

**INDEPENDENT AUDITORS' REPORT
TO THE MEMBERS OF
CHARTERED INSURANCE INSTITUTE OF NIGERIA (CIIN)**

REPORT ON THE AUDIT OF THE FINANCIAL STATEMENTS

Our opinion

We have audited the consolidated financial statements of **Chartered Insurance Institute of Nigeria (the Institute) and its subsidiary (together "the Group")**, which comprise the consolidated and separate statements of financial position as at 31 December, 2020, and the consolidated and separate statement of activities and other comprehensive income, the consolidated and separate statement of changes in members' fund and the consolidated and separate statement of cash flows for the year then ended, and a summary of significant accounting policies and other explanatory notes.

In our opinion and to the best of our information and according to the explanations given to us except for the effects of the matter described in the 'Emphasis of Matter' section of our report, these financial statements give a true and fair view of the financial position of the Chartered Insurance Institute of Nigeria ("the Institute") and its subsidiaries (together "the Group") as at 31 December 2020, and of the consolidated financial performance and consolidated cash flows for the year then ended in accordance with International Financial Reporting Standards (IFRSs), and in compliance with the relevant provision of the Financial Reporting Council of Nigeria, Act No 6, 2011, the Companies and Allied Matters Act, CAP C20, LFN 2004 and with the Insurance Institute of Nigeria Act No. 22 of 1993.

Basis for Opinion

We have conducted our audit in accordance with International Standard on Auditing (ISAs). Our responsibilities under that Standard are further described in the Auditors' Responsibilities for the Audit of the financial statements section of our report.

We believe that the audit evidence we have obtained, except for those as described under Emphasis of Matter is sufficient and appropriate to provide a basis for our opinion.

Emphasis of Matter

We draw attention to note 5© to the financial statements classified as 'provision against loss' which was a fallout of the confirmed Investments balance held with ARM Investment Managers Limited and the Institute's ledger balance. While the Institute had a sum of ₦182,011,094 as its ledger balance, the confirmed balance from the investments house (ARM Investment Managers Limited) was ₦55,183,994 resulting in a difference of ₦126,827,099.73 which is subject of litigation. Pending the outcome of the litigation, a full provision for the amount i.e., ₦126,827,099.73 against the possibility of loss, had been made in these financial statements.

Consequently, the carrying value of the Investments with ARM Investment Managers is as confirmed by the Company.

Independence

We are independent of the Institute in accordance with the International Ethics Standard Board for Accountants' Code of Ethics for Professional Accountants (IESBA Code) together with the ethical requirements that are relevant to our audit of the financial statements in Nigeria, and we have fulfilled our other ethical responsibilities in accordance with these requirements and the International Ethics Standard Board Code.

Responsibilities of Management and those charged with Governance for the Financial Statements

The Council is responsible for the preparation and fair presentation of the financial statements in accordance with International Financial Reporting Standards issued by the International Accounting Standards Board, and in compliance with the relevant provision of the Financial Reporting Council of Nigeria Act, No 6, 2011, the Companies and Allied Matters Act, CAP C20, LFN 2004 and Insurance Institute of Nigeria Act No. 22 of 1993, and for such internal control as the Council determines is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, Council is responsible for assessing the Institute's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless Council either intends to wind up the Institute or to cease operations, or has no realistic alternative but to do so.


Auditor's responsibilities for the Audit of the Financial Statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue a report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with International Standard on Auditing will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements. A further description of our responsibilities for the audit of the financial statements is sighted on page 3 of these financial statements. This description forms part of our audit report.

Report on other legal 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 sought and, except for the matter described in the Emphasis of Matter, obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purpose of our audit,
- ii. except for the matter described in the Emphasis of Matter paragraph in our opinion, proper books of accounts have been kept by the Institute, and
- iii. except for the matter described in the Emphasis of Matter paragraph, the Institute's statement of financial position and its statement of activities and other comprehensive income are in agreement with the books of account.



E. O. A. Adetunji, FCA
FRC/2013/ICAN/00000003895
for: **Adewuyi Adetunji & Co.**
(Chartered Accountants)
Lagos, Nigeria.

Partners: Chief Adewuyi O. Adetunji, J.P. (Managing)
Mr. Adeyemi A. Adetunji
Consultant: Mr. Kayode Akerele



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Details of Auditors' responsibilities for the audit of the financial statements

As part of an audit in accordance with International Standards on Auditing, we exercise professional judgment and maintain professional skepticism throughout the audit. We also:

- identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Institute's internal control.
- evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the Institute.

conclude on the appropriateness of Institute's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Institute's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditors' report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditors' report. However, future events or conditions may cause the Institute to cease to continue as a going concern.

- evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

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

NOTES TO THE FINANCIAL STATEMENTS

STATEMENT OF SIGNIFICANT ACCOUNTING POLICIES

The significant accounting policies adopted in the preparation of these financial statements are set out below.

1.0 General Information

1.1 Legal form

The Chartered Insurance Institute of Nigeria (CIIN) was established in 1959 as a Company Limited by Guarantee. The Chartered status was attained through the Insurance Institute of Nigeria Act No. 22 of 1993.

1.2 Principal Activity

The principal objectives of the Institute as contained in the Act are:

- (a) Determining what standards of knowledge and skill are to be attained by persons seeking to become registered members of the Insurance profession and reviewing these standards from time to time, as circumstances may permit.
- (b) Securing the establishment and maintenance of a register of Fellows, Associates, and Registered members of the profession and the publication, from time to time, of the lists of these persons, and
- (c) Performing through the Council the function conferred on it by the Act.

Head Office.

27, Lagos Street
P.M.B. 1053
Ebute-Metta, Lagos.

Vision

To remain a world class professional body committed to the provision of an efficient and effective manpower for the Insurance Industry.

Mission Statement

To provide a world class manpower with the highest standard of professional and ethical training for operating effectively and efficiently in the Nigerian and International business environment.

Auditors

Adewuyi Adetunji & Co.
Ayaki Chambers,
5, Oba-nle aro Crescent,
off Coker Road,
Ilupeju, Lagos.

1.3 Statement regarding status of compliance with IFRSs

The Institute's financial statements are presented in accordance with, and comply with, International Financial Reporting standards (IFRS).

1.4 Going concern

The Institute has consistently been generating funds through members' subscriptions and students' examination fees and subvention from National Insurance Commission (NAICOM). The Governing Council believes that there is no intention or threat from any source to curtail significantly its membership and students enrolment in the foreseeable future. Thus these financials are prepared on a going concern basis.

1.5 Approval and authorization

The financial statements of the Institute for the year ended 31 December, 2020 were authorised for issue in accordance with a resolution of the Governing Council on ---- May, 2021.

