



**FINANCIAL STATEMENTS
FOR THE YEAR ENDED
31 MARCH 2007**

ASO SAVINGS & LOANS PLC
FINANCIAL STATEMENTS FOR THE
YEAR ENDED 31 MARCH, 2007

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**FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2007**

CORPORATE INFORMATION

DIRECTORS

Tijjani M. Abdullahi	Chairman
Hassan T.M. Usman	Managing Director
Joshua A Maikori	Director
Jummai A. Kwanashie (Mrs)	Director

REGISTERED OFFICE

FMBN Building
Plot 266, Cadastral Zone AO
Central Business District
Abuja.

SECRETARY\GENERAL COUNSEL

Bilikisu Rimi

AUDITORS

Aminu Ibrahim & Co.
(Chartered Accountants)
City Plaza
Plot 596, Ahmadu Bello Way,
Garki II, Abuja.

ASO SAVINGS AND LOANS LIMITED

ACCOUNTS FOR THE YEAR ENDED 31 MARCH 2007

RESULTS AT A GLANCE

	2007	2006	<i>Difference</i>
	N'000	N'000	%
Major Profit and Loss Account Items			
Gross earnings	1,979,653	429,194	361
Interest paid	(690,099)	(173,424)	298
Provision for the year	(405,071)	(121,240)	234
General and admin expenses including depreciation	(598,301)	(301,750)	98
Profit(Loss) before taxation	286,183	(246,338)	216
Profit(Loss) after taxation	276,618	(247,240)	212
Major Balance Sheet Items			
Deposits	37,102,924	3,163,282	1,073
Loans and advances	25,902,187	930,045	2,685
Paid up share capital	107,240	107,240	(0)
Shareholder funds	(256,091)	(532,709)	(52)
Long term fund-NHF	485,008	464,896	4
Total assets	43,833,002	3,341,461	1,212
Total liabilities excluding long term funds	43,604,085	3,409,274	1,179
<u>Per N1 Share Data</u>			
Earnings (in kobo)	258	(230)	212
<u>Others</u>			
Employees (permanent)	114	53	115
Branches	10	12	(17)



REPORT OF THE AUDITORS TO THE MEMBERS OF ASO SAVINGS AND LOANS PLC

We have audited the financial statements of **Aso Savings and Loans Plc** as at 31 March 2007 set out on pages 7 to 21 which have been prepared on the basis of the accounting policies set out on pages 5 and 6.

Respective responsibilities of Directors and Auditors:

In accordance with the Companies and Allied Matters Act, 1990, the company's directors are responsible for the preparation of the financial statements. It is our responsibility to form an independent opinion, based on our audit, on those statements and to report our opinion to you.

Basis of opinion

We conducted our audit in accordance with generally accepted auditing standards. An audit includes examination, on a test basis, of evidence relevant to the amounts and disclosures in the financial statements. It also includes an assessment of the significant estimates and judgements made by the directors in the preparation of the financial statements, and of whether the accounting policies are appropriate to the company's circumstances, consistently applied and adequately disclosed.

We planned and performed our audit so as to obtain all the information and explanations which we considered necessary in order to provide us with sufficient evidence to give reasonable assurance that the financial statements are free from material misstatement. In forming our opinion we also evaluated the overall adequacy of the presentation of information in the financial statements. The financial statements are in agreement with the books of account, which have been properly kept. We have examined the books at the head office and some branches and have received proper returns adequate for our audit, from branches not visited by us.

The assets have been properly valued and adequate provision has been made for any losses or diminution in the value thereof.

In accordance with circular BSD/1/2004 issued by the Central Bank of Nigeria, details of insider-related credits are as disclosed in Note 26.

During the year ended 31 March 2007, the company contravened certain sections of the Revised Guidelines for Primary Mortgage Institutions. The particulars thereof and penalties paid are set out in Note 21

Without qualifying our opinion, we draw attention to the fact that the company had a negative shareholders' fund of ₦256.1million as at 31 March 2007 [2006: (₦532.7million)]. However as disclosed in Note 10c, the company raised a sum of N1.2billion by private placement during the year and an additional N1.0billion subsequent to the year end. The amount raised during the year has been treated as deposit for shares in the financial statements pending the completion of the process for allotment.

