



NATIONAL TREASURER'S *Report*



1.0 Introduction

Distinguished Members, Ladies and Gentlemen, I am very delighted to welcome you all to the Year 2019 Annual General Meeting of our esteemed Institute, and to present to you, the audited financial statement for the year ended 31st December, 2018. Let me also use this opportunity to thank all our stakeholders for the continued support to the Institute during the financial year, in spite of the harsh operating environment.

It is pertinent for me to mention that the financial statements were prepared in accordance with International Financial Reporting Standards (IFRS) since year 2013. The Finance and General Purposes Committee and CIBN Audit

Committee have considered and endorsed the audited financial statements for the consideration and approval of the Governing Council. The audited financial statements were considered and approved by Governing Council at its meeting on March 7, 2019.

The audited financial statements of the Institute and that of its subsidiaries, that is, CIBN Press Limited and CIBNCFSLimited/gte were consolidated to give a global view of the financial performance and the financial position of the Institute as at 31st December, 2018.

The External Auditors, Messrs Baker Tilly Nigeria, issued a clean audit report having carried out their duties as statutorily required and

identified no deficiencies which would constitute a material weakness in internal controls over the Financial Statements.

2.0 Macroeconomic Review

The general economic fundamentals remain challenging for business operations and growth in the 2018 financial year as several factors continue to inhibit performance.

Nigeria's seemingly unending electricity crises, the continued poor state of infrastructure, and the general level of insecurity in the country continued to have a negative effect on the economy and the well-being of the people. The increased rate of unemployment has culminated into a higher rate of poverty among the populace. This factor significantly puts pressure on consumer disposable income during the year.

In addition, the lingering security crisis in the North and Middle Belt of the country also significantly affected the nation's economic performance. The year under review witnessed an increase in the attack by armed herdsmen and clashes with farmers replacing Boko Haram as the main security threat in the nation. Flooding in some parts of the country and attack on farmers, banditry and cattle rustling affected agricultural and livestock output. The imminent delay in the passage of the 2019 budget and uncertainty on the direction of British exit from the European Union (BREXIT) and the eventual outcome of the proposed deals is also a risk factor for the current year.

On the bright side in many respect, the period under review was a period of recovery by the Nigeria economy from the contractions in the economy in 2016. Nigeria external reserves was \$47bn in



the middle of 2018, the highest level since 2013 and closed at \$42.5bn at end-December 2018. Crude Oil export proceeds maintained an upward trajectory, thanks to the relative stability in the Niger Delta which led to increase in crude oil production and higher oil price which rose to \$70/b in the middle of 2018.

Furthermore, net capital flow into the country also surged in the period under review, thanks to the introduction of the import and export foreign exchange window by the CBN. Also effort to reform the business environment during the year received a boost as the Federal Government surpassed its ease of doing business reform target of moving up 20 places in the World Bank's Ease of Doing Business ranking in 2018. Nigeria moved up 24 places to 145th and ranked in the top 10 most improved countries.

Expected further improvement in Purchasing Managers' Indices (PMI) is attributed to the continued stability in the foreign exchange market, inflows to the real sector through CBN interventions, and the implementation of the Economic Recovery Growth Plan (ERGP).

There was relative stability in 2018 in both the Bureau-de-Change (BDC) and the Investors' and Exporters' (I&E) windows of the foreign exchange market. This was attributed to the CBN interventions and its proactive exchange rate management policies. Other contributory factors were the implementation of the Bi-lateral Currency Swap Agreement (BCSA) with China and the inflow of US\$ 2.8 billion Euro bond. The Gross Domestic Product (GDP) is projected to grow by 2.0 percent by International Monetary Fund (IMF), 2.2 percent by the World Bank and 2.28 percent by the Central Bank of Nigeria (CBN) respectively.

Our Performance

Despite the challenging business environment, I am pleased to report that through strict adherence to budget provisions, enhanced financial control and dogged pursuit of targets, your Institute surpassed the budget for the year under review.

The Institute recorded an operating surplus (before impairments) of N538.9million as against a budget of N535.8million for the year. After consolidation of results of the Institute with those of its subsidiaries, the net operating surplus after adjustment for impairments improved by 18% from N458.6million in 2017 to N543.3million in 2018. Similarly, the Internal Generated Revenue improved from N900million in 2017 to N1.16billion in 2018.

It is worthy to note that the two subsidiaries (CIBN Press and CIBNCFs) bounced to profitability during the financial year including CIBN bookshop.

The growth in income was primarily from the prudently-managed portfolio of investment, which increased through early collection of Corporate Subscriptions for the year. Also, the greater level of success recorded at the Institute's programmes such as the Annual Banking and Finance Conference, Annual Dinner and Investiture. We thank the corporate members for the early payment of their Corporate Subscriptions in the year and also for their constant support of the Institute's programmes. We equally acknowledge the participation and support of our committed members at various programmes of the Institute in the year under review.

3.0 Highlights of Financial Performance

	2018	2017	Increase/ (Decrease)	%Increase/ (Decrease)
	N000	N000		
REVENUE	4,575,349	4,123,428	451,921	10.96
Annual Dev. Fee & Corporate Subscriptions	473,364	470,360	3,004	0.64
Internally Generated Revenue (IGR)	1,163,959	899,987	263,972	29.33
Operating Expenses	933,504	749,645	183,859	24.53
Net Operating Surplus	484,785	385,122	99,663	25.88
% of IGR to Total Revenue	78%	74%	4%	5%
% of Corporate Subscription to Total Revenue	21%	25%	-4%	-18%



4.0 Comments on Financial Position

The net assets increased by 10.96% from **N4.12billion** in 2017 to **N4.58billion** in 2018. The increase of **N452million** was essentially due to the fund managed by the Institute on behalf of bank's CEOs to project the Shared Agent Network Expansion Facility (SANEF) programme, growth in earning assets, surplus from operating activities and early collection of annual development fund and corporate subscription.

5.0 Operating Surplus

There was an improvement in performance for year 2018 compared to the preceding year. The year closed with net operating surplus of **N484.78million**, an increase of **25.88%** over **N385.12million** for 2017. The Internally Generated Revenue (IGR) improved to **N1.16billion** in 2018 from **N900million** in 2017, a growth of 29.33%. The Internally Generated Revenue (IGR) covered operating expenses to the tune of 124.7% in 2018. We are however conscious of the need to ensure efficiency in the management of our funds and the need to control our cost effectively so that we can continue to provide value-adding services to all members and other stakeholders. As a result, cost-control measures, without compromise on our service delivery and strict adherence to budget provisions would be ensured.

6.0 Other Financial Highlights

6.1 Capacity Building & Certification

The net income generated by Capacity Building and Certification increased by **89.4%** from **N152.58million** in 2017 to **N289million** in 2018. The improvement of **89.4%** was mainly from income generated from Chartered Bankers MBA Programme with Bangor Business School and Chartered Institute of Bankers in Scotland. Incomes from examination and exemption were very encouraging as the Institute witnessed increase in the number of student enrolment from banks writing CIBN professional examinations. We appeal to our corporate members to encourage their members of staff to write the appropriate examination of the Institute to upgrade their skills and enhance professionalism.

6.2 Membership Registrations, Subscriptions and Services

The net income of this division increased by **13.7%** from **N184.3million** in 2017 to **N209.5million** in 2018. The growth was primarily from investiture, Practice License and increase in number of graduates' induction. With intensified efforts in the linkage institutions and more routes to Chartered Bankers, there would be a good improvement in the number of financial members in subsequent years. The need for members to continue to discharge their financial obligations to enable the Institute run its programmes successfully cannot be over-emphasized

6.3 Learning & Development

The net income from this division grew by **82%** from **N77.4million** in 2017 to **N140.9million** in 2018. The growth was primarily due to the support from bank's CEOs towards the Annual Banking and Finance Conference, Annual Lecture and other training programmes. While appreciating members' attendance at those programmes, we would be glad to see the number grow geometrically in the following years. The division is refocusing on consultancy services and collaboration programmes to boost revenue.

6.4 Registrar's Office

Annual Bankers Dinner was the major income-generating programme under the Registrar's Office. There was a significant improvement in number and quality of attendance at the Annual Dinner for the year 2018. Consequently, the income realised rose by **166.4%** from **N50.14million** in 2017 to **N133.6million** in 2018. As regards the attendance, we are already making plans to make the next one more delightful to encourage members to turn up in greater number.

6.5 CCPD/E-Learning

This division recorded a **34.2%** rise in net income generating **N26.82million** in 2018 as against **N19.99million** in 2017. The income was exclusively from CCPD programmes in the year. A lot of focus is already on e-learning which was launched in August 2017 as a platform for enhancing knowledge for members (and the public at large) as well as boosting the income of the Institute in 2018.



6.6 Returns on Investment from Operating Funds

The income on operating funds declined by **13.8%** from **N326.71million** in 2017 to **N287.2million** in 2018. The drop was primarily due to unfavourable interest rate in the money market (average of 12%) when compared with the preceding year 2017 (average of 17%). We are indeed grateful to all corporate members for the early payment of their subscriptions.

6.7 Productivity Bonus

In consideration of the budget performance for the year, the Governing Council approved payment of N54.03million productivity bonus as a way of appreciating staff members for their commitment, productivity and to further motivate them for higher performance in the subsequent years. This is in line with subsisting policy of the Institute.

6.8 Corporate Members Subscriptions

The Corporate Members' Subscription was N473.36million for 2018 as against N470.36million in 2017. An increase of 0.64% for the year which is as a result of additional microfinance banks that joined as corporate members.

6.9 Fund Appropriations

In addition to the appropriation made last year to Institute Properties Fund, additional appropriation of N250million from the surplus for the year was approved by the Governing Council for the project. Appropriation were also made for Membership Development Fund and Education Development Fund to the tune of N3million and N7million respectively.

7.0 Future Plan

Our service delivery has expanded over the years and we must ensure all our services remain contemporary while improving the overall stakeholders' experience. With the implementation of the competency framework for the banking and finance industry, widening strategic alliances globally, improvement in website, newly renovated CIBN Learning Centre at Yaba for capacity building and providing conducive working place for enhanced productivity, and most importantly the

unalloyed commitment and support of the members and other stakeholders, your Institute is well positioned globally to deliver better results in the future.

8.0 Conclusion

Finally, I want to thank the Governing Council, President/Chairman of Council, other members of the Office Holders, our Founding Fathers, Past Presidents and the entire members of CIBN, Bankers' Committee, CEOs of Banks, CBN, NDIC and the banking community for their outstanding contributions and support.

I would also appreciate the Finance and General Purposes Committee and Audit Committee, the Registrar/Chief Executive, Management and our hardworking Staff of the Institute for their unrelenting dedication and commitment.

God bless the Federal Republic of Nigeria and God bless CIBN

Thanks for your rapt attention and God bless.

Prof. Pius Oladeji Olanrewaju, Ph.D., FCIB
National Treasurer



AUDITOR'S *Report*

TO THE MEMBERS OF THE CHARTERED INSTITUTE OF BANKERS OF NIGERIA

Report on the Audit of the Financial Statements

We have audited the accompanying consolidated and separate financial statements of the Institute and its subsidiaries together referred to as "the Group" which comprise the consolidated and separate statements of financial position as at 31 December, 2018, the consolidated and separate statements of comprehensive income, changes in equity and cash flows for the year then ended, and notes to the consolidated and separate financial statements, including a summary of significant accounting policies.



**BAKERTILLY
NIGERIA**

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Opinion

In our opinion, the consolidated and separate financial statements give a true and fair view of the consolidated and separate financial position of The Chartered Institute of Bankers of Nigeria as at 31 December, 2018, the consolidated and separate financial performance and statement of cash flows for the year then ended in accordance with the International Financial Reporting Standards, the Companies and Allied Matters Act, CAP C20, LFN 2004 and the Financial Reporting Council of Nigeria (FRCN) Act No. 6 of 2011.

Basis of 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 consolidated and separate Financial Statements* section of our report. We are independent of the Group within the meaning of Nigerian Standards on Auditing (NSAs) issued by the Institute of Chartered Accountants of Nigeria and have fulfilled our other responsibilities under those ethical requirements. The Institute of Chartered Accountants of Nigeria (ICAN) Code is consistent with the International Ethics Standards Board for Accountants code of Ethics for Professional Accountants (Parts A and B). We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Going Concern

The Groups consolidated and separate financial statements have been prepared using the going concern basis of accounting. The use of this basis of accounting is appropriate unless the Governing Council of the Institute and/or Management of the Subsidiary companies either intend to liquidate the Institute and/or companies or have no realistic alternative but to do so.

