



REGALO HOPE FOUNDATION

**AUDITED FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2025**

CONTENTS	PAGE
Corporate Information	2
Financial Highlight	3
Report of the Trustees	4
Statement of Trustees' responsibility	5
Independent Auditors' report	6-7
Statement of financial position	8
Statement of Income and Expenditure	9
Statement of changes in funds	10
Statement of cash flows	11
Notes to the account	13-22

CORPORATE INFORMATION

Company's Registration Number: IT 99371

BOARD OF TRUSTEES

The names of the Trustees at the date of this report and of those who held offices during the year are as follows:

Mr. Nnamdi Peter Onuorah	Trustee
Mrs Edith Nwago Agha	Trustee
Mrs Ngozi Mary-Anne Osemeka	Trustee
Mrs IbehChiemezie Jennifer	Trustee
Mr Nkem Onyeabor Obi	Trustee
Mrs Chinenye Ebele Onuorah	Trustee
Mrs Ukah Sarah Nkem	Trustee

REGISTERED OFFICE

45, Akinyemi Street,
Behind Stanbic IBTC Bank
Igando Phase one Lagos State

AUDITORS

LOGIC PROFESSIONAL SERVICES

(Chartered Accountants)

17/19 Allen Avenue

Ikeja,

Lagos.

BANKERS

First Bank of Nigeria Plc

Guaranty Trust Bank Plc

FINANCIAL HIGHLIGHTS

	2025 =N=	2024 =N=	% Change	2024 =N=	2023 =N=	% Change
Donations	89,424,000	95,457,650	-7%	95,457,650	85,353,450	11%
Operating expenses before interest charges	(89,761,097)	(102,076,364)	-14%	(102,076,364)	(94,032,884)	8%
Operating Surplus/(Loss)	(337,097)	(6,618,714)		(6,618,714)	(8,679,434)	
Interest and other income				-	-	-
Finance cost	(107,547.42)	(114,370)	-6%	(114,370)	(21,248)	81%
Surplus/(Loss)	(444,645)	(6,733,084)	(14.14)	(6,733,084)	(8,700,682)	(0.29)

**REPORT OF THE TRUSTEES
FOR THE YEAR ENDED 31 DECEMBER 2025**

The Trustees have pleasure in submitting to the members of the company their report together with the Audited Financial Statements for the year ended 31 December, 2025.

LEGAL FORM

The Company was incorporated in Nigeria under the Companies and Allied Matters Act as a non profit organization on 7 August, 2017.

PRINCIPAL ACTIVITIES

The principal activity of the organization during the year was to provide for less privileged, advance social welfare, capacity building and promote human right within Nigeria.

OPERATING RESULTS

The operating results for the year are as follows:

	2025 =N=	2024 =N=
Result for the year		
Deficit of income over income	(444,645)	(6,733,084)
	-	-
Deficit of income over income	<u>(444,645)</u>	<u>(6,733,084)</u>

6 EMPLOYMENT OF DISABLED PERSONS

The Organization did not employ any disable person(s) during the year. It is however, the Organization’s policy not to discriminate against disabled persons for employment if academically qualified and medically fit.

7 EVENTS AFTER THE REPORTING DATE

There were no events after the reporting date which could have a material effect on the financial position of the Organization as at 31 December, 2025 which have not been recognised or disclosed.

8 AUDITORS

Messrs Logic Professional Services (Chartered Accountants) have been appointed as External Auditors in accordance with Section 401(2) of the Companies and Allied Matters Act, 2020.

By order of the Board



.....
Company Secretary
25 March 2026
Lagos, Nigeria.

Statement of Trustees' Responsibilities in relation to the Financial Statements for the year ended 31 December 2025

The Trustees of Regalo Hope Foundation accept responsibility for the preparation of the annual Financial Statements that give a true and fair view in accordance with International Financial Reporting Standards (IFRS) and in a manner required by the Companies and Allied Matters Act, 2020, the Financial Reporting Council of Nigeria Act, 2011.

The Trustees further accept responsibility for maintaining adequate accounting records as required by the Companies and Allied Matters Act, 2020, and for such internal control as the Trustees determine is necessary to enable the preparation of Financial Statements that are free from material misstatements whether due to fraud or error.