Opinion

In our opinion, the financial statements give a true and fair view of the state of affairs of the company as at 31 March, 2007 and of the profit and cash flow for the year ended on that date and have been properly prepared in accordance with the provisions of Banks and Other Financial Institutions Act, 1991, all relevant circulars issued by the Central Bank of Nigeria, all relevant statements of accounting standards issued by the Nigerian Accounting Standards Board and the Companies and Allied Matters Act, 1990.

Abuja, Nigeria
31 July 2007


Chartered Accountants

ASO SAVINGS & LOANS PLC
FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2007

REPORT OF THE AUDIT COMMITTEE

In accordance with section 359 (6) of the Companies and Allied Matters Act 1990, we have reviewed the Audit Report for the year ended 31 March 2007 and hereby state as follows:

1. The scope and planning of the audit were adequate in our opinion.
2. The accounting and reporting policies of the company conformed to the statutory requirements and agreed ethical practices.
3. The internal controls were constantly and adequately monitored; and
4. We have reviewed the Auditors' findings on management matters and are satisfied with the departmental responses thereon.

Dated 31 July 2007

J. A. Maikori
Chairman, Audit Committee

Members of the Committee

Joshua A. Maikori
Ibrahim Aliyu

ASO SAVINGS & LOANS PLC
FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2007

ACCOUNTING POLICIES

A summary of the principal accounting policies, applied consistently throughout the current and previous periods by the company is set out below:

a) **Basis of Accounting:**

The accounts are prepared under the historical cost convention.

b) **Fixed assets:**

Fixed assets are shown at cost less accumulated depreciation. Depreciation is provided on a straight line basis to write off the cost of assets over their estimated useful lives as follows:

	%
Land	-
Building	5
Office furniture, fittings and equipment	20
Computer equipment	33.3
Motor vehicles	25
Plant and machinery	20
Leased assets	As in relevant class of asset

No depreciation is provided on assets under construction. Gain or loss arising from the disposal of fixed assets is included in the profit and loss account.

c) **Bad and doubtful debts:**

Loans and advances are stated after deduction of provision against debts considered doubtful of recovery. They are classified between performing and non-performing. Non-performing are those with principal and/or interest payment obligation in arrears for over three months. Specific provision are made on all non-performing balances and 1% general provision on performing balances in line with Central Bank of Nigeria's prudential guidelines.

Provisions are applied to write off advances when securities have been realised and further recoveries are considered to be unlikely. When securities are realised, the loan provisions previously suspended are released as income in the profit and loss account in the period of realisation.

ASO SAVINGS & LOANS PLC
FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2007

ACCOUNTING POLICIES CONTD

d) Income recognition:

Interest, commission and other incomes are recognised when due and accounted for on accrual basis. Interest accruing on non-performing accounts is not taken to the profit and loss account until the debts are recovered.

e) Investments:

Investments are stated at cost and related income is recognised on accrual basis and credited to the profit and loss account in the period in which it is receivable.

f) Foreign Currency Items:

Transactions in foreign currencies are translated to the Naira at the rates of exchange ruling at the dates of the transactions.

Foreign currency balances are converted to the Naira at the rates of exchange ruling at the balance sheet date and the resultant profit or loss on exchange is taken to the profit and loss account.

g) Deferred taxation

Provision for deferred taxation is made by the liability method and calculated at the current rate of taxation on the differences between the net book value of qualifying fixed assets and their corresponding tax written down value.

h) Retirement Benefits

Arrangements for retirement benefits for members of staff are based on the provisions of the contributory staff retirement benefit scheme. The matching contribution by the company is based on current basic salaries and designated allowances and it is charged to profit and loss account.

ASO SAVINGS AND LOANS PLC
Balance Sheet
As at 31 March 2007

	NOTES	2007 N'000	2006 N'000
ASSETS			
Cash and bank balances	1	2,974,560	109,581
Placements	2	14,191,133	2,011,594
Investments	3	2,760	52,760
Loans and advances	4	25,902,187	930,045
Other assets	5	501,963	86,932
Fixed assets	6	260,399	150,549
		<u>43,833,002</u>	<u>3,341,460</u>
LIABILITIES			
Customers deposits and other accounts	7	37,102,924	3,163,282
Due to other banks		4,634,352	-
Taxation	8	16,652	8,986
Other liabilities	9(a)	649,030	181,907
Deposit for shares	10b	1,201,127	55,099
Long-term liabilities	9(b)	485,008	464,896
		<u>44,089,093</u>	<u>3,874,170</u>
Net Liabilities		<u>(256,091)</u>	<u>(532,709)</u>
CAPITAL AND RESERVES			
Share capital	10a	107,240	107,240
Statutory reserve	11	70,460	70,460
General reserve	12	(433,791)	(710,409)
Shareholders funds		<u>(256,091)</u>	<u>(532,709)</u>