2.0 Basis of preparation

2.1. Statement of compliance

The financial statements have been prepared in accordance with International Financial Reporting Standards (IFRS).

2.2. Basis of measurement

The financial statements have been prepared on the historical cost basis except where otherwise indicated.

2.3. Functional and presentation currency

These financial statements are presented in Nigerian naira, which is the Company's functional currency.

2.4. Use of estimates and judgements

The preparation of the financial statements in conformity with IFRS requires management to make judgements, estimates and assumptions that affect the preparation of accounting policies and the reported amounts of assets, liabilities, income and expenses. Actual results may differ from these estimates. Estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognized in the period in which the estimates are revised and in any future periods affected.

3.0 Significant Accounting Policies

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

3.1 Financial Instruments

Financial instruments include: loans granted to staff, receivables, cash and cash equivalents, funds invested in financial institutions, payables etc.

3.2 Impairment of financial assets

At each balance sheet date the Institute reviews the carrying amounts of its financial assets to determine whether there is any indication that those assets suffered an impairment loss. If any such indication exists, the recoverable amount of the assets is estimated in order to determine the extent of the impairment loss (if any).

An impairment loss is charged to the statement of Comprehensive income immediately unless the asset is carried at its revalued amount.

In respect of available-for-sales financial assets at the balance sheet date, the Institute assesses whether there is objective evidence that the financial assets are impaired.

3.3 Defined Contribution Plan

The Institute operates a defined contribution based retirement benefit scheme for its staff in accordance with the Pension Reform Act of 2004. Each employee contributes 8% while the employer contributes 10% of the employee's relevant emoluments. Payments to defined contribution retirement plans are recognized as expenses when employees have rendered service entitling them to the contributions.

3.4 Defined Benefits Plan

The Institute also operates a partially funded defined benefit plan for the benefit of its employees who had spent up to 5 Years before year 2010 when the scheme was stopped. Full provision has been made in respect of this plan for retirement of employees so that over the long term, the fund would be adequate to meet the liabilities.

3.5 Provisions

Provisions are recognized when the Institute has present obligation (legal or constructive) as a result of a past event. It is probable that the Institute will be required to settle the obligation, and a reliable estimate can be made of the amount of the obligation.

3.6 Income Recognition

Members' fees and subscriptions are accounted for as income in the period to which they relate.

The Institute does not accrue for membership subscription in the year but subscription in advance is accounted for in the period to which they relate. Other incomes are accounted for in the period to which they relate.

3.7 Intangible Assets and Impairment.

Intangible assets which are subject to amortization are reviewed for impairment whenever events of changes in circumstances indicate that the carrying value may not be recoverable.

An impairment loss is recognized for the amount by which the asset's carrying amount exceeds its recoverable amount. The recoverable amount is the higher of an asset's fair value less costs to sell and value in use.

3.8 Foreign Currency Translation.

In preparing the financial statements, transactions in currencies other than the entity's functional currency (Foreign Currency) are recognized at the rates of exchange prevailing on the dates of the transactions.

3.9 Inventories

Inventories are stated at the lower of cost and net realisable value after making

adequate provision for obsolescence and damaged items. Cost comprises supplier's invoices and other costs incurred to bring the stocks to its present location and condition. Cost is determined using First in First out (FIFO) method.

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

3.10 Investment Property

Investment property is property held to earn rentals and/or for capital appreciation (including property under construction for such purposes). Investment property is measured at cost, including transaction costs.

An Investment property is derecognized upon disposal or when the Investment property is permanently withdrawn from use and no future economic benefits are expected from the disposal. Any gain or loss arising on derecognition of the property (calculated as the difference between the net disposal proceeds and the carrying amount of the asset) is included in the statement of comprehensive income in the period in which the property is derecognized.

3.11 Available for Sales Investment

Available for sales financial assets are non-derivative financial assets that are designated to this category or not classified in any other category.

Available for sale financial assets are intended to be held for an indefinite period of time, and may be sold in response to needs for liquidity or changes in interest rates or equity prices. They are included in non-currents unless the Investment matures or management intends to dispose of it within 12 months of the end of the reporting period.

Available for sales financial assets are initially recognized at fair value, which is the cash consideration including any transaction cost, and measured subsequently at fair value with gains or losses being recognized in the statement of comprehensive income and calculated in a separate reserve called available for sale reserve until the financial assets is derecognized. The Institute's available for sales financial assets include listed securities.

3.12 Property, plant and Equipment

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

(i) Subsequent Costs

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

The cost of replacing part of an item of property, plant and equipment and ongoing costs is recognized 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 expenses is incurred.

(ii) Disposals

When an item of property, plant and equipment is disposed of, the

gain or loss recognized in the reported surplus or deficit is calculated as the difference between the net proceeds from disposal and the carrying amount of the asset.

(iii) Depreciation

Depreciation is calculated to write off the cost of property, plant and equipment during their expected useful life on a straight line basis.

The principal annual rates of depreciation which are consistent with those of the previous years are:

Building	2.5%
Plant and machinery	25%
Motor vehicle-new	25%
Motor vehicle-used	50%
Office furniture, fittings and equipment	20%

(iv) Amortization

Intangible assets are amortized 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 deficit for the year. The following amortization rates have been applied to the intangible asset:

Software package	33.33%
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3.13 De-recognition of financial assets and liabilities

Financial assets are derecognized when the contractual right to cash flow from the financial asset expires 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 derecognized when it is extinguished, discharged, cancelled or expired.

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 to settle on a net basis or to realize the asset or settle the liability simultaneously.

3.14 Loans and receivables

Loans and receivables are non-derivative financial assets with fixed or determinable payments that are not quoted in an active market.

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).

3.15 Provisions and contingent liabilities

(i) Provisions

A provision is recognized if, as a result of a past event, the Institute has a present legal or constructive obligation that can be estimated reliably, and it is probable that an outflow of economic benefits will be required to settle the obligation.

(ii) Future operating losses are not provided for.

A provision for onerous contracts is recognized when the expected benefits to be derived by the Institute from a contract are lower than the unavoidable cost of meeting its obligations under the contract. The provision is measured at the present value of the expected cost of terminating the contract and the expected net cost of continuing with the contract. Before a provision is established, the Institute recognizes any impairment loss on the assets associated with that contract.

(iii) Contingent liabilities

A contingent liability is a possible obligation that arises from past events and whose existence will be confirmed only by the occurrence or non-occurrence of one or more uncertain future events not wholly within the control of the company, or a present obligation that arises from past events but is not recognized because it is not probable that an outflow of resources embodying economic benefits will be required to settle the obligation; or the amount of the obligation cannot be measured with sufficient reliability.