The Governing Council has not identified a material uncertainty that may cast significant doubt on the Institute's ability to continue as a going concern, and accordingly none is disclosed in the financial statements. Based on our audit of the financial statements, we also have not identified such a material uncertainty.

We however draw attention to note 46 to the financial statements on page 46 which indicate that the subsidiary companies had accumulated losses and shareholders deficits. However, whereas CIBN CFS Limited is a research Institute and the loss represents preoperational expenses which were yet to be fully covered by the incomes accruing to the company, CIBN Press Limited had accumulated losses up to 2016. As a result of strategies mapped out by the directors of these companies, both companies made profits in 2018 which were however not sufficient to cover the accumulated losses.



Responsibilities of the Directors for the Financial Statements

The Governing Council and directors are responsible for the preparation and fair presentation of the consolidated and separate financial statements which are in compliance with the requirements of both the Financial Reporting Council of Nigeria Act, No. 6 of 2011 and the Companies and Allied Matters Act, Cap C20 LFN, 2004. This responsibility includes: designing, implementing and maintaining internal control relevant to the preparation and fair presentation of the financial statements that are free from material misstatements, selecting and applying appropriate accounting policies, and making accounting estimates that are reasonable in the circumstances.

Auditor's Responsibilities for the Audit of the Financial Statements

Our responsibility is to express an independent opinion on the consolidated and separate financial statements based on our audit. We conducted our audit in accordance with International Standards on Auditing (ISAs) issued by the International Federation of Accountants (IFAC). Those standards require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance that the financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditors' judgment, including the assessment of the risks of material misstatement of the financial statements. In making those risk assessments, the auditor considers internal control relevant to the entity's preparation and fair presentation of the financial statements in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the entity's internal control.

An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of accounting estimates made by the Governing Council, as well as evaluating the overall presentation of the financial statements.

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

Report on Other Legal and Regulatory Requirements

The Companies and Allied Matters Act, CAP C20 LFN, 2004 requires that in carrying out our audit we consider and report to you on the following matters. We confirm that: -

- i) we have obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purpose of our audit;
- ii) the Group, Institute and the separate companies have kept so far as appears from our examination of those books, and proper books of account; and
- iii) the Group, Institute and subsidiary companies statement of financial position, and profit or loss and other comprehensive income are in agreement with the books of account.

Mark E. Ariemuduigho
FRC/2013/ICAN/0000002724
on behalf of
Baker Tilly Nigeria
(Chartered Accountants)

Lagos, Nigeria
7 March, 2019





THE GOVERNING COUNCIL'S RESPONSIBILITIES IN RELATION TO THE FINANCIAL STATEMENTS

The law establishing the Institute requires the **Governing Council** to prepare financial statements of the Institute for each financial year which give a true and fair view of the state of affairs and the surplus or deficit for that period. In preparing those financial statements, the **Governing Council**, in accordance with best practice, is required to: -

- select suitable accounting policies and then apply them consistently;
- make judgments and estimates that are reasonable and prudent;
- state whether applicable accounting standards have been followed, subject to any material departures disclosed and explained in the financial statements;
- prepare the financial statements on a going concern basis unless it is inappropriate to presume that the entity will continue in business.

Proper books of account are maintained by the direction of the **Governing Council**, as required by the Act establishing the Institute which disclose with reasonable accuracy at any time the financial position of the Institute. Through delegated powers to the Finance and General Purposes Committee, the **Governing Council** is responsible for safeguarding the assets of the Institute.

President/Chairman of Council

National Treasurer

Registrar/Chief Executive

THE REPORT OF THE AUDIT COMMITTEE ON THE FINANCIAL STATEMENTS

In accordance with Section 359(6) of Companies and Allied Matters Act, CAP C20, Laws of the Federation of Nigeria 2004, the members of the Audit Committee of The Chartered Institute of Bankers of Nigeria hereby report as follows:-

1. We have exercised our statutory functions under Section 359(6) of Companies and Allied Matters Act, CAP C20, Laws of the Federation of Nigeria 2004 and acknowledge the co-operation of Management staff in the conduct of these responsibilities.
2. We have reviewed the scope and planning of the audit programmes.
3. We have reviewed the audited financial statements for the year ended 31 December, 2016.
4. We have reviewed the External Auditors' Management letter for the period ended December 31, 2016 as well as Management response thereon; and
5. We have ascertained that the accounting and reporting policies of the Institute for the period ended December 31, 2016 are in accordance with legal requirements and agreed ethical practices.

In our opinion, the scope and planning for the audit for the period ended December 31, 2017 was adequate and Management's response to the Auditors' findings were satisfactory.

Mr. Babatunde Oluseyi Oduwaye, FCA, FCIB

Chairman, Audit Committee
FRC/2014/ICAN/00000005598

7 March, 2019

Members of the Audit Committee

Dr. Bulama Abatcha, FCIB
Mrs. Ibiye Ekong, HCIB
Mr. Alex Chinelo Ojukwu, FCIB
Mrs. Yetunde Oluwatoyin Aina Ogunseye, HCIB
Dr. (Mrs.) Chinwe Basil-Ezegbu, HCIB



STATEMENT OF FINANCIAL POSITION
AS AT 31 DECEMBER 2018

ASSETS	Note	The Group		The Institute	
		2018 N'000	2017 N'000	2018 N'000	2017 N'000 Property,
Non-current					
plant and equipment	6	2,507,812	2,353,644	2,504,530	2,349,185
Intangible assets	7	17,005	8,908	17,005	8,908
Available for sale	8	1,185	1,223	1,185	1,223
Loan receivables	9	13,777	6,664	13,777	6,664
Total non-current assets		2,539,779	2,370,439	2,536,497	2,365,980
Current					
Loan and other receivables	9	206,304	109,936	264,957	111,215
Inventories	10	37,025	24,788	36,963	24,698
Other assets	11	20,048	27,791	20,048	27,791
Cash and cash equivalents	12	3,648,696	2,525,689	3,638,417	2,525,133
Total current assets		3,912,073	2,688,204	3,960,385	2,688,837
TOTAL ASSETS		6,451,852	5,058,643	6,496,882	5,054,817
LIABILITIES					
Current					
Payables	13	410,630	561,680	383,193	480,963
Income in advance	14	28,107	73,770	28,107	73,770
Special fund	15	1,359,108	235,357	1,359,108	235,357
Defined benefit	16	151,125	141,299	151,125	141,299
Total current liabilities		1,948,970	1,012,106	1,921,533	931,389
NET ASSETS		4,502,882	4,046,537	4,575,349	4,123,428
FUNDS AND RESERVES					
Accumulated funds	17	695,669	577,461	768,136	654,352
Fair value reserve	18	1,085	920	1,085	920
Bookshop fund	19	23,564	-	23,564	-
Sinking fund	20	68,011	65,011	68,011	65,011
Development fund	21	504,214	478,057	504,214	478,057
Staff building loan sinking fund	22	12,164	11,033	12,164	11,033
Life membership fund	23	135,772	128,326	135,772	128,326
Publication fund	24	29,504	28,504	29,504	28,504
Project fund	25	30,986	28,986	30,986	28,986
Branch secretariat development fund	26	34,580	32,580	34,580	32,580
Institute Property Fund	27	930,000	680,000	930,000	680,000
Membership Development fund	28	12,000	9,000	12,000	9,000
Education Development fund	29	28,000	21,000	28,000	21,000
Endowment fund	30	59,503	55,610	59,503	55,610
Other fund	31	327,213	296,749	327,213	296,749

Uche Messiah Olowu, Ph.D, FCIB
President/Chairman of Council
FRC/2014/CIBN/00000007661

Prof. Pius Oladeji Olanrewaju, Ph.D, FCIB
National Treasurer
FRC/2019/CIBN/00000019264

Seye Awojobi, FCIB
Registrar/Chief Executive
FRC/2015/CIBN/00000011751

STATEMENT OF COMPREHENSIVE INCOME
FOR THE YEAR ENDED 31 DECEMBER 2018

	Note	2018 N'000	The Group 2017 N'000	2018 N'000	The Institute 2017 N'000
Revenue generation activities					
Subscription from Banks	33	308,401	305,397	308,401	305,397
Membership Services	34	209,452	184,263	209,452	184,263
Capacity Building/Certification	35	289,069	152,577	289,069	152,577
Learning and Development	36	140,989	77,417	140,989	77,417
Bankers House Account (Net)	37	35,931	36,701	35,931	36,701
Management Fees on Funds' Inv. income		19,465	24,838	19,465	24,838
CCPD		26,823	19,994	26,823	19,994
Finance and corporate services	38	287,174	326,707	287,174	326,707
Registrars office		133,548	50,136	133,548	50,136
National secretariat		10,546	6,978	10,546	6,978
Sundry Income	39	61,066	64,067	10,963	20,376
Total revenue generation activities		1,522,463	1,249,075	1,472,360	1,205,384
Expenditure					
Personnel cost	40	476,244	403,828	476,244	403,828
Administrative expenses	41	218,535	185,932	175,831	147,793
Council committee		132,562	99,119	132,562	99,119
Oversea Conference	42	52,524	18,204	52,524	18,204
Branch		9,023	7,400	9,023	7,400
AGM		10,475	6,362	10,475	6,362
Competency framework		4,089	4,487	4,089	4,487
Nigerian Bankers Journal		3,473	3,930	3,473	3,930
Consultancy		5,635	3,299	5,635	3,299
Audit fee		2,000	2,000	2,000	2,000
Publicity		64	1,707	64	1,707
Depreciation and amortisation		62,877	53,094	61,585	51,516
Tax expense		1,684	1,099	-	-
Total expenditure		979,185	790,461	933,504	749,645
Operating surplus before impairment		543,279	458,614	538,856	455,739
Impairments					
Investment loss/gain	43	(38)	917	(38)	917
Surplus before appropriation		543,241	459,531	538,818	456,656
Productivity bonus	44	(54,033)	(71,534)	(54,033)	(71,534)
		489,208	387,997	484,785	385,122



	Note	2018 N'000	The Group 2017 N'000	2018 N'000	The Institute 2017 N'000
Appropriations to owners account-					
Development Fund; 5% subject to N3m		(3,000)	(3,000)	(3,000)	(3,000)
Sinking Fund; 5% subject to N3m		(3,000)	(3,000)	(3,000)	(3,000)
Project Fund		(2,000)	(2,000)	(2,000)	(2,000)
Branch Secretariat Development Fund		(2,000)	(2,000)	(2,000)	(2,000)
Publication Fund		(1,000)	(1,000)	(1,000)	(1,000)
Membership Development fund		(3,000)	(3,000)	(3,000)	(3,000)
Education Development fund		(7,000)	(7,000)	(7,000)	(7,000)
Staff mortgage loan		(100,000)	-	(100,000)	-
Institute Property Fund		<u>(250,000)</u>	<u>(250,000)</u>	<u>(250,000)</u>	<u>(250,000)</u>
		<u>(371,000)</u>	<u>(271,000)</u>	<u>(371,000)</u>	<u>(271,000)</u>
Surplus transferred to Accumulated Fund	17	118,208	116,997	113,785	114,122
Other comprehensive income		-	-	-	-
Revaluation surplus		-	-	34,202	1,632,390
Excess depreciation		-	-	(56,885)	-
Fair value gain		-	-	165	-
Interest on investment		-	-	-	-
Development fund		-	22,579	23,157	22,579
Staff building loan sinking fund		-	1,315	1,131	1,315
Endowment fund		-	6,459	5,624	6,459
Loss on investment		-	-	-	-
Press		-	-	-	2,404
CFS		-	-	-	541
		<u>-</u>	<u>30,353</u>	<u>7,394</u>	<u>1,665,688</u>
Total comprehensive income for the year		<u>118,208</u>	<u>147,350</u>	<u>121,179</u>	<u>1,779,810</u>