Going Concern

The Trustees have made assessments of the Organization's ability to continue as a going concern and have no reason to believe that the Organization will not remain a going concern in the year ahead.

Signed on behalf of the Board of Trustees on 25 March, 2026 by:



.....

Trustee



.....

Trustee



Rear Wing, 4th Floor,
Oshokey Plaza,
17/19, Allen Avenue, Ikeja, Lagos.
Tel: 07089997034, 08056107469, 08056085288
www.logicprofessionalservices.com
info@logicprofessionalservices.com
(Member-Public Practice Section of ICAN)

INDEPENDENT AUDITORS' REPORT
To the Members of **REGALO HOPE FOUNDATION**

Report on the financial statements

We have audited the accompanying financial statements of Regalo Hope Foundation, which comprise the Statement of financial position as at 31 December 2025, the statement of comprehensive income, statement of changes in equity, and statement of cash flows for the year then ended, and a summary of significant accounting policies and other explanatory information, as set out on pages 8 to 11.

Trustees' responsibility for the financial statements

The Organization's Trustees are responsible for the consolidated and separate financial statement that gives a true and fair view in accordance with International Financial Reporting Standards and in the manner required by the Companies and Allied Matters Act of Nigeria, the Financial Reporting Council of Nigeria Act, 2011, and for such internal control as the Trustees determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

Auditors' responsibility

Our responsibility is to express an opinion on these consolidated and separate financial statements based on our audit. We conducted our audit in accordance with International Standards on Auditing. Those standards require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether the financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the consolidated and separate financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the entity's preparation and fair presentation of the financial statements in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the entity's internal control. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of accounting estimates made by the Trustees, as well as evaluating the overall presentation of the financial statements.

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



Rear Wing, 4th Floor,
Oshopey Plaza,
17/19, Allen Avenue, Ikeja, Lagos.
Tel: 07089997034, 08056107469, 08056085288
www.logicprofessionalservices.com
info@logicprofessionalservices.com
(Member-Public Practice Section of ICAN)

Opinion

In our opinion, the financial statements give a true and fair view of the financial position of Regalo Hope Foundation (“the organization”) as at year ended 31 December, 2025 and of the Organization’s income and expenditure and cash flows for the year then ended in accordance with International Financial Reporting Standards and in manner required by the Companies and Allied Matters Act of Nigeria, and the Financial Reporting Council of Nigeria Act, 2011

Report on Other Legal and Regulatory Requirements

Compliance with the requirement of Schedule 6 of the Companies and Allied Matters Act, CAP C20 Laws of the Federation of Nigeria

In our opinion, proper books of account have been kept by the Organization, so far as appears from our examination of those books and the Organization’s statement of financial position and consolidated and separate statement of income and expenditure are in agreement with the books of account.

Signed:

For: **Logic Professional Services**
Chartered Accountants
Lagos, Nigeria

Engagement Partner: **Ijiola Olatunde**
FRC/2014/ICAN/00000006297



26 March, 2026



**Statement of Financial Position
As at 31 December 2025**

		2025 =N=	2024 =N=
Assets			
Non Current Assets			
Property, plant & equipment	6	2,315,860	2,253,080
		-	-
		<u>2,315,860</u>	<u>2,253,080</u>
Current Assets			
Cash and cash equivalent	5	4,477,348	4,943,322
Prepayments	7	-	-
		<u>4,477,348</u>	<u>4,943,322</u>
Total Assets		<u>6,793,208</u>	<u>7,196,402</u>
Liabilities			
Other payables	8	-	63,191,889
Total current liabilities		<u>-</u>	<u>63,191,889</u>
Funds			
Accumulated Fund		7,237,611	(49,262,644)
Surplus/(Deficit) of Income over Expenditure		<u>(444,403)</u>	<u>(6,732,843)</u>
Total fund		<u>6,793,208</u>	<u>(55,995,487)</u>
Total fund and liabilities		<u>6,793,208</u>	<u>7,196,402</u>

The financial statements and the accompanying notes were approved and authorised by the board of Trustees on 25 March, 2026 and signed on its behalf by:

