.0 Revenue

AVA Global Asset Managers Limited provides funds management services to individuals and corporate organisations.

Revenue from contracts with customers is recognised when control of the goods or services are transferred to the customer at an amount that reflects the consideration to which the Company expects to be entitled in exchange for those goods or services. The Company has generally concluded that it is the principal in its revenue arrangements.

The Company has applied IFRS 15 practical expedient to a portfolio of contracts (or performance obligations) with similar characteristics since the Company reasonably expects that the accounting result will not be materially different from the result of applying the standard to the individual contracts.

A contract asset is the right to consideration in exchange for goods or services transferred to the customer. If the Company performs by transferring goods or services to a customer before the customer pays consideration or before payment is due, a contract asset is recognised for the earned consideration that is conditional.

Trade receivables

A contract asset is the right to consideration in exchange for goods or services transferred to the customer. If the Company performs by transferring goods or services to a customer before the customer pays consideration or before payment is due, a contract asset is recognised for the earned consideration that is conditional.

A contract liability is the obligation to transfer goods or services to a customer for which the Company has received consideration (or an amount of consideration is due) from the customer. If a customer pays consideration before the Company transfers goods or services to the customer, a contract liability is recognised when the payment is made or the payment is due (whichever is earlier). Contract liabilities are recognised as revenue when the Company performs under the contract.

iii. Significant financing component

Using the practical expedient in IFRS15, the Company does not adjust the promised amount of consideration for the effects of a significant financing component since it expects, at contract inception, that the period between the transfer of the promised good or service to the customer and when the customer pays for that good or service will be one year or less.

Interest income

For all financial instruments measured at amortised cost and interest bearing financial assets classified as Fair value through OCI, interest income or expense is recognised using the effective interest rate (EIR).

The effective interest method is a method of calculating the amortised cost of a financial asset of allocating the interest income over the relevant period.

The effective interest rate is the rate that exactly discounts estimated future cash payments or receipts through the expected life of the financial instrument or, when appropriate, a shorter period to the net carrying amount of the financial asset or financial liability. Direct incremental transaction costs incurred and origination fees received, including loan commitment fees, as a result of bringing margin-yielding assets or liabilities in the statement of financial position, are capitalised to the carrying amount of financial instruments, excluding financial instruments at fair value through profit or loss, and amortised as interest income over the life of the asset as part of the effective interest rate.

When calculating the effective interest rate, the Company estimates cashflows considering all contractual terms of the financial instrument (for example, prepayment options) but does not consider future credit losses. The calculation includes all fees and points paid or received between parties to the contract that are an integral part of the effective interest rate, transaction costs and all other premiums or discounts. Where the estimated cashflows on financial assets are subsequently revised, other than impairment losses, the carrying amount of the financial assets is adjusted to reflect actual and revised estimated cash flows.

Where a financial asset or a group of similar financial assets has been written down as a result of an impairment loss, interest income is recognised using the rate of interest used to discount the future cash flows for the purpose of measuring the impairment loss.

3.1 Financial instruments

A financial instrument is any contract that gives rise to a financial asset of one entity and a financial liability or equity instrument of another entity

i. Financial assets

Initial recognition and measurement of financial assets

Financial assets are classified, at initial recognition, as subsequently measured at amortised cost, fair value through other comprehensive income (OCI), and fair value through profit or loss. The classification of financial assets at initial recognition depends on the financial asset's contractual cashflow characteristics and the Company's business model for managing them. With the exception of trade receivables that do not contain a significant financing component or for which the Company has applied the practical expedient, the Company initially measures a financial asset at its fair value plus, in the case of a financial asset not at fair value through profit or loss, transaction costs. Trade receivables that do not contain a significant financing component or for which the Company has applied the practical expedient are measured at the transaction price determined under IFRS 15.

In order for a financial asset to be classified and measured at amortised cost or fair value through OCI, it needs to give rise to cashflows that are 'solely payments of principal and interest (SPPI)' on the principal amount outstanding. This assessment is referred to as the SPPI test and is performed at an instrument level.

i. Financial assets

Initial recognition and measurement of financial assets

Financial assets are classified, at initial recognition, as subsequently measured at amortised cost, fair value through other comprehensive income (OCI), and fair value through profit or loss. The classification of financial assets at initial recognition depends on the financial asset's contractual cashflow characteristics and the Company's business model for managing them. With the exception of trade receivables that do not contain a significant financing component or for which the Company has applied the practical expedient, the Company initially measures a financial asset at its fair value plus, in the case of a financial asset not at fair value through profit or loss, transaction costs. Trade receivables that do not contain a significant financing component or for which the Company has applied the practical expedient are measured at the transaction price determined under IFRS 15.

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The Company's business model for managing financial assets refers to how it manages its financial assets in order to generate cashflows. The business model determines whether cashflows will result from collecting contractual cash flows, selling the financial assets, or both.

Purchases or sales of financial assets that require delivery of assets within a time frame established by regulation or convention in the market place (regular way trades) are recognised on the trade date, i.e., the date that the Company commits to purchase or sell the asset.

Management classifies its financial assets into any of the asset categories above on the basis of both:

- The Company's business model for managing the financial assets, and
- The contractual cash flows characteristics of the financial assets

1. Business Model Assessment

The business model assessment is one of the two steps to classify financial assets. The Finance Department of the Company is responsible for performing the business model assessment of the Company's financial instruments at a level that reflects how groups of financial assets are managed together to achieve a particular business objective.

Judgment is needed to determine the level of aggregation to which the business model assessment is applied. That determination is made on the basis of how the Company manages its business, it is not made at the level of an individual asset, rather the Company performs this assessment at a higher level of aggregation which is at a portfolio level.

If cashflows are realised in a way that is different from the Company's expectations at the date that the Company assessed the business model (for example, if the Company sells more or fewer financial assets than it expected when it classified the assets), this does not:

- Give rise to a prior period error in the Company's financial statements (as defined in IAS 8 Accounting policies, changes in accounting estimates and errors), or

- Give rise to a prior period error in the Company's financial statements (as defined in IAS 8 Accounting policies, changes in accounting estimates and errors), or
- Change the classification of the remaining financial assets held in that business model (i.e., those assets that the Company recognised in prior periods and still holds), as long as the Company has considered all relevant information that was available at the time that it made the business model assessment.

However, when the Company assesses the business model for newly originated or newly purchased financial assets, it considers information about how cashflows were realised in the past, along with all other relevant information. Where there was a change in the way that cashflows are realised, then this will affect the classification of new assets recognised in the future.

Hold-to-collect business model

Where the Company's objective is to hold the asset (or portfolio of assets to collect the contractual cashflows, the asset (or portfolio of assets) are classified under the 'hold to collect' business model. Financial assets that are held within this business model are measured at amortised cost, (provided the asset also meets the contractual cash flowtest - see below). Such assets are managed to realise cash flows by collecting contractual payments over the life of the instrument.

In determining whether cash flows are going to be realised by collecting the financial assets' contractual cashflows, the Company considers the frequency and value of sales in prior periods, the timing of the sale of assets, the reasons for those sales, and the Company's expectations about future sales activity.

In accordance with IFRS 9, sales in themselves do not determine the business model and cannot be considered in isolation. However, information about past sales and expectations about future sales provide evidence related to how the Company's stated objective for managing the financial assets is achieved and, specifically, how cash flows are realised.

Hold-to-collect contractual cash flows and sell

Where the Company's objective is to hold a group of financial assets to collect the contractual cash flows and then to sell those financial assets, the portfolio of assets are classified under the 'hold to collect and sell' business model. The FVOCI measurement category is mandatory for portfolios of financial assets that are held within a business model whose objective is achieved by both collecting contractual cash flows and selling financial assets (provided the asset also meets the contractual cash flow test).

Collecting contractual cash flows and selling are fundamental to achieving the objective of the business model.

Compared to the business model with an objective to hold financial assets to collect contractual cash flows, this business model will typically involve greater frequency and value of sales. This is because selling financial assets is integral to achieving the business model's objective rather than only incidental to it. There is no threshold for the frequency or value of sales that can or must occur in this business model.

Other business models

IFRS 9 requires financial assets to be measured at fair value through profit or loss (FVTPL) if they are not held within either a business model whose objective is to hold assets to collect contractual cash flows or within a business model whose objective is achieved by both collecting contractual cash flows and selling financial assets.

A business model that results in measurement at FVTPL is where the financial assets are held for trading or where the assets are managed on a fair value basis. In each case, the Company manages the financial assets with the objective of realising cash flows through the sale of the assets. The Company makes decisions based on the assets' fair values and manages the assets to realise those fair values.

3.3 The contractual cash flows assessment – the Solely Payments of Principal and Interest

This assessment aims to identify whether the contractual cash flows are solely payments of principal and interest on the principal amount outstanding.

The SPPI test is based on the premise that it is only when the variability in the contractual cash flows arises to maintain the holder's return in line with a 'basic lending arrangement' that the application of the effective interest method provides useful information about the uncertainty, timing and amount of the financial asset's contractual cashflows.

The effective interest method is essentially to spread interest revenue or expense overtime. Amortised cost or FVOCI measurement is only appropriate for simple cash flows that have low variability such as those of loans and receivables and debt securities.

Subsequent measurement of financial assets

For purposes of subsequent measurement, financial assets are classified in four categories:

- Financial assets at amortised cost (debt instruments) ;
- Financial assets designated at fair value through OCI with recycling of cumulative gains and losses (debt instruments);
- Financial assets designated at fair value through OCI with no recycling of cumulative gains and losses upon derecognition (equity instruments); and
- Financial assets at fair value through profit or loss (The Company, however has no financial instrument in this category)

Financial assets at amortised cost (debt instruments)

This category is the most relevant to the Company. The Company measures financial assets at amortised cost if both of the following conditions are met:

- The financial asset is held within a business model with the objective to hold financial assets in order to collect contractual cash flows; and
- The contractual terms of the financial asset give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding.

Financial assets at amortised cost are subsequently measured using the effective interest (EIR) method and are subject to impairment. Gains and losses are recognised in profit or loss when the asset is derecognised, modified or impaired.

The Company's financial assets at amortised cost includes debt instruments, fixed deposits with banks and other financial institutions and

Financial assets at fair value through profit or loss

Financial assets at fair value through profit or loss include financial assets held for trading, financial assets designated upon initial recognition at fair value through profit or loss, or financial assets mandatorily required to be measured at fair value. Financial assets are classified as held for trading if they are acquired for the purpose of selling or repurchasing in the near term. Financial assets with cash flows that are not solely payments of principal and interest are classified and measured at fair value through profit or loss, irrespective of the business model. Notwithstanding the criteria for debt instruments to be classified at amortised cost or at fair value through OCI, as described above, debt instruments may be designated at fair value through profit or loss on initial recognition if doing so eliminates, or significantly reduces, an accounting mismatch.

Financial assets at fair value through profit or loss are carried in the statement of financial position at fair value with net changes in fair value recognised in the statement of profit or loss.

The Company did not have any equity investments under this category during the year under consideration.

Derecognition of financial assets

A financial asset (or, where applicable, a part of a financial asset or part of a group of similar financial assets) is primarily derecognised (i.e., removed from the Company's statement of financial position) when:

- The rights to receive cash flows from the asset have expired; or
- The Company has transferred its rights to receive cash flows from the asset or has assumed an obligation to pay the received cash flows in full without material delay to a third party under a 'pass-through' arrangement; and either (a) the Company has transferred substantially all the risks and rewards of the asset, or (b) the Company has neither transferred nor retained substantially all the risks and rewards of the asset, but has transferred control of the asset.

When the Company has transferred its rights to receive cash flows from an asset or has entered into a pass-through arrangement, it evaluates if, and to what extent, it has retained the risks and rewards of ownership. When it has neither transferred nor retained substantially all of the risks and rewards of the asset, nor transferred control of the asset, the Company continues to recognise the transferred asset to the extent of its continuing involvement. In that case, the Company also recognises an associated liability. The transferred asset and the associated liability are measured on a basis that reflects the rights and obligations that the Company has retained.

Continuing involvement that takes the form of a Guaranty over the transferred asset is measured at the lower of the original carrying amount of the asset and the maximum amount of consideration that the Company could be required to repay.

Impairment of financial assets

The Company recognises an allowance for Expected Credit Losses (ECLs) for all debt instruments not held at fair value through profit or loss. ECLs are based on the difference between the contractual cash flows due in accordance with the contract and all the cash flows that the Company expects to receive, discounted at an approximation of the original effective interest rate. The expected cash flows will include cash flows from the sale of collateral held or other credit enhancements that are integral to the contractual terms.

ECLs are recognised in two stages. For credit exposures for which there has not been a significant increase in credit risk since initial recognition, ECLs are provided for credit losses that result from default events that are possible within the next 12-months (a 12-month ECL). For those credit exposures for which there has been a significant increase in credit risk since initial recognition, a loss allowance is required for credit losses expected over the remaining life of the exposure, irrespective of the timing of the default (a lifetime ECL).

For trade receivables, the Company applies a simplified approach in calculating ECLs. Therefore, the Company does not track changes in credit risk, but instead recognises a loss allowance based on lifetime ECLs at each reporting date. The Company has established a provision matrix that is based on its historical credit loss experience, adjusted for forward-looking factors specific to the debtors and the economic environment.

The Company considers a financial asset in default when contractual payments are 90 days past due. However, in certain cases, the Company may also consider a financial asset to be in default when internal or external information indicates that the Company is unlikely to receive the outstanding contractual amounts in full before taking into account any credit enhancements held by the Company. A financial asset is written off when there is no reasonable expectation of recovering the contractual cash flows.

Financial liabilities Initial recognition and measurement of financial liabilities

Financial liabilities are classified, at initial recognition, as financial liabilities at fair value through profit or loss, borrowings and trade and other payables, as appropriate.

All financial liabilities are recognised initially at fair value and, in the case of loans and borrowings and payables, net of directly attributable transaction costs.

The Company's financial liabilities include funds under management and trade and other payables. The Company did not have any financial liability that is measured at fair value through profit or loss during the year.

Subsequent measurement of financial liabilities

The measurement of financial liabilities depends on their classification, as described below:

After initial recognition, trade and other payables are subsequently measured at amortised cost. The amortised cost of a financial liability is the amount at which the financial liability is measured at initial recognition minus principal repayments, plus or minus the cumulative amortisation of any difference between that initial amount and the maturity amount.

Derecognition of financial liabilities

A financial liability is derecognised when the obligation under the liability is discharged or cancelled or expires. When an existing financial liability is replaced by another from the same lender on substantially different terms, or the terms of an existing liability are substantially modified, such an exchange or modification is treated as the derecognition of the original liability and the recognition of a new liability. The difference in the respective carrying amounts is recognised in the statement of profit or loss.

Offsetting of financial instruments

Financial assets and financial liabilities are offset and the net amount is reported in the statement of financial position, if there is a currently enforceable legal right to offset the recognised amounts and there is an intention to settle on a net basis, or to realise the assets and settle the liabilities simultaneously.

4.0 Taxes

Income tax expense

The tax expense for the period comprises current tax. Tax is recognised in profit or loss, except to the extent that it relates to items recognised directly in equity. In this case, the tax is also recognised in equity and subsequently recognised in profit or loss when the related deferred gain or loss is recognised.

Current income tax

The current income tax charge is calculated on the basis of the tax laws enacted or substantively enacted at the reporting date.

Deferred tax

Deferred tax is recognised in respect of temporary differences between the carrying amounts of assets and liabilities for financial reporting purposes and the amounts used for taxation purposes. Deferred tax is not recognised for the following temporary differences: the initial recognition of goodwill, the initial recognition of assets or liabilities in a transaction that is not a business combination and that affects neither accounting nor taxable profit, and differences relating to investments in subsidiaries to the extent that they probably will not reverse in the foreseeable future. Deferred tax is measured at the tax rates that are expected to be applied to the temporary differences when they reverse, based on laws that have been enacted or substantively enacted by the reporting date.

A deferred tax asset is recognised only to the extent that it is probable that future taxable profits will be available against which the asset 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.

Deferred tax - continuation

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

Additional income taxes that arise from the distribution of dividends are recognised at the same time as the liability to pay the related dividend is recognised.

4.2 Cash and cash equivalents

Cash and cash equivalents are balances that are held for the primary purpose of meeting short-term cash commitments. These include cash-on-hand, and those that are readily convertible to known amounts of cash, are subject to insignificant risk of changes in value and whose original maturity is three months or less. These include cash-on-hand, deposit held at call with banks and other short-term highly liquid investments (net of overdraft) which originally matures in three months or less.

4.3 Management fee receivables

Receivables include amounts due from clients. Receivables arising under margin arrangements are measured on initial recognition at the fair value of the consideration received or receivable. The carrying value of receivable is the utilised amount including the interest accrued as at the reporting period.

4.4 Share capital

(a) Share issue costs :

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

(b) Dividends on ordinary shares:

Dividends on ordinary shares are recognised in equity in the period in which they are approved by the Company's shareholders. Dividends for the year that are declared after the end of the reporting period are dealt with in the subsequent events note.

2.10 Property, plant and equipment

Property, plant and equipment is stated at cost, excluding the costs of day-to-day servicing, less accumulated depreciation and accumulated impairment. Replacement or major inspection costs are capitalised when incurred and if it is probable that future economic benefits associated with the item will flow to the entity and the cost of the item can be measured reliably.

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

Depreciation is provided on a straight line basis so as to allocate the cost less their residual values over the estimated useful lives of the following classes of assets:

- Office equipment 2 years
- Furniture and fittings 10 years
- Plant and equipment 5 years
- Computer equipment 2 years
- Motor vehicles 3 years

Depreciation methods, useful lives and residual values are reassessed at each reporting date and adjusted if appropriate.

De-recognition

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

Fair value definition and measurement

Fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date. The fair value measurement is based on the presumption that the transaction to sell the asset or transfer the liability takes place either:

- In the principal market for the asset or liability, or
 - In the absence of a principal market, in the most advantageous market for the asset or liability.
- The principal or the most advantageous market must be accessible to by the Company.

The fair value of an asset or a liability is measured using the assumptions that market participants would use when pricing the asset or liability, assuming that market participants act in their economic best interest.

The Company uses valuation techniques that are appropriate in the circumstances and for which sufficient data are available to measure fair value, maximising the use of relevant observable inputs and minimising the use of unobservable inputs.

All assets and liabilities for which fair value is measured or disclosed in the financial statements are categorised within the fair value hierarchy, described as follows, based on the lowest level input that is significant to the fair value measurement as a whole:

Level 1 — Quoted (unadjusted) market prices in active markets for identical assets or liabilities

Level 2 — Valuation techniques for which the lowest level input that is significant to the fair value measurement is directly or indirectly observable

Level 3 — Valuation techniques for which the lowest level input that is significant to the fair value measurement is unobservable

For assets and liabilities that are recognised in the financial statements on a recurring basis, the Company determines whether transfers have occurred between levels in the hierarchy by reassessing categorisation (based on the lowest level input that is significant to the fair value measurement as a whole) at the end of each reporting period.

Subsequent to initial recognition, the fair values of financial instruments are based on quoted market prices or dealer price quotations for financial instruments traded in active markets. If the market for a financial asset is not active or the instrument is unlisted, the fair value is determined by using applicable valuation techniques. These include the use of recent arm's length transactions, discounted cash flow analyses, pricing models and valuation techniques commonly used by market participants.

2.12 Impairment of non-financial assets

The Company assesses assets or groups of assets for impairment whenever events or changes in circumstances indicate that the carrying amount of an asset may not be recoverable. If any such indication of impairment exists; the carrying amount is greater than an estimate of the asset's recoverable amount. Individual assets are grouped for impairment assessment purposes at the lowest level (Cash generating unit) at which there are identifiable cash flows that are largely independent of the cash flows of other groups of assets.

An asset group's recoverable amount is the higher of its fair value less costs to sell and its value in use. Where the carrying amount of an asset group exceeds its recoverable amount, the asset group is considered impaired and is written down to its recoverable amount. In assessing value in use, the estimated future cash flows are adjusted for the risks specific to the asset group and are discounted to their present value using a pre-tax discount rate that reflects current market assessments of the time value of money. Impairment losses are recognized in statement of profit or loss.

Impairment losses recognized in prior periods can be reversed up to the original carrying amount, had the impairment loss not been recognized. Such reversal is recognized in profit or loss. After such a reversal, the depreciation charge is adjusted in future periods to allocate the asset's revised carrying amount, less any residual value, on a systematic basis over its remaining useful life. Impairment losses of continuing operations, including impairment on inventories, are recognised in the statement of profit or loss in those expense categories consistent with the function of the impaired asset, except for a property previously re-valued where the revaluation was taken to other comprehensive income. In this case, the impairment is also recognised in other comprehensive income up to the amount of any previous revaluation.

IFRS 16 Leases

At contract inception the Company assesses whether a contract is, or contains, a lease. That is, if the contract conveys the right to control the use of an identified asset for a period of time in exchange for consideration.

The Company's leases are short-term leases and leases of low-value assets. Therefore, there was no recognition of right-of-use assets and lease liabilities.

3. Significant accounting judgements, estimates and assumptions

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

The estimates and underlying assumptions are reviewed on an on-going basis. Revisions to accounting estimates are recognised in the period in which the estimate is revised, if the revision affects only that period, or in the period of the revision and future periods, if the revision affects both current and future periods.

Changes in accounting policies or measurement principles in light of new or revised standards are applied retrospectively, except as otherwise provided in the respective standard. The statement of profit or loss and other comprehensive income for the previous year and the opening statement of financial position for that year are adjusted as if the new accounting policies and/or measurement principles had always been applied.

i. Impairment losses on debt instruments other than trade receivables measured at amortised cost

The measurement of impairment losses under IFRS 9 across all categories of financial assets requires judgement, in particular, the estimation of the amount and timing of future cash flows and collateral values when determining impairment losses and the assessment of a significant increase in credit risk. These estimates are driven by a number of factors, changes in which can result in different levels of allowances.

The Company's ECL calculations are outputs of complex models with a number of underlying assumptions regarding the choice of variable inputs and their inter-dependencies. Elements of the ECL models that are considered accounting judgements and estimates include:

- The Company's internal/external credit grading model, which assigns Probability of Defaults (PDs) to the individual grades;
- The Company's criteria for assessing if there has been a significant increase in credit risk and so allowances for financial assets should be measured on a Life Time Expected Credit Loss (LTECL) basis and the qualitative assessment.
- Development of ECL models, including the various formulae and the choice of inputs; and
- Selection of forward-looking macroeconomic scenarios and their probability weightings, to derive the economic inputs into the ECL models.

ii. Provision for expected credit losses of trade receivables

The Company uses a provision matrix to calculate ECLs for trade receivables and contract assets. The provision rates are based on days past due for groupings of various customer segments that have similar loss patterns (i.e., customer type).

The provision matrix is initially based on the Company's historical observed default rates. The Company will calibrate the matrix to adjust the historical credit loss experience with forward-looking information. For instance, if forecast economic conditions (i.e., gross domestic product) are expected to deteriorate over the next year which can lead to an increased number of defaults in the various sectors, the historical default rates are adjusted. At every reporting date, the historical observed default rates are updated and changes in the forward-looking estimates are analysed.

The assessment of the correlation between historical observed default rates, forecast economic conditions and ECLs is a significant estimate.

The amount of ECLs is sensitive to changes in circumstances and of forecast economic conditions. The Company's historical credit loss experience and forecast of economic conditions may also not be representative of customer's actual default in the future

Staging

Stage 1: On origination, a financial asset (provided that it is not a purchased or originated credit impaired asset) will be in stage 1 of the general model for expected credit losses. Financial assets that have not had a significant increase in credit risk since initial recognition or that (upon assessment and option selected by the Company) have low credit risk at the reporting date remain in stage 1.

For these assets, 12-month expected credit losses ('ECL') are recognised and interest revenue is calculated on the gross carrying amount of the asset (that is, without deduction for credit allowance). 12-month ECL are the ECL that result from default events that are possible within 12 months after the reporting date. It is not the expected cash shortfalls over the 12-month period but the entire credit loss on an asset, weighted by the probability that the loss will occur in the next 12 months.

Stage 2: Financial instruments that have had a significant increase in credit risk since initial recognition (unless they have low credit risk at the reporting date and this option is taken by the Company) but that do not have objective evidence of impairment. For these assets, lifetime ECL are recognised and interest revenue is still calculated on the gross carrying amount of the asset.

Lifetime ECL are the ECL that result from all possible default events over the maximum contractual period during which the Company is exposed to credit risk. ECL are the weighted average credit losses, with the respective risks of a default occurring as the weights.

The Company, when determining whether the credit risk on a financial instrument has increased significantly, considers reasonable and supportable (both historical and forward-looking) information available, in order to compare the risk of a default occurring at the reporting date with the risk of a default occurring at initial recognition of the financial instrument.

Stage 3: This includes financial assets that have objective evidence of impairment at the reporting date. For these assets, lifetime ECLs are recognised and interest revenue is calculated on the net carrying amount (that is, net of credit allowance). This is done by applying the EIR in subsequent reporting periods to the amortised cost of the financial asset.

When the Company has no reasonable expectations of recovering the financial asset, then the gross carrying amount of the financial asset can be directly reduced in its entirety via a write off. A write-off constitutes a derecognition event.

3. Financial risk management report

Introduction and overview

3.1 Enterprise Risk Management (ERM)

The Company seeks to achieve an appropriate balance between risk and reward in its business and strategy, and continues to build and enhance the risk management capabilities that will assist it in delivering its growth plans in a controlled environment.

The Company's ERM framework ensures risks are managed using a structured and disciplined approach that aligns strategy, processes, people, technology and knowledge with the purpose of evaluating and managing the opportunities and threats faced. The Company's "enterprise-wide" risk management methodology ensures the removal of functional, divisional, departmental or cultural barriers to managing risks.

AVA Global Asset Managers Limited's ERM framework sets the basis for the holistic management of risk across the organisation. The key elements are as follows:

ERM vision:

Our ERM vision is to become the reference point for risk management by adopting an integrated risk management framework where all risks facing the Company are identified, assessed, measured, monitored and controlled within the Company's risk appetite and relevant global best practices.

ERM philosophy:

The risk philosophy for the organisation is to institutionalize a sound and robust enterprise-wide risk management framework with focus on generating enduring earnings by minimizing losses, and maximizing our earnings potential in compliance with local and relevant global best practices.

In our strategy setting, risk considerations are given high priority. We adopt a company risk management framework that operates within an integrated structure in ensuring that appropriate processes are used to address all risks across the Company and to promote sound risk management practices.

We only assume risks that fall within our risk appetite. We promote risk awareness through risk education and acculturation across the organisation and risk awareness is top-down driven.

The risk management philosophy of AVA Global Asset Managers Limited is drawn from its mission statement and seeks to enrich the financial well being of our stakeholders, while ensuring strong commitment to the following key indices:

- Professionalism while delivering value to the customers;
- Strong performance reporting (financial and non-financial);
- Good corporate governance; and
- Consistent appreciation in shareholders' value.

ERM principles

- Risk management is protective of the Company and well thought out. All risks must be objectively assessed, measured and effectively managed. 'We ensure that risk parameters and limits across the company are implemented and strictly adhered to.
- In determining an appropriate risk response, the cost of risk control and the impact of risks occurring are balanced with the benefits of risk education.
- We only assume risks that fall within our risk appetite.
- Compliance with all Securities and Exchange Commission (SEC) risk regulations is ensured.
- The Risk Management Framework is monitored and reviewed frequently to ensure adequate capture of emerging risks in our business.

Risk appetite principles

The following principles guide the definition of the Company's risk appetite:

- The Company adopts a top-down risk appetite definition approach based on analysis of the internal and external environment.
- The Board of Directors, through the Finance and Risk Management Committee, have direct responsibility for articulating the Company's risk appetite.
- The Head of Finance recommends the most appropriate metrics/statements for defining the risk appetite.
- The Risk Appetite metrics/statements are forwarded for adoption/approval.
- Risk Appetite metrics/statements are quantitative, specific and easily measurable.

The Company is exposed to the following major risks from its use of financial instruments:

- Liquidity risks
- Market risks

This note presents information about the Company's exposure to each of the above risks, the Company's objectives, policies and processes for measuring and managing risks, and the Company's management of capital.

3.2 Risk Management Framework

The risk management policies in the Company are established to identify and analyse the risks faced by the Company, to set appropriate risk limits and controls, to monitor risks and adherence to limits. This policy is subject to review at least once a year, but more frequent reviews may be conducted in the opinion of the Board, when changes in laws, regulations, market conditions or the Company's activities are material enough to impact on the continued adoption of existing policies.

The Company, through its training and management standards and procedures, aims to develop a disciplined and constructive control environment, in which all employees understand their roles and obligations.

The Board of Directors has overall responsibility for the establishment and oversight of the Company's risk management framework.

3.3 Management Responsibility

The ERM structure dovetails into management's responsibilities with the oversight function of the Board, complemented and implemented by management.

The Investment Committee periodically reviews portfolio of investment holdings and performance to ensure achievement of company and client investment objectives. The Committee also evaluates the organisation's investment risk profile and the action plans to manage risks within the Company's investment risk appetite.

The Risk Management and Control Department is responsible for identifying, controlling, monitoring and reporting risk issues.

By the nature of its business, the Company is exposed to market and credit risks as the most critical risks. Positions in fixed income securities, comprising mainly of government securities account for the major portion of the Company's assets and source of its revenue. Thus, the Company ensures that market and credit risks exposures are properly monitored, managed and controlled.

Risk management methodology

The Company recognizes that it is in the business of managing risks to derive optimal satisfaction for all stakeholders. It has therefore, over the years detailed its approach to risk through various policies and procedures, which include the following:

- Enterprise Risk Management Policy;
- Human Resources Policy Manual; and
- Manual of Operations – for All business and support units

3.4 ERM Functional Framework

Liquidity risk is the current and future risk to the Company's earnings and capital arising from its inability to meet its financial obligations and commitments as and when due and at a reasonable price.

Management's of liquidity risk

A brief overview of the Company's liquidity management processes includes the following: Maintenance of minimum levels of liquid and marketable assets above the regulatory requirement of 5%. The Company has set an in-house limit of 20%, to which it adheres.

Monitoring of its cash flow and financial position trends. The Company also makes forecasts of anticipated deposits and withdrawals to determine their potential effect on the Company.

Regular measurement & monitoring of its liquidity position/ratios in line with regulatory requirements and in-house limits.

The Company's Chief Operating Officer, Chief Investment Officer and Head of Finance are charged with the responsibility of managing the Company's daily liquidity position. A daily liquidity position is monitored and regular liquidity stress testing is conducted under a variety of scenarios covering both normal and more severe market conditions.

3.5 Market risk

Market risk is the risk that changes in market prices, such as interest rate, security prices and foreign exchange rates will adversely affect the Company's income or the value of its holdings of financial instruments. The objective of market risk management is to manage and control market risk exposures within acceptable parameters, while optimising the return on risk.

3.6 Management of market risk

The Company separates its exposure to market risk between trading and non-trading portfolios. Trading portfolios are mainly held by the Treasury group, and include positions arising from market making and proprietary position taking, together with financial assets and liabilities that are managed on a fair value basis.

Overall authority for market risk is vested in the company's Chief Operating Officer, Chief Investment Officer and Head of Finance. However, the Chief Compliance Officer is responsible for the development of detailed risk management policies and for the day-to-day review of their implementation.

3.7 Operational risk

Operational risk is the risk of direct or indirect loss arising from a wide variety of causes associated with the Company's processes, personnel, technology and infrastructure, and from external factors other than credit, market and liquidity risks such as those arising from legal and regulatory requirements and generally accepted standards of corporate behaviour. Operational risks arise from all of the Company's operations and are faced by all business entities.

The Company's objective is to manage operational risk so as to balance the avoidance of financial losses and damage to the Company's reputation with overall cost effectiveness and to avoid control procedures that restrict initiative and creativity.

The primary responsibility for the development and implementation of controls to address operational risk is assigned to senior management within each business unit, and co-ordinated by the Compliance and Internal Audit Department. This responsibility is supported by the development of standards for the management of operational risk in the following areas:

- requirements for appropriate segregation of duties, including the independent authorisation of transactions;
- requirements for reconciliations and monitoring of transactions;
- compliance with regulatory and other legal requirements; documentation of controls and procedures;
- requirements for reporting operational losses and proposed remedial action;
- development of contingency plans, and periodic contingency tests;
- training and professional development; -ðical and business standards; and
- &risk mitigation, including insurance where this is effective.