The financial statements were approved by the Board of Directors of Aso Savings and Loans Plc on 31 July 2007 and were signed on its behalf by:

Joshua A. Maikori (Director)

Hassan T. M. Usman (Managing Director)

The accounting policies on pages 5 and 6 and the notes on pages 10 to 19 form an integral part of these financial statements.

ASO SAVINGS AND LOANS PLC

Profit and Loss Account For The Year Ended 31 March 2007

	NOTES	2007 N'000	2006 N'000
Interest income	14	1,431,650	309,786
Interest expenses	15	<u>(690,099)</u>	<u>(173,424)</u>
Net Interest Income		741,552	136,362
Other Operating income	16	<u>548,003</u>	<u>119,408</u>
		1,289,555	255,770
Operating expenses	20	(570,255)	(268,771)
Provision for loans & other losses	13	(405,071)	(121,240)
Exceptional items - restructuring expenses		-	(79,118)
Depreciation		<u>(28,046)</u>	<u>(32,979)</u>
Profit / (Loss) before Taxation		286,183	(246,338)
Taxation	8	(9,565)	(902)
Profit / (Loss) after taxation		<u><u>276,618</u></u>	<u><u>(247,240)</u></u>
Dealt with as follows			
Transfer to general reserve		<u>276,618</u>	<u>(247,240)</u>
		<u><u>276,618</u></u>	<u><u>(247,240)</u></u>
Earnings per share (kobo)	22	258	(230)

The accounting policies on pages 5 and 6 and the notes on pages 10 to 19 form an integral part of these financial statements.

ASO SAVINGS AND LOANS PLC

Cash Flow Statement For The Year Ended 31 March 2007

	NOTE	2007 N'000	2006 N'000
Cash from Operating Activities			
Interest and commissions received		1,431,650	309,786
Interest payments		(690,099)	(173,424)
Payments to employee & suppliers		(552,758)	(347,889)
Loans & other assets recoveries		244,667	78,777
Other incomes		548,003	119,408
Operating profit before changes in operating assets		981,463	(13,342)
(Increase)/Decrease in operating assets			
Loans to customers		(25,584,037)	(105,200)
Other assets		(420,370)	(40,423)
		(26,004,407)	(145,623)
Increase/(Decrease) in operating liabilities			
Deposits from customers and other accounts		33,939,642	977,346
Due to other banks		4,634,352	
Other liabilities		467,123	100,547
Long-term liabilities		20,112	169,757
		39,061,229	1,247,650
Income tax paid		(1,899)	(3,235)
Net cashflows from operating activities	23	14,036,386	1,085,450
Cashflows from Investing Activities			
Purchase of Fixed Assets		(137,896)	(27,948)
Net cash used in investing activities		(137,896)	(27,948)
Cashflows from Financing Activities			
Deposit for shares		1,146,028	55,099
Net increase in cash and cash equivalents		15,044,518	1,112,601
Cash and Cash Equivalents at 1 April		2,121,175	1,008,574
Cash and cash equivalents at 31 March 2007	1 & 2	17,165,694	2,121,175
Analysis of cash and cash equivalent as at 31 March 2007			
Cash and bank balances		2,974,560	109,581
Placements		14,191,133	2,011,594
		17,165,694	2,121,175