Trustee

Trustee

**Statement of Income and Expenditure
For the year ended 31 December 2025**

	2025 =N=	2024 =N=
Income	89,424,000	95,457,650
Expenditure	(89,761,097)	<u>(102,076,364)</u>
Surplus/Deficit of Income over Expenditure	(337,097)	(6,618,714)
	-	-
Finance cost	<u>(107,547)</u>	<u>(114,370)</u>
Net Surplus/(Deficit) of Income over Expenditure	<u>(444,645)</u>	<u>(6,733,084)</u>
Other comprehensive income		
Items that will not be reclassified to Profit or loss		
Unrealised Exchange loss	-	-
	<u>-</u>	<u>-</u>
Total comprehensive income	<u>(444,645)</u>	<u>(6,733,084)</u>

Statement of Changes in Funds
For the year ended 31 December 2025

	Accumulated Fund =N=	Deficit of income over expenditure =N=	Total =N=
Balance as at 1 January 2025	(49,262,644)	(6,733,084)	(55,995,728)
Adjustment on Opening Balance	56,500,255	6,733,326	63,233,581
Deficit of Income over expenditure for the year	-	(444,645)	(444,645)
Other comprehensive loss	-	-	-
Balance as at 31 December 2025	<u>7,237,611</u>	<u>(444,403)</u>	<u>6,793,208</u>

	Accumulated Fund =N=	Deficit of income over expenditure =N=	Total =N=
Balance as at 1 January 2024	(49,262,644)		(49,262,644)
			-
Deficit of Income over expenditure for the year		(6,733,084)	(6,733,084)
Other comprehensive income	-	-	-
Balance as at 31 December 2024	<u>(49,262,644)</u>	<u>(6,733,084)</u>	<u>(55,995,728)</u>

Statement of cashflows
For the year ended 31 December 2025

		2025	2024
		=N=	=N=
Deficit of income over expenditure		(444,645)	(6,733,084)
Add back:			
Depreciation	8a	<u>602,220</u>	<u>535,720</u>
Net cash flows from operating activities		157,575	(6,197,364)
Changes in working capital			
(Increase)/Decrease in Other Receivables & prepayments		-	
(Increase)/Decrease in Trade receivables			
Increase/(Decrease) in Trade and Other Payables			
Operating loss after working capital changes		<u>157,575</u>	<u>(6,197,364)</u>
Tax paid in the year		-	-
Net Cashflow used in Operating Activities		<u>157,575</u>	<u>(6,197,364)</u>
Investing activities			
Purchase of fixed assets		<u>(665,000)</u>	
Net cash from investing activities		<u>(665,000)</u>	<u>-</u>
Financing activities			
Trustees current account		<u>41,450</u>	<u>6,807,242</u>
Net cash from financing activities		<u>41,450</u>	<u>6,807,242</u>
Net changes in cash and cash equivalent		(465,975)	609,878
Cash and cash equivalent at the beginning of year		<u>4,943,323</u>	<u>4,333,445</u>
Cash and cash equivalent at end of year	5	<u>4,477,348</u>	<u>4,943,323</u>

Notes to the Financial Statements

1) Corporate information and principal activities

Regalo Hope Foundation was incorporated in Nigeria under the Companies and Allied Matters Act, CAP C20 LFN, 2020 as a non for profit organization on August 7, 2017.

The Organization was established to provide for less priviledged, advance social welfare, capacity building and promote human right within Nigeria. Its registered office is at 9, Dabiri Street , Ejigbo, Lagos.

2) Basis of Preparation

a) Statement of Compliance

The financial statements have been prepared in accordance with International Financial Reporting Standards (IFRS) as issued by the International Accounting Standards Board (IASB) and the requirements of the Companies and Allied Matters Act, 2020. Where the provisions of IFRS are in conflict with the requirements of the Companies and Allied Matters Act, 2020, IFRS supersedes.

