

Nigeria Sovereign Investment Authority
Unaudited condensed consolidated and separate
interim financial statements
for the 3 months period ended 31 March 2020

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For the 3 month period ended 31 March 2020
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This interim report does not include all the notes of the type normally included in an annual financial report. Accordingly, this report is to be read in conjunction with the annual report for the year ended 31 December 2019 and any public announcements made by Nigeria Sovereign Investment Authority during the interim reporting period.

Nigeria Sovereign Investment Authority
Unaudited condensed consolidated and separate interim financial statements
For the 3 month period ended 31 March 2020
General Information

Board of Directors	Mr Olajide Zeitlin (Chairman) Mr. Uche Orji (Managing Director) Mrs. Stella Ojekwe-Onyejeli (Executive Director) Mr. Aminu Umar-Sadiq (Executive Director) Ms. Halima Buba (Non-executive Director) Mr. Urum Kalu Eke, MFR (Non-executive Director) Mr. Asue Ighodalo (Non-executive Director) Mr. Bello Maccido (Non-executive Director) Ms. Lois Laraba Machunga-Disu (Non-executive Director)
Registered office	The Clan Place, 4th Floor Plot 1386A Tigris Crescent Maitama Abuja
Auditor	PricewaterhouseCoopers Landmark Towers 5B Water Corporation Road Victoria Island Lagos
Secretary to the Authority	Mrs. Ezinwa Okoroafor
Fund custodians	JP Morgan Chase & Co (Global Custodian) 25 Bank Street Canary Wharf London, E14 5JP. United Kingdom Stanbic IBTC Bank Limited (Local Custodian) IBTC Place 2, Walter Carrington Crescent Victoria Island Lagos, Nigeria

Nigeria Sovereign Investment Authority
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For the 3 month period ended 31 March 2020

Directors' report

1 Financial statements

The directors of the Authority present their report on the affairs of Nigeria Sovereign Investment Authority ('the Authority' or 'NSIA'), together with the financial statements of the Authority and the subsidiaries (known as "the Group") and independent auditor's review report for the three month period ended 31 March 2020.

2 Principal activities

The Authority was established by the Nigeria Sovereign Investment Authority (Establishment etc.) Act, 2011 to manage excess funds from the country's sale of crude oil. This is performed through three (3) funds; Stabilisation Fund (SF), Nigeria Infrastructure Fund (NIF) and the Future Generation Fund (FGF). The Authority commenced operations in October 2012.

There have been no material changes to the nature of the Groups's business from the prior period.

3 Operating results

The following is a summary of the Group and Authority's operating results for the period:

	Group	Authority
	31 March	31 March
	2020	2020
	N'000	N'000
Interest and investment income	9,772,254	10,263,723
Net foreign exchange gain	57,480,604	57,048,402
Investment management and custodian fees	(169,640)	(182,251)
Profit before taxation	62,459,880	64,194,775
Total comprehensive income for the period	56,925,353	63,743,776

4 Objective

NSIA is an autonomous entity established under the laws of the Federal Republic of Nigeria with broad mandates to:

- a) enhance the development of Nigerian infrastructure
- b) provide stabilisation support in times of economic stress, and
- c) carry out such other activities as may be related to the above objects.

5 Governance and management

The Act establishes a Governing Council (the Council) for the Authority. The Council comprises the following:

- a) The President of Nigeria (who may be represented by the Vice-President);
- b) Governors of Nigeria's 36 States; and
- c) Eighteen other appointees, including:
 - (i) Attorney-General of the Federation;
 - (ii) Minister of Finance;
 - (iii) Minister in charge of the National Planning Commission.

6 Employee health, safety and environment

The Authority enforces strict health and safety rules and practices in the work environment, which are reviewed and tested regularly. The Authority provides medical insurance for its employees through designated hospitals and clinics. Fire prevention and fire-fighting equipment are installed at strategic locations within the Authority's premises.



Mrs. Ezinwa Okoroafor

Secretary to the Authority

FRCN/2016/NBA/00000015045

Nigeria Sovereign Investment Authority
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Statement of directors' responsibilities

The Nigeria Sovereign Investment Authority Act requires the preparation of quarterly reports of the financial affairs of the Authority and Group at the end of the period and of its profit or loss. The responsibility includes:

- a. ensuring that the Authority and Group keep proper accounting records that disclose, with reasonable accuracy, the financial position of the Authority and Group and comply with the requirements of the Nigeria Sovereign Investment Authority Act;
- b. designing, implementing and maintaining internal control relevant to the preparation and fair presentation of financial statements that are free from material misstatements, whether due to fraud or error; and
- c. preparing the Authority and Group's financial statements using suitable accounting policies supported by reasonable and prudent judgements and estimates that are consistently applied.

The directors accept responsibilities for the unaudited condensed consolidated and separate interim financial statements, which have been prepared using appropriate accounting policies supported by reasonable and prudent judgements and estimates, in conformity with International Financial Reporting Standards and the requirements of the Nigeria Sovereign Investment Authority Act.

The directors are of the opinion that the financial statements give a true and fair view of the state of the financial affairs of the Authority and Group and of its profit or loss. The directors further accept responsibility for the maintenance of accounting records that may be relied upon in the preparation of financial statements, as well as adequate systems of internal financial control.

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

Signed on behalf of the board of directors by:



Mr. Uche Orji
Managing Director
FRC/2014/IODN/00000007036



Mrs. Stella Ojekwe-Onyejeli
Executive Director
FRC/2014/IODN/00000005766

Nigeria Sovereign Investment Authority
Unaudited consolidated and separate interim financial statements
Statement of comprehensive income
For the 3 months period ended 31 March 2020

		Group	Group	Authority	Authority
		31 March	31 March	31 March	31 March
		2020	2019	2020	2019
	Notes	N '000	N '000	N '000	N '000
Interest income	6	8,806,224	7,876,984	8,502,638	7,829,989
Investment income	7	800,459	531,669	1,595,514	249,944
Interest income on financial assets at FVTPL	8	165,571	240,289	165,571	240,289
Net (loss)/gain on financial assets	9	(2,252,571)	6,418,458	(2,061,320)	6,378,972
Net foreign exchange gain/(loss)	10	57,480,604	1,695,147	57,048,402	1,585,952
Total operating income		65,000,287	16,762,547	65,250,805	16,285,146
Investment management fees		(140,094)	(241,133)	(152,914)	(118,520)
Global and local custodian fees		(29,546)	(39,649)	(29,337)	(39,479)
Total investment management and custodian fees		(169,640)	(280,782)	(182,251)	(157,999)
Impairment write back/(charge) on financial assets	11	(103,109)	2,175,480	(103,109)	402,800
Total operating profit		64,727,538	18,657,245	64,965,445	16,529,947
Revenue from infrastructure subsidiaries investments	12	3,087,891	4,660,135	-	-
Expense from infrastructure subsidiaries investments	13	(5,239,379)	(5,172,296)	-	-
Loss from infrastructure subsidiaries investments		(2,151,488)	(512,161)	-	-
Other income		355,504	682,106	974	8,595
Operating and administrative expenses		(878,507)	(785,279)	(770,895)	(665,520)
Interest expense		(608,205)	(838,012)	(749)	-
Share of profit of investments accounted for using the equity method	19	1,015,038	237,412	-	-
Profit before taxation		62,459,880	17,441,311	64,194,775	15,873,022
Taxation		-	-	-	-
Profit for the period		62,459,880	17,441,311	64,194,775	15,873,022
Other comprehensive income:					
Items that may be reclassified to profit or loss					
Net change in fair value of financial assets at FVOCI	25.3	(450,999)	382,312	(450,999)	393,141
Share of other comprehensive income of associates and joint venture	19	(29,024)	28,932	-	-
Exchange differences on translating foreign	25.4	(5,054,504)	(94,297)	-	-
Other comprehensive (loss)/income for the period		(5,534,527)	316,947	(450,999)	393,141
Total comprehensive income for the period		56,925,353	17,758,258	63,743,776	16,266,163
Profit attributable to:					
Owners of NSIA		62,471,529	17,441,131	4,932,740	15,873,022
Non-controlling interest		(11,649)	180	-	-
		62,459,880	17,441,311	64,194,775	15,873,022
Total comprehensive income/(loss) attributable to:					
Owners of NSIA		56,937,002	17,757,945	-	16,266,163
Non-controlling interest		(11,649)	313	-	-
		56,925,353	17,758,258	63,743,776	16,266,163

The accompanying notes on pages 9 to 24 form an integral part of these condensed consolidated and separate financial statements.

