



NCSL
SAVINGS & LOAN

2025 ANNUAL REPORT

LOOKING AHEAD TOGETHER

Reflecting on 2025 & our Commitment
to Better Service



We listen to
build trust
& loyalty

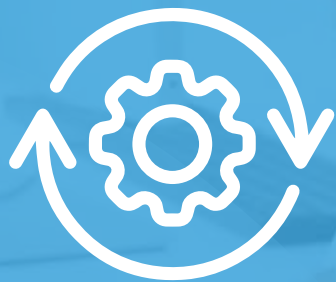




We value
every member
interaction
with respect

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Consistent service
contributing to
improved member
finances

Financial Highlights

Performance The Year 2025

	change(%)	2025	2024
Growth Assets	↑ 1.2% Increase	K355.6M	K351.4M
Net Loan Portfolio	↓ 2.2% Decrease	K167.1M	K170.9M
General Reserves	↑ 11.6% Increase	K29.9M	K26.8M
Total Membership	↑ 6.8% Increase	165,157	154,671
Net Income	↑ 184.2% Increase	K15.4M	K5.4M
Total Income	↑ 2.6% Increase	K62.9M	K61.3M
Interest Paid to Member Account	↑ 79.2% Increase	K17.6M	K9.8M



Chairman & CEO Report

Executive Summary

The year 2025 was a challenging one for our organization. Despite these challenges, the year ended with a positive financial net profit of K15.4 million and continued growth in memberships and our savings and loan portfolios. Compared to 2024, our total assets grew by 1.2% from K351.4 million to K355.6 million whilst our liability portfolio reduced by 2.2% from K317.6 million to K310.5 million. Our membership base grew to 165,157 (6.8% annual increase).

Like many institutions operating in a rapidly changing environment, we faced a combination of operational pressures, increased service demand, and internal adjustments that affected our ability to deliver customer service at the level we aspire to and that our members rightly expect. During the year much of our attention and focus was directed to the implementation of our new core savings & loan system, therefore, consistently high service standards could not always be guaranteed.

We recognize that this created frustration and inconvenience for some of our members and it is important for us to acknowledge this openly. Customer service is central to who we are, and when it falls short of our vision, it matters.

Transparency and accountability are essential to maintaining trust, especially during difficult times. Despite the limited service, 2025 was also a year that demonstrated the strength of the relationships with

our members and with most of the employers who continued supporting their employees through the payment of their contributions.

The trust, patience and understanding shown by our members and the payroll officers of the employers, played a crucial role in helping us navigate this period. Your continued confidence gave us the space to stabilize our operations, address bottlenecks, and focus on long-term improvements rather than short-term fixes.

At the same time, we are very proud of our employees who showed remarkable resilience and dedication. In the face of increased workloads and evolving expectations, our employees remained committed to supporting our members, solving problems, and improving the processes. Their hard work laid the foundation for the progress we are now seeing.

As a result, customer service has improved significantly. Response times are faster, processes are more streamlined, and teams are better equipped with the tools (e.g. computer "Wokabaut" tablets) and training needed to support our members effectively.

Just as importantly, we have learned valuable lessons from our experiences during 2025 that are shaping how we operate today.

Key Achievements 2025

A few of the highlights which we achieved throughout the year.

- **Growth in Membership**

Membership grew by 6.8% during the year, increasing from 154,671 to 165,157 members.

- **Introduction of Wokabout Tablets**

We successfully rolled out Wokabout Tablets to improve the onboarding experience for members. These devices are equipped with both online and offline capabilities, ensuring that our Society can continue servicing members even in areas with limited or no internet connectivity.

- **The Introduction of the Ad hoc Remittance Feature**

This Ad hoc Remittance feature allows members to transfer funds seamlessly using unique reference numbers. Funds are automatically credited to members' Poro accounts in an instant. This eliminates the need for members to send receipts to NCSL for manual updates and the process is faster, more secure, and significantly reduces administrative overheads.

- **Digital Membership via MyNCSL App**

We introduced instant digital membership onboarding through the MyNCSL App which ensures a smooth, secure and fully digital onboarding experience. New members can open accounts without completing paperwork or physically visiting a branch. The App leverages advanced identification technology, allowing verification through Driver's License, National ID card, Passport, or Nasfund ID.

- **Improving Financial Literacy**

We continued our mission of further improving member's financial well being through training and highlighting the different financial products and services available, and the importance of savings and comparing interest rates when borrowing. Together with the Centre for Excellence in Financial Inclusion (CEFI), we reached out with our training to small growers in the Oil Palm and Cocoa industries.

- **Regulatory Compliance and Transparency**

We continued the implementation of the Prudential Standards introduced by BPNG. We enhanced the transparency and pricing of our products and services.

- **The Deployment of the Debt Management System**

The use of the system has contributed to the effective and efficient monitoring of loan defaults through automation of collection processes including real-time productivity reports designed to effectively manage the debt collection activities.

- **Improved Savings & Loan Pricing**

Interest rates on the savings accounts were increased, while we reduced the interest rates on the loans. We also removed account maintenance and loan service fees. These changes provide affordability and accessibility for our members.



Looking Ahead

We want to be clear: Our customer service is not just "back on track", it is a priority for continuous improvement.

NCSL is investing in people, systems, and processes to ensure that the service quality we provide to our members, their employers and the small growers, continues to rise and becomes more consistent, reliable, and aligned with our long-term vision.

We thank our members sincerely for their trust and patience during a demanding year.

Together with the commitment of our employees, this trust has enabled us to move forward stronger, more focused, and better prepared to deliver the level of service you deserve now and in the future.

**Christopher Elphick, NCSL Board Chairman
& Frans Kootte, NCSL CEO**

Board of Directors



Christopher Elphick
Chairman

Mr. Elphick serves as Chairman of the NCSL Board, a position he has held for three years. He has been a Board member for seven years and provides leadership, strategic oversight, and governance guidance.

Known for his practical commercial insight, he fosters collaborative decision making and remains actively engaged in business and community initiatives.



Hulala Tokome, MBE
Deputy Chairman

Mr. Tokome has been an Independent Director for over 15 years, providing seasoned oversight and strategic perspective.

His long-standing board experience is complemented by leadership roles in multiple sectors, giving him deep expertise in governance, financial management, and corporate decision making.



Ian Tarutia, CBE
Director

Mr. Tarutia founded NCSL in 2003 and led the organisation as Founding Chairman until 2023. Over 20 years on the Board, he provided visionary leadership and strategic guidance, establishing strong governance practices and a long-term member focused mission.

He has extensive experience in financial services and corporate leadership and has held key notable roles in national business and professional organisations.

Board of Directors



Sundar Ramamurthy, ML
Director

Mr. Ramamurthy has served on the Board for four years. He brings strong entrepreneurial experience, having founded and managed businesses in technology and communications, with a focus on innovation and market development.

His expertise in strategic growth and business mentoring adds a forward-looking perspective to the Board.



Deborah Onga
Director

Ms. Onga joined the NCSL Board in 2023, bringing professional expertise in law and corporate compliance.

With experience in corporate legal practice and organisational advisory, she contributes to governance oversight and ensures strategic decisions align with regulatory and ethical standards.



Supporting strong
governance through
compliance focused
talent



Corporate Governance

The NCSL Board and Management continue to uphold and develop good corporate governance standards and practices. They have closely monitored developments in corporate governance principles and practices, both locally and globally, further demonstrating their commitment to act responsibly, ethically and with the highest standards of integrity to ensure that NCSL is managed prudently.

Board Sub-Committees

The NCSL Board delegates part of its authority to its sub-committees. The NCSL Board currently has two sub-committees established, being the:

- **Audit Risk Committee (ARC), and**
- **Innovation, IT and Organization Development Committee (IITOC)**

The objectives of these committees are to assist the Board in discharging its statutory, fiduciary, governance and regulatory responsibilities in relation to Audit, Risk and Compliance matters (ARC) and all other matters (IITOC).

ARC and IITOC provide the Board with greater oversight over the business, allow for more informed decision-making and facilitate in-depth reviews of Management and also an avenue for which to provide guidance to the business. The committees report and make recommendations back to the full Board on a regular basis with the operations of both committees being governed by their own separate committee charters.

Risk Management

Governance of risk remains the sole responsibility of the Board of NCSL. The NCSL ARC has been delegated the function of Risk Management by the Board and in turn, this responsibility has been further delegated to Management and specifically the Risk & Compliance function.

NCSL maintains a Board approved Risk Management Framework (RMF) and Risk Appetite Statement (RAS) which are reviewed on an annual basis. The RMF and RAS provide NCSL with a structured approach to identifying and mitigating risk as well as providing direction on the reporting of risks to Board and Management.

To strengthen NCSL's risk posture, notable actions taken by Board and Management in 2025 include:

- **Review and approval of the NCSL RMF and RAS;**
- **Updating of the NCSL Policies and Procedures Manual (PPM);**
- **Review and approval of the NCSL Enterprise-wide Business Continuity Plan (BCP);**
- **Implementation of the AML/CTF module in the new core banking system, and**
- **Implementation of the Risk Management Software (RMS).**

Internal Audit

2025 saw the successful completion of year one of the Internal Audit functions 3-year, risk-based, audit plan that was approved by ARC. The recruitment of additional staff for the function and review of the Internal Audit Charter and policy, reiterates the Board and Management's, commitment to ensuring that there is an effective, independent and adequately resourced internal audit function.

The internal audit function maintains a separate and independent reporting line to the ARC.

External Audit

PricewaterhouseCoopers (PwC) remained as NCSL's external auditor in 2025. They have been engaged by the Board & Management to carry out a Mid-Year review of the Society in addition to the End-of-Year audit.

Society Information

Principal Place of Business	Level 2, BSP Haus Harbour City, Konedobu, Port Moresby, National Capital District Papua New Guinea
Directors	Mr. Christopher Elphick Mr. Hulala Tokome, MBE Mr. Ian Tarutia, CBE Mr. Sundar Ramamurthy, ML Ms. Deborah Onga
Chairman	Mr. Christopher Elphick
Secretary	Ms. Rebekah Watinga Ms. Venessa Vee (exit. August 2025)
Auditors	PricewaterhouseCoopers Services (PNG) Level 6, PwC Haus Harbour City, Konedobu Port Moresby, National Capital District Papua New Guinea
Bankers	BSP Financial Group Limited ANZ Banking Group (PNG) Limited Westpac Bank PNG Limited Kina Bank
Lawyers	Ms. Rebekah Watinga Ms. Venessa Vee (exit. August 2025) Dentons PNG Corrs Chambers Westgarth

Directors' Report

The Directors have pleasure in presenting their report together with the financial statements of NASFUND Contributors Savings and Loan Society Limited (the Society) for the year ended 31 December 2025 and the auditor's report thereon.

Activities

The nature of operations and principal activities of the Society are maintaining membership of its members for the purpose of a savings and loan society, processing contributions and loans, and management of investments of the Society.

Results

The net profit for the year ended 31 December 2025 was K15,407,972 (2024: K5,420,497).

Interest

Interest will be credited to Members' Savings Accounts on the 1st day of April 2026.

Directors

The directors of the Society at the date of the report of the Society are listed on page 1. No director of the Society had any material interest in any contract or arrangement with the Society or any related entity during the year ended 31 December 2024 save for deposits and loans. The Directors' deposits and loans as at 31 December 2025 amount to K203,220 and K85,164 respectively.

Directors' remuneration

The Directors of the Society's remuneration, including the value of benefits, received during the year, is as follows:

Directors' name	2025		2024	
	Directors' fees K	Sitting allowance K	Directors' fees K	Sitting allowance K
Mr. Ian Tarutia, CBE	65,000	8,000	57,000	10,000
Mr. Hulala Tokome, MBE	72,000	12,000	64,000	11,000
Mr. Sundar Ramamurthy, ML	68,000	11,000	59,750	10,000
Mr. Troy Stubbings (resigned 2024)	-	-	59,750	5,000
Ms. Deborah Onga	65,000	5,000	57,000	7,000
	270,000	36,000	297,500	43,000
Chairman of the Society				
Mr. Christopher Elphick	85,000	10,000	76,250	4,000
	355,000	46,000	373,750	47,000

Auditors

The details of amount paid for auditors and other services are shown in Note 15 to the financial statements.

Other disclosure

The company has obtained consent from shareholders not to disclose the matters required under section 212 (1)(e)(a) and (h) of the Companies Act, 1997.

Signed at Port Moresby
For and on behalf of the Board of Directors

Chairman: _____
Mr. Christopher Elphick

Deputy Chairman: _____
Mr. Hulala Tokome, MBE

Dated at **Port Moresby** on this **31st** day of **MARCH** 2026

Directors' Declaration

The Directors of the Society declare that:

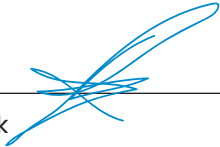
In our opinion, the financial statements set out on pages 17 to 51 are drawn up so as to give a true and fair view of the state of affairs as at 31 December 2025 and the profit for the year ended on that date of the NASFUND Contributors Savings and Loan Society Limited in so far as they concern members of the Society. Further, all Risk Management Systems are in place and operating effectively.