The financial statements were authorized for issue by the Board of Trustees on 25 March, 2026.

b) Basis of Measurement

The financial statements have been prepared under the historical cost concept, except for certain financial instrument that are measured at fair value at the end of each reporting period as explained in the accounting policies below.

c) Functional and presentation currency

The organization's functional and presentation currency is the Nigerian Naira. The financial statements are presented in Nigerian Naira.

d) Use of estimates and judgment

The preparation of financial statements in conformity with IFRS requires the use of certain critical accounting estimates and judgments. It also requires management to exercise its judgment in the process of applying the organization's accounting policies. The areas involving a higher degree of judgment or complexity, or areas where assumptions and estimates are significant to the financial statements are disclosed in Note 4.

3) Critical accounting estimates and judgements

The Organization makes certain estimates and assumptions regarding the future. Estimates and judgments are continually evaluated based on historical experience and other factors, including expectations of future events that are believed to be reasonable under the circumstances. In the future, actual experience may differ from these estimates and assumptions. The estimates and assumptions that have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities within the next financial year are:

ii) Impairment of property, plant and equipment

The Organization assesses assets or groups of assets for impairment annually or whenever events or changes in circumstances indicate that carrying amounts of those assets may not be recoverable. In assessing whether a write-down of the carrying amount of a potentially impaired asset is required, the asset's carrying amount is compared to the recoverable amount. Frequently, the recoverable amount of an asset proves to be the Company's estimated value in use.

The estimated future cash flows applied are based on reasonable and supportable assumptions and represent management's best estimates of the range of economic conditions that will exist over the remaining useful life of the cash flow generating assets.

iii) Estimates of useful lives and residual value

The estimates of useful lives and residual values of property, plant and equipment impact the annual depreciation charge. The useful lives and residual values are based on management experience and the condition of the assets. Consideration is given to management's intended usage policy for the assets in the future and potential market prices of similar assets.

4) Summary of significant accounting policies

The accounting policies set out below have been applied consistently to all years presented in these financial statements.

a) Foreign currency

In preparing the financial statements of the company, transactions in currencies other than the entity's presentation currency (foreign currencies) are recognised at the rates of exchange prevailing at the dates of the transactions and any exchange differences arising are included in the statement of profit or loss and other comprehensive income of the reporting year.

At the end of each reporting period, monetary items denominated in foreign currencies are translated at the rates prevailing at that date. Non-monetary items carried at fair value that are denominated in foreign currencies are retranslated at the rates prevailing at the date when the fair value was determined. Non-monetary items that are measured in terms of historical cost in a foreign currency are translated using the exchange rate at the date of the transaction (i.e. not retranslated).

Foreign currency differences on loans and other borrowings are recognized as finance income and expenses. Other foreign currency differences as a result of transactions are recognized in the related items within the operating results.

Income

Income represents the fair value of the consideration received or receivable from dinations, in the ordinary course of the Organization's activities.

Revenue is recognized when all the following conditions are satisfied;

- (a) Identify contracts with Customers;
- (b) Identify performance obligations in the contracts;
- (c) Determine the transaction price;
- (d) Allocate transaction price to the performance obligations in the contractthe costs incurred on the transaction and or to be incurred can be measured reliably; and
- (e) Recognise revenue when the entity satisfies the performance obligation.

c) **Finance income and expenses**

Finance income comprises interest income on short term deposits with banks and changes in the fair value of financial assets at fair value through profit and loss where the Company holds such financial assets. Interest income on short-term deposits is recognized by reference to the principal outstanding and at the effective interest rate applicable, which is the rate that exactly discounts estimated future cash receipts through the expected life of the financial asset to the asset's net carrying amount on initial recognition. Interest income is recognized in the statement of profit or loss and other comprehensive income as it accrues, using the effective interest method.