Nigeria Sovereign Investment Authority

**Unaudited condensed consolidated and separate interim financial statements
Statements of financial position as at 31 March 2020**

		Group 31 March 2020 N '000	Group 31 December 2019 N '000	Authority 31 March 2020 N '000	Authority 31 December 2019 N '000
Assets					
Cash and cash equivalents	15	69,340,364	216,047,631	57,948,377	185,736,007
Investment securities	14	555,461,976	360,087,275	528,940,520	324,361,629
Restricted balances and other assets	16	50,956,643	51,019,551	64,253,391	75,878,818
Inventories	17	11,970,649	4,615,646	-	-
Investment in subsidiaries	18	-	-	895,797	1,753,398
Investments accounted for using the equity method	19	18,244,094	15,226,911	10,614,990	10,614,990
Right of use asset	20	232,362	249,905	32,615	43,488
Property and equipment	21	2,509,915	2,498,894	377,620	370,522
Intangible assets	22	95,328	100,235	95,328	100,235
Total assets		708,811,331	649,846,048	663,158,638	598,859,087
Liabilities					
Other liabilities	23	48,105,323	47,177,240	27,571,345	27,015,570
Borrowings	24	21,737,561	23,133,382	-	-
Total liabilities		69,842,884	70,310,622	27,571,345	27,015,570
Equity					
Equity attributable to equity holders of parent					
Contribution by Government	25.1	280,662,500	280,662,500	280,662,500	280,662,500
Retained earnings	25.2	356,006,024	293,534,495	351,945,295	287,750,520
Fair value reserve	25.3	3,461,116	3,941,139	2,979,498	3,430,497
Foreign currency translation reserve	25.4	(1,146,646)	1,400,190	-	-
		638,982,994	579,538,324	635,587,293	571,843,517
Non-controlling interest	25.5	(14,547)	(2,898)	-	-
		638,968,447	579,535,426	635,587,293	571,843,517
Total equity and liabilities		708,811,331	649,846,048	663,158,638	598,859,087

Signed on behalf of the Board of Directors on, October 2020 by:

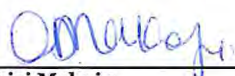


Mr Uche Orji
Managing Director
FRC/2014/IODN/00000007036



Mrs Stella Ojekwe-Onyejeli
Executive Director
FRC/2014/ICAN/00000005766

Additionally certified by:



Mrs Olubisi Makoju
Financial Controller
FRC/2014/ICAN/00000005765

The accompanying notes on pages 9 to 24 form an integral part of these condensed consolidated and separate financial statements.

Nigeria Sovereign Investment Authority

Unaudited condensed consolidated and separate interim financial statements

Statement of changes in equity

For the 3 month period ended 31 March 2020

	Contribution by Government	Foreign currency translation reserve	Fair value reserve	Retained earnings	Non-controlling interest	Total equity
Group	N '000	N '000	N '000	N '000	N '000	N '000
Balance at 1 January 2019	280,662,500	4,382,101	1,786,620	256,550,342	5,823	543,387,386
Profit for the period	-	-	-	17,441,131	180	17,441,311
Currency translation differences	-	(94,297)	-	-	1,041	(93,256)
Net change in fair value of financial assets FVOCI	-	-	383,220	-	(908)	382,312
Share of other comprehensive income of associates	-	-	28,932	-	-	28,932
Total other comprehensive income/(loss) for the period	-	(94,297)	412,152	-	133	317,988
Total comprehensive income/(loss) for the period	-	(94,297)	412,152	17,441,131	313	17,759,299
Balance at 31 March 2019	280,662,500	4,287,804	2,198,772	273,991,473	6,136	561,146,685
Group 31 March 2020						
Group	N '000	N '000	N '000	N '000	N '000	N '000
Balance at 1 January 2020	280,662,500	3,907,858	3,941,139	293,534,495	(2,898)	582,043,094
Profit/(loss) for the period	-	-	-	62,471,529	(11,649)	62,459,880
Currency translation differences	-	(5,054,504)	-	-	-	(5,054,504)
Net change in fair value of financial assets FVOCI	-	-	(450,999)	-	-	(450,999)
Share of other comprehensive income of associates and joint venture	-	-	(29,024)	-	-	(29,024)
Total other comprehensive income/ (loss) for the period	-	(5,054,504)	(480,023)	-	-	(5,534,527)
Total comprehensive income/(loss) for the period	-	(5,054,504)	(480,023)	62,471,529	(11,649)	56,925,353
Balance at 31 March 2020	280,662,500	(1,146,646)	3,461,116	356,006,024	(14,547)	638,968,447

The accompanying notes on pages 9 to 24 form an integral part of these condensed consolidated and separate financial statements.

Nigeria Sovereign Investment Authority
Unaudited condensed consolidated and separate interim financial statements
Statement of changes in equity
For the 3 month period ended 31 March 2020

	Contribution by Government N '000	Fair value reserve N '000	Retained earnings N '000	Total equity N '000
Authority				
Balance at 1 January 2019	280,662,500	2,245,070	253,690,496	536,598,066
Profit for the period	-	-	15,873,022	15,873,022
Net change in fair value of financial assets at FVOCI	-	-	-	-
Total other comprehensive income for the period	-	393,141	-	-
Total comprehensive income for the period	-	393,141	15,873,022	15,873,022
Balance at 31 March 2019	280,662,500	2,638,211	269,563,518	552,864,229
Authority 31 March 2020				
Authority				
Balance at 1 January 2020	280,662,500	3,430,497	287,750,520	571,843,517
Profit for the period	-	-	64,194,775	64,194,775
Net change in fair value of financial assets at FVOCI	-	(450,999)	-	(450,999)
Total other comprehensive income for the period	-	(450,999)	-	(450,999)
Total comprehensive income for the period	-	(450,999)	64,194,775	63,743,776
Balance at 31 March 2020	280,662,500	2,979,498	351,945,295	635,587,293

The accompanying notes on pages 9 to 24 form an integral part of these condensed consolidated and separate financial statements.