ASO SAVINGS AND LOANS PLC

Notes to the Accounts For The Year Ended 31 March 2007

	2007 N'000	2006 N'000
1 Cash and Bank Balances		
Cash and Bank Balances Comprise:		
Cash	121,162	36,774
Balances held with Federal Mortgage Bank of Nigeria	1,389	1,389
Balances held with other banks	<u>2,852,009</u>	<u>71,418</u>
	<u>2,974,560</u>	<u>109,581</u>
2 Placements		
Placements Comprise:		
Certificates of Deposits	<u>14,191,133</u>	<u>2,011,594</u>
3 Investments		
Unquoted equities		
Aso Solid Investment Ltd	50,000	50,000
Aso Insurance Brokers Ltd	<u>2,760</u>	<u>2,760</u>
	<u>52,760</u>	<u>52,760</u>
Less provision for investments	<u>(50,000)</u>	<u>-</u>
	<u>2,760</u>	<u>52,760</u>
3a. Aso Savings and Loans Plc owns 100% and 20% shares in Aso Solid Investments Limite and Aso Insurance Brokers Limited respectively.		
4 Loans and Advances		
4a(i) Analysis by security		
Mortgage Loans secured against real estate	23,810,624	662,562
Otherwise Secured	<u>3,446,294</u>	<u>1,243,811</u>
Gross Loans	<u>27,256,918</u>	<u>1,906,373</u>
Less:		
Provision for Bad and Doubtful Debts (Note 13)	<u>(1,354,731)</u>	<u>(976,328)</u>
	<u>25,902,187</u>	<u>930,045</u>

ASO SAVINGS AND LOANS PLC

Notes to the Accounts For The Year Ended 31 March 2007

	2007 N'000	2006 N'000
4a(ii) Analysis by performance:		
Performing	26,133,948	720,603
Non- Performing:		
Substandard	15,488	172,518
Doubtful	31,278	122,764
Lost	1,076,204	890,488
	<u>27,256,918</u>	<u>1,906,373</u>
4b. The provisions in respect of bad and doubtful accounts as at year end, computed in accordance with Central Bank of Nigeria's Prudential Guidelines were:		
Non-performing:		
Sub-standard	1,549	17,252
Doubtful	15,639	61,382
Lost	1,076,204	890,488
	<u>1,093,392</u>	<u>969,122</u>
Performing	261,339	7,206
	<u>1,354,731</u>	<u>976,328</u>
4c. The maturity profile of the gross loans and advances is as follows:		
Within 1 month	589,627	108,698
1 - 3 months	1,254,829	496,773
3 - 6 months	1,010,867	428,666
6 - 12 months	2,261,165	668,672
Over 12 months	22,140,430	203,565
	<u>27,256,918</u>	<u>1,906,373</u>

ASO SAVINGS AND LOANS PLC

Notes to the Accounts For The Year Ended 31 March 2007

	2007 N'000	2006 N'000
5 Other Assets		
5a. Other assets comprise:		
Deposit for Shares in Aso Consult Ltd	19,192	30,000
Capital work in progress	10,530	10,530
Stationery Stock	5,721	2,803
Prepayments	51,822	14,402
Share issue expenses	85,441	-
Interest Receivable on placement	100,405	24,859
Interbranch Balances	261,380	7,210
Sundry Debtors	1,515	6,649
Cheque in Transit	-	37,292
Frauds & Forgeries	39,091	32,158
Placements in Distressed banks	84,000	84,000
	<u>659,098</u>	<u>249,903</u>
Provision on Other Assets	(157,135)	(162,971)
	<u><u>501,963</u></u>	<u><u>86,932</u></u>
5b. Details of provisions on other assets		
Frauds & Forgeries	39,091	32,158
Deposit for share in Aso Consult Limited	19,192	30,000
Interest Receivable on placement	10,730	10,730
Placements in Distressed banks	84,000	84,000
Interbranch balances	2,613	-
Obsolete Stationery Stock	1,509	104
Sundry Debtors	-	5,979
	<u>157,135</u>	<u>162,971</u>