Finance expenses comprise interest expense on borrowings. Finance expenses are recognised in the statement of profit or loss and other comprehensive income.

d) **Property, plant and equipment**

i) **Recognition and Measurement**

Property, plant and equipment are measured at cost price less accumulated depreciation calculated from the date of commissioning and any accumulated impairment losses. The cost price is based on the purchase price and/or expenditures that are directly attributable to the acquisition of the asset. Items of property, plant and equipment under construction are disclosed as capital work in progress. The cost of construction recognized includes the cost of materials and direct labour, any other costs directly attributable to bringing the assets to a working condition for their intended use, the costs of dismantling and removing the items and restoring the site on which they are located and borrowing costs on qualifying assets.

ii) **Subsequent costs**

Modifications and capacity enhancing investments on any asset are capitalized as cost and amortised over the remaining life of the asset. Also, the cost of replacing a part of an item of property, plant and equipment is recognized in the carrying amount of the item if it is probable that the future economic benefits embodied within the part will flow to the Company and its cost can be measured reliably. The carrying amount of the replaced part is derecognised. The costs of the day-to-day servicing and maintenance of an item of property, plant and equipment are recognized as an expense in the statement of profit or loss and other comprehensive income during the period in which they are incurred.

iii) **Depreciation**

Depreciation is calculated on items of property, plant equipment to write down the cost of each asset to its residual value over its estimated useful life. No depreciation is charged on items of property, plant and equipment until they are brought into use. Where property, plant and equipment consist of components with different useful lives, they are accounted for as separate items.

The principal annual rates used to write down the cost of the assets are as follows:

Types of asset

Furniture & Fittings	10 years
Office Electrical Equipment	10 years
Computer Equipment	10 years
Plant & Machinery	10 years

The assets depreciable methods, useful lives and residual values are reviewed annually and adjusted if necessary. The asset's carrying amount is written down immediately to its recoverable amount if the asset's carrying amount is greater than its estimated recoverable amount.

iv) Derecognition

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

e) Impairment of non-financial assets

Non-financial assets other than inventories and deferred tax assets are reviewed at each reporting date for impairment whenever events or changes in circumstances indicate that the carrying amount may not be recoverable. An impairment loss is recognized for the amount by which the asset's carrying amount exceeds its recoverable amount. The recoverable amount is the higher of an asset's fair value less cost to sell and value in use. For the purposes of assessing impairment, assets are grouped at the lowest levels for which they have separately identifiable cash flows (cash-generating units).

If the recoverable amount of an asset is estimated to be less than its carrying amount, the carrying amount of the asset is reduced to its recoverable amount. An impairment loss is recognized immediately in the statement of profit or loss and other comprehensive income, unless the relevant asset is carried at a revalued amount, in which case the impairment loss is treated as a revaluation decrease.

Where an impairment loss subsequently reverses, the carrying amount of the asset is increased to the revised estimate of its recoverable amount, but so that the increased carrying amount does not exceed the carrying amount that would have been determined had no impairment loss been recognized for the asset in prior years. A reversal of an impairment loss is recognized immediately in the statement of profit or loss and other comprehensive income, unless the relevant asset is carried at a revalued amount, in which case the reversal of the impairment is treated as a revaluation increase.

f) Financial Instruments

a) Financial assets

Financial assets are initially recognized at fair value plus directly attributable transaction costs. Subsequent re-measurement of financial assets is determined by their designation that is revisited at each reporting date.

The classification of financial assets depends on the purpose for which the financial assets were acquired. Management determines the classification of its financial assets at initial recognition. The Company's financial assets comprise of 'loans and receivables'.

At the reporting date, the Company assesses whether its financial assets have been impaired. Impairment losses are recognized in the statement of profit or loss and other comprehensive income where there is objective evidence of impairment.

i) Trade and other receivables

Trade receivables are amounts due from customers for sales/services rendered in the ordinary course of business. If collection is expected within one year or less (or in the normal operating cycle of the business if longer), they are classified as current assets. If not, they are presented as non-current assets.

Trade and other receivables are recognized initially at fair value and subsequently measured at amortized cost using the effective interest method less allowance for impairment. Discounting is ignored if insignificant. Allowance for impairment of trade and other receivables is established when there is objective evidence that the Company will not be able to collect all the amounts due according to the original terms of the receivables. Significant financial difficulties of the debtor, probability that the debtor will enter bankruptcy and default or delinquency in payment, are the indicators that a trade and other receivables is impaired. The carrying amount of the asset is reduced through the use of an allowance account and the amount of the loss is recognized in the statement of profit or loss and other comprehensive income within the administrative costs.