Nigeria Sovereign Investment Authority
Unaudited condensed consolidated and separate interim financial statements
Statement of cash flows
For the 3 month period ended 31 March 2020

Notes	Group 31 March 2,020 N '000	Group 31 March 2019 N '000	Authority 31 March 2020 N '000	Authority 31 March 2019 N '000
Cash flow from operating activities				
Profit/(loss) before income tax	62,459,880	17,490,613	64,194,775	15,873,022
Adjustments to reconcile profit/(loss) before tax to net cash flow from operating activities:				
Depreciation charge for the period	21 116,470	23,631	35,676	23,631
Amortisation of intangible assets	22 4,745	-	4,907	-
Interest income	6 (8,806,224)	(7,876,984)	(8,502,638)	(7,829,989)
Investment income	7 (800,459)	(531,669)	(1,595,514)	(249,944)
Interest income on financial assets at FVTPL	8 (165,571)	(240,289)	(165,571)	(240,289)
Net foreign exchange gains	10 (57,480,604)	-	(57,048,402)	-
Unrealised gain/(loss) on financial instruments at FVTPL	3,391,930	4,823,163	3,200,679	4,823,163
Benefit from below market rate loan	(2,025,082)	(168,182)	-	-
Impairment losses	11 103,109	(2,175,480)	103,109	(402,800)
Interest expense	2,936,067	838,012	-	-
Share of profit/(loss) from associate and joint venture	19 (1,015,038)	(237,412)	-	-
Movements in operating assets/ liabilities:				
Inventories	(7,355,003)	(1,227,843)	-	-
Other assets	62,908	(8,396,133)	11,625,427	1,029,604
Other liabilities	928,083	2,833,650	555,775	508,806
Cash (used) in/generated from operations	(7,644,789)	5,155,077	12,408,223	13,535,204
Tax paid	(104,549)	-	-	-
Net cash used in/ from operating activities	(7,749,338)	5,155,077	12,408,223	13,535,204
Cash flows from investing activities				
Purchase of property and equipment	21 (32,914)	(224,318)	(42,774)	(44,995)
Payment for financial assets at fair value	(217,260,542)	(15,465,055)	(216,797,322)	(14,662,637)
Proceeds from sale of financial assets at fair value	47,057,404	4,123,724	45,034,954	4,123,724
Acquisition of investments in financial assets held at amortised cost	(44,289,019)	(44,487,505)	(44,193,168)	(44,487,505)
Proceeds from sale of financial assets at amortised cost	68,969,434	43,633,267	62,469,433	42,672,550
Investment and interest income received	1,539,083	1,360,052	1,016,739	1,313,105
Proceeds due to return of capital from subsidiaries	-	-	3,250,000	-
Acquisition of further investments in joint ventures/associates	(2,031,169)	-	-	-
Net cash (used) in investing activities	(146,047,723)	(11,059,835)	(149,262,138)	(11,085,758)
Cash flows from financing activities				
Interest expense	(2,003,942)	(307,945)	-	-
Net cash (used) in financing activities	(2,003,942)	(307,945)	-	-
Net cash movement for the period	(155,801,003)	(6,212,703)	(136,853,915)	2,449,446
Cash and cash equivalents at beginning of period	216,047,631	76,154,290	185,736,007	61,777,335
Net exchange gains/(losses) on cash and cash equivalents	9,093,736	1,695,147	9,066,286	1,585,952
Cash and cash equivalents at period end	69,340,364	71,636,734	57,948,377	65,812,733
Cash and cash equivalents comprise:				
Cash in hand	2,182	896	2,017	896
Bank balances	30,321,557	33,117,199	18,931,885	29,774,349
Placements with financial institutions	39,016,625	38,518,639	39,014,475	36,037,488
Total cash and cash equivalents	69,340,364	71,636,734	57,948,377	65,812,733

The accompanying notes on pages 9 to 24 form an integral part of these condensed consolidated and separate financial statements.

Nigeria Sovereign Investment Authority
Unaudited condensed consolidated and separate interim financial statements
For the 3 month period ended 31 March 2020
Notes to the financial statements

1 General Information

Nigeria Sovereign Investment Authority ('NSIA' or 'the Authority') was established to receive, manage and invest the excess funds from the country's sale of crude oil in a diversified portfolio of medium and long-term investments. The Authority was setup by the Nigeria Sovereign Investment Authority Act, which was signed in May 2011 and was allocated an initial USD 1 billion in seed capital. The Authority commenced operations in October 2012.

The Authority is domiciled in Nigeria and its registered office address is the Clan Place, 4th floor, Plot 1386A, Tigris Crescent, Maitama, Abuja.

To actualise its mandate, the Authority has established three separate "ring-fenced" funds. They include Stabilisation Fund (SF), Future Generations Fund (FGF) and Nigeria Infrastructure Fund (NIF). The investment activities of the funds are managed as follows:

Fund	Investment managers
Stabilisation Fund (SF)	UBS Global Asset Management Limited, Smith Graham & Co, Income Research + Management
Nigeria Infrastructure Fund (NIF)	In-house Management Team, Fund for Agricultural Finance in Nigeria (FAFIN)
Future Generations Fund (FGF)	Alitheia Capital, Cevian Capital UK LLP, Edgbaston Investment Partners, Greenspring Fund, Somerset, Marathon Asset Management LLP, Prince Street Institutional Fund, Xenon Private Equity, Z Capital Partners, Helios Investment Partners, Healthcare RoyaltyPartners, Ingressive Capital, Actis Capital, Africa Capital Alliance, Abraaj Group, Canyon Partners, RWC Partners Limited, Goldman Sachs Asset Management, Akina AG, Reverence Capital, Naya GP Limited, Palestra Capital, Alpstone GMF, Holocene Advisors Offshore Fund Limited, G Squared, Fundsmith Equity Fund, Petershill Private Equity, John Street Systematic Fund, Bayview Liquid Credit Strategies Offshore.

2 Structure and content

The financial statements comprise:

- A condensed consolidated and separate statements of financial position at the end of the period;
- A condensed consolidated and separate statements of comprehensive income for the period;
- A condensed consolidated and separate statements of changes in equity for the period;
- A condensed consolidated and separate statements of cash flows for the period;
- Notes, comprising a summary of significant accounting policies and other explanatory information.

3 Basis of preparation

3.1 Statement of compliance

The condensed consolidated and separate financial statements of Nigeria Sovereign Investment Authority (NSIA) have been prepared in accordance with International Financial Reporting Standards (IFRS) on Interim Financial Information (IAS 34), including International Accounting Standards and Interpretations issued by the International Financial Reporting Interpretations Committee (IFRIC) applicable to companies reporting under IFRS. Further standards may be issued by the International Accounting Standards Board (IASB) and may be subject to the interpretations issued by the IFRIC.

The interim report does not include all the notes of the type normally included in an annual financial report. Accordingly, this report is to be read in conjunction with the annual report for the year ended 31 December 2019 and any public announcements made by Nigeria Sovereign Investment Authority during the interim reporting period.

3.2 Accounting policy

The Group has consistently applied the accounting policies of the previous financial year and corresponding interim reporting

New Standards, amendments and Interpretations

The financial reporting standards, amendments and interpretations that became effective in the current year (2020) include;

- Definition of material - Amendment to IAS 1 and IAS 8
- Definition of business - Amendment to IFRS 3
- Revised conceptual framework for financial reporting
- Interest rate benchmark reform - Amendments to IFRS 9, IAS 39 and IFRS 7

The Group did not make any changes to its accounting policies as it is not affected by the interest rate benchmark reforms and the other amendments listed above are only clarifications that did not require changes.

Nigeria Sovereign Investment Authority
Unaudited consolidated and separate interim financial statements
For the 3 months period ended 31 March 2020

Notes to the financial statements

4 Financial risk management

The Group's activities expose it to a variety of financial risks: market risk (including currency risk and price risk), credit risk and liquidity risk. The Group's overall risk management programme focuses on the unpredictability of financial markets and seeks to minimise potential adverse effects on the Group's financial performance.

4.1 Approach to risk management

With a global outlook, the Group's strategy for managing risks is to understand risk within the invested universe and the externalities that can affect this, with the aim of monitoring, controlling and mitigating against undesired events.

The Group has adopted, wherever possible, recommended best practice in the identification, evaluation and cost effective control of risks to ensure, as far as possible, that they are eliminated or reduced to a level that is acceptable to the Authority. The Group's Risk Framework seeks to explain the Authority's underlying approach to risk management, documents the roles and responsibilities of the Board of Directors, Risk Management department and other key parties. It also outlines key aspects of the risk management process, and identifies the main reporting procedures.