ASO SAVINGS AND LOANS PLC

Notes to the accounts

For The Year Ended 31 March 2007

6	Land N'000	Buildings N'000	Plant & Machinery N'000	Office Equipment N'000	Computer & Data Equip N'000	Motor Vehicle N'000	Furniture & Fittings N'000	Leased Assets N'000	Total N'000
Cost									
At 1/4/06	9,230	128,335	21,588	31,615	39,869	27,050	22,931	-	280,618
Additions during the year			6,026	19,949	62,932	2,472	27,047	19,469	137,896
Reclassification			(4,700)	(3,270)	(8,874)	(425)	(2,112)	19,381	-
At 31/3/07	<u>9,230</u>	<u>128,335</u>	<u>22,914</u>	<u>48,294</u>	<u>93,927</u>	<u>29,097</u>	<u>47,866</u>	<u>38,850</u>	<u>418,514</u>
Depreciation									
At 1/4/06	-	22,693	15,046	22,524	32,073	22,713	15,020	-	130,069
Charge for the year	-	6,417	4,332	3,262	7,078	2,190	3,384	1,385	28,046
Reclassification		-	(229)	(50)	(668)	-	(84)	1,031	-
At 31/3/07	<u>-</u>	<u>29,110</u>	<u>19,148</u>	<u>25,736</u>	<u>38,483</u>	<u>24,903</u>	<u>18,320</u>	<u>2,416</u>	<u>158,115</u>
Net Book Value									
At 31 December 2007	<u>9,230</u>	<u>99,226</u>	<u>3,766</u>	<u>22,558</u>	<u>55,444</u>	<u>4,194</u>	<u>29,546</u>	<u>36,434</u>	<u>260,399</u>
At 31 December 2006	<u>9,230</u>	<u>105,642</u>	<u>6,542</u>	<u>9,091</u>	<u>7,796</u>	<u>4,337</u>	<u>7,911</u>	<u>-</u>	<u>150,549</u>

Assets reclassified to Leased Assets were re-acquired by Sale and Lease-back finance lease arrangement effective from November 2006

ASO SAVINGS AND LOANS PLC

Notes To The Accounts For The Year Ended 31 March 2007

	2007 N'000	2006 N'000
7 Deposits and other accounts		
7a. Deposits and other accounts comprise:		
Time	1,701,008	1,178,267
"Cash and Carry"	34,592,756	1,390,727
Savings	809,159	594,288
	<u>37,102,924</u>	<u>3,163,282</u>
7b The maturity profile of deposits liabilities is as follows:		
Within 1 month	20,755,654	320,404
Between 1-3 months	14,666,934	1,486,775
Between 3-6 months	1,680,336	1,356,103
	<u>37,102,924</u>	<u>3,163,282</u>
8 Taxation		
.1 Per profit and loss account:		
Income tax based on the results for the year	9,565	902
Education tax	-	-
	<u>9,565</u>	<u>902</u>
.2 Per balance sheet:		
At 1/4/06	8,986	11,318
Paid during the year	(1,899)	(3,234)
As per note 8a.1 above	9,565	902
	<u>16,652</u>	<u>8,986</u>
<p>The charge for taxation in these accounts is based on the provisions of the Companies Income Tax Act as amended to date. The charge for education tax is based on the provisions of Education Tax Act,1993.</p>		
9a Other Liabilities		
Accrued Expenses	132,269	11,610
Staff pension Scheme	28,466	7,704
Interest Payable on FTD	29,569	25,460
Interest received in advance	19,373	-
Sundry Creditors	164,765	95,688
Uncleared Effects	119,235	37,293
Creditors for supplies	-	4,152
Stale instruments	27,483	-
Cheques issued	62,896	-
Deferred interest income - Sale of government houses	64,976	-
	<u>649,030</u>	<u>181,907</u>

ASO SAVINGS AND LOANS PLC

Notes To The Accounts For The Year Ended 31 March 2007

	2007	2006
	N'000	N'000
9b Long-term Liabilities	<u>485,008</u>	<u>464,896</u>

Long-term liabilities represent funds obtained from Federal Mortgage Bank and disbursed to beneficiaries of National Housing Fund(NHF). Corresponding assets created are included in Loans & Advances (Note 4)

10a Share Capital		
Authorised: Ordinary Shares of N1 each	<u>2,700,000</u>	<u>500,000</u>
Called up and fully paid		
107,239,630 Ordinary Shares of N1 each	<u>107,240</u>	<u>107,240</u>

10b The company on 17 August 2006 increased its authorised share capital N2.7billion by creation of additional 2.2billion ordinary share capital of N1 each.

10c During the year, the company made a private placement. As at 31/03/2007, N1.201billion had been realised while additional N1.002billion was realised subsequent to the balance sheet date to make a total of N2.203billion. The allotment process is in progress.