The financial statements have been drawn up in accordance with the requirements of the Papua New Guinea Companies Act 1997 as amended and the requirements of NASFUND Contributors Savings and Loan Society Limited's Board policies.

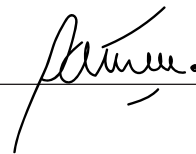
Signed at Port Moresby

For and on behalf of the Board of Directors

Chairman: _____
Mr. Christopher Elphick



Deputy Chairman: _____
Mr. Hulala Tokome, MBE



Dated at **Port Moresby** on this **31st** day of **MARCH** 2026



Independent Auditor's report

To the shareholders of Nasfund Contributors Savings and Loan Society Limited

Report on the audit of the financial statements

Our opinion

We have audited the financial statements of Nasfund Contributors Savings and Loan Society Limited (the Company), which comprise the statement of financial position as at 31 December 2025, and the statement of profit or loss and other comprehensive income, statement of changes in equity and statement of cash flows for the year then ended, and the notes to the financial statements, including material accounting policy information.

In our opinion, the accompanying financial statements:

- comply with IFRS Accounting Standards as issued by the International Accounting Standards Board (IASB) and other generally accepted accounting practice in Papua New Guinea; and
- give a true and fair view of the financial position of the Company as at 31 December 2025, and its financial performance and cash flows for the year then ended.

Basis for opinion

We conducted our audit in accordance with International Standards on Auditing (ISAs). Our responsibilities under those standards are further described in the Auditor's responsibilities for the audit of the financial statements section of our report. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Independence

We are independent of the Company in accordance with the *International Code of Ethics for Professional Accountants (including International Independence Standards)* issued by the International Ethics Standards Board for Accountants (IESBA Code) as applicable to audits of financial statements of public interest entities in Papua New Guinea. We have also fulfilled our other ethical responsibilities in accordance with the IESBA Code.

Other Information

The directors are responsible for the other information. The other information comprises the Society Information, Directors' Report and Directors' Declaration (but does not include the financial statements and the auditors' report thereon), which we obtained prior to the date of this auditor's report, and the annual report, which is expected to be made available after that date. Our opinion on the financial statements does not cover the other information and we do not, and will not, express any form of assurance conclusion thereon.

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

When we read the annual report, if we conclude that there is a material misstatement therein, we are required to communicate the matter to those charged with governance.



Responsibilities of the directors for the financial statements

The directors are responsible, on behalf of the Company, for the preparation of financial statements that give a true and fair view in accordance with IFRS Accounting Standards as issued by the IASB and other generally accepted accounting practice in Papua New Guinea, the Companies Act 1997 and the Savings and Loans Society Act 2015, and for such internal control as the directors determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

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

Auditor's responsibilities for the audit of the financial statements

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

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

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

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



Report on other legal and regulatory requirements

The Companies Act 1997 requires that in carrying out our audit we consider and report on the following matters. We confirm in relation to our audit of the financial statements for the year ended 31 December 2025:

- We have obtained all the information and explanations that we have required;
- In our opinion, proper accounting records have been kept by the Company as far as appears from an examination of those records.

Who we report to

This report is made solely to the Company's shareholders, as a body, in accordance with the Companies Act 1997. Our audit work has been undertaken so that we might state to the Company's shareholders those matters which we are required to state to them in an auditor's report and for no other purpose. We do not accept or assume responsibility to anyone other than the Company and the Company's shareholders, as a body, for our audit work, for this report or for the opinions we have formed.

A handwritten signature in blue ink that reads "Praveen Subramanian".

PricewaterhouseCoopers

A handwritten signature in blue ink that reads "Jonathan Seeto".

Jonathan Seeto
Partner
Registered under the Accountants Act 1996

Port Moresby
30th March 2026

Statement of Financial Position

As At 31 December 2025

ASSETS	Note	2025 PGK	2024 PGK
Cash and cash equivalents	21	20,024,017	32,188,338
Prepayments and other receivables	8	10,595,713	7,229,662
Term deposits	6(d)	-	11,642,025
Treasury bills	6(e)	42,472,251	13,090,810
Quoted equity investments at fair value through profit and loss	6(b)	7,676,510	4,185,000
Unquoted equity investments at fair value through profit and loss	6(c)	-	160,000
Government inscribed stock at amortised cost	6(a)	99,408,007	105,456,678
Loans due from members	7	167,059,936	170,863,479
Property and equipment	5	8,335,798	6,616,535
TOTAL ASSETS		355,572,232	351,432,527
LIABILITIES			
Trade and other payables	10	6,691,020	6,091,973
Employee provisions	9	2,111,016	1,977,247
Lease liabilities	12	-	-
Member savings	11	301,662,252	309,531,542
TOTAL LIABILITIES		310,464,288	317,600,762
NET ASSETS		45,107,944	33,831,765
EQUITY			
Issued capital	13	165,157	154,671
Reserves	14	29,927,526	26,845,932
Retained earnings		15,015,261	6,831,162
TOTAL EQUITY		45,107,944	33,831,765

Signed at Port Moresby

For and on behalf of the Board of Directors

Chairman: _____

Mr. Christopher Elphick

Deputy Chairman: _____

Mr. Hulala Tokome, MBE

Dated at **Port Moresby** on this **31st** day of **MARCH** 2026

Statement of Profit or Loss and Other Comprehensive Income

For the Year Ended 31 December 2025

	Note	2025 PGK	2024 PGK
Income from lending			
Interest income from lending		40,934,173	38,694,129
Income from investments			
(Loss)/gain on fair valuation of investments	6	2,991,500	1,085,000
Interest income		13,504,001	11,391,282
Dividend income		373,550	389,050
		16,869,051	12,865,332
Other income			
Loan fees		1,564,674	5,257,216
New membership fees		(10,486)	308,312
Withdrawal fees		259,638	52,310
Recoveries of previously written-off debts		202,153	174,007
Sundry income		3,118,560	3,974,085
		5,134,539	9,765,930
Total income		62,937,763	61,325,391
Expenditure			
Administration expenses	15	(15,082,320)	(14,399,852)
Employee benefits expense	16	(18,892,883)	(16,046,553)
Provision for doubtful debts and bad debts written off	7	(2,091,962)	(10,779,735)
Depreciation	5	(2,184,653)	(2,885,894)
Property repairs and maintenance		(55,136)	(193,314)
Interest to members		(6,620,749)	(5,467,310)
Cost of new core banking system (CBS)		(2,602,088)	(6,132,236)
Total expenses		(47,529,791)	(55,904,894)
Profit from operations before tax		15,407,972	5,420,497
Income tax expense	4(e)	-	-
Profit for the year		15,407,972	5,420,497
Other comprehensive income		-	-
Total comprehensive income for the year		15,407,972	5,420,497

Statement of Changes in Equity

For the Year Ended 31 December 2025

2024	Ordinary shares PGK	Statutory Reserve PGK	Retained Earnings PGK	Total PGK
Balance at 1 January 2024	146,765	25,761,834	10,386,858	36,295,457
Total comprehensive income for the year	-	-	5,420,497	5,420,497
Net member contributions received	7,906	-	-	7,906
Net transfer between reserves	-	1,084,098	(1,084,098)	-
Interest credited to member savings deposits relating to 2023 profits	-	-	(7,892,095)	(7,892,095)
Balance at 31 December 2024	154,671	26,845,932	6,831,162	33,831,765

2025	Ordinary shares PGK	Statutory Reserve PGK	Retained Earnings PGK	Total PGK
Balance at 1 January 2025	154,671	26,845,932	6,831,162	33,831,765
Total comprehensive income for the year	-	-	15,407,972	15,407,972
Net member contributions received	10,486	-	-	10,486
Net transfer between reserves	-	3,081,594	(3,081,594)	-
Interest credited to member savings deposits relating to 2024 profits	-	-	(4,142,279)	(4,142,279)
Balance at 31 December 2025	165,157	29,927,526	15,015,261	45,107,944

Statement of Cash Flows

For the Year Ended 31 December 2025

CASH FLOWS FROM OPERATING ACTIVITIES:	Note	2025 PGK	2024 PGK
Interest received from members' loans		40,934,173	37,053,820
Interest received from government debt securities and term deposits		11,486,671	8,986,104
Dividend income received		373,550	389,050
Fee income received		4,932,386	9,591,924
Expenses paid to suppliers		(16,430,039)	(14,032,957)
Interest paid to members		(6,620,749)	(5,467,310)
Expenses paid to staff		(18,759,114)	(15,179,849)
Operating cash flow before changes in operating assets		15,916,878	21,340,782
Loans issued to members		(100,084,233)	(49,379,954)
Loan repayments by members		101,795,813	20,562,249
Investment in interest-bearing deposits		(42,472,251)	(24,732,835)
Redemption of interest-bearing deposits		24,732,835	41,370,733
Purchase debt investments		-	(14,499,432)
Purchase of equity investments		(500,010)	-
Redemption of debt investments		5,700,000	-
Net member savings and deposits received		(13,519,926)	27,189,198
Lease payments – interest on lease liability	12	-	(63,512)
Net cash (used in) / provided by operating activities		(8,430,894)	21,787,229
CASH FLOWS FROM INVESTING ACTIVITIES:			
Acquisition of property and equipment	5	(3,903,913)	(1,984,852)
Proceeds from sale of investment property		160,000	-
Net cash used in investing activities		(3,743,913)	(1,984,852)
CASH FLOWS FROM FINANCING ACTIVITIES:			
Lease payments – lease liability principal	12	-	(684,260)
Net member capital contribution received		10,486	7,906
Net cash used in financing activities		10,486	(676,354)
Net increase in cash and cash equivalents held		(12,164,321)	19,126,023
Cash and cash equivalents at beginning of year		32,188,338	13,062,315
Cash and cash equivalents at end of financial year	21	20,024,017	32,188,338

Notes to the Financial Statements

For the Year Ended 31 December 2025

1. Reporting

NASFUND Contributors Savings and Loan Society Limited (The 'Society') is domiciled in Papua New Guinea. The Society's registered office is at Level 2, BSP Haus, Harbour City, Konedobu, Port Moresby, Moresby South, NCD, Papua New Guinea. The Society is primarily involved in retail banking activities including receiving deposits and issuing loans.

The financial statements were authorised for issue by the directors on 30 March 2026. The directors have the power to amend and reissue the financial statements.

2. Basis of preparation of financial statements

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

a. Basis of preparation

These financial statements have been prepared in accordance with International Financial Reporting Standards (IFRS), as issued by the International Accounting Standards Board. The financial statements are presented in Kina, which is also the functional currency. Fair value accounting is used for investments at fair value through profit and loss, and investment properties. In all other cases, a historical cost basis of accounting is used. The Society operates as one segment and in one geographical location being Papua New Guinea.

b. Statement of Compliance

The financial statements of the Society have been prepared in accordance with the accounting provisions of the IFRS and the Papua New Guinea Companies Act 1997. IFRS are Standards and Interpretations adopted by the International Accounting Standards Board (IASB).

3. New standards and interpretations

(3.1) Standards, amendment and interpretations effective in the year ended 31 December 2025

The following standards, amendments and interpretations to existing standards became applicable for the first time during the accounting period ended 31 December 2025.

- Amendments to IAS 21 – Lack of Exchangeability – An entity is impacted by the amendments when it has a transaction or an

operation in a foreign currency that is not exchangeable into another currency at a measurement date for a specified purpose. A currency is exchangeable when there is an ability to obtain the other currency (with a normal administrative delay), and the transaction would take place through a market or exchange mechanism that creates enforceable rights and obligations.

The above changes did not have any material impact on the Society.