4.2 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 the Group, resulting in a financial loss to the Group. It arises principally from debt securities held, trade receivables and advances, and also from cash and cash equivalents.

4.2.1 Management of credit risk

The Group's policy over credit risk is to minimise its exposure to counterparties with perceived higher risk of default by dealing only with counterparties meeting credit standards, hence the Group only deals with counterparties that meet set credit ratings.

4.3 Liquidity risk

Liquidity risk is the risk that the Group will encounter difficulty in meeting obligations arising from its financial liabilities that are settled by delivering cash or another financial asset, or that such obligations will have to be settled in a manner disadvantageous to the Group.

4.3.1 Management of liquidity risk

The Group's approach to managing liquidity is to have sufficient funds to meet its liabilities, as and when due, without incurring undue losses or risking damage to the Group's reputation. The Group manages its liquidity risk by maintaining cash levels to fund short term operating expenses.

The table below shows the Group's current cash levels:

	Group	Group	Authority	Authority
	31 March	31 December	31 March	31 December
	2020	2019	2020	2019
	N '000	N '000	N '000	N '000
Cash in hand	2,182	2,944	2,017	2,944
Bank balances	30,321,557	138,865,158	18,931,885	108,553,534
Money market placements	39,016,625	77,179,529	39,014,475	77,179,529
Total cash and cash equivalents	69,340,364	216,047,631	57,948,377	185,736,007

4.4 Market risk

Market risk is the risk of loss from unfavorable changes in the fair values of financial instruments caused by adverse moves in market variables, such as foreign exchange rates, interest rates, equity prices, commodity prices, credit spreads and implied volatilities of the market rates. Market risk could result in a loss of earning and/or capital to the Group. The Group is exposed to market risk through its proprietary investments and can experience capital erosion from its own direct investments in the market.

With regards to investments in certain asset classes, the Group's potential exposure can be categorised into two: namely, traditional investments and alternative investments. Traditional investments include cash, listed equity and fixed income instruments. Alternative investments are the real estate assets, private equity, hedge funds, unquoted securities and equities which are generally less liquid than traditional investments. Currently, the asset classes being referred to as alternative investments are the private equity, hedge funds, unquoted securities and infrastructure projects.

The Group's market risk framework includes:

* Market risk - comprising equity prices, interest rate, interest basis and currency risks;

* Valuation risk - which derives from the valuation methodology chosen for unlisted assets. A critical associated risk is that which relates to the valuation model. The Group has exposure to valuation risk through its investments in private equity investments as well as other alternative instruments and project development.

The Group manages market risk by actively controlling positions taken by investment managers in accordance with the investment strategy for each fund. The investment strategy outlines permissible asset classes, asset allocation limits and other position limits according to the portfolio risk appetite and risk profile. Exceptions are escalated and investment managers are expected to provide a plan of action that would bring portfolios within limits.

The identification, measurement and management of market risk is categorised as follows:

4.4.1 Trading assets/Financial assets

Trading assets are carried at fair value using publicly available market rates for traded securities. Positions are monitored regularly and performance measured to relevant benchmarks.

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4.4.2 Non-trading assets/ Non-financial assets

Key performance measures are set and a robust monitoring and reporting framework is put in place to monitor performance of the Authority's investment in alternative and unlisted securities.

4.4.3 Foreign exchange risk

Foreign exchange risk arises when future commercial transactions or recognised assets or liabilities are denominated in a currency that is not the Group's functional currency.

The Group has an investment in a foreign operation, whose net assets are exposed to foreign currency translation risk as a result of the translation of its financial statements from the operation's functional currency to the Group's presentation currency. Non-monetary financial assets are not exposed to foreign exchange risk in accordance with the standards. Currency exposure arising from the net assets of the Group's foreign subsidiary is managed primarily through cash and cash equivalents denominated in the relevant foreign currencies.

4.4.4 Interest rate risk

Interest rate risk is the risk of loss to net interest income (NII) arising from changes in market interest rates on rate sensitive assets and liabilities.

Net interest income sensitivity

There are two types of scenarios that give rise to interest rate risk. These are where the Group holds variable rate instruments susceptible to cash flow interest rate risk due to a change in market interest rates or the Group holds debts instruments measured at fair value which will be exposed to fair value interest rate risk. The Group holds debts instruments measured at fair value which are exposed to fair value interest rate risk. The table below shows the impact of interest rate changes (increase/decrease) on the Group's fixed interest financial assets carried at fair value and the effect on comprehensive income.

	Group 31 March 2020 N '000	Group 31 March 2019 N '000	Authority 31 March 2020 N '000	Authority 31 March 2019 N '000
FVTPL investments (US treasury notes)	31,600,082	27,075,065	31,600,082	27,075,065
FVTPL investments (Fixed income products)	33,618,527	23,158,977	33,618,527	23,158,977
	65,218,609	50,234,042	65,218,609	50,234,042
(All amounts are in thousands of Naira)			Impact on	Impact of 5% strengthening
Group				Impact of 5% weakening
31 March 2020			Other comprehensive income	3,260,930
				(3,260,930)
(All amounts are in thousands of Naira)			Impact on	Impact of 5% strengthening
31 March 2019			Other comprehensive income	2,511,702
				(2,511,702)
(All amounts are in thousands of Naira)			Impact on	Sensitivity to 5% strengthening
Authority				Sensitivity to 5% weakening
31 March 2020			Other comprehensive income	3,260,930
				(3,260,930)
(All amounts are in thousands of Naira)			Impact on	Impact of 5% strengthening
31 March 2019			Other comprehensive income	2,511,702
				(2,511,702)

4.4.5 Equities securities price risk

The Group is exposed to equity securities price risk because of investments held by the Group and recognised on the consolidated statement of financial position at FVOCI. The Group is not exposed to commodity price risk. To manage its price risk arising from investments in equity securities, the Group diversifies its portfolio. Diversification of the portfolio is done in accordance with the limits set by the Group.

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5 Fair value hierarchy

The Group classifies financial instruments measured at fair value in the investment portfolio according to the following hierarchy:

Level	Fair value input description	Financial instruments
Level 1	Quoted prices (unadjusted) from active markets	Quoted instruments
Level 2	Inputs other than quoted prices included in Level 1 that are observable either directly (i.e. as prices) or indirectly (i.e. derived from prices)	Equity instruments quoted in over-the counter (OTC) markets
Level 3	Inputs that are not based on observable market data (that is, unobservable inputs)	Unquoted equity instruments and debt instruments

Unquoted equity instruments and debt instruments are measured in accordance with the International Private Equity and Venture Capital valuation guidelines with reference to the most appropriate information available at the time of measurement.

The following tables analyse within the fair value hierarchy the Group's financial assets (by class) measured at fair value at 31 March 2020. All fair value measurements disclosed are recurring fair value measurements.