Contingent liabilities are only disclosed and not recognized as liabilities in the statement of financial position.

If the likelihood of an outflow of resources is remote, the possible obligation is neither a provision nor a contingent liability and no disclosure is made.

3.16 Cash and Cash Equivalent

Cash and Cash equivalent include cash in hand, cash at bank and other short-term highly liquid investment with original maturities of 90 days or less.

3.17 Statement of cash flows

The statement of cash flows is prepared using the indirect method. Changes in statement of financial position items that have not resulted in cash flows such as translation differences and other non-cash items, have been eliminated for the purpose of preparing the statement.

3.18 Finance income and finance costs

Finance income comprises interest income on funds invested. Finance income is recognized as it accrues in profit or loss, using the effective interest method.

Finance costs comprise bank charges and interest costs, impairment losses recognized on financial assets except finance costs that are directly attributable to the acquisition, construction or production of a qualifying asset which are capitalized as part of the related assets, are recognized in profit or loss using the effective interest method.

3.19 Legal proceedings

The Institute reviews outstanding legal cases following developments in the legal proceedings at each reporting date, in order to assess the need for provisions and disclosures in its financial statements. Among the factors considered in making decisions on provisions are the nature of litigation, claim or assessment, the legal process and potential level of damages in the jurisdiction in which the litigation, claim or assessment has been brought, the progress of the case (including the progress after the date of the financial statements but before those statements are issued), the opinions or views of legal advisers, experience on similar cases and any decision of the Institute's management as to how it will respond to the litigation, claim or assessment.

There is an ongoing litigation instituted against the former Director (Finance) at the National Industrial Court, Lagos Division in the period under review involving a diverted fund. A full provision has been made in these financial statements for the possibility of loss.

4.0 Determination of fair values

A number of the Institute's accounting policies and disclosures require the determination of fair value, for both financial and non-financial assets and liabilities.

Fair values will have to be determined in the future for measurement and/or disclosure purpose. When applicable, further information about the assumptions made in determining fair value shall be disclosed in the notes specific to that asset or liability.

(i) Trade and other receivables

The fair value of trade and other receivables is estimated as recoverable amount of the asset at the reporting date. For short term trade receivables, no disclosure of fair value is presented when the carrying amount is a reasonable approximation of fair value.


(ii) Non-derivative financial instruments


Fair value, which is determined for disclosure purposes, is calculated based on the present value of future principle and interest cash flows, discounted at the market rate of interest at the reporting date.


STATEMENT OF FINANCIAL POSITION AS AT 31 DECEMBER, 2020

	NOTES	GROUP		INSTITUTE	
		31-Dec-20 N	31-Dec-19 N	31-Dec-20 N	31-Dec-19 N
ASSETS					
Current assets					
Cash and cash equivalent	5	279,806,278	270,891,909	99,996,400	229,605,642
Loans and receivables - Current	6(b)	23,547,151	9,780,276	19,222,571	2,857,676
Other assets	7	-	-	-	-
Inventories	8	15,022,550	9,016,072	15,022,550	9,016,072
Total current assets		318,375,979	289,688,257	134,241,521	241,479,389
Non-current assets					
Available-for-sales investment	9	4,307,620	3,922,764	4,307,620	3,922,764
Loans and receivables - Non current	6(a)	-	131,792	-	131,792
Intangible assets	10	1,817,034	10	1,817,034	10
Investment in college	11	-	-	282,262,169	282,262,169
Investment properties	12	137,588,306	137,588,306	137,588,306	137,588,306
Property, plant and equipment	13	670,173,238	652,943,204	124,822,422	134,031,338
Total non-current assets		813,886,198	794,586,076	550,797,551	557,936,378
Total assets		<u>1,132,262,178</u>	<u>1,084,274,333</u>	<u>685,039,072</u>	<u>799,415,767</u>
LIABILITIES					
Current liabilities:					
Trade payables	14	28,195,727	33,330,812	28,195,727	32,637,299
Other payables	15	2,779,125	2,999,626	2,546,825	2,850,000
Total current liabilities		30,974,852	36,330,437	30,742,552	35,487,299
Non-current liabilities					
Retirement benefit obligation	16(a)	-	-	-	-
Lease obligation - Car financing	16(b)	-	-	-	-
		-	-	-	-
Total liabilities		30,974,852	36,330,437	30,742,552	35,487,299
FUND AND RESERVES					
Accumulated fund	17	909,900,165	758,196,749	597,240,168	608,512,131
Building fund	17	-	67,944,757	-	67,944,757
Sinking fund	17	45,077,552	85,984,078	45,077,552	85,984,078
Fund held in Trust	17	10,106,441	-	10,106,441	-
Available-for-sales reserves	17	1,872,358	1,487,502	1,872,358	1,487,502
General reserve	17	134,330,809	134,330,809	-	-
		<u>1,101,287,326</u>	<u>1,047,943,895</u>	<u>654,296,520</u>	<u>763,928,468</u>
Total funds and liabilities		<u>1,132,262,178</u>	<u>1,084,274,332</u>	<u>685,039,072</u>	<u>799,415,767</u>

These financial statements were approved by the Governing Council on 23rd June, 2021 and signed on its behalf by:


Sir Muftau O. Oyegunle, FCII, FIIN
FRC/2015/CIIN/00000012362
President


Mrs. Yetunde Ilori
FRC/2012/CIIN/00000000344
Hon. Treasurer


Mr. Akinjide O. Orimolade
FRC/2013/CIIN/00000002268
Chairman - F&GPC

The accompanying significant accounting policies and notes to the accounts on pages 9 to 26 and other national disclosures on pages 27 and 28 form an integral part of these financial statements.