(3.2) Standards, amendments and interpretations issues but not yet effective for the year ended 31 December 2025 or adopted early

The following standards, amendments and interpretations to existing standards have been published and are mandatory for the entity's accounting periods beginning on or after 1 January 2026 or later periods, but the entity has not early adopted them:

- Amendment to IFRS 9 and IFRS 7 – Classification and Measurement of Financial (effective 1 January 2026 – early adoption is available)

These amendments:

- clarify the requirements for the timing of recognition and derecognition of some financial assets and liabilities, with a new exception for some financial liabilities settled through an electronic cash transfer system;
 - clarify and add further guidance for assessing whether a financial asset meets the solely payments of principal and interest (SPPI) criterion;
 - add new disclosures for certain instruments with contractual terms that can change cash flows (such as some instruments with features linked to the achievement of environment, social and governance (ESG) targets); and
 - make updates to the disclosures for equity instruments designated at Fair Value through Other Comprehensive Income (FVOCI).
- Annual improvements to IFRS – Volume 11 (effective 1 January 2026 – with earlier application permitted). Annual improvements are limited to changes that either clarify the wording in an Accounting Standard or correct relatively minor unintended consequences, oversights or conflicts between the requirements in the Accounting Standards. The 2024 amendments are to the following standards:

Notes to the Financial Statements

For the Year Ended 31 December 2025

3. New standards and interpretations (continued)

(3.2) Standards, amendments and interpretations issues but not yet effective for the year ended 31 December 2025 or adopted early (continued)

- IFRS 1 First-time Adoption of International Financial Reporting Standards;
 - IFRS 7 Financial Instruments: Disclosures and its accompanying Guidance on implementing IFRS 7;
 - IFRS 9 Financial Instruments;
 - IFRS 10 Consolidated Financial Statements; and
 - IAS 7 Statement of Cash Flows.
- Amendment to IFRS 9 and IFRS 7 – Contracts Referencing Nature-dependent Electricity (effective 1 January 2026, but can be early adopted subject to local endorsement where required). These amendments change the 'own use' and hedge accounting requirements of IFRS 9 and include targeted disclosure requirements to IFRS 7. These amendments apply only to contracts that expose an entity to variability in the underlying amount of electricity because the source of its generation depends on uncontrollable natural conditions (such as the weather). These are described as 'contracts referencing nature-dependent electricity'.
 - Amendment to IAS 21 – Translation to a Hyperinflationary Presentation Currency (effective 1 January 2027, but can be early adopted subject to local endorsement where required). These narrow-scope amendments specify the translation procedures for an entity whose presentation currency is that of a hyperinflationary economy. The entity applies the amendments if:
 - its functional currency is that of a non-hyperinflationary economy and it is translating its results and financial position into the currency of a hyperinflationary economy; or
 - it is translating into the currency of a hyperinflationary economy the results and financial position of a foreign operation whose functional currency is that of a non-hyperinflationary economy.
- practice and provide a clearer basis for reporting in a hyperinflationary currency.
- Amendments to Illustrative Examples on IFRS 7, IFRS 18, IAS 1, IAS 8, IAS 36 and IAS 37 – Disclosures about Uncertainties in the Financial Statements. These amendments include Examples illustrating how an entity applies the requirements in IFRS Accounting Standards to disclose the effects of uncertainties in its financial statements. The Examples demonstrate how to disclose the impacts of uncertainties within climate-related scenarios, but the principles and requirements are also applicable to disclosure of other uncertainties. The Examples do not add to or change requirements in IFRS Accounting Standards and therefore there are no transition requirements. Instead, these Examples will accompany the respective IFRS Accounting Standards to which they relate.
 - IFRS 18, 'Presentation and Disclosure in Financial Statements' (effective 1 January 2027 – with early adoption possible subject to local endorsement where required). This is the new standard on presentation and disclosure in financial statements, with a focus on updates to the statement of profit or loss. The key new concepts introduced in IFRS 18 relate to:
 - the structure of the statement of profit or loss;
 - required disclosures in the financial statements for certain profit or loss performance measures that are reported outside an entity's financial statements (that is, management-defined performance measures); and
 - enhanced principles on aggregation and disaggregation which apply to the primary financial statements and notes in general.
 - IFRS 19, 'Subsidiaries without Public Accountability: Disclosures' and amendment (effective 1 January 2027 – Earlier application is permitted). This new standard works alongside other IFRS Accounting Standards. An eligible subsidiary applies the requirements in other IFRS Accounting Standards except for the disclosure requirements and instead applies the reduced disclosure requirements in IFRS 19. IFRS 19's reduced disclosure requirements balance the information needs of the users of eligible subsidiaries' financial statements with cost savings for preparers. IFRS 19 is a voluntary standard for eligible subsidiaries.

The amendments aim to improve the usefulness of the resulting information in a cost-effective manner. Developed in response to stakeholder feedback, these amendments are expected to reduce diversity in

Notes to the Financial Statements

For the Year Ended 31 December 2025

3. New standards and interpretations (continued)

(3.2) Standards, amendments and interpretations issues but not yet effective for the year ended 31 December 2025 or adopted early (continued)

A subsidiary is eligible if:

- it does not have public accountability; and
 - it has an ultimate or intermediate parent that produces consolidated financial statements available for public use that comply with IFRS Accounting Standards.
- Amendment to IFRS 19, 'Subsidiaries without Public Accountability: Disclosures' (effective 1 January 2027, when IFRS 19 will be applicable). These amendments help eligible subsidiaries by reducing disclosure requirements for Standards and amendments issued between February 2021 and May 2024, specifically:
 - IFRS 18 Presentation and Disclosure in Financial Statements;
 - Supplier Finance Arrangements (Amendments to IAS 7 and IFRS 7);
 - International Tax Reform—Pillar Two Model Rules (Amendments to IAS 12);
 - Lack of Exchangeability (Amendments to IAS 21); and
 - Amendments to the Classification and Measurement of Financial Instruments (Amendments to IFRS 9 and IFRS 7).

In the future, IFRS 19 will be amended at the same time as the IASB issues or revises other IFRS Accounting Standards.

4. Material accounting policies

(a) Revenue recognition

Revenue is recognised to the extent that it is probable that the economic benefit will flow to the Society and the revenue can be reliably measured. The following specific recognition criteria must also be met before revenue is recognised.

Interest income and expense

Interest income and expense are recognised in profit or loss using the effective interest method. The effective interest rate is the rate that exactly discounts estimated future cash payments or receipts through the expected life of the financial instrument to:

- the gross carrying amount of the financial asset; or
- the amortised cost of the financial liability

When calculating the effective interest rate for financial instruments other than purchased or originated credit-impaired assets, the Society estimates future cash flows considering all contractual terms of the financial instrument, but not the Estimated Credit Loss (ECL). For purchased or originated credit-impaired financial assets, a credit-adjusted effective interest rate is calculated using estimated future cash flows including ECL.

Fees and Commission

Fees and commission income and expense that are integral to the effective interest rate on a financial asset or financial liability are included in the effective interest rate. If loan commitment is not expected to result in the draw-down of a loan, then the related loan commitment fee is recognised on a straight-line basis over the commitment period.

Other fees including account servicing fees are recognised as the related services are performed.

A contract with a customer that results in a recognised financial instrument in the Society's financial statements may be partially in the scope of IFRS 15, Revenue from contracts with customers. If this is the case, then the Society first applies IFRS 9, Financial Instruments to separate and measure the part of the contract that is in the scope of IFRS 9, Financial Instruments and then applies IFRS 15, Revenue from contracts with customers to the residual.

Other fee expenses relate mainly to transaction and service fees, which are expensed as the services are received.

Dividend Income

Dividend income is recognised when the right to receive income is established. Usually, this is the ex-dividend date for quoted equity securities. Dividends are presented in net trading income, net income from other financial instrument at FVTPL or other revenue based on the underlying classification of the equity investment.

(b) Leases

At inception of a contract, the Society assesses whether a contract is, or contains, a lease. A contract is, or contains, a lease if the contract conveys the right to control the use of an identified asset for a period of time in exchange for consideration. To assess whether a contract conveys the right to control the use of an identified asset, the Society uses the definition of a lease in IFRS 16, Leases.

Notes to the Financial Statements

For the Year Ended 31 December 2025

4. Material accounting policies (continued)

(a) Revenue recognition (continued)

As a lessee

At commencement or on modification of a contract that contains a lease component, the Society allocates the consideration in the contract to each lease component on the basis of its relative stand-alone prices.

The Society recognises a right-of-use asset and a lease liability at the lease commencement date. The right-of-use asset is initially measured at cost, which comprises the initial amount of the lease liability adjusted for any lease payments made at or before the commencement date, plus any initial direct costs incurred and an estimated cost to dismantle and remove the underlying asset or to restore the underlying asset or the site on which it is located, less any lease incentives received.

The right-of-use asset is subsequently depreciated using the straight-line method from the commencement date to the end of the lease term, unless the lease transfers ownership of the underlying asset to the Society by the end of the lease term or the cost of the right-of-use asset reflects that the Society will exercise a purchase option. In that case the right-of-use asset will be depreciated over the useful life of the underlying asset, which is determined on the same basis as those of property and equipment. In addition, the right-of-use asset is periodically reduced by impairment losses, if any, and adjusted for certain re-measurements of the lease.

The lease liability is initially measured at the present value of the lease payments that are not paid at the commencement date, discounted using the interest rate implicit in the lease or, if that rate cannot be readily determined, the Society's incremental borrowing rate. Generally, the Society uses its incremental borrowing rate as the discount rate. The Society determines its incremental borrowing rate by obtaining interest rates from various external financing sources and makes certain adjustments to reflect the terms of the lease and type of the asset leased.

Lease payments included in the measurement of the lease liability comprise the following:

- fixed payments, including in-substance payments;
- variable lease payments that depend on an index or a rate, initially measured using the index or rate as at the commencement date;
- amounts expected to be payable under a residual value guarantee; and

- The exercise price under a purchase option that the Society is reasonably certain to exercise an extension option, and penalties for early termination of a lease unless the Society is reasonably certain not to terminate early.

The lease liability is measured at amortised cost using the effective interest method. It is remeasured when there is a change in future lease payments arising from a change in an index or rate, if there is a change in the Society's estimate of the amount expected to be payable under a residual value guarantee, if the Society changes its assessment of whether it will exercise a purchase, extension or termination option or if there is a revised in-substance fixed lease payment.

When the lease liability is re-measured in this way, a corresponding adjustment is made to the carrying amount of the right-of-use asset, or is recorded in profit or loss if the carrying amount of the right-of-use asset has been reduced to zero. The Society presents right-of-use assets that do not meet the definition of investment property in 'property, plant and equipment' and lease liabilities in 'lease liabilities' in the statement of financial position.

Short-term leases and leases of low-value assets

The Society has elected not to recognise right-of-use assets and lease liabilities for leases of low-value assets and short-term leases, including IT equipment. The Society recognises the lease payments associated with these leases as an expense on a straight-line basis over the lease term.

As a lessor

When the Society acts as a lessor, it determines at lease inception whether each lease is a finance lease or an operating lease. To classify each lease, the Society makes an overall assessment of whether the lease transfers substantially all of the risks and rewards incidental to ownership of the underlying asset. If this is the case, then the lease is a finance lease; if not, then it is an operating lease. As part of this assessment, the Society considers certain indicators such as whether the lease is for the major part of the economic life of the asset.

If an arrangement contains lease and non-lease components, the Society applies IFRS 15 to allocate the consideration in the contract. The Society recognises lease payments received under operating leases as income on a straight-line basis over the lease term as part of 'other income'. However, when the Society was an intermediate lessor the sub-leases were classified with reference to the underlying asset.

Notes to the Financial Statements

For the Year Ended 31 December 2025

4. Material accounting policies (continued)

(c) Cash and cash equivalents

Cash and cash equivalents include cash on hand, cash at the Society, and other short-term highly liquid investments with initial maturities of less than three months, readily convertible to a known amount of cash and are subject to an insignificant risk of changes in value.

(d) Property and equipment

Property, plant and equipment is measured on the cost basis less depreciation and impairment losses. The cost of improvements to leasehold premises is capitalised and amortised over the estimated useful life of the improvement concerned.

Depreciation is calculated on a straight-line basis from the date of acquisition at rates appropriate to the estimated useful lives as follows:

Office equipment	4 to 10 years
Furniture and fittings	5 to 15 years
Motor vehicles	3 to 6 years
Leasehold improvements	10 to 14 years

Gains or losses on disposal (being the difference between the carrying amount at the time of sale or disposal and the proceeds of disposal) are taken to income in the year. Computer software licences are acquired and are capitalised on the basis of the costs incurred to acquire and bring to use the specific software. Computer software is carried at cost less accumulated amortisation and impairment losses.

(e) Tax exemption

The Society is exempt from income tax under section 40A of the Income Tax Act 1959.

(f) Computer Software

Computer software licences are acquired and are capitalised on the basis of the costs incurred to acquire and bring to use the specific software. Computer software is carried at cost less accumulated amortisation and impairment losses. Costs associated with maintaining computer software programmes are recognised as an expense as incurred.

Costs that are directly associated with the creation of identifiable and systems products controlled by the Society, and that are expected to generate economic benefits beyond 1 year, are recognised as intangible assets. Other development expenditures are recognised as an expense as incurred.

Amortisation on computer software is calculated using the straight-line method to allocate their cost to their residual values over the estimated useful lives which range between 4 and 10 years. The assets' useful lives are annually reviewed and adjusted where appropriate.

(g) Investment property

Investment property is initially measured at cost and subsequently at fair value, with any change therein recognised in profit or loss within change in fair value of investment. When the use of a property changes such that it is reclassified as property and equipment, its fair value at the date of reclassification becomes its cost for subsequent accounting.

Rental income from investment property is recognised on a straight-line basis over the term of the lease. Lease incentives granted are recognised as an integral part of the total rental income, over the term of the lease.

(h) Impairment of non-financial assets

Equipment and other non-financial assets are reviewed for impairment losses whenever events or changes in circumstances indicate that the carrying amount may not be recoverable. An impairment loss is recognised for the amount by which the carrying amount of the asset exceeds its recoverable amount, which is the higher of an asset's net selling price and value in use.