Group

31 March 2020

Financial assets at FVOCI

	Level 1 N '000	Level 2 N '000	Level 3 N '000	Total N '000
NG Clearing Ltd	-	-	1,059,500	1,059,500
MTN securities	2,705,995	-	-	2,705,995
Bridge Academies Limited	-	-	2,304,000	2,304,000
	2,705,995	-	3,363,500	6,069,495

31 December 2019

Financial assets at FVOCI

	Level 1 N '000	Level 2 N '000	Level 3 N '000	Total N '000
NG Clearing Ltd	-	-	523,000	523,000
MTN securities	3,156,993	-	-	3,156,993
Bridge Academies Limited	-	-	2,080,000	2,080,000
	3,156,993	-	2,603,000	5,759,993

Authority

31 March 2020

Financial assets at FVOCI

	Level 1 N '000	Level 2 N '000	Level 3 N '000	Total N '000
NG Clearing Ltd	-	-	1,059,500	1,059,500
MTN securities	-	-	-	-
	-	-	1,059,500	1,059,500

Authority

31 December 2019

Financial assets at FVOCI

	Level 1 N '000	Level 2 N '000	Level 3 N '000	Total N '000
NG Clearing Ltd	-	-	523,000	523,000
MTN securities	3,156,993	-	-	3,156,993
	3,156,993	-	523,000	3,679,993

Financial assets at fair value through profit or loss

Group

31 March 2020

	Level 1 N '000	Level 2 N '000	Level 3 N '000	Total N '000
Currency swap	-	267,231,497	-	267,231,497
Private equity investments	-	-	59,599,573	59,599,573
Hedge fund and long only equity investments	-	-	61,386,126	61,386,126
Nigeria Infrastructure Debt Fund	-	1,599,459	-	1,599,459
Fixed income products	-	33,618,527	-	33,618,527
US treasury notes	-	31,600,082	-	31,600,082
	-	334,049,565	120,985,699	455,035,264

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Group

31 December 2019

	Level 1	Level 2	Level 3	Total
	N '000	N '000	N '000	N '000
Currency swap	-	62,687,710	-	62,687,710
Private equity investments	-	-	57,169,278	57,169,278
Hedge fund and long only equity investments	-	-	67,462,348	67,462,348
Nigeria Infrastructure Debt Fund	-	1,626,000	-	1,626,000
Fixed income products	-	27,713,425	-	27,713,425
US treasury notes	-	30,465,259	-	30,465,259
	-	122,492,394	124,631,626	247,124,020

Authority

31 March 2020

	Level 1	Level 2	Level 3	Total
	N '000	N '000	N '000	N '000
Currency swap	-	267,231,497	-	267,231,497
Private equity investments	-	-	39,792,993	39,792,993
Hedge funds and long only equity investments	-	-	61,386,126	61,386,126
Nigeria Infrastructure Debt Fund	-	1,599,459	-	1,599,459
US treasury notes	-	33,618,527	-	33,618,527
Fixed income products	-	31,600,082	-	31,600,082
	-	334,049,565	101,179,119	435,228,684

Authority

31 December 2019

	Level 1	Level 2	Level 3	Total
	N '000	N '000	N '000	N '000
Currency swap	-	62,687,710	-	62,687,710
Private equity investments	-	-	37,045,262	37,045,262
Hedge funds and long only equity investments	-	-	67,462,348	67,462,348
Nigeria Infrastructure Debt Fund	-	1,626,000	-	1,626,000
US treasury notes	-	27,713,425	-	27,713,425
Fixed income products	-	30,465,259	-	30,465,259
	-	122,492,394	104,507,610	227,000,004

(a) Financial instruments in level 1

The fair value of financial instruments traded in active markets is based on quoted market prices as at 31 March 2020. A market is regarded as active if quoted prices are readily and regularly available from an exchange, dealer, broker, industry Group, pricing service, or regulatory agency, and those prices represent actual and regularly occurring market transactions on an arm's length basis. The quoted market price used for financial assets held by the Group is the current bid price. These instruments are included in Level 1.

(b) Financial instruments in level 2

Level 2 inputs are inputs other than quoted prices included within Level 1 that are observable for the asset or liability, either directly or indirectly. They include investments in equity securities that are not traded in an active market but for which a trading platform exists on which a price can be determined for which market participants would pay in order to purchase the asset as at the reporting date i.e. at the Over-the-Counter alternative markets.

These valuation techniques maximise the use of observable market data where it is available and rely as little as possible on entity specific estimates. If all significant inputs required to fair value an instrument are observable, the instrument is included in level 2. If one or more of the significant inputs is not based on observable market data, the instrument is included in Level 3. Specific valuation techniques used to value financial instruments include quoted market prices or dealer quotes for similar instruments.

(c) Financial instruments in level 3

Level 3 inputs are unobservable inputs that have been applied in valuing the respective asset or liability. The determination of what constitutes 'observable' requires significant judgment by the Authority. The Authority considers observable data to be market data that is readily available, regularly distributed or updated, reliable and verifiable, not proprietary and provided by independent sources that are actively involved in the relevant market. There were no transfers between levels during the period.

Investments in hedge funds and private equity funds measured at FVOCI

In determining the fair value of these investments, the Authority relies on the valuation as reported in the latest available financial statements and/ or capital account statements provided by the investment manager, unless the Authority is aware of reasons that such a valuation may not be the best approximation of fair value. In such cases, the Authority reserves the right to assign a fair value to such investments which differs from the one reported by the investment manager.

The following table presents the changes in level 3 instruments for the period ended 31 March 2020 for financial assets measured at fair value.

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	Group 31 March 2020 N '000	Group 31 December 2019 N '000	Authority 31 March 2020 N '000	Authority 31 December 2019 N '000
Financial assets measured at FVOCI - Bridge Academies Limited and NG Clearing				
Opening balance	2,603,000	2,062,835	523,000	523,000
Disposal in the period	-	(213,835)	-	-
Fair value gain	-	754,000	-	-
Closing balance	2,603,000	2,603,000	523,000	523,000
Financial assets at fair value through profit or loss - Private equity				
Opening balance	57,169,278	43,559,000	37,045,262	26,933,165
Additions in the period	1,493,673	22,822,452	1,419,885	9,562,337
Disposals, repayments and distributions received	(191,347)	(10,012,286)	(168,897)	(1,762,780)
Fair value (loss)/gain	(2,724,452)	801,572	(2,355,678)	2,314,000
Exchange gain	5,985,438	(1,460)	3,852,421	(1,460)
Closing balance	61,732,590	57,169,278	39,792,993	37,045,262
Financial assets at fair value through profit or loss - Hedge funds				
Opening balance	67,462,348	69,343,323	67,462,348	69,343,323
Additions in the period	296,932	16,799,224	296,932	16,799,224
Disposals, repayments and distributions received	(524,119)	(24,771,957)	(524,119)	(24,771,957)
Fair value (loss)/gain	(11,817,131)	6,091,758	(11,817,131)	6,091,758
Exchange gain	5,968,096	-	5,968,096	-
Closing balance	61,386,126	67,462,348	61,386,126	67,462,348

Sensitivity analysis of fair value movements for level 3 financial assets

The table below shows the sensitivity analysis of fair value movements for level 3 financial assets measured at FVTPL:

		Group 31 March 2020 N '000	Authority 31 March 2020 N '000
Financial assets at fair value through profit or loss			
5% changes in fair value	Inputs	Difference	Difference
Fair value movement	NAV/Fair value	(727,079)	(708,640)
Fair value movement		727,079	708,640

There were no level 3 instruments classified at FVOCI.