STATEMENT OF ACTIVITIES AND OTHER COMPREHENSIVE INCOME
for the year ended 31 December, 2020

	Notes	GROUP		INSTITUTE	
		31-Dec-20 N	31-Dec-19 N	31-Dec-20 N	31-Dec-19 N
Income					
NAICOM Subvention	20	75,000,000	75,000,000	75,000,000	75,000,000
Fees and subscriptions	21	57,594,218	59,556,997	57,594,313	59,556,997
Operating activities	22	<u>287,563,847</u>	<u>380,687,564</u>	<u>195,911,917</u>	<u>254,705,514</u>
Total Income from operating activities		420,158,064	515,244,561	328,506,230	389,262,511
Operating expenses	23	<u>(97,498,943)</u>	<u>(203,364,922)</u>	<u>(67,801,340)</u>	<u>(128,037,399)</u>
Surplus from operating activities		322,659,122	311,879,639	260,704,890	261,225,112
Investment Income	24	777,881	21,650,529	718,115	16,624,049
Other Income	25	<u>134,574,042</u>	<u>59,118,955</u>	<u>16,547,042</u>	<u>19,074,034</u>
Total Income (net)		<u><u>458,011,045</u></u>	<u><u>392,649,123</u></u>	<u><u>277,970,047</u></u>	<u><u>296,923,195</u></u>
Expenditure:					
Depreciation and amortization	26	32,465,951	33,035,514	12,512,792	15,027,502
General administrative expenses.	27	96,780,051	97,666,895	74,334,142	66,039,740
Staff cost	28	133,369,014	138,110,348	108,907,522	111,208,295
Other expenditure	29	9,966,774	15,419,060	59,966,774	65,419,060
Finance cost	30	<u>1,051,903</u>	<u>1,773,213</u>	<u>846,844</u>	<u>1,032,818</u>
Total expenditure		<u><u>273,633,693</u></u>	<u><u>286,005,030</u></u>	<u><u>256,568,074</u></u>	<u><u>258,727,416</u></u>
Surplus for the year before OCI		184,377,352	106,644,093	21,401,972	38,195,779
Other Comprehensive Income (OCI):					
Re-measurement of Post Employment Benefit		-	-	-	-
Change in fair value of available-for-sale investments		<u>384,856</u>	<u>(274,526)</u>	<u>384,856</u>	<u>(274,526)</u>
Surplus for the year after OCI		<u><u>184,762,208</u></u>	<u><u>106,369,567</u></u>	<u><u>21,786,828</u></u>	<u><u>37,921,253</u></u>

STATEMENT OF CHANGES IN MEMBERS' FUNDS
for the year ended 31 December, 2020

<u>THE GROUP</u>	Available for sales reserve	Accumulated fund	Building fund	Sinking fund	Fund held in Trust	Asset Revaluation Reserve	Total
	N	N	N	N	N	N	N
2019							
Balance at 01 January, 2019	1,762,028	651,552,751	44,199,430	75,670,847	-	134,330,809	907,515,866
Surplus for the year	-	106,643,998	-	-	-	-	106,643,998
Transfer to fund	(274,526)	-	23,745,327	10,313,231	-	-	33,784,032
Asset revaluation reserve	-	-	-	-	-	-	-
Other comprehensive income:							
Post employment benefit	-	-	-	-	-	-	-
Interest on investment	-	-	-	-	-	-	-
At 31 December, 2019	<u>1,487,502</u>	<u>758,196,749</u>	<u>67,944,757</u>	<u>85,984,078</u>	<u>-</u>	<u>134,330,809</u>	<u>1,047,943,895</u>
2020							
Balance at 01 January, 2020	1,487,502	758,196,749	67,944,757	85,984,078	-	134,330,809	1,047,943,895
Surplus for the year	-	184,377,352	-	-	-	-	184,377,352
Reclassification/adjustments	384,856	(32,673,936)	(67,944,757)	(40,906,525)	10,106,441	-	(131,033,921)
Asset revaluation reserve	-	-	-	-	-	-	-
Other comprehensive income:							
Post employment benefit	-	-	-	-	-	-	-
Interest on investment	-	-	-	-	-	-	-
At 31 December, 2020	<u>1,872,358</u>	<u>909,900,165</u>	<u>-</u>	<u>45,077,552</u>	<u>10,106,441</u>	<u>134,330,809</u>	<u>1,101,287,326</u>

STATEMENT OF CHANGES IN MEMBERS' FUNDS
for the year ended 31 December, 2020

THE INSTITUTE	Available for sales reserve N	Accumulated fund N	Building fund N	Sinking fund N	Fund held in Trust N	Total N
2019						
Balance at 01 January, 2019	1,762,028	570,316,352	44,199,430	75,670,847	-	691,948,657
Surplus for the year	-	38,195,779	-	-	-	38,195,779
Transfer to fund	(274,526)	-	23,745,327	10,313,231	-	33,784,032
Other comprehensive income:						
Post employment benefit	-	-	-	-	-	-
Interest on investment	-	-	-	-	-	-
At 31 December, 2019	1,487,502	608,512,131	67,944,757	85,984,078	-	763,928,468
2020						
Balance at 01 January, 2020	1,487,502	608,512,131	67,944,757	85,984,078	-	763,928,468
Surplus for the year	-	21,401,972	-	-	-	21,401,972
Reclassification/adjustments	384,856	(32,673,936)	(67,944,757)	(40,906,525)	10,106,441	(131,033,921)
Other comprehensive income:						
Post employment benefit	-	-	-	-	-	-
Interest on investment	-	-	-	-	-	-
At 31 December, 2020	1,872,358	597,240,168	-	45,077,553	10,106,441	654,296,520

STATEMENT OF CASH FLOWS
for the year ended 31 December, 2020

		GROUP		INSTITUTE	
	Notes	31-Dec-20 ₦	31-Dec-19 ₦	31-Dec-20 ₦	31-Dec-19 ₦
<u>Cash generated from operating activities</u>	18	101,334,017	213,725,054	(83,581,819)	128,495,978
<u>Investing activities:</u>					
Acquisition of property, plant and equipment		(48,787,722)	(139,368,306)	(2,395,500)	(20,870,918)
Intangible assets		(2,725,400)	-	(2,725,400)	-
Investment property		-	-	-	-
Net cash outflow from investing activities		(51,513,122)	(139,368,306)	(5,120,900)	(20,870,918)
<u>Financing activities:</u>					
Long term liability		-	(18,196,307)	-	(18,196,309)
Sinking funds		(40,906,526)	10,313,231	(40,906,526)	10,313,231
Net cash inflow from financing activities		(40,906,526)	(7,883,079)	(40,906,526)	(7,883,078)
<i>Net cash outflow from operations</i>		8,914,369	66,473,669	(129,609,245)	99,741,982
Cash and bank balances at beginning of the year		270,891,909	204,418,240	229,605,645	129,863,660
		<u>279,806,278</u>	<u>270,891,909</u>	<u>99,996,400</u>	<u>229,605,642</u>
REPRESENTED BY:					
Cash and bank balances at end of the year	5	279,806,278	270,891,909	99,996,400	229,605,642
		<u>279,806,278</u>	<u>270,891,909</u>	<u>99,996,400</u>	<u>229,605,642</u>