For the purpose of assessing impairment, assets are grouped at the lowest levels for which there are separately identifiable cash flows (cash generating units). Non-financial assets that suffered impairment are reviewed for possible reversal of the impairment at each reporting date.

(i) Provisions

A provision is recognised if, as a result of a past event, the Society has a present legal or constructive obligation that can be estimated reliably and it is probable that an outflow of economic benefits will be required to settle the obligation. Provisions are determined by discounting the expected future cash flows at a pre-tax rate that reflects the current market assessments of the time value of money and the risks specific to the liability. The unwinding of the discount is recognised as a finance cost.

(j) Employee benefits

Employee provisions comprise liabilities for employee benefits arising from services rendered by employees to balance date. Employee benefits have maturities of both less than one year and greater than one year

Notes to the Financial Statements

For the Year Ended 31 December 2025

4. Material accounting policies (continued)

and have been measured at the amounts expected to be paid when the liability is settled plus related on-costs. Superannuation contributions are made by the Society to defined contribution superannuation funds and are charged as expenses when incurred.

(k) Reserves

The Society maintains the following equity reserves:

- Member capital represents contributions members have made to the Society on initiation or creation of their savings account. Member capital is refundable to the member on cessation of their membership with the Society.
- General reserve/statutory reserve represents a statutory minimum of twenty percent (20%) of each year's net earnings before declaring interest on deposits and dividends. If the reserve is greater than 10% of total liabilities then 20% of net earnings is not required to be transferred.

(l) Financial assets and financial liabilities

(i) Recognition and initial measurement

The Society initially recognises loans and advances, deposits, debt instruments and financial liabilities on the date on which they are originated. All other financial instruments (including regular-way purchases and sales of financial assets) are recognised on the trade date, which is the date on which the Society becomes a party to the contractual provisions of the instrument at initial recognition differs from the transaction price.

(ii) Classification

On initial recognition, a financial asset is classified as measured at: amortised cost, fair value through other comprehensive income (FVOCI) or fair value through profit and loss (FVTPL).

A financial asset is measured at amortised cost if it meets both of the following conditions and it not designated as at FVTPL:

- the asset is held within a business model whose objective is to hold assets to collect contractual cash flows
- the contractual terms of the financial asset give rise on specific dates to cash flows that are solely payment for principal and interest (SPPI).

A debt instrument is measured at FVOCI only if it meets both conditions and it is not designated as at FVTPL:

- the asset is held within a business model whose objective is achieved by both collecting contractual cash flows and selling financial assets; and
- the contractual terms of the financial asset give rise on specified dates to cash flows that are SPPI.

On initial recognition of an equity investment that is not held for trading, the Society may irrevocably elect to present subsequent changes in fair value in OCI. This election is made on an investment-by-investment basis.

All other financial assets are classified as measured at FVTPL.

In addition, on initial recognition, the Society may irrevocably designate a financial asset that otherwise meets the requirements to be measured at amortised cost or at FVOCI as at FVTPL if doing so eliminates or significantly reduces an accounting mismatch.

In order for a financial asset to be classified and measured at amortised cost, The Company makes assessment of the business model and whether the cashflows are 'solely payments of principal and interest'.

Business model assessment

The Society makes an assessment of the objective of a business model in which an asset is held at a portfolio level because this best reflects the way the business is managed and information is provided to management. Factors considered include:

- The stated policies and objectives for the portfolio and the operation of those policies in practice. In particular, whether management's strategy focuses on earning contractual interest revenue, maintaining a particular interest rate profile, matching the duration of the financial assets to the duration of the liabilities that are funding those assets or realising cash flows through the sale of assets;
- How the performance of the portfolio is evaluated and reported to the Society's management;
- The risks that affect the performance of the business model (and the financial assets held within that business model) and its strategy for how those risks are managed;
- How managers of the business are compensated (e.g. whether compensation is based on the fair value of the assets managed or contractual cash flows collected); and
- The frequency, volume and timing of sales in prior period, the reasons for such sales and its expectation about future sales activity. However, information about sales activity is not considered in isolation, but as part of an overall assessment of how the Society's stated objective for managing the financial assets is achieved and how cash flows are realised.

Notes to the Financial Statements

For the Year Ended 31 December 2025

4. Material accounting policies (continued)

The Society's business comprises primarily loans to members that are held for collecting contractual cash flows.

Financial assets that are held for trading or managed and whose performance is evaluated on a fair value basis are measured at FVTPL because they are neither held to collect contractual cash flows nor held both to collect contractual cash flows and to sell financial assets.

Assessment of whether contractual cash flows are solely payments of principal and interest (SPPI).

For this assessment, 'principal' is defined as the fair value of the financial assets on initial recognition.

'Interest' is defined as consideration for the time value of money and the credit risk associated with the principal amount outstanding during a particular period and for other basic lending risks and costs (e.g. liquidity risk and administrative costs), as well as profit margin.

In assessing whether the contractual cash flows are SPPI, the Society considers the contractual terms of the instrument. This includes assessing whether the financial asset contains a contractual term that could change the timing or contractual cash flows such that it would not meet this condition. In making the assessment, the Society considers contingent events that would change the amount and timing of cash flows.

In both the current and prior period, financial liabilities are classified as subsequently measured at amortised cost, except for financial liabilities at fair value through profit or loss. This classification is applied to financial liabilities held for trading and other financial liabilities designated as such at initial recognition. This is unless such a presentation would create, or enlarge, an accounting mismatch, in which case the gains and losses attributable to changes in the credit risk of the liability are also presented in profit or loss.

(iii) Derecognition

Financial assets

The Society derecognises a financial asset when the contractual rights to the cash flows from the financial asset expire, or it transfers the rights to receive the contractual cash flows in a transaction in which substantially all of the risks and rewards of ownership of the financial asset are transferred or in which the Society neither transfers nor retains substantially all of the risks and rewards of ownership of the financial asset are transferred or in which the Society neither transfers nor retains substantially all of the risks and rewards of ownership and it does retain control of the financial asset.

On derecognition of a financial asset, the difference between the carrying amount of the asset (or the carrying amount allocated to the portion of the asset derecognised) and the sum of:

- (i) the consideration received (including any new asset obtained less any new liability assumed) and
- (ii) any cumulative gain or loss that had been recognised in OCI

is recognised in profit or loss.

Any cumulative gain/ loss recognised in OCI in respect of equity investment securities designated as FVOCI is not recognised in profit or loss on derecognition of such securities. Any interest in transferred financial assets that qualify for derecognition that is created or retained by the Society is recognised as a separate asset or liability.

Financial liabilities

The Society derecognises a financial liability when its contractual obligations are discharged or cancelled, or expire.

(iv) Modifications of financial assets and financial liabilities

Financial assets

If the terms of a financial asset are modified, then the Society evaluates whether the cash flows of the modified asset are substantially different. If the cash flows are substantially different, then the contractual rights to cash flows from the original financial asset are deemed to have expired.

In the case the original financial asset is derecognised, and a new financial asset is recognised at fair value plus any eligible transaction costs any fees received as part of the modification are accounted for as follows:

- fees that are considered in determining the fair value of the new asset and fees that represent reimbursement of eligible transaction costs are included in the initial measurement of the asset; and
- Other fees are included in profit or loss as part of the gain or loss on derecognition.

If cash flows are modified when the borrower is in financial difficulties, then the objective of the modification is usually to maximise recovery of the original contractual terms rather than to originate a new asset with substantially different terms. If the Society plans to modify a financial asset in a way that would result in forgiveness of cash flows, then it first considers whether a portion of the asset should be written off before the modification takes place.

Notes to the Financial Statements

For the Year Ended 31 December 2025

4. Material accounting policies (continued)

(i) Financial assets and financial liabilities (continued)

This approach impacts the result of the quantitative evaluation and means that the derecognition criteria are not usually met in such cases.

If the modification of a financial asset measured at amortised cost or FVOCI does not result in derecognition of the financial asset, then the Society first recalculates the gross carrying amount of the financial asset using the original effective interest rate of the asset and recognises the resulting adjustment as a modification gain or loss in profit or loss. For floating-rate financial assets, the original effective interest rate used to calculate the modification gain or loss is adjusted to reflect current market terms at the time of the modification. Any costs or fees incurred and modification fees received adjust the gross carrying amount of the modified financial asset and are amortised over the remaining term of the modified financial asset.

Financial liabilities

The Society derecognises a financial liability when its terms are modified and the cash flows of the modified liability are substantially different. In this case, a new financial liability based on the modified terms is recognised at fair value.

The difference between the carrying amount of the financial liability derecognised and the consideration paid is recognised in profit or loss. Consideration paid includes non-financial assets transferred, if any, and the assumption of liabilities, including the new modified financial liability.

If the modification of a financial liability is not accounted for as derecognition, then the amortised cost of the liability is recalculated by discounting the modified cash flows at the original effective interest rate and the resulting gain or loss is recognised in profit or loss. For floating-rate financial liabilities, the original effective interest rate used to calculate the modification gain or loss is adjusted to reflect current market terms at the time of the modification. Any costs and fees incurred are recognised as an adjustment to the carrying amount of the liability and amortised over the remaining terms of the modified financial liability by re-computing the effective interest rate on the instrument.

(v) Offsetting

Financial assets and financial liabilities are offset and the net amount presented in the statement of financial position when, and only when,

the Society currently has a legally enforceable right to set off the amounts and it intends either to settle them on a basis or to realise the asset and settle the liability simultaneously.

Income and expenses are presented on a net basis only when permitted under IFRS Standards, or for gains and losses arising from a group of similar transactions such as in the Society's trading activity.

(vi) Fair value measurement

Fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date in the principal or, in its absence, the most advantageous market to which the Society has access at that date. The fair value of a liability reflects its non-performance risk.

When one is available, the Society measures the fair value of the instrument using the quoted price in an active market for that instrument. A market is regarded as 'active' if transactions for the asset or liability takes place with sufficient frequency and volume to provide pricing information on an ongoing basis.

If there is no quoted price in an active market, then the Society uses valuation techniques that maximise the use of relevant observable inputs and minimise the use of unobservable inputs. The chosen valuation technique incorporates all of the factors that market participants would take into account in pricing a transaction. The best evidence of the fair value of a financial instrument or initial recognition is normally the transaction price being the fair value of the consideration given or received.

If the Society determines that the fair value on initial recognition differs from the transaction price and the fair value is evidenced neither by a quoted price in an active market for an identical asset or liability nor based on a valuation technique for which any unobservable inputs are judged to be insignificant in relation to the difference, then the financial instrument is initially measured at fair value, adjusted to defer the difference between the fair value on initial recognition and the transaction price.

Subsequently, that difference is recognised in profit or loss on an appropriate basis over the life of the instrument but not later than when the valuation is wholly supported by observable market data or the transaction is closed out.

The fair value of a financial liability with a demand feature (e.g., a demand deposit) is not less than the amount payable on demand, discounted from the first date on which the amount could be required to be paid.

Notes to the Financial Statements

For the Year Ended 31 December 2025

4. Material accounting policies (continued)

(i) Financial assets and financial liabilities (continued)

(iv) Modifications of financial assets and financial liabilities (continued)

Fair value measurement (continued)

The Society recognises transfers between levels of the fair value hierarchy as of the end of the reporting period during which the change has occurred. There have been no transfers between the fair value hierarchy during the year.

(vii) Impairment

The Society recognises the loss allowances for ECL on the following financial instruments that are not measured at FVTPL.

- Financial assets that are debt instruments
- Loans receivables
- Financial guarantee contracts issued; and
- Loan commitments issued

No impairment loss is recognised on equity investments.

Loss allowances for loans are measured at an amount equal to 12-month ECL and lifetime ECL. The Society measures loss allowances at an equal to lifetime ECL, except for the following, for which they are measured as 12 months ECL:

- debt investment securities that are determined to have low credit risk at the reporting date; and
- other financial instruments on which credit risk has not increased significantly since their initial recognition.

The Society considers a debt investment security to have low credit risk when its credit risk rating is equivalent to the globally understood definition of 'investment grade'. The Society does not apply the low credit risk exemption to any other financial instruments.

12-month ECL are portions of lifetime ECL that result from default events on a financial instrument that are possible within the 12-months after the reporting date. Financial instruments for which 12-month ECL are recognised are referred to as 'Stage 1 financial instruments'. Financial instruments allocated to Stage 1 have not undergone a significant increase in credit risk since initial recognition and are not credit impaired.

Lifetime ECL are the ECL that result from all possible default events over the expected life of the financial instrument or the maximum contractual period of exposure. Financial instruments for which lifetime ECL are recognised but that are not credit-impaired are referred to as 'Stage 2 financial instruments'. Financial instruments allocated to Stage 2 are those that have experienced a significant increase in credit risk since initial recognition but are not credit impaired. referred to as 'Stage 2 financial instruments'. Financial instruments allocated to Stage 2 are those that have experienced a significant increase in credit risk since initial recognition but are not credit impaired.

Financial instruments for which lifetime ECL are recognised and that are credit-impaired are referred to as 'Stage 3 financial instruments'.