6 Interest income

	Group 31 March 2020 N '000	Group 31 March 2019 N '000	Authority 31 March 2020 N '000	Authority 31 March 2019 N '000
Interest income on Nigerian treasury bills	283,575	157,253	22,011	157,253
Interest income on fixed deposits	1,275,588	1,368,050	1,240,166	1,368,050
Interest income on open market operation bills	7,232,988	6,059,004	7,232,988	6,059,004
Interest income on Eurobonds	-	151,043	-	151,043
Interest income on loans	-	46,947	-	-
Interest income on bank balances	14,073	94,687	7,473	94,639
	8,806,224	7,876,984	8,502,638	7,829,989

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7 Investment income

	Group 31 March	Group 31 March	Authority 31 March	Authority 31 March
	2020 N '000	2019 N '000	2020 N '000	2019 N '000
Investment income from securities	800,459	531,669	1,595,514	249,944
	800,459	531,669	1,595,514	249,944

8 Interest income on financial assets at FVTPL

	Group 31 March	Group 31 March	Authority 31 March	Authority 31 March
	2020 N '000	2019 N '000	2020 N '000	2019 N '000
Interest income on US treasury notes	100,712	107,905	100,712	107,905
Interest income from fixed income products	64,859	132,384	64,859	132,384
	165,571	240,289	165,571	240,289

9 Gain on financial assets

	Group 31 March	Group 31 March	Authority 31 March	Authority 31 March
	2020 N '000	2019 N '000	2020 N '000	2019 N '000
Net gain on financial assets at fair value through profit or loss (Note 9.1)	(2,308,325)	6,142,110	(2,117,074)	6,102,624
Net gain on US treasury notes and fixed income products	55,754	276,348	55,754	276,348
	(2,252,571)	6,418,458	(2,061,320)	6,378,972

9.1 Net gain on financial assets at fair value through profit or loss (FVTPL)

	Group 31 March	Group 31 March	Authority 31 March	Authority 31 March
	2020 N '000	2019 N '000	2020 N '000	2019 N '000
Unrealised (loss)/gain on financial swap	(15,634,475)	4,823,163	(15,634,475)	4,823,163
Realised gain/(loss) on financial swap	-	(2,206,286)	-	(2,206,286)
Fair value changes on private equity, hedge funds and other securities	12,242,545	3,579,417	12,433,796	3,539,931
Net gain/(loss) on sale of equity instruments	1,083,605	(54,184)	1,083,605	(54,184)
	(2,308,325)	6,142,110	(2,117,074)	6,102,624

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10 Net foreign exchange gain

	Group 31 March	Group 31 March	Authority 31 March	Authority 31 March
	2020 N '000	2019 N '000	2020 N '000	2019 N '000
Net foreign exchange gain	57,480,604	1,695,147	57,048,402	1,585,952
	57,480,604	1,695,147	57,048,402	1,585,952

11 Impairment write back/(charge) on financial assets

	Group 31 March	Group 31 March	Authority 31 March	Authority 31 March
	2020 N '000	2019 N '000	2020 N '000	2019 N '000
Investment Securities	(103,109)	(406,585)	(103,109)	(403,032)
Other assets	-	(1,768,895)	-	232
	(103,109)	(2,175,480)	(103,109)	(402,800)

11.1 The following tables explain the changes in the loss allowance of financial assets between the beginning and the end of the period:

Group	Stage 1	Stage 3	Purchased credit- impaired	Total
	12-month ECL N '000	Lifetime ECL N '000		
Loss allowance as at 1 January 2020	1,747,431	-	-	1,747,431
Movements with P&L impact				
<i>Changes on financial assets during the</i>	103,109	-	-	103,109
Total net P&L charge during the period	103,109	-	-	103,109
Loss allowance as at 31 March 2020	1,850,540	-	-	1,850,540

Authority	Stage 1	Stage 3	Purchased credit- impaired	Total
	12-month Exposure N '000	Lifetime ECL N '000		
Loss allowance as at 1 January 2020	1,535,931	-	-	1,535,931
Movements with P&L impact				
<i>Changes on financial assets during the</i>	103,109	-	-	103,109
Total net P&L charge during the period	103,109	-	-	103,109
Loss allowance as at 31 March 2020	1,639,040	-	-	1,639,040

There were no transfers across the stage 1 to stage 3 and there was no write off during the period.

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12 Revenue from infrastructure subsidiaries investments

	Group 31 March	Group 31 March	Authority 31 March	Authority 31 March
	2020 N '000	2019 N '000	2020 N '000	2019 N '000
Revenue from sale of fertilizers	3,087,891	4,660,135	-	-
	3,087,891	4,660,135	-	-

Revenue from sale of fertilizer represents revenue from sale of finished and packaged fertilizer to Agro-dealers and State Governments.

13 Expense from infrastructure subsidiaries investments

	Group 31 March	Group 31 March	Authority 31 March	Authority 31 March
	2020 N '000	2019 N '000	2020 N '000	2019 N '000
Cost of sales of fertilizers	5,239,379	5,172,296	-	-
	5,239,379	5,172,296	-	-

14 Investment securities

	Group 31 March	Group 31 December	Authority 31 March	Authority 31 December
	2020 N '000	2019 N '000	2020 N '000	2019 N '000
Financial assets measured at amortised cost	94,893,717	107,203,262	90,482,841	93,681,632
Financial assets measured at FVOCI	5,532,995	5,759,993	3,228,995	3,679,993
Financial assets at fair value through profit or loss	455,035,264	247,124,020	435,228,684	227,000,004
	555,461,976	360,087,275	528,940,520	324,361,629

14.1 Financial assets measured at amortised cost

	Group 31 March	Group 31 December	Authority 31 March	Authority 31 December
	2020 N '000	2019 N '000	2020 N '000	2019 N '000
Nigerian treasury bills	947,754	925,744	947,754	925,744
Open market operations bills (OMO bills)	-	9,302,663	-	-
Fixed deposits	92,892,323	95,974,599	90,294,013	93,411,705
Loans and receivables	1,859,168	1,656,073	-	-
	95,699,245	107,859,079	91,241,767	94,337,449
Impairment /expected credit loss	(805,528)	(655,817)	(758,926)	(655,817)
	94,893,717	107,203,262	90,482,841	93,681,632
Maturity analysis:				
Current	94,893,717	107,203,262	90,482,841	93,681,632
Non-current	-	-	-	-
	94,893,717	107,203,262	90,482,841	93,681,632

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14.1.1 Impairment /expected credit loss

	Group 31 March 2020 N '000	Group 31 December 2019 N '000	Authority 31 March 2020 N '000	Authority 31 December 2019 N '000
As at beginning of period	655,817	620,955	655,817	569,926
(Write back)/Provision for expected credit losses	149,711	34,862	103,109	85,891
As at end of period	805,528	655,817	758,926	655,817

14.2 Financial assets measured at FVOCI

	Group 31 March 2020 N '000	Group 31 December 2019 N '000	Authority 31 March 2020 N '000	Authority 31 December 2019 N '000
Equity instruments				
NG Clearing Limited	523,000	523,000	523,000	523,000
MTN securities	2,705,995	3,156,993	2,705,995	3,156,993
Bridge Academies Limited	2,304,000	2,080,000	-	-
	5,532,995	5,759,993	3,228,995	3,679,993
Maturity analysis:				
Non-current	5,532,995	5,759,993	3,228,995	3,679,993
	5,532,995	5,759,993	3,228,995	3,679,993

14.3 Financial assets at fair value through profit or loss

	Group 31 March 2020 N '000	Group 31 December 2019 N '000	Authority 31 March 2020 N '000	Authority 31 December 2019 N '000
Currency swap	267,231,497	62,687,710	267,231,497	62,687,710
Private equity investments	59,599,573	57,169,278	39,792,993	37,045,262
Hedge fund and long only equity investments	61,386,126	67,462,348	61,386,126	67,462,348
Nigeria Infrastructure Debt Fund	1,599,459	1,626,000	1,599,459	1,626,000
Fixed income products	33,618,527	30,465,259	33,618,527	30,465,259
US treasury notes	31,600,082	27,713,425	31,600,082	27,713,425
	455,035,264	247,124,020	435,228,684	227,000,004
Maturity analysis:				
Current	290,578,956	120,866,394	290,578,956	120,866,394
Non-current	164,456,308	126,257,626	144,649,728	106,133,610
	455,035,264	247,124,020	435,228,684	227,000,004

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15 Cash and cash equivalents

	Group		Authority	
	31 March	31 December	31 March	31 December
	2020	2019	2020	2019
	N '000	N '000	N '000	N '000
Cash on hand	2,182	2,944	2,017	2,944
Bank balances	30,321,557	138,865,158	18,931,885	108,553,534
Money market placements	39,016,625	77,179,529	39,014,475	77,179,529
	69,340,364	216,047,631	57,948,377	185,736,007