STATEMENT OF CHANGES IN FUNDS AND RESERVES
FOR THE YEAR ENDED 31 DECEMBER 2018

The Group	Accumulated Fund ₹ '000	Fair value reserve ₹ '000	Bookshop fund ₹ '000	Other fund ₹ '000	Endowment fund ₹ '000	Building Revaluation reserve ₹ '000	Total ₹ '000
At 1 January 2018	577,462	920	-	1,779,246	55,610	1,633,300	4,046,538
Interest on investment	-	-	1,564	24,289	5,624	-	31,477
Prize award	-	-	-	-	(2,596)	-	(2,596)
Appropriation from revenue account	(371,000)	-	-	271,000	-	-	(100,000)
Contribution in the year	-	-	22,000	19,446	863	-	42,309
Transfer from special fund	-	-	-	30,464	-	-	30,464
Transfer of excess depreciation	-	-	-	-	-	(56,885)	(56,885)
Transfer to subscription	-	-	-	(12,000)	-	-	(12,000)
Revaluation surplus	-	165	-	-	-	34,202	34,367
Bookshop operating surplus	2,760	-	-	-	-	-	2,760
Surplus for the year	489,208	-	-	-	-	-	489,208
Balance 31 December 2018	698,430	1,085	23,564	2,112,445	59,501	1,610,617	4,505,642

	Accumulated Fund ₹ '000	Fair value reserve ₹ '000	Bookshop fund ₹ '000	Other fund ₹ '000	Endowment fund ₹ '000	Revaluation reserve ₹ '000	Total ₹ '000
At 1 January 2017	472,972	920	-	1,479,988	47,790	910	2,002,580
Interest on investment	-	-	-	23,894	6,459	-	30,353
Prize award	-	-	-	-	-	-	-
Appropriation from revenue account	(271,000)	-	-	271,000	-	-	-
Contribution in the year	-	-	-	15,065	1,362	-	16,427
Transfer to subscription	-	-	-	(10,702)	-	-	(10,702)
Revaluation surplus	-	-	-	-	-	1,632,390	1,632,390
Bookshop operating surplus	(12,509)	-	-	-	-	-	(12,509)
Surplus for the year	387,999	-	-	-	-	-	387,999
Balance 31 December 2017	577,462	920	-	1,779,245	55,611	1,633,300	4,046,538



The Institute	Accumulated Fund N '000	Fair value reserve N '000	Bookshop fund N '000	Other fund N '000	Endowment fund N '000	Revaluation reserve N '000	Total N '000
At 1 January 2018	654,352	920	-	1,779,246	55,610	1,633,300	4,123,428
Interest on investment	-	-	1,564	24,289	5,624	-	31,477
Prize award	-	-	-	-	(2,596)	-	(2,596)
Appropriation from revenue account	(371,000)	-	-	271,000	-	-	(100,000)
Contribution in the year	-	-	22,000	19,446	863	-	42,309
Transfer from special fund	-	-	-	30,464	-	-	30,464
Transfer of excess depreciation	-	-	-	-	-	(56,885)	(56,885)
Transfer to subscription	-	-	-	(12,000)	-	-	(12,000)
Revaluation surplus	-	165	-	-	-	34,202	34,367
Bookshop operating surplus	2,760	-	-	-	-	-	2,760
Surplus for the year	484,785	-	-	-	-	-	484,785
Balance 31 December 2018	<u>770,897</u>	<u>1,085</u>	<u>23,564</u>	<u>2,112,445</u>	<u>59,501</u>	<u>1,610,617</u>	<u>4,578,109</u>

The Institute	Accumulated Fund N '000	Fair value reserve N '000	Bookshop fund N '000	Other fund N '000	Endowment fund N '000	Revaluation reserve N '000	Total N '000
At 1 January 2017	552,738	920	-	1,183,241	47,790	910	1,785,600
Interest on investment	-	-	-	23,894	6,459	-	30,353
Revaluation	-	-	-	-	-	1,632,390	1,632,390
Appropriation from revenue account	(271,000)	-	-	271,000	-	-	-
Contribution in the year	-	-	-	15,065	1,362	-	16,427
Transfer to subscription	-	-	-	(10,704)	-	-	(10,704)
Transfer from special fund	-	-	-	296,749	-	-	296,749
Bookshop operating deficit	(12,509)	-	-	-	-	-	(12,509)
Surplus for the year	385,123	-	-	-	-	-	385,123
Balance 31 December 2017	<u>654,352</u>	<u>920</u>	<u>-</u>	<u>1,779,245</u>	<u>55,610</u>	<u>1,633,300</u>	<u>4,123,428</u>

STATEMENT OF CASH FLOWS
FOR THE YEAR ENDED 31 DECEMBER, 2018

	Note	2018 N'000	The Group 2017 N'000	2018 N'000	The Institute 2017 N'000
Cash flows from operating activities					
Operating profit before working capital changes	45.1	535,390	415,853	527,991	411,397
Working capital changes	45.2	<u>729,764</u>	<u>(81,304)</u>	<u>727,324</u>	<u>(74,465)</u>
Net cash flows (used in)/from operating activities		1,265,154	334,549	1,255,315	336,932
Cash flows from investing activities					
Proceeds from sale of property, plant and equipment		6,289	1,112	6,289	1,112
Purchase of property, plant and equipment		(241,413)	(172,633)	(241,298)	(171,883)
Purchase of intangible assets		<u>(8,675)</u>	<u>(2,000)</u>	<u>(8,675)</u>	<u>(2,000)</u>
Net cash flows from/(used in) investing activities		(243,799)	(173,521)	(243,684)	(172,771)
Cash flows from financing activities					
Interest on investment		31,476	30,353	31,476	30,353
Award to members		(2,596)	-	(2,596)	-
Contribution to other funds		30,464	-	30,464	-
Contribution from members		<u>42,309</u>	<u>16,427</u>	<u>42,309</u>	<u>16,427</u>
Net cash flows from/(used in) financing activities		101,653	46,780	101,653	46,780
Net increase/(decrease) in cash and cash equivalents		1,123,008	207,808	1,113,284	210,941
Cash and cash equivalents at the beginning of the year		<u>2,525,688</u>	<u>2,317,881</u>	<u>2,525,133</u>	<u>2,314,192</u>
Cash and cash equivalents at the end of the year		<u>3,648,696</u>	<u>2,525,689</u>	<u>3,638,417</u>	<u>2,525,133</u>



NOTES TO THE FINANCIAL STATEMENTS

1. Reporting entity

The Chartered Institute of Bankers of Nigeria (the "Institute") is an Educational oriented organization based in Nigeria which was incorporated as a Company Limited by Guarantee in 1976 and was established with the major responsibility of determining the standards of knowledge and skills to be attained by persons seeking to become members of the banking profession and conduct professional examinations leading to the award of certificates, among others. It attained the chartered status through the Chartered Institute of Bankers of Nigeria Act No. 12 of 1990 now Act No. 5 of 2007. The Institute was formerly known as Nigeria Institute of Bankers and it existed as the 'Lagos Centre' of the CIB London from 1963 to 1977 with its registered office in PC 19, Adeola Hopewell Street, P.O Box 72273, Victoria Island, Lagos, Nigeria.

The principal objectives of the Institute are:-

- To enhance the quality of competencies through accreditation, certification and continuous professional development.
- To be the preferred professional body for career development and progression opportunities.
- To enunciate and ensure adherence to best practices and strong commitment to ethical behaviour.
- To strengthen our internal capacities of people, processes and technology to achieve operational excellence.
- To be the preferred choice in research and intellectual discourse.
- To improve our relevance through strategic partnerships with regulators, operators and other relevant bodies.

The Institute is owned by its members comprising individuals and corporate bodies with the motive of being the global reference point for professionalism and ethics in the banking and finance industry through thought leadership and capacity building.

The law establishing the Institute requires the Governing Council to prepare financial statements of the Institute for financial reporting purposes to its members. Its primary objective is to promote Economic and Social Benefit and Development in Nigeria to its members and it was established with a view to supporting that primary objective rather than for a financial return.

The financial statements are for the year ended 31 December 2018. The financial statements were authorized for issue by the Governing Council on 7 March, 2018.



2. Basis of preparation

(a) Statement of compliance

The Institute's financial statements have been prepared in compliance with International Financial Reporting Standards (IFRSs) as issued by the International Accounting Standard Board (IASB) and with the Interpretations issued by the International Financial Reporting Interpretation Committee (IFRIC) as adopted by the Federal Republic of Nigeria, through the Financial Reporting Council Act No.6 of 2011.

The accounting policies have been applied consistently.

(b) Basis of measurement

The financial statements have been prepared on a historical costs convention as modified by the fair value and revaluation of its investment and landed properties.

The accrual basis of accounting has been used unless otherwise stated and the financial statements have been prepared on a going concern basis.

The financial statements are presented in Naira, which is the Institute's functional currency.

(c) Use of estimates and judgements

The preparation of financial statements in conformity with IFRS requires management to make judgements, estimates and assumptions that affect the application of accounting policies and the reported amounts of assets, liabilities, income and expenses. Where material, information on significant judgements, estimates and assumptions is provided in the relevant accounting policy or note disclosure.

The estimates and underlying assumptions are based on historical experience and various other factors believed to be reasonable under the circumstances. Estimates are subject to an ongoing review and actual results may differ from these estimates. Revisions to accounting estimates are recognised in the year in which the estimate is revised and in any future years affected.

3. Significant Accounting Policies

The significant accounting policies used in the preparation of these financial statements set out below, have been consistently applied to all years presented in these financial statements.

The significant accounting policies used in the preparation of these financial statements are summarized below:

3.1 Cash and cash equivalents

Cash and cash equivalents include cash on hand, deposits held on call with banks, other short-term highly liquid investments with original maturities of three months or less.

Bank overdrafts are shown within borrowings in current liabilities in the statement of financial position.



3.2 Financial instruments

Financial instruments include:- Loans granted to staff
Receivables
Cash and cash equivalents
Funds held in trustee invested in financial institutions
Payables
Borrowings from financial institutions

a. Recognition

Financial assets and financial liabilities are recognised when the Institute becomes a party to the contractual provision of the financial instrument. Financial assets and financial liabilities are recognised initially at fair value plus transaction costs, except for those carried at fair value through profit or loss, which are measured at fair value.

b. Subsequent measurement of financial assets

The subsequent measurement of financial assets depends on their classification, which is primarily determined by the purpose for which the financial assets were acquired. Management determines the classification of financial assets at initial recognition into one of four categories defined below, and re-evaluates this designation at each reporting date.

All financial assets except for those classified as fair value through profit or loss are subject to review for impairment at least at each reporting date. Different criteria to determine impairment are applied to each category of financial assets, which are described below.

The category determines subsequent measurement and whether any resulting income and expense is recognised income and expenditure in other comprehensive income.

c. Subsequent measurement of financial liabilities

Trade payables and other borrowings are subsequently measured at amortised cost using the effective interest method.

d. De-recognition of financial assets and liabilities

Financial assets are derecognised when the contractual rights to the cash flows from the financial asset expire, or the Institute transfers the financial asset to another party without retaining control or substantial risks and rewards of the asset.

A financial liability is derecognised when it is extinguished, discharged, cancelled or expires.

Financial assets and liabilities are offset and the net amount presented in the statement of financial position when, and only when, the Institute has a legal right to offset the amounts and intends either to settle on a net basis or to realise the asset or settle the liability simultaneously.



3.2.i Loans and receivables

Loans and receivables are financial assets with fixed or determinable payments that are not quoted in an active market. After initial recognition these are measured at amortised cost using the effective interest method, less provision for impairment. Discounting is omitted where the effect of discounting is immaterial. Loans and receivables consist primarily of staff loans and advances (which are managed in accordance with a documented policy and information is provided internally on this basis), loans and advances to related parties which arise from ordinary course of business.

Individually significant receivables are considered for impairment when they are past due or when other objective evidence is received that a specific counterparty will default. Receivables that are not considered to be individually impaired are reviewed for impairment in groups, which are determined by reference to shared credit risk characteristics. The impairment loss estimate is based on recent historical counterparty default rates for each identified group. +

3.2.ii Financial assets at fair value through profit or loss (FVTPL)

Financial assets designated as at fair value through profit or loss include financial assets that are either classified as held for trading or that meet certain conditions and are designated at fair value through profit or loss upon initial recognition. The designation of these assets to be at fair value through profit and loss eliminates or significantly reduces a measurement or recognition inconsistency (sometimes referred to as 'an accounting mismatch') that would otherwise arise from measuring assets or liabilities or recognizing the gains and losses on them on different bases.

Assets in this category are measured at fair value with gains or losses recognised in the reported surplus or deficit. The fair values are determined by reference to active market transactions or using a valuation technique where no active market exists. These may include reference to the current fair value of other instruments that are substantially the same. Interest earned and dividends received while holding trading assets at fair value through profit or loss are included in the income statement. The Institute as at 31 December 2017 however, do not have any financial assets classified as at fair value through profit or loss.