11 Statutory Reserve

The movement on this account in the year was as follows

Balance at the beginning of the year	70,460	70,460
Balance at the end of the year	<u>70,460</u>	<u>70,460</u>

12 General Reserve

Balance at the beginning of the year	(710,409)	(463,169)
Transfer from profit and loss account	276,618	(247,240)
Balance at the end of the year	<u>(433,791)</u>	<u>(710,409)</u>

13 Summary of Movements on Provision for Bad and Doubtful Accounts

	Loans and advances N'000	Investments & Other assets N'000	Total 2007 N'000	Total 2006 N'000
Principal				
At 1 April	697,907	162,971	860,879	746,016
Provided during the year	594,399	55,339	649,738	200,017
Recoveries during the year	(233,493)	(11,174)	(244,667)	(78,777)
Written off - Due from other banks	-	-	-	(6,377)
At 31 March	<u>1,058,813</u>	<u>207,136</u>	<u>1,265,949</u>	<u>860,879</u>
Interest in suspense				
At 1 April	278,421	-	278,421	179,405
Additions for the year	50,364	-	50,364	99,016
Released during the year	(32,867)	-	(32,867)	-
At 31 March	<u>295,918</u>	<u>-</u>	<u>295,918</u>	<u>278,421</u>
Total as at 31 March	<u>1,354,731</u>	<u>207,136</u>	<u>1,561,867</u>	<u>1,139,299</u>

ASO SAVINGS AND LOANS PLC

Notes To The Accounts For The Year Ended 31 March 2007

	2007 N'000	2006 N'000
14 Interest Income		
Non- Bank Sources		
Loans and Advances	960,769	138,645
Bank Sources:		
Placements with Banks	470,881	171,141
	<u>1,431,650</u>	<u>309,786</u>
15 Interest Expenses		
NHF loans	21,433	20,059
Savings and others	561,704	31,562
Time Deposits	106,962	121,803
	<u>690,099</u>	<u>173,424</u>
16 Other Operating Income		
Commission on Turnover	137,963	35,694
Miscellaneous Income	410,040	83,042
Disposal of Fixed Assets	-	672
	<u>548,003</u>	<u>119,408</u>
17 Profit / (Loss) before Taxation		
General:		
Profit / (Loss) before taxation for the period is stated after charging/(crediting) the following:		
Auditors' remuneration	2,400	1,800
	<u>2,400</u>	<u>1,800</u>
18 Staff costs		
Employees costs for the period amounted to:		
Wages and Salaries	288,892	135,408
Other pension Costs	37,892	6,964
	<u>326,785</u>	<u>142,372</u>
19 Directors' Remuneration		
a Remuneration paid to Directors of the company was as follows:		
Sitting Allowances	475	1,050
Other emoluments	2,243	3,950
	<u>2,718</u>	<u>5,000</u>
b The directors' remuneration shown above (excluding pension contributions and certain benefits) includes:		
Chairman	500	500
Highest- paid director	1,900	1,170
20 Gross Earnings comprise:		
Interest income	960,769	138,645
Non interest income	548,003	119,408
Placement income	470,881	171,141
	<u>1,979,653</u>	<u>429,194</u>

ASO SAVINGS AND LOANS PLC

Notes To The Accounts For The Year Ended 31 March 2007

	2007 N'000	2006 N'000									
21			Penalties								
			Contravention of Banks and Other Financial institutions Act 1991								
			<table border="0" style="width: 100%;"> <thead> <tr> <th style="text-align: left;">Section</th> <th style="text-align: left;">Description</th> <th style="text-align: right;">Number of times</th> <th style="text-align: right;">Penalty paid N'000</th> </tr> </thead> <tbody> <tr> <td></td> <td>Using depositors fund to acquire fixed assets</td> <td style="text-align: right;">1</td> <td style="text-align: right;">100</td> </tr> </tbody> </table>	Section	Description	Number of times	Penalty paid N'000		Using depositors fund to acquire fixed assets	1	100
Section	Description	Number of times	Penalty paid N'000								
	Using depositors fund to acquire fixed assets	1	100								
22			Earnings per share								
			Earnings per share has been computed based on the result after tax and the number of shares in issue at 31 March 2007								
23			Reconciliation of Profit /(Loss) After Tax to Net Cashflow from Operating Activities								
	Profit/(Loss) After Tax	286,183	(247,240)								
	<i>Adjustments to reconcile profit to net cashflow from operating activities:</i>										
	Gross provision for bad and doubtful accounts	649,738	200,017								
	Depreciation	28,046	32,979								
	Change in tax payable	15,598	(2,333)								
	Net change in operating assets	(26,004,407)	(145,623)								
	Net change in operating liabilities	39,061,229	1,302,749								
	<u>14,036,386</u>	<u>1,140,549</u>									

24 Claims and Litigations

The company in the course of business is at year end involved in 5 cases as a defendant and 2 cases as plaintiff. The total amount claimed in the 5 cases against the company is estimated at N13,300,000. However, the Directors of the company are of the opinion that none of the aforementioned cases is likely to have material adverse effect on the company.