16 Restricted balances and other assets

	Group		Authority	
	31 March	31 December	31 March	31 December
	2020	2019	2020	2019
	N '000	N '000	N '000	N '000
Financial assets:				
Other receivables	17,755,240	23,536,829	11,744,995	22,646,427
Account receivables	3,134,224	9,795,174	809,333	4,461,410
Intercompany receivables	-	-	52,409,360	49,517,554
Cost incurred on behalf of the	16,113,745	16,113,745	-	-
Restricted balance	4,007	1,500	-	-
	37,007,216	49,447,248	64,963,688	76,625,391
Impairment /expected credit loss	(880,113)	(1,101,976)	(880,113)	(880,113)
Total financial assets	36,127,103	48,345,272	64,083,575	75,745,278
Non-financial assets:				
Prepayment	14,829,540	2,674,279	169,816	133,540
Cost incurred on behalf of the Federal	-	-	-	-
Total other assets	50,956,643	51,019,551	64,253,391	75,878,818
Maturity analysis:				
Current	-	-	-	-
Non-current	50,956,643	51,019,551	64,253,391	75,878,818
	50,956,643	51,019,551	64,253,391	75,878,818

17 Inventories

	Group		Authority	
	31 March	31 December	31 March	31 December
	2020	2019	2020	2019
	N '000	N '000	N '000	N '000
Raw materials	9,003,280	1,921,575	-	-
Finished goods	2,932,954	2,694,071	-	-
Consumables	34,415	-	-	-
	11,970,649	4,615,646	-	-
Maturity analysis:				
Current	11,970,649	4,615,646	-	-
	11,970,649	4,615,646	-	-

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18 Investments in subsidiaries

	Authority 31 March 2020 N '000	Authority 31 December 2019 N '000
At the beginning of the period	1,753,398	5,116,826
Additions during the period	-	1,000
Disposals during the period**	(857,601)	-
Acquisition of non-controlling interest in KG Brussels	-	8,125
Reclassification to shares in FGFs	-	(3,372,553)
At the end of the period	895,797	1,753,398

**During the period, there was a \$5.1 million return of capital from KG Brussels - a subsidiary wholly owned by the Authority.

18.1 Information on subsidiary entities controlled by the Authority

Name of entity	Place of business/ Country of incorporation	% of ownership interest		Carrying amount	
		31 March 2020	31 December 2019	31 March 2020 N '000	31 December 2019 N '000
NSIA Motorways Investment Company (NMIC)	Nigeria	99.99%	99.99%	1,000	1,000
KG Brussels LP	USA	99.97%	99.97%	886,797	1,744,398
KG Acquisition I LLC	USA	100%	100%	-	-
FGF Private Equity Co. Limited	Nigeria	99.99%	99.99%	1,000	1,000
FGF Investments Limited	Nigeria	99.99%	99.99%	1,000	1,000
NSIA Agriculture Investment Company	Nigeria	99.99%	99.99%	1,000	1,000
FGF PE Beta Limited	Nigeria	99.99%	99.99%	1,000	1,000
NSIA Property Investment Company Limited	Nigeria	99.99%	99.99%	1,000	1,000
NSIA Power Investment Company Limited	Nigeria	99.99%	99.99%	1,000	1,000
NSIA Healthcare Development and Investment Company Limited	Nigeria	99.99%	99.99%	1,000	1,000
NSIA Investment Management Company Limited	Nigeria	100.00%	100.00%	1,000	1,000
				895,797	1,753,398

19 Investments accounted for using the equity method

The amounts recognised in the statement of financial position are as follows;

	Group 31 March 2020 N '000	Group 31 December 2019 N '000	Authority 31 March 2020 N '000	Authority 31 December 2019 N '000
Associates and joint ventures	18,244,094	15,226,911	10,614,990	10,614,990

The amounts recognised in the statement of comprehensive income are as

Associates and joint ventures

The table below shows a detailed movement of this balance:

	Group 31 March 2020 N '000	Group 31 December 2019 N '000	Authority 31 March 2020 N '000	Authority 31 December 2019 N '000
At the beginning of the period	15,226,911	13,647,879	10,614,990	10,614,990
Additions during the period	2,031,169	-	-	-
Share of profit of associate and joint venture	1,015,038	1,363,940	-	-
Share of fair value reserves of associate and joint venture	(29,024)	215,092	-	-
At the end of the period	18,244,094	15,226,911	10,614,990	10,614,990
Maturity analysis:				
Non-current	18,244,094	15,226,911	10,614,990	10,614,990

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20 Right of use asset

	Group 31 March 2020 N '000	Group 31 December 2019 N '000	Authority 31 March 2020 N '000	Authority 31 December 2019 N '000
Opening balance	249,905	304,338	43,088	86,976
Depreciation expense	(17,543)	(54,433)	(10,472)	(43,888)
	232,362	249,905	32,616	43,088

21 Property and equipment
Group

	Furniture and fittings N '000	Motor vehicles N '000	Computer equipment N '000	Office equipment N '000	Assets under construction N '000	Total N '000
Cost						
As at 1 January 2019	115,031	334,845	175,325	2,071	1,343,974	1,971,246
Additions in the year	22,394	190,961	595	-	784,398	998,348
As at 31 December 2019	137,425	525,806	175,920	2,071	2,128,372	2,969,594
As at 1 January 2020	137,425	525,806	175,920	2,071	2,128,372	2,969,594
Additions in the period	-	16,216	15,442	1,256	-	32,914
Transfers to other assets	-	-	-	-	-	-
As at 31 March 2020	137,425	542,022	191,362	3,327	2,128,372	3,002,508
Accumulated depreciation						
As at 1 January 2019	73,602	146,216	133,825	587	-	354,230
Charge for the year	16,991	82,058	16,172	1,249	-	116,470
As at 31 December 2019	90,593	228,274	149,997	1,836	-	470,700
As at 1 January 2020	90,593	228,274	149,997	1,836	-	470,700
Charge for the period	3,076	13,051	5,725	40	-	21,892
As at 31 March 2020	93,669	241,325	155,722	1,876	-	492,592
Carrying amount						
As at 31 March 2020	43,756	300,697	35,640	1,451	2,128,372	2,509,916
As at 31 December 2019	46,832	297,532	25,923	235	2,128,372	2,498,894
Authority						
Cost						
As at 1 January 2019	115,031	321,061	175,326	2,071	-	613,489
Additions in the year	22,394	190,961	594	-	-	213,949
As at 31 December 2019	137,425	512,022	175,920	2,071	-	827,438
As at 1 January 2020	137,425	512,022	175,920	2,071	-	827,438
Additions in the period	-	30,000	12,774	-	-	42,774
As at 31 March 2020	137,425	542,022	188,694	2,071	-	870,212
Accumulated depreciation						
As at 1 January 2019	79,298	130,972	128,682	1,587	-	340,539
Charge for the year	11,295	83,518	21,315	249	-	116,377
As at 31 December 2019	90,593	214,490	149,997	1,836	-	456,916
As at 1 January 2020	90,593	214,490	149,997	1,836	-	456,916
Charge for the period	3,076	26,835	5,725	40	-	35,676
As at 31 March 2020	93,669	241,325	155,722	1,876	-	492,592
Carrying amount						
As at 31 March 2020	43,756	300,697	32,972	195	-	377,620
As at 31 December 2019	46,832	297,532	25,923	235	-	370,522