3.2.iii Held-to-maturity investments

Held-to-maturity investments are financial assets with fixed or determinable payments and fixed maturity other than loans and receivables. Investments are classified as held-to-maturity if the institute has the intention and ability to hold them until maturity. Where the Institute sells more than an insignificant amount of held-to-maturity assets, the entire category would be tainted and reclassified as available-for-sale financial assets and the difference between amortised cost and fair value will be accounted for in equity.

Interest on held to maturity investment are included in the income statement and are reported as Interest and similar income. Held-to-maturity investments are measured subsequently at amortised cost using the effective interest method. If there is objective evidence that the investment is impaired, determined by reference to external credit ratings, the financial asset is measured at the present value of estimated future cash flows. Any changes to the carrying amount of the investment, including impairment losses, are recognised in the reported surplus or deficit.



3.2.iv Available-for-sale financial assets

Available-for-sale financial assets are financial assets that are either designated as such when acquired or do not qualify for inclusion in any of the other categories of financial assets. The Institute's available-for-sale financial assets include listed securities.

Available-for-sale equity investments are measured at cost less any impairment charges, where the fair value cannot currently be estimated reliably.

All other available-for-sale financial assets are measured at fair value. Gains and losses are recognised in other comprehensive income and reported within the "available-for-sale reserve" within equity, while the investment is held. Impairment losses and foreign exchange differences on monetary assets are recognised in the reported surplus or deficit.

Interest income, calculated using the effective interest method, is recognised in the income statement. Dividends received on available for sale investments are recognised in income statement when the Institute's right to receive payment has been established.

When the asset is disposed of or is determined to be impaired the cumulative gain or loss recognised in other comprehensive income is reclassified from the equity reserve to profit or loss and presented as a reclassification adjustment within other comprehensive income. Any associated interest income or dividends are recognised in profit or loss within "finance income".

3.3 Inventories

Inventories are assets held for sale in the ordinary course of business, in the process of production for such sale or in the form of materials or supplies to be consumed in the production process or in the rendering of services.

Inventories are stated at the lower of cost and net realisable value, with due allowance for any damaged and obsolete stock items.

Cost is calculated on an average basis and includes expenditure incurred in acquiring inventories and bringing them to a location and condition available for use.

Net realisable value is the estimated selling price in the ordinary course of the business, less selling expenses necessary to complete the sale.

Inventory held for distribution at nil or nominal consideration is measured at the lower of cost and current replacement cost. If inventories are acquired at no cost or for nominal consideration, cost is the current replacement cost at the date of acquisition, with a corresponding donation amount recognised in the reported surplus or deficit.

3.4 Property, plant and equipment

Except for land, items of property, plant and equipment are measured at cost, less accumulated depreciation and any impairment losses. Cost includes expenditure that is directly attributable to the acquisition of the asset.



Subsequent costs

In most instances, an item of property, plant and equipment is recognised at its cost. Cost includes expenditure that is directly attributable to the acquisition of the asset. Where an asset is acquired at no cost, or for a nominal cost, it is recognised at fair value at the acquisition date.

The cost of replacing part of an item of property, plant and equipment and ongoing costs is recognised as an asset if, and only if, it is probable that future economic benefits or service potential will flow to the Institute and the cost of the item can be measured reliably.

All repairs and maintenance expenditure is charged to the reported surplus or deficit in the year in which the expense is incurred.

Disposals

When an item of property, plant or equipment is disposed of, the gain or loss recognised in the reported surplus or deficit is calculated as the difference between the net proceeds from disposal and the carrying amount of the asset.

Depreciation

Depreciation is charged on a straight value basis on all property, plant and equipment over the estimated useful life of the asset (except for land). The following depreciation rates have been applied to each class of property, plant and equipment:

Buildings	50 years	
Motor Vehicle	4 years	
Furniture and Fittings	5 years	
Computer Equipment	4 years	Household Equipment 5 years
Library Books	4 years	

The assets' residual value and useful life are reassessed at the end of each reporting period and adjusted, if appropriate. An asset's carrying amount is written down immediately to its recoverable amount if the asset's amount is greater than its estimated recoverable amount.

Revaluation

Following initial recognition at cost, land and buildings are carried at re-valued amounts, which is the fair value at the date of the revaluation less any accumulated impairment losses. Fair value is reported less any costs that would be necessary to sell the assets.

Valuations are performed with sufficient frequency to ensure that the fair value of the revalued asset does not differ materially from its carrying amount.

Fair value is determined by reference to market based evidence, which is the amount for which the assets could be exchanged between a willing buyer and a knowledgeable willing seller in an arm's length transaction as at the valuation date.

Any revaluation surplus is recognised in other comprehensive income and credited to the asset revaluation reserve in equity, unless the increase relates to a revaluation decrease of the same asset previously recognized in the profit or loss.



Any revaluation deficit is recognised in other comprehensive income and credited to the asset revaluation reserve in equity to the extent of the revaluation reserve balance accumulated from previous year gains. When no revaluation reserve balance is available to offset a revaluation loss, the revaluation deficit is reported in the surplus or deficit for the year.

Upon disposal, any revaluation reserve relating to the particular asset being sold is reclassified to retained earnings.

3.5 Intangible assets

Intangible assets acquired by The Chartered Institute of Bankers of Nigeria, which have finite useful lives, are measured at cost less accumulated amortisation and any impairment losses.

Internally developed intangible assets

Expenditure on research activities, undertaken with the prospect of gaining new technical knowledge and understanding is recognised in income and expenditure when incurred.

Development activities include a plan or design for the production of new or substantially improved products. Development expenditure is capitalised only if development costs can be measured reliably, the product or process is technically and commercially feasible, future economic benefits are probable, and The Chartered Institute of Bankers of Nigeria intends to and has sufficient resources to complete development and to use or sell the assets. The expenditure capitalised includes the cost of materials, direct labour and overhead cost that are direct attributable to preparing the assets for its intended use. Other development expenditure is recognised in income and expenditure account when incurred.

Capitalised development expenditure is measured at cost less accumulated amortisation and any impairment losses.

Amortisation

Except for goodwill, intangible assets are amortised on a straight-line basis over the estimated useful life of the assets, from the date they are available for use and reported within the surplus or deficits for the year. The following amortisation rates have been applied to each class of intangible assets:

Acquired computer software	4 years
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Disposal

Gain or losses on disposal of intangibles are determined by comparing the sales proceeds with the carrying amount of the intangible assets and reported in the surplus or deficit for the year

3.6 Impairment Financial assets

All financial assets are subject to review for impairment at least once each reporting date. Accounts receivable are reviewed for impairment when accounts are past due or when other objective evidence is received that a specific counterparty will default.

Non-financial assets

At each reporting date, the carrying amounts of tangible and intangible assets are reviewed to determine whether there is any indication of impairment. If any such indication exists for an asset, the recoverable amount of the asset is estimated in order to determine the extent of the impairment loss. Goodwill and other intangible assets with indefinite useful lives are tested for impairment annually.



Impairment losses

An impairment loss is recognised whenever the carrying amount of an asset exceeds its recoverable amount. Impairment losses directly reduce the carrying amount of assets and are recognised in the reported surplus or deficit.

The estimated recoverable amount of an asset is the greater of their fair value less costs to sell and value in use. Value in use is determined by estimating future cash flows from the use and ultimate disposal of the asset and discounting to their present value using a pre-tax discount rate that reflects current market rates and risks specific to the asset. For an asset that does not generate largely independent cash flows, the recoverable amount is determined for the cash-generating unit to which the asset belongs. An impairment loss in respect of goodwill is not reversed. Other impairment losses are reversed when there is a change in the estimates used to determine the recoverable amount. An impairment loss on property carried at fair value is reversed through the relevant reserve. All other impairment losses are reversed through the reported surplus or deficit.

3.7 Employee entitlements Short-term employee benefits

Employee benefits that the Institute expects to be settled within 12 months of reporting date are accrued and measured based on accrued entitlements at current rate of pays.

These include salaries and wages accrued up to the reporting date and annual leave earned, but not yet taken at the reporting date. Where material, the Institute recognises a liability for sick leave. The amount recognised is based on the unused sick leave entitlement that can be carried forward at reporting date, to the extent that the institute anticipates it will be used by staff to cover those future absences.

The Institute recognises a liability and an expense for bonuses where they are contractually obliged or where there is a past practice that has created a constructive obligation.

Termination benefits

Termination benefits are recognised as an expense when the Institute is committed without realistic possibility of withdrawal, to terminate employment, or to provide termination benefits as a result of an offer made to encourage voluntary redundancy. Termination benefits for voluntary redundancies are recognised as an expense if the institute has made an offer of voluntary redundancy, it is probable that the offer will be accepted, and the number of acceptances can be estimated reliably. If benefits are payable more than 12 months after the reporting date, then they are discounted to their present value.

Retirement Benefits Schemes

Staff Pension Scheme

The Institute operates a contributory Pension Scheme in line with the New Pension Reforms Act of 2014 for the benefit of its employees. Each Staff contributes 5% of his/her total salary while the Institute contributes 13% of staff total salary to the Scheme, making a total of 18%.

Gratuity

The Institute operates a Gratuity Scheme for the benefit of retiring employees. The Scheme is adequately funded and administered by a Board of Trustees.



3.8 Provisions

A provision is recognised for a liability when the settlement amount or timing is uncertain; when there is a present legal or constructive obligation as a result of a past event; it is probable that expenditures will be required to settle the obligation; and a reliable estimate of the potential settlement can be made. Provisions are not recognised for future operating losses.

A provision for onerous contracts is recognised when the expected benefits to be derived by the Institute from a contract are lower than the unavoidable cost of meeting its obligation under the contract.

Provisions are measured at the estimated expenditure required to settle the present obligation, based on the most reliable evidence available at the reporting date, including the risks and uncertainties associated with the present obligation. Provisions are discounted to their present values, where the time value of money is material. The unwinding of the discount is recognised as a finance cost.

All provisions are reviewed at each reporting date and adjusted to reflect the current best estimate.

3.9 Annual Appropriation

The Institute appropriates the following amounts from available surpluses at the end of each financial period: -

Development Fund	5% of Operating Surplus subject to a
maximum of N3 million	
Sinking Fund	5% of Operating Surplus subject to a maximum of N3
million	
Project Fund	N2 million
Publication Fund	N1 million
million	Branch Secretariat Development Fund N2
million	Membership Development Fund N3 million
Institute Property Fund	Education Development Fund N7 million
	N250 million

Appropriation to the membership and education funds are at the rate of 5% of the yearly surpluses subject to a maximum of N10 million for both of them.

The Council also makes other appropriations as deemed fit from time to time as the need arises.

3.10 Revenue

Revenue is recognised to the extent that it is probable that the economic benefit will flow to the Institute and revenue can be reliably measured. Revenue is measured at the fair value of consideration received. The Institute assesses its revenue arrangements against specific criteria to determine if it is acting as the principal or agent in a revenue transaction. In an agency relationship only the portion of revenue earned on the Institute's own account is recognised as gross revenue in the Statement of Comprehensive Income.

The following specific recognition criteria must be met before revenue is recognised:

Sale of goods

Revenue from sale of goods is recognised when the Institute has transferred to the buyer the significant risks and rewards of ownership of the goods supplied. Significant risks and rewards are generally considered to be transferred to the buyer when the customer has taken undisputed delivery of the goods.

Rendering of services



Revenue from services rendered is recognised in the surplus or deficit in proportion to the stage of completion of the transaction at the reporting date.

The stage of completion is assessed by reference to surveys of work performed. Under this method, revenue is recognised in the accounting periods in which the services are provided.

When the contract outcome cannot be estimated reliably, revenue is recognised only to the extent of the expenses recognised that are recoverable

Donations and grants

Donations and grant income is recognised as revenue when received and all associated obligations have been met. Where grants have been given for a specific purpose, or with conditions attached, income is not recognised until agreed upon services and conditions have been satisfied. Government grants relating to income are recognised as income over the periods necessary to match them with the related services when performed. Grants received for which the requirements and services have not been met is treated as "income in advance under current liabilities.

Donated assets are recognised at their fair value at the date of the donation. Like many other charitable organisations, the Institute receives the benefit of people's time and service carried out free of charge. This type of donation cannot be readily quantified and hence not recorded in the financial statements.

Restricted funding

When donation funding has been provided for specific future investment purposes or to meet specific future costs of the Institute, the initial donation received is recognised as income in the reported surplus or deficit and then transferred in the Statement of Movements in Equity from accumulated funds to a separate "restricted funds" equity reserve. This treatment recognises that restricted funding received is preserved in investments and can only be used for funding the specific future costs of the Institute.