The amount of impairment allowance is the difference between the asset's nominal value and the recoverable value, which is the present value of estimated cash flows, discounted at the original effective interest rate. Changes to this impairment are recognized under administrative costs. When a trade receivable is uncollectable, it is written off against impairment for trade receivables.

ii) Prepayments

Prepayments are payments made in advance relating to the following year and are recognized and carried at original amount less amounts utilized in the statement of profit or loss and other comprehensive income.

iii) Cash and cash equivalents

Cash and cash equivalents consist of cash at bank and in hand and short-term deposits with an original maturity of three months or less. Bank overdrafts are included as a component of cash and cash equivalents from the purpose of the statement of cash flows.

iv) Derecognition of financial assets

The Company derecognizes a financial asset only when the contractual rights to the cash flows from the asset expires, or when it transfers substantially all the risks and rewards of ownership of the asset to another entity. On derecognition of a financial asset in its entirety, the difference between the asset's carrying amount and the sum of the consideration received and receivable and the cumulative gain or loss that had been recognized in other comprehensive income and accumulated in equity is recognized in the income statement.

b) Financial Liabilities

Financial liabilities are initially recognized at fair value when the Company becomes a party to the contractual provisions of the liability. Subsequent measurement of financial liabilities is based on amortized cost using the effective interest method. The Company financial liabilities include trade and other payables.

Financial liabilities are presented as if the liability is due to be settled within 12months after the reporting date, or if they are held for the purpose of being traded. Other financial liabilities which contractually will be settled more than 12months after the reporting date are classified as non-current.

i) Borrowings

Borrowings are recognized initially at fair value, net of transaction costs incurred. Borrowings are subsequently carried at amortized cost using the effective interest rate; any difference between the proceeds (net of transaction costs) and the redemption value is recognized in the over the period of the borrowings using the effective interest method. Borrowings to be settled within 12months period are classified as current liabilities while borrowings to be settled over 12months are classified as non-current liabilities.

ii) Trade and other payables

Trade and other payables are obligations to pay for goods or services that have acquired in the ordinary course of business from suppliers. Trade and other payables are recognized initially at fair value and subsequently measured at amortized cost using the effective interest method.

iii) Amount due to related Companies

Amount due to related Companies are obligation to pay for goods or services that have been acquired in the ordinary course of business from related Companies. Amount due to related Companies are recognized initially at fair value and subsequently measured at amortized cost using the effective interest method.

iv) Related party transactions

Related parties include the related companies, the directors and any employee who is able to exert significant influence on the operating policies of the company. Key management personnel are also considered related parties. Key management personnel are those persons having authority and responsibility for planning, directing and controlling the activities of the entity, directly or indirectly, including any director (whether executive or otherwise) of that entity.

The Company considers two parties to be related if, directly or indirectly one party has the ability to control the other party or exercise significant influence over the other party in making financial or operating decisions. Where there is a related party transaction with the company, the transactions are disclosed as to the type of relationship that exists with the company and the outstanding balances necessary to understand their effects on the financial position and the mode of settlement.

v) De-recognition of financial liabilities

The Company derecognizes financial liabilities when, and only when, the Company's obligations are discharged, cancelled or they expire. The difference between the carrying amount of the financial liability derecognized and the consideration paid and payable is recognized in statement of profit or loss and other comprehensive income.

g) Taxation

i) Current Income tax

The income tax expense for the period comprises current and deferred tax expense. Tax is recognized in the income except to the extent that it relates to items recognized in other comprehensive income or directly in equity. In this case, the tax is also recognized in other comprehensive income or directly in equity.

The current income tax charge is calculated on the basis of the tax laws enacted or substantially enacted at the reporting date in Nigeria where the Company operates and generates taxable income.

The tax currently payable is based on taxable profit for the year. Taxable profit differs from profit as reported in the statement of profit or loss and other comprehensive income because it excludes items of income or expense that are taxable or deductible in other years, but it further excludes items that are never taxable or:

- Company Income Tax - This relates to tax on revenue and profit generated by the Company during the year, to be taxed under the Companies Income Tax Act, CAP C21, LFN 2004 as amended to date.
- Tertiary Education Tax - Tertiary education tax is based on the assessable income of the Company and is governed by the Tertiary Education Trust Fund (Establishment) Act, LFN 2011 (Amended)

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

ii) Deferred Tax

Deferred Tax is recognized in respect of temporary differences between the carrying amounts of assets and liabilities for financial reporting purposes and the amounts used for taxation purposes.