Credit-impaired financial assets

At each reporting date, the Society assesses whether financial assets carried at amortised cost and debt instrument financial assets carried at FVOCI are credit impaired (referred to as 'Stage 3 financial asset'), when one or more events have occurred.

Evidence that a financial asset is credit-impaired includes the following observable data:

- Significant financial difficulty of the borrower or borrower's employer.
- Borrower is deceased
- Borrower is unemployed
- a breach of contract such as a default or past-due event (past 90 days).
- it is becoming probable that the borrower or borrower's employer will enter bankruptcy

A loan that has been renegotiated due to deterioration in the borrower's condition is usually considered to be credit-impaired unless there is evidence that the risk of not receiving contractual cash flows has reduced significantly and there are no other indicators of impairment.

In addition, a loan that is overdue for 90 days or more is considered credit-impaired even when the regulatory definition of default is different.

In making an assessment of whether an investment in sovereign debt is credit impaired, the Society considers the following factors.

- The market's assessment of creditworthiness as reflected in bond yields.
- The rating agencies' assessment of creditworthiness.
- The country's ability to access the capital markets for new debt issuance.
- The probability of debt being restructured, resulting in holders suffering losses.

Notes to the Financial Statements

For the Year Ended 31 December 2025

4. Material accounting policies (continued)

(l) Financial assets and financial liabilities (continued)

Measurement of ECL

ECL are a probability-weighted-estimate of credit losses. They are measured as follows:

- financial assets that are not credit-impaired at the reporting date: as the present value of all cash shortfalls (i.e. the difference between the cash flows due to the entity in accordance with the contract and the cash flows that the Society expects to receive);
- financial assets that are credit-impaired at the reporting date: as the difference between the gross carrying amount and the present value of estimated future cash flows;

Write-off

Loans and debt securities are written off (either partially or in full) when there is no reasonable expectation of recovering a financial asset in its entirety or a portion thereof. This is generally the case when the Society determines that the borrower does not have assets or sources of income that could generate sufficient cash flows to repay the amounts subject to the write-off. This assessment is carried out at the individual asset level.

Recoveries of amounts previously written off are recognised when cash is received and are included in other income in the statement of profit or loss.

Financial assets that are written off could still be subject to enforcement activities in order to comply with the Society's procedures for recovery of amounts due.

(m) Critical accounting and judgement in applying accounting policies

In conformity with IFRS, the preparation of financial statements for the Society requires management to make estimates and assumptions that affect the reported amounts of assets, liabilities, revenues and expenses, and the disclosure of contingent assets and liabilities in the financial statements and accompanying notes. Although these estimates are based on management's knowledge of current events and actions that may be undertaken in the future, actual results may ultimately differ from estimates.

The estimates and assumptions that have a significant risk of causing material adjustment to the carrying amounts of assets and liabilities within the next financial year are discussed below;

(a) Liquidity requirements

The financial statements have been prepared on a going concern basis which assumes that the Society will be able to meet its liabilities and obligations as and when they fall due in the normal course of the business. As at 31 December 2024 the Society had an at call liquidity net deficiency of K277.3 million (2023: K261.4 million). This net deficiency is predominantly due to member deposits being fully categorised as liability exposure at call.

Funds received from members' savings have been invested in long term investment opportunities, resulting in the apparent maturity mismatch. The savings are fully secured or partially secured against Loans to members (where members have taken out Loans with the Society) as such those savings secured to loans cannot be fully withdrawn.

While member savings are at call, there are processes in place to control the volume of withdrawals. Having assessed the Society's ability to generate positive cash flows as well as the likely timing of member withdrawals, of which there has been no history of significant withdrawals, the at call liquidity net deficiency is not expected to affect the Society's ability to meet its operational and financial obligations and the going concern assumption is considered appropriate in the preparation of these financial statements.

(b) Impairment losses on loans and advances to customers

The measurement of the expected credit loss allowance for loans and advances to customers is an area that requires the use of complex models and significant assumptions about future economic conditions and credit behaviour (e.g. the likelihood of customers defaulting and the resulting losses). A number of significant judgements are also required in applying the accounting requirements for measuring ECL, such as:

- Determining criteria for significant increase in credit risk;
- Choosing appropriate models and assumptions for the measurement of ECL;
- Establishing the number and relative weightings of forward-looking scenarios for each type of product/market and the associated ECL; and
- Establishing groups of similar financial assets for the purposes of measuring ECL.

Detailed information about the judgements and estimates made by the Society in the above areas are set out in note 22.

Loan losses (write-offs) are charged against the allowances for loan losses when management believes that the principal is unlikely to be collected.

Notes to the Financial Statements

For the Year Ended 31 December 2025

5. Property and equipment

(a) Movements in carrying amounts of property and equipment

2025	Capital Works in Progress PGK	Furniture, Fixtures and Fittings PGK	Motor Vehicle PGK	Computer Equipment PGK	Computer Software PGK	Leasehold Improvements PGK	Right-of-Use Property PGK	Total PGK
Cost.								
At 01 January 2025	163,946	1,274,641	2,743,328	9,091,564	7,303,273	1,415,919	1,766,771	23,759,442
Additions	2,782,349	7,171	539,635	163,331	411,431	-	-	3,903,917
Disposal	-	-	(312,324)	-	-	-	-	(312,324)
At 31 December 2025	2,946,295	1,281,812	2,970,639	9,254,895	7,714,704	1,415,919	1,766,771	27,351,035
Accumulated depreciation								
At 01 January 2025	-	238,179	2,354,968	7,538,201	4,419,368	825,420	1,766,771	17,142,907
Disposal	-	-	(312,324)	-	-	-	-	(312,324)
Charges of the Year	-	94,396	177,713	1,043,533	762,818	106,194	-	2,184,654
At 31 December 2025	-	332,575	2,220,357	8,581,734	5,182,186	931,614	1,766,771	19,015,237
Carrying amount at 31 December 2025	2,946,295	949,237	750,282	673,161	2,532,518	484,305	-	8,335,798
2024								
2024	Capital Works in Progress PGK	Furniture, Fixtures and Fittings PGK	Motor Vehicle PGK	Computer Equipment PGK	Computer Software PGK	Leasehold Improvements PGK	Right-of-Use Property PGK	Total PGK
Cost.								
At 01 January 2024	3,860,866	401,863	2,833,799	8,693,230	6,643,534	1,415,919	1,766,771	25,615,982
Additions	-	872,778	54,001	398,334	659,739	-	-	1,984,852
Disposal	(3,696,920)	-	(144,472)	-	-	-	-	(3,841,392)
At 31 December 2024	163,946	1,274,641	2,743,328	9,091,564	7,303,273	1,415,919	1,766,771	23,759,442
Accumulated depreciation								
At 01 January 2024	-	192,573	2,171,418	6,400,479	3,739,943	719,226	1,177,846	14,401,485
Disposal	-	-	(144,472)	-	-	-	-	(144,472)
Charges of the Year	-	45,606	328,022	1,137,722	679,425	106,194	588,925	2,885,894
At 31 December 2024	-	238,179	2,354,968	7,538,201	4,419,368	825,420	1,766,771	17,142,907
Carrying amount at 31 December 2024	163,946	1,036,462	388,360	1,553,363	2,883,905	590,499	-	6,616,535

Notes to the Financial Statements

For the Year Ended 31 December 2025

6. Investment securities, government inscribed stock and term deposits

	Notes	2025 PGK	2024 PGK
Government inscribed stock at amortised cost	(a)	99,408,007	105,456,678
Quoted equity investments at FVTPL	(b)	7,676,510	4,185,000
Unquoted equity investments at FVTPL	(c)	-	160,000
Term deposits – maturity periods of greater than 90 days	(d)	-	11,642,025
Treasury bills	(e)	42,472,251	13,090,810
		149,556,768	134,534,513

a. Government inscribed stock at amortised cost

The book value comprises of:

	2025 PGK	2024 PGK
Face value of Government inscribed stock (i)	100,100,000	104,100,000
Unamortised premiums	6,547	2,064,956
Unamortised discounts	(48,022)	(57,760)
	100,058,525	106,107,196
Less: provision for doubtful debt	(650,518)	(650,518)
	99,408,007	105,456,678

Government inscribed stock are shown net of unamortised discounts / premiums on acquisition which are amortised over the life of the stock. Government inscribed stock have coupon rates ranging from 4.70% to 14.00% and yield rates ranging from 4.70% to 15.40%.

(i) Reconciliation of the Face of Government Inscribed stock

Maturity Year	2025			2024		
	Coupon rates %	Yield rates %	Face value PGK	Coupon rates %	Yield rates %	Face value PGK
2025	-	-	-	11.50	11.45	4,000,000
2026	5.35	5.09	2,000,000	5.35	5.09	2,000,000
2027	5.60 to 14.00	5.27 to 14.00	29,160,000	5.60 to 14.00	5.27 to 14.00	29,160,000
2028	12.50	12.50	20,000,000	12.50	12.50	20,000,000
2029	4.70 to 12.00	4.70 to 11.50	16,250,000	4.70 to 12.00	4.70 to 11.50	16,250,000
2030	6.50 to 7.20	6.15 to 6.90	3,000,000	6.50 to 7.20	6.15 to 6.90	3,000,000
2031	5.40 to 12.50	5.40 to 15.40	12,690,000	5.40 to 12.50	5.40 to 15.40	12,690,000
2032	5.50 to 7.50	5.50 to 7.50	4,500,000	5.50 to 7.50	5.50 to 7.50	4,500,000
2033	5.70	5.68	5,000,000	5.70	5.68	5,000,000
2034	5.90	5.70 to 5.90	7,500,000	5.90	5.70 to 5.90	7,500,000
			100,100,000			104,100,000

Notes to the Financial Statements

For the Year Ended 31 December 2025

6. Investment securities, government inscribed stock and term deposits

b. Quoted equity investments at FVTPL

	2024 PGK	Additions PGK	Fair value movement PGK	Disposal PGK	2025 PGK
BSP Finance Limited	-	500,010	-	-	500,010
Credit Corporation (PNG) Limited	4,185,000	-	2,991,500	-	7,176,500
PNG Air Limited	-	-	-	-	-
	4,185,000	500,010	2,991,500	-	7,676,510

	2023 PGK	Additions PGK	Fair value movement PGK	2025 PGK	2024 PGK
Credit Corporation (PNG) Limited	3,100,000	-	1,085,000	-	4,185,000
PNG Air Limited	-	-	-	-	-
	3,100,000	7,676,510	1,085,000	7,676,510	4,185,000

Reconciliation of movement in quoted investments is as follows:

	2025 PGK	2024 PGK
Balance at 01 January	4,185,000	3,100,000
Purchase during the year	500,010	-
Net (loss)/gain on financial assets at FVTPL	2,991,500	1,085,000
Balance at 31 December	7,676,510	4,185,000

c. Unquoted equity investments at FVTPL

	2025 PGK	2024 PGK
Balance at 01 January	160,000	160,000
Disposal during the year	(160,000)	-
Balance at 31 December	-	160,000

The Society acquired 51% of the shares in CloudApp Limited ('CloudApp') at no consideration in 2017. CloudApp is a software development and retail company. NCSL sold 100% of its shares with CloudApp Limited to FESALOS during the year.

d. Term deposits

	2025 PGK	2024 PGK
Term deposits – maturity periods of greater than 90 days (Private banking institutions)	-	11,642,025
	-	11,642,025

Notes to the Financial Statements

For the Year Ended 31 December 2025

e. Treasury bills	2025 PGK	2024 PGK
Treasury bills (Bank of Papua New Guinea)	42,472,251	13,090,810
	42,472,251	13,090,810

7. Loans due from members	2025 PGK	2024 PGK
Loans due from members	185,217,753	185,146,788
Less: provision for doubtful debt	(18,157,817)	(14,283,309)
	167,059,936	170,863,479

Repayments are received on a fortnightly and monthly basis. The minimum loan is K200. Board approval is required for loans granted over K100,000. The movement in the provision for doubtful debts was as follows:

	2025 PGK	2024 PGK
Balance at 01 January	14,283,309	4,751,077
Provision charges to profit and loss	4,574,838	10,779,735
Bad debts written off during the year	(700,330)	(1,247,503)
Net movement in provision for bad debts	3,874,508	9,532,232
Balance at 31 December	18,157,817	14,283,309

The unsecured exposure on overdue balances as at 31 December 2025 is K46,462,072 (2024: K55,977,485). The ageing of the unsecured exposure on overdue balances is as follows:

	2025 PGK	2024 PGK
1 - 29 days overdue	17,502,342	28,318,517
30 - 59 days overdue	6,187,368	21,142,859
60 - 89 days overdue	4,314,467	870,172
90 + days overdue	18,457,898	5,645,937
	46,462,072	55,977,485

8. Prepayments and other receivables	2025 PGK	2024 PGK
Accrued interest	5,370,507	3,069,707
Staff related receivables	145,191	262,196
Security deposits	-	62,840
Prepayments	5,080,015	3,834,919
	10,595,713	7,229,662

Accrued interest represents interest accrued on Government inscribed stock (Note 6) and interest-bearing deposits (Note 21). Accrued interest on loans is captured in the loan balance.