3.8 Capital risk management

Capital includes equity attributable to the equity holders of the Company. The primary objectives of the Company's capital management policy are to ensure that the Company complies with externally imposed capital requirements and maintains strong ratings and healthy capital ratios in order to support its business and to maximise shareholder value.

The Company manages its capital structure and makes adjustments to it according to changes in economic conditions and the risk characteristics of its activities.

Equity includes all capital and reserves of the Company that are managed as capital.

3.9 Fair value measurement

The following table provides the fair value measurement hierarchy of the Company's assets and liabilities.

The Company measures fair values using the following fair value hierarchy that reflects the significance of the inputs used in making the measurements:

Level 1: Quoted market price (unadjusted) in an active market for an identical instrument.

Level 2: Valuation techniques based on observable inputs, either directly (i.e., as prices) or indirectly (i.e., derived from prices). This category includes instruments valued using: quoted market prices in active markets for similar instruments; quoted prices for identical or similar instruments in markets that are considered less than active; or other valuation techniques where all significant inputs are directly or indirectly observable from market data.

Level 3: Valuation techniques using significant unobservable inputs. This category includes all instruments where the valuation technique includes inputs not based on observable data and the unobservable inputs could have a significant effect on the instrument's valuation. This category includes instruments that are valued based on quoted prices for similar instruments where significant unobservable adjustments or assumptions are required to reflect differences between the instruments.

Set out below is a comparison, by class, of the carrying amounts and fair values of the Company's financial instruments, other than those with carrying amounts that are reasonable approximations of fair values:

4. Revenue

4.1 Interest Income

	31 'December 2024 N'000	31 'December 2023 N'000
Interest Income on Commercial Paper	33,739	-
Interest Income on Fixed Placement	1,129,412	1,066,091
Interest Income on Bonds	126,964	86,510
Interest Income on Treasury Bills	195,504	-
Interest on fund	13,617	
	1,499,237	1,152,601

4.2 Other Revenue

	31 'December 2024 N'000	31 'December 2023 N'000
Management Fee Income	10,000	31,640
	10,000	31,640

5. Interest Expense

	31 'December 2024 N'000	31 'December 2023 N'000
Interest Expenses	1,084,018	927,223
	1,084,018	927,223

6. Other income

	31 'December 2024 N'000	31 'December 2023 N'000
Other income	13,588	47,695
Penal Charge Income	1,211	885
	14,798	48,580

7. Operating expenses

Expenses by nature

	31 'December 2024 N'000	31 'December 2023 N'000
Auditor's remuneration	7,000	4,250
Office Expenses	100,866	94,244
Advertising and Branding	17,500	4,301
Travel Expenses	895	4,257
IT Expenses	19,760	10,710
Training Expense	16,961	7,692
Board Expenses	1,600	443
Professional Fees	17,360	19,706
Repar and maintenance	28,307	14,592
Other Operating Expenses	28,307	14,592

Year end expenses	54,666	23,651
Rent expenses	29,700	-
	298,435	183,847

8. Personnel expenses

	31 'December 2024 N'000	31 'December 2023 N'000
Staff costs (excluding executive Directors):		
13th Month Allowance	870	848
Leave Allowance	1,556	977
Cost of living allowance	16,772	9,044
PAYE expenses	1,445	975
Pension Contribution-Employee	1,824	1,132
Pension Contribution-Employer	16,616	12,373
Staff Welfare	13,092	6,963
	54,290	33,604

The average number of persons, excluding directors, employed by the Company during the year was as follows:

	31 'December 2024 N'000	31 'December 2023 N'000
Managerial	3	2
Non-management	11	14
	14	16

The table below shows the number of employees (excluding directors), who earned over N3,000,000 as emoluments in the year and were within the bands stated.

	31 'December 2024 N'000	31 'December 2023 N'000
N1,000,001 - N1,500,000	2	2
N1,500,001 - N2,000,000	5	3
N2,000,001 - above	7	7
	14	12

9. Taxation

9.1 Current income tax

	31 'December 2024 N'000	31 'December 2023 N'000
Company Income Tax	18,140	
Education Tax	2,619	
Police Trust Fund Levy	2	
Information Technology Levy	402	
Current Income Tax Charge	21,162	25,065
	21,162	25,065
Deferred tax asset	(3,187)	0
	17,975	-

9.2 Effective tax reconciliation

The tax on the Company's profit before tax differs from the theoretical amount that would arise using the basic tax rate of the Company as follows:

	% 31 'December 2024	% 31 'December 2023
Profit before tax	100%	100%
Tax using domestic rate	30%	
Tax exempt income		
Change in prior year temporary differences	66%	
Non deductible expense		
Education tax	3%	
Information Technology Levy	1%	
Police Levy	0%	0%
Effective tax rate	100%	-

9.3 Current income tax payable

	31 'December 2024 N'000	31 'December 2023 N'000
At the beginning of the year:	25,065	
Current income tax charge	21,162	25,065
Payments during the year	(25,065)	-
	21,162	25,065

9.4 Deferred tax asset

	31 'December 2024 N'000	31 'December 2023 N'000
Property and equipment	(4,174)	
Allowance for expected credit losses & other deferred tax items	7,361	-
	3,187	

10. Cash and cash equivalents

	31 'December 2024 N'000	31 'December 2023 N'000
Cash in bank	119,645	2,085,202
	119,645	2,085,202
Current	119,645	2,085,202
Non-Current	-	-
	119,645	2,085,202

11. Financial Assets**11.1 Current income tax**

	31 'December 2024 N'000	31 'December 2023 N'000
Investment in Fixed Placements	3,995,962	-
Investment in Commerical Paper	587,171	-
Investment in Treasury Bills	2,117,059	-
Investment in Bonds	1,658,127	786,547
Investment in Fund	805,834	-
Total	9,164,153	786,547
Customer Asset Net off	(8,179,799)	-
Total	984,354	786,547

12. Other Assets

	31 'December 2024 N'000	31 'December 2023 N'000
Interest Receivable	22,307	281,047
Other Recievable	198,972	149,279
	221,279	430,326
Prepayments	15,635	13,811
Total	214,607	444,137
Current	214,607	444,137
Non- Current	-	-
	214,607	444,137

13. Property, Plant and Equipment

Cost	Motor Vehicle N'000	Furniture & Fittings N'000	Office Equipment N'000	Computer Equipment N'000	Total N'000
As at 1 January 2024	35,910	1,306	66	4,152	41,435
Additions	30,000	0	2,400	3,333	35,733
Disposals	-	-	-	-	-
As at 31 December 2024	65,910	1,306	2,466	7,485	77,168
Accumulated Depreciation					
As at 1 January 2024	(13,281)	(1,306)	(66)	(2,158)	(16,812)
Charge for the year	(22,082)	-	(800)	(1,946)	(24,828)
Disposals	-	-	-	-	-
As at 31 December 2024	(35,363)	(1,306)	(866)	(4,105)	(41,640)
Carrying amount					
As at 31 December 2024	30,547	0	1,600	3,381	35,527

Cost	Motor Vehicle N'000	Furniture & Fittings N'000	Office Equipment N'000	Computer Equipment N'000	Total N'000
As at 1 January 2024	17,000	653	869	1,207	19,729
Additions	18,910	653	-	2,945	22,509
Disposals	-	-	(803)	-	(803)
As at 31 December 2023	35,910	1,306	66	4,152	41,435
Accumulated Depreciation					
As at 1 January 2024	(5,610)	(653)	(39)	(785)	(7,087)
Charge for the year	(7,671)	(653)	(28)	(1,373)	(9,725)
Disposals	-	-	-	-	-
As at 31 December 2023	(13,281)	(1,306)	(66)	(2,158)	(16,812)
Carrying amount					
As at 31 December 2023	22,629	(0)	0	1,994	24,623

14. Customer Liabilities

	31 'December 2024 N'000	31 'December 2023 N'000
Customer Liabilities	7,751,390	-
Interest payable	428,409	
Customer Liabilities Net off	(8,179,799)	
Total	-	-

Customer Liabilities represent the fund from customers deposited for investment purposes.

15. Accruals and other Liabilities

	31 'December 2024 N'000	31 'December 2023 N'000
Accrued expenses	8,138	11,656
WHT payable Client	88,393	56,072
Employee Related Payables	1,893	638
Payable to Trives Financial Limited	80,350	
Other payable	11,538	2,123,414
Total	190,312	2,191,780
Current	190,312	2,191,780
Non- Current	-	-

16. Share Capital

The share capital comprises of ordinary shares of 250,000,000 units issued at N1 each.

	31 'December 2024 N'000	31 'December 2023 N'000
Authorized and issued:	N'000	N'000
Balance at beginning of year	250,000	250,000
Balance at end of year	250,000	250,000

16.1 Retained earnings

	31 'December 2024 N'000	31 'December 2023 N'000
Balance, beginning of year	123,664	70,342
Profit for the year	22,183	53,322
	145,847	123,664

17. Related parties

Counter parties transactions 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 directors and key management personnel among others.

17.1 Key management personnel

Key management personnel constitutes those individuals who have the authority and the responsibility for planning, directing and controlling the activities of AVA Global Asset Managers Limited, directly or indirectly.

The key management personnel of the Company include all directors (executive and non-executive). The summary of compensation of key management personnel for the year is as follows:

	31 'December 2024 N'000	31 'December 2023 N'000
Directors' emoluments	1,600	-
	1,600	-
The total number of Directors were:	5	5

7.1 Related party transactions

AVA Global Asset Managers Limited (AVA GAM) is jointly-owned and controlled by Prosperis Holding Company Limited and Hermes Supply Limited. AVA Capital Partners Limited, AVA Securities Limited, AVA Trustees Limited, Trives Financials Limited, Trives Finance Limited, and Jabetza Realty Limited are also subsidiaries of Prosperis Holding Limited.

These entities (in addition to the key management personnel of the company) are related parties to the AVA Global Asset Managers Limited (AVA GAM).

i Shared services with the related parties

The company's shared services include utilization of common resources, facilities, and personnel among related parties. These arrangements are essential for optimizing operational efficiency and cost-effectiveness. The shared services between Ava Global Asset Managers Limited and other related parties is the joint cost allocation for administrative expenses jointly incurred by the company and other related parties.

18. Events after reporting date

There were no subsequent events which could have a material effect on the financial position of the Company as at 31 December 2024 or the profit for the year then ended on that date, that have not been adequately provided for or disclosed in the financial statements.

19. Non-Audit Services

There were no non-audit services provided during the year by the External Auditor.

A hand is shown dropping a gold-colored coin into a clear glass jar. The jar is filled with various coins, including gold and silver ones. A small green plant with several leaves is growing out of the top of the jar. The background is a dark, textured grey.

Other National Disclosures

VALUE ADDED STATEMENT

FOR THE YEAR ENDED 31 DECEMBER 2024

	2024 N'000	%	2023 N'000	%
Gross earnings	1,514,036		1,201,181	
Less: Cost of fund and services	(1,452,893)		(1,132,788)	
Value added	61,143	100%	68,393	100%
Distribution				
Employees				
Wages, salaries and benefits	54,290	89%	33,604	49%
Government				
Company income tax	(17,975)	-29%	25,065	37%
Retained in the business				
Deferred taxation	-	0%	-	0%
Depreciation of Property, Plant and Equipment	24,828	41%	9,725	14%
	61,143	100%	68,393	100%

THREE YEAR FINANCIAL SUMMARY

	31 Dec 2024 N'000	31 Dec 2023 N'000	31 Dec 2022 N'000
ASSETS			
Cash and Cash Equivalents	119,645	2,085,202	544,443
Investment securities	984,354	786,547	563,926
Other Assets	214,607	444,137	65,360
Property & Equipment	35,527	24,623	12,642
	1,138,437	1,229,808	570,801
LIABILITIES			
Other liabilities	-	2,191,780	99,936
Current income tax payable	190,312	25,065	16,092
TOTAL LIABILITIES (A)	190,312	2,216,845	116,029
NET ASSETS	1,163,822	4,262,879	2,451,865
CAPITAL AND RESERVES			
Share capital	250,000	250,000	250,000
Share premium	750,000	750,000	750,000
Retained earnings	145,847	123,664	70,342
TOTAL CAPITAL AND RESERVES (B)	1,145,847	1,123,664	1,070,342
TOTAL EQUITY + LIABILITY	1,336,159	3,340,508	1,186,370

	31 Dec 2024 N'000	31 Dec 2023 N'000	31 Dec 2022 N'000
Profit before tax	40,158	78,387	47,334
Income tax	(17,975)	(25,065)	(16,092)
Profit for the year	22,183	53,322	39,798

AVA INFRASTRUCTURE FUND ANNUAL REPORT

31 DECEMBER 2024

Parties to the Fund

Trustees:

STL Trustees Limited
183, Moshood Olugbani Street
Victoria Island
Lagos

Fund Manager:

AVA Global Asset Manager Limited
3 Glover Road, Ikoyi, Lagos
Ikoyi, Lagos

Registrars:

Cordros Registrar Limited
21, Norman Williams Street,
Ikoyi, Lagos

Custodian:

United Bank for Africa
UBA House
57 Marina Road, Lagos

Bankers:

United Bank for Africa Plc
Head Office Branch
UBA House
57 Marina, Lagos

Auditors:

KPMG Professional Services
KPMG Towers
Bishop Aboyade Cole Street
Victoria Island, Lagos.



Trustee's Report:

The Trustees present their report on the affairs of the AVA Infrastructure Fund (the Fund), together with the audited financial statements for year 2024.

Principal activity:

The principal activity of the AVA Infrastructure Fund ('The Fund') is to provide Debt Financing for infrastructural development under the Rules on Infrastructure Funds issued by the Securities and Exchange Commission. The Fund's aim is to provide investors with regular and stable income by making primarily debt investments in infrastructure projects located in Nigeria. Investments may be majority or minority proportion of the total debt and may be made in development, greenfield, expansion, recapitalization, rehabilitation or restructuring of any of such assets whether or not such investments create an immediate positive cash flow, as well as mature projects in each case in accordance with and subject to the terms of this Trust Deed.

During the year under review, the Fund was administered in 2024 in accordance with the Investments and Securities Act, 2007, Rules on Infrastructure Fund, the provisions of the Trust Deed together with the rules and regulations set out by the regulatory bodies pursuant to the legislation referred to within this paragraph ("Applicable Regulations"), taking into cognisance the prevailing market conditions as well as preserving of (and minimising possible losses to) Unitholders' funds.

Results:

The results for the year is extracted from the financial records prepared by the Fund Manager and have been duly audited in accordance with Section 169(1) of the Investments and Securities Act 2007, and the Trust Deed establishing the Fund.

The Net Asset Value of the Fund as at 31 December 2024 is as follows;

In thousands of Naira '000	31 December 24
Net Assets Value	4,307,238,000

The operating result for the year ended 31 December 2024, is as follows:

In thousands of Naira '000	31 December 24
Profit of the year	653,235,633

Distribution:

The Fund Manager distributed dividend of ₦420,997,000 for the year (2024).

HEAD OFFICE

183, Moshood Olugbani Street
Victoria Island
Lagos, Nigeria.

Tel: +234-1-6311264

+234 810 330 5044

STL Trustees Limited **RC No. 162995**

Email: stl@stltrustees.com
Website:

ABUJA OFFICE

Plot 31 Aguiyi Ironsi Street (2nd floor),
Maitama District,

Abuja, Nigeria.

Mr. Afolabi Caxton-Martins (**Chairman**), Mrs. Funmi Ekundayo (**MD/CEO**), Mrs. Connie Ogundare, Mrs. Chioma J. Okee Aguguo, Dr. Temitope Oshikoya, Mr.

Directors:

The Directors of the Fund Manager who served on the board of the Fund Manager during the year under review and up to the date of approving these financial statements were:

1. Dr. Adeyinka Adedeji
2. Efe Shaire
3. Kayode Fadahunsi
4. Taiwo Okurounmu
5. Samson Adekunle

Responsibilities of the Fund Manager:

The Investments and Securities Act, 2007 requires the Fund Manager to keep proper books of account and prepare annual financial statements which give a true and fair view of the state of affairs of the unit trust scheme during the period covered by the financial statements.

In our opinion, the Fund Manager has in preparing the financial statements:

- selected suitable accounting policies and applied them consistently;
- made judgments and estimates that were reasonable and prudent;
- ensured that the applicable accounting standards have been followed, and
- prepared the financial statements on a going concern basis; since it was appropriate to assume that the Fund shall continue to exist in the foreseeable future.

The Fund Manager was responsible for keeping proper accounting records, which disclose with reasonable accuracy, at any point in time, the financial position of the Fund, and enable the Fund Manager to ensure that the financial statements comply with the Trustees Investment Act, CAP T22 LFN, 2004, the Investments and Securities Act, 2007 and the provisions of the Trust Deed thereto, together with the rules and regulations set out by the regulatory bodies established pursuant to the legislation referred to within this paragraph ("Applicable Regulations").

The Fund Manager is also responsible for maintaining adequate financial resources to meet its commitments and to manage the risks to which the Fund is exposed.

Responsibilities of the Trustee:

The responsibilities of the Trustee as provided by Securities and Exchange Commission's Rules and Regulations made pursuant to the Investments and Securities Act, 2007 are as stated below:

- Monitoring of the activities of the Fund Manager and the custodian on behalf of and in the interest of the Unitholders;

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+234-810-330-5044

STL Trustees Limited **RC No. 162995**

Email: stl@stltrustees.com
Website:

ABUJA OFFICE

Plot 31 Aguiyi Ironsi Street (2nd floor),
Maitama District,

Abuja, Nigeria.

Mr. Afolabi Caxton-Martins (**Chairman**), Mrs. Funmi Ekundayo (**MD/CEO**), Mrs. Connie Ogundare, Mrs. Chioma J. Okee Aguguo, Dr. Temitope Oshikoya, Mr.



- Ensuring that the Custodian takes into custody all of the scheme's assets and holds it in trust for the holders in accordance with the Trust Deed and the Custodial Agreement;
- Monitoring the register of Unitholders' or contributors;
- Ascertaining the Fund Manager's compliance with the Applicable Regulations;
- Ascertaining that the monthly and other periodic returns/reports relating to the Fund are sent by the Fund Manager to the Commission;
- Taking all steps and executing all documents which are necessary to secure acquisitions or disposals properly made by the Fund Manager in accordance with the Trust Deed and Custodial Agreement;
- Exercising any right of voting conferred on it as the registered holder of any investment and/or forward to the fund manager within a reasonable time all notices of meetings, reports, circulars, proxy solicitations and any other document of a like nature for necessary action;
- Ensuring that fees and expenses of the fund is within the prescribed limits; and
- Acting at all times in the interest and for the benefit of Unitholders' of the scheme.

Administration of the Fund:

The Fund was administered in accordance with the Applicable Regulations, taking into cognisance the prevailing market conditions as well as the goal of preserving and minimising possible losses to Unitholders funds.

Charitable donations:

The Fund did not make any charitable donations during the year. (2024)

Auditors:

KPMG Professional Services was appointed on 17th May, 2024. KPMG Professional Services, having indicated their willingness to continue in office, shall do so in accordance with Section 169(1) of the Investments and Securities Act, 2007.

By Order of the Joint Trustees

Funmi Ekundayo FRC/2014/PRO/

DIR/003/00000006946

Managing Director STL Trustees Limited

Lagos, Nigeria

HEAD OFFICE

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+234 810 338 5044

Mr. Afolabi Caxton-Martins (**Chairman**), Mrs. Funmi Ekundayo (**MD/CEO**), Mrs. Connie Ogundare, Mrs. Chioma J. Okee Aguguo, Dr. Temitope Oshikoya, Mr.

STL Trustees Limited **RC No. 162995**

Email: stl@stltrustees.com

Website:

ABUJA OFFICE

Plot 31 Aguiyi Ironsi Street (2nd floor),
Maitama District,

Abuja, Nigeria.

FUND MANAGER'S REPORT FOR THE YEAR ENDED 31 DECEMBER 2024

Introduction

The AVA Infrastructure Fund ("AVA IF" or "the Fund") is a closed-end fund registered with the Securities and Exchange Commission. The Fund seeks to address the infrastructural deficits in Nigeria through the objective provision of institutional capital into infrastructure development.

The overall objective of the AVA IF is to spur socio-economic impact.

The Fund's objective is to provide unitholders with competitive returns on their investment by financing infrastructure projects that:

1. Provide essential economic and social services;
2. Have predictable cash flows;
3. Make use of assets with a long useful life.

The Fund's ₦200bn programme size was approved by the Securities and Exchange Commission ("SEC") on March 8, 2023, and the first series was approved on November 21, 2023, by the commission. The AVA IF launched its first issuance under its ₦200bn programme size through its Series 1 offer, raising a total sum of ₦4.075 billion at the close of the offer on March 27, 2024. The Fund was listed on the main board of the Nigerian Exchange Limited ("NGX") on May 10, 2024.

Summary of Operations

During the year ended 31 December 2024, the Fund achieved a 26.01% annualized return on its portfolio. With due diligence ongoing on 10 projects in its pipeline for possible investments, the fund is positioned for even stronger performance in the coming year.

The projects span across several sectors, including gas distribution, urban and social infrastructure, and power (renewable energy). The selected projects are geared towards addressing key infrastructure gaps across various sectors of the Nigerian economy and contribute significantly to long-term development.

Portfolio Overview

continues to evaluate proposals from prospective project sponsors. Throughout this evaluation process, the team has had to reject several projects that failed to align with the Fund's investment standards and failed to pass the Fund's risk criteria set.

The Fund Manager is evaluating projects that will be submitted to the investment committee for approval in the coming weeks. The Fund targets investor returns ranging from 3% to 5% higher than the yield of a comparable 10-year FGN Bond.

AVA Global Asset Managers (RC 1210383)

Telephone:
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Website:
www.avacapitalgroup.com

Address:
3, Glover Road, Ikoyi, Lagos.



AVA
GLOBAL ASSET
MANAGERS

**AVA
INFRASTRUCTURE
FUND**

Financial Overview

During 2024, the Fund's total income was ₦798.61 million. The net income for the period, after meeting the Fund expenses, was ₦ 653.236 million.

As of 31 December 2024, the Net Asset Value of the Fund stood at ₦4.31 billion represented by 4,075 units. Accordingly, the Net Asset Value per Unit of the Fund as of 31 December 2024 was ₦1,056,990.92.

Distributions

During the year ended 31 December 2024, the Fund announced the following distributions to the unitholders:

H1 distribution ₦103,310.21/unit

Total distribution ₦103,310.21/unit

The total amount of distributions declared by the Fund during 2024 was ₦420.99 million.

Future Pipeline

For 2025, the Fund Manager is actively engaging potential project sponsors and sourcing projects to be financed by the Fund. Conversations are at advanced structuring and negotiation stages to disburse into some projects in key sectors of the Nigerian Economy.

The Fund Manager is tracking a pipeline of projects that are expected to materialize during the next year.

Kayode Fadahunsi

Director

FRC/2015/PRO/DIR/003/00000011838

Samson Adekunle

Director

FRC/2020/PRO/DIR/003/00000021513

STATEMENT OF THE FUND MANAGER'S RESPONSIBILITIES

The Fund Manager is responsible for the preparation of annual financial statements which give a true and fair view of the state of affairs of the Fund at the end of the financial year and of the net income for the year end audit.

The responsibilities include ensuring that:

- i. the Fund keeps accounting records which disclose with reasonable accuracy the financial position of the Fund and which ensure that the financial statements comply with the requirements of the relevant accounting standards;
- ii. appropriate and adequate internal controls are established to safeguard the assets of the Fund and to prevent and detect fraud and other irregularities;
- iii. the Fund prepares its financial statements using suitable accounting policies supported by reasonable and prudent judgments and estimates that are consistently applied; and
- iv. it is appropriate for the financial statements to be prepared on a going concern basis.

The Fund Manager accepts responsibility for the annual financial statements, which have been prepared using appropriate accounting policies supported by reasonable and prudent judgments and estimates in conformity with:

- i. IFRS Accounting Standards as issued by the International Accounting Standards Board (IFRS Accounting Standards)
- ii. Financial Reporting Council of Nigeria (Amendment) Act, 2023
- iii. Investments and Securities Act
- iv. Relevant circulars issued by the Securities and Exchange Commission.

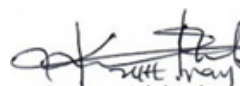
The Fund Manager further accepts responsibility for the maintenance of accounting records that may be relied upon in the preparation of financial statements, as well as adequate systems of internal financial control.

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

BY ORDER OF THE FUND MANAGER
AVA Global Asset Manager Limited



Kayode Fadahunsi
 Director
 FRC/2015/PRO/DIR/003/00000011838
31 March 2025



Samson Adekunle
 Director
 FRC/2020/PRO/DIR/003/00000021513
31 March 2025

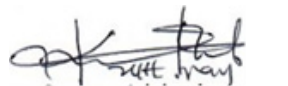
Certification Pursuant to Section 1.3 of the Financial Reporting Council of Nigeria Guidance on Management Report on Internal Control Over Financial Reporting.

I, Samson Adekunle , certify that:

- a. I have reviewed the Report on the Effectiveness of Internal Control over Financial Reporting as of 31 December 2024 of AVA Infrastructure Fund ("the Fund");
- b. Based on my knowledge, this report does not contain any untrue statement of a material fact or omit to state a material fact necessary to make the statements made, in light of the circumstances under which such statements were made, not misleading with respect to the period covered by this report;
- c. Based on my knowledge, the financial statements, and other financial information included in this report, fairly present in all material respects the financial condition, results of operations and cash flows of the entity as of, and for, the periods presented in this report;
- d. The Fund Manager's other certifying officer and I:
 1. are responsible for establishing and maintaining internal controls;
 2. have designed such internal controls and procedures, or caused such internal controls and procedures to be designed under our supervision, to ensure that material information relating to the Company, particularly during the period in which this report is being prepared;
 3. have designed such internal control system, or caused such internal control system to be designed under our supervision, to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with IFRS Accounting Standards;
 4. have evaluated the effectiveness of the Fund's internal controls and procedures as of a date within 90 days prior to the report and presented in this report our conclusions about the effectiveness of the internal controls and procedures, as of the end of the period covered by this report based on such evaluation.
- e. The Fund Manager's other certifying officer and I have disclosed, based on our most recent evaluation of internal control system, to the Fund's auditors and the Board of Directors of the Fund Manager:
 1. That there are no significant deficiencies or material weaknesses in the design or operation of the internal control system which are reasonably likely to adversely affect the Company's ability to record, process, summarize and report financial information; and
 2. That there is no fraud, whether or not material, that involves management or other employees who have a significant role in the Fund's internal control system.
- c. The Fund Manager's other certifying officer and I have identified, in the report whether or not there were significant changes in internal controls or other facts that could significantly affect internal controls subsequent to the date of our evaluation.

Signed on behalf of the Fund Manager by:

Name: Samson Adekunle
Designation: Director
FRC No: FRC/2020/PRO/DIR/003/00000021513

Signature: 

Date: 31 March 2025

Certification Pursuant to Section 1.3 of the Financial Reporting Council of Nigeria Guidance on Management Report on Internal Control Over Financial Reporting

I, Kayode Fadahunsi, certify that:

- a. I have reviewed the Report on the Effectiveness of Internal Control over Financial Reporting as of 31 December 2024 of AVA Infrastructure Fund (“the Fund”);
- b. Based on my knowledge, this report does not contain any untrue statement of a material fact or omit to state a material fact necessary to make the statements made, in light of the circumstances under which such statements were made, not misleading with respect to the period covered by this report;
- c. Based on my knowledge, the financial statements, and other financial information included in this report, fairly present in all material respects the financial condition, results of operations and cash flows of the entity as of, and for, the periods presented in this report;
- d. The Fund Manager’s other certifying officer and I:
 1. are responsible for establishing and maintaining internal controls;
 2. have designed such internal controls and procedures, or caused such internal controls and procedures to be designed under our supervision, to ensure that material information relating to the Company, particularly during the period in which this report is being prepared;
 3. have designed such internal control system, or caused such internal control system to be designed under our supervision, to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with IFRS Accounting Standards;
 4. have evaluated the effectiveness of the Fund's internal controls and procedures as of a date within 90 days prior to the report and presented in this report our conclusions about the effectiveness of the internal controls and procedures, as of the end of the period covered by this report based on such evaluation.
- e. The Fund Manager’s other certifying officer and I have disclosed, based on our most recent evaluation of internal control system, to the Fund's auditors and the Board of Directors of the Fund Manager:
 1. That there are no significant deficiencies or material weaknesses in the design or operation of the internal control system which are reasonably likely to adversely affect the Company’s ability to record, process, summarize and report financial information; and
 2. That there is no fraud, whether or not material, that involves management or other employees who have a significant role in the Fund's internal control system.
- c. The Fund Manager’s other certifying officer and I have identified, in the report whether or not there were significant changes in internal controls or other facts that could significantly affect internal controls subsequent to the date of our evaluation.

Signed on behalf of the Fund Manager by:

Name: Kayode Fadahunsi
Designation: Director
FRC No: FRC/2015/PRO/DIR/003/00000011838

Signature: 

Date: 31 March 2025

Report on the Effectiveness of Internal Control over Financial Reporting as of 31 December 2024

The management of AVA Global Asset Managers Limited ("the Company") is responsible for establishing and maintaining adequate internal control over financial reporting AVA Infrastructure Fund ("the Fund") as required by the Financial Reporting Council (Amendment) Act, 2023.

The management of AVA Global Asset Managers Limited assessed the effectiveness of the internal control over financial reporting of the Company as of 31 December 2024 using the criteria set forth in Internal Control—Integrated Framework (2013) issued by the Committee of Sponsoring Organizations of the Treadway Commission ("the COSO Framework") and in accordance with the Financial Reporting Council of Nigeria Guidance on Management Report on Internal Control Over Financial Reporting.

As of December 31, 2024, the management of AVA Global Asset Managers Limited did not identify any material weakness in its assessment of internal control over financial reporting.

As a result, management has concluded that, as of December 31, 2024, the Company's internal control over financial reporting was effective.

The Fund's independent auditor, KPMG Professional Services, who audited the financial statements included in this Annual Report, issued an unmodified conclusion on the effectiveness of the Company's internal control over financial reporting as of 31 December 2024 based on the limited assurance engagement performed by them. KPMG Professional Services' limited assurance report appears on pages 15 – 17 of the Annual Report.

Changes in Internal Control Over Financial Reporting

There were no changes in our internal control over financial reporting that occurred subsequent to the date of our evaluation of the effectiveness of internal control over financial reporting that significantly affected, or are reasonably likely to significantly affect, the Company's internal control over financial reporting.

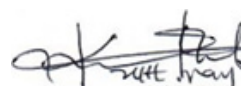
Signed on behalf of the Fund Manager by:



Kayode Fadahunsi

Director

FRC/2015/PRO/DIR/003/00000011838



Samson Adekunle

Director

FRC/2020/PRO/DIR/003/00000021513

**KPMG Professional Services**

KPMG Tower
Bishop Abiodun Cole Street
Victoria Island
PMG 40014, Falomo
Lagos

Telephone 234 (1) 271 8955

234 (1) 271 8599

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Independent Auditor's Limited Assurance Report

To the Members of AVA Infrastructure Fund

Report on Limited Assurance Engagement Performed on Management's Assessment of Internal Control Over Financial Reporting

Conclusion

We have performed a limited assurance engagement on whether internal control over financial reporting of AVA Infrastructure Fund ("the Fund") as of 31 December 2024 is effective in accordance with the criteria established in Internal Control - Integrated Framework (2013) issued by the Committee of Sponsoring Organizations of the Treadway Commission ("the COSO Framework") and the Financial Reporting Council of Nigeria Guidance on Management Report on Internal Control Over Financial Reporting.

Based on the procedures performed and evidence obtained, nothing has come to our attention to cause us to believe that AVA Infrastructure Fund's internal control over financial reporting as of 31 December 2024 is not effective, in all material respects, in accordance with the criteria established in the COSO Framework and the Financial Reporting Council of Nigeria Guidance on Management Report on Internal Control Over Financial Reporting.

Basis for conclusion

We conducted our engagement in accordance with International Standard on Assurance Engagements (ISAE) 3000 (Revised), Assurance Engagements Other Than Audits or Reviews of Historical Financial Information issued by the International Auditing and Assurance Standards Board (IAASB) and the Financial Reporting Council of Nigeria Guidance on Assurance Engagement Report on Internal Control over Financial Reporting. Our responsibilities are further described in the "Our responsibilities" section of our report.