Deferred Tax is not recognized for:

- temporary differences on the initial recognition of assets or liabilities in a transaction that is not a business combination and that affects neither accounting nor taxable profit or loss.
- taxable temporary differences arising on the initial recognition of goodwill.

Deferred tax is provided for using the liability method, which represents taxation at the current rate of corporate tax on all timing differences between the accounting values and their corresponding tax written down values. A deferred tax asset is recognized only to the extent that it is probable that future taxable profits will be available against which the amount will be utilized.

Deferred income tax assets and liabilities are offset when there is a legally enforceable right to offset current tax assets against current tax liabilities and when deferred income tax assets and liabilities relate to income taxes levied by the same taxation authority on either the same taxable entity or different taxable entities where there is an intention to settle the balances on a net basis.

h) Equity Instruments

i) Share capital

Share capital represents the nominal value of shares that have been issued.

ii) Reserves

Reserves include all current and prior period retained earnings and other reserves.

i) Offsetting financial instruments

Financial assets and liabilities are offset and the net amount reported in the statement of financial position when there is a legally enforceable right to offset the recognized amounts and there is an intention to settle on a net basis or realize the asset and settle the liability simultaneously.

l) Impairment of financial instruments

The company assesses at the end of each reporting period whether there is objective that a financial asset or group of financial assets is impaired. A financial asset or a group of financial assets is impaired and impairment losses are incurred only if there is objective evidence of impairment as a result of one or more events that occurred after initial recognition of the asset (a 'loss event') and that loss event (or events) has an impact on the estimated future cash flows of the financial asset or group of financial assets that can be reliably estimated.

Evidence of impairment may include indications that the debtor or a group of debtors is experiencing significant financial difficulty, default or delinquency in interest or principal payments, the probability that they will enter bankruptcy or other financial reorganization, and where observable data indicates that there is a measurable decrease in the estimated future cash flows such as changes in arrears or economic conditions that correlate with defaults.

For the loans and receivables category, the amount of the loss is measured as the difference between the asset's carrying amount and the present value of estimated future cash flows (excluding future credit losses that have not been incurred) discounted at the financial asset's original effective interest rate. The carrying amount of the asset is reduced and the amount of the loss is recognized in the statement of profit or loss. If a loan has a variable interest rate, the discount rate for measuring any impairment loss is the current effective interest rate determined under the contract.

As a practical expedient, the company may measure impairment on the basis of an instrument's fair value using an observable market price.

If, in a subsequent period, the amount of the impairment loss decreases and the decrease can be related objectively to an event occurring after the impairment was recognized (such as an improvement in the debtor's credit rating), the reversal of the previously recognized impairment loss is recognized in the statement of profit or loss.

j) Employee benefits

i) Short term employee benefits

Short term employee benefit obligations are measured on an undiscounted basis and are expensed as the related services are provided. The company recognizes wages, salaries, bonuses and other allowances for current employees in the statement of profit or loss and other comprehensive income as the employees render such services.

A liability is recognized for the amount expected to be paid under short-term benefits if the company has a present legal or constructive obligation to pay the amount as a result of past service provided by the employee and the obligation can be estimated reliably.

k) Provisions

A provision is recognized only if, as a result of a past event, the Company has a present legal or constructive obligation that can be estimated reliably, and it is probable that an outflow of economic benefits will be required to settle the obligation. The provision is measured at the best estimate of the expenditure required to settle the obligation at the reporting date. Provisions are not recognized for future operating losses. Where there are a number of similar obligations, the likelihood that an outflow will be required in settlement is determined by considering the class of obligations as a whole. A provision is recognized even if the likelihood of an outflow with respect to any one item included in the same class of obligations may be small. Provisions are measured at the present value of the expenditures expected to be required to settle the obligation. The unwinding of the discount is recognized as finance cost.