Notes to the Financial Statements

For the Year Ended 31 December 2025

9. Employee provisions	2025 PGK	2024 PGK
Provision for annual leave	910,030	948,487
Provision for long service leave	1,200,986	1,028,760
	2,111,016	1,977,247

10. Trade and other payables	2025 PGK	2024 PGK
Creditors and accruals	6,673,396	5,514,841
Amounts payable to NASFUND	17,624	68,041
Other payables	-	509,091
	6,691,020	6,091,973

Other payables are non-interest bearing and are generally payable within 60 days.

11. Members' savings	2025 PGK	2024 PGK
Members' savings	300,101,590	309,521,386
Unallocated contributions	1,643,934	10,156
	301,662,252	309,531,542

The Society commenced payment of monthly interest to members in prior years. This interest differs from the year end distributions declared by the Society, as its purpose is to attract and retain member savings and capital. The interest was also paid during the year ended 31 December 2025. The Directors will declare and distributed to members GSA and Poro accounts interest at a rate of 5.4% (2024: 6.0%) totalling K17,571,725 for the year, (2024: K9,803,708) on the 1st day of April 2026. The distribution made in 2024 was out of 2023 year-end profits.

This profit distribution is apportioned based on the daily savings balance of the members' accounts for the year. This distribution differs from the monthly interest payments and is equity in nature. The Society has a policy of actively identifying the details of unallocated deposits. It is not always possible to obtain these if the appropriate details have not been included in the transactions.

12. Leases and Right of use assets

a. Leases as lessee

The property leases represents leases of land and buildings. The leases provide for rent increments at 8% annually. The Society is restricted from entering into any sub-lease arrangements. Information about leases for which the Society is a lessee is presented below:

Notes to the Financial Statements

For the Year Ended 31 December 2025

i. Right-of-use assets	2025 PGK	2024 PGK
Balance at 01 January	-	588,925
Additions / (Lease modifications)	-	-
Lease modification	-	-
Depreciation charge for the year	-	(588,925)
Balance at 31 December	-	-

ii. Lease Liability	2025 PGK	2024 PGK
Balance at 01 January	-	747,772
Additions / (Lease modifications)	-	-
Lease modification	-	(811,284)
Lease modifications	-	-
Finance Cost	-	63,512
Balance at 31 December	-	-

Lease liabilities included in statement of financial position:	2025 PGK	2024 PGK
Current	-	-
Non-current	-	-
Balance at 31 December	-	-

Maturity analysis - Contractual undiscounted cash flow	2025 PGK	2024 PGK
Less than one year	-	-
Between one and five years	-	-
More than five years	-	-
Total undiscounted lease liabilities at 31 December	-	-
Unearned interest on lease liabilities	-	-

iii. Amount recognised in profit or loss	2025 PGK	2024 PGK
Depreciation expense on right of use assets	-	588,925
Interest on lease liabilities	-	63,512

iv. Amounts recognised in statement of cash flows	2025 PGK	2024 PGK
Total cash outflow for leases	-	(811,284)

The property lease contains extension option exercisable by the Society before the end of the lease period. The Society have considered all extension option in the lease calculation.

Notes to the Financial Statements

For the Year Ended 31 December 2025

12. Leases (continued)

b. Leases as lessor

The Society leased out its investment property consisting of an owned property. The property was sold during the year. All leases are classified as operating leases from a lessor perspective.

(i) Operating lease

Rental income recognised by the Society during 2024 was nil (2023: K25,155).

13. Share Capital

Issued ordinary share capital	2025 PGK	2024 PGK
Share on issue at 01 January	154,671	146,765
Net movement in share capital	10,486	7,906
	165,157	154,671

Under the Savings and Loan Societies (Amendment) Act 1995, each member is required to purchase a share at K1 on joining the Society. Upon exiting the Society, the member may redeem the K1.

14. Statutory reserve

	2025 PGK	2024 PGK
Balance at 01 January	26,845,932	25,761,834
Statutory transfer of net profit for the year	3,081,594	1,084,098
	29,927,526	26,845,932

The Savings and Loan Societies (Amendment) Act 2015, requires a Society to transfer 20% of its profits earned in a financial year to the statutory reserve. The Society is not required to maintain a reserve balance exceeding 10% of total liabilities.

15. Administration expenses

	2025 PGK	2024 PGK
Advertising and marketing	548,586	408,919
Auditors' remuneration	612,540	213,000
Bank charges	105,059	120,604
Computer, software support and communication	4,740,137	4,090,697
Directors' fees	550,957	395,737
Directors sitting fees and expenses	66,746	94,589
Motor vehicle expenses	460,597	404,520
Printing and postage	160,303	147,758
Professional and consulting fees	1,587,986	3,232,172
Rental expenses	7,242	60,690
Security charges	109,507	107,297
Travel	1,785,341	968,070
Insurance	363,115	211,232
Telecommunication	894,445	808,020
Promotion and merchandising	177,285	113,008
Other office expenses	2,912,474	3,023,539
	15,082,320	14,399,852

Notes to the Financial Statements

For the Year Ended 31 December 2025

16. Employee benefit expense

	2025 PGK	2024 PGK
Base	11,700,442	10,053,482
Superannuation	664,175	570,670
Long service leave	425,616	655,841
Other benefits and expenses	6,102,650	4,766,560
	18,892,883	16,046,553

17. Employee benefits plans

The Society contributes to the National Superannuation Fund of Papua New Guinea ("NASFUND") on behalf of its employees.

All employees are members of NASFUND. This fund is an accumulation benefit fund whereby the Society matches contributions to the fund made by employees up to 10% of the employee's base salary. Employee contributions are based on 6% of their gross salaries. During 2024, the Society expensed K664,175 in contributions (2023: K570,670)

18. Related party transactions

Related parties represent major shareholders, directors and key management personnel of the Society and entities controlled, jointly controlled or significantly influenced by such parties. Pricing policies and terms of these transactions are approved by the directors.

Transactions with related parties during the year are as follows:

a. Loans to staff and directors

Member loans made to NCSL staff and directors are in the ordinary course of business in accordance with the Society Rules. The total value of these loans as at 31 December 2024 was as follows:

	2025 PGK	2024 PGK
Loans to related parties	1,827,203	1,769,600

The interest rate, security and repayment terms on these loans are no different to the normal terms and conditions extended to the general membership.

b. National Superannuation Fund (NASFUND)

NASFUND is a related party due to common directors between NASFUND and the Society.

	2025 PGK	2024 PGK
Amount payable to NASFUND (Note 10)	17,624	68,041

Rent of K954,093 (2024: K809,696) was charged to the Society by NASFUND.

Notes to the Financial Statements

For the Year Ended 31 December 2025

c. CloudApp Limited

CloudApp Limited is a related party of the Society. The Society held 51 % of the shares of the entity and there are common directors between the entities. In 2016, the Society purchased a Core Banking System valued K3.5 million from CloudApp Limited, which was further enhanced throughout 2018 and 2019 after being launched in late 2016.

d. Compensation of key management personnel

The remuneration of directors and members of key management during the period was as follows:

	2025 PGK	2024 PGK
Salaries, wages and other short-term benefits	5,421,762	6,116,043
Long-service leave	46,333	135,187
Superannuation	160,965	167,800
	5,629,060	6,419,030

The number of employees whose total remuneration and other benefits received, exceeding K100,000 and falling within each relevant K50,000 banding.

	2025 PGK	2024 PGK
K100,000 - K149,999	10	8
K150,000 - K199,999	5	7
K200,000 - K249,999	4	7
K250,000 - K299,999	2	5
K300,000 - K349,999	1	-
K350,000 - K399,999	1	1
K400,000 - K449,000	1	1
K500,000 and K1,000,000	1	1
K1,000,000 and above	2	2
	27	32

Directors during the year

Mr. Christopher Elphick (Chairman)
 Mr. Hulala Tokome, MBE (Deputy Chairman)
 Mr. Ian Tarutia, CBE
 Mr. Sundar Ramamurthy, ML
 Ms. Deborah Onga

Executives during the year

Frans Kootte (Chief Executive Officer)
 Shane Kennedy (Chief Operating Officer)
 Maranuf Tataeng (Chief Member Services Officer)
 Salote Rokobuli (Chief Financial Officer)
 Henry Pupu (Head of Human Resources)
 Mimi Murray (Head of Information & Communication Technology)
 Kisakiu Poawai (Head of Risk & Compliance)
 Gila Ebenosi (Head of Digital Services & Call Centre)
 Rebekah Watinga (Head of Legal & Board Secretary)
commenced 6th October 2025
 Venessa Vee (Head of Legal & Board Secretary)
resigned 28th August 2025
 Robert Loggia (GM Operations & ICT)
resigned 31st December 2025

Notes to the Financial Statements

For the Year Ended 31 December 2025

19. Contingencies and commitments

The Society did not have any material commitments or contingencies at the year-end (2024: nil).

20. Subsequent events

No material subsequent events have occurred between the end of the financial year and the date of signing of the financial statements other than noted below:

- (a) On the 27 March 2026, the directors approved the distributed to members GSA and Poro accounts interest at a rate of 5.4% totalling K17,571,725 paid for the year. The directors will announce and distribute the interest on 1 April 2026.

21. Cash and cash equivalents

For the purpose of the statement of cash flows, cash and cash equivalents includes cash on hand and at bank and short-term deposits at call, net of outstanding bank overdrafts. Cash and cash equivalents as at the end of the financial year as shown in the statement of cash flows is reconciled to the related items in the balance sheet as follows:

	2025 PGK	2024 PGK
Cash at bank	20,024,017	32,188,338
Term deposits with maturity of less than 3 months	-	-
	20,024,017	32,188,338

22. Financial instruments

Risk management framework

The directors has overall responsibility for the establishment and oversight of the Society's risk management framework. The directors have established the risk management committee, which is responsible for developing and monitoring the Society's risk management policies. The committee reports regularly to the directors on its activities. The Society's risk management policies are established to identify and analyse the risks faced by the Society, to set appropriate risk limits and controls and to monitor risks and adherence to limits. Risk management policies and systems are reviewed regularly to reflect changes in market conditions and the Society's activities. The Society, through its training and management standards and procedures, aims to maintain a disciplined and constructive control environment in which all employees understand their roles and obligations.

(a) Credit Risk

(i) Credit risk management

The carrying amount of financial assets represents the maximum credit exposure. The maximum exposure to credit risk for loans and receivables at the reporting date is concentrated in Papua New Guinea. Credit risk is the risk of financial loss to the Society if a customer or counterparty to a financial instrument fails to meet its contractual obligations and arises principally from the Society's receivables from customers and investments in debt securities. The carrying amounts of financial assets and contract assets represent the maximum credit exposure.

The Society structures the levels of credit risk it undertakes by placing limits on the amount of risk accepted in relation to one borrower, the limit is the member savings available when the financial asset is issued. Such risks are monitored on a revolving basis and subject to an annual or more frequent review. Limits on the level of credit risk are approved quarterly by the Credit Manager.

Notes to the Financial Statements

For the Year Ended 31 December 2025

22. Financial instruments (continued)

(a) Credit Risk (continued)

The Society measures credit risk using Probability of Default (PD), Exposure at Default (EAD) and Loss Given Default (LGD). The Society also uses the ageing of loans to manage and measure credit risk. The ageing is matched to the IFRS 9 Staging as noted below:

Ageing Analysis	Description	Description
Less than 30 days	Average risk	Standard Monitoring (Stage 1)
31 – 90 days	Special mention	Special Monitoring (Stage 2)
More than 91 days	Substandard, Doubtful & Loss	Default (Stage 3)

Credit Risk Concentrations

The Society only provides loans to individuals who are members of the Society.

(ii) Expected credit loss measurement

IFRS 9 outlines a 'three-stage' model for impairment of financial assets based on changes in credit quality since initial recognition, as summarised below:

- A financial instrument that is not credit-impaired on initial recognition is classified in 'Stage 1' and has its credit risk continuously monitored by the Society;
- If a significant increase in credit risk ('SICR') since initial recognition is identified, the financial instrument is moved to 'Stage 2' but is not yet deemed to be credit-impaired;
- If the financial instrument is credit-impaired, the financial instrument is then moved to 'Stage 3';
- Financial instruments in Stage 1 have their ECL measured at an amount equal to the portion of lifetime expected credit losses that result from default events possible within the next 12 months. Instruments in Stages 2 or 3 have their ECL measured based on expected credit losses on a lifetime basis; and
- A pervasive concept in measuring ECL in accordance with IFRS 9 is that it should consider forward-looking information.

The key judgements and assumptions adopted by the Society in addressing the requirements of the standard are discussed below:

Inputs, assumptions and techniques used for estimating impairment

Significant increase in credit risk

When determining whether the risk of default on the financial instrument has increased significantly since initial recognition, the Society considers both quantitative and qualitative information and analysis, based on the Society's historical experience and expert credit assessment and including forward-looking information.