NOTES TO THE FINANCIAL STATEMENTS

for the year ended 31 December, 2020

	GROUP		INSTITUTE	
	31-Dec-20	31-Dec-19	31-Dec-20	31-Dec-19
	N	N	N	N
5. Cash and cash equivalents				
Cash in hand	16,500	2,250	6,500	2,250
Cash at bank (5a)	189,605,784	70,722,893	44,805,906	52,147,293
Short term deposit (Note 5b)	35,000,000	55,655,672	-	32,945,005
Sinking fund investment (Note 5c)	55,183,994	144,511,094	55,183,994	144,511,094
	279,806,278	270,891,909	99,996,400	229,605,642
5(a) Cash at Bank:				
Guranty Trust Bank Plc	5,728,577	4,492,375	-	-
Zenith Bank	2,593,288	8,717,505	2,593,288	8,717,505
First Bank of Nigeria Plc - Building levy	2,069,075	5,034,551	2,069,075	5,034,551
First Bank of Nigeria Plc	170,531,554	46,940,732	31,460,252	32,857,507
Union Bank of Nigeria Plc	8,683,291	5,537,730	8,683,291	5,537,730
	189,605,784	70,722,893	44,805,906	52,147,293
5(b) Short term deposit:				
FBN - fixed deposit	35,000,000	20,000,000	-	-
UBN - fixed deposit	-	32,945,005	-	32,945,005
Guranty Trust Bank Plc -fixed deposit	-	2,710,667	-	-
	35,000,000	55,655,672	-	32,945,005
5(c) Sinking fund investment:				
Sinking fund invesment	182,011,094	144,511,094	182,011,094	144,511,094
***Provision against loss	(126,827,100)	-	(126,827,100)	-
	55,183,994	144,511,094	55,183,994	144,511,094
*** N126,827,100 - being fraudulently 'diverted fund' is a subject of ongoing litigation at the National Industrial Court, Lagos Division in Suit No. NICN/LA/150/2020. Full provision against possibility of loss was made in the financial statements as at 31 December, 2020.				
6. Loans and receivable:				
6(a) Non Current - Housing Loan				
Balance brought forward	131,792	305,760	131,792	305,760
Additoin during the year	-	-	-	-
	131,792	305,760	131,792	305,760
Payment during the year	(131,792)	(173,968)	(131,792)	(173,968)
Balance carried forward	-	131,792	-	131,792
<i>The housing loan balance represents amount due in respect of loans granted to some members of staff and is repayable over twenty years. The movement during the year is as stated above.</i>				
(b) Current				
Car Loan	195,000	815,833	195,000	815,833
Staff Advances	315,000	565,000	315,000	565,000
Prepayment	3,328,668	2,351,843	1,678,088	1,456,843
Other receivables	19,708,483	6,047,600	17,034,483	20,000
	23,547,151	9,780,276	19,222,571	2,857,676

NOTES TO THE FINANCIAL STATEMENTS
for the year ended 31 December, 2020

	GROUP		INSTITUTE	
	31-Dec-20	31-Dec-19	31-Dec-20	31-Dec-19
	N	N	N	N
7. Other assets				
(a) Staff severance benefit:				
Balance brought forward	-	15,695,265	-	15,695,265
Deposit during the year	-	-	-	-
Interest earned during the year	-	896,057	-	896,057
	-	16,591,322	-	16,591,322
Termination of investments	-	(16,591,322)	-	(16,591,322)
Payment during the year	-	-	-	-
Balance carried forward	-	-	-	-
8. Inventories:				
Stock of course books:				
At 01 January	9,016,072	11,114,855	9,016,072	11,114,855
Addition	7,170,965	-	7,170,965	-
	16,187,037	11,114,855	16,187,037	11,114,855
Net additions/cost of sales	(1,164,487)	(2,098,783)	(1,164,487)	(2,098,783)
	<u>15,022,550</u>	<u>9,016,072</u>	<u>15,022,550</u>	<u>9,016,072</u>
9. Available for sales investment				
Quoted Investements:				
Cost at 01 January	4,836,808	4,836,808	4,836,808	4,836,808
	<u>4,836,808</u>	<u>4,836,808</u>	<u>4,836,808</u>	<u>4,836,808</u>
Diminution Allowance:				
At 01 January	914,044	652,618	914,044	652,618
Net (gains)/loss transfer to fair value reserve	(384,856)	261,426	(384,856)	261,426
	<u>529,188</u>	<u>914,044</u>	<u>529,188</u>	<u>914,044</u>
Market value				
At 31 December	<u>4,307,620</u>	<u>3,922,764</u>	<u>4,307,620</u>	<u>3,922,764</u>

Available-for-sale investments are fair valued annually at the close of business on the balance sheet date. Wherever possible, fair value is determined by reference to stock exchange quoted bid price. Available-for-sale investments are classified as non-current assets unless they are expected to be realised within twelve months of the balance sheet date.

All available-for-sale investments are denominated in Naira.

NOTES TO THE FINANCIAL STATEMENTS
for the year ended 31 December, 2020

	GROUP		INSTITUTE	
	31-Dec-20	31-Dec-19	31-Dec-20	31-Dec-19
	N	N	N	N
10. Intangible assets				
Software				
Cost				
At 01 January	16,270,025	16,270,025	16,270,025	16,270,025
Addition during the year	2,725,400	-	2,725,400	-
	<u>18,995,425</u>	<u>16,270,025</u>	<u>18,995,425</u>	<u>16,270,025</u>
Accumulated amortisation and impairment				
At 01 January	16,270,015	16,270,015	16,270,015	16,270,015
Charge for the year	908,376	-	908,376	-
	<u>17,178,391</u>	<u>16,270,015</u>	<u>17,178,391</u>	<u>16,270,015</u>
Carrying value				
At 31 December	<u>1,817,034</u>	<u>10</u>	<u>1,817,034</u>	<u>10</u>
11. Investment in College of Insurance and Financial Management (CIFM)				
At 01 January	-	-	282,262,169	282,262,169
Addition during the year	-	-	-	-
At 31 December	<u>-</u>	<u>-</u>	<u>282,262,169</u>	<u>282,262,169</u>
12. Investment property				
a. Victoria Island Property - Plot 41, Ahmed Onibudo Street, Victoria Island, Lagos.				
At 01 January	135,488,306	135,488,306	135,488,306	135,488,306
Addition during the year	-	-	-	-
At 31 December	<u>135,488,306</u>	<u>135,488,306</u>	<u>135,488,306</u>	<u>135,488,306</u>
b. Abeokuta				
At 01 January	2,100,000	2,100,000	2,100,000	2,100,000
Addition during the year	-	-	-	-
At 31 December	<u>2,100,000</u>	<u>2,100,000</u>	<u>2,100,000</u>	<u>2,100,000</u>
Total as at 31 December, 2020 (a+b)	<u>137,588,306</u>	<u>137,588,306</u>	<u>137,588,306</u>	<u>137,588,306</u>