We have complied with the independence and other ethical requirements of the International Code of Ethics for Professional Accountants (including International Independence Standards) issued by the International Ethics Standards Board for Accountants (IESBA).

Our firm applies International Standard on Quality Management (ISQM) 1, Quality Management for Firms that Perform Audits or Reviews of Financial Statements, or Other Assurance or Related Services Engagements, issued by the IAASB. This standard requires the firm to design, implement and operate a system of quality management, including policies or procedures regarding compliance with ethical requirements, professional standards and applicable legal and regulatory requirements.

We believe that the evidence we have obtained is sufficient and appropriate to provide a basis for our conclusion.

KPMG Professional Services, a partnership registered in Nigeria and a member firm of the KPMG global organisation of independent member firms affiliated with KPMG International Limited, a private English company limited by guarantee.

Registered in Nigeria No BN 986925

A list of partners is available for inspection at the firm's address.



Other matter

We have audited the financial statements of AVA Infrastructure Fund in accordance with the International Standards on Auditing, and our report dated 31 March 2025 expressed an unmodified opinion of those financial statements.

Responsibilities for Internal Control over Financial reporting

The Board of Directors of AVA Global Asset Managers Limited, the Fund Manager, is responsible for maintaining effective internal control over financial reporting, and for its assessment of the effectiveness of internal control over financial reporting, included in the accompanying management's report on internal control over financial reporting. Our responsibility is to express a conclusion on the Fund's internal control over financial reporting based on our assurance engagement.

Our responsibilities

The Financial Reporting Council of Nigeria Guidance on Assurance Engagement Report on Internal Control over Financial Reporting ("the Guidance") requires that we plan and perform the assurance engagement and provide a limited assurance report on the Company's internal control over financial reporting based on our assurance engagement.

Summary of the work we performed as the basis for our conclusion

We exercised professional judgment and maintained professional skepticism throughout the engagement. As prescribed in the Guidance, the procedures we performed included obtaining an understanding of internal control over financial reporting, assessing the risk that a material weakness exists, and testing and evaluating the design and operating effectiveness of internal control based on the assessed risk. Our engagement also included performing such other procedures as we considered necessary in the circumstances. We believe the procedures performed provide a basis for our report on the internal control put in place by management over financial reporting.

The procedures performed in a limited assurance engagement vary in nature and timing from, and are less in extent than for, a reasonable assurance engagement. Consequently, the level of assurance obtained in a limited assurance engagement is substantially lower than the assurance that would have been obtained had a reasonable assurance engagement been performed.

Definition and Limitations of Internal Control Over Financial Reporting

A company's internal control over financial reporting is a process designed to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles. A company's internal control over financial reporting includes those policies and procedures that:

- i. pertain to the maintenance of records that, in reasonable detail, accurately and fairly reflect the transactions and dispositions of the assets of the company;
- ii. provide reasonable assurance that transactions are recorded as necessary to permit preparation of financial statements in accordance with generally accepted accounting principles, and that receipts and expenditures of the company are being made only in accordance with authorizations of management and directors of the company; and

- iii. provide reasonable assurance regarding prevention or timely detection of unauthorised acquisition, use, or disposition of the company's assets that could have a material effect on the financial statements.

Because of its inherent limitations, internal control over financial reporting may not prevent or detect all misstatements. Furthermore, projections of any evaluation of effectiveness to future periods are subject to the risk that controls may become inadequate because of changes in conditions, or that the degree of compliance with the policies or procedures may deteriorate..



Onyinye Okere, ACA

FRC/2012ICAN/00000000421

For: KPMG Professional Services

Chartered Accountants

31 March 2025

Lagos, Nigeria

**KPMG Professional Services**

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PMG 40014, Falomo
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INDEPENDENT AUDITOR'S REPORT

To the Unitholders of AVA Infrastructure Fund

Report on the Audit of the Financial Statements

Opinion

We have audited the financial statements of AVA Infrastructure Fund ("the Fund"), which comprise:

- the statement of financial position as at 31 December 2024;
- the statement of profit or loss and other comprehensive income;
- the statement of changes in equity;
- the statement of cash flows for the year then ended; and
- the notes, comprising material accounting policies and other explanatory information.

In our opinion, the accompanying financial statements give a true and fair view of the financial position of the Fund as at 31 December 2024, and of its financial performance and its cash flows for the year then ended in accordance with IFRS Accounting Standards as issued by the International Accounting Standards Board (IFRS Accounting Standards) and in the manner required by the Financial Reporting Council of Nigeria (Amendment) Act.

Basis for Opinion

We conducted our audit in accordance with International Standards on Auditing (ISAs). Our responsibilities under those standards are further described in the Auditor's Responsibilities for the Audit of the Financial Statements section of our report. We are independent of the Company in accordance with International Ethics Standards Board for Accountants' International Code of Ethics for Professional Accountants (including International Independence Standards) (IESBA Code) together with the ethical requirements that are relevant to our audit of the financial statements in Nigeria and we have fulfilled our other ethical responsibilities in accordance with these requirements and the IESBA Code. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Key Audit Matters

Key audit matters are those matters that, in our professional judgment, were of most significance in our audit of the financial statements of the current period. These matters were addressed in the context of our audit of the financial statements as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters. We have determined that there are no key audit matters to communicate in our report.

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Other Information

The Board of Directors of the Fund Manager are responsible for the other information. The other information comprises the parties to the Fund, trustees' report, fund manager's report, statement of the fund manager's responsibilities, fund manager report on internal control over financial reporting, and other national disclosures, but does not include the financial statements and our auditor's report thereon.

Our opinion on the financial statements does not cover the other information and we do not express any form of assurance conclusion thereon.

In connection with our audit of the financial statements, our responsibility is to read the other information and in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the audit or otherwise appears to be materially misstated. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.

Auditor's Responsibilities for the Audit of the Financial Statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with ISAs will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

As part of an audit in accordance with ISAs, we exercise professional judgment and maintain professional skepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Fund's internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the directors.
- Conclude on the appropriateness of directors' use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Fund's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Fund to cease to continue as a going concern.



We communicate with the Board of Directors of the Fund Manager regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

Compliance with FRC Guidance on Assurance Engagement Report on Internal Control over Financial Reporting

In accordance with the requirements of the Financial Reporting Council of Nigeria, we performed a limited assurance engagement and reported on management's assessment of the Fund's internal control over financial reporting as of December 31, 2024. The work performed was done in accordance with ISAE 3000 (Revised) Assurance Engagements Other Than Audits or Reviews of Historical Financial Information and the FRC Guidance on Assurance Engagement Report on Internal Control over Financial Reporting. We have issued an unmodified conclusion in our report dated 31 March 2025. That report is included on page 15 - 17 of the annual report.

Onyinye Okere, ACA

FRC/2012ICAN/00000000421

For: KPMG Professional Services

Chartered Accountants

31 March 2025

Lagos, Nigeria



STATEMENT OF COMPREHENSIVE INCOME

	Note	31 'December 2024 ₹'000
Interest Income calculated using effective Interest method	3	798,605
Other Income	4	483
Total income		799,087
Administrative Expenses	5	(65,883)
Profit before tax		733,205
Withholding tax expense	6	(79,969)
Profit for the year		653,236
Total comprehensive income for the year		653,236

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

STATEMENT OF FINANCIAL POSITION

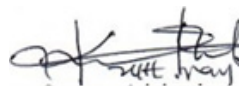
	Note	31 'December 2024 N'000
Assets:		
Cash and cash equivalents	7	4,312,238
Total assets		4,312,238
Liabilities:		
Accrued Expenses	8	5,000
Total liabilities		5,000
Net assets attributable to unitholders		4,307,238
Represented by:		
Unitholders' contributions	9	4,075,000
Retained earnings		232,238
		4,307,238

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

SIGNED ON BEHALF OF THE FUND MANAGER ON 31 MARCH 2025



Kayode Fadahunsi
Director
FRC/2015/PRO/DIR/003/00000011838
31 March 2025



Samson Adekunle
Director
FRC/2020/PRO/DIR/003/00000021513
31 March 2025

STATEMENT OF COMPREHENSIVE INCOME

ATTRIBUTABLE TO UNITHOLDERS

	Unitholders contributions	Retained earnings	Net assets attributable to unitholders
	N'000	N'000	N'000
At 1 January 2024	750,000	123,664	1,123,664
Comprehensive income	-	-	-
Profit for the year	-	653,236	653,236
	-	653,236	653,236
Transactions with unit holders:			
Contributions	4,075,000	-	4,075,000
Redemptions	-	-	-
Distributions to unitholders	-	(420,997)	(420,997)
At 31 December 2024	4,075,000	232,238	4,307,238

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

STATEMENT OF FINANCIAL POSITION

	Note	31 'December 2024 N'000
Cash flows from operating activities		
Profit after tax		653,236
Add: tax expense	6	79,969
Profit before tax		733,205
Changes in operating assets and liabilities:		
Increase in other liabilities	8	5,000
Tax Paid	6	(79,969)
Net cash flows (used in)/from operating activities		658,236
Cashflow from operating activities		
Cash generated from operations		658,236
Net cash flow (used in)/generated from operating activities		658,236
Cash flows from investing activities		
Net cash used in investing activities		3,654,003
Cashflow from financing activities		4,312,238
Contributions by unit holders		4,075,000
Distribution to unit holders		(420,997)
Net cash flow from financing activities		
Net increase in cash and cash equivalent for the year		
Analysis of changes in cash and cash equivalents:		
Cash and cash equivalents at start of the year		
Increase in cash and cash equivalent		4,312,238
Cash and cash equivalents at end of the year		4,312,238

The accompanying notes form an integral part of these financial statements

NOTES TO THE FINANCIAL STATEMENTS

1. General information

The Fund seeks to address the infrastructural deficits in Nigeria through the objective provision of institutional capital into infrastructure development. The Fund is constituted as a trust pursuant to the Trust Deed between the Fund Manager and the Trustee, dated 08 March 2023. The Fund is a closed-ended Fund.

The investment objective of the Fund is to provide unitholders with competitive returns on their investment by financing or investing in infrastructure or infrastructure-related projects, companies and SPVs primarily located in Nigeria and Pan-Africa.

The Fund will invest in a diversified portfolio of de-risked infrastructure projects that have high degree of certainty of future cash flows (including greenfield/brownfield projects, refinancing, acquisition financing), and seek to preserve the value of its deployed capital.

Proceeds of the Fund will be utilised to finance infrastructure project loans and securitised debt instruments of infrastructure companies or SPVs which are created for the purpose of facilitating or promoting financing of infrastructure. The Fund may also invest in preference shares, convertibles including subordinated/mezzanine financing instruments of companies engaged in infrastructure and infrastructure-related sectors.

The Fund will focus on senior secured debt collateralised with assets of the project being financed, where such collateralisation is available and feasible, or by other security to be provided by the project sponsors, as determined on a project by project basis by the Fund Manager.

2. Summary of significant accounting policies

2.1 Basis of preparation

The financial statements have been prepared in accordance with IFRS Accounting Standards as issued by the International Accounting Standards Board (IFRS Standards) and in the manner required by the Financial Reporting Council of Nigeria (Amendment) Act, 2023. Additional information required by national regulations is included where appropriate. The financial statements have been prepared in accordance with the going concern principle under the historical cost convention.

The preparation of financial statements in conformity with IFRS Accounting Standards requires the use of certain critical accounting estimates. It also requires the Fund Manager to exercise its judgement in the process of applying the Fund's accounting policies. Changes in assumptions may have a significant impact on the financial statements in the period the assumptions changed. The Fund Manager believes that the underlying assumptions are appropriate and that the Fund's financial statements therefore present the financial position and results fairly. There are no areas involving a higher degree of judgement or complexity, or areas where assumptions and estimates are significant to the financial statements.

a. Functional and presentation currency

The financial statements are presented in Naira, which is the Fund's functional and presentation currency. The figures shown in the financial statements are stated in thousands of Naira, unless otherwise stated.

2.2 Standards and interpretations issued/amended but not yet effective.

A number of new IFRS Accounting Standards, Amendments to IFRS Accounting Standards, and Interpretations are effective for annual periods beginning after 1 January 2025 and have not been applied in preparing these financial statements. Those IFRS Accounting Standards, Amendments to IFRS Accounting Standards and Interpretations which may be relevant to the Company are set out below:

(i) Presentation and Disclosure in Financial Statements (IFRS 18) IFRS 18 Presentation and Disclosure in Financial Statements replaces IAS 1 Presentation of Financial Statements.

The new standard introduces the following key new requirements:

(ii) It promotes a more structured income statement, in particular, it introduces a newly defined 'operating profit' subtotal and a requirement for all income and expenses to be classified into three new distinct categories, operating, investing, and financing, based on a company's main business activities.

(iii) All companies are required to report the newly defined 'operating profit' subtotal – an important measure for investors' understanding of a company's operating results – i.e. investing and financing results are specifically excluded. This means that the results of equity-accounted investees are no longer part of operating profit and are presented in the 'investing' category.

(iv) Management-defined performance measures (MPMs) are disclosed in a single note in the financial statements.

(v) Enhance guidance is provided on how to group information in the financial statements. This includes guidance on whether information is included in the primary financial statements or is further disaggregated in the notes. Companies are discouraged from labelling items as 'other' and will now be required to disclose more information if they continue to do so.

(vi) Entities are required to use the operating profit subtotal as the starting point for the statement of cash flows when presenting operating cash flows under the indirect method.

(vii) It also requires Companies to analyse their operating expenses directly on the face of the income statement – either by nature, by function or using a mixed presentation. If any items are presented by function on the face of the income statement (e.g. cost of sales), then a company provides more detailed disclosures about their nature.

IFRS 18 is effective from 1 January 2027 and applies retrospectively, it is available for early adoption. The Fund has not assessed the impact of IFRS 18. The IFRS Accounting Standards will be adopted in the period that they become mandatory unless otherwise indicated.

Standards and interpretations issued/amended but not yet effective

Classification of liabilities as current or non-current and Non-current Liabilities with Covenants (Amendments to IAS 1)

Under existing IAS 1 requirements, companies classify a liability as current when they do not have an unconditional right to defer settlement of the liability for at least 12 months after the end of the reporting period. As part of its amendments, the Board has removed the requirement for a right to be unconditional and instead, now requires that a right to defer settlement must have substance and exist at the end of the reporting period.

The existing requirement to ignore management's intentions or expectations for settling a liability when determining its classification is unchanged.

In addition, a company will classify a liability as non-current if it has a right to defer settlement for at least 12 months after the reporting date. Such right may be subject to a company complying with conditions (covenants) specified in a loan arrangement.

The amendments also clarify how a company classifies a liability that includes a counterparty conversion option, which could either be recognized as either equity or liability separately from the liability component under IAS 32 Financial Instruments: Presentation.

The standard is effective for annual periods beginning on or after 1 January 2024.

2.3 Financial assets and liabilities

Measurement methods

Initial recognition and measurement

Financial assets and financial liabilities are recognised when the entity becomes a party to the contractual provisions of the instrument. Regular way purchases and sales of financial assets are recognised on settlement date, the date on which the Fund commits to purchase or sell the asset.

At initial recognition, the Fund measures a financial asset or financial liability at its fair value plus or minus, in the case of a financial asset or financial liability not at fair value through profit or loss, transaction costs that are incremental and directly attributable to the acquisition or issue of the financial asset or financial liability, such as fees and commissions. Transaction costs of financial assets and financial liabilities carried at fair value through profit or loss are expensed in profit or loss. Immediately after initial recognition, an expected credit loss allowance (ECL) is recognised for financial assets measured at amortised cost and investments in debt instruments measured at FVOCI which results in an accounting loss being recognised in the income statement when an asset is newly originated.

When the fair value of financial assets and liabilities differs from the transaction price on initial recognition, IFRS 9 the entity recognises the difference as follows:

- (a) When the fair value is evidenced by a quoted price in an active market for an identical asset or liability (i.e. a Level 1 input) or based on a valuation technique that uses only data from observable markets, the difference is recognised as a gain or loss.
- (b) In all other cases, the difference is deferred and the timing of recognition of deferred day one profit or loss is determined individually. It is either amortised over the life of the instrument, deferred until the instrument's fair value can be determined using market observable inputs, or realised through settlement.

Amortised cost and effective interest rate

The amortised cost is the amount at which the financial asset or financial liability is measured at initial recognition minus the principal repayments, plus or minus the cumulative amortisation using the effective interest method of any difference between that initial amount and the maturity amount and, for financial assets, adjusted for any loss allowance.

The effective interest rate is the rate that exactly discounts estimated future cash payments or receipts through the expected life of the financial asset or financial liability to the gross carrying amount of a financial asset (i.e. its amortised cost before any impairment allowance) or to the amortised cost of a financial liability. The calculation does not consider expected credit losses and includes transaction costs, premiums or discounts and fees and points paid or received that are integral to the effective interest rate, such as origination fees.

When the Fund revises the estimates of future cash flows, the carrying amount of the respective financial assets or financial liability is adjusted to reflect the new estimate discounted using the original effective interest rate. Any changes are recognised in profit or loss.

Interest Income

Interest income is calculated by applying the effective interest rate to the gross carrying amount of financial assets, except for:

- (a) Purchased or Originated Credit Impaired (POCI) financial assets, for which the original credit-adjusted effective interest rate is applied to the amortised cost of the financial asset.
- (b) Financial assets that are not 'POCI' but have subsequently become credit-impaired (or 'stage 3'), for which interest revenue is calculated by applying the effective interest rate to their amortised cost (i.e. net of the expected credit loss provision).

Financial assets

Classification and subsequent measurement

The Fund classifies its financial assets in the following measurement categories:

- Fair value through profit or loss (FVPL);
- Amortised cost.

The classification requirements for debt instruments are described below:

Debt instruments

Debt instruments are instruments that meet the definition of a financial liability from the issuer's perspective, such as loans, government and corporate bonds purchased from clients in factoring arrangements without recourse.

Classification and subsequent measurement of debt instruments depend on:

- (i) the Fund's business model for managing the asset; and
- (ii) the cash flow characteristics of the asset.

Based on these factors, the Fund classifies its financial instruments into one of the following two measurement categories:

a) Financial assets measured at amortised cost

These represent assets that are held for collection of contractual cash flows where those cash flows represent solely payments of principal and interest ('SPPI'), and that are not designated at FVPL. The carrying amount of these assets is adjusted by any expected credit loss allowance recognised and measured.

b) Financial assets measured at FVTPL

Assets that do not meet the criteria for amortised cost or FVTPL are measured at fair value through profit or loss. A gain or loss on a debt investment that is subsequently measured at fair value through profit or loss and is not part of a hedging relationship is recognised in the income statement and presented in the income statement within 'Net gain on financial assets measured through profit or loss' in the period in which it arises, unless it arises from debt instruments that were designated at fair value or which are not held for trading, in which case they are presented separately in income.

SPPI Test

Where the business model is to hold assets to collect contractual cash flows or to collect contractual cash flows and sell, the Fund Manager assesses whether the financial instruments' cash flows represent solely payments of principal and interest (the 'SPPI test'). In making this assessment, the Fund Manager considers whether the contractual cash flows are consistent with a basic lending arrangement i.e. interest includes only consideration for the time value of money, credit risk, other basic lending risks and a profit margin that is consistent with a basic lending arrangement. Where the contractual terms introduce exposure to risk or volatility that are inconsistent with a basic lending arrangement, the related financial asset is classified and measured at fair value through profit or loss.

Financial assets with embedded derivatives are considered in their entirety when determining whether their cash flows are solely payment of principal and interest. The Fund reclassifies debt investments when and only when its business model for managing those assets changes. The reclassification takes place from the start of the first reporting period following the change. Such changes are expected to be very infrequent and none occurred during the

Derecognition other than on a modification

Financial assets, or a portion thereof, are derecognised when the contractual rights to receive the cash flows from the assets have expired, the assets have been transferred and substantially all the risks and rewards of ownership of the assets are also transferred (that is, if substantially all the risks and rewards have not been transferred, the Fund tests control to ensure that continuing involvement on the basis of any retained powers of control does not prevent derecognition). Financial liabilities are derecognised when they have been redeemed or otherwise extinguished.

Financial liabilities

Classification and measurement

In both the current and prior period, financial liabilities are classified as subsequently measured at amortised cost. The Fund's financial liabilities includes fees payable, payable to unit holders, accrued expenses and other payables.

Derecognition of financial liabilities

Financial liabilities are derecognised when they are extinguished (i.e. when the obligation specified in the contract is discharged, cancelled or expires). For instance, the accrued fees paid or payment made to unit holders. The Fund classifies non-derivative financial liabilities into the following categories: financial liabilities at amortised cost and other financial liabilities.

Classifications of financial assets and liabilities under IFRS 9

Category (as defined by IFRS 9)	Classes as determined by the Fund	Subclasses
Financial assets	Amortised cost	Balances with banks Placement
Financial liabilities	Financial liabilities at amortised cost	Accrued expenses

2.4 Fair value measurement

'Fair value' is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date in the principal or, in its absence, the most advantageous market to which the Fund has access at that date. The fair value of a liability

A number of the Fund's accounting policies and disclosures require the measurements of fair values for both the financial and non-financial assets and

When one is available, the Fund measures the fair value of an instrument using the quoted price in an active market for that instrument. A market is regarded as active if transactions for the asset or liability take place with sufficient frequency and volume to provide pricing information on an ongoing basis.

If there is no quoted price in an active market, then the Fund uses valuation techniques that maximise the use of relevant observable inputs and minimise the use of unobservable inputs. The chosen valuation technique incorporates all of the factors that market participants would take into account in pricing a

If an asset or a liability measured at fair value has a bid price and an ask price, then the Fund measures assets and long positions at a bid price and liabilities and short positions at an ask price. The best evidence of the fair value of a financial instrument at initial recognition is normally the transaction price – i.e. the fair value of the consideration given or received. If the Fund determines that the fair value at initial recognition differs from the transaction price and the fair value is evidenced neither by a quoted price in an active market for an identical asset or liability nor based on a valuation technique that uses only data from observable markets, then the financial instrument is initially measured at fair value, adjusted to defer the difference between the fair value at initial recognition and the transaction price. Subsequently, that difference is recognised in profit or loss on an appropriate basis over the life of the instrument but no later than when the valuation is wholly supported by observable market data or the transaction is closed out.

2.5 Impairment

For trade receivables that do not contain a significant financing component, the loss allowance is measured at initial recognition and throughout the life of the receivable at an amount equal to lifetime ECL. As a practical expedient, a provision matrix has been used to estimate ECL for these assets.

The provision matrix simply involves applying the relevant loss rates to the balances outstanding across the different age bands i.e. rates applied depends on the number of days that a trade receivable is past due.

The loss rate is determined based on historical losses rate over a three-year period. The loss definition is any receivables balance that is over 365 days. The estimated historical loss rates have been appropriately adjusted to reflect the expected future changes using macroeconomic variables which serve as indicators of losses. Macro variables considered include GDP growth rate, inflation rate and exchange rate respectively.

2.6 Write-off

Loans and debt securities are written off (either partially or in full) when there is no realistic prospect of recovery. This is generally the case when the Fund determines that the borrower does not have assets or sources of income that could generate sufficient cash flows to repay the amounts subject to the write off. However, financial assets that are written off could still be subject to enforcement activities in order to comply with the Fund's procedures for recovery of amounts due.

Income and expenses are presented on a net basis only when permitted by accounting standards, or for gains and losses arising from a group of similar transactions such as in the Fund's trading activity.

2.8 Cash and cash equivalents

For the purposes of statement of cash flow, cash and cash equivalents are balances that are held for the primary purpose of meeting short term cash commitments. Hence this includes cash in hand and cash equivalents that are readily convertible to known amount of cash, are subject to insignificant risk of changes in value and whose original maturity is three months or less. This includes cash in hand, loans to banks and other short-term highly liquid investments which originally matures in three months or less (treasury bills with original maturity of less than 3 months).

2.9 Retained earnings

Retained earnings represent undistributed earnings of the Fund.

2.10 Operating expenses

2.11 Administrative expenses

All other expenses are recognised in the statement of comprehensive income on an accrual basis.

2.12 Taxation

The Fund is exempt from paying income taxes under the current system of taxation in Nigeria. However, dividend income and interest income on fixed deposits received by the Fund are subject to withholding tax in Nigeria and represent final income tax on the profit for the year. During the year, the withholding tax rate was 10%.

2.13 Dividend distribution

In line with the provisions of the Trust Deed, the income of the Fund less any sums properly chargeable thereon or deductible therefrom may either be reinvested in the Fund or distributed to the Unitholders in such form, manner and amount for such periods and at such times as the Fund Manager may, in its absolute discretion, decide in accordance with applicable law and the rules of the Exchange on which the units are listed.

Net income on the fund are accrued daily to all customer in proportion to their unit holdings and are distributed to the customers on a quarterly basis in form of payout or re investment depending on each customer's mandate.

3. Risk Management Objective and Policies

3.1 Financial risk management

The Fund activities exposes it to a variety of financial risks, including credit, liquidity risk and the effects of changes in interest rates. The Fund's overall risk management programme focuses on the unpredictability of financial markets and seeks to minimise potential adverse effects on its financial performance.

Risk management is carried out by the Fund Managers under direction of the investment committee. The investment committee works within policies approved by the Fund's Trustee. Fund Managers review the market trends and information available to evaluate the potential exposures. They then arrive at strategies to mitigate against these risks. The Group Risk Department provides the Fund Managers with written guidelines for appropriate investments. These guidelines are reviewed on a regular basis and are within the Collective Investment Scheme regulations issued by the Securities and Exchange Commission (SEC).

The Funds financial instruments are categorised as follows:

31 December 2024		Financial Liabilities	Financial Assets
In thousands of Nigerian Naira	Fair value through profit or loss (FVTPL)	At amortised cost	At amortised cost
Financial assets:			
Cash and bank balances			
- Current account with banks in Nigeria		2,055	
- Placements		4,310,183	
Financial liabilities:			
Other liabilities:			5,000
Unitholders' equity			4,075,000

3.2 Liquidity

The Fund is exposed to daily cash redemptions of redeemable Units. It therefore invests the majority of its assets in investments that are easily convertible to known amount of cash such as placement with banks.

In addition to this, the Investment Manager in managing the Fund's liquidity risks, monitors the Fund's liquidity position on a daily basis and has developed a comprehensive history of the Fund's daily and/or periodic liquidity requirements. Guided by this history, the manager maintains sufficient cash and near cash investments to meet the day to day redemption requirements.

The amounts disclosed in the table are the contractual undiscounted cash flows.

Liquidity maturity analysis

31 December 2024

Cost	Due within 3 month	3 - 6 months	6 - 12 months	Due after 1 year	Total	Carrying Value
Financial Asset						
Cash and cash equivalents						
- Current accounts	2,055	-	-	-	2,055	2,055
- Placements	4,404,394	-	-	-	4,404,394	4,310,183
Financial liabilities						
Accrued Expenses	5,000			-	-	-
Unit holder equity	-			4,075,000	4,075,000	4,075,000
		-	-	(4,075,000)	326,450	237,238

Percentage of liquid financial assets to net financial assets attributable to unitholders

3.3 Credit risk

The Fund is exposed to credit risk, which is the risk that one party to a financial instrument will cause a financial loss for the other party by failing to discharge an obligation. The Fund is exposed to counterparty credit risk on cash and cash equivalents. The risk of default is considered minimal.

The maximum exposure to credit risk is the carrying amount of the financial assets as set out below.

Sector analysis of credit risk exposure 31 December 2024

In thousands of Naira '000	Cash and bank balances	Total
Financial Institutions	4,312,238	4,312,238
	4,312,238	4,312,238

All the financial assets are stage 1 assets

None of these assets are impaired nor past due but not impaired

Investment to which the Fund is exposed are mainly Bank Placement. The credit risk associated with these investment is considered minimal and are not rated.

3.4 Market risk

(a) Price risk

The Fund invests in securities as permitted under the Trustee Investment Act, Cap 449, LFN 1990 and approved by The Securities and Exchange

Classification of financial assets

	31 December 2024 N'000
- Bank Placement	4,310,183
	4,310,183

The maximum exposure to credit risk before any credit enhancements at 31 December 2024 is the carrying amount of the financial assets as measured in the financial statements. None of these assets are impaired nor past due but not impaired.

(b) Interest rate risk

Interest rate risk arises from the effects of fluctuations in the prevailing levels of market interest rates on the fair value of financial assets and liabilities and future cashflows. The Fund's exposure to cashflow interest rate risk which is the risk that the future cashflows of a financial asset will fluctuate because of changes in market interest rates is minimal as it holds only cash and cash equivalents with fixed interest and has no interest bearing financial liabilities.

However, the Fund may be indirectly affected by the impact of interest rate changes on the earnings of Bank Placement in which the Fund invests.

(c) Foreign currency risk

As at 31 December 2024 (2023: Nil), The Fund did not have investments denominated in foreign currency and as a result was not exposed to foreign currency risk.

3.4 Fair value estimation

Financial assets not measured at fair value

	31 December 2024	
In thousands of Naira '000	Carrying Value N'000	Fair Value N'000
Financial assets		
Cash and cash equivalents	4,312,238	4,312,238
Financial Liabilities		
Other liabilities	5,000	5,000
	5,000	5,000

Fair valuation estimates and techniques

(i) Balances with bank

Cash and bank balances represent cash held with banks of the various jurisdictions in which the Fund operates. The carrying amounts of these balances approximates their fair value.

(iv) Other liabilities

This represents accrued expenses and other payables by the company. The fair value is the carrying amount.

3.5 Capital management

The capital of the Fund is represented by unit holder contributions. The amount of unit holder liabilities can change significantly on a daily basis as the Fund is subject to daily subscriptions and redemptions at the discretion of unit holders.

The Fund's objectives when managing capital are to safeguard the Fund's ability to continue as a going concern in order to provide returns for unit holders

4. Critical accounting estimates and judgements

The Funds's financial statements and its financial result are influenced by accounting policies, assumptions, estimates and management judgement, which necessarily have to be made in the course of preparation of the financial statements.

The Fund Manager makes estimates and assumptions that affect the reported amounts of assets and liabilities within the next financial year. All estimates and assumptions required in conformity with IFRS Accounting Standards are best estimates undertaken in accordance with the applicable standards. Estimates and judgements are evaluated on a continuous basis, and are based on past experience and other factors, including expectations with regard to future events.

Fund Manager's judgements for certain items are especially critical for the Fund's results and financial situation due to their materiality.

4.1 Subscriptions (capital)

a. Equity attributable to unitholders

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

The Fund's units in issue are financial instruments issued by the Fund. On liquidation of the Fund, the unitholders are entitled to the residual net assets. They rank pari passu in all material respects and have identical terms and conditions. The units provide the investors with the right to require redemption for cash at a value proportionate to the investor's share in the Fund's net assets at each daily redemption date and also in the event of the Fund's liquidation.

A puttable financial instrument that includes a contractual obligation for the Fund to repurchase or redeem that instruments for cash or another financial asset is classified as equity if it meets all the of the following conditions:

- (i) It entitles the holder to a pro rata share of the Fund's net assets in the event of the Fund's liquidation;
- (ii) It is in the class of instruments that is subordinate to all other classes of assets of instruments;
- (iii) All financial instruments in the class of instruments that is subordinate to all other classes of instruments have identical features;
- (iv) Apart from the contractual obligation for the Fund to repurchase or redeem the instrument for cash or another financial asset, the instrument does not include any other feature that would require classification as a liability; and

(v) The total expected cash flows attributable to the instruments over its life are based substantially on the profit or loss, the change in the recognised net assets or the change in the fair value of the recognised and unrecognised net assets of the Fund over the life of the instrument.

The Fund's units meet these conditions and are classified as equity. Incremental costs directly attributable to the issue or redemption of units are recognised directly in equity as a deduction from the proceeds or part of the acquisition cost.

b. Repurchase of units

When units recognised as equity are redeemed, the par value of the units is presented as a deduction from capital. Any premium or discount to par value is recognised as an adjustment to retained earnings.