25 Comparative figures

Certain comparative balances have been reclassified to ensure proper disclosure and uniformity with the current year presentation.

ASO SAVINGS AND LOANS PLC

Notes To The Accounts
For the Year Ended 31 March 2007

26 Analysis of Insider Related Credits

S/n	Name of borrower	A/c number	Relationship to Institution	Balance at 31/03/2007 N'000	Performing N'000	Non Performing N'000	Total Provision N'000	Security
<i>Akin Adaramola C.</i>								
1	Akin Adaramola C.	013051003181	Ex Managing Director	3,026		3,026	3,026	Clean
2	Siramofa Enterprises	013091015291	Ex Managing Director	3,644		3,644	3,644	Clean
3	Ecosense Ventures	013021126731	Ex Managing Director	3,272		3,272	3,272	Clean
4	Akin Adaramola C.	011591003181	Ex Managing Director	4,947	4,947			Clean
5	Akin Adaramola C.	063096099231	Ex Managing Director	4,502		4,502	4,502	Clean
<i>Tafida Bala Ahmad</i>								
6	Balan Nig. Ltd.	013091002981	Ex Managing Director	12,686		12,686	12,686	Clean
7	Shelter & Gen.Services	013091057291	Ex Managing Director	2,131		2,131	2,131	Clean
8	Nakowa Motors	013021127201	Ex Managing Director	6,016		6,016	6,016	Clean
9	Munificent Nig.Ltd.	013021120641	Ex MD's relation	1,909		1,909	1,909	Clean
10	H&S Construction Co. Ltd.	013021116641	Ex MD's relation	4,719		4,719	4,719	Clean
<i>Abdu M.S.</i>								
11	Abdu M.S.	011731047321	Ex Chairman	6,129		6,129	6,129	Clean
<i>Related companies</i>								
12	Aso Solid Investment Limited	013021088231	Subsidiary company	423,875		423,875	423,875	Clean
13	Aso Solid Ventures Limited	013091055471	Subsidiary company	98,418		98,418	98,418	Clean
14	Aso Solid Insurance Brokers	013021009921	Subsidiary company	4,453		4,453	4,453	Clean
15	Abubakar Danmusa Lawal	013091002591	Staff	384		384	384	Clean
16	Daniel M. Obaje	011591019241	Ex- Director	834		834	834	Clean
17	Daniel M. Obaje	011731019241	Ex- Director	144		144	144	Clean
<i>Ishaya Adiu</i>								
18	Stereb Nig. Ltd.	013091056741	Ex- MD	1,648		1,648	1,648	Clean
<i>Mustapha Aliyu</i>								
19	Mamtag & Sons Ltd	013021087921	Ex- Director	5,437		5,437	5,437	Clean
<i>Godfrey Miri.S</i>								
20	Godfrey Miri.S	013091005601	Ex- Director	1,939		1,939	1,939	Clean
21	Godfrey Miri.S	011731005601	Ex- Director	45		45	45	Clean
<i>Bashir Abdullahi</i>								
22	Bashir Abdullahi	013091043531	Director in parent coy	328		328	328	Clean
<i>Umaru Waziri</i>								
23	Umaru Waziri	013091038211	Director in parent coy	1,621		1,621	1,621	Clean

ASO SAVINGS AND LOANS PLC

Notes To The Accounts
For the Year Ended 31 March 2007

26 Analysis of Insider Related Credits

S/n	Name of borrower	A/c number	Relationship to Institution	Balance at 31/03/2007 N'000	Performing N'000	Non Performing N'000	Total Provision N'000	Security
<i>Emmanuel Itiat</i>								
24	Delight Nursery and Pry.School	06301091241	Ex-Staff	24		24	24	Clean
25	Summer Guest House	063096037831	Ex-Staff	33		33	33	Clean
<i>Agboola M.O</i>								
26	Mini Ventures Ltd	013091066511	Ex-Staff	36		36	36	Clean
<i>Joseph Nyam</i>								
27	Down South Ventures Ltd	013031011251	Staff	194		194	194	Clean
28	Joseph Nyam	011611038511	Staff	331		331	331	Clean
29	Joseph Nyam	013091038511	Staff	2,081		2,081	2,081	Clean
				594,807	4,947	589,860	589,860	