NOTES TO THE FINANCIAL STATEMENTS
for the year ended 31 December, 2020

THE GROUP

13. Property, plant and equipment

	LAND	BUILDING	PLANT AND MACHINERY	MOTOR VEHICLES	FURNITURE, & EQUIPMENT	W-I-P BUILDING	TOTAL
	N	N	N	N	N	N	N
Cost							
At 01/01/2019	20,042,904	482,238,257	39,522,762	54,502,000	108,872,814	-	705,178,738
Additions	-	12,128,711	1,042,700	23,108,000	21,719,790	81,369,105	139,368,306
Disposal	-	-	(60,000)	-	-	-	(60,000)
At 31/12/2019	20,042,904	494,366,968	40,505,462	77,610,000	130,592,604	81,369,105	844,487,044
Additions/reclassification	-	1,220,960	7,125,000	70,000	3,632,367	36,739,395	48,787,722
Disposal	-	-	(3,650,000)	(23,000,000)	-	-	(26,650,000)
At 31/12/2020	<u>20,042,904</u>	<u>495,587,928</u>	<u>43,980,462</u>	<u>54,680,000</u>	<u>134,224,971</u>	<u>118,108,500</u>	<u>866,624,766</u>
Depreciation							
At 01/01/2019	-	30,124,381	23,558,965	41,678,949	63,206,143	-	158,568,438
Charge for the year	-	4,934,901	4,164,819	8,302,833	15,632,961	-	33,035,514
Elimination	-	-	(60,000)	-	-	-	(60,000)
At 31/12/2019	-	35,059,283	27,663,783	49,981,782	78,839,105	-	191,543,953
Charge for the year	-	6,117,716	2,962,985	7,155,448	15,321,426	-	31,557,575
Elimination	-	-	(3,650,000)	(23,000,000)	-	-	(26,650,000)
At 31/12/2020	<u>-</u>	<u>41,176,999</u>	<u>26,976,768</u>	<u>34,137,230</u>	<u>94,160,531</u>	<u>-</u>	<u>196,451,528</u>
Carrying value							
At 31/12/2020	<u>20,042,904</u>	<u>454,410,930</u>	<u>17,003,694</u>	<u>20,542,770</u>	<u>40,064,441</u>	<u>118,108,500</u>	<u>670,173,238</u>
At 31/12/2019	<u>20,042,904</u>	<u>459,307,686</u>	<u>12,841,679</u>	<u>27,628,218</u>	<u>51,753,500</u>	<u>81,369,105</u>	<u>652,943,091</u>
At 31/12/2018	<u>20,042,904</u>	<u>452,113,876</u>	<u>15,963,797</u>	<u>12,823,051</u>	<u>45,666,671</u>	<u>-</u>	<u>546,610,299</u>

NOTES TO THE FINANCIAL STATEMENTS
for the year ended 31 December, 2020

THE INSTITUTE

13. Property, plant and equipment

	LAND	BUILDING	PLANT AND MACHINERY	MOTOR VEHICLES	FURNITURE & EQUIPMENT	TOTAL
	N	N	N	N	N	N
Cost						
At 01/01/2019	20,042,904	100,877,017	19,795,370	42,052,000	55,654,140	238,421,431
Additions	-	1,789,218	-	13,108,000	5,973,700	20,870,918
Disposal	-	-	-	-	-	-
At 31/12/2019	20,042,904	102,666,235	19,795,370	55,160,000	61,627,840	259,292,349
Additions	-	-	400,000	-	1,995,500	2,395,500
Disposal	-	-	-	(18,000,000)	-	(18,000,000)
At 31/12/2020	<u>20,042,904</u>	<u>102,666,235</u>	<u>20,195,370</u>	<u>37,160,000</u>	<u>63,623,340</u>	<u>243,687,849</u>
Depreciation						
At 01/01/2019	-	19,660,709	17,042,048	34,153,950	39,376,803	110,233,509
Charge for the year	-	1,568,853	1,230,063	6,497,833	5,730,753	15,027,502
Elimination	-	-	-	-	-	-
At 31/12/2019	-	21,229,562	18,272,110	40,651,783	45,107,556	125,261,012
Charge for the year	-	2,053,322	144,182	3,277,000	6,129,912	11,604,416
Elimination	-	-	-	(18,000,000)	-	(18,000,000)
At 31/12/2020	<u>-</u>	<u>23,282,884</u>	<u>18,416,292</u>	<u>25,928,783</u>	<u>51,237,468</u>	<u>118,865,428</u>
Carrying value						
At 31/12/2020	<u>20,042,904</u>	<u>79,383,351</u>	<u>1,779,078</u>	<u>11,231,217</u>	<u>12,385,872</u>	<u>124,822,422</u>
At 31/12/2019	<u>20,042,904</u>	<u>81,436,673</u>	<u>1,523,260</u>	<u>14,508,217</u>	<u>16,520,284</u>	<u>134,031,338</u>
At 31/12/2018	<u>20,042,904</u>	<u>81,216,308</u>	<u>2,753,322</u>	<u>7,898,050</u>	<u>16,277,338</u>	<u>128,187,922</u>

NOTES TO THE FINANCIAL STATEMENTS
for the year ended 31 December, 2020

	GROUP		INSTITUTE	
	31-Dec-20 N	31-Dec-19 N	31-Dec-20 N	31-Dec-19 N
14. Trade payable				
Creditors	24,489,079	26,815,538	24,489,079	26,122,026
Withholding tax payable	187,948	3,918,498	187,948	3,918,498
Subscription in advance	3,518,700	2,596,775	3,518,700	2,596,775
	<u>28,195,727</u>	<u>33,330,812</u>	<u>28,195,727</u>	<u>32,637,299</u>
15. Other payables				
Amount falling due within one year:				
Audit fees	1,800,000	1,800,000	1,800,000	1,800,000
Accruals	979,125	1,199,626	746,825	1,050,000
	<u>2,779,125</u>	<u>2,999,626</u>	<u>2,546,825</u>	<u>2,850,000</u>
16. Long term liabilities				
Retirement benefit obligation (16a)	-	-	-	-
Lease obligation- Car (Note 16b)	-	-	-	-
	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
16(a). Retired benefit obligation				
Balance brought forward	-	15,695,265	-	15,695,265
Interest earned on investment	-	896,057	-	896,057
	-	16,591,322	-	16,591,322
Payment during the year	-	(10,000,000)	-	(10,000,000)
Excess released to statement of activities	-	(6,591,322)	-	(6,591,322)
Balance carried forward	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
16(b) Lease obligation - Car				
Balance brought forward	-	2,501,044	-	2,501,044
Addition during the year	-	-	-	-
	-	2,501,044	-	2,501,044
Payment during the year	-	(2,501,044)	-	(2,501,044)
Balance carried forward	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
17. Funds and reserves				
Accumulated fund				
The movement in accumulated fund account is as below:				
Balance brought forward	758,196,749	651,552,751	608,512,131	570,316,351
Prior year adjustment	(32,673,935)	-	(32,673,935)	-
Transfer to available-for-sales reserve	(384,856)	274,526	(384,856)	274,526
Transfer to sinking fund	-	-	-	-
	725,137,958	651,827,277	575,453,340	570,590,877
Surplus for the year	184,762,208	106,369,472	21,786,828	37,921,253
Balance as at 31 December, 2020	<u>909,900,165</u>	<u>758,196,749</u>	<u>597,240,168</u>	<u>608,512,131</u>
Other funds and reserves				
Building fund	-	67,944,757	-	67,944,757
Sinking fund	45,077,552	85,984,078	45,077,552	85,984,078
Fund held in Trust	10,106,441	-	10,106,441	-
Available-for-sales reserves	1,872,358	1,487,502	1,872,358	1,487,502
General reserve	134,330,809	134,330,809	-	-
	<u>191,387,161</u>	<u>289,747,147</u>	<u>57,056,352</u>	<u>155,416,338</u>