3. Interest Income calculated using effective Interest method

**31 December
2024
N'000**

Interest income on Investment (Placement)	798,605
	798,605

4. Other Income

**31 December
2024
N'000**

Other income	483
	798,605

5. Administrative Expenses

**31 December
2024
N'000**

Administrative expenses comprise:	483
Pre-Operational Expense	60,726
Bank Charges	157
Audit Fee	5,000
	798,605

***The external auditors were not paid any fees for non-audit services**

6. Withholding Tax Expense

**31 December
2024
N'000**

Withholding Tax Expense	79,969
	79,969

7. Cash and cash equivalents

**31 December
2024
N'000**

Balances with banks	2,055
Placements	4,310,183
	79,969
Current	4,312,238
Non-Current	-
	4,312,238

8. liabilities

**31 December
2024
N'000**

Financial liabilities:	
Audit fee payable	5,000
	5,000
Current	5,000
Non-Current	-
	5,000

9. Unitholders' equity

**31 December
2024**

(a) The movement in unitholders units' during the year is analysed as follows:

	Units
	000
As at 1 January	
Additions during the period	4,075,000
Redemptions during the period	
As at 31 December	4,075,000
NAV per unit	100

10. Related party transactions

Parties are considered to be related if one party has the ability to control the other party or exercise significant influence over the other party in making financial or operational decisions, or one other party controls both. The Fund's key related party is its Fund Manager; Ava Global Asset Managers Limited. Other related parties are the key management personnel of the Fund and their close family members.

Transactions with related parties

a. The Fund is managed by Ava Global Asset Managers Limited ('the Fund Manager'), an investment management company incorporated in Nigeria and domiciled in Lagos. Under the terms of the management agreement, the Fund appointed Ava Global Asset Managers Limited as an Investment Manager to provide fund management services to the Fund

a. Ava Global Asset Managers Limited earns management fees of the Net Asset Value (NAV) :UBA plc (Global Investors Services) remains the Funds' custodian.

b. STL Trustees Limited fees accrued on daily basis but paid quarterly in arrears. There was no sum earned as management fees during the period as the fund just began during the year

d. Key management staff has been defined as the directors and members of management committee of the Fund Manager.

The Fund did not pay compensation to any key management personnel during the year.

11. Contingent liabilities and commitments

The Fund has no pending litigation as at the end of the financial year. And there are no other contingent liabilities not disclosed in these financial statements.



Other National Disclosures

VALUE ADDED STATEMENT
FOR THE YEAR ENDED 31 DECEMBER 2024

	Dec 2024 N'000	%
Gross earnings	799,087	
Bought in materials and services (local)	(65,883)	
Value added	733,205	100%
Distribution of value added:		
To providers of finance (Dividend Paid)	79,969	11
Retained in the fund:		
Retained earnings	653,236	89
	733,205	100

The Fund is in its first year of operations, thus there are no 5-year

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AVA TRUSTEES LIMITED ANNUAL REPORT FOR THE YEAR END 31 DECEMBER 2024

Corporate Information

Registered Number

RC 1696508

Business Address

**3 Glover Street
Ikoyi, Lagos
Nigeria.**

Board of Directors

**Olukayode Fadahunsi - Non-Executive Director
Samson Adekunle - Non-Executive Director
Efe Shaire - Managing Director
Bolanle Ekanim - Non-Executive Director**

Company Secretary

**Famakinwa Idowu Paul
FRC/2025/PRO/NBA/002/015122**

Independent Auditor

**KPMG Professional Services
KPMG Tower
Bishop Aboyade Cole Street
Victoria Island, Lagos, Nigeria**

Bankers

**Guaranty Trust Bank Plc
Keystone Bank PLc
Providus Bank Limited
United Bank of Africa Plc
Access Bank Nigeria Plc
Wema Bank Plc
Taj Bank Limited
Lotus Bank Plc
Coronation Merchant Bank
First City Monument Bank Plc**

TIN

23111891-0001

DIRECTORS' REPORT

FOR THE YEAR END 31 DECEMBER 2024

The directors present their report on the affairs of AVA Trustees Limited ("the Company") together with the audited financial statements and the auditor's report for the year ended 31 December 2024.

A. Legal form

The Company was incorporated as a private limited liability company on 12 August 2020. The Company is owned by Fadahunsi Samson Olukayode and Prosperis Holdings Company Limited, for which it is a subsidiary. The Company commenced business in January 2021.

B. Principal activity

The principal activities of the Company continue to be the provision of Trustee services in the capital market.

C. Operating results

Highlights of the Company's operating results for the period are as follows:

	31 December 2024	31 December 2023
	N'000	N'000
Gross Earnings	952,567	429,803
Profit before taxation	166,118	27,480
Taxation	(56,970)	(9,860)
Profit after taxation	109,148	17,620

D. Directors and their interests

The Directors who served during the period and up to the date of this report are as follows:

Olukayode Fadahunsi * - Non-Executive Director
 Samson Adekunle - Non-Executive Director
 Efe Shaire ** - Managing Director
 Bolanle Ekanim *** - Non-Executive Director

* Resigned effective 5 June 2024

** Appointed as Executive Director effective 19 June 2024

*** Appointed as Non-Executive Director effective 19 June 2024

The directors do not have any interest required to be disclosed under section 303 of the Companies and Allied Matters Act (CAMA), 2020.

E. Directors' Interests in Contracts

In accordance with section 303 of the Companies and Allied Matters Act (CAMA), 2020, none of the directors have notified the Company of any declarable interests in contracts with the Company.

Information relating to changes in property and equipment is given in Note 14 to the financial statements. In the directors' opinion, the realisable value of the Company's properties is not less than the value shown in the financial statements.

F. Property and Equipment

Information relating to changes in property and equipment is given in Note 14 to the financial statements. In the directors' opinion, the realisable value of the Company's properties is not less than the value shown in the financial statements.

G. Shareholding Analysis

The issued and fully paid-up share capital of the Company was 300,000,000.00 ordinary shares of ₦1 each. The shareholding structure as at the balance sheet date were as shown below:

	31 December 2024	Percentage (%)	31 December 2023	Percentage (%)
Prosperis Holding Company Limited	997,000,000	99.7%	997,000,000	99.7%
Fadahunsi Samson Olukayode	3,000,000	0.3%	3,000,000	0.3%
	1,000,000,000	100.0%	1,000,000,000	100.0%

H. Events after reporting period

There were no subsequent events which could have a material effect on the financial position of the Company as at 31 December 2024 or the profit for the year then ended on that date, that have not been adequately provided for or disclosed in the financial statements.

I. Human resources**Health, safety and welfare at work**

The Company places a high premium on the health, safety and welfare of its employees in their place of work. Medical facilities are provided for employees and their immediate families at the company's expense, up to stated limits.

Employment of disabled persons

The Company has no disabled persons in its employment. However, applications for employment by disabled persons are always fully considered, bearing in mind the respective aptitudes and abilities of the applicants concerned. In the event of members of staff becoming disabled, every effort is made to ensure that their employment with the company continues and that appropriate training is arranged. It is the policy of the Company that the training, career development and promotion of disabled persons should, as far as possible, be identical with that of other employees.

Employee consultation and training

The Company places considerable value on the involvement of its employees and has continued its previous practice of keeping them informed on matters affecting them as employees and on various factors affecting the performance of the company. In line with this, formal and informal channels of communication are employed in keeping the staff abreast of various factors affecting the performance of the company. The Company organises in-house and external training for its employees.

J. Donations and charitable gifts

The company made no contributions to charitable and non-political organisations during the year (2024: nil).

K. Auditors

The previous auditors, Messrs. Joseph Dauda and Co., who audited the prior year financial statements up to 31 December 2023, have resigned and KPMG Professional Services was appointed on 17th May 2024. In accordance with Section 401 (2) of the Companies and Allied Matters Act (CAMA) 2020, therefore, the auditor will be re- appointed at the next annual general meeting of the Company without any resolution being passed.

SIGNED BY ORDER OF THE BOARD

Famakinwa Idowu Paul

Company Secretary

FRC/2025/PRO/NBA/002/015122

31-Mar-25

STATEMENT OF DIRECTORS' RESPONSIBILITIES IN RELATION TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2024

The Directors accept responsibility for the preparation of the annual financial statements that give a true and fair view in accordance with IFRS Accounting Standards and in the manner required by the Companies and Allied Matters Act (CAMA), 2020 and Financial Reporting Council of Nigeria Act, 2023 Amended.

The Directors further accept responsibility for maintaining adequate accounting records as required by the Companies and Allied Matters Act (CAMA), 2020 and for such internal control as the directors determine is necessary to enable the preparation of financial statements that are free from material misstatement whether due to fraud or error.

The Directors have made an assessment of the Company's ability to continue as a going concern and have no reason to believe the Company will not remain a going concern in the year ahead.

SIGNED ON BEHALF OF THE BOARD OF DIRECTORS BY:

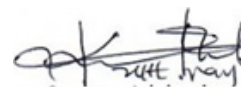


Kayode Fadahunsi

Director

FRC/2015/CISN/00000011838

31-Mar-25



Samson Adekunle

Director

FRC/2020/003/00000021513

31-Mar-25

STATEMENT OF CORPORATE RESPONSIBILITY OF THE FINANCIAL STATEMENT FOR THE YEAR ENDED 31 DECEMBER 2024

Further to the provisions of section 405 of the Companies and Allied Matters Act (CAMA), 2020, we, the Managing Director and Head of Finance, hereby certify the financial statements of AVA Trustees Limited for the year ended 31 December 2024 as follows:

- a. That we have reviewed the audited financial statements of the Company for the year ended 31 December 2024.
- b. That the audited financial statements do not contain any untrue statement of material fact or omit to state a material fact which would make the statements misleading, in the light of the circumstances under which such statement was made.
- c. That the audited financial statements and all other financial information included in the statements fairly present, in all material respects, the financial condition and results of operation of the Company as of and for, the year ended 31 December 2024.
- d. That we are responsible for establishing and maintaining internal controls and have designed such internal controls to ensure that material information relating to the Company is made known to us by other officers of the companies, during the period end 31 December 2024.
- e. That we have evaluated the effectiveness of the Company's internal controls within 90 days prior to the date of audited financial statements, and certify that the Company's internal controls are effective as of that date.
- f. That there were no significant changes in internal controls or in other factors that could significantly affect internal controls subsequent to the date of our evaluation, including any corrective action with regard to significant deficiencies and material weaknesses.
- g. That we have disclosed the following information to the Company's Auditors and Audit Committee:
 - i. there are no significant deficiencies in the design or operation of internal controls which could adversely affect the Company's ability to record, process, summarise and report financial data, and have identified for the Company's auditors any material weaknesses in internal controls, and
 - ii. there is no fraud that involves management or other employees who have a significant role in the Company's internal control



Efe Shaire
Managing Director
FRC/2020/003/00000021513
31-Mar-25



Hakeem Raheem
Chief Financial Officer
FRC/2015/CISN/00000011838
31-Mar-25

MANAGEMENT'S ANNUAL ASSESSMENT OF INTERNAL CONTROL OVER FINANCIAL REPORTING

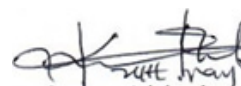
To comply with the provisions of Section 1.3 of SEC guidance on implementation of sections 60-63 of Investments and Securities Act 2007, we hereby make the following statements regarding the Internal Controls of AVA Trustees Limited for the year ended 31 December 2024:

- i. AVA Trustees Limited's management is responsible for establishing and maintaining a system of internal control over financial reporting ("ICFR") that provides reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with International Financial Reporting Standards.
- ii. AVA Trustees Limited's management used the Committee of Sponsoring Organization of the Treadway Commission (COSO) Internal Control-Integrated Framework to conduct the required evaluation of the effectiveness of the entity's ICFR;
- iii. AVA Trustees Limited's management has assessed that the entity's ICFR as of the end of 31 December 2024 is effective.
- iv. AVA Trustees Limited's external auditor Messrs. KPMG that audited the financial statements included in the annual report, has issued an attestation report on management's assessment of the entity's internal control over financial reporting.

The attestation report of Messrs. KPMG that audited its financial statements will be filed as part of AVA Trustees Limited's annual report.



Kayode Fadahunsi
FRC/2015/CISN/00000011838
Director
31-Mar-25



Samson Adekunle
FRC/2020/003/00000021513
Director
31-Mar-25

CERTIFICATION OF MANAGEMENT'S ASSESSMENT ON INTERNAL CONTROL OVER FINANCIAL REPORTING

To comply with the provisions of Section 1.1 of SEC Guidance on Implementation of Sections 60-63 of Investments and Securities Act 2007, I hereby make the following statements regarding the Internal Controls of AVA Trustees Limited for the year ended 31 December 2024.

I, Efe Shaire, certify that:

- a. I have reviewed this management assessment on internal control over financial reporting of AVA Trustees Limited;
- b. Based on my knowledge, this report does not contain any untrue statement of a material fact or omit to state a material fact necessary to make the statements made, in light of the circumstances under which such statements were made, not misleading with respect to the period covered by this report;
- c. Based on my knowledge, the financial statements, and other financial information included in this report, fairly present in all material respects the financial condition, results of operations and cash flows of the entity as of, and for, the periods presented in this report;
- d. The entity's other certifying officer and I:
 1. are responsible for establishing and maintaining internal controls;
 2. have designed such internal controls and procedures, or caused such internal controls and procedures to be designed under our supervision, to ensure that material information relating to the entity, is made known to us by others within the entity, particularly during the period in which this report is being prepared;
 3. have designed such internal control system, or caused such internal control system to be designed under our supervision, to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with IFRS Accounting Standards;
 4. have evaluated the effectiveness of the entity's internal controls and procedures as of a date within 90 days prior to the report and presented in this report our conclusions about the effectiveness of the internal controls and procedures, as of the end of the period covered by this report based on such evaluation.
- e. The entity's other certifying officer and I have disclosed, based on our most recent evaluation of internal control system, to the entity's auditors and the audit committee of the entity's board of directors (or persons performing the equivalent functions):
 1. There are no significant deficiencies or material weaknesses in the design or operation of the internal control system that would adversely affect the entity's ability to record, process, summarize, and report financial information; and
 2. Any fraud, regardless of materiality, involving management or other employees with a significant role in the entity's internal control system.
- f. The entity's other certifying officer(s) and I have not identified, in the report any significant changes in internal controls or other facts that could significantly affect internal controls subsequent to the date of their evaluation.



Efe Shaire

FRC/2020/003/00000021513

Managing Director

31-Mar-25

CERTIFICATION OF MANAGEMENT'S ASSESSMENT ON INTERNAL CONTROL OVER FINANCIAL REPORTING

To comply with the provisions of Section 1.1 of SEC Guidance on Implementation of Sections 60-63 of Investments and Securities Act 2007, I hereby make the following statements regarding the Internal Controls of AVA Trustees Limited for the year ended 31 December 2024.

I, Hakeem Raheem, certify that:

- a. I have reviewed this management assessment on internal control over financial reporting of AVA Trustees Limited;
- b. Based on my knowledge, this report does not contain any untrue statement of a material fact or omit to state a material fact necessary to make the statements made, in light of the circumstances under which such statements were made, not misleading with respect to the period covered by this report;
- c. Based on my knowledge, the financial statements, and other financial information included in this report, fairly present in all material respects the financial condition, results of operations and cash flows of the entity as of, and for, the periods presented in this report;
- d. The entity's other certifying officer and I:
 1. are responsible for establishing and maintaining internal controls;
 2. have designed such internal controls and procedures, or caused such internal controls and procedures to be designed under our supervision, to ensure that material information relating to the entity, is made known to us by others within the entity, particularly during the period in which this report is being prepared;
 3. have designed such internal control system, or caused such internal control system to be designed under our supervision, to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with IFRS Accounting Standards;
 4. have evaluated the effectiveness of the entity's internal controls and procedures as of a date within 90 days prior to the report and presented in this report our conclusions about the effectiveness of the internal controls and procedures, as of the end of the period covered by this report based on such evaluation.
- e. The entity's other certifying officer and I have disclosed, based on our most recent evaluation of internal control system, to the entity's auditors and the audit committee of the entity's board of directors (or persons performing the equivalent functions):
 1. There are no significant deficiencies or material weaknesses in the design or operation of the internal control system that would adversely affect the entity's ability to record, process, summarize, and report financial information; and
 2. Any fraud, regardless of materiality, involving management or other employees with a significant role in the entity's internal control system.
- f. The entity's other certifying officer(s) and I have not identified, in the report any significant changes in internal controls or other facts that could significantly affect internal controls subsequent to the date of their evaluation.



Hakeem Raheem
FRC/2015/CISN/00000011838
Chief Financial Officer
31-Mar-25

**KPMG Professional Services**

KPMG Tower
Bishop Abayade Cole Street
Victoria Island
PMG 40014, Falomo
Lagos

Telephone 234 (1) 271 8955

234 (1) 271 8599

Internet home.kpmg/ng

Independent Auditor's Limited Assurance Report

To the Board of Directors of AVA Trustees Limited

Report on Limited Assurance Engagement Performed on Management's Assessment of Internal Control Over Financial Reporting

Conclusion

We have performed a limited assurance engagement on whether internal control over financial reporting of AVA Trustees Limited ("the Company") as of 31 December 2024 is effective in accordance with the criteria established in Internal Control - Integrated Framework (2013) issued by the Committee of Sponsoring Organizations of the Treadway Commission ("the COSO Framework") and the Financial Reporting Council of Nigeria Guidance on Management Report on Internal Control Over Financial Reporting.

Based on the procedures performed and evidence obtained, nothing has come to our attention to cause us to believe that the Company's internal control over financial reporting as of 31 December 2024 is not effective, in all material respects, in accordance with the criteria established in the COSO Framework and the Financial Reporting Council of Nigeria Guidance on Management Report on Internal Control Over Financial Reporting.

Basis for conclusion

We conducted our engagement in accordance with International Standard on Assurance Engagements (ISAE) 3000 (Revised), Assurance Engagements Other Than Audits or Reviews of Historical Financial Information issued by the International Auditing and Assurance Standards Board (IAASB) and the Financial Reporting Council of Nigeria Guidance on Assurance Engagement Report on Internal Control over Financial Reporting. Our responsibilities are further described in the "Our responsibilities" section of our report.

We have complied with the independence and other ethical requirements of the International Code of Ethics for Professional Accountants (including International Independence Standards) issued by the International Ethics Standards Board for Accountants (IESBA).

Our firm applies International Standard on Quality Management (ISQM) 1, Quality Management for Firms that Perform Audits or Reviews of Financial Statements, or Other Assurance or Related Services Engagements, issued by the IAASB. This standard requires the firm to design, implement and operate a system of quality management, including policies or procedures regarding compliance with ethical requirements, professional standards and applicable legal and regulatory requirements.

We believe that the evidence we have obtained is sufficient and appropriate to provide a basis for our conclusion.

KPMG Professional Services, a partnership registered in Nigeria and a member firm of the KPMG global organisation of independent member firms affiliated with KPMG International Limited, a private English company limited by guarantee.

Registered in Nigeria No BN 986925

A list of partners is available for inspection at the firm's address.



Other matter

We have audited the financial statements of AVA Trustees Limited in accordance with the International Standards on Auditing, and our report dated 31 March 2025 expressed an unmodified opinion of those financial statements.

Our conclusion is not modified in respect of this matter.

Responsibilities for Internal Control over Financial reporting

The Board of Directors of AVA Trustees Limited is responsible for maintaining effective internal control over financial reporting, and for its assessment of the effectiveness of internal control over financial reporting, included in the accompanying Management's report. Our responsibility is to express a conclusion on the Company's internal control over financial reporting based on our assurance engagement.

Our responsibilities

The Financial Reporting Council of Nigeria Guidance on Assurance Engagement Report on Internal Control over Financial Reporting ("the Guidance") requires that we plan and perform the assurance engagement and provide a limited assurance report on the Company's internal control over financial reporting based on our assurance engagement.

Summary of the work we performed as the basis for our conclusion

We exercised professional judgment and maintained professional skepticism throughout the engagement. As prescribed in the Guidance, the procedures we performed included obtaining an understanding of internal control over financial reporting, assessing the risk that a material weakness exists, and testing and evaluating the design and operating effectiveness of internal control based on the assessed risk. Our engagement also included performing such other procedures as we considered necessary in the circumstances. We believe the procedures performed provide a basis for our report on the internal control put in place by management over financial reporting.

The procedures performed in a limited assurance engagement vary in nature and timing from, and are less in extent than for, a reasonable assurance engagement. Consequently, the level of assurance obtained in a limited assurance engagement is substantially lower than the assurance that would have been obtained had a reasonable assurance engagement been performed.

Definition and Limitations of Internal Control Over Financial Reporting

A company's internal control over financial reporting is a process designed to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles. A company's internal control over financial reporting includes those policies and procedures that:

- i. pertain to the maintenance of records that, in reasonable detail, accurately and fairly reflect the transactions and dispositions of the assets of the company;
- ii. provide reasonable assurance that transactions are recorded as necessary to permit preparation of financial statements in accordance with generally accepted accounting principles, and that receipts and expenditures of the company are being made only in accordance with authorizations of management and directors of the company; and

- iii. provide reasonable assurance regarding prevention or timely detection of unauthorised acquisition, use, or disposition of the company's assets that could have a material effect on the financial statements.

Because of its inherent limitations, internal control over financial reporting may not prevent or detect all misstatements. Furthermore, projections of any evaluation of effectiveness to future periods are subject to the risk that controls may become inadequate because of changes in conditions, or that the degree of compliance with the policies or procedures may deteriorate..



Onyinye Okere, ACA

FRC/2012ICAN/00000000421

For: KPMG Professional Services

Chartered Accountants

31 March 2025 Lagos, Nigeria

**KPMG Professional Services**

KPMG Tower
Bishop Aboyade Cole Street
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PMG 40014, Falomo
Lagos

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234 (1) 271 8599

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INDEPENDENT AUDITOR'S REPORT

To the Board of Directors of AVA Global Asset Managers Limited

Report on the Audit of the Financial Statements

Opinion

We have audited the financial statements of AVA Trustees Limited ("the Company"), which comprise:

- the statement of financial position as at 31 December 2024;
- the statement of profit or loss and other comprehensive income;
- the statement of changes in equity;
- the statement of cash flows for the year then ended; and
- the notes, comprising material accounting policies and other explanatory information.

In our opinion, the accompanying financial statements give a true and fair view of the financial position of the Company as at 31 December 2024, and of its financial performance and its cash flows for the year then ended in accordance with IFRS Accounting Standards as issued by the International Accounting Standards Board (IFRS Accounting Standards) and in the manner required by the Companies and Allied Matters Act (CAMA), 2020 and the Financial Reporting Council of Nigeria (Amendment) Act.

Basis for Opinion

We conducted our audit in accordance with International Standards on Auditing (ISAs). Our responsibilities under those standards are further described in the Auditor's Responsibilities for the Audit of the Financial Statements section of our report. We are independent of the Company in accordance with International Ethics Standards Board for Accountants' International Code of Ethics for Professional Accountants (including International Independence Standards) (IESBA Code) together with the ethical requirements that are relevant to our audit of the financial statements in Nigeria and we have fulfilled our other ethical responsibilities in accordance with these requirements and the IESBA Code. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Other Matter relating to comparative information

The Financial Statements of the Company as at and for the year ended 31 December 2023 were audited by another auditor who expressed an unmodified opinion on those statements on 27 February 2024.

Other Information

KPMG Professional Services, a partnership registered in Nigeria and a member firm of the KPMG global organisation of independent member firms affiliated with KPMG International Limited, a private English company limited by guarantee.

Registered in Nigeria No BN 989925

A list of partners is available for inspection at the firm's address.

Other Information

The Directors are responsible for the other information. The other information comprises the Directors' Report, Statement of Directors' Responsibilities, Statement of Corporate Responsibility, Management's annual assessment of internal control over financial reporting, and Certification of management's assessment on internal control over financial reporting, but does not include the financial statements and our auditor's report thereon.

Our opinion on the financial statements does not cover the other information and we do not express any form of assurance conclusion thereon.

In connection with our audit of the financial statements, our responsibility is to read the other information and in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the audit or otherwise appears to be materially misstated. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.

Responsibilities of the Directors for the Financial Statements

The Directors are responsible for the preparation of financial statements that give a true and fair view in accordance with IFRS Accounting Standards and in the manner required by the Companies and Allied Matters Act (CAMA), 2020 and the Financial Reporting Council of Nigeria (Amendment) Act, 2023, and for such internal control as the directors determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, the directors are responsible for assessing the Company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the directors either intend to liquidate the Company or to cease operations, or have no realistic alternative but to do so.

Auditor's Responsibilities for the Audit of the Financial Statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with ISAs will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

As part of an audit in accordance with ISAs, we exercise professional judgment and maintain professional skepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Company's internal control.

- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the directors.
- Conclude on the appropriateness of directors' use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Company to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

We communicate with the Board of Directors regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

Report on Other Legal and Regulatory Requirements

Compliance with the requirements of Schedule 5 of the Companies and Allied Matters Act (CAMA), 2020

- We have obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purpose of our audit.
- In our opinion, proper books of account have been kept by the Company, so far as appears from our examination of those books.
- The Company's statement of financial position and statement of profit or loss and other comprehensive income are in agreement with the books of account.

Compliance with FRC Guidance on Assurance Engagement Report on Internal Control over Financial Reporting

In accordance with the requirements of the Financial Reporting Council of Nigeria, we performed a limited assurance engagement and reported on management's assessment of the Company's internal control over financial reporting as of December 31, 2024. The work performed was done in accordance with ISAE 3000 (Revised) Assurance Engagements Other Than Audits or Reviews of Historical Financial Information and the FRC Guidance on Assurance Engagement Report on Internal Control over Financial Reporting. We have issued an unmodified conclusion in our report dated 31 March 2025. That report is included on page 9 of the annual report.

Signed:

Onyinye Okere, ACA

FRC/2012ICAN/00000000421

For: KPMG Professional Services

Chartered Accountants

31 March 2025 Lagos, Nigeria



STATEMENT OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME FOR THE YEAR ENDED 31 DECEMBER 2024

	Note	31 'December 2024 N'000	31 'December 2023 N'000
Interest income	6	862,172	365,623
Fees and commission income	7	82,920	64,180
Net Interest Income		945,093	429,803
Interest expense	7	(487,124)	(217,788)
Net Interest Income		457,969	212,015
Other Income	9	7,474	-
Total Income		7,474	-
Operating Expenses	10	(245,739)	(159,256)
Personnel expenses	11	(39,089)	(15,916)
Depreciation of Property and Equipment	15	(14,496)	(9,364)
Total Operating Expenses		(299,324)	(184,535)
(Loss)/profit before Tax		166,118	27,480
Taxation	12.1	(56,970)	(9,860)
(Loss)/profit after Tax		109,148	17,620
Other Comprehensive Income net of Tax		-	-
Total Comprehensive Income for the year		109,148	17,620

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

STATEMENT OF FINANCIAL POSITION AS AT 31 DECEMBER 2024

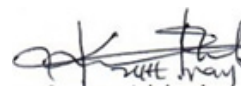
	Note	31 'December 2024 N'000	31 'December 2023 N'000
Assets			
Cash and Cash Equivalents	13	5,145,333	7,805,197
Other Assets	14	145,650	9,254
Property & Equipment	15	6,348	17,242
Investment property	16	-	660,000
Total Assets		5,297,331	8,491,693
Liabilities			
Accruals and Other Liabilities	17	761,862	3,098,103
Current Tax Liabilities	12	56,970	9,860
Trust sinking fund	18	3,348,410	4,362,790
Total Liabilities		4,167,243	7,470,753
Equity			
Share Capital	19	1,000,000	1,000,000
Retained Earnings	19.1	130,088	20,940
Total Equity		1,130,088	1,020,940
Total Equity & Liabilities		5,297,331	8,491,693

These financial statements were approved by the Board of Directors on 31 March 2025

SIGNED ON BEHALF OF THE BOARD OF DIRECTORS BY:



Kayode Fadahunsi
Director
FRC/2015/CISN/00000011838
31-Mar-25



Samson Adekunle
Director
FRC/2020/003/00000021513
31-Mar-25

STATEMENT OF CHANGES IN EQUITY

FOR THE YEAR ENDED 31 DECEMBER 2024

	Share Capital	Retained Earnings	Total
	N'000	N'000	N'000
Balance at 1 January 2024	1,000,000	20,940	1,020,940
Loss for the year	-	109,148	109,148
Total Comprehensive Income for the year	-	109,148	109,148
At 31 December 2024	1,000,000	130,088	130,088

	Share Capital	Retained Earnings	Total
	N'000	N'000	N'000
Balance at 1 January 2023	300,000	3,320	303,320
Profit for the year	-	17,620	17,620
Issue of shares	700,000	-	700,000
Total Comprehensive Income for the year	700,000	17,620	717,620
At 31 December 2023	1,000,000	20,940	1,020,940

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

STATEMENT OF CASHFLOWS

FOR THE YEAR ENDED 31 DECEMBER 2024

	Note	31 'December 2024 N'000	31 'December 2023 N'000
Cash flows from operating activities			
Profit after income tax		109,148	17,620
Add back:			
Taxation expense	12.1	56,970	9,860
Profit before income tax		166,118	27,480
Adjustment for:			
Depreciation	10	14,496	9,364
		180,614	36,844
Change in operating assets and liabilities:			
Other assets	24	(136,396)	51,086
Accruals and other payables	24	(2,336,240)	2,975,485
Trust sinking fund	24	(1,014,380)	(2,314,927)
		(3,306,403)	748,488
Tax paid	12	(9,860)	(2,363)
Net cash used from operating activities		(3,316,262)	746,126
Cash flows from investing activities			
Net purchase of property plant and equipment	15	(3,602)	(8,801)
Net purchase of investment securities	24	660,000	(660,000)
Net cash generated/used in investing activities		656,398	(668,801)
Cash flows from financing activities			
		-	-
Issue of shares	19	-	700,000
Net cash used in financing activities		-	700,000
Net increase in cash and cash equivalents		(2,659,864)	777,325
Cash and cash equivalents at start of year	13	7,805,197	7,027,872
Cash and cash equivalents at end of the year		5,145,333	7,805,197

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

NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 DECEMBER 2024

1. General information

AVA Trustees Limited (herein known as 'the Company') was incorporated as a private limited liability Company on 12 August 2020. The Company is domiciled in Nigeria and the address of its registered office is 03, Glover Road, Ikoyi, Lagos, Nigeria. AVA Trustees Limited is a subsidiary of Prosperis Holding Company. The principal activity of the company is the provision of trust services to individuals and corporate bodies. The financial statement was approved on the 31 March 2025.

2. Basis of preparation

These financial statements are the stand alone financial statements of AVA Trustees Limited. The financial statements for the year ended 31 December 2024 have been prepared in accordance with International Financial Reporting Standards (IFRS) as issued by the IASB. Additional information required by national regulations is included where appropriate.

The financial statements have been prepared in accordance with the going concern principle under the historical cost convention. The financial statements are presented in Nigerian currency (Naira) and rounded to the nearest thousand.

2.1 Use of Estimate and Judgement.

The financial statements comprise the statement of profit or loss and other comprehensive income, the statement of financial position, the statement of changes in equity, the statement of cash flows and the related notes.

The preparation of financial statements in conformity with IFRS requires the use of certain critical accounting estimates. It also requires management to exercise its judgement in the process of applying the Company's accounting policies. Changes in assumptions may have a significant impact on the financial statements in the period the assumptions changed. Management believes that the underlying assumptions are appropriate and that the Company's financial statements therefore present the financial position and results fairly. The estimates and underlying assumptions are reviewed on an on-going basis. Revisions to accounting estimates are recognised in the period in which the estimate is revised, if the revision affects only that period, or in the period of the revision and future periods, if the revision affects both current and future periods. There were no material changes in management's estimates during the year.

The Company classifies its expenses by the nature of expense method.

2.1.2 Foreign currency translation

(a) Functional and presentation currency

Items included in the financial statements of the Company are measured using the currency of the primary economic environment in which the entity operates ('the functional currency'). The financial statements are presented in Naira (N), which is the Company's functional currency.

(b) Transactions and balances

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

Monetary items denominated in foreign currency are translated with the closing rate as at the reporting date. If several exchange rates are available, the forward rate is used at which the future cash flows represented by the transaction or balance could have been settled if those cash flows had occurred. Non-monetary items measured at historical cost denominated in a foreign currency are translated with the exchange rate as at the date of initial recognition; non monetary items in a foreign currency that are measured at fair value are translated using the exchange rates at the date when the fair value was determined.

Foreign exchange gains and losses resulting from the settlement of foreign currency transactions and from the translation at period-end exchange rates of monetary assets and liabilities denominated in foreign currencies are recognised in the income statement.

2.2 Changes in accounting policies

Except as stated below, the Company has consistently applied the accounting policies as set out in note 3 to all periods presented in these annual financial statements.

The following amended standards and interpretations were effective during the year but are not expected to have a significant impact on the financial statements.