Interest income

Interest income is recognised as it accrues, using the effective interest method.

Dividend income

Dividend income is recognised on the date that the Institute's rights to receive payments are established.

Rental income

Rental income arising from rental premises is accounted for on a straight-line basis over the lease term.

Annual Subscription

Members' annual subscriptions are accounted for on the basis of actual receipts. However 7% of Life Membership subscription is transferred to income yearly.

Managed Funds

20% of Investment income on Managed Funds is transferred to revenue yearly.



3.11 Finance Cost

Finance costs comprise of interest expenses charged on borrowings and the unwinding of discounts used to measure the fair value of provisions. All borrowing costs are recognised in the reported surplus or deficit using the effective interest-method.

3.12 Taxation

No provision is made for income tax as the Institute, being a non-profit making organization, does not distribute its profit among members. However, value added and withholding taxes are paid as appropriate.

Income tax

Due to its charitable status, the Institute is exempt from income tax.

Value Added Tax (VAT)

All amounts in these financial statements are shown exclusive of VAT, except for receivables and payables that are stated inclusive of VAT.

The net amount of VAT recoverable from, or payable to, the Inland Revenue is included as part of receivables or payables in the Statement of Financial Position

3.13 Foreign currency transactions and balances

Foreign currency transactions are translated into the functional currency of the Institute, using exchange rates prevailing at the dates of the transactions (i.e. the spot exchange rate). Foreign exchange gains and losses resulting from the settlement of such transactions and from re-measurement of monetary items denominated in foreign currency at year-end exchange rates are recognised in the reported surplus or deficit.

Non-monetary items are not retranslated at year-end and are measured at historical cost (translated using the exchange rates at the transaction date), except for non-monetary items measured at fair value which are translated using the exchange rates at the date when fair value was determined

3.14 Foreign operations

In the financial statements, all assets, liabilities and transactions with a functional currency other than Nigerian Naira are translated into the Nigerian Naira upon consolidation.

The assets and liabilities of foreign operations, including any goodwill, are translated to the Nigerian Naira at exchange rates at the reporting date. The incomes and expenses of foreign operations are translated to the Nigerian Naira at exchange rates at the dates of the transactions.

Foreign currency differences are recognized in other comprehensive income, and presented in the foreign currency translation reserve within equity.

When a foreign operation is disposed of such that control is lost, the cumulative amount of the translation reserve related to the foreign operation is reclassified to the reported surplus or deficit as part of the gain or loss on disposal.



3.15 Research

Research expenses are written off in the year they are incurred.

4. Significant management judgements in applying accounting policies

The following are significant management judgements in applying the accounting policies of the institute that have a significant effect on the financial statements:

Impairment

An impairment loss is recognised for the amount by which the asset's or cash-generating unit's carrying amount exceeds its recoverable amount. To determine the recoverable amount, management estimates expected future cash flows from each cash-generating unit and determines a suitable interest rate in order to calculate the present value of those cash flows. In the process of measuring expected future cash flows, management makes assumptions about future operating results. These assumptions relate to future events and circumstances.

In most cases, determining the applicable discount rate involves estimating the appropriate adjustment to market risk and the appropriate adjustment to asset-specific risk factors.

5. Subsidiaries

The financial statements include the Institute's subsidiary companies, CIBN Press Limited and CIBN/CFS Limited. The Companies are incorporated under the Companies and Allied Matters Act 1990 and are wholly owned subsidiary of the Institute. The Institute, as an entity, includes the press company and the financial studies company because it has the capacity to control the financing and operating policies of the Companies as to obtain benefits from its activities.

All investments in subsidiaries are carried at cost in the financial statements of the Institute.



6.

Property plant and equipment

The Group

	Land ₹ '000	Building ₹ '000	Computer Equipment ₹ '000	Office Furniture & ₹ '000	Library Books, furniture & ₹ '000	Motor Vehicles ₹ '000	Household Equipment ₹ '000	Sash/ stole ₹ '000	Badges of Office ₹ '000	Total ₹ '000
Cost/Valuation										
Balance at 1 January 2018	199,277	2,090,082	77,034	128,520	16,717	142,270	7,911	7,232	90	2,669,133
Revaluation	-	34,202	-	-	-	-	-	-	-	34,202
Additions	20,555	-	2,522	51,733	-	159,603	7,000	-	-	241,413
Disposal	-	-	(189)	(67)	-	(8,914)	(7,966)	-	-	(17,136)
Balance at 31 December 2018	<u>219,832</u>	<u>2,124,284</u>	<u>79,367</u>	<u>180,186</u>	<u>16,717</u>	<u>292,959</u>	<u>6,945</u>	<u>7,232</u>	<u>90</u>	<u>2,927,612</u>
Accumulated depreciation and impairment										
Balance at 1 January 2018	-	36,887	65,782	98,327	15,541	84,104	7,616	7,232	-	315,489
Depreciation for the year	-	6,911	2,630	16,083	436	35,198	1,041	-	-	62,299
Transfer to revaluation reserve	-	56,885	-	-	-	-	-	-	-	56,885
Disposal	-	-	(110)	(60)	-	(8,914)	(5,789)	-	-	(14,873)
Balance at 31 December 2018	-	<u>100,683</u>	<u>68,302</u>	<u>114,350</u>	<u>15,977</u>	<u>110,388</u>	<u>2,868</u>	<u>7,232</u>	-	<u>419,800</u>
Carrying amounts										
At 31 December, 2018	<u>219,832</u>	<u>2,023,601</u>	<u>11,065</u>	<u>65,836</u>	<u>740</u>	<u>182,571</u>	<u>4,077</u>	-	<u>90</u>	<u>2,507,812</u>
At 31 December, 2017	<u>199,277</u>	<u>2,053,195</u>	<u>11,252</u>	<u>30,193</u>	<u>1,176</u>	<u>58,166</u>	<u>295</u>	-	<u>90</u>	<u>2,353,644</u>

The Institute	Land	Building	Computer Equipment	Office Furniture & Equipment	Library Books, furniture & equipment	Motor Vehicles	Household Equipment	Sash/stole	Badges of Office	Total
	?'000	?'000	?'000	?'000	?'000	?'000	?'000	?'000	?'000	?'000
Cost/Valuation										
Balance at 1 January 2018	199,277	2,090,082	77,034	94,784	16,717	142,270	7,911	7,232	90	2,635,397
Revaluation		34,202								34,202
Additions	20,555	-	2,522	51,618	-	159,603	7,000	-	-	41,298
Disposal			(189)	(67)		(8,914)	(7,966)			(17,136)
Balance at 31 December 2018	219,832	2,124,284	79,367	146,335	16,717	292,959	6,945	7,232	90	2,893,761
Accumulated depreciation and impairment										
Balance at 1 January 2018	-	36,887	65,782	69,050	15,541	84,104	7,616	7,232	-	286,212
Depreciation for the year	-	6,911	2,630	14,791	436	35,198	1,041	-	-	61,007
Transfer to revaluation reserve	-	56,885								56,885
Disposal			(110)	(60)		(8,914)	(5,789)			(14,873)
Balance at 31 December 2018		100,683	68,302	83,781	15,977	110,388	2,868	7,232		389,231
Carrying amounts										
At 31 December, 2018	219,832	2,023,601	11,065	62,554	740	182,571	4,077		90	2,504,530
At 31 December, 2017	199,277	2,053,195	11,252	25,734	1,176	58,166	295		90	2,349,185



**NOTES TO THE FINANCIAL STATEMENTS
AS AT 31 DECEMBER 2018**

7. Intangible assets

The Group	Software licence N'000	Website N'000	Total N'000
Cost			
At 1 January 2018	44,155	-	44,155
Additions	<u>2,374</u>	<u>6,300</u>	<u>8,674</u>
At 31 December 2018	<u>46,529</u>	<u>6,300</u>	<u>52,829</u>
Accumulated amortisation			
At 1 January 2018	35,247	-	35,247
Amortisation expense for the year	<u>577</u>	<u>-</u>	<u>577</u>
At 31 December 2018	<u>35,824</u>	<u>-</u>	<u>35,824</u>
Carrying amount			
At 31 December, 2018	<u>10,705</u>	<u>6,300</u>	<u>17,005</u>
At 31 December, 2017	<u>8,908</u>	<u>-</u>	<u>8,908</u>

The Institute

The Group	Software licence N'000	Website N'000	Total N'000
Cost			
At 1 January 2018	44,155	-	44,155
Additions	<u>2,374</u>	<u>6,300</u>	<u>8,674</u>
At 31 December 2018	<u>46,529</u>	<u>6,300</u>	<u>52,829</u>
Accumulated amortisation			
At 1 January 2018	35,247	-	35,247
Amortisation expense for the year	<u>577</u>	<u>-</u>	<u>577</u>
At 31 December 2018	<u>35,824</u>	<u>-</u>	<u>35,824</u>
Carrying amount			
At 31 December, 2018	<u>10,705</u>	<u>6,300</u>	<u>17,005</u>
At 31 December, 2017	<u>8,908</u>	<u>-</u>	<u>8,908</u>

8. Available for sale

	The Group		The Institute	
	2018 N'000	2017 N'000	2018 N'000	2017 N'000
Investments in quoted shares				
Cost				
At January	<u>2,063</u>	<u>2,063</u>	<u>2,063</u>	<u>2,063</u>
	<u>2,063</u>	<u>2,063</u>	<u>2,063</u>	<u>2,063</u>
Diminution				
At January	840	1,757	840	1,757
(Write back)/addition	<u>38</u>	<u>(917)</u>	<u>38</u>	<u>(917)</u>
	<u>878</u>	<u>840</u>	<u>878</u>	<u>840</u>
At 31 December	<u><u>1,185</u></u>	<u><u>1,223</u></u>	<u><u>1,185</u></u>	<u><u>1,223</u></u>

9. Loan and other receivables

The Group			2018	2017
	Current	Non current	N'000	N'000
Loan to CIBN branches	1,500	-	1,500	1,500
Events/Programme debtors	131,412	-	131,412	96,183
Online bookshop sales	-	-	-	22
Banking museum	1,955	-	1,955	420
Investment interest receivable	44,842	-	44,842	6,932
Rent receivable	12,820	-	12,820	-
Service charge receivable	11,548	-	11,548	-
Bookshop receivable	1,902	-	1,902	3,904
Staff loan	325	-	325	975
Staff Car/Motor Debtors	-	13,777	13,777	6,664
	<u>206,304</u>	<u>13,777</u>	<u>220,081</u>	<u>116,600</u>

The Institute			2018	2017
	Current	Non current	N'000	N'000
Loan to CIBN Press Limited (note 9.1)	19,783	-	19,783	19,783
Loan to CIBN branches	1,500	-	1,500	1,500
Receivables from CIBN Press Limited	4,850	-	4,850	4,850
Receivables from CIBN CFS	44,396	-	44,396	45,501
Events/Programme debtors	175,903	-	175,903	82,195
Online bookshop sales	-	-	-	22
Banking museum	1,955	-	1,955	420
Investment interest receivable	44,842	-	44,842	6,932
Rent receivable	12,820	-	12,820	-
Service charge receivable	11,548	-	11,548	-
Bookshop receivable	1,902	-	1,902	3,904
Staff loan	325	-	325	975
Staff Car/Motor Debtors	-	13,777	13,777	6,664
	<u>319,824</u>	<u>13,777</u>	<u>333,601</u>	<u>172,746</u>
Provision	<u>(54,867)</u>	<u>-</u>	<u>(54,867)</u>	<u>(54,867)</u>
	<u><u>264,957</u></u>	<u><u>13,777</u></u>	<u><u>278,734</u></u>	<u><u>117,879</u></u>



10. Inventories

The Group	Stationery, books & materials N '000	Bags & sovenirs N '000	Badges N '000	Total N '000	2017 N '000
At 1 January 2017	16,601	6,910	1,277	24,788	19,164
Addition	16,566	-	-	16,566	22,572
Consumed	(1,472)	(2,857)	-	(4,329)	(16,948)
At 31 December 2017	<u>31,695</u>	<u>4,053</u>	<u>1,277</u>	<u>37,025</u>	<u>24,788</u>
The Institute					
	Stationery, books & materials ? '000	Bags & sovenirs ? '000	Badges ? '000	Total ? '000	2017 ? '000
At 1 January 2018	16,512	6,910	1,277	24,699	19,103
Addition	16,593	-	-	16,593	22,483
Consumed	(1,472)	(2,857)	-	(4,329)	(16,888)
At 31 December 2018	<u>31,633</u>	<u>4,053</u>	<u>1,277</u>	<u>36,963</u>	<u>24,698</u>