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22 Intangible assets	Group	Authority
Software - 31 March 2020	N '000	N '000
Cost		
Balance at 1 January 2020	126,536	126,374
Additions	-	-
Disposals	(162)	-
Balance at 31 March 2020	126,374	126,374
Amortisation		
Balance at 1 January 2020	26,301	26,139
Charge for the period	4,745	4,907
Balance at 31 March 2020	31,046	31,046
Carrying amount		
Balance at 31 March 2020	95,328	95,328
Software - 31 December 2019		
Cost		
Balance at 1 January 2019	37,558	37,396
Additions	88,978	88,978
Balance at 31 December 2019	126,536	126,374
Amortisation		
Balance at 1 January 2019	24,665	24,503
Charge for the period	1,636	1,636
Balance at 31 December 2019	26,301	26,139
Carrying amount		
Balance at 31 March 2020	100,235	100,235

23 Other liabilities

	Group	Group	Authority	Authority
	31 March	31 December	31 March	31 December
	2020	2019	2020	2019
	N '000	N '000	N '000	N '000
Financial liability:				
Trade payables	4,888,561	2,377,517	4,888,211	1,721,250
Intercompany payables	-	-	4,939,407	8,968,987
Other payables	18,318,756	19,076,465	16,906,701	15,528,802
Payables to the Federal Government of Nigeria in	16,242,083	18,453,250	-	-
Deferred income on RSSF borrowing	6,261,824	6,366,618	-	-
Lease liability	47,251	46,502	47,251	46,502
Non financial liability:				
Accruals	2,346,848	856,888	789,775	750,029
	48,105,323	47,177,240	27,571,345	27,015,570
Maturity analysis:				
Current	43,069,767	22,723,115	27,571,345	27,015,570
Non-current	5,035,556	24,454,125	-	-
	48,105,323	47,177,240	27,571,345	27,015,570

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24 Borrowings	Group 31 March 2020 N '000	Group 31 December 2019 N '000	Authority 31 March 2020 N '000	Authority 31 December 2019 N '000
Financial liabilities at amortised cost				
Real Sector Support Facility (RSSF)	21,737,561	23,133,382	-	-
	21,737,561	23,133,382	-	-
25 Equity and reserves	Group 31 March 2020 N '000	Group 31 December 2019 N '000	Authority 31 March 2020 N '000	Authority 31 December 2019 N '000
Contribution by Government	280,662,500	280,662,500	280,662,500	280,662,500
Retained earnings	356,006,024	293,534,495	351,945,295	287,750,520
Fair value reserve	3,461,116	3,941,139	2,979,498	3,430,497
Foreign currency translation reserve	(1,146,646)	1,400,190	-	-
Non-controlling interest	(14,547)	(2,898)	-	-
	638,968,447	579,535,426	635,587,293	571,843,517
25.1 Contribution by Government	Group 31 March 2020 N '000	Group 31 December 2019 N '000	Authority 31 March 2020 N '000	Authority 31 December 2019 N '000
Opening balance	280,662,500	280,662,500	280,662,500	280,662,500
	280,662,500	280,662,500	280,662,500	280,662,500
25.2 Retained earnings	Group 31 March 2020 N '000	Group 31 December 2019 N '000	Authority 31 March 2020 N '000	Authority 31 December 2019 N '000
Opening balance	293,534,495	259,058,010	287,750,520	253,690,496
Profit for the period	62,471,529	34,476,485	64,194,775	34,060,024
	356,006,024	293,534,495	351,945,295	287,750,520
25.3 Fair value reserve	The fair value reserve includes the net cumulative change in the fair value of equity instruments. The amounts are never transferred to profit or loss under IFRS 9 even when the investments are derecognised.			
	Group 31 March 2020 N '000	Group 31 December 2019 N '000	Authority 31 March 2020 N '000	Authority 31 December 2019 N '000
Opening balance	3,941,139	1,786,620	3,430,497	2,245,070
Change in value of financial assets measured at FVOCI	(450,999)	1,939,427	(450,999)	1,185,427
Share of change in value of financial assets measured at FVOCI - (Associates)	(29,024)	215,092	-	-
	3,461,116	3,941,139	2,979,498	3,430,497
25.4 Foreign currency translation reserve	The currency translation reserve includes the net cumulative change in the foreign gains or (losses) arising from translation of the financial statements of subsidiaries with US Dollars as functional currency into the Group's presentation currency. The amounts presented within other comprehensive income are the gross amounts as the companies are exempted from income taxes.			
	Group 31 March 2020 N '000	Group 31 December 2019 N '000	Group 31 March 2020 N '000	Group 31 December 2019 N '000
Opening balance	3,907,858	4,382,101	3,907,858	4,382,101
Exchange differences arising during the period	(5,054,504)	(474,243)	(5,054,504)	(474,243)
	(1,146,646)	3,907,858	(1,146,646)	3,907,858

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25.5 Non controlling Interest (NCI)

	Group March 2020 N'000	Group December 2019 N'000
Opening balance	(2,898)	5,823
Loss attributable to NCI	(11,649)	(8,721)
	<u>(14,547)</u>	<u>(2,898)</u>

26 Related parties

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. NSIA is the ultimate parent of the Group.

As disclosed in the investment in subsidiaries, associates and joint venture notes, FMCU Advanced Medical Diagnostics Ltd, AKTH Advanced Medical Diagnostics Limited are sub-subsidiaries of the Authority and are related parties in accordance with the applicable standards.

Nigeria Mortgage Refinance Company, Family Homes Fund Limited, Panda Agricultural Properties Management (Mauritius) Limited and Pandagric Novum Limited are associates of the Authority.

UFF-NAIC Agriculture Management Company (Mauritius) Limited, UFF-NAIC Agriculture Investment Company (Mauritius) Limited, Panda Agricultural Properties Management Ltd, Panda Agricultural Properties Management (Mauritius) Limited, LUTH Advanced Medical Services Ltd and Infrastructure Credit Guarantee Company Limited (INFRACREDIT) are jointly controlled with other entities and are therefore also related parties.



REPORT ON REVIEW OF INTERIM FINANCIAL STATEMENTS TO THE MEMBERS OF THE NIGERIA SOVEREIGN INVESTMENT AUTHORITY

Introduction

We have reviewed the accompanying consolidated and separate interim statements of financial position of Nigeria Sovereign Investment Authority (“the Authority”) and its subsidiaries (together “the Group”) as at 31 March 2020 and the related consolidated and separate statements of comprehensive income for the three-month period then ended, and statements of changes in equity and cash flows for the three-month period then ended, and a summary of significant accounting policies and other explanatory notes. The Directors are responsible for the preparation and fair presentation of these consolidated and separate interim financial statements in accordance with the International Accounting Standard 34 “Interim financial reporting”. Our responsibility is to express a conclusion on these consolidated and separate interim financial statements based on our review.

Scope of Review

We conducted our review in accordance with International Standard on Review Engagements 2410, “Review of Interim Financial Information performed by the Independent Auditor of the Entity.” A review of interim financial statements consists of making inquiries, primarily of persons responsible for financial and accounting matters, and applying analytical and other review procedures. A review is substantially less in scope than an audit conducted in accordance with International Standards on Auditing and consequently does not enable us to obtain assurance that we would become aware of all significant matters that might be identified in an audit. Accordingly, we do not express an audit opinion.

Conclusion

Based on our review, nothing has come to our attention that causes us to believe that the accompanying consolidated and separate interim financial statements do not give a true and fair view of the financial position of the Group and the Authority as at 31 March 2020, and of its financial performance and its cash flows for the three-month period then ended in accordance with International Financial Reporting Standard 34 “Interim financial reporting”.

Tolu Adeleke

For: **PricewaterhouseCoopers**
Chartered Accountants
Lagos, Nigeria

Engagement Partner: Tolulope Adeleke
FRC/2014/ICAN/0000008319



29 March 2021