– Amendments to IAS 1 Presentation of Financial Statement— Classification of liabilities as Current or Non-Current and Non-current Liabilities with Covenants

Under existing IAS 1 requirements, companies classify a liability as current when they do not have an unconditional right to defer settlement of the liability for at least 12 months after the end of the reporting period. As part of its amendments, the Board has removed the requirement for a right to be unconditional and instead, now requires that a right to defer settlement must have substance and exist at the end of the reporting period.

The existing requirement to ignore management's intentions or expectations for settling a liability when determining its classification is unchanged. In addition, a company will classify a liability as non-current if it has a right to defer settlement for at least 12 months after the reporting date. Such right may be subject to a company complying with conditions (covenants) specified in a loan arrangement.

The amendments also clarify how a company classifies a liability that includes a counterparty conversion option, which could either be recognized as either equity or liability separately from the liability component under IAS 32 Financial Instruments: Presentation.

This amendment did not have a significant impact on the Company's financial statements. There are no other new standards or amendments applicable to the Company with an effective date of 1 January 2024.

Standards and interpretations issued/amended but not yet effective

As at 31 December 2024, a number of standards, interpretations and amendments thereto, had been issued by the IASB which are not yet effective for these financial statements. The following are the standards that may have material impact on the Company's financial statements. The Company has not early adopted any of these standards.

(i) Presentation and Disclosure in Financial Statements (IFRS 18) IFRS 18 Presentation and Disclosure in Financial Statements replaces IAS 1 Presentation of Financial Statements.

3. Material Accounting Policies

The accounting policies set out below have been applied by the Company in presenting the financial statements.

3.1 Revenue

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

The Company has applied IFRS 15 practical expedient to a portfolio of contracts (or performance obligations) with similar characteristics since the Company reasonably expects that the accounting result will not be materially different from the result of applying the standard to the individual contracts.

Trade receivables

A receivable represents the Company's right to an amount of consideration that is unconditional (i.e., only the passage of time is required before payment of the consideration is due).

Fees, commissions and other income

Fees, commission and other income are recognized on an accrual basis for the period under review at amortized cost. The management fees earned on funds being managed are as stipulated by the respective individual trust deeds.

Interest income and expense

Interest income and expenses are recognized in profit or loss using the effective interest method, which calculates the rate that exactly discounts estimated future cash flows over the expected life of a financial instrument to its gross carrying amount or amortized cost. This method considers all contractual terms and transaction costs but excludes expected credit losses (ECL) unless the asset is purchased or originated as credit-impaired.

For credit-impaired financial assets, interest income is calculated using a credit-adjusted effective interest rate. If a financial asset becomes credit-impaired after initial recognition, interest income is based on its amortized cost. The method includes periodic re-estimations for floating rate instruments to reflect market interest rate changes.

The amortized cost represents the initial recognition amount adjusted for principal repayments, amortization, and ECL. The gross carrying amount is the amortized cost before ECL adjustments.

Other Income

Other income comprises earnings from sources that are not the primary revenue-generating activities of the business. This may include, but is not limited to, gains from disposal of assets, rental income, exchange gains, and recoveries.

Other income is recognised in profit or loss when it is probable that the economic benefits will flow to the entity and the amount can be measured reliably. The timing of recognition depends on the nature of the income.

3.2 Financial instruments

A financial instrument is any contract that gives rise to a financial asset of one entity and a financial liability or equity instrument of another entity

i Financial assets

Initial recognition and measurement of financial assets

Financial assets are classified, at initial recognition, as subsequently measured at amortised cost, fair value through other comprehensive income (OCI), and fair value through profit or loss.

The classification of financial assets at initial recognition depends on the financial asset's contractual cashflow characteristics and the Company's business model for managing them. With the exception of trade receivables that do not contain a significant financing component or for which the Company has applied the practical expedient, the Company initially measures a financial asset at its fair value plus, in the case of a financial asset not at fair value through profit or loss, transaction costs. Trade receivables that do not contain a significant financing component or for which the Company has applied the practical expedient are measured at the transaction price determined under IFRS 15.

In order for a financial asset to be classified and measured at amortised cost or fair value through OCI, it needs to give rise to cashflows that are 'solely payments of principal and interest (SPPI)' on the principal amount outstanding. This assessment is referred to as the SPPI test and is performed at an instrument level.

The Company's business model for managing financial assets refers to how it manages its financial assets in order to generate cashflows. The business model determines whether cashflows will result from collecting contractual cash flows, selling the financial assets, or both.

Purchases or sales of financial assets that require delivery of assets within a time frame established by regulation or convention in the market place (regular way trades) are recognised on the trade date, i.e., the date that the Company commits to purchase or sell the asset.

Management classifies its financial assets into any of the asset categories above on the basis of both:

- The Company's business model for managing the financial assets, and
- The contractual cash flows characteristics of the financial assets

1. Business Model Assessment

The business model assessment is one of the two steps to classify financial assets. The Finance Department of the Company is responsible for performing the business model assessment of the Company's financial instruments at a level that reflects how groups of financial assets are managed together to achieve a particular business objective.

Judgment is needed to determine the level of aggregation to which the business model assessment is applied. That determination is made on the basis of how the Company manages its business, it is not made at the level of an individual asset, rather the Company performs this assessment at a higher level of aggregation which is at a portfolio level.

If cashflows are realised in a way that is different from the Company's expectations at the date that the Company assessed the business model (for example, if the Company sells more or fewer financial assets than it expected when it classified the assets), this does not:

- Give rise to a prior period error in the Company's financial statements (as defined in IAS 8 Accounting policies, changes in accounting estimates and errors), or
- Change the classification of the remaining financial assets held in that business model (i.e., those assets that the Company recognised in prior periods and still holds), as long as the Company has considered all relevant information that was available at the time that it made the business model assessment.

However, when the Company assesses the business model for newly originated or newly purchased financial assets, it considers information about how cashflows were realised in the past, along with all other relevant information. Where there was a change in the way that cashflows are realised, then this will affect the classification of new assets recognised in the future.

Hold-to-collect business model

Where the Company's objective is to hold the asset (or portfolio of assets) to collect the contractual cashflows, the asset (or portfolio of assets) are classified under the 'hold to collect' business model. Financial assets that are held within this business model are measured at amortised cost, (provided the asset also meets the contractual cash flowtest - see below). Such assets are managed to realise cash flows by collecting contractual payments over the life of the instrument.

In determining whether cash flows are going to be realised by collecting the financial assets' contractual cashflows, the Company considers the frequency and value of sales in prior periods, the timing of the sale of assets, the reasons for those sales, and the Company's expectations about future sales activity.

In accordance with IFRS 9, sales in themselves do not determine the business model and cannot be considered in isolation. However, information about past sales and expectations about future sales provide evidence related to how the Company's stated objective for managing the financial assets is achieved and, specifically, how cash flows are realised.

Hold-to-collect contractual cash flows and sell

Where the Company's objective is to hold a group of financial assets to collect the contractual cash flows and then to sell those financial assets, the portfolio of assets are classified under the 'hold to collect and sell' business model. The FVOCI measurement category is mandatory for portfolios of financial assets that are held within a business model whose objective is achieved by both collecting contractual cash flows and selling financial assets (provided the asset also meets the contractual cash flow test).

Collecting contractual cash flows and selling are fundamental to achieving the objective of the business model.

Compared to the business model with an objective to hold financial assets to collect contractual cash flows, this business model will typically involve greater frequency and value of sales. This is because selling financial assets is integral to achieving the business model's objective rather than only incidental to it. There is no threshold for the frequency or value of sales that can or must occur in this business model.

Other business models

IFRS 9 requires financial assets to be measured at fair value through profit or loss (FVTPL) if they are not held within either a business model whose objective is to hold assets to collect contractual cash flows or within a business model whose objective is achieved by both collecting contractual cash flows and selling financial assets.

A business model that results in measurement at FVTPL is where the financial assets are held for trading or where the assets are managed on a fair value basis. In each case, the Company manages the financial assets with the objective of realising cash flows through the sale of the assets. The Company makes decisions based on the assets' fair values and manages the assets to realise those fair values.

The contractual cash flows assessment – the Solely Payments of Principal and Interest

This assessment aims to identify whether the contractual cash flows are solely payments of principal and interest on the principal amount outstanding. The SPPI test is based on the premise that it is only when the variability in the contractual cash flows arises to maintain the holder's return in line with a 'basic lending arrangement' that the application of the effective interest method provides useful information about the uncertainty, timing and amount of the financial asset's contractual cashflows.

The effective interest method is essentially to spread interest revenue or expense overtime. Amortised cost or FVOCI measurement is only appropriate for simple cash flows that have low variability such as those of loans and receivables and debt securities.

Subsequent measurement of financial assets

For purposes of subsequent measurement, financial assets are classified in four categories:

- Financial assets at amortised cost (debt instruments) ;
- Financial assets designated at fair value through OCI with recycling of cumulative gains and losses (debt instruments);
- Financial assets designated at fair value through OCI with no recycling of cumulative gains and losses upon derecognition (equity instruments); and
- Financial assets at fair value through profit or loss (The Company, however has no financial instrument in this category)

Financial assets at amortised cost (debt instruments)

This category is the most relevant to the Company. The Company measures financial assets at amortised cost if both of the following conditions are met:

- The financial asset is held within a business model with the objective to hold financial assets in order to collect contractual cash flows; and
- The contractual terms of the financial asset give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding.

Financial assets at amortised cost are subsequently measured using the effective interest (EIR) method and are subject to impairment. Gains and losses are recognised in profit or loss when the asset is derecognised, modified or impaired.

The Company's financial assets at amortised cost includes debt instruments, fixed deposits with banks and other financial institutions and other receivables.

3.2 Financial instruments - continued**Financial assets designated at fair value through OCI (equity instruments)**

Upon initial recognition, the Company can elect to classify irrevocably its equity investments as equity instruments designated at fair value through OCI when they meet the definition of equity under IAS 32 Financial Instruments: Presentation and are not held for trading. The classification is determined on an instrument-by- instrument basis.

Gains and losses on these financial assets are never recycled to profit or loss. Dividends are recognised as other income in the statement of profit or loss and other comprehensive income when the right of payment has been established, except when the Company benefits from such proceeds as a recovery of part of the cost of the financial asset, in which case, such gains are recorded in OCI. Equity instruments designated at fair value through OCI are not subject to impairment assessment.

Financial assets at fair value through OCI (debt instruments)

The Company measures debt instruments at fair value through OCI if both of the following conditions are met:

- The financial asset is held within a business model with the objective of both holding to collect contractual cash flows and selling; and
- The contractual terms of the financial asset give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding.

For debt instruments at fair value through OCI, interest income, foreign exchange revaluation and impairment losses or reversals are recognised in profit or loss and computed in the same manner as for financial assets measured at amortised cost. The remaining fair value changes are recognised in OCI. Upon derecognition, the cumulative fair value change recognised in OCI is recycled to profit or loss.

During the year under consideration, the Company did not have any debt instruments at fair value.

Financial assets at fair value through profit or loss

Financial assets at fair value through profit or loss include financial assets held for trading, financial assets designated upon initial recognition at fair value through profit or loss, or financial assets mandatorily required to be measured at fair value. Financial assets are classified as held for trading if they are acquired for the purpose of selling or repurchasing in the near term. Financial assets with cash flows that are not solely payments of principal and interest are classified and measured at fair value through profit or loss, irrespective of the business model. Notwithstanding the criteria for debt instruments to be classified at amortised cost or at fair value through OCI, as described above, debt instruments may be designated at fair value through profit or loss on initial recognition if doing so eliminates, or significantly reduces, an accounting mismatch.

Financial assets at fair value through profit or loss are carried in the statement of financial position at fair value with net changes in fair value recognised in the statement of profit or loss.

The Company did not have any equity investments under this category during the year under consideration.

Derecognition of financial assets

A financial asset (or, where applicable, a part of a financial asset or part of a group of similar financial assets) is primarily derecognised (i.e., removed from the Company's statement of financial position) when:

- The rights to receive cash flows from the asset have expired; or
- The Company has transferred its rights to receive cash flows from the asset or has assumed an obligation to pay the received cash flows in full without material delay to a third party under a 'pass-through' arrangement; and either (a) the Company has transferred substantially all the risks and rewards of the asset, or (b) the Company has neither transferred nor retained substantially all the risks and rewards of the asset, but has transferred control of the asset.

3.2 Financial instruments - continued

When the Company has transferred its rights to receive cash flows from an asset or has entered into a pass-through arrangement, it evaluates if, and to what extent, it has retained the risks and rewards of ownership. When it has neither transferred nor retained substantially all of the risks and rewards of the asset, nor transferred control of the asset, the Company continues to recognise the transferred asset to the extent of its continuing involvement. In that case, the Company also recognises an associated liability. The transferred asset and the associated liability are measured on a basis that reflects the rights and obligations that the Company has retained.

Continuing involvement that takes the form of a Guaranty over the transferred asset is measured at the lower of the original carrying amount of the asset and the maximum amount of consideration that the Company could be required to repay.

Impairment of financial assets

The Company recognises an allowance for Expected Credit Losses (ECLs) for all debt instruments not held at fair value through profit or loss. ECLs are based on the difference between the contractual cash flows due in accordance with the contract and all the cash flows that the Company expects to receive, discounted at an approximation of the original effective interest rate. The expected cash flows will include cash flows from the sale of collateral held or other credit enhancements that are integral to the contractual terms.

ECLs are recognised in two stages. For credit exposures for which there has not been a significant increase in credit risk since initial recognition, ECLs are provided for credit losses that result from default events that are possible within the next 12-months (a 12-month ECL). For those credit exposures for which there has been a significant increase in credit risk since initial recognition, a loss allowance is required for credit losses expected over the remaining life of the exposure, irrespective of the timing of the default (a lifetime ECL).

For trade receivables, the Company applies a simplified approach in calculating ECLs. Therefore, the Company does not track changes in credit risk, but instead recognises a loss allowance based on lifetime ECLs at each reporting date. The Company has established a provision matrix that is based on its historical credit loss experience, adjusted for forward-looking factors specific to the debtors and the economic environment.

The Company considers a financial asset in default when contractual payments are 90 days past due. However, in certain cases, the Company may also consider a financial asset to be in default when internal or external information indicates that the Company is unlikely to receive the outstanding contractual amounts in full before taking into account any credit enhancements held by the Company. A financial asset is written off when there is no reasonable expectation of recovering the contractual cash flows.

Further disclosures relating to impairment of financial assets are also provided in the following • Disclosures for significant judgments, estimates and assumptions- Note 3.12.

Financial liabilities Initial recognition and measurement of financial liabilities

Financial liabilities are classified, at initial recognition, as financial liabilities at fair value through profit or loss, borrowings and trade and other payables, as appropriate.

All financial liabilities are recognised initially at fair value and, in the case of loans and borrowings and payables, net of directly attributable transaction costs.

The Company's financial liabilities include funds under management and trade and other payables. The Company did not have any financial liability that is measured at fair value through profit or loss during the year.

Subsequent measurement of financial liabilities

The measurement of financial liabilities depends on their classification, as described below:

After initial recognition, trade and other payables are subsequently measured at amortised cost. The amortised cost of a financial liability is the amount at which the financial liability is measured at initial recognition minus principal repayments, plus or minus the cumulative amortisation of any difference between that initial amount and the maturity amount.

Derecognition of financial liabilities

A financial liability is derecognised when the obligation under the liability is discharged or cancelled or expires. When an existing financial liability is replaced by another from the same lender on substantially different terms, or the terms of an existing liability are substantially modified, such an exchange or modification is treated as the derecognition of the original liability and the recognition of a new liability. The difference in the respective carrying amounts is recognised in the statement of profit or loss.

Offsetting of financial instruments

Financial assets and financial liabilities are offset and the net amount is reported in the statement of financial position, if there is a currently enforceable legal right to offset the recognised amounts and there is an intention to settle on a net basis, or to realise the assets and settle the liabilities simultaneously.

3.3 Taxes

3.3.1 Income tax expense

The tax expense for the period comprises current tax. Tax is recognised in profit or loss, except to the extent that it relates to items recognised directly in equity. In this case, the tax is also recognised in equity and subsequently recognised in profit or loss when the related deferred gain or loss is recognised.

Current income tax

The current income tax charge is calculated on the basis of the tax laws enacted or substantively enacted at the reporting date.

3.3.2 Deferred tax

Deferred tax is recognised in respect of temporary differences between the carrying amounts of assets and liabilities for financial reporting purposes and the amounts used for taxation purposes. Deferred tax is not recognised for the following temporary differences: the initial recognition of goodwill, the initial recognition of assets or liabilities in a transaction that is not a business combination and that affects neither accounting nor taxable profit, and differences relating to investments in subsidiaries to the extent that they probably will not reverse in the foreseeable future. Deferred tax is measured at the tax rates that are expected to be applied to the temporary differences when they reverse, based on laws that have been enacted or substantively enacted by the reporting date.

Deferred tax

A deferred tax asset is recognised only to the extent that it is probable that future taxable profits will be available against which the asset 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.

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

Additional income taxes that arise from the distribution of dividends are recognised at the same time as the liability to pay the related dividend is recognised.

Minimum tax

Minimum tax which is based on a gross amount is outside the scope of IAS 12 and therefore, are not presented as part of income tax expense in the profit or loss. In line with the Finance Act 2023, minimum tax is payable by companies having no taxable profits for the year or where the tax on profits is below the minimum tax. However, companies in the first four calendar years of business, companies engaged in the primary agriculture business, or small companies are exempt from minimum tax.

Minimum tax payable is calculated as 0.5% of gross turnover less franked investment income.

Where the minimum tax charge is higher than the Company Income Tax (CIT), a hybrid tax situation exists. In this situation, the CIT is recognised in the income tax expense line in the profit or loss and the excess amount is presented above the income tax line as minimum tax.

The Company offsets the tax assets arising from withholding tax (WHT) credits and current tax liabilities if, and only if, the entity has a legally enforceable right to set off the recognised amounts, and intends either to settle on a net basis, or to realise the asset and settle the liability simultaneously. The tax asset is reviewed at each reporting date and written down to the extent that it is no longer probable that future economic benefit would be realised.

3.4 Cash and cash equivalents

Cash and cash equivalents are balances that are held for the primary purpose of meeting shortterm cash commitments. These includes cash-on-hand, and those that are readily convertible to known amounts of cash, are subject to insignificant risk of changes in value and whose original maturity is three months or less. These include cash-on-hand, deposit held at call with banks and other short-term highly liquid investments (net of overdraft) which originally matures in three months or less.

3.5 Share capital

(a) Share issue costs :

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

(b) Share premium:

This represents the excess amount paid by shareholders on the nominal value of the shares. The share premium is classified as an equity instrument in the statement of financial position.

(c) Dividends on ordinary shares:

Dividends on ordinary shares are recognised in equity in the period in which they are approved by the Company's shareholders. Dividends for the year that are declared after the end of the reporting period are dealt with in the subsequent events note.

3.6 Property, plant and equipment

Property, plant and equipment is stated at cost, excluding the costs of day-to-day servicing, less accumulated depreciation and accumulated impairment. Replacement or major inspection costs are capitalised when incurred and if it is probable that future economic benefits associated with the item will flow to the entity and the cost of the item can be measured reliably.

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

Depreciation is provided on a straight line basis so as to allocate the cost less their residual values over the estimated useful lives of the following classes of assets:

- Office equipment 5 years
- Furniture and fittings 5 years
- Computer equipment 2 years
- Motor vehicles 3 years

Depreciation methods, useful lives and residual values are reassessed at each reporting date and adjusted if appropriate.

Fair value definition and measurement

Fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date. The fair value measurement is based on the presumption that the transaction to sell the asset or transfer the liability takes place either:

- In the principal market for the asset or liability, or
- In the absence of a principal market, in the most advantageous market for the asset or liability.

The principal or the most advantageous market must be accessible to by the Company.

The fair value of an asset or a liability is measured using the assumptions that market participants would use when pricing the asset or liability, assuming that market participants act in their economic best interest.

The Company uses valuation techniques that are appropriate in the circumstances and for which sufficient data are available to measure fair value, maximising the use of relevant observable inputs and minimising the use of unobservable inputs.

All assets and liabilities for which fair value is measured or disclosed in the financial statements are categorised within the fair value hierarchy, described as follows, based on the lowest level input that is significant to the fair value measurement as a whole:

Level 1 — Quoted (unadjusted) market prices in active markets for identical assets or liabilities

Level 2 — Valuation techniques for which the lowest level input that is significant to the fair value measurement is directly or indirectly observable

Level 3 — Valuation techniques for which the lowest level input that is significant to the fair value measurement is unobservable

3.5 Cash and cash equivalents (Continued)

For assets and liabilities that are recognised in the financial statements on a recurring basis, the Company determines whether transfers have occurred between levels in the hierarchy by reassessing categorisation (based on the lowest level input that is significant to the fair value measurement as a whole) at the end of each reporting period.

Subsequent to initial recognition, the fair values of financial instruments are based on quoted market prices or dealer price quotations for financial instruments traded in active markets. If the market for a financial asset is not active or the instrument is unlisted, the fair value is determined by using applicable valuation techniques. These include the use of recent arm's length transactions, discounted cash flow analyses, pricing models and valuation techniques commonly used by market participants.

3.7 Impairment of non-financial assets

The Company assesses assets or groups of assets for impairment whenever events or changes in circumstances indicate that the carrying amount of an asset may not be recoverable. If any such indication of impairment exists; the carrying amount is greater than an estimate of the asset's recoverable amount. Individual assets are grouped for impairment assessment purposes at the lowest level (Cash generating unit) at which there are identifiable cash flows that are largely independent of the cash flows of other groups of assets.

An asset group's recoverable amount is the higher of its fair value less costs to sell and its value in use. Where the carrying amount of an asset group exceeds its recoverable amount, the asset group is considered impaired and is written down to its recoverable amount. In assessing value in use, the estimated future cash flows are adjusted for the risks specific to the asset group and are discounted to their present value using a pre-tax discount rate that reflects current market assessments of the time value of money. Impairment losses are recognized in statement of profit or loss.

Impairment losses recognized in prior periods can be reversed up to the original carrying amount, had the impairment loss not been recognized. Such reversal is recognized in profit or loss. After such a reversal, the depreciation charge is adjusted in future periods to allocate the asset's revised carrying amount, less any residual value, on a systematic basis over its remaining useful life. Impairment losses of continuing operations, including impairment on inventories, are recognised in the statement of profit or loss in those expense categories consistent with the function of the impaired asset, except for a property previously re-valued where the revaluation was taken to other comprehensive income. In this case, the impairment is also recognised in other comprehensive income up to the amount of any previous revaluation.

3.8 Operating expenses

Operating expenses are recognized in the income statement on an accrual basis when incurred and measured at the fair value of the consideration paid or payable.

Operating expenses include costs incurred in the ordinary course of business, such as salaries, rent, utilities, depreciation, and other administrative expenses. These are classified based on their nature or function, as appropriate.

Operating expenses are presented separately from finance costs in the statement of profit or loss, in accordance with IFRS

3.9 Prepayments

Prepayments are recognised as payment is made and subsequently amortised on a straight-line basis over the tenor of payment.

3.10 Sinking fund

The Company maintains a sinking fund to ensure the availability of funds for meeting obligations arising from specific liabilities, including interest payments and principal repayments of debt securities, and other financial instruments held in trust. The sinking fund is established to align with the terms of the related arrangements, ensuring obligations are met as they fall due. The sinking fund is funded through periodic transfers received from the issuer of the debt instruments or other counter parties for whom the Company acts as a trustee. These funds are earmarked and managed strictly for the purpose for which they were created.

Investments held in the sinking fund are classified as non-current financial assets and are measured in accordance with the Company's financial instruments policy, typically at amortised cost.

Income generated from the sinking fund investments based on the trust deed is recognised in profit or loss in the period in which it is earned. The corresponding fund balance is reviewed annually to assess whether the amount accumulated is adequate to meet the future obligations as they fall due.

Upon maturity or repayment of the related liability, the sinking fund is liquidated and the proceeds are used for settlement.

3.11 Provisions, contingent liabilities and contingent assets Provisions

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

Contingent liabilities

A contingent liability is a possible obligation that arises from past events and whose existence will be confirmed only by the occurrence or non- occurrence of one or more uncertain future events not wholly within the control of the Company or the Company has a present obligation as a result of past event. It is not recognised because it is not likely that an outflow of resources will be required to settle the obligation or the amount cannot be reliably estimated. Contingent liabilities normally comprise of legal claims under arbitration or court process in respect of which a liability is not likely to occur. Contingent liabilities are disclosed in the financial statement when they arise.

Contingent assets

A contingent asset is a possible asset that arises from past events and whose existence will be confirmed only by the occurrence or non-occurrence of one or more uncertain future events not wholly within the control of the company. Contingent assets are not recognised but are disclosed in the financial statement when they arise.

3.12 Investment property

Investment property is initially measured at cost and subsequently at fairvalue with any change therein recognised in profit or loss. Any gain or loss on disposal of investment property (calculated as the difference between the net proceeds from disposal and the carrying amount of the item) is recognised in profit or loss. When investment property that was previously classified as property, plant and equipment is sold, any related amount included in the revaluation reserve is transferred to retained earnings.

Rental income from investment property is recognised as other revenue on a straight-line basis over the term of the lease. Lease incentives granted are recognised as an integral part of the total rental income, over the term of the lease.

Personnel expenses

Personnel expenses are recognized in profit or loss as the related services are rendered. These include salaries, wages, bonuses, and other short-term employee benefits, which are accrued where an obligation exists. Contributions to defined contribution plans are expensed when incurred, while defined benefit obligations are measured at their present value in accordance with IAS 19. Other benefits, such as leave entitlements and termination payments, are recognized based on employees' accrued rights and the Company's commitments. Personnel expenses are disclosed under operating expenses in the financial statements.

4. Significant accounting judgements, estimates and assumptions

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

The estimates and underlying assumptions are reviewed on an on-going basis. Revisions to accounting estimates are recognised in the period in which the estimate is revised, if the revision affects only that period, or in the period of the revision and future periods, if the revision affects both current and future periods.

Changes in accounting policies or measurement principles in light of new or revised standards are applied retrospectively, except as otherwise provided in the respective standard. The statement of profit or loss and other comprehensive income for the previous year and the opening statement of financial position for that year are adjusted as if the new accounting policies and/or measurement principles had always been applied.

i. Impairment losses on debt instruments other than trade receivables measured at amortised cost

The measurement of impairment losses under IFRS 9 across all categories of financial assets requires judgement, in particular, the estimation of the amount and timing of future cash flows and collateral values when determining impairment losses and the assessment of a significant increase in credit risk. These estimates are driven by a number of factors, changes in which can result in different levels of allowances.

The Company's ECL calculations are outputs of complex models with a number of underlying assumptions regarding the choice of variable inputs and their inter-dependencies. Elements of the ECL models that are considered accounting judgements and estimates include:

- The Company's internal/external credit grading model, which assigns Probability of Defaults (PDs) to the individual grades;
- The Company's criteria for assessing if there has been a significant increase in credit risk and so allowances for financial assets should be measured on a Life Time Expected Credit Loss (LTECL) basis and the qualitative assessment.
- Development of ECL models, including the various formulae and the choice of inputs; and
- Selection of forward-looking macroeconomic scenarios and their probability weightings, to derive the economic inputs into the ECL models.

ii. Provision for expected credit losses of trade receivables

The Company uses a provision matrix to calculate ECLs for trade receivables and contract assets. The provision rates are based on days past due for groupings of various customer segments that have similar loss patterns (i.e., customer type).

The provision matrix is initially based on the Company's historical observed default rates. The Company will calibrate the matrix to adjust the historical credit loss experience with forward-looking information. For instance, if forecast economic conditions (i.e., gross domestic product) are expected to deteriorate over the next year which can lead to an increased number of defaults in the various sectors, the historical default rates are adjusted. At every reporting date, the historical observed default rates are updated and changes in the forward-looking estimates are analysed.

The assessment of the correlation between historical observed default rates, forecast economic conditions and ECLs is a significant estimate. The amount of ECLs is sensitive to changes in circumstances and of forecast economic conditions. The Company's historical credit loss experience and forecast of economic conditions may also not be representative of customer's actual default in the future

Staging

Stage 1: On origination, a financial asset (provided that it is not a purchased or originated credit impaired asset) will be in stage 1 of the general model for expected credit losses. Financial assets that have not had a significant increase in credit risk since initial recognition or that (upon assessment and option selected by the Company) have low credit risk at the reporting date remain in stage 1.

For these assets, 12-month expected credit losses ('ECL') are recognised and interest revenue is calculated on the gross carrying amount of the asset (that is, without deduction for credit allowance). 12-month ECL are the ECL that result from default events that are possible within 12 months after the reporting date. It is not the expected cash shortfalls over the 12-month period but the entire credit loss on an asset, weighted by the probability that the loss will occur in the next 12 months.

Stage 2: Financial instruments that have had a significant increase in credit risk since initial recognition (unless they have low credit risk at the reporting date and this option is taken by the Company) but that do not have objective evidence of impairment. For these assets, lifetime ECL are recognised and interest revenue is still calculated on the gross carrying amount of the asset.

Lifetime ECL are the ECL that result from all possible default events over the maximum contractual period during which the Company is exposed to credit risk. ECL are the weighted average credit losses, with the respective risks of a default occurring as the weights.

The Company, when determining whether the credit risk on a financial instrument has increased significantly, considers reasonable and supportable (both historical and forward-looking) information available, in order to compare the risk of a default occurring at the reporting date with the risk of a default occurring at initial recognition of the financial instrument.

Stage 3: This includes financial assets that have objective evidence of impairment at the reporting date. For these assets, lifetime ECLs are recognised and interest revenue is calculated on the net carrying amount (that is, net of credit allowance). This is done by applying the EIR in subsequent reporting periods to the amortised cost of the financial asset.

When the Company has no reasonable expectations of recovering the financial asset, then the gross carrying amount of the financial asset can be directly reduced in its entirety via a write off. A write-off constitutes a derecognition event.

5. Financial Risk Management

a. Introduction and overview

The Company's risk management policies are established to identify and analyze the risks faced by the Company, to set appropriate limits and controls and to monitor risks and adherence to limits. Risk management policies and systems are reviewed regularly to reflect the changes in market conditions and the Company's activities. The Company through its training and management standards and procedures, aims to develop a disciplined and constructive control environment in which all employees understand their roles and obligations.

The Company has exposure to the following risks from financial operations:

- Credit risk
- Liquidity risk
- Market risk

The Company's Board of Directors have overall responsibility for the establishment and oversight of the Company's risk management framework. The Board of Directors is also responsible for monitoring the Company's risk management policies.

b. Credit Risk

Credit risk is the risk that counterparty to a financial instrument will fail to discharge an obligation or commitment that it has entered into with AVA Trustees Limited ("the Company") thereby resulting in a financial loss to the Company. The Company limits its exposure to credit loss by placing money with banks with high credit quality and by diversifying among eligible issuers.

i. Exposure to credit risk

The maximum exposure to credit risk at the end of the reporting period as detailed below.

In thousands of naira	Notes	31-Dec-24	31-Dec-23
Cash and cash equivalents	13	5,145,333	7,805,197
		5,145,333	7,805,197

ii. Management of credit risk

(a) Cash and cash equivalents

The Company held cash and cash equivalents of N4.9 billion at 31 December 2024 (31 December 2023: N7.8 billion). The cash and cash equivalents have maturity profile of less than 3 months and are held with local banks and financial institution counterparties, which are assessed to have good credit ratings (B-) by Fitch rating agency, both in the long term and short term respectively.

Appropriate Credit Policies

The Company measures loan loss allowances at an amount equal to lifetime ECL, except for those measured as 12-month ECL where credit risk has not increased significantly since their initial recognition.

12-month ECL are the portion of ECL that result from default events on a financial instrument that are possible within the 12 months after the reporting date. Financial instruments for which a 12-month ECL is recognised are referred to as 'Stage 1 financial instruments'.

Maximum exposure to credit risk

Credit risk is the risk of financial loss to the company if a customer or counterparty to a financial instrument fails to meet its contractual obligations, and arises principally from the Company's cash and cash equivalent. The Company's maximum exposure is equivalent to the carrying amount of financial assets.