11. Other assets

	2018 N '000	The Group 2017 N '000	The Institute N '000	
Deposit for land	13,475	13,475	13,475	13,475
Deposit with sheraton Abuja	300	300	300	300
Deposit with Nicon Noga Hilton, Abuja 800		800	800	800
Deposit Reinz Continental Hotel	300	300	300	300
Study pack	-	9,200	-	9,200
Computer maintenance	2,840	2,849	2,840	2,849
Insurance	2,170	704	2,170	704
Rent	<u>163</u>	<u>163</u>	<u>163</u>	<u>163</u>
	<u>20,048</u>	<u>27,791</u>	<u>20,048</u>	<u>27,791</u>

12 Cash and cash equivalents

<i>By type</i>	2018	The Group	The Institute	
	₦ '000	2017 ₦ '000	₦'000	₦ '000
Cash in hand	180	177	119	177
Cash at bank	33,649	1,488	31,431	932
Treasury bills	1,078,000	1,584,000	1,070,000	1,584,000
Fixed deposit	2,536,867	940,024	2,536,867	940,024
	<u>3,648,696</u>	<u>2,525,689</u>	<u>3,638,417</u>	<u>2,525,133</u>
<i>By source</i>				
Cash in hand	180	177	119	177
Cash at bank	33,649	1,488	31,431	932
Special Funds	1,259,108	235,357	1,259,108	235,357
Defined benefit	151,125	141,299	151,125	141,299
Operating funds	979,123	1,009,512	971,123	1,009,512
Bookshop fund	23,564	-	23,564	-
Sinking Funds	68,011	65,011	68,011	65,011
Development Fund	504,214	493,057	504,214	493,057
Staff Building Loan Fund	12,164	11,033	12,164	11,033
Life Membership Fund	135,772	128,326	135,772	128,326
Publication Fund	29,504	28,504	29,504	28,504
Fund Investment	30,986	26,986	30,986	26,986
Branch Secretariat Development Fund	34,580	32,580	34,580	32,580
Other Funds	327,213	296,749	327,213	296,749
Endowment Fund	59,503	55,610	59,503	55,610
	<u>3,648,696</u>	<u>2,525,689</u>	<u>3,638,417</u>	<u>2,525,133</u>



13

Payables	2018	The Group	The Institute	
	2017	2017	2018	2017
	₦ '000	₦ '000	₦'000	₦ '000
Accruals	123,866	136,262	123,866	136,262
Withholding Tax - Federal	12,453	4,606	12,453	4,606
Withholding Tax - State	1,233	1,431	1,233	1,431
VAT Account	4,125	4,125	4,125	4,125
Other Payables	56,984	48,263	56,984	48,263
Bookshop Payables	21,616	9,557	21,646	9,557
Press payables	10,712	32,874	-	-
CFS Payables	16,725	47,842	-	-
Sub-comm-Ethics & Prof (Inc. & Exp.)	149,540	260,210	149,540	260,210
E-Wallet Payment Deposits	9,209	9,858	9,209	9,858
Sundry Members Credit Balance	3,794	2,655	3,794	2,654
National Seminar For Legislators	-	3,880	-	3,880
Cibn-Coop Society	117	117	117	117
Insurance	48	-	48	-
Online sales	11	-	11	-
Salaries	165	-	165	-
Welfare	2	-	2	-
	<u>410,630</u>	<u>561,680</u>	<u>383,193</u>	<u>480,963</u>

14

Income in advance

Interest income	27,626	72,137	27,626	72,137
Subscription	<u>481</u>	<u>1,633</u>	<u>481</u>	<u>1,633</u>
	<u>28,107</u>	<u>73,770</u>	<u>28,107</u>	<u>73,770</u>

Investment interest represents Treasury bills and other money market investment interest received in advance and which will be recognized as income when they crystallize.

15

Special Funds

Ethics & Prof.	285,997	235,357	285,997	235,357
Financial inclusion project (note 15.1)	973,111	-	973,111	-
Staff mortgage loan (note 15.2)	<u>100,000</u>	<u>-</u>	<u>100,000</u>	<u>-</u>
	<u>1,359,108</u>	<u>235,357</u>	<u>1,359,108</u>	<u>235,357</u>

15.1 Financial inclusion project

The fund is managed by the Institute on behalf of body of banks' CEOs to project the Shared Agent Network Expansion Facility (SANEF) programme.

15.2 Staff mortgage loan

This represents an amount set aside by the Institute to be used as a revolving mortgage housing loan to the staff of the Institute.



	Restated 2017 ₹ '000	The Group Audited 2017 ₹ '000	Restated 2017 ₹ '000	The Institute Audited 2017 ₹ '000
15.2 Restatement of 2017 balance				
Merit Award for Bank	-	45,263	-	45,263
Seminar for Judges	-	15,311	-	15,311
Ethics & Prof.	235,357	235,357	235,357	235,357
Security of Banks	-	491	-	491
Bank's Public Enlightenment	-	85,453	-	85,453
CIBN's Public Enlightenment	-	148,542	-	148,542
Library Development	-	1,689	-	1,689
	<u>235,357</u>	<u>532,106</u>	<u>235,357</u>	<u>532,106</u>
16 Defined benefit obligation				
Staff gratuity	<u>151,125</u>	<u>141,299</u>	<u>151,125</u>	<u>141,299</u>
17 Accumulated Fund				
At 1 January	577,461	472,971	654,352	552,738
CIBN Bookshop	-	(12,509)	-	(12,509)
Surplus for the year	<u>118,208</u>	<u>116,999</u>	<u>113,784</u>	<u>114,123</u>
At 31 December	<u>695,669</u>	<u>577,461</u>	<u>768,137</u>	<u>654,352</u>
18 Fair value reserve				
At 1 January	920	920	920	920
Gain in the year	<u>165</u>	<u>-</u>	<u>165</u>	<u>-</u>
At 31 December	<u>1,085</u>	<u>920</u>	<u>1,085</u>	<u>920</u>
Fair value gain was as a result of fair value of car loan.				
19 Bookshop fund				
At 1 January	-	-	-	-
Contribution	22,000	-	22,000	-
Interest on investment.	<u>1,564</u>	<u>-</u>	<u>1,564</u>	<u>-</u>
At 31 December	<u>23,564</u>	<u>-</u>	<u>23,564</u>	<u>-</u>

Bookshop fund represents the fund invested by the Institute specifically on behalf of the bookshop.



	2018 N '000	The Group 2017 N '000	N '000	The Institute N '000
20 Sinking Fund				
At 1 January	65,011	62,011	65,011	62,011
Appropriation from Revenue Account	<u>3,000</u>	<u>3,000</u>	<u>3,000</u>	<u>3,000</u>
At 31 December	<u>68,011</u>	<u>65,011</u>	<u>68,011</u>	<u>65,011</u>
21 Development Fund				
At 1 January	478,057	452,478	478,057	452,478
Interest on Investment	23,157	22,579	23,157	22,579
Appropriation from Revenue Account	<u>3,000</u>	<u>3,000</u>	<u>3,000</u>	<u>3,000</u>
At 31 December	<u>504,214</u>	<u>478,057</u>	<u>504,214</u>	<u>478,057</u>
22 Staff Building Loan Fund				
At 1 January	11,033	9,718	11,033	9,718
Add: Interest on Investment	<u>1,131</u>	<u>1,315</u>	<u>1,131</u>	<u>1,315</u>
At 31 December	<u>12,164</u>	<u>11,033</u>	<u>12,164</u>	<u>11,033</u>
23 Life Membership Fund				
At 1 January	128,326	123,965	128,326	123,965
Contributions in the year	19,446	15,0651	19,446	15,065
Less: Transfer to Subscription	<u>(12,000)</u>	<u>(10,704)</u>	<u>(12,000)</u>	<u>(10,704)</u>
At 31 December	<u>135,772</u>	<u>128,326</u>	<u>135,772</u>	<u>128,326</u>
24 Publication Fund				
At 1 January	28,504	27,504	28,504	27,504
Appropriation from Revenue Account	<u>1,000</u>	<u>1,000</u>	<u>1,000</u>	<u>1,000</u>
At 31 December	<u>29,504</u>	<u>28,504</u>	<u>29,504</u>	<u>28,504</u>



	2018 N '000	The Group 2017 N '000	The Institute N '000	The Institute N '000
25 Project Fund				
Fund investment account				
At 1 January 2017	28,986	26,986	28,986	26,986
Appropriation from revenue account	<u>2,000</u>	<u>2,000</u>	<u>2,000</u>	<u>2,000</u>
Balance at 31 December 2017	<u>30,986</u>	<u>28,986</u>	<u>30,986</u>	<u>28,986</u>
26 Branch Secretariat Dev. Fund				
At 1 January	32,580	30,580	32,580	30,580
Appropriation from Revenue Account	<u>2,000</u>	<u>2,000</u>	<u>2,000</u>	<u>2,000</u>
At 31 December	<u>34,580</u>	<u>32,580</u>	<u>34,580</u>	<u>32,580</u>
27 Institute Property Fund				
At 1 January	680,000	430,000	680,000	430,000
Appropriation from Revenue Account	<u>250,000</u>	<u>250,000</u>	<u>250,000</u>	<u>250,000</u>
At 31 December	<u>930,000</u>	<u>680,000</u>	<u>930,000</u>	<u>680,000</u>
27.1 Institute property fund comprises of contribution from the following:				
Nigeria Deposit Insurance	30,000	30,000	30,000	30,000
NDIC Corporation	<u>900,000</u>	<u>650,000</u>	<u>900,000</u>	<u>650,000</u>
	<u>930,000</u>	<u>680,000</u>	<u>930,000</u>	<u>680,000</u>
28 Membership Development Fund				
At 1 January	9,000	6,000	9,000	6,000
Appropriation from Revenue Account	<u>3,000</u>	<u>3,000</u>	<u>3,000</u>	<u>3,000</u>
At 31 December	<u>12,000</u>	<u>9,000</u>	<u>12,000</u>	<u>9,000</u>



	2018 N'000	The Group 2017 N'000	The Institute N'000	N'000
29 Education Development Fund				
At 1 January	21,000	14,000	21,000	14,000
Appropriation from Revenue Account	<u>7,000</u>	<u>7,000</u>	<u>7,000</u>	<u>7,000</u>
At 31 December	<u>28,000</u>	<u>21,000</u>	<u>28,000</u>	<u>21,000</u>
30 Endowment Funds				
Prof. Nwankwo Debate Award	2,177	1,975	2,177	1,975
Chief Adegbite Branch Prize Award	1,890	1,712	1,890	1,712
Dr. Femi Adekanye Lecture	2,779	2,520	2,779	2,520
R. K. O. Osayameh Research Grant	1,725	1,565	1,725	1,565
J. O. Ekundayo Endowment	601	546	601	546
Chief L.E. Okafor Branch Development	620	562	620	562
Mortgage Banking Ass.	122	111	122	111
E. K. Odubanjo Essay Award	772	701	772	701
O. C. K. Unegbu (Ethics & Prof.)	929	843	929	843
O. C. K. Unegbu (ACIB Linkage)	708	642	708	642
S. E. Kolawole Endowment Fund	453	411	453	411
A. O. G. Otiti Endowment	3,100	3,426	3,100	3,426
HRH Oba S. A. O. Sule Endowment Fund	1,721	1,558	1,721	1,558
Chief E. M. Egwuenu Endowment Fund	4,199	3,849	4,199	3,849
Cornelius Olufemi Odekunle CIB Overall Student	2,067	1,875	2,067	1,875
Bayo Olugbemi-Strategic MgtFin.Ser-Best Studnt	1,211	1,239	1,211	1,239
F.A.Ijewere-Lecg Fund	1,542	1,443	1,542	1,443
Tony Elumelu Foundation	629	129	629	129
Dr.Segun Aina (Best Overall-Cb)	2,185	1,981	2,185	1,981
Dr.Segun Aina (Best-Mgt Of Fin)	1,284	1,257	1,284	1,257
Accion Microfin. Bank(Overall)	2,703	2,497	2,703	2,497
Dr.Ogubunka-Best Staff-Of Yr	1,152	1,138	1,152	1,138
Dr.Ogubunka-Bank Lendn&Credit	1,083	1,027	1,083	1,027
Wole Adewunmi Endowment Fund	4,167	3,467	4,167	3,467
Otunba Osibogun	11,393	11,571	11,393	11,571
Lapo MMFB	5,227	4,786	5,227	4,786
F. A. Ijewere Library Development	<u>3,064</u>	<u>2,779</u>	<u>3,064</u>	<u>2,779</u>
At 31 December	<u>59,503</u>	<u>55,610</u>	<u>59,503</u>	<u>55,610</u>