The Society uses three criteria for determining whether there has been a significant increase in credit risk:

- a quantitative test
 - The financial instrument is considered to have experienced a significant increase in credit risk if the borrower is more than 30 days past due on its contractual payments.
- qualitative indicators
 - Early signs of cash flow/liquidity problems such as delay in submitting repayments and savings by the members employer
 - Significant adverse changes in financial and/or economic conditions in which the member and members employer operates.
 - Actual or expected forbearance or restructuring by the member or members employer

Notes to the Financial Statements

For the Year Ended 31 December 2025

22. Financial instruments (continued)

The criteria above have been applied to all financial instruments held by the Society and are consistent with the definition of default used for internal credit risk management purposes. The default definition has been applied consistently to model the Probability of Default (PD), Exposure at Default (EAD) and Loss given Default (LGD) throughout the Society's expected loss calculations.

An instrument is considered to no longer be in default (i.e. to have cured) when it no longer meets any of the default criteria at the reporting date.

Definition of default

The Society considers a financial asset to be a default when:

- the borrower is unlikely to pay its credit obligations to the Society in full, without recourse by the Society to action such as realising security;
- the borrower is more than 90 days past due on any material credit obligation to the Society; and
- it is becoming probable that the borrower's employer's business is under distress.

In assessing whether a borrower is in default, the Society considers indicators that are:

- Qualitative: breaches of covenants;
- Quantitative: overdue status and non-payment on another obligation of the same issuer to the Society; and
- based on data developed internally and obtained from external sources.

Inputs into the assessment of whether a financial instrument is a default and their significance may vary over time to reflect changes in circumstances.

Incorporation of forward-looking information

The Society incorporates forward-looking information into both the assessment of whether the credit risk of an instrument has increased significantly since its initial recognition and the measurement of ECL.

The Society formulates three economic scenarios: a base case, which is the central scenario developed internally based on consensus forecasts, and two less likely scenarios, one upside and one downside scenario. The central scenario is aligned with information used by the Society for other purposes such as strategic planning and budgeting.

	2025			2024		
	Upside PGK	Central PGK	Downside PGK	Upside PGK	Central PGK	Downside PGK
Scenario probability weighting	10%	80%	10%	10%	80%	10%
ECL impact	12,394,316	18,461,159	21,494,580	8,104,043	13,578,462	18,201,405

Other forward-looking considerations not otherwise incorporated within the above scenarios, such as the impact of any regulatory, legislative or political changes, have also been considered, but are not deemed to have a material impact and therefore no adjustment has been made to the ECL for such factors. This is reviewed and monitored for appropriateness on an annual basis.

Sensitivity of ECL to future economic conditions

The ECL are sensitive to judgments and assumptions made regarding formulation of forward-looking scenarios and how much scenarios are incorporated into the calculations. Management performs a sensitivity analysis of significant assumptions by considering impact of their possible changes in different scenarios and concluded that changes in GDP growth rate and unemployment rate do not significantly affect the level of impairment provision given the following:

Notes to the Financial Statements

For the Year Ended 31 December 2025

22. Financial instruments (continued)

(a) Credit Risk (continued)

(ii) Expected credit loss measurement (continued)

- If the weight of the downside scenario increases to 20% (i.e. weight of central scenario decreases to 70%), as a result of lower GDP growth rate and higher unemployment rate, the impairment provision would increase by K606 thousand;
- If the weight of the upside scenario would increase to 20% (i.e. weight of the central scenario would decrease to 70%), as a result of higher GDP growth rate and lower unemployment rate, the impairment provision would decrease by K303 thousand.

(iii) Provision for impairment losses

Loss allowance

The Expected Credit Loss (ECL) is measured on either a 12-month (12M) or Lifetime basis depending on whether a significant increase in credit risk has occurred since initial recognition or whether an asset is considered to be credit-impaired. Expected credit losses is the product of the Probability of Default (PD), Exposure at Default (EAD), and Loss Given Default (LGD), defined as follows:

- The PD represents the likelihood of a borrower defaulting on its financial obligation, either over the next 12 months (12M PD), or over the remaining lifetime (Lifetime PD) of the obligation.
- EAD is based on the amounts the Society expects to be owed at the time of default, over the next 12 months (12M EAD) or over the remaining lifetime (Lifetime EAD). The Society derives the EAD from the current exposure to the counterparty and potential changes to the current amount allowed under the contract and arising from amortisation. The EAD of a financial asset is its gross carrying amount at the time of default.
- LGD represents the Society's expectation of the extent of loss on a defaulted exposure. LGD is the magnitude of the likely loss if there is a default. The Society estimates LGD parameters based on the history of cure of defaulted counterparties and the savings deposits held against defaulted counterparties. The LGD models consider the structure, collateral, cure rates achieved in past periods, member savings held and recovery costs of any collateral that is integral to the financial asset.

As described above, and subject to using a maximum of a 12-month PD for Stage 1 financial assets, the Society measures ECL considering the risk of default over the maximum contractual period (including any borrower's extension options) over which it is exposed to credit risk, even if, for credit risk management purposes, the Society considers a longer period. The maximum contractual period extends to the date at which the Society has the right to require repayment of an advance or terminate a loan commitment or guarantee.

The provision for impairment losses recognised in the period is impacted by a variety of factors, as described below:

- Transfers between Stage 1 and Stages 2 or 3 due to financial instruments experiencing significant increases (or decreases) of credit risk or becoming credit-impaired in the period, and the consequent "step up" (or "step down") between 12-month and Lifetime ECL;
- Additional allowances for new financial instruments recognised during the period, as well as releases for financial instruments de-recognised in the period;
- Impact on the measurement of ECL due to changes in PDs, EADs and LGDs in the period, arising from regular refreshing of inputs to models;
- Impacts on the measurement of ECL due to changes made to models and assumptions; and
- Financial assets derecognised during the period and write-offs of allowances related to assets that were written off during the period.

The following tables show reconciliations from the opening to the closing balance of the loss allowance by class of financial instrument. The basis for determining transfers due to changes in credit risk is set out in our accounting policy:

Notes to the Financial Statements

For the Year Ended 31 December 2025

22. Financial instruments (continued)

(a) Credit Risk (continued)

(iii) Provision for impairment losses (continued)

Reconciliation of ECL and EAD on Loans:

2025 Reconciliation	Stage 1		Stage 2		Stage 3		Total	
	EAD PGK	ECL PGK	EAD PGK	ECL PGK	EAD PGK	ECL PGK	EAD PGK	ECL PGK
Balance at 1 January 2025	105,252,953	3,592,655	70,450,929	6,216,875	9,442,906	4,473,779	185,146,788	14,283,309
Transfer to Stage 1	23,516,429	2,429,196	(21,830,062)	(2,130,180)	(1,686,367)	(299,016)	-	-
Transfer to Stage 2	(4,060,287)	(161,938)	4,436,449	226,285	(376,162)	(64,347)	-	-
Transfer to Stage 3	(9,687,359)	(460,704)	(10,875,725)	(1,355,508)	20,563,084	1,816,212	-	-
Net remeasurement of loss allowance	-	(1,356,592)	-	(2,339,160)	-	447,467	-	(3,248,285)
New financial assets originated	75,137,758	1,210,374	16,764,416	1,731,719	14,291,846	3,167,694	106,194,020	6,109,787
Financial assets paid / matured	(58,742,466)	-	(33,321,421)	-	(4,081,241)	-	(96,145,128)	-
Net remeasurement on transfers between Stages	(8,407,050)	(2,171,673)	(1,312,801)	148,789	(258,075)	3,035,890	(9,977,926)	1,013,006
Balance at 31 December 2025	123,009,978	3,081,318	24,311,785	2,498,820	37,895,991	12,577,679	185,217,754	18,157,817

2024 Reconciliation	Stage 1		Stage 2		Stage 3		Total	
	EAD PGK	ECL PGK	EAD PGK	ECL PGK	EAD PGK	ECL PGK	EAD PGK	ECL PGK
Balance at 1 January 2024	146,762,106	1,799,842	7,586,104	839,222	3,228,376	2,112,013	157,576,586	4,751,077
Transfer to Stage 1	2,038,517	200,678	(1,925,922)	(146,077)	(112,595)	(54,601)	-	-
Transfer to Stage 2	(48,104,818)	(618,872)	48,277,228	713,746	(172,410)	(94,874)	-	-
Transfer to Stage 3	(3,997,693)	(120,641)	(2,360,450)	(451,224)	6,358,143	571,865	-	-
Net remeasurement of loss allowance	-	(224,151)	-	(75,400)	-	(495,829)	-	(795,380)
New financial assets originated	34,883,028	2,684,712	17,861,104	1,687,826	1,210,031	201,671	53,954,163	4,574,209
Financial assets paid / matured	(24,980,667)	-	(1,975,269)	-	(675,899)	-	(27,631,835)	-
Net remeasurement on transfers between Stages	(1,347,520)	(128,913)	2,988,134	3,648,782	(392,740)	2,233,534	1,247,874	5,753,403
Balance at 31 December 2024	105,252,953	3,592,655	70,450,929	6,216,875	9,442,906	4,473,779	185,146,788	14,283,309

Notes to the Financial Statements

For the Year Ended 31 December 2025

22. Financial instruments (continued)

(a) Credit Risk (continued)

(iii) Provision for impairment losses (continued)

Summary of the EAD and ECL – Loans:

2025	EAD PGK	ECL PGK	Net Carrying Amount PGK
Stage 1 – 12 month ECL	123,009,978	3,081,318	119,928,660
Stage 2 – Life time ECL	24,311,785	2,498,820	21,812,965
Stage 3 – Life time ECL	37,895,990	12,577,679	25,318,311
Balance at 31 December 2024	185,217,753	18,157,817	167,059,936

2024

Stage 1 – 12 month ECL	105,252,953	3,592,655	101,660,298
Stage 2 – Life time ECL	70,450,929	6,216,875	64,234,054
Stage 3 – Life time ECL	9,442,906	4,473,779	4,969,127
Balance at 31 December 2023	185,146,788	14,283,309	170,863,479

Reconciliation of ECL and EAD on Government Inscribed Stocks:	2025 Stage 1		2024 Stage 2	
	EAD PGK	ECL PGK	EAD PGK	ECL PGK
Balance at 1 January	105,107,196	650,518	91,613,999	650,518
Net remeasurement of loss allowance	-	-	-	-
Financial assets originated	-	-	14,500,000	-
Accrued interest and amortisation of interest	(1,699,189)	-	(6,803)	-
Financial assets matured during the year	(4,000,000)	-	(1,000,000)	-
Balance at 31 December	99,408,007	650,518	105,107,196	650,518

(iv) Credit risk exposure

Maximum exposure to credit risk – Financial instruments subject to impairment

The following table contains an analysis of the credit risk exposure of financial instruments for which an ECL allowance is recognised against the Ageing analysis used for credit risk management. The gross carrying amount of financial assets below also represents the Society's maximum exposure to credit risk on these assets.

Notes to the Financial Statements

For the Year Ended 31 December 2025

22. Financial instruments (continued)

(a) Credit Risk (continued)

Ageing Analysis	Stage 1	Stage 2	Stage 3	Total PGK
	12 - month PGK	Lifetime PGK	Lifetime PGK	
31 December 2025				
Less than 30 days	123,009,978	-	-	123,009,978
31 – 90 days	-	24,311,785	-	24,311,785
More than 91 days	-	-	37,895,990	37,895,990
Gross carrying amount	123,009,978	24,311,785	37,895,990	185,217,753
Loss allowance	(3,081,318)	(2,498,820)	(12,577,679)	(18,157,817)
Carrying amount	119,928,660	21,812,965	25,318,311	167,059,936

Ageing Analysis	Stage 1	Stage 2	Stage 3	Total PGK
	12 - month PGK	Lifetime PGK	Lifetime PGK	
31 December 2024				
Less than 30 days	105,252,953	-	-	105,252,953
31 – 90 days	-	70,450,929	-	70,450,929
More than 91 days	-	-	9,442,906	9,442,906
Gross carrying amount	105,252,953	70,450,929	9,442,906	185,146,788
Loss allowance	(3,592,655)	(6,216,875)	(4,473,779)	(14,283,309)
Carrying amount	101,660,298	64,234,054	4,969,127	170,863,479

Collateral and other credit enhancements

The Society employs a range of policies and practices to mitigate credit risk, including matching member savings to the loan facility provided to the member. The principal collateral types for loans and advances to members are the member savings. The Society determines the fair market value of collateral obtained as a part of loan origination process.

The Society closely monitors member deposits/savings held for financial assets considered to be credit-impaired, as it becomes more likely that the Society will take possession of the deposits/savings to mitigate potential credit losses. Financial assets that are credit-impaired and related collateral held in order to mitigate potential losses are shown below:

Credit-impaired assets	Gross Exposure PGK	Provision for impairment losses PGK	Carrying amount PGK	Present value of collateral held PGK
31 December 2025	37,895,990	(12,577,680)	25,318,310	20,815,612
31 December 2024	9,442,906	(4,473,779)	4,969,127	3,796,969

Notes to the Financial Statements

For the Year Ended 31 December 2025

22. Financial instruments (continued)

(b) Liquidity Risk

The Society is exposed to daily calls on its available cash resources from member deposits through transaction accounts offered by the Society. The Society does not maintain cash resources to meet all of these needs, as experience shows that a minimum level of member savings maintained with the Society can be predicted with a high level of certainty.