NOTES TO THE FINANCIAL STATEMENTS

for the year ended 31 December, 2020

	GROUP		INSTITUTE	
	31-Dec-20	31-Dec-19	31-Dec-20	31-Dec-19
	N	N	N	N
18. Cash generated from operating activities				
Surplus for the year	184,762,208	106,369,472	21,786,828	37,921,253
Adjustments for non cash items:				
Depreciation of property, plant and equipment	31,557,575	33,035,514	11,604,416	15,027,504
Amortisation of intangible property	908,376		908,376	-
Adjustments	(32,673,935)	-	(32,673,935)	-
Diminution/(appreciation) in value of investment	(384,856)	261,426	(384,856)	261,426
	<u>184,169,368</u>	<u>139,666,412</u>	<u>1,240,829</u>	<u>53,210,184</u>

Cash flow before changes in working capital:

(Increase)/decrease in inventories	(6,006,478)	2,098,783	(6,006,478)	2,098,783
Decrease in housing loan	131,792	173,968	131,792	173,968
(increase)/decrease in car loan, staff advances and other	(13,766,763)	6,502,943	(16,364,898)	5,987,641
(Increase)/decrease in other assets	-	15,695,265	(4,441,572)	15,695,265
(Decrease)/increase in trade payable	(5,135,084)	25,876,242	(303,175)	27,074,810
(Decrease)/increase in other payables	(220,501)	(33,887)	-	510,000
(Decrease)/increase in IICC fund held in Trust	10,106,441		10,106,441	-
(Decrease)/increase in building fund	(67,944,757)	23,745,327	(67,944,757)	23,745,327
	<u>(82,835,351)</u>	<u>74,058,642</u>	<u>(84,822,648)</u>	<u>75,285,794</u>
	<u>101,334,017</u>	<u>213,725,054</u>	<u>(83,581,819)</u>	<u>128,495,978</u>

19. Reconciliation of cash flows

For the purpose of the statement of cash flows, cash comprises cash at bank and on hand and investment in money market instruments. Cash at the end of the financial year as shown in the statement of cash flows is reconciled to the related items in the statement of financial position as follows:

Cash at bank and in hand	189,622,284	70,725,143	44,812,406	52,149,543
Short term deposits	90,183,994	200,166,766	55,183,994	177,456,099
	<u>279,806,278</u>	<u>270,891,909</u>	<u>99,996,400</u>	<u>229,605,642</u>

NOTES TO THE FINANCIAL STATEMENTS
for the year ended 31 December, 2020

	GROUP		INSTITUTE	
	31-Dec-20 N	31-Dec-19 N	31-Dec-20 N	31-Dec-19 N
20. NAICOM subvention:				
Grant received from National Insurance Commission (NAICOM)	<u>75,000,000</u>	<u>75,000,000</u>	<u>75,000,000</u>	<u>75,000,000</u>
21. Fees and subscriptions:				
Members' subscriptions	53,756,669	55,927,719	53,756,669	55,927,719
Education levy	295,000	10,000	295,000	10,000
Library levy	3,542,548	3,619,278	3,542,644	3,619,278
	<u>57,594,218</u>	<u>59,556,997</u>	<u>57,594,313</u>	<u>59,556,997</u>
22. Operating activities:				
i. Qualification and fellowship:				
Professional examination	118,141,358	108,910,689	118,141,358	108,910,689
Inductions	31,661,500	25,809,280	31,661,500	25,809,280
	<u>149,802,858</u>	<u>134,719,969</u>	<u>149,802,858</u>	<u>134,719,969</u>
ii. Regulation and education:				
MCPD / Workshop collaboration	4,546,500	3,895,000	4,546,500	3,895,000
Certification	-	6,417,220	3,505,560	6,417,220
Training courses	97,897,489	130,212,050	2,740,000	4,230,000
Accreditation	450,000	550,000	450,000	550,000
Tuition	1,190,500	1,151,500	1,190,500	1,151,500
Office representative committee	780,000	1,660,000	780,000	1,660,000
	<u>104,864,489</u>	<u>143,885,770</u>	<u>13,212,560</u>	<u>17,903,720</u>
iii. Conference and courses				
Education seminar	640,000	2,950,000	640,000	2,950,000
International Exchange Program	-	26,179,825	-	26,179,825
Seminar on Etiquette	-	-	-	-
Insurance professional forum	25,894,000	30,377,000	25,894,000	30,377,000
Executive breakfast meeting	1,251,500	1,740,000	1,251,500	1,740,000
Annual dinner and investiture	1,702,500	29,540,000	1,702,500	29,540,000
	<u>29,488,000</u>	<u>90,786,825</u>	<u>29,488,000</u>	<u>90,786,825</u>
iv. Publication:				
Journal	1,295,000	2,255,000	1,295,000	2,255,000
Calendar	1,820,000	2,100,000	1,820,000	2,100,000
	<u>3,115,000</u>	<u>4,355,000</u>	<u>3,115,000</u>	<u>4,355,000</u>
v. Social activities:				
Fitness Walk	-	4,935,000	-	4,935,000
Picnic	-	1,500,000	-	1,500,000
Ramadan tafsri/Christmas carol	293,500	505,000	293,500	505,000
	<u>293,500</u>	<u>6,940,000</u>	<u>293,500</u>	<u>6,940,000</u>
TOTAL	<u>287,563,847</u>	<u>380,687,564</u>	<u>195,911,918</u>	<u>254,705,514</u>