	2018 N '000	The Group 2017 N '000	2018 N '000	The Institute 2017 N '000
31 Other fund				
Merit Award for Bank	49,904	45,263	49,904	45,263
Seminar for Judges	17,093	15,311	17,093	15,311
Security of Banks	541	491	541	491
Bank's Public Enlightenment	94,215	85,453	94,215	85,453
CIBN's Public Enlightenment	163,771	148,542	163,771	148,542
Library Development	1,689	1,689	1,689	1,689
	<u>327,213</u>	<u>296,749</u>	<u>327,213</u>	<u>296,749</u>
32 Bankers house revaluation reserve				
At January	1,633,300	910	1,633,300	910
Addition during the year	34,202	1,632,390	34,202	1,632,390
Transfer of excess depreciation	(56,885)	-	(56,885)	-
	<u>1,610,617</u>	<u>1,633,300</u>	<u>1,610,617</u>	<u>1,633,300</u>
This is a reserve for the revaluation of the bankers house.				
33 Subscription				
Banks and discount houses	462,914	460,000	462,914	460,000
Development banks	6,000	6,000	6,000	6,000
Microfinance banks	3,450	3,160	3,450	3,160
Primaty mortgage institution	1,000	1,200	1,000	1,200
	<u>473,364</u>	<u>470,360</u>	<u>473,364</u>	<u>470,360</u>
Appropriation to programmes	(164,963)	(164,963)	(164,963)	(164,963)
	<u>308,401</u>	<u>305,397</u>	<u>308,401</u>	<u>305,397</u>
33.1	Subscription is recognised on cash basis			
34 Membership Services				
Registration	108,972	114,155	108,972	114,155
Subscription	100,480	70,108	100,480	70,108
	<u>209,452</u>	<u>184,263</u>	<u>209,452</u>	<u>184,263</u>



35 Capacity Building/Certification

The Group		2018	2017
	Proceeds	Expense	Surplus/(deficit)
	₹ '000	₹ '000	₹ '000
Examination	76,581	(91)	76,490
Exemption	177,785	-	177,785
Certification	33,651	(2,883)	30,768
Examiners report	130	-	130
Transcript	<u>3,896</u>	<u>-</u>	<u>3,896</u>
	<u>292,043</u>	<u>(2,974)</u>	<u>289,069</u>
	-	-	-
The Institute			
	Proceeds	Expense	2018
	₹ '000	₹ '000	Surplus/(deficit)
			2017
			₹ '000
Examination	76,581	(91)	76,490
Exemption	177,785	-	177,785
Certification	33,651	(2,883)	30,768
Examiners report	130	-	130
Transcript	<u>3,896</u>	<u>-</u>	<u>3,896</u>
	<u>292,043</u>	<u>(2,974)</u>	<u>289,069</u>
			<u>152,577</u>

36 Learning and Development

The Group

	Proceeds	Expense	Surplus/(deficit)	
	₹ '000	₹ '000	₹ '000	₹ '000
Training	10,017	(1,185)	8,832	17,314
Library	-	-	-	85
Consultancy	31,291	(19,818)	11,473	2,788
Seminar	209,026	(88,902)	120,124	54,314
Bookshop	<u>23,229</u>	<u>(22,669)</u>	<u>560</u>	<u>2,916</u>
	<u>273,563</u>	<u>(132,574)</u>	<u>140,989</u>	<u>77,417</u>



The Institute	Proceeds	Expense	2018 Surplus /(deficit)	2017
	₦ '000	₦ '000	₦ '000	₦ '000
Training	10,017	(1,185)	8,832	17,314
Library	-	-	-	85
Consultancy	31,291	(19,818)	11,473	2,788
Seminar	209,026	(88,902)	120,124	54,314
Bookshop	23,229	(22,669)	560	2,916
	<u>273,563</u>	<u>(132,574)</u>	<u>140,989</u>	<u>77,417</u>

	The Group		The Institute	
	2018 ₦ '000	2017 ₦ '000	2018 ₦ '000	2017 ₦ '000

37 **Bankers House Account (Net)**

Proceeds

Rent of Building	22,953	23,151	22,953	23,151
Use of Auditorium	5,345	7,027	5,345	7,026
Service Charge Received	17,451	17,495	17,451	17,495
	<u>45,749</u>	<u>47,673</u>	<u>45,749</u>	<u>47,672</u>

Expenses

Rates	378	436	378	436
Electricity	753	970	753	970
Generator Running Expenses (Diesel & Repairs)	5,270	5,593	5,270	5,593
Buildings Insurance, Repairs & Maintenance	3,417	3,973	3,417	3,972
	<u>9,818</u>	<u>10,972</u>	<u>9,818</u>	<u>10,971</u>
Surplus	<u>35,931</u>	<u>36,701</u>	<u>35,931</u>	<u>36,701</u>



	2018 N '000	The Group 2017 N '000	2018 N '000	The Institute 2017 N '000
38 Finance Income				
Interest on Vehicles and Building				
Loan Funds	335	360	335	360
Dividend	1,053	-	1,053	-
Exchange gain	-	11,733	-	11,733
Interest Income on Current Account	823	475	823	475
Dishonoured Cheque Surcharge	-	3	-	3
Reactivation of account	20		20	-
Interest on Operating Fund				
Investment	<u>284,943</u>	<u>314,136</u>	<u>284,943</u>	<u>314,136</u>
	<u>287,174</u>	<u>326,707</u>	<u>287,174</u>	<u>326,707</u>
39 Sundry Income				
Press income	32,742	26,779	-	-
CIBN CFS income	17,361	16,912	-	-
SMS Income	-	5	-	5
World conference	-	32,216	-	32,216
Other subscription	2,000	-	2,000	-
Donation	500	-	500	-
Provision no longer required	3,880	-	3,880	-
Profit on disposed assets	4,026	1,111	4,026	1,111
Insurance claims	<u>557</u>	<u>(12,956)</u>	<u>557</u>	<u>(12,956)</u>
	<u>61,066</u>	<u>64,067</u>	<u>10,963</u>	<u>20,376</u>
40 Personnel cost				
Salaries and Wages	392,746	336,205	392,746	336,205
Staff Pension Scheme	48,770	39,005	48,770	39,005
Club Membership and Subscription	2,065	401	2,065	401
Staff Training and Development	9,428	13,915	9,428	13,915
Medical Expenses	12,091	10,129	12,091	10,129
Group and Personal Accident				
Insurance	5,045	2,853	5,045	2,853
Long Service Award	<u>6,099</u>	<u>1,320</u>	<u>6,099</u>	<u>1,320</u>
	<u>476,244</u>	<u>403,828</u>	<u>476,244</u>	<u>403,828</u>



	2018 N '000	The Group 2017 N '000	2018 N '000	The Institute 2017 N '000
41 Administrative Expenses				
Office support	46,602	37,509	46,602	37,509
Repair and Maintenance-Furniture and Equipment	27,758	33,598	27,758	33,598
Transport and Fueling Expenses	18,483	17,350	18,483	17,350
Computer Stationery and Maintenance	15,123	13,763	15,123	13,763
Printing and Stationery	5,062	3,723	5,062	3,723
Postages and Telephone	2,950	4,842	2,950	4,842
Vehicle Repair and Maintenance	8,687	7,038	8,687	7,038
Insurance	7,924	2,786	7,924	2,786
Electricity	2,740	19	2,740	19
Rent and Rate-Zonal office	2,096	1,690	2,096	1,690
Retreat	3,385	3,127	3,385	3,127
Bank Charges	5,787	2,142	5,787	2,142
End of Year Party	7,824	7,445	7,824	7,445
Newspapers and Periodicals	1,072	821	1,072	821
Publication	-	10	-	10
Press expenses	26,697	22,397	-	-
CFS expenses	16,007	15,742	-	-
Annual lecture	2,121	1,871	2,121	1,871
Entertainment	7,072	6,878	7,072	6,880
Foreign exchange loss	8,943	-	8,943	-
Recruitment cost	591	1,072	591	1,072
Publicity	111	-	111	-
Donations	1,500	2,109	1,500	2,107
	<u>218,535</u>	<u>185,932</u>	<u>175,831</u>	<u>147,793</u>
42 Overseas conference	52,524	18,204	52,524	18,204

During the year, the President and Registrar/CE travelled to the United Kingdom and United States to attend International conferences and also conducted the investiture of foreign members.



	2018 N'000	The Group 2017 N'000	2018 N'000	The Institute 2017 N'000
43 Investment gain/loss				
Available for sale investment	38	(917)	38	(917)
44 Productivity bonus	54,033	71,534	54,033	71,534
45. Cash flow reconciliation				
45.1 Operating profit before working capital changes				
Operating profit	485,741	387,999	479,634	385,123
Bookshop surplus/deficit	2,760	(12,509)	2,760	(12,509)
Depreciation	62,300	48,585	61,008	47,007
Amortisation	577	4,508	577	4,508
Profit on disposal of PPE	(4,026)	(1,111)	(4,026)	(1,111)
Listed shares gain	38	(917)	38	(917)
Life fund transfer to subscription	(12,000)	(10,702)	(12,000)	(10,704)
	<u>535,390</u>	<u>415,853</u>	<u>527,991</u>	<u>411,397</u>
45.2 Working capital changes				
(Increase)/ decrease in assets				
Inventories	(12,237)	(5,624)	(12,265)	(5,595)
Other assets	7,743	(10,139)	7,743	(10,139)
Loan and other receivables	(157,077)	(73,686)	(160,690)	(53,111)
Increase/(decrease) in liabilities	-	-	-	-
Payables	(96,580)	923	(95,379)	(12,842)
Income in advance	(45,663)	(47,938)	(45,663)	(47,938)
Special fund	1,023,751	57,782	1,023,751	57,782
Defined benefit	9,827	(2,622)	9,827	(2,622)
	<u>729,764</u>	<u>(81,304)</u>	<u>727,324</u>	<u>(74,465)</u>

46. Going concern

CIBN Press Limited and CIBN CFS Limited incurred the following accumulated losses and deficit shareholders' funds as at 31 December, 2018

	2018 N'000	2017 N'000
Accumulated losses		
CIBN Press Limited	25,108	28,700
CIBN CFS Limited	60,336	61,180
	<u>85,444</u>	<u>90,880</u>
Deferred shareholders fund		
CIBN Press Limited	12,131	15,700
CIBN CFS Limited	60,336	61,180
	<u>72,467</u>	<u>77,880</u>

47. Approval of financial statements

The financial statements were approved by the governing council on 7 March, 2019

STATEMENT OF VALUE ADDED
AS AT 31 DECEMBER 2018

The Group	2018	%	2017	%
	₹ '000		₹ '000	
Gross earnings	1,545,133		1,259,865	
Bought-in materials and services	(561,087)		(342,313)	
Value added	984,046	100	917,552	100
Applied as follows:				
<i>To pay employees</i>				
Personnel	476,244	48	403,828	44
Productivity bonus	54,033	5	71,534	8
<i>To pay providers of capital</i>				
Finance cost	-	-	-	-
<i>To pay government</i>				
Taxes	1,684	-	1,099	-
<i>Retained for future maintenance of asset and expansion of business</i>				
-Depreciation	62,877	6	53,094	6
Appropriation	271,000	28	271,000	30
Surplus after appropriations	118,208	12	116,997	13
Value added	984,046	100	917,552	100
The Institute				
	2018		2017	
	₹ '000	%	₹ '000	%
Gross earnings	1,495,030		1,216,174	
Bought-in materials and services	(518,383)		(304,174)	
Value added	976,647	100	912,000	100
Applied as follows:				
<i>To pay employees</i>				
Personnel	476,244	49	403,828	44
Productivity bonus	54,033	6	71,534	8
<i>To pay providers of capital</i>				
Finance cost	-	-	-	-
<i>To pay government</i>				
Taxes	-	-	-	-
<i>Retained for future maintenance of asset and expansion of business</i>				
-Depreciation	61,585	6	51,516	6
Appropriation	271,000	28	271,000	30
Surplus after appropriations	113,785	12	114,122	13
Value added	976,647	100	912,000	100