In thousands of naira	Notes	31-Dec-24	31-Dec-23
Maximum exposure to credit risk			
Cash & cash equivalents	13	5,145,333	7,805,196.63
		5,145,333	7,805,196.63

ECL allowances

The table below shows ECL allowances for financial assets as at 31 December 2024

In thousands of naira	Outstanding Balance				Expected Credit Loss			
	Stage 1	Stage 2	Stage 3	Total	Stage 1	Stage 2	Stage 3	Total ECL
Cash & cash equivalents	5,145,333	-	-	5,145,333	-	-	-	-
Grand Total	5,145,333	-	-	5,145,333	-	-	-	-

b. Liquidity risk

Liquidity risk is the risk that the Company will encounter difficulty in meeting obligations associated with its liabilities that are settled by delivering cash or other financial assets. It is the potential loss to the Company arising from either its inability to meet its obligations or to fund committed increases in assets as they fall due without incurring unacceptable costs or losses.

Management of liquidity risk

The Board of Directors sets the strategy for liquidity risk and delegates the responsibility for oversight and implementation of the policy to Executive Management. The liquidity position is monitored and managed daily by Executive Management and the Finance Department on a regular basis. Assessment of liquidity is carried out regularly, which is aimed at evaluating limit compliances across all the key liquidity management criteria e.g. funding gap, liquidity mismatches etc.

The Executive Management has the primary responsibility for managing liquidity risk arising from assets and liability creation activities. Deliberate strategies put in place to ensure the Company is protected from liquidity risk include:

- (i) Liquidity risk identification at transaction, portfolio and entity levels using the defined early warning liquidity risk indicators for measurement on parameters such as funding mismatch.
- (ii) Establishment of the Company's liquidity risk appetite which is the amount of risk the Company is willing to accept in pursuit of value using relevant liquidity risk ratios and assets and liability funding gaps.
- (iii) Monitoring liquidity ratios, behavioral characteristics of the Company's financial assets and liabilities, and the extent to which they are encumbered.
- (iv) Maintaining liquidity and funding contingency plans. These plans identify early indicators of stress conditions and describes actions to be taken in the event of difficulties to minimize any adverse long term implications for the business.

Liquidity Risk Profile

The key measure used in monitoring liquidity risk is the Maturity Gap Ratio, which is calculated as the ratio of maturing assets to maturing liabilities. The Maturity Gap Ratio displays the extent of mismatch between maturing assets and maturing liabilities. The following are the contractual maturities of financial assets and liabilities, including estimated interest payments.

31 December 2024						
In thousands of naira	Note	Carrying amount	Gross nominal inflow/ outflow	Within 3 months	3 - 12 months	Over 1 year
Financial assets						
Cash and cash equivalents	13	5,145,333	5,145,333	5,145,333	-	-
Total financial assets		5,145,333	5,145,333	5,145,333		
Financial Liabilities						
Trade and other payables	17	761,862	761,862	761,862	-	-
Total financial liabilities		761,862	761,862	761,862		
Liquidity gap		4,383,471	4,383,471	4,383,471	-	-
Cumulative liquidity gap				4,383,471	4,383,471	4,383,471

31 December 2023

In thousands of naira	Note	Carrying amount	Gross nominal inflow/ outflow	Within 3 months	3 - 12 months	Over 1 year
Financial assets						
Cash and cash equivalents	13	7,805,197	7,805,197	7,805,197	-	-
Total financial assets		7,805,197	7,805,197	7,805,196		
Financial Liabilities						
Trade and other payables	17	64,878	64,878	64,878	-	-
Total financial liabilities		64,878	64,878	64,878		
Liquidity gap		7,740,319	7,740,319	7,740,318	-	-
Cumulative liquidity gap				7,740,318	7,740,318	7,740,318

(c) Market risk

Market risk is the risk that changes in market prices such as interest rate, foreign exchange rates will affect the Company's income or the value of its holdings in financial instruments. The objective of the Company's market risk management is to manage and control market risk exposures within acceptable parameters in order to ensure the Company's solvency, while optimizing the return on risk.

Management of market risk

The overall authority for market risk is vested by the Board in the Executive Management which sets up limits for each type of risk in aggregate. They are responsible for monitoring, managing and reporting to the Board of Directors. The Company uses sensitivity analysis to manage market risks in situations where the impact of market risk is considered significant and where insignificant the resulting exchange loss is recognized within operating expenses.

(i) Interest Rate Risk

Interest rate risk is the risk that the future cash flows of a financial instrument will fluctuate because of changes in market interest rates. The Company manages interest rate risk by ensuring all its interest rate exposure is at a fixed rate. The company's exposure to interest rate risk was insignificant as at 31 December 2024.

(d) Capital management

The Company's capital management approach is driven by its strategy and organisational requirements, taking into account the environment in which it operates. The strategy for assessing and managing the impact of management's business plans on present and future capital forms an integral part of the Company's strategic plan. Specifically, the Company considers how the present and future capital requirements will be managed and met against projected capital requirements. This is based on the Company's assessment taking account of the Company's business strategy and value creation to all its stakeholders. The Company strives to maintain a healthy capital position.

6. Interest Income

	31 'December 2024 N'000	31 'December 2023 N'000
Interest income of fixed deposit	861,828	357,398
Interest received on bank balances	344	8,226
	862,172	365,623

7. Fees and commission income

	31 'December 2024 N'000	31 'December 2023 N'000
Sign on fees	82,920	64,180
	82,920	64,180

(i) Sign on fees relates to fees charged to onboard new customers and other trustee fees.

8. Interest Expense

	31 'December 2024 N'000	31 'December 2023 N'000
Return to client (i)	487,124	217,788
	487,124	217,788

(i) Return to client relates to interest paid to client with respect to sinking fund.

9. Other income

	31 'December 2024 N'000	31 'December 2023 N'000
Other income	7,474	-
	7,474	-

(i) Return to client relates to interest paid to client with respect to sinking fund.

10. Operating expenses

	31 'December 2024 N'000	31 'December 2023 N'000
Expenses by nature		
Auditor's remuneration	3,500	1,000
Office Expenses	91,238	69,253
Advertising and Branding	17,664	4,000
Professional fee	3,079	1,234
Travel Expenses	683	35,436
Repairs and maintenance	5,132	-
Training Expense (i)	14,867	5,250
Medicals	6,275	2,750
Insurance	1,487	704
Rent	6,285	-
IT Expenses	10,263	9,916
Board expenses	1,467	1,478
Year-end expense (ii)	74,904	23,956
Other Operating Expenses	8,896	4,279
	245,739	159,256

(i) Training expenses presented under Personnel expenses in the prior year were properly reclassified as Operating expenses.

(ii) Year-end expense relates to expenses incurred for end of year party, christmas package etc.

11. Personnel expenses

	31 'December 2024 N'000	31 'December 2023 N'000
Staff costs (excluding executive Directors):		
Salaries & Wages (i)	34,477	12,870
Pension Contribution-Employer	1,869	1,520
Other allowances (ii)	2,743	1,526
	39,089	15,916

(i) For proper presentation purposes, we have merged staff welfare which was presented separately in prior year with salaries and wages.

(ii) Other allowances include PAYE, leave allowance and NHF.

The average number of persons, excluding directors, employed by the Company during the year was as follows:

Managerial	2	0
Non-management	5	3
	7	3

The table below shows the number of employees (excluding directors), who earned over N3,000,000 as emoluments in the year and

N1,000,001 - N3,000,000	4	1
N3,000,001 - N5,000,000	1	1
N5,000,001 - N7,000,000	1	1
N7,000,001 - above	1	0
	7	3

12. Taxation

12.1 Current income tax

	31 'December 2024 N'000	31 'December 2023 N'000
Company Income Tax	56,970	9,860
Education Tax	-	-
Police Trust Fund Levy	-	-
Information Technology Levy	-	-
Current Income Tax Charge	-	0
	56,970	9,860

12.2 Effective tax reconciliation

The tax on the Company's profit before tax differs from the theoretical amount that would arise using the basic tax rate of the Company as follows:

	31 December 2024 N'000	%	31 December 2023 N'000	%
Profit before tax	166,118		27,480	30.0%
Tax using domestic rate	-	0%	8,244	30.0%
Change in prior year temporary differences			511	1.9%
Education tax	-		1,105	4.0%
Effective tax rate		0%	9,860	35.9%

12.3 Current income tax payable

	31 'December 2024 N'000	31 'December 2023 N'000
At the beginning of the year:	9,860	2,363
Current income tax	56,970	9,860
Payments during the year	(9,860)	(2,363)
	56,970	9,860

13. Cash and cash equivalents

	31 'December 2024 N'000	31 'December 2023 N'000
Cash in bank	214,502	1,712,534
Short term deposit	4,677,541	6,075,188
Interest receivable	253,290	17,475
	5,145,333	7,805,197
Current	5,145,333	7,805,197
Non-Current	-	-
	5,145,333	7,805,197

14. Other Assets

	31 'December 2024 N'000	31 'December 2023 N'000
WHT Receivable	116,982	7,917
Prepayments	28,668	1,337
	145,650	9,254
Total	145,650	9,254
Current	145,650	9,254
Non- Current	-	-
	145,650	9,254

15. Property, Plant and Equipment

Cost	Motor Vehicle N'000	Computer Equipment N'000	Furniture Equipment N'000	Funitures and fittings N'000	Total N'000
As at 1 January 2024	36,600	3,069	466	807	40,942
Additions	-	3,602	-	-	3,602
As at 31 December 2024	36,600	6,671	466	807	44,544
Accumulated Depreciation					
As at 1 January 2024	20,875	1,603	416	806	23,700
Charge for the year	12,200	2,245	50	1	14,496
As at 31 December 2024	33,075	3,848	466	807	38,196
Carrying amount					
As at 31 December 2024	3,525	2,823	0	0	6,348
Cost	Motor Vehicle N'000	Computer Equipment N'000	Furniture Equipment N'000	Funitures and fittings N'000	Total N'000
As at 1 January 2023	28,900	1,968	466	807	32,141
Additions	7,700	1,101	-	-	8,801
As at 31 December 2023	36,600	3,069	466	807	40,942
Accumulated Depreciation					
As at 1 January 2024	13,189	541	169	437	14,336
Charge for the year	7,686	1,062	247	369	9,364
As at 31 December 2023	20,875	1,603	416	806	23,700
Carrying amount					
As at 31 December 2023	15,725	1,466	50	1	17,242

16. Investment Property

	31 'December 2024 N'000	31 'December 2023 N'000
Balance, beginning of year	660,000	-
Additions	-	660,000
Disposals	(660,000)	-
Balance at end of year	-	660,000

17. Accruals and other Liabilities

	31 'December 2024 N'000	31 'December 2023 N'000
Payable trust fund	49,808	1,795,551
Customer payable	506,084	1,223,800
Interest payable	199,355	53,873
Other payable	6,615	24,878
Total	761,862	3,098,103
Current	761,862	3,098,103
Non- Current	-	-
	761,862	3,098,103

Analysis of accruals and other liabilities

	31 'December 2024 N'000	31 'December 2023 N'000
Opening balance	3,098,103	6,800,334
Closing Balance	761,862	3,098,103
(Increase)/Decrease in accruals and other payables	2,336,240	3,702,231

18. Trust Sinking fund

	31 'December 2024 N'000	31 'December 2023 N'000
Trust sinking fund	3,348,410	4,362,790
Total	3,348,410	4,362,790
Current	-	-
Non- Current	3,348,410	4,362,790
	3,348,410	4,362,790

The Company's sinking fund as at 31 December consist of the following:

	31 'December 2024 N'000	31 'December 2023 N'000
SINKING FUND-KSIP	183,956	185,365
SINKING FUND-MINARET	1,852,772	2,409,943
SINKING FUND - CALIPHATE SUKUK	143,381	311,856
SINKING FUND - ZAMFARA ZSG SPV	749,259	1,207,028
SINKING FUND-JEWEL SPV SUKUK	352,493	248,598
SINKING FUND-GOS	66,549	-
Balance at end of year	3,348,410	4,362,790

19. Share capital

The share capital comprises of ordinary shares of 500,000,000 units issued at N1 each.

	31 'December 2024 N'000	31 'December 2023 N'000
Authorized and issued:		
Balance at beginning of year	1,000,000	300,000
Issue of shares	-	700,000
Balance at end of year	1,000,000	1,000,000

19.1 Retained earnings

	31 'December 2024 N'000	31 'December 2023 N'000
Balance, beginning of year	20,940	3,320
Loss/profit for the year	109,148	17,620
Balance at end of year	130,088	20,940

20. Related parties

Related parties are those with control or significant influence over the company, including key management personnel, their close family members, and entities they control.

20.1 Key management personnel

Key management personnel constitutes those individuals who have the authority and the responsibility for planning, directing and controlling the activities of AVA Trustees Limited, directly or indirectly.

The key management personnel of the Company include all directors (executive and non-executive). Directors were not paid fees during the year.

21. Contingent liabilities and capital commitments

There were no contingent liabilities and capital commitments at the end of the year (2023:Nil)

22. Events after reporting date

There were no subsequent events which could have a material effect on the financial position of the Company as at 31 December 2024 or the profit for the year then ended on that date, that have not been adequately provided for or disclosed in the financial statements.

23. Non-Audit Services

There were no non-audit services provided during the year by the External Auditor.

24. Cash Flow workings

	31 'December 2024 N'000	31 'December 2023 N'000
(a) Other assets		
Balance at the beginning of the year	9,254	60,340
Movement during the year	136,396	(51,086)
Balance at the end of the year (see note 13)	145,650	9,254
(b) Investment property		
Balance at the beginning of the year	660,000	-
Movement during the year	(660,00)	660,000
Balance at the end of the year (see note 15)	-	660,000
(c) Accruals and other Liabilities		
Balance at the beginning of the year	3,098,103	122,618
Movement during the year	(2,336,240)	2,975,485
Balance at the end of the year (see note 16)	761,862	3,098,103
(d) Sinking fund		
Balance at the beginning of the year	4,362,790	6,677,717
Movement during the year	(1,014,380)	(2,314,927)
Balance at the end of the year (see note 17)	3,348,410	4,362,790

** Sinking fund relates to payable trust fund and trust sinking fund*



Other National Disclosures

VALUE ADDED STATEMENT

FOR THE YEAR ENDED 31 DECEMBER 2024

	2024 N'000	%	2023 N'000	%
Gross earnings	952,567		429,803	
Interest expense	(487,124)		(217,788)	
Bought in materials and services	(245,739)		(159,256)	
Value added	219,704	100%	52,760	100%
Distribution				
Employees				
Wages, salaries and benefits	39,089	18%	15,916	30%
Government				
Company income tax	56,970	26%	9,860	19%
Retained in the business				
Depreciation and amortization	14,496	7%	9,364	18%
(Loss)/profit for the period	109,148	50%	17,620	33%
	219,704	100%	52,760	100%

THREE YEAR FINANCIAL SUMMARY

	31 Dec 2024 N'000	31 Dec 2023 N'000	31 Dec 2022 N'000
ASSETS			
Cash and cash equivalents	5,145,333	7,805,197	7,027,827
Other Assets	145,650	9,254	60,385
Property & Equipment	6,348	17,242	17,805
Investment property	-	660,000	
	5,297,331	8,491,693	7,106,017
LIABILITIES			
Accruals and Other Liabilities	761,862	3,098,103	122,617
Current Tax Liabilities	56,970	9,860	2,363
Deferred Tax Liability	-	-	-
Trust sinking fund	3,348,410	4,362,790	6,677,717
TOTAL LIABILITIES	4,167,243	7,470,753	6,802,697
NET ASSETS	1,130,087	4,262,879	2,451,865
CAPITAL AND RESERVES			
Share capital	1,000,000	1,000,000	300,00
Retained in the business:	130,088	20,940	3,320
TOTAL CAPITAL AND RESERVES	1,130,088	1,020,940	303,320
TOTAL EQUITY + LIABILITY	5,297,331	8,491,693	7,106,017

	31 Dec 2024 N'000	31 Dec 2023 N'000	31 Dec 2022 N'000
Loss/profit before tax	166,118	27,480	3,593
Income tax	(56,970)	(9,860)	(1,872)
Loss/profit for the year	109,148	17,620	1,721

Your kids can own stocks too.

Give your kids a financial edge
by **opening an AVA Securities
account** for them.



AVA SECURITIES LIMITED ANNUAL REPORT FOR THE YEAR END 31 DECEMBER 2024

Corporate Information

Registered Number	RC 815347
Business Address	3 Glover Street Ikoyi, Lagos Nigeria.
Board of Directors	Adeniji Ifeyinwa Ndidiamaka - Managing Director Fadahunsi Samson Olukayode - Non-Executive Director Adekunle Samson Adeboye - Non-Executive Director Okurounmu Temiloluwa Aderonke - Non-Executive Director Shaire Omoefe Anthony - Non-Executive Director Adedeji Adeyinka - Non-Executive Director Adegbite Adedotun Olawepo - Non-Executive Director
Company Secretary	Famakinwa Idowu Paul
Independent Auditor	KPMG Professional Services KPMG Tower Bishop Aboyade Cole Street Victoria Island, Lagos Nigeria
Bankers	Guaranty Trust Bank Plc Coronation Bank Sterling Bank Access Bank Nigeria Plc United Bank of Africa Plc Providus Bank Limited Globus Bank Keystone Bank Plc Taj Bank Limited
TIN	240110169509

DIRECTORS' REPORT

FOR THE YEAR END 31 DECEMBER 2024

The directors present their report on the affairs of AVA Securities Limited ("the Company") together with the audited financial statements and the auditor's report for the year ended 31 December 2024.

A. Legal form

The Company was incorporated as a private limited liability company on 30 April 2009. It is registered with the Securities and Exchange Commission (SEC) to undertake brokerage services.

B. Principal activity

The principal activities of the Company continue to be the provision of securities services to individuals and corporate organizations. Brokerage commissions and fees earned in respect of management activities performed are included in the Statement of Profit or Loss and other Comprehensive Income.

C. Operating results

Highlights of the Company's operating results for the year are as follows:

	31 December 2024	31 December 2023
	N'000	N'000
Gross Earnings	188,328	136,739
Profit before taxation	36,816	15,380
Taxation	(12,607)	(1,836)
Profit after taxation	24,209	13,544

D. Directors and their interests

The Directors who served during the period and up to the date of this report are as follows:

Adeniji Ifeyinwa Ndidiamaka - Managing Director
 Fadahunsi Samson Olukayode - Non-Executive Director
 Adekunle Samson Adeboye - Non-Executive Director
 Okurounmu Temiloluwa Aderonke - Non-Executive Director
 Shaire Omofe Anthony - Non-Executive Director
 Adedeji Adeyinka - Non-Executive Director
 Adegbite Adedotun Olawepo - Non-Executive Director

The directors do not have any interest required to be disclosed under section 303 of the Companies and Allied Matters Act (CAMA), 2020.

E. Directors' Interests in Contracts

In accordance with section 303 of the Companies and Allied Matters Act (CAMA), 2020, none of the directors have notified the Company of any declarable interests in contracts with the Company.

F. Property and Equipment

Information relating to changes in property and equipment is given in Note 17 to the financial statements. In the directors' opinion, the realisable value of the Company's properties is not less than the value shown in the financial statements.

G. Shareholding Analysis

The issued and fully paid-up share capital of the Company was 500,000,000 ordinary shares of ₦1 each. The shareholding structure as at the balance sheet date were as shown below:

	31 December 2024 ₦'000	Percentage (%)	31 December 2023 ₦'000	Percentage (%)
Prosperis Holding Company Limited	484,500	96%	484,500	96%
Adeniyi Olubusayo	20,500	4%	20,500	4%
	505,000	100%	505,000	100.0%

H. Events after reporting period

There were no subsequent events which could have a material effect on the financial position of the Company as at 31 December 2024 or the profit for the year then ended on that date, that have not been adequately provided for or disclosed in the financial statements.

I. Human resources**Health, safety and welfare at work**

The Company places a high premium on the health, safety and welfare of its employees in their place of work. Medical facilities are provided for employees and their immediate families at the company's expense, up to stated limits.

Employment of disabled persons

The Company has no disabled persons in its employment. However, applications for employment by disabled persons are always fully considered, bearing in mind the respective aptitudes and abilities of the applicants concerned. In the event of members of staff becoming disabled, every effort is made to ensure that their employment with the company continues and that appropriate training is arranged. It is the policy of the Company that the training, career development and promotion of disabled persons should, as far as possible, be identical with that of other employees.

Employee consultation and training

The Company places considerable value on the involvement of its employees and has continued its previous practice of keeping them informed on matters affecting them as employees and on various factors affecting the performance of the company. In line with this, formal and informal channels of communication are employed in keeping the staff abreast of various factors affecting the performance of the company. The Company organises in-house and external training for its employees.

J. Donations and charitable gifts

The company made no contributions to charitable and non-political organisations during the year (2023: nil).

Auditors

The previous auditors, Messrs. Joseph Dauda and Co., who audited the prior year financial statements up to 31 December 2023, have resigned and KPMG Professional Services was appointed on 17th May 2024. In accordance with Section 401 (2) of the Companies and Allied Matters Act (CAMA) 2020, therefore, the auditor will be re-appointed at the next annual general meeting of the Company without any resolution being passed.

SIGNED BY ORDER OF THE BOARD

Famakinwa Idowu Paul

Company Secretary

FRC/2025/PRO/NBA/002/015122

31-Mar-25

STATEMENT OF DIRECTORS' RESPONSIBILITIES IN RELATION TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2024

The Directors accept responsibility for the preparation of the annual financial statements that give a true and fair view in accordance with International Financial Reporting Standards and in the manner required by the Companies and Allied Matters Act (CAMA), 2020 and Financial Reporting Council of Nigeria (Amendment) Act, 2023.

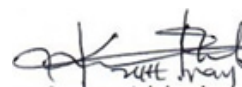
The Directors further accept responsibility for maintaining adequate accounting records as required by the Companies and Allied Matters Act (CAMA), 2020 and for such internal control as the directors determine is necessary to enable the preparation of financial statements that are free from material misstatement whether due to fraud or error.

The Directors have made an assessment of the Company's ability to continue as a going concern and have no reason to believe the Company will not remain a going concern in the year ahead.

SIGNED ON BEHALF OF THE BOARD OF DIRECTORS BY:



Kayode Fadahunsi
Director
FRC/2015/CISN/00000011838
31-Mar-25



Samson Adekunle
Director
FRC/2020/003/00000021513
31-Mar-25

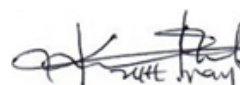
STATEMENT OF CORPORATE RESPONSIBILITY OF THE FINANCIAL STATEMENT FOR THE YEAR ENDED 31 DECEMBER 2024

Further to the provisions of section 405 of the Companies and Allied Matters Act (CAMA), 2020, we, the Managing Director/CEO and Chief Financial Officer, hereby certify the financial statements of AVA Securities Limited for the year ended 31 December 2024 as follows:

- a. That we have reviewed the audited financial statements of the Company for the year ended 31 December 2024.
- b. That the audited financial statements do not contain any untrue statement of material fact or omit to state a material fact which would make the statements misleading, in the light of the circumstances under which such statement was made.
- c. That the audited financial statements and all other financial information included in the statements fairly present, in all material respects, the financial condition and results of operation of the Company as of and for, the year ended 31 December 2024.
- d. That we are responsible for establishing and maintaining internal controls and have designed such internal controls to ensure that material information relating to the Company is made known to us by other officers of the companies, during the period end 31 December 2024.
- e. That we have evaluated the effectiveness of the Company's internal controls within 90 days prior to the date of audited financial statements, and certify that the Company's internal controls are effective as of that date.
- f. That there were no significant changes in internal controls or in other factors that could significantly affect internal controls subsequent to the date of our evaluation, including any corrective action with regard to significant deficiencies and material weaknesses.
- g. That we have disclosed the following information to the Company's Auditors and Audit Committee:
 - i. there are no significant deficiencies in the design or operation of internal controls which could adversely affect the Company's ability to record, process, summarise and report financial data, and have identified for the Company's auditors any material weaknesses in internal controls, and
 - ii. there is no fraud that involves management or other employees who have a significant role in the Company's internal control



Kayode Fadahunsi
FRC/2015/CISN/00000011838
Director
31-Mar-25



Samson Adekunle
FRC/2020/003/00000021513
Director
31-Mar-25

MANAGEMENT'S ANNUAL ASSESSMENT OF INTERNAL CONTROL OVER FINANCIAL REPORTING

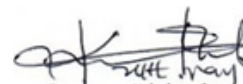
To comply with the provisions of Section 1.3 of SEC guidance on implementation of sections 60-63 of Investments and Securities Act 2007, we hereby make the following statements regarding the Internal Controls of AVA Securities Limited for the year ended 31 December 2024:

- i. AVA Securities Limited's management is responsible for establishing and maintaining a system of internal control over financial reporting ("ICFR") that provides reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with International Financial Reporting Standards.
- ii. AVA Securities Limited's management used the Committee of Sponsoring Organization of the Treadway Commission (COSO) Internal Control-Integrated Framework to conduct the required evaluation of the effectiveness of the entity's ICFR;
- iii. AVA Securities Limited's management has assessed that the entity's ICFR as of the end of 31 December 2024 is effective.
- iv. AVA Securities Limited's external auditor Messrs. KPMG that audited the financial statements included in the annual report, has issued an attestation report on management's assessment of the entity's internal control over financial reporting.

The attestation report of Messrs. KPMG Professional Services that audited its financial statements will be filed as part of AVA Securities Limited's annual report.



Kayode Fadahunsi
FRC/2015/CISN/00000011838
Director
31-Mar-25



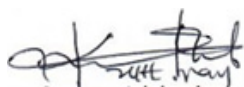
Samson Adekunle
FRC/2020/003/00000021513
Director
31-Mar-25

CERTIFICATION OF MANAGEMENT'S ASSESSMENT ON INTERNAL CONTROL OVER FINANCIAL REPORTING

To comply with the provisions of Section 1.1 of SEC Guidance on Implementation of Sections 60-63 of Investments and Securities Act 2007, I hereby make the following statements regarding the Internal Controls of AVA Securities Limited for the year ended 31 December 2024.

I, Samson Adekunle, certify that:

- a. I have reviewed this management assessment on internal control over financial reporting of AVA Securities Limited;
- b. Based on my knowledge, this report does not contain any untrue statement of a material fact or omit to state a material fact necessary to make the statements made, in light of the circumstances under which such statements were made, not misleading with respect to the period covered by this report;
- c. Based on my knowledge, the financial statements, and other financial information included in this report, fairly present in all material respects the financial condition, results of operations and cash flows of the entity as of, and for, the periods presented in this report;
- d. The entity's other certifying officer and I:
 1. are responsible for establishing and maintaining internal controls;
 2. have designed such internal controls and procedures, or caused such internal controls and procedures to be designed under our supervision, to ensure that material information relating to the entity, is made known to us by others within the entity, particularly during the period in which this report is being prepared;
 3. have designed such internal control system, or caused such internal control system to be designed under our supervision, to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with IFRS Accounting Standards;
 4. have evaluated the effectiveness of the entity's internal controls and procedures as of a date within 90 days prior to the report and presented in this report our conclusions about the effectiveness of the internal controls and procedures, as of the end of the period covered by this report based on such evaluation.
- e. The entity's other certifying officer and I have disclosed, based on our most recent evaluation of internal control system, to the entity's auditors and the audit committee of the entity's board of directors (or persons performing the equivalent functions):
 1. There are no significant deficiencies or material weaknesses in the design or operation of the internal control system that would adversely affect the entity's ability to record, process, summarize, and report financial information; and
 2. Any fraud, regardless of materiality, involving management or other employees with a significant role in the entity's internal control system.
- f. The entity's other certifying officer(s) and I have not identified, in the report any significant changes in internal controls or other facts that could significantly affect internal controls subsequent to the date of their evaluation.



Samson Adekunle

FRC/2020/003/00000021513

Director

31-Mar-25

CERTIFICATION OF MANAGEMENT'S ASSESSMENT ON INTERNAL CONTROL OVER FINANCIAL REPORTING

To comply with the provisions of Section 1.1 of SEC Guidance on Implementation of Sections 60-63 of Investments and Securities Act 2007, I hereby make the following statements regarding the Internal Controls of AVA Securities Limited for the year ended 31 December 2024.

I, Kayode Fadahunsi, certify that:

- a. I have reviewed this management assessment on internal control over financial reporting of AVA Securities Limited;
- b. Based on my knowledge, this report does not contain any untrue statement of a material fact or omit to state a material fact necessary to make the statements made, in light of the circumstances under which such statements were made, not misleading with respect to the period covered by this report;
- c. Based on my knowledge, the financial statements, and other financial information included in this report, fairly present in all material respects the financial condition, results of operations and cash flows of the entity as of, and for, the periods presented in this report;
- d. The entity's other certifying officer and I:
 1. are responsible for establishing and maintaining internal controls;
 2. have designed such internal controls and procedures, or caused such internal controls and procedures to be designed under our supervision, to ensure that material information relating to the entity, is made known to us by others within the entity, particularly during the period in which this report is being prepared;
 3. have designed such internal control system, or caused such internal control system to be designed under our supervision, to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with IFRS Accounting Standards;
 4. have evaluated the effectiveness of the entity's internal controls and procedures as of a date within 90 days prior to the report and presented in this report our conclusions about the effectiveness of the internal controls and procedures, as of the end of the period covered by this report based on such evaluation.
- e. The entity's other certifying officer and I have disclosed, based on our most recent evaluation of internal control system, to the entity's auditors and the audit committee of the entity's board of directors (or persons performing the equivalent functions):
 1. There are no significant deficiencies or material weaknesses in the design or operation of the internal control system that would adversely affect the entity's ability to record, process, summarize, and report financial information; and
 2. Any fraud, regardless of materiality, involving management or other employees with a significant role in the entity's internal control system.
- f. The entity's other certifying officer(s) and I have not identified, in the report any significant changes in internal controls or other facts that could significantly affect internal controls subsequent to the date of their evaluation.



Kayode Fadahunsi

FRC/2015/CISN/00000011838

Director

31-Mar-25

**KPMG Professional Services**

KPMG Tower
Bishop Abiodun Cole Street
Victoria Island
PMG 40014, Falomo
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Independent Auditor's Limited Assurance Report

To the Board of Directors of AVA Securities Limited

Report on Limited Assurance Engagement Performed on Management's Assessment of Internal Control Over Financial Reporting

Conclusion

We have performed a limited assurance engagement on whether internal control over financial reporting of AVA Securities Limited ("the Company") as of 31 December 2024 is effective in accordance with the criteria established in Internal Control - Integrated Framework (2013) issued by the Committee of Sponsoring Organizations of the Treadway Commission ("the COSO Framework") and the Financial Reporting Council of Nigeria Guidance on Management Report on Internal Control Over Financial Reporting.

Based on the procedures performed and evidence obtained, nothing has come to our attention to cause us to believe that the Company's internal control over financial reporting as of 31 December 2024 is not effective, in all material respects, in accordance with the criteria established in the COSO Framework and the Financial Reporting Council of Nigeria Guidance on Management Report on Internal Control Over Financial Reporting.

Basis for conclusion

We conducted our engagement in accordance with International Standard on Assurance Engagements (ISAE) 3000 (Revised), Assurance Engagements Other Than Audits or Reviews of Historical Financial Information issued by the International Auditing and Assurance Standards Board (IAASB) and the Financial Reporting Council of Nigeria Guidance on Assurance Engagement Report on Internal Control over Financial Reporting. Our responsibilities are further described in the "Our responsibilities" section of our report.

We have complied with the independence and other ethical requirements of the International Code of Ethics for Professional Accountants (including International Independence Standards) issued by the International Ethics Standards Board for Accountants (IESBA).

Our firm applies International Standard on Quality Management (ISQM) 1, Quality Management for Firms that Perform Audits or Reviews of Financial Statements, or Other Assurance or Related Services Engagements, issued by the IAASB. This standard requires the firm to design, implement and operate a system of quality management, including policies or procedures regarding compliance with ethical requirements, professional standards and applicable legal and regulatory requirements.

We believe that the evidence we have obtained is sufficient and appropriate to provide a basis for our conclusion.

KPMG Professional Services, a partnership registered in Nigeria and a member firm of the KPMG global organisation of independent member firms affiliated with KPMG International Limited, a private English company limited by guarantee.

Registered in Nigeria No BN 986925

A list of partners is available for inspection at the firm's address.



Other matter

We have audited the financial statements of AVA Securities Limited in accordance with the International Standards on Auditing, and our report dated 2 April 2025 expressed an unmodified opinion of those financial statements.

Our conclusion is not modified in respect of this matter.

Responsibilities for Internal Control over Financial reporting

The Board of Directors of AVA Securities Limited is responsible for maintaining effective internal control over financial reporting, and for its assessment of the effectiveness of internal control over financial reporting, included in the accompanying Management's report. Our responsibility is to express a conclusion on the Company's internal control over financial reporting based on our assurance engagement.