ASO SAVINGS AND LOANS PLC

Value Added Statement For The Year Ended 31 March 2007

	2007 N'000	%	2006 N'000	%
Gross Earnings	1,979,653		(429,194)	
Interest Expenses	<u>690,099</u>		<u>(173,424)</u>	
	1,289,555		(602,618)	
Provision on risk assets	(377,810)		(200,017)	
Bought-in-materials and services	(270,731)		(205,517)	
Value Added for the period	<u><u>641,013</u></u>	<u>100</u>	<u><u>(70,987)</u></u>	<u>100</u>
Applied as follows:				
To pay employees				
Staff and pension costs	326,785	51	142,372	(201)
To pay Government				
Taxes	9,565	1	902	(1)
Retained in business for maintenance of assets and future expansion				
Depreciation	28,046	4	32,979	(46)
Profit / (Loss) retained for the period	<u>276,618</u>	<u>43</u>	<u>(247,240)</u>	<u>348</u>
	<u><u>641,013</u></u>	<u>100</u>	<u><u>(70,987)</u></u>	<u>100</u>

Value added is the wealth created by the efforts of the bank and its employees, and its allocation between employees, shareholders, government and investment for the future creation of wealth.

ASO SAVINGS AND LOANS PLC
Five Year Financial Summary
At 31 March

	2007	2006	2005	2004	2003
BALANCE SHEET	N'000	N'000	N'000	N'000	N'000
Assets employed					
Cash and short term funds	2,974,560	109,581	91,149	156,174	20,256
Balances with other banks	14,191,133	2,011,594	917,425	546,111	18,111
Investments in other companies	2,760	52,760	52,760	52,760	85,253
Loans and advances	25,902,187	930,045	992,981	1,144,557	958,353
Other assets	501,963	86,932	77,334	91,332	64,920
Fixed assets	260,399	150,549	156,635	133,603	118,528
	<u>43,833,002</u>	<u>3,341,460</u>	<u>2,288,284</u>	<u>2,124,537</u>	<u>1,265,421</u>
Liabilities					
Deposits and other accounts	37,102,924	3,163,282	2,185,936	1,689,328	879,350
Other liabilities	6,484,509	237,006	81,360	95,879	78,017
Taxation	16,652	8,986	11,318	13,399	16,098
	<u>43,604,085</u>	<u>3,409,274</u>	<u>2,278,614</u>	<u>1,798,606</u>	<u>973,465</u>
Net Assets/(Liabilities)	<u>228,917</u>	<u>(67,813)</u>	<u>9,670</u>	<u>325,931</u>	<u>291,956</u>
Capital and Reserves					
Share capital	107,240	107,240	107,240	107,240	107,240
Statutory reserve	70,460	70,460	70,460	70,459	61,702
General reserve	(433,791)	(710,409)	(463,169)	110,400	84,129
Shareholders funds	<u>(256,091)</u>	<u>(532,709)</u>	<u>(285,469)</u>	<u>288,099</u>	<u>253,071</u>
Long term liabilities	<u>485,008</u>	<u>464,896</u>	<u>295,139</u>	<u>37,832</u>	<u>38,885</u>
	<u>228,917</u>	<u>(67,813)</u>	<u>9,670</u>	<u>325,931</u>	<u>291,956</u>
PROFIT AND LOSS ACCOUNT					
Gross Earnings	<u>1,979,653</u>	<u>507,971</u>	<u>388,529</u>	<u>366,863</u>	<u>368,071</u>
Profit/(Loss) before taxation	286,183	(246,338)	(573,568)	40,029	(7,239)
Taxation	-	(902)	-	(5,000)	(2,000)
Profit/(Loss) before taxation	<u>286,183</u>	<u>(247,240)</u>	<u>-</u>	<u>85</u>	<u>35,029</u>
Earnings per share	267k	(230k)	(535k)	37k	(7k)
Net assets/(liabilities) per share	(28k)	(497k)	(266k)	304k	272k