**GROUP FINANCIAL SUMMARY
AS AT 31 DECEMBER 2018**

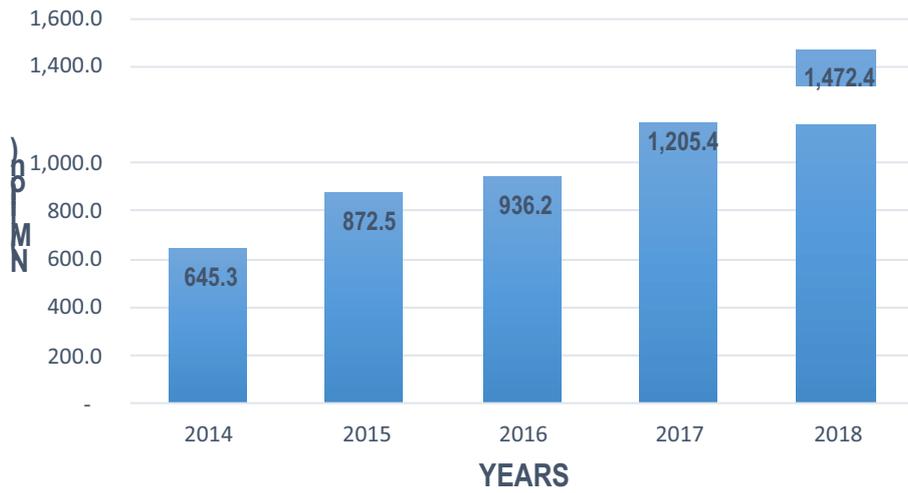
	2018 ? '000	%	2017 ? '000	%	2016 ? '000	%
Financial Position						
Assets						
Non-current	2,539,779	39	2,370,439	47	614,239	20
Current	3,912,073	61	2,688,204	53	2,392,304	80
Total Asset	<u>6,451,852</u>		<u>5,058,643</u>		<u>3,006,543</u>	
Liabilities						
Current	<u>1,948,970</u>		<u>1,012,106</u>		<u>1,300,709</u>	
Total Liabilities	<u>1,948,970</u>		<u>1,012,106</u>		<u>1,300,709</u>	
Net Assets	<u>4,502,882</u>		<u>4,046,537</u>		<u>1,705,834</u>	
Funds and Reserve						
Accumulated funds	695,669	16	577,461	14	472,971	28
Fair value	1,085	0	920	0	920	0
Other fund	<u>3,806,128</u>	84	<u>3,468,156</u>	86	<u>1,231,943</u>	72
Total Funds and Reserves	<u>4,502,882</u>		<u>4,046,537</u>		<u>1,705,834</u>	
Revenue						
Revenue	1,461,397	95	1,185,008	95	911,075	93
Sundry income	<u>61,066</u>	5	<u>64,067</u>	5	<u>65,195</u>	7
Total revenue	<u>1,522,463</u>		<u>1,249,075</u>		<u>976,270</u>	
Expenditure						
Depreciation, amortisation and impairment expenses	62,877	5	53,094	6	55,660	7
Other expenses	<u>970,378</u>	95	<u>807,984</u>	94	<u>753,847</u>	93
Total expenditure	<u>1,033,255</u>		<u>861,078</u>		<u>809,507</u>	
Operating surplus	489,208	34	387,997	45	166,763	21
Appropriations to owners account- Surplus transferred to Accumulated Fund	<u>(371,000)</u>	(23)	<u>(271,000)</u>	(31)	<u>(221,000)</u>	(27)
	<u>118,208</u>		<u>116,997</u>		<u>(54,237)</u>	

INSTITUTE'S FINANCIAL SUMMARY
AS AT 31 DECEMBER 2018

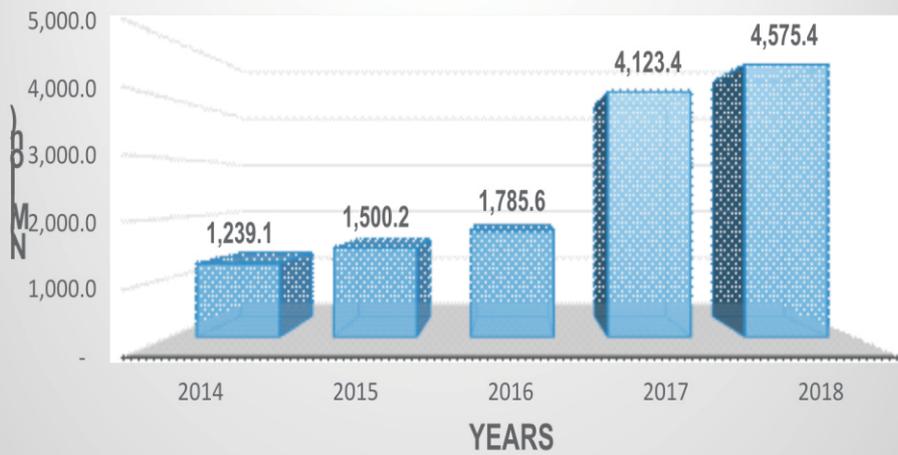
	2018	2017	2016	2015	2014
	₹'000	₹'000	₹'000	₹'000	₹'000
	%	%	%	%	%
Financial Position					
Assets					
Non-current	2,536,497	2,365,979	608,952	625,940	578,761
Current	3,960,385	2,688,838	2,410,406	1,913,153	1,637,798
Total Asset	6,496,882	5,054,817	3,019,358	2,539,093	2,216,559
	100	100	100	100	100
Liabilities					
Current	1,921,533	931,389	1,233,757	1,038,897	977,508
Total Liabilities	1,821,533	931,389	1,233,757	1,038,897	977,508
	100	100	100	100	100
Net Assets	4,575,349	4,123,428	1,785,601	1,500,196	1,239,051
Funds and Reserve					
Accumulated funds	768,136	654,352	552,738	558,263	553,700
Fair value	1,085	1,085	920	920	1,278
Other fund	3,782,564	3,468,156	1,231,942	941,011	684,073
Total Funds and Reserves	4,551,785	4,123,593	1,785,600	1,500,194	1,239,051
	100	100	100	100	100
Revenue					
Revenue	1,461,398	1,185,008	911,075	855,427	642,390
Sundry income	10,963	20,376	25,124	17,022	2,899
Total revenue	1,472,360	1,205,384	936,199	872,449	645,289
	100	100	100	100	100
Expenditure					
Depreciation, amortisation and impairment expenses	61,585	51,516	53,074	45,298	47,443
Other expenses	925,991	768,746	651,292	601,585	592,076
Total expenditure	987,575	820,262	704,366	646,883	639,519
	100	100	100	100	100
Operating surplus	484,785	385,122	231,833	225,566	5,770
Appropriations to owners account-	(371,000)	(271,000)	(221,000)	(221,000)	(5,578)
Surplus transferred to Accumulated Fund	113,785	114,122	10,833	4,566	192
	100	100	100	100	100



TOTAL REVENUE

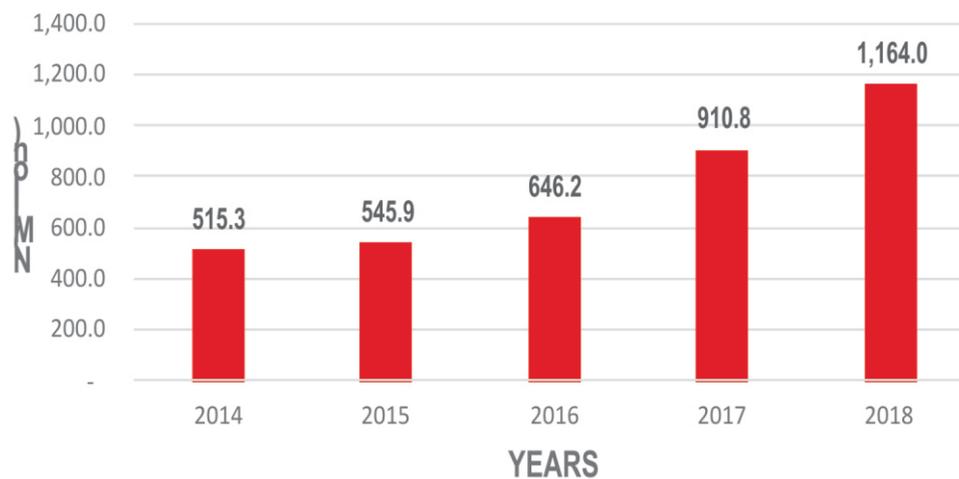


NET ASSETS

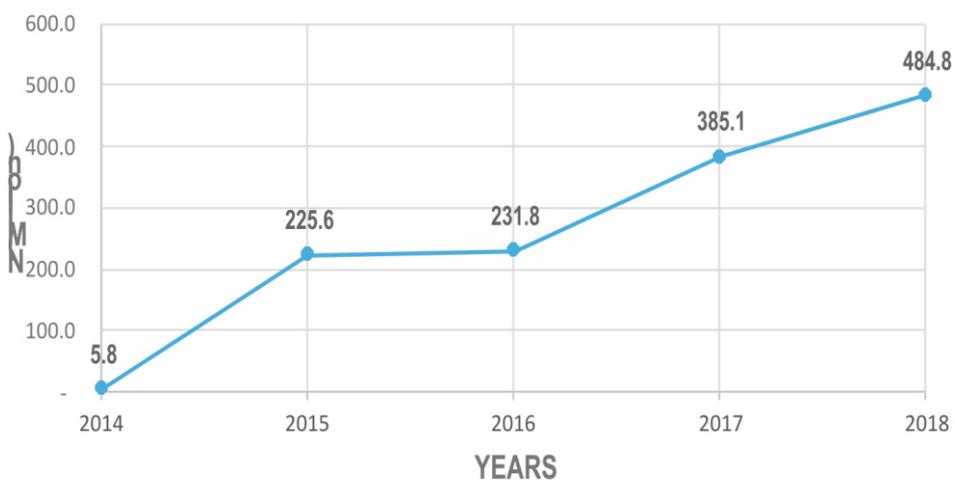




Internally Generated Income



Excess of Income Over Expenditure

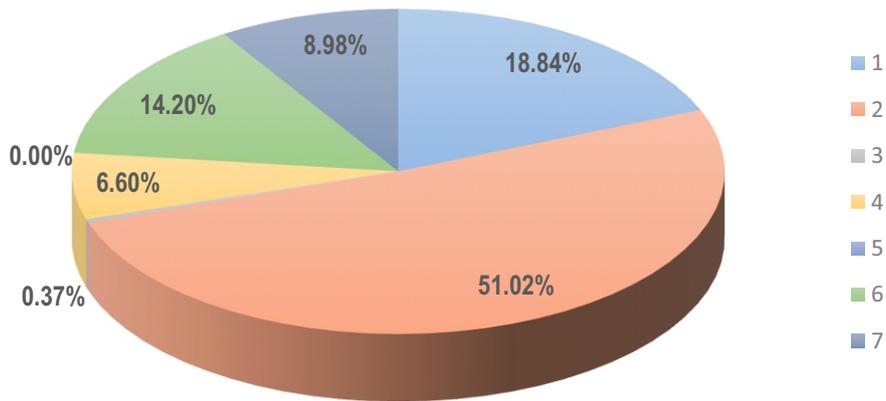




Expenditure Distribution 2018

	EXPENDITURE	N	PERCENTAGE
1	Administrative Expenses	175,831	18.84%
2	Personnel Costs	476,244	51.02%
3	Nigeria Bankers Journal	3,473	0.37%
4	Depreciation, Amortisation & Impairment	61,585	6.60%
5	Research & Development Costs	-	0.00%
6	Council, Committee & Affiliated Bodies Expenses	132,562	14.20%
7	Other Expenses	83,810	8.98%
		933,505	100.00%

Expenditure Distribution 2018





Income Distribution 2018

	INCOME	N	N	PERCENTAGE	
		000	000		
1	Subscription from Banks		308,401	21%	21%
	<u>Internally Generated Revenue</u>				
2	Registration, Subscription & Membership Services	209,452			14%
3	Capacity Building & Certification	289,069			20%
4	Learning & Development	140,989			10%
5	CCPD & E-Learning	26,823			2%
6	Investment Income	287,174			20%
7	Bankers House	35,931			2%
8	Annual Dinner & Others	174,522	1,163,960	79%	12%
			1,472,361	100%	100%

Income Distribution 2018