Our responsibilities

The Financial Reporting Council of Nigeria Guidance on Assurance Engagement Report on Internal Control over Financial Reporting ("the Guidance") requires that we plan and perform the assurance engagement and provide a limited assurance report on the Company's internal control over financial reporting based on our assurance engagement.

Summary of the work we performed as the basis for our conclusion

We exercised professional judgment and maintained professional skepticism throughout the engagement. As prescribed in the Guidance, the procedures we performed included obtaining an understanding of internal control over financial reporting, assessing the risk that a material weakness exists, and testing and evaluating the design and operating effectiveness of internal control based on the assessed risk. Our engagement also included performing such other procedures as we considered necessary in the circumstances. We believe the procedures performed provide a basis for our report on the internal control put in place by management over financial reporting.

The procedures performed in a limited assurance engagement vary in nature and timing from, and are less in extent than for, a reasonable assurance engagement. Consequently, the level of assurance obtained in a limited assurance engagement is substantially lower than the assurance that would have been obtained had a reasonable assurance engagement been performed.

Definition and Limitations of Internal Control Over Financial Reporting

A company's internal control over financial reporting is a process designed to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles. A company's internal control over financial reporting includes those policies and procedures that:

- i. pertain to the maintenance of records that, in reasonable detail, accurately and fairly reflect the transactions and dispositions of the assets of the company;
- ii. provide reasonable assurance that transactions are recorded as necessary to permit preparation of financial statements in accordance with generally accepted accounting principles, and that receipts and expenditures of the company are being made only in accordance with authorizations of management and directors of the company; and

- iii. provide reasonable assurance regarding prevention or timely detection of unauthorised acquisition, use, or disposition of the company's assets that could have a material effect on the financial statements.

Because of its inherent limitations, internal control over financial reporting may not prevent or detect all misstatements. Furthermore, projections of any evaluation of effectiveness to future periods are subject to the risk that controls may become inadequate because of changes in conditions, or that the degree of compliance with the policies or procedures may deteriorate..



Onyinye Okere, ACA

FRC/2012ICAN/00000000421

For: KPMG Professional Services

Chartered Accountants

31 March 2025 Lagos, Nigeria

**KPMG Professional Services**

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Bishop Aboyade Cole Street
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INDEPENDENT AUDITOR'S REPORT

To the Board of Directors of AVA Securities Limited

Report on the Audit of the Financial Statements

Opinion

We have audited the financial statements of AVA Securities Limited ("the Company"), which comprise:

- the statement of financial position as at 31 December 2024;
- the statement of profit or loss and other comprehensive income;
- the statement of changes in equity;
- the statement of cash flows for the year then ended; and
- the notes, comprising material accounting policies and other explanatory information.

In our opinion, the accompanying financial statements give a true and fair view of the financial position of the Company as at 31 December 2024, and of its financial performance and its cash flows for the year then ended in accordance with IFRS Accounting Standards as issued by the International Accounting Standards Board (IFRS Accounting Standards) and in the manner required by the Companies and Allied Matters Act (CAMA), 2020 and the Financial Reporting Council of Nigeria (Amendment) Act.

Basis for Opinion

We conducted our audit in accordance with International Standards on Auditing (ISAs). Our responsibilities under those standards are further described in the Auditor's Responsibilities for the Audit of the Financial Statements section of our report. We are independent of the Company in accordance with International Ethics Standards Board for Accountants' International Code of Ethics for Professional Accountants (including International Independence Standards) (IESBA Code) together with the ethical requirements that are relevant to our audit of the financial statements in Nigeria and we have fulfilled our other ethical responsibilities in accordance with these requirements and the IESBA Code. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Other Matter relating to comparative information

The Financial Statements of the Company as at and for the year ended 31 December 2023 were audited by another auditor who expressed an unmodified opinion on those statements on 27 February 2024.

KPMG Professional Services, a partnership registered in Nigeria and a member firm of the KPMG global organisation of independent member firms affiliated with KPMG International Limited, a private English company limited by guarantee.

Registered in Nigeria No BN 989925

A list of partners is available for inspection at the firm's address.

Other Information

The Directors are responsible for the other information. The other information comprises the Directors' Report, Statement of Directors' Responsibilities, Statement of Corporate Responsibility, Management's annual assessment of internal control over financial reporting, and Certification of management's assessment on internal control over financial reporting, but does not include the financial statements and our auditor's report thereon.

Our opinion on the financial statements does not cover the other information and we do not express any form of assurance conclusion thereon.

In connection with our audit of the financial statements, our responsibility is to read the other information and in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the audit or otherwise appears to be materially misstated. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.

Responsibilities of the Directors for the Financial Statements

The Directors are responsible for the preparation of financial statements that give a true and fair view in accordance with IFRS Accounting Standards and in the manner required by the Companies and Allied Matters Act (CAMA), 2020 and the Financial Reporting Council of Nigeria (Amendment) Act, 2023, and for such internal control as the directors determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, the directors are responsible for assessing the Company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the directors either intend to liquidate the Company or to cease operations, or have no realistic alternative but to do so.

Auditor's Responsibilities for the Audit of the Financial Statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with ISAs will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

As part of an audit in accordance with ISAs, we exercise professional judgment and maintain professional skepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Company's internal control.

- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the directors.
- Conclude on the appropriateness of directors' use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Company to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

We communicate with the Board of Directors regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

Report on Other Legal and Regulatory Requirements

Compliance with the requirements of Schedule 5 of the Companies and Allied Matters Act (CAMA), 2020

- We have obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purpose of our audit.
- In our opinion, proper books of account have been kept by the Company, so far as appears from our examination of those books.
- The Company's statement of financial position and statement of profit or loss and other comprehensive income are in agreement with the books of account.

Compliance with FRC Guidance on Assurance Engagement Report on Internal Control over Financial Reporting

In accordance with the requirements of the Financial Reporting Council of Nigeria, we performed a limited assurance engagement and reported on management's assessment of the Company's internal control over financial reporting as of December 31, 2024. The work performed was done in accordance with ISAE 3000 (Revised) Assurance Engagements Other Than Audits or Reviews of Historical Financial Information and the FRC Guidance on Assurance Engagement Report on Internal Control over Financial Reporting. We have issued an unmodified conclusion in our report dated 31 March 2025. That report is included on page 9 of the annual report.

Signed:

Onyinye Okere, ACA

FRC/2012ICAN/00000000421

For: KPMG Professional Services

Chartered Accountants

31 March 2025 Lagos, Nigeria



STATEMENT OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME FOR THE YEAR ENDED 31 DECEMBER 2024

	Note	31 'December 2024 N'000	31 'December 2023 N'000
Interest income calculated using the effective interest method		116,462	11,785
Net Interest Income		116,462	11,785
Fee and commission income	7	52,345	124,954
Net income on financial instruments measured at fair value through profit or loss	8	9,392	-
Other Income	9	10,129	-
Total Income		188,328	136,739
Impairment losses on financial instruments	10	16,897	-
Personnel expenses	12	16,564	11,500
Depreciation of Property and Equipment	17	2,905	3,608
Operating Expenses	11	115,146	106,251
Total Operating Expenses		151,512	121,359
Profit before Tax		36,816	15,380
Taxation	13	(12,607)	(1,836)
Profit after Tax		36,816	15,380
Other Comprehensive Income net of Tax		-	-
Total Comprehensive Income for the year		24,209	13,544

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

AVA SECURITIES LIMITED STATEMENT OF FINANCIAL POSITION AS AT 31 DECEMBER 2024

	Note	31 'December 2024 N'000	31 'December 2023 N'000
Assets			
Cash and Cash Equivalents	14	631,504	652,598
Investment securities	15	29,708	20,316
Other Assets	16	1,269	3,375
Property & Equipment	17	657	3,562
Deferred tax asset	18	6,208	-
Total Assets		669,346	679,851
Liabilities			
Customer Deposits	20	76,466	88,286
Accruals and Other Liabilities	19	12,229	49,616
Current Tax Liabilities	13.2	18,815	4,322
Total Liabilities		107,509	142,224
Equity			
Share Capital	21	503,000	503,000
Retained Earnings	21.1	56,837	32,627
Total Equity		561,837	537,627
Total Equity & Liabilities		669,346	679,851

These financial statements were approved by the Board of Directors on 31 March 2025

SIGNED ON BEHALF OF THE BOARD OF DIRECTORS BY:

MR. SAMSON ADEKUNLE
FRC/2020/003/00000021513

Director 

MR. OLUKAYODE FADAHUNSI
FRC/2015/CISN/00000011838

Director 

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

STATEMENT OF CHANGES IN EQUITY

FOR THE YEAR ENDED 31 DECEMBER 2024

	Share Capital	Retained Earnings	Total
	N'000	N'000	N'000
Balance at 1 January 2024	505,000	32,627	537,627
Profit for the year	-	24,209	24,209
Other comprehensive income			-
Total Comprehensive Income for the year	-	24,209	24,209
Transaction(s) with owner:			
Dividend paid	-	-	-
Total transaction with owner of the Company	-	-	-
At 31 December 2024	505,000	56,837	561,837

	Share Capital	Retained Earnings	Total
	N'000	N'000	N'000
Balance at 1 January 2023	205,000	5,291	210,291
Profit for the year	-	13,544	13,544
Prior year adjustment		13,792	13,792
Issue of shares	300,000		300,000
Other comprehensive income			
Fair value gain/(loss) on revaluation of financial assets at fair value through OCI	-	-	-
Total Comprehensive Income for the year	300,000	27,336	327,336
Transaction(s) with owner:			
Dividend paid	-	-	-
Total transaction with owner of the Company	-	-	-
At 31 December 2023	505,000	32,627	537,627

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

STATEMENT OF CASHFLOWS

FOR THE YEAR ENDED 31 DECEMBER 2024

	Note	31 'December 2024 N'000	31 'December 2023 N'000
Cash flows from operating activities			
Profit after income tax		24,209	15,380
Add back:			
Taxation expense	13.1	12,607	1,836
Profit before income tax		36,816	17,216
Adjustment for:			
Fair value loss/(gain) on equity investment	8	(9,392)	
Depreciation & Amortisation	11	2,905	3,608
		30,329	20,824
Change in operating assets and liabilities:			
Other assets	16	2,106	(29)
Customers deposit	20	(11,820)	39,003
Other liabilities	19	(37,387)	32,308
Tax paid	13	(4,322)	(1,836)
Net cash generated from operating activities		(21,095)	90,271
Cash flows from investing activities			
Acquisition of property plant and equipment	17	-	(1,695)
Net cash used in investing activities		-	(1,695)
Cash flows from financing activities			
Proceed from shares issue	21	-	300,000
Prior year adjustment		-	13,792
Net cash used in financing activities		-	313,792
Net increase in cash and cash equivalents		(21,095)	402,368
Cash and cash equivalents at start of year	14	652,599	250,231
Cash and cash equivalents at end of the year	14	631,504	652,599

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

NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 DECEMBER 2024

1. General information

AVA Securities Limited was incorporated as a private limited liability Company on 30 April 2009. The Company is domiciled in Nigeria and the address of its registered office is 03, Glover Road, Ikoyi, Lagos, Nigeria. AVA Securities Limited is a subsidiary of AVA Capital Group.

2. Summary of significant accounting policies

The principal accounting policies applied in the preparation of these financial statements are set out below. These policies have been consistently applied to all the years presented, unless otherwise stated.

2.1 Basis of preparation

These financial statements are the stand alone financial statements of AVA Securities Limited. The financial statements for the year ended 31 December 2024 have been prepared in accordance with International Financial Reporting Standards (IFRS) as issued by the IASB. Additional information required by national regulations is included where appropriate.

The financial statements have been prepared in accordance with the going concern principle under the historical cost convention. The financial statements are presented in Nigerian currency (Naira) and rounded to the nearest thousand.

2.1.1 Use of Estimate and Judgement.

The financial statements comprise the statement of profit or loss and other comprehensive income, the statement of financial position, the statement of changes in equity, the statement of cash flows and the related notes.

The preparation of financial statements in conformity with IFRS requires the use of certain critical accounting estimates. It also requires management to exercise its judgement in the process of applying the Company's accounting policies. Changes in assumptions may have a significant impact on the financial statements in the period the assumptions changed. Management believes that the underlying assumptions are appropriate and that the Company's financial statements therefore present the financial position and results fairly. The estimates and underlying assumptions are reviewed on an on-going basis. Revisions to accounting estimates are recognised in the period in which the estimate is revised, if the revision affects only that period, or in the period of the revision and future periods, if the revision affects both current and future periods. There were no material changes in management's estimates during the year.

The Company classifies its expenses by the nature of expense method.

2.1.2 Foreign currency translation

(a) Functional and presentation currency

Items included in the financial statements of the Company are measured using the currency of the primary economic environment in which the entity operates ('the functional currency'). The financial statements are presented in Naira (N), which is the Company's functional currency.

(b) Transactions and balances

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

Monetary items denominated in foreign currency are translated with the closing rate as at the reporting date. If several exchange rates are available, the forward rate is used at which the future cash flows represented by the transaction or balance could have been settled if those cash flows had occurred. Non-monetary items measured at historical cost denominated in a foreign currency are translated with the exchange rate as at the date of initial recognition; non monetary items in a foreign currency that are measured at fair value are translated using the exchange rates at the date when the fair value was determined.

Foreign exchange gains and losses resulting from the settlement of foreign currency transactions and from the translation at period-end exchange rates of monetary assets and liabilities denominated in foreign currencies are recognised in the income statement.

2.2 Changes in accounting policies

Except as stated below, the Company has consistently applied the accounting policies as set out in note 3 to all periods presented in these annual financial statements.

The following amended standards and interpretations were effective during the year but are not expected to have a significant impact on the financial statements.

– Amendments to IAS 1 Presentation of Financial Statement— Classification of liabilities as Current or Non-Current and Non-current Liabilities with Covenants

Under existing IAS 1 requirements, companies classify a liability as current when they do not have an unconditional right to defer settlement of the liability for at least 12 months after the end of the reporting period. As part of its amendments, the Board has removed the requirement for a right to be unconditional and instead, now requires that a right to defer settlement must have substance and exist at the end of the reporting period.

The existing requirement to ignore management's intentions or expectations for settling a liability when determining its classification is unchanged. In addition, a company will classify a liability as non-current if it has a right to defer settlement for at least 12 months after the reporting date. Such right may be subject to a company complying with conditions (covenants) specified in a loan arrangement.

The amendments also clarify how a company classifies a liability that includes a counterparty conversion option, which could either be recognized as either equity or liability separately from the liability component under IAS 32 Financial Instruments: Presentation.

This amendment did not have a significant impact on the Company's financial statements. There are no other new standards or amendments applicable to the Company with an effective date of 1 January 2024.

Standards and interpretations issued/amended but not yet effective

As at 31 December 2024, a number of standards, interpretations and amendments thereto, had been issued by the IASB which are not yet effective for these financial statements. The following are the standards that may have material impact on the Company's financial statements. The Company has not early adopted any of these standards.

i) Presentation and Disclosure in Financial Statements (IFRS 18) IFRS 18 Presentation and Disclosure in Financial Statements replaces IAS 1 Presentation of Financial Statements.

3. Material Accounting Policies

The accounting policies set out below have been applied by the Company in presenting the financial statements.

3.1 Revenue

Fees, commissions and other income

Fee and commission income comprises of brokerage fees and commission and it excludes value added tax, and are recognised as the related service is provided. The Company recognises revenue when it transfers control over the services to the customer.

Fee and commission income and expense that are integral to the effective interest rate on financial asset or financial liability are included in the effective interest rate.

Interest income and expense

For all financial instruments measured at amortised cost and interest bearing financial assets classified as Fair value through OCI, interest income or expense is recognised using the effective interest rate (EIR).

The effective interest method is a method of calculating the amortised cost of a financial asset of allocating the interest income over the relevant period.

The effective interest rate is the rate that exactly discounts estimated future cash payments or receipts through the expected life of the financial instrument or, when appropriate, a shorter period to the net carrying amount of the financial asset or financial liability. Direct incremental transaction costs incurred and origination fees received, including loan commitment fees, as a result of bringing margin-yielding assets or liabilities in the statement of financial position, are capitalised to the carrying amount of financial instruments, excluding financial instruments at fair value through profit or loss, and amortised as interest income over the life of the asset as part of the effective interest rate.

When calculating the effective interest rate, the Company estimates cashflows considering all contractual terms of the financial instrument (for example, prepayment options) but does not consider future credit losses. The calculation includes all fees and points paid or received between parties to the contract that are an integral part of the effective interest rate, transaction costs and all other premiums or discounts. Where the estimated cashflows on financial assets are subsequently revised, other than impairment losses, the carrying amount of the financial assets is adjusted to reflect actual and revised estimated cash flows.

Where a financial asset or a group of similar financial assets has been written down as a result of an impairment loss, interest income is recognised using the rate of interest used to discount the future cash flows for the purpose of measuring the impairment loss.

3.2 Taxes

Income tax expense

The tax expense for the period comprises current tax. Tax is recognised in profit or loss, except to the extent that it relates to items recognised directly in equity. In this case, the tax is also recognised in equity and subsequently recognised in profit or loss when the related deferred gain or loss is recognised.

Current income tax

The current income tax charge is calculated on the basis of the tax laws enacted or substantively enacted at the reporting date.

Deferred tax

Deferred tax is recognised in respect of temporary differences between the carrying amounts of assets and liabilities for financial reporting purposes and the amounts used for taxation purposes. Deferred tax is not recognised for the following temporary differences: the initial recognition of goodwill, the initial recognition of assets or liabilities in a transaction that is not a business combination and that affects neither accounting nor taxable profit, and differences relating to investments in subsidiaries to the extent that they probably will not reverse in the foreseeable future. Deferred tax is measured at the tax rates that are expected to be applied to the temporary differences when they reverse, based on laws that have been enacted or substantively enacted by the reporting date.

A deferred tax asset is recognised only to the extent that it is probable that future taxable profits will be available against which the asset 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.

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

Additional income taxes that arise from the distribution of dividends are recognised at the same time as the liability to pay the related dividend is recognised.

Minimum tax

Minimum tax which is based on a gross amount is outside the scope of IAS 12 and therefore, are not presented as part of income tax expense in the profit or loss. In line with the Finance Act 2023, minimum tax is payable by companies having no taxable profits for the year or where the tax on profits is below the minimum tax. However, companies in the first four calendar years of business, companies engaged in the primary agriculture business, or small companies are exempt from minimum tax.

Minimum tax payable is calculated as 0.5% of gross turnover less franked investment income.

Where the minimum tax charge is higher than the Company Income Tax (CIT), a hybrid tax situation exists. In this situation, the CIT is recognised in the income tax expense line in the profit or loss and the excess amount is presented above the income tax line as minimum tax.

The Company offsets the tax assets arising from withholding tax (WHT) credits and current tax liabilities if, and only if, the entity has a legally enforceable right to set off the recognised amounts, and intends either to settle on a net basis, or to realise the asset and settle the liability simultaneously. The tax asset is reviewed at each reporting date and written down to the extent that it is no longer probable that future economic benefit would be realised.

3.3 Financial instruments

A financial instrument is any contract that gives rise to a financial asset of one entity and a financial liability or equity instrument of another entity

3.3.1 Financial assets

(a) Initial recognition and measurement of financial assets

Financial assets are classified, at initial recognition, as subsequently measured at amortised cost, fair value through other comprehensive income (OCI), and fair value through profit or loss.

The classification of financial assets at initial recognition depends on the financial asset's contractual cashflow characteristics and the Company's business model for managing them. With the exception of trade receivables that do not contain a significant financing component or for which the Company has applied the practical expedient, the Company initially measures a financial asset at its fair value plus, in the case of a financial asset not at fair value through profit or loss, transaction costs. Trade receivables that do not contain a significant financing component or for which the Company has applied the practical expedient are measured at the transaction price determined under IFRS 15.

In order for a financial asset to be classified and measured at amortised cost or fair value through OCI, it needs to give rise to cashflows that are 'solely payments of principal and interest (SPPI)' on the principal amount outstanding. This assessment is referred to as the SPPI test and is performed at an instrument level.

The Company's business model for managing financial assets refers to how it manages its financial assets in order to generate cashflows. The business model determines whether cashflows will result from collecting contractual cash flows, selling the financial assets, or both.

Purchases or sales of financial assets that require delivery of assets within a time frame established by regulation or convention in the market place (regular way trades) are recognised on the trade date, i.e., the date that the Company commits to purchase or sell the asset.

Management classifies its financial assets into any of the asset categories above on the basis of both:

- The Company's business model for managing the financial assets, and
- The contractual cash flows characteristics of the financial assets

(b) Business Model Assessment

The business model assessment is one of the two steps to classify financial assets. The Finance Department of the Company is responsible for performing the business model assessment of the Company's financial instruments at a level that reflects how groups of financial assets are managed together to achieve a particular business objective.

Judgment is needed to determine the level of aggregation to which the business model assessment is applied. That determination is made on the basis of how the Company manages its business, it is not made at the level of an individual asset, rather the Company performs this assessment at a higher level of aggregation which is at a portfolio level.

If cashflows are realised in a way that is different from the Company's expectations at the date that the Company assessed the business model (for example, if the Company sells more or fewer financial assets than it expected when it classified the assets), this does not:

- Give rise to a prior period error in the Company's financial statements (as defined in IAS 8 Accounting policies, changes in accounting estimates and errors), or
- Change the classification of the remaining financial assets held in that business model (i.e., those assets that the Company recognised in prior periods and still holds), as long as the Company has considered all relevant information that was available at the time that it made the business model assessment.

However, when the Company assesses the business model for newly originated or newly purchased financial assets, it considers information about how cashflows were realised in the past, along with all other relevant information. Where there was a change in the way that cashflows are realised, then this will affect the classification of new assets recognised in the future.

(i) Hold-to-collect business model

Where the Company's objective is to hold the asset (or portfolio of assets) to collect the contractual cashflows, the asset (or portfolio of assets) are classified under the 'hold to collect' business model. Financial assets that are held within this business model are measured at amortised cost, (provided the asset also meets the contractual cash flowtest - see below). Such assets are managed to realise cash flows by collecting contractual payments over the life of the instrument.

In determining whether cash flows are going to be realised by collecting the financial assets' contractual cashflows, the Company considers the frequency and value of sales in prior periods, the timing of the sale of assets, the reasons for those sales, and the Company's expectations about future sales activity.

In accordance with IFRS 9, sales in themselves do not determine the business model and cannot be considered in isolation. However, information about past sales and expectations about future sales provide evidence related to how the Company's stated objective for managing the financial assets is achieved and, specifically, how cash flows are realised.

(ii) Hold-to-collect contractual cash flows and sell

Where the Company's objective is to hold a group of financial assets to collect the contractual cash flows and then to sell those financial assets, the portfolio of assets are classified under the 'hold to collect and sell' business model. The FVOCI measurement category is mandatory for portfolios of financial assets that are held within a business model whose objective is achieved by both collecting contractual cash flows and selling financial assets (provided the asset also meets the contractual cash flow test).

Collecting contractual cash flows and selling are fundamental to achieving the objective of the business model. Compared to the business mode lwith an objective to hold financial assets to collect contractual cash flows, this business model will typically involve greater frequency and value of sales. This is because selling financial assets is integral to achieving the business model's objective rather than only incidental to it. There is no threshold for the frequency or value of sales that can or must occur in this business model.

(iii) Hold-to-collect contractual cash flows and sell

IFRS 9 requires financial assets to be measured at fair value through profit or loss(FVTPL)if they are not held within either a business model whose objective is to hold assets to collect contractual cash flows or within a business model whose objective is achieved by both collecting contractual cash flows and selling financial assets.

A business model that results in measurement at FVTPL is where the financial assets are held for trading or where the assets are managed on a fair value basis. In each case, the Company manages the financial assets with the objective of realising cash flows through the sale of the assets. The Company makes decisions based on the assets' fair values and manages the assets to realise those fair values.

(b) The contractual cash flows assessment – the Solely Payments of Principal and Interest

This assessment aims to identify whether the contractual cash flows are solely payments of principal and interest on the principal amount outstanding.

The SPPI test is based on the premise that it is only when the variability in the contractual cash flows arises to maintain the holder's return in line with a 'basic lending arrangement' that the application of the effective interest method provides useful information about the uncertainty, timing and amount of the financial asset's contractual cashflows.

The effective interest method is essentially to spread interest revenue or expense overtime. Amortised cost or FVOCI measurement is only appropriate for simple cash flows that have low variability such as those of loans and receivables and debt securities.

(c') Subsequent measurement of financial assets

For purposes of subsequent measurement, financial assets are classified in four categories:

- Financial assets at amortised cost (debt instruments) ;
- Financial assets designated at fair value through OCI with recycling of cumulative gains and losses (debt instruments);
- Financial assets designated at fair value through OCI with no recycling of cumulative gains and losses upon derecognition (equity instruments); and
- Financial assets at fair value through profit or loss (The Company, however has no financial instrument in this category)

(d) Financial assets at amortised cost (debt instruments)

This category is the most relevant to the Company. The Company measures financial assets at amortised cost if both of the following conditions are met:

- The financial asset is held within a business model with the objective to hold financial assets in order to collect contractual cash flows; and
- The contractual terms of the financial asset give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding. Financial assets at amortised cost are subsequently measured using the effective interest (EIR) method and are subject to impairment. Gains and losses are recognised in profit or loss when the asset is derecognised, modified or impaired.

The Company's financial assets at amortised cost includes debt instruments, fixed deposits with banks and other financial institutions and other receivables.

(e') Financial assets designated at fair value through OCI (equity instruments)

Upon initial recognition, the Company can elect to classify irrevocably its equity investments as equity instruments designated at fair value through OCI when they meet the definition of equity under IAS 32 Financial Instruments: Presentation and are not held for trading. The classification is determined on an instrument-by- instrument basis. Gains and losses on these financial assets are never recycled to profit or loss. Dividends are recognised as other income in the statement of profit or loss and other comprehensive income when the right of payment has been established, except when the Company benefits from such proceeds as a recovery of part of the cost of the financial asset, in which case, such gains are recorded in OCI. Equity instruments designated at fair value through OCI are not subject to impairment assessment.

(f) Financial assets at fair value through OCI (debt instruments)

The Company measures debt instruments at fair value through OCI if both of the following conditions are met:

- The financial asset is held within a business model with the objective of both holding to collect contractual cash flows and selling; and

- The contractual terms of the financial asset give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding. For debt instruments at fair value through OCI, interest income, foreign exchange revaluation and impairment losses or reversals are recognised in profit or loss and computed in the same manner as for financial assets measured at amortised cost. The remaining fair value changes are recognised in OCI. Upon derecognition, the cumulative fair value change recognised in OCI is recycled to profit or loss. During the year under consideration, the Company did not have any debt instruments at fair value.

(g) Financial assets at fair value through profit or loss

Financial assets at fair value through profit or loss include financial assets held for trading, financial assets designated upon initial recognition at fair value through profit or loss, or financial assets mandatorily required to be measured at fair value. Financial assets are classified as held for trading if they are acquired for the purpose of selling or repurchasing in the near term. Financial assets with cash flows that are not solely payments of principal and interest are classified and measured at fair value through profit or loss, irrespective of the business model. Notwithstanding the criteria for debt instruments to be classified at amortised cost or at fair value through OCI, as described above, debt instruments may be designated at fair value through profit or loss on initial recognition if doing so eliminates, or significantly reduces, an accounting mismatch.

Financial assets at fair value through profit or loss are carried in the statement of financial position at fair value with net changes in fair value recognised in the statement of profit or loss.

The Company did not have any equity investments under this category during the year under consideration.

(h) Derecognition of financial assets

A financial asset (or, where applicable, a part of a financial asset or part of a group of similar financial assets) is primarily derecognised (i.e., removed from the Company's statement of financial position) when:

- The rights to receive cash flows from the asset have expired; or
- The Company has transferred its rights to receive cash flows from the asset or has assumed an obligation to pay the received cash flows in full without material delay to a third party under a 'pass-through' arrangement; and either (a) the Company has transferred substantially all the risks and rewards of the asset, or (b) the Company has neither transferred nor retained substantially all the risks and rewards of the asset, but has transferred control of the asset.

When the Company has transferred its rights to receive cash flows from an asset or has entered into a pass-through arrangement, it evaluates if, and to what extent, it has retained the risks and rewards of ownership. When it has neither transferred nor retained substantially all of the risks and rewards of the asset, nor transferred control of the asset, the Company continues to recognise the transferred asset to the extent of its continuing involvement. In that case, the Company also recognises an associated liability. The transferred asset and the associated liability are measured on a basis that reflects the rights and obligations that the Company has retained.

Continuing involvement that takes the form of a Guaranty over the transferred asset is measured at the lower of the original carrying amount of the asset and the maximum amount of consideration that the Company could be required to repay.

(I) Impairment of financial assets

The Company recognises an allowance for Expected Credit Losses (ECLs) for all debt instruments not held at fair value through profit or loss. ECLs are based on the difference between the contractual cash flows due in accordance with the contract and all the cash flows that the Company expects to receive, discounted at an approximation of the original effective interest rate. The expected cash flows will include cash flows from the sale of collateral held or other credit enhancements that are integral to the contractual terms.

ECLs are recognised in two stages. For credit exposures for which there has not been a significant increase in credit risk since initial recognition, ECLs are provided for credit losses that result from default events that are possible within the next 12-months (a 12-month ECL). For those credit exposures for which there has been a significant increase in credit risk since initial recognition, a loss allowance is required for credit losses expected over the remaining life of the exposure, irrespective of the timing of the default (a lifetime ECL).

For trade receivables, the Company applies a simplified approach in calculating ECLs. Therefore, the Company does not track changes in credit risk, but instead recognises a loss allowance based on lifetime ECLs at each reporting date. The Company has established a provision matrix that is based on its historical credit loss experience, adjusted for forward-looking factors specific to the debtors and the economic environment.

The Company considers a financial asset in default when contractual payments are 90 days past due. However, in certain cases, the Company may also consider a financial asset to be in default when internal or external information indicates that the Company is unlikely to receive the outstanding contractual amounts in full before taking into account any credit enhancements held by the Company. A financial asset is written off when there is no reasonable expectation of recovering the contractual cash flows.

Further disclosures relating to impairment of financial assets are also provided in the following • Disclosures for significant judgments, estimates and assumptions- Note 3. • Financial assets at fair value through OCI - Note 15; and • Other assets - Note 16.

3.3.2 Financial liabilities

(a) Initial recognition and measurement of financial liabilities

Financial liabilities are classified, at initial recognition, as financial liabilities at fair value through profit or loss, borrowings and trade and other payables, as appropriate. All financial liabilities are recognised initially at fair value and, in the case of loans and borrowings and payables, net of directly attributable transaction costs.

The Company's financial liabilities include funds under management and trade and other payables. The Company did not have any financial liability that is measured at fair value through profit or loss during the year.

(b) Subsequent measurement of financial liabilities

The measurement of financial liabilities depends on their classification, as described below: After initial recognition, trade and other payables are subsequently measured at amortised cost. The amortised cost of a financial liability is the amount at which the financial liability is measured at initial recognition minus principal repayments, plus or minus the cumulative amortisation of any difference between that initial amount and the maturity amount.

(c) Derecognition of financial liabilities

A financial liability is derecognised when the obligation under the liability is discharged or cancelled or expires. When an existing financial liability is replaced by another from the same lender on substantially different terms, or the terms of an existing liability are substantially modified, such an exchange or modification is treated as the derecognition of the original liability and the recognition of a new liability. The difference in the respective carrying amounts is recognised in the statement of profit or loss.

(d) Offsetting of financial instruments

Financial assets and financial liabilities are offset and the net amount is reported in the statement of financial position, if there is a currently enforceable legal right to offset the recognised amounts and there is an intention to settle on a net basis, or to realise the assets and settle the liabilities simultaneously.

3.4 Cash and cash equivalents

Cash and cash equivalents are balances that are held for the primary purpose of meeting shortterm cash commitments. These includes cash-on-hand, and those that are readily convertible to known amounts of cash, are subject to insignificant risk of changes in value and whose original maturity is three months or less. These include cash-on-hand, deposit held at call with banks and other short-term highly liquid investments (net of overdraft) which originally matures in three months or less.

3.5 Management fee receivables

Receivables include amounts due from clients. Receivables arising under margin arrangements are measured on initial recognition at the fair value of the consideration received or receivable. The carrying value of receivable is the utilised amount including the interest accrued as at the reporting period.