The matching and controlled mismatching of the maturities and rates of assets and liabilities is fundamental to the management of the Society. It is unusual for financial institutions to be completely matched. An unmatched position potentially enhances profitability, but also increases the risk of losses.

(i) Maturity analysis for financial liabilities and financial assets

The following tables set out the remaining contractual maturities of the Society's financial liabilities and financial assets.

31 December 2025	Carrying amount PGK	At Call PGK	0-3 months PGK	Less than 1 year PGK	1 - 5 year PGK	More than 5 year PGK
Financial liability by type Non-derivative liabilities						
Member savings	301,464,288	301,464,288	-	-	-	-
	301,464,288	301,464,288	-	-	-	-
Financial asset by type Non-derivative assets						
Cash and cash equivalents	20,024,017	20,024,017	-	-	-	-
Quoted equity investments	7,676,510	-	-	-	7,676,510	-
Government inscribed stock	99,408,007	-	-	1,308,007	68,410,000	29,690,000
Loans due from members	167,059,936	-	7,275,727	13,422,978	142,769,914	3,591,317
	294,168,470	20,024,017	7,275,727	14,730,985	218,856,424	33,281,317

31 December 2024	Carrying amount PGK	At Call PGK	0-3 months PGK	Less than 1 year PGK	1 - 5 year PGK	More than 5 year PGK
Financial liability by type Non-derivative liabilities						
Member savings	309,521,386	309,521,386	-	-	-	-
	309,521,386	309,521,386	-	-	-	-
Financial asset by type Non-derivative assets						
Cash and cash equivalents	32,188,338	32,188,338	-	-	-	-
Term deposits	24,732,835	-	-	24,732,835	-	-
Quoted equity investments	4,185,000	-	-	-	4,185,000	-
Government inscribed stock	105,456,678	-	-	5,356,678	67,410,000	32,690,000
Loans due from members	170,863,479	-	4,690,214	12,829,820	153,343,445	-
	337,426,330	32,188,338	4,690,214	42,919,333	224,938,445	32,690,000

Notes to the Financial Statements

For the Year Ended 31 December 2025

22. Financial instruments (continued)

(c) Other market risk

Investments of the Society (other than cash held for liquidity purposes and investment properties) comprise fixed interest securities, term deposits and shares in listed and unlisted companies.

The valuation of financial investments at FVTPL and investment properties based on their classification is as follows:

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

The table below analyses financial instruments carried at fair value, by valuation method. The different levels have been defined as follows (no transfers between levels between the periods):

31 December 2025	Level 1 PGK	Level 2 PGK	Level 3 PGK	Total PGK
Quoted equity investments	7,676,510	-	-	7,676,510
Unquoted equity investments	-	-	-	-
	7,676,510	-	-	7,676,510

31 December 2024	Level 1 PGK	Level 2 PGK	Level 3 PGK	Total PGK
Quoted equity investments	4,185,000	-	-	4,185,000
Unquoted equity investments	-	-	160,000	160,000
	4,185,000	-	160,000	4,345,000

(d) Interest risk

Interest rate is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in markets interest rates. The Society does not believe it has significant exposure to credit rate risk.

Interest on members' savings account is determined on a time-weighted basis on members balances throughout the year. This is in accordance with international standards on return accreditation. As such there is no interest rate risk associated with members' savings.

Interest on members' loans is fixed by the Society therefore no significant rate risk is associated with members' loans.

(e) Foreign currency risk

The Society is not exposed to foreign currency risk, there are no contracts entered into denominated in foreign currency.

Executive Management



Frans Kootte
Chief Executive Officer

Mr. Kootte is a highly accomplished banking executive with more than 30 years of experience across global and emerging markets in Retail Banking (Consumer, SME & Personal Banking), Microfinance, and Digital and Mobile Banking. Throughout his career, he has held senior leadership roles guiding organisations through strategic repositioning, operational uplift, and large-scale transformation.

Mr. Kootte is recognised for fostering strong stakeholder alignment and delivering sustainable, high-impact outcomes across diverse operational environments.



Shane Kennedy
Chief Operating Officer

Mr. Kennedy joined NCSL in July 2024 and currently serves as Chief Operating Officer. He brings 20 years of diversified experience across finance, professional services, and major industry roles in both Australia and Papua New Guinea.

In his role as COO, he provides strategic oversight of core operational functions and is committed to advancing initiatives that enhance organisational capability, strengthen financial wellbeing, and support sustainable long-term growth for members.



Salote Rokobuli
Chief Financial Officer

Ms. Rokobuli is responsible for leading the organization's finance function and supporting the achievement of its strategic objectives through effective financial management.

She started with NCSL in July 2025 and in her role, she oversees budgeting, financial reporting, forecasting, and risk management, and provides financial insight to the Executive Management team and the Board. She is focused on strengthening financial governance, ensuring accountability, and supporting the sustainable management of NCSL's resources for the benefit of its members.

Executive Management



Maranuf Tataeng
Chief Member Services Officer

Mr. Tataeng joined NCSL in September 2023 and brings close to two decades of experience across financial services.

He is results-focused and collaborative leader with broad experience in supporting organisational initiatives and contributing to strategic growth. Mr. Tataeng is recognised for his steady leadership approach and his commitment to fostering effective teamwork and positive organisational outcomes.



Rebekah Watinga
Head of Legal & Board Secretary

Ms. Watinga joined NCSL in October 2025 and serves as Head of Legal and Board Secretary. She brings more than three years of in-house legal experience supporting commercial operations across multiple businesses.

In her role, she supports the Board through governance and meeting administration and provides legal advice to the Executive Management team, including on contracts, recovery matters, and corporate governance. She is committed to enabling sound decision-making and strengthening organisational assurance through clear, practical counsel.



Henry Pupu
Head of Human Resources

Mr. Pupu brings extensive experience in human resource management, with over a decade spent in supervisory and leadership roles across several well-established organisations before joining NCSL as Manager, Human Resources in 2018.

He is recognised for his balanced, people-focused leadership style and his commitment to supporting effective, practical HR solutions across the employee lifecycle. His approach centres on fostering positive workplace engagement and contributing to strong organisational outcomes.

Executive Management



Kisiakiu Poawai

Head of Risk & Compliance

Mr. Poawai commenced his career in 2010 and has built more than a decade of experience across reputable financial institutions and corporate organisations. He joined NCSL as Manager, Risk and Compliance in 2023, bringing broad exposure across risk management, compliance, internal process oversight, and operational governance.

He is recognised for his disciplined, analytical approach and his commitment to supporting strong organisational controls, effective risk practices, and sound operational outcomes.



Mimi Murray

Head of Information & Communications Technology

Ms. Murray brings broad experience in information and communications technology, with a background covering ICT operations, digital systems oversight, and technology-driven service environments.

She joined NCSL as Head of ICT, where she provides leadership across core technology functions and supports the organisation's digital and operational priorities. Ms. Murray is recognised for her steady, practical approach and her commitment to maintaining secure, reliable, and efficient technology platforms that enable effective service delivery.



Gila Ebenosi

Head of Digital Services & Call Centre

Mr. Ebenosi brings over a decade of experience in digital and retail banking, payments, and IT within the financial services sector. He has held a range of operational and leadership roles developing broad exposure across technology-driven service functions.

He joined NCSL in 2023 as Manager, Electronic Banking. Mr. Ebenosi is recognised for his practical approach and his focus on strengthening digital capability to support effective service delivery.

Executive Management



Robert Loggia

General Manager Operations & ICT - Resigned 31st December 2025

Mr. Loggia oversaw the core operational functions and the organisation's ICT environment.

He played a key role in the implementation of NCSL's new Core Banking System (CBS) migration, supporting system transition and operational readiness, and contributing to improved operational capability and service delivery.



Venessa Vee

Head of Legal & Company Secretary - Resigned 28th August 2025

Ms. Vee served as NCSL's Head of Legal and Board Secretary from 2020, overseeing the organization's legal and governance functions and supporting effective Board operations.

During her tenure, she provided legal advice to Executive Management, supported Board and committee processes, and ensured compliance with statutory and governance requirements. She contributed to strengthening governance practices and organizational assurance through structured governance support and clear legal guidance.

Branch Directory

Port Moresby Branch

The Face Building, Downtown
PO Box 7732, Boroko, NCD,
Papua New Guinea
Phone: 313 2000 | CUG: 8220 4719

Boroko Branch

Nasfund 4 Mile Building, Level 1,
Hubert Murray Highway
PO Box 7732, Boroko, NCD,
Papua New Guinea
Phone: 313 2000 | CUG: 8351 7898

Waigani Branch

Lagatoi Haus – Leftwing, Waigani
PO Box 7732, Boroko, NCD,
Papua New Guinea
Phone: 313 2000 | CUG: 8227 0289

Tabubil Branch

OTML Town Centre, Tabubil
PO Box 133, Tabubil, Western
Province, Papua New Guinea
Phone: 313 2000 | CUG: 7288 9640

Alotau Branch

TISA Haus, Level 1, Preston
White Street
PO Box 423, Alotau, Milne Bay
Province, Papua New Guinea
Phone: 313 2000 | CUG: 8221 1197

Popondetta Branch

G27 Building, Popondetta Town
PO Box 619, Popondetta, Northern
Province, Papua New Guinea
Phone: 313 2000 | CUG: 8220 4727

Lae Top Town Branch

Nasfund Haus, Ground Floor,
1st Street, Lae Top Town
PO Box 2451, Lae, Morobe Province,
Papua New Guinea
Phone: 313 2000 | CUG: 8220 4728

Lae Service Centre Branch

Hetadikaka Haus, Malekula Street
PO Box 2451, Lae, Morobe Province,
Papua New Guinea
Phone: 313 2000 | CUG: 8351 8094

Kavieng Branch

Nimamar Building, Lavongai Street,
Kavieng Town
PO Box 70, Kavieng, New Ireland
Province, Papua New Guinea
Phone: 313 2000 | CUG: 8221 1057

Lihir Branch

Anitua Construction Building,
Apudonezikba Street, Lihir
PO Box 300, Lihir, New Ireland
Province, Papua New Guinea
Phone: 313 2000 | CUG: 7288 9628

Lorengau Branch

Juromo Building, Office Room 4,
Ward 5,
Lorengau Town
PO Box 218, Lorengau, Manus
Province, Papua New Guinea
Phone: 313 2000 | CUG: 7031 4579

Madang Branch

Nasfund Haus, Modilon Road,
Madang
PO Box 579, Madang, Madang
Province, Papua New Guinea
Phone: 313 2022 | CUG: 8220 4725

Kimbe Branch

Hamamas Building,
1st Floor Unit 5, Kisere
PO Box 935, Kimbe, West New
Britain Province, Papua New Guinea
Phone: 313 2000 | CUG: 8221 1053

Buka Branch

Alamville Building, Buka Town
PO Box 446, Buka, Autonomous
Region of Bougainville,
Papua New Guinea
Phone: 313 2000 | CUG: 8221 1056

Kokopo Branch

Post PNG Building, Williams Road
PO Box 2079, Kokopo, East New
Britain Province,
Papua New Guinea
Phone: 313 2000 | CUG: 8221 1058

Maprik Branch

Noko 777 Building, Sec 2, Lot 5,
Miller Street, Maprik
PO Box 728, Maprik, East Sepik
Province, Papua New Guinea
Phone: 313 2000 | CUG: 8220 7484

Wewak Branch

Tang Mow Plaza, 3rd Floor,
Wewak Town
PO Box 740, Wewak, East Sepik
Province, Papua New Guinea
Phone: 313 2000 | CUG: 8220 4723

Vanimo Branch

Blue Marlin Enterprise Building,
Warakongkong, East Coast Road
PO Box 63, Vanimo, West Sepik
Province, Papua New Guinea
Phone: 313 2000 | CUG: 8220 4722

Mt Hagen Branch

Kapal Haus, Level 1, Hagen Town
PO Box 1539, Mt Hagen, Western
Highlands Province, Papua New
Guinea
Phone: 313 2000 | CUG: 8220 4726

Goroka Branch

FPDA Haus, Ground Floor, Goroka
Town
PO Box 595, Goroka, Eastern
Highlands Province,
Papua New Guinea
Phone: 313 2000 | CUG: 8225 9964

Bialla Branch

Nilash Building, Bialla Town
PO Box 106, Bialla, West New Britain
Province, Papua New Guinea
Phone: 313 2000 | CUG: 8221 1055



Our team,
supporting
members
every day.



BSP Haus, Level 2, Harbour City
Port Moresby, National Capital District
Phone: 207 2000 or Email: callcentre@ncsl.com.pg