REGALO HOPE FOUNDATION
NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2025

5 Cash and Cash Equivalents

	2025	2024
	=N=	=N=
First Bank Plc	160,941	626,916
First Bank Domiciliary account	4,167,596	4,167,596
Guaranty Trust Bank	45,789	45,789
Guaranty Trust Bank Domiciliary	103,022	103,022
	<u>4,477,348</u>	<u>4,943,322</u>

6 Property, Plant and Equipment (2025)

	Furniture & Fittings	Office Equipment	Computer Equipment	Plant & Machinery	Total
	=N=	=N=	=N=	=N=	=N=
Cost					
At 1 January 2025	4,215,700	659,500	340,000	142,000	5,357,200
Adjustment				-	-
Additions			665,000		665,000
At 31 December 2025	<u>4,215,700</u>	<u>659,500</u>	<u>1,005,000</u>	<u>142,000</u>	<u>6,022,200</u>
Accumulated depreciation					
At 1 January 2025	2,409,820	395,700	238,000	60,600	3,104,120
Charge for the year	421,570	65,950	100,500	14,200	602,220
At 31 December 2025	<u>2,831,390</u>	<u>461,650</u>	<u>338,500</u>	<u>74,800</u>	<u>3,706,340</u>
Carrying value					
At 31 December 2025	<u>1,384,310</u>	<u>197,850</u>	<u>666,500</u>	<u>67,200</u>	<u>2,315,860</u>

NOTES TO THE FINANCIAL STATEMENT

6(a). Property, Plant and Equipment (2023)

	Furniture & Fittings =N=	Office Equipment =N=	Computer Equipment =N=	Plant & Machinery =N=	Total =N=
Cost					
At 1 January 2024	4,215,700	659,500	340,000	142,000	5,357,200
Additions			-	-	-
At 31 December 2024	4,215,700	659,500	340,000	142,000	5,357,200
Accumulated depreciation					
At 1 January 2024	1,988,250	329,750	204,000	46,400	2,568,400
Charge for the year	421,570	65,950	34,000	14,200	535,720
At 31 December 2024	2,409,820	395,700	238,000	60,600	3,104,120
Carrying value					
At 31 December 2024	1,805,880	263,800	102,000	81,400	2,253,080
7 Prepayments				2024	2023
				=N=	=N=
Prepaid Rent				-	-
				-	-
8 Other payables and provisions				2025	2024
				=N=	=N=
Trustee Current Account				-	63,191,889
Audit fee				-	-
				-	63,191,889
9 Income				2025	2024
				=N=	=N=
Income				89,424,000	95,457,650
				89,424,000	95,457,650

NOTES TO THE FINANCIAL STATEMENT

10 Expenditure		2025	2024
		=N=	=N=
	Personnel cost (note 16a)	24,770,677	8,334,644
	Administrative expenses (note 16b)	64,388,200	93,206,000
	Depreciation (note 8)	602,220	535,720
		<u>89,761,097</u>	<u>102,076,364</u>
10(a) Personnel cost		2025	2024
		=N=	=N=
	Salary and wages	24,770,677	8,334,644
		<u>24,770,677</u>	<u>8,334,644</u>
10(b) Administrative expenses		2025	2024
		=N=	=N=
	Utility	1,100,000	1,800,000
	Logistics	411,000	497,800
	Groceries	1,585,000	2,580,000
	Stationeries	1,095,850	2,601,000
	Volunteers Stipends	1,400,000	3,100,000
	Vediography & Photography	1,583,200	2,700,000
	Repairs & Maintenance	26,000	420,000
	Audit Fee	120,000	120,000
	Entertainment	2,259,700	2,662,200
	Advertisement	900,000	1,135,500
	Rent	600,000	500,000
	Donations	20,171,250	23,087,000
	Scholarship Fund	27,777,200	49,752,500
	Branded Materials	1,978,000	2,250,000
	Training and Workshop	3,371,000	-
	Subscription	10,000	-
		<u>64,388,200</u>	<u>93,206,000</u>
11 Finance Charges		2025	2024
		=N=	=N=
	Bank Charges	107,547	114,370
		<u>107,547</u>	<u>114,370</u>