3.6 Share capital**(a) Share issue costs :**

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

(b) Dividends on ordinary shares:

Dividends on ordinary shares are recognised in equity in the period in which they are approved by the Company's shareholders. Dividends for the year that are declared after the end of the reporting period are dealt with in the subsequent events note.

3.7 Intangible assets

Intangible assets are measured on initial recognition at cost. Following initial recognition, intangible assets are carried at cost less any accumulated amortization and accumulated impairment losses. Intangible assets are amortised over four years, which coincides with the period stipulated by the National Pension Commission. Internally generated intangible assets, excluding capitalised development costs, are not capitalised and expenditure is reflected in profit or loss in the year in which the expenditure is incurred.

The useful lives of intangible assets are assessed to be either finite or indefinite.

Intangible assets with finite lives are amortised over the useful economic lives and assessed for impairment whenever there is an indication that the intangible asset may be impaired. The amortisation period and the amortisation method for an intangible asset with a finite useful life are reviewed at least at each financial year end.

Changes in the expected useful life or the expected pattern of consumption of future economic benefits embodied in the asset are accounted for by changing the amortisation period or method, as appropriate, and are treated as changes in accounting estimates. The amortisation expense on intangible assets with finite lives is recognised in the statement of profit or loss in the expense category consistent with the function of the intangible asset.

The Company has computer software used to manage pension funds assets.

- Computer software: These represent the cost of procuring computer software. Computer software are amortised on a straight line basis for a period of 4 years.

De-recognition

An intangible asset is derecognised on disposal or when no future economic benefits are expected from its use or disposal. Gains or losses arising from derecognition of an intangible asset are measured as the difference between the net disposal proceeds and the carrying amount of the asset and are recognised in profit or loss when the asset is derecognised.

3.8 Property, plant and equipment

Property, plant and equipment is stated at cost, excluding the costs of day-to-day servicing, less accumulated depreciation and accumulated impairment. Replacement or major inspection costs are capitalised when incurred and if it is probable that future economic benefits associated with the item will flow to the entity and the cost of the item can be measured reliably.

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

Depreciation is provided on a straight line basis so as to allocate the cost less their residual values over the estimated useful lives of the following classes of assets:

- Office equipment 4 years
- Furniture and fittings 5 years
- Plant and equipment 5 years
- Computer equipment 4 years
- Motor vehicles 5 years

Depreciation methods, useful lives and residual values are reassessed at each reporting date and adjusted if appropriate.

De-recognition

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

Fair value definition and measurement

Fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date. The fair value measurement is based on the presumption that the transaction to sell the asset or transfer the liability takes place either:

- In the principal market for the asset or liability, or
 - In the absence of a principal market, in the most advantageous market for the asset or liability.
- The principal or the most advantageous market must be accessible to by the Company.

The fair value of an asset or a liability is measured using the assumptions that market participants would use when pricing the asset or liability, assuming that market participants act in their economic best interest.

The Company uses valuation techniques that are appropriate in the circumstances and for which sufficient data are available to measure fair value, maximising the use of relevant observable inputs and minimising the use of unobservable inputs.

All assets and liabilities for which fair value is measured or disclosed in the financial statements are categorised within the fair value hierarchy, described as follows, based on the lowest level input that is significant to the fair value measurement as a whole:

Level 1 — Quoted (unadjusted) market prices in active markets for identical assets or liabilities

Level 2 — Valuation techniques for which the lowest level input that is significant to the fair value measurement is directly or indirectly observable Level 3 — Valuation techniques for which the lowest level input that is significant to the fair value measurement is unobservable

For assets and liabilities that are recognised in the financial statements on a recurring basis, the Company determines whether transfers have occurred between levels in the hierarchy by reassessing categorisation (based on the lowest level input that is significant to the fair value measurement as a whole) at the end of each reporting period.

Subsequent to initial recognition, the fair values of financial instruments are based on quoted market prices or dealer price quotations for financial instruments traded in active markets. If the market for a financial asset is not active or the instrument is unlisted, the fair value is determined by using applicable valuation techniques. These include the use of recent arm's length transactions, discounted cash flow analyses, pricing models and valuation techniques commonly used by market participants.

3.9 Impairment of non-financial assets

The Company assesses assets or groups of assets for impairment whenever events or changes in circumstances indicate that the carrying amount of an asset may not be recoverable. If any such indication of impairment exists; the carrying amount is greater than an estimate of the asset's recoverable amount. Individual assets are grouped for impairment assessment purposes at the lowest level (Cash generating unit) at which there are identifiable cash flows that are largely independent of the cash flows of other groups of assets.

An asset group's recoverable amount is the higher of its fair value less costs to sell and its value in use. Where the carrying amount of an asset group exceeds its recoverable amount, the asset group is considered impaired and is written down to its recoverable amount. In assessing value in use, the estimated future cash flows are adjusted for the risks specific to the asset group and are discounted to their present value using a pre-tax discount rate that reflects current market assessments of the time value of money. Impairment losses are recognized in statement of profit or loss.

Impairment losses recognized in prior periods can be reversed up to the original carrying amount, had the impairment loss not been recognized. Such reversal is recognized in profit or loss. After such a reversal, the depreciation charge is adjusted in future periods to allocate the asset's revised carrying amount, less any residual value, on a systematic basis over its remaining useful life. Impairment losses of continuing operations, including impairment on inventories, are recognised in the statement of profit or loss in those expense categories consistent with the function of the impaired asset, except for a property previously re-valued where the revaluation was taken to other comprehensive income. In this case, the impairment is also recognised in other comprehensive income up to the amount of any previous revaluation.

4. Significant accounting judgements, estimates and assumptions

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

The estimates and underlying assumptions are reviewed on an on-going basis. Revisions to accounting estimates are recognised in the period in which the estimate is revised, if the revision affects only that period, or in the period of the revision and future periods, if the revision affects both current and future periods.

Changes in accounting policies or measurement principles in light of new or revised standards are applied retrospectively, except as otherwise provided in the respective standard. The statement of profit or loss and other comprehensive income for the previous year and the opening statement of financial position for that year are adjusted as if the new accounting policies and/or measurement principles had always been applied.

(i) Impairment losses on debt instruments other than trade receivables measured at amortised cost

The measurement of impairment losses under IFRS 9 across all categories of financial assets requires judgement, in particular, the estimation of the amount and timing of future cash flows and collateral values when determining impairment losses and the assessment of a significant increase in credit risk. These estimates are driven by a number of factors, changes in which can result in different levels of allowances.

The Company's ECL calculations are outputs of complex models with a number of underlying assumptions regarding the choice of variable inputs and their inter-dependencies. Elements of the ECL models that are considered accounting judgements and estimates include:

- The Company's internal/external credit grading model, which assigns Probability of Defaults (PDs) to the individual grades;
- The Company's criteria for assessing if there has been a significant increase in credit risk and so allowances for financial assets should be measured on a Life Time Expected Credit Loss (LTECL) basis and the qualitative assessment.
- Development of ECL models, including the various formulae and the choice of inputs; and
- Selection of forward-looking macroeconomic scenarios and their probability weightings, to derive the economic inputs into the ECL models.

(ii) Provision for expected credit losses of trade receivables

The Company uses a provision matrix to calculate ECLs for trade receivables and contract assets. The provision rates are based on days past due for groupings of various customer segments that have similar loss patterns (i.e., customer type).

The provision matrix is initially based on the Company's historical observed default rates. The Company will calibrate the matrix to adjust the historical credit loss experience with forward-looking information. For instance, if forecast economic conditions (i.e., gross domestic product) are expected to deteriorate over the next year which can lead to an increased number of defaults in the various sectors, the historical default rates are adjusted. At every reporting date, the historical observed default rates are updated and changes in the forward-looking estimates are analysed.

The assessment of the correlation between historical observed default rates, forecast economic conditions and ECLs is a significant estimate. The amount of ECLs is sensitive to changes in circumstances and of forecast economic conditions. The Company's historical credit loss experience and forecast of economic conditions may also not be representative of customer's actual default in the future

Staging

Stage 1: On origination, a financial asset (provided that it is not a purchased or originated credit impaired asset) will be in stage 1 of the general model for expected credit losses. Financial assets that have not had a significant increase in credit risk since initial recognition or that (upon assessment and option selected by the Company) have low credit risk at the reporting date remain in stage 1.

For these assets, 12-month expected credit losses ('ECL') are recognised and interest revenue is calculated on the gross carrying amount of the asset (that is, without deduction for credit allowance). 12-month ECL are the ECL that result from default events that are possible within 12 months after the reporting date. It is not the expected cash shortfalls over the 12-month period but the entire credit loss on an asset, weighted by the probability that the loss will occur in the next 12 months.

Stage 2: Financial instruments that have had a significant increase in credit risk since initial recognition (unless they have low credit risk at the reporting date and this option is taken by the Company) but that do not have objective evidence of impairment. For these assets, lifetime ECL are recognised and interest revenue is still calculated on the gross carrying amount of the asset.

Lifetime ECL are the ECL that result from all possible default events over the maximum contractual period during which the Company is exposed to credit risk. ECL are the weighted average credit losses, with the respective risks of a default occurring as the weights.

The Company, when determining whether the credit risk on a financial instrument has increased significantly, considers reasonable and supportable (both historical and forward-looking) information available, in order to compare the risk of a default occurring at the reporting date with the risk of a default occurring at initial recognition of the financial instrument.

Stage 3: This includes financial assets that have objective evidence of impairment at the reporting date. For these assets, lifetime ECLs are recognised and interest revenue is calculated on the net carrying amount (that is, net of credit allowance). This is done by applying the EIR in subsequent reporting periods to the amortised cost of the financial asset.

When the Company has no reasonable expectations of recovering the financial asset, then the gross carrying amount of the financial asset can be directly reduced in its entirety via a write off. A write-off constitutes a derecognition event.

5. Financial risk management report

(a) Introduction and overview

The Company's risk management policies are established to identify and analyze the risks faced by the Company, to set appropriate limits and controls and to monitor risks and adherence to limits. Risk management policies and systems are reviewed regularly to reflect the changes in market conditions and the Company's activities. The Company through its training and management standards and procedures, aims to develop a disciplined and constructive control environment in which all employees understand their roles and obligations.

The Company has exposure to the following risks from financial operations:

- Credit risk
- Liquidity risk
- Market risk

The Company's Board of Directors have overall responsibility for the establishment and oversight of the Company's risk management framework. The Board of Directors is also responsible for monitoring the Company's risk management policies.

(b) Credit Risk

Credit risk is the risk that counterparty to a financial instrument will fail to discharge an obligation or commitment that it has entered into with AVA Securities Limited ("the Company") thereby resulting in a financial loss to the Company. The Company limits its exposure to credit loss by placing money with banks with high credit quality and by diversifying among eligible issuers.

(i) Exposure to credit risk

The maximum exposure to credit risk at the end of the reporting period as detailed below.

31 December 2024 (N'000)	Notes	31-Dec-24	31-Dec-23
Cash and cash equivalents	14	631,504	652,598
Total		631,504	652,598

(ii) Management of credit risk

(a) Cash and cash equivalents

The Company held cash and cash equivalents of N141.3 billion at 31 December 2024 (31 December 2023: N102.6 billion). The cash and cash equivalents have maturity profile of less than 3 months and are held with local banks and financial institution counterparties, which are assessed to have good credit ratings (B-) by Fitch rating agency, both in the long term and short term respectively.

Appropriate Credit Policies

The Company measures loan loss allowances at an amount equal to lifetime ECL, except for those measured as 12-month ECL where credit risk has not increased significantly since their initial recognition.

12-month ECL are the portion of ECL that result from default events on a financial instrument that are possible within the 12 months after the reporting date. Financial instruments for which a 12-month ECL is recognised are referred to as 'Stage 1 financial instruments'.

No expected credit losses have been recognised on the balance of cash and cash equivalents as the majority of the cash and cash equivalent balances are held by banks in Nigeria who meet the cash and liquidity thresholds set by the Central Bank of Nigeria and, at least, have an Investment Grade rating by one of the recognised rating agencies in Nigeria or abroad.

(c) **Liquidity risk**

Liquidity risk is the risk that the Company will encounter difficulty in meeting obligations associated with its liabilities that are settled by delivering cash or other financial assets. It is the potential loss to the Company arising from either its inability to meet its obligations or to fund committed increases in assets as they fall due without incurring unacceptable costs or losses.

Management of liquidity risk

The Board of Directors sets the strategy for liquidity risk and delegates the responsibility for oversight and implementation of the policy to Executive Management. The liquidity position is monitored and managed daily by Executive Management and the Finance Department on a regular basis. Assessment of liquidity is carried out regularly, which is aimed at evaluating limit compliances across all the key liquidity management criteria e.g. funding gap, liquidity mismatches etc.

The Executive Management has the primary responsibility for managing liquidity risk arising from assets and liability creation activities. Deliberate strategies put in place to ensure the Company is protected from liquidity risk include:

- (i) Liquidity risk identification at transaction, portfolio and entity levels using the defined early warning liquidity risk indicators for measurement on parameters such as funding mismatch.
- (ii) Establishment of the Company's liquidity risk appetite which is the amount of risk the Company is willing to accept in pursuit of value using relevant liquidity risk ratios and assets and liability funding gaps.
- (iii) Monitoring liquidity ratios, behavioral characteristics of the Company's financial assets and liabilities, and the extent to which they are encumbered.

(iv) Maintaining liquidity and funding contingency plans. These plans identify early indicators of stress conditions and describes actions to be taken in the event of difficulties to minimize any adverse long term implications for the business.

Liquidity Risk Profile

The key measure used in monitoring liquidity risk is the Maturity Gap Ratio, which is calculated as the ratio of maturing assets to maturing liabilities. The

Maturity Gap Ratio displays the extent of mismatch between maturing assets and maturing liabilities. The following are the contractual maturities of financial assets and liabilities, including estimated interest payments.

(i) **Liquidity gap analysis**

The table below analyses financial assets and liabilities of the Company into relevant maturity groupings based on the remaining period at balance sheet date to the contractual maturity date. The table includes both principal and interest cash flows.

31 December 2024 (N'000)	Note	Carrying amount	Gross Nominal Amount	3 - 6 months	Above 6 months
Financial assets (expected maturity)					
Cash and cash equivalents	14	631,504	637,029	637,029	-
Investment securites	15	29,708	29,708	-	29,708
Total financial assets		661,212	666,737	637,029	29,708
Financial liabilities					
Other Payables	19	1,066	1,066	1,066	-
Accrued expenses	19	4,641	4,641	4,641	-
Customer Liabilities (see (a) below)	20	76,466	76,466	76,466	-
Total		82,174	82,174	82,174	-
Liquidity gap (assets less liabilities)				554,855	29,708

31 December 2023 (N'000)	Note	Carrying amount	Gross Nominal Amount	3 - 6 months	Above 6 months
Financial assets (expected maturity)					
Cash and cash equivalents	14	652,598	652,598	652,598	-
Investment securites	15	20,316	20,316	-	20,316
Total financial assets		672,914	672,914	652,598	20,316
Financial liabilities					
Other Payables	19	694	694	694	-
Accrued expenses	19	45,835	45,835	45,835	-
Customer Liabilities (see (a) below)	20	88,286	88,286	88,286	-
Total		134,815	134,815	134,815	-
Liquidity gap (assets less liabilities)				517,783	20,316

(d) Market risk

Market risk is the risk that changes in market prices such as interest rate, foreign exchange rates will affect the Company's income or the value of its holdings in financial instruments. The objective of the Company's market risk management is to manage and control market risk exposures within acceptable parameters in order to ensure the Company's solvency, while optimizing the return on risk.

Management of market risk

The overall authority for market risk is vested by the Board in the Executive Management which sets up limits for each type of risk in aggregate. They are responsible for monitoring, managing and reporting to the Board of Directors. The Company uses sensitivity analysis to manage market risks in situations where the impact of market risk is considered significant and where insignificant the resulting exchange loss is recognized within operating expenses.

(i) Interest Rate Risk

Interest rate risk is the risk that the future cash flows of a financial instrument will fluctuate because of changes in market interest rates. The Company manages interest rate risk by ensuring all its interest rate exposure is at a fixed rate. The company's exposure to interest rate risk was insignificant as at 31 December 2024.

(e') Capital risk management

The Company's capital management approach is driven by its strategy and organisational requirements, taking into account the environment in which it operates. The strategy for assessing and managing the impact of management's business plans on present and future capital forms an integral part of the Company's strategic plan. Specifically, the Company considers how the present and future capital requirements will be managed and met against projected capital requirements. This is based on the Company's assessment taking account of the Company's business strategy and value creation to all its stakeholders. The Company strives to maintain a healthy capital position.

6. Interest income calculated using the effective interest method

	31 'December 2024 N'000	31 'December 2023 N'000
Income on Bond	2,184	-
Income of Fixed Placement	114,182	11,785
Interest Income on Treasury Bill	96	-
	116,462	11,785

7. Fee and commission income

	31 'December 2024 N'000	31 'December 2023 N'000
Brokerage Commission-Shares (NSE)	45,963	22,346
Brokerage Commission-Bonds	6,382	102,608
	52,345	124,954

8. Net income on financial assets measured at fair value through profit or loss

	31 'December 2024 N'000	31 'December 2023 N'000
Fair value (loss)/gain on equity investment at FVTPL (see note 14(a))	9,392	-
	9,392	-

9. Other income

	31 'December 2024 N'000	31 'December 2023 N'000
Other income	10,129	-
	10,129	-

10. Impairment loss on financial assets

	31 'December 2024 N'000	31 'December 2023 N'000
Impairment loss on trade and other receivables (see	16,897	-
	16,897	-

11. Operating expenses Expenses by nature

	31 'December 2024 N'000	31 'December 2023 N'000
Auditor's remuneration	3,500	1,294
Office Expenses	69,590	51,831
Board expenses	1,600	7,439
Medicals	4,583	6,000
Insurance	590	677
Advertising and Branding	4,750	4,000
Registration and Professional Fees	5,827	3,231
Corporate Strategy	467	2,083
Travel Expenses	335	2,131
Repair and maintenance	1,098	-
IT Expenses	7,204	10,289
Training Expense (i)	3,800	5,633
Other Operating Expenses	11,802	11,643
	115,146	106,251
Depreciation	2,905	3,608
	118,051	109,859

12. Personnel expenses

	31 'December 2024 N'000	31 'December 2023 N'000
Staff costs (excluding executive Directors):		
Salaries & Wages	13,993	11,500
Pension Contribution	1,586	-
	16,564	11,500

(i) For proper presentation purposes, we have merged staff welfare which was presented separately in prior year with salaries and wages.

(ii) Other allowances include PAYE, leave allowance and NHF.

The average number of persons, excluding directors, employed by the Company during the year was as follows:

Managerial	2	2
Non-management	2	2
	4	4

The table below shows the number of employees (excluding directors), who earned over N3,000,000 as emoluments in the

N1,000,001 - N3,000,000	1	-
N3,000,001 - N5,000,000	-	-
N5,000,001 - N7,000,000	1	2
N7,000,001 - above	2	2
	4	4

13. Taxation

13.1 Current income tax

	31 'December 2024 N'000	31 'December 2023 N'000
Company Income Tax	16,746	1,836
Education Tax	1,699	-
Police Trust Fund Levy	2	-
Information Technology Levy	368	-
Current tax expense	18,815	1,836
Deferred tax expense	(6,208)	-
Total current tax expense	12,607	1,836

13.2 Current income tax payable

	31 'December 2024 N'000	31 'December 2023 N'000
At the beginning of the year:	4,322	4,322
Current income tax charge	18,815	1,836
Payments during the year	(4,322)	(1,836)
	18,815	4,322

13.3 Effective tax reconciliation

	31 December 2024 N'000
Profit before taxation	36,816
Tax using the Company's domestic tax rate	30% 11,045
Education Tax	5% 1,699
Police Trust Fund Levy	0% 2
Information Technology Levy	1% 368
Non-deductible expenses	15% 5,701
Deferred tax expense	-17% (6,208)
	34% 12,607

13.4 Deferred tax asset

	31 'December 2024 N'000	31 'December 2023 N'000
	Gross amount	Tax effect
Property and equipment	2,106	632
ECL impairment	16,897	5,576
	19,003	6,208

14. Cash and cash equivalents

	31 'December 2024 N'000	31 'December 2023 N'000
Cash in bank	141,347	102,627
Investment in Fixed Placements	490,157	549,971
	631,504	652,598
Current	631,504	652,598
Non-Current	-	-
	631,504	652,598

15. Investment securities

	31 'December 2024 N'000	31 'December 2023 N'000
Quoted Investment (see (a) below)	29,708	20,316
Total	29,708	20,316

Movement in quoted equity investments during the year was as follows:

	31 'December 2024 N'000	31 'December 2023 N'000
Balance at the beginning of year	20,316	20,316
Fair value loss on equity investment at FVTPL (see note 9)	9,392	-
Balance as at year end	29,708	20,316

16. Other Assets

	31 'December 2024 N'000	31 'December 2023 N'000
Prepayments	1,269	-
Other receivables	16,897	3,375
18,166	3,375	
Impairment	(16,897)	-
Total	1,269	3,375
Current	1,269	3,375
Non- Current	-	-
	1,269	3,375
Opening balance	3,375	3,404
Closing Balance	1,269	3,375
(Increase)/Decrease in accruals and other payables	(2,106)	(29)

17. Property, Plant and Equipment

Cost	Motor Vehicle N'000	Furniture & Fittings N'000	Computer Equipment N'000	Plant & Machinery N'000	Office Equipment N'000	Total N'000
As at 1 January 2024	5,500	8,818	3,446	3,280	5,755	26,799
Additions	-	-	-	-	-	-
As at 31 December 2024	5,500	8,818	3,446	3,280	5,755	26,799
Accumulated Depreciation						
As at 1 January 2024	3,665	8,818	2,182	3,280	5,292	23,237
Charge for the year	1,984	-	848	-	73	2,905
As at 31 December 2024	5,649	8,818	3,030	3,280	5,365	26,142
Carrying amount						
As at 31 December 2024	(149)	0	417	0	390	657

Cost	Motor Vehicle N'000	Furniture & Fittings N'000	Computer Equipment N'000	Plant & Machinery N'000	Office Equipment N'000	Total N'000
As at 1 January 2023	5,500	8,818	1,751	3,280	5,755	25,104
Additions	-	-	1,695	-	-	1,695
As at 31 December 2023	5,500	8,818	3,446	3,280	5,755	26,799
Accumulated Depreciation						
As at 1 January 2023	1,832	7,937	1,751	3,280	4,829	19,629
Charge for the year	1,833	881	431	-	463	3,608
As at 31 December 2023	3,665	8,818	2,182	3,280	5,292	23,237
Carrying amount At 31 December 2023	1,835	0	1,264	0	463	3,562

18. Intangible Assets

Cost	N'000	N'000
As at 1 January 2024	6,564	-
Additions	-	-
Reclassifications	-	-
As at 31 December 2024	6,564	-
Accumulated Amortisation		
As at 1 January 2024	6,564	-
Charge for the year	-	-
Disposals	-	-
As at 31 December 2024	-	-
Carrying amount		
As at 31 December 2024	-	-

19. Accruals and other Liabilities

	31 'December 2024 N'000	31 'December 2023 N'000
Financial:		
Other payable	1,066	694
Accrued expenses	4,641	45,835
	5,708	46,529
non-financial:		
VAT and PAYE	6,521	3,086
Total	12,229	49,616
Current	12,229	49,616
Non- Current	-	-
	12,229	49,616

Analysis of accruals and other liabilities

	31 'December 2024 N'000	31 'December 2023 N'000
Opening balance	49,616	66,591
Closing Balance	12,229	49,616
Increase in accruals and other payables	(37,387)	(16,975)

20. Customers Liabilities

	31 'December 2024 N'000	31 'December 2023 N'000
Customer Liabilities (see (a) below)	76,466	88,286
Total	76,466	88,286
Current	76,466	88,286
Non- Current	-	-
	76,466	88,286

(a) Included above is N1.86 million to Trives Finance Limited

Analysis of accruals and other liabilities

	31 'December 2024 N'000	31 'December 2023 N'000
Opening balance	88,286	24,207
Closing Balance	76,466	88,286
(Increase)/Decrease in accruals and other payables	(11,820)	64,079

21. Share capital

The share capital comprises of ordinary shares of 500,000,000 units issued at N1 each.

Authorized and issued:	31 'December 2024 N'000	31 'December 2023 N'000
Balance at beginning of year	505,000	205,000
Addition during the year	-	300,000
Balance at end of year	505,000	505,000

21.1 Retained earnings

	31 'December 2024 N'000	31 'December 2023 N'000
Balance, beginning of year	32,627	5,291
Profit for the year	24,209	13,544
Prior period restatement	-	13,792
Balance, end of year	56,837	32,627

22. Related parties

Counter parties transactions 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 directors and key management personnel among others.

22.1 Key management personnel

Key management personnel constitutes those individuals who have the authority and the responsibility for planning, directing and controlling the activities of AVA Securities Limited, directly or indirectly.

The key management personnel of the Company include all directors (executive and non-executive). The summary of compensation of key management personnel for the year is as follows:

	31 'December 2024 N'000	31 'December 2023 N'000
Directors' emoluments	7,826	7,826
	7,826	7,826
The total number of Directors were:	7	7

21.2 Related party transactions

AVA Securities Limited is jointly-owned and controlled by Prosperis Holding Limited and Adeniyi Olubusayo. AVA Global Asset Managers Limited, AVA Capital Partners Limited, AVA Trustees Limited, Trives Financial Limited, Trives Finance Limited, and Jabetza Realty Limited are also subsidiaries of Prosperis Holding Limited. These entities (in addition to the key management personnel of the company) are related parties to the AVA Securities Limited. The amount outstanding in respect of related party transactions are set out below:

Note	31 'December 2024 N'000	31 'December 2023 N'000
Payable to Trives Finance Limited	1,859	-

23. Contingent liabilities and capital commitments

There were no contingent liabilities and capital commitments at the end of the year (2023:Nil)

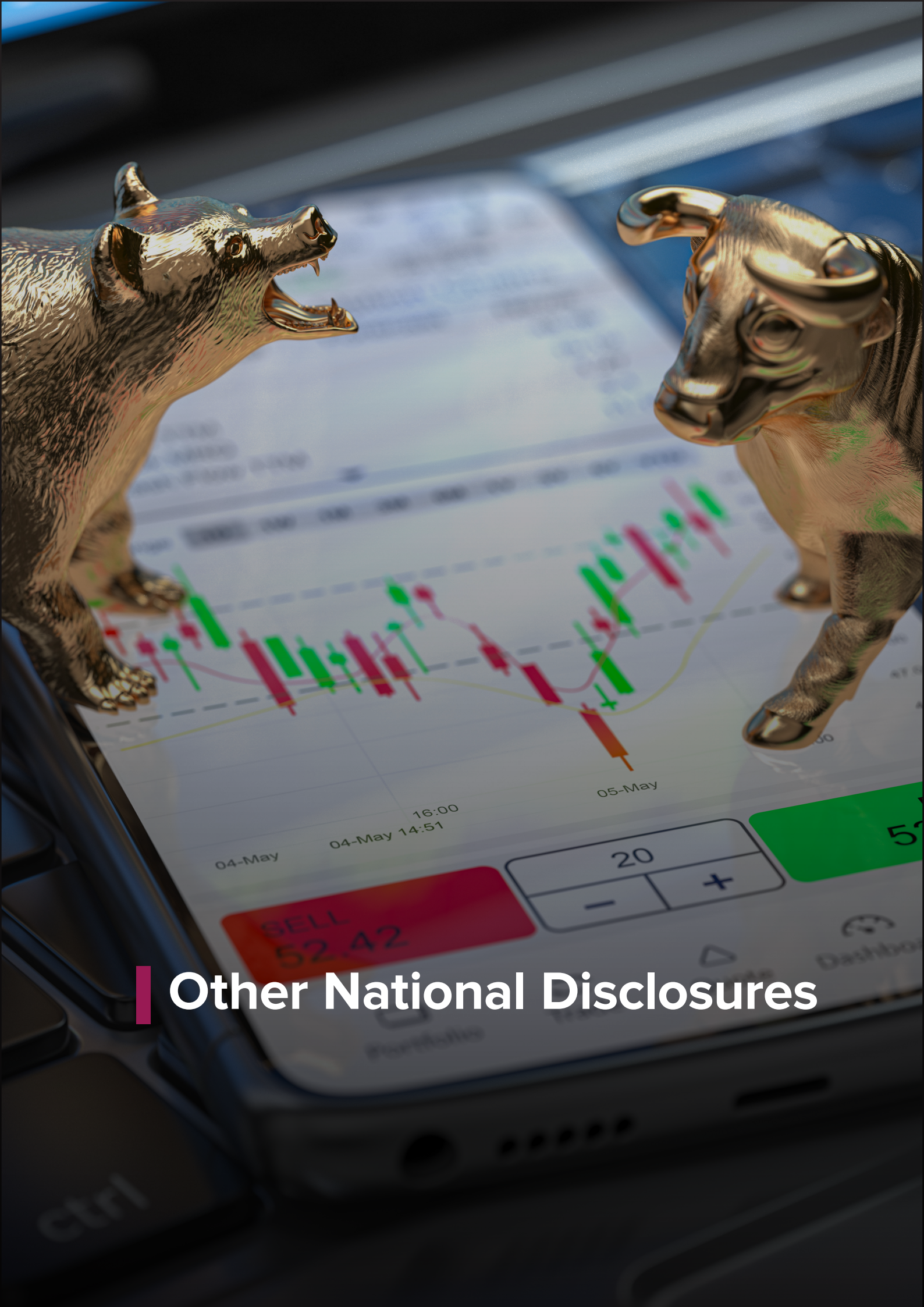
24. Events after reporting date

There were no subsequent events which could have a material effect on the financial position of the Company as at 31 December 2024 or the profit for the year then ended on that date, that have not been adequately provided for or disclosed in the financial statements.

25. Non-Audit Services

KPMG Professional Services rendered the following non-audit services to the Company:

	31 'December 2024 N'000	31 'December 2023 N'000
Professional service in respect of ICFR	1,500	-



Other National Disclosures

VALUE ADDED STATEMENT

FOR THE YEAR ENDED 31 DECEMBER 2024

	2024 N'000	2023 N'000	%
Gross earnings	188,328	136,739	
Bought in materials and services	(132,043)	(106,251)	
Value added	56,285	30,488	100%
Distribution			
Employees			
Wages, salaries and benefits	16,564	11,500	38%
Government			
Company income tax	12,607	1,836	6%
Retained in the business			
Deferred taxation			
Depreciation and amortization	2,905	3,608	12%
Profit for the period	24,209	13,544	44%
	56,285	30,488	100%

FIVE YEAR FINANCIAL SUMMARY

	31 Dec 2024 N'000	31 Dec 2023 N'000	31 Dec 2022 N'000	31 Dec 2021 N'000	31 Dec 2020 N'000
ASSETS					
Cash and Cash Equivalents	631,504	655,973	250,231	262,815	211,013
Investment securities	29,708	20,316	20,316	20,316	
Other Assets	1,269	-	3346.123	2,580	2,807
Property & Equipment	657	3,652	5,475	999	2,692
Intangible Asset	-	-	-	-	985
Deferred tax asset	6,208	-	-	-	-
LIABILITIES					
Customer Deposits	76,466	88,286	24,027	39,446	7,546
Accruals and Other Liabilities	12,229	49,616	42,564	36,651	2,260
Current Tax Liabilities	18,815	4,322	2,876	2,096	1,299
TOTAL LIABILITIES (A)	107,509	142,224	69,467	78,193	11,105
NET ASSETS	561,837	537,627	209,901	208,517	206,391
CAPITAL AND RESERVES					
Share capital	505,000	505,000	205,000	205,000	205,000
Retained earnings	56,837	32,627	9,155	5,291	2,515
TOTAL CAPITAL AND RESERVES (B)	561,837	537,627	214,155	210,291	206,391
TOTAL EQUITY + LIABILITY	669,346	679,851	283,622	288,484	217,496

	31 Dec 2024 N'000	31 Dec 2023 N'000	31 Dec 2022 N'000	31 Dec 2021 N'000	31 Dec 2020 N'000
Profit before tax	36,816	15,380	4,254	2,164	2,790
Income tax	(12,607)	(1,836)	(390)	(797)	(897)
Loss/profit for the year	24,209	13,544	3,864	1,367	1,953

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*SIT = Savings and Investment Trust

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