NOTES TO THE FINANCIAL STATEMENTS
for the year ended 31 December, 2020

	GROUP		INSTITUTE	
	31-Dec-20	31-Dec-19	31-Dec-20	31-Dec-19
	N	N	N	N
Expenditure				
23. Operating activities				
(i) Qualification and fellowship:				
Professional examination	26,365,883	38,241,920	27,965,883	39,841,920
Induction of Associates	5,384,113	6,299,588	5,384,113	6,299,588
	<u>31,749,996</u>	<u>44,541,508</u>	<u>33,349,996</u>	<u>46,141,508</u>
(ii) Regulation and education:				
Workshop collaboration	1,355,000	2,242,800	1,355,000	2,242,800
Short courses and workshop	2,433,600	2,591,200	2,433,600	2,591,200
Accreditation	887,500	1,011,500	887,500	1,011,500
Tuition	802,500	952,000	802,500	952,000
Office representative committee	120,150	975,800	120,150	975,800
Sharing of surplus with NAICOM	-	15,745,918	-	-
CIIN Membership Fee	3,533,000	8,000,000	-	-
Training courses	27,764,602	53,181,605	-	-
	<u>36,896,352</u>	<u>84,700,823</u>	<u>5,598,750</u>	<u>7,773,300</u>
(iii) Conference and courses				
Education conference and seminar	130,000	2,393,910	130,000	2,393,910
International Exchange Program	-	23,079,208	-	23,079,208
Executive breakfast	631,700	661,967	631,700	661,967
Seminar on etiquette	-	143,972	-	143,972
Insurance professional forum	16,957,894	19,469,639	16,957,894	19,469,639
Annual dinner and Investiture	2,881,126	20,547,355	2,881,126	20,547,355
	<u>20,600,720</u>	<u>66,296,051</u>	<u>20,600,720</u>	<u>66,296,051</u>
(iv) Publication:				
Journal	3,002,500	1,700,000	3,002,500	1,700,000
Calendar	3,290,625	860,000	3,290,625	860,000
	<u>6,293,125</u>	<u>2,560,000</u>	<u>6,293,125</u>	<u>2,560,000</u>
(v) Social activities:				
Miss insurance	-	30,000	-	30,000
Fitness walk	1,439,250	3,025,040	1,439,250	3,025,040
Ramadan tafsri/Christmas carol	519,500	1,057,500	519,500	1,057,500
Picnic	-	1,154,000	-	1,154,000
	<u>1,958,750</u>	<u>5,266,540</u>	<u>1,958,750</u>	<u>5,266,540</u>
TOTAL	<u><u>97,498,943</u></u>	<u><u>203,364,922</u></u>	<u><u>67,801,341</u></u>	<u><u>128,037,399</u></u>

NOTES TO THE FINANCIAL STATEMENTS
for the year ended 31 December, 2020

	GROUP		INSTITUTE	
	31-Dec-20	31-Dec-19	31-Dec-20	31-Dec-19
	N	N	N	N
24. Investment income:				
Bank deposit interest (Note 30(a))	88,966	8,110,016	29,200	3,083,536
Interest on investment - Sinking Fund	688,914	13,540,513	688,914	13,540,513
	777,881	21,650,529	718,115	16,624,049
25. Other income				
Interest on car loan	54,676	119,792	54,676	119,792
Interest on housing loan	23,724	18,432	23,724	18,432
Sales of promotional items	35,500	13,000	35,500	13,000
Insurance claims	5,836,100	319,600	5,836,100	319,600
Sales of course book	7,338,875	7,340,150	7,338,875	7,340,150
CIIN- NAICOM Grants	100,000,000	-	-	-
Insurance textbooks for secondary school		2,211,738	-	-
CIIN Membership Fee and Administration Charges	4,435,000	11,617,000	-	-
Rental income	400,000	460,500	-	-
Sponsorship on College buildings	1,000,000	2,460,000	1,000,000	2,460,000
Donation	3,750,000	10,322,575	-	-
Proceeds from sales of assets	650,000			
Excess interest on Staff Severance Benefits	-	6,591,322	-	6,591,322
Accommodation	8,721,500	16,417,750	-	-
Sundry Income	2,328,667	1,227,096	2,258,167	2,211,737
	134,574,042	59,118,955	16,547,042	19,074,034
26. Depreciation and amortization				
Depreciation of property, plant and equipment (Note 10)	33,035,514	33,035,514	11,604,416	15,027,502
Amortization of intangible properties (Note 10)	908,376	-	908,376	-
	32,465,951	33,035,514	12,512,792	15,027,502
27. General and administrative expenses:				
General repairs and maintenance	23,956,016	37,063,090	16,199,110	22,099,505
Council meeting expenses	3,460,746	6,002,456	2,927,046	4,836,636
Annual General Meeting expenses	666,934	1,789,150	666,934	1,789,150
Insurance premium	20,994,895	10,099,956	19,567,721	9,129,186
Travelling expenses	6,195,901	8,085,664	3,538,651	4,421,448
Stationery and office materials	1,959,410	2,182,105	1,658,155	1,487,855
Sundry expenses	1,809,907	2,425,300	-	-
Advert and publicity	529,050	990,000	120,000	290,000
Telephone and postage	836,975	896,670	549,110	584,440
Audit fees	1,800,000	1,800,000	1,800,000	1,800,000
Consultancy fees	8,848,233	2,716,945	7,648,233	2,450,000
Subscriptions	1,714,008	2,940,000	821,798	1,564,700
Rates and levies	1,477,306	966,552	257,794	966,552
Printing of course books	13,163,307	9,838,060	13,163,307	9,838,060
Electricity	1,139,581	547,257	1,139,581	547,257
Newspapers	203,250	306,600	109,200	224,200
Internet subscription	1,525,925	1,725,000	1,525,927	1,725,000
Office and general expenses	1,200,030	2,458,104	-	-
Security Services	1,822,002	1,940,536	-	-
Donation and Grants	835,000	607,700	-	-
Elders forum	2,641,575	2,285,750	2,641,575	2,285,750
	96,780,051	97,666,895	74,334,142	66,039,740

NOTES TO THE FINANCIAL STATEMENTS
for the year ended 31 December, 2020

	GROUP		INSTITUTE	
	31-Dec-20	31-Dec-19	31-Dec-20	31-Dec-19
	N	N	N	N
28. Staff cost:				
Salary and allowances	104,966,799	107,404,659	84,130,754	85,564,817
Leave allowance	7,592,628	6,537,607	7,592,628	6,537,607
Staff training	831,125	6,176,331	239,125	4,615,531
Staff pension scheme	9,229,594	8,622,287	6,499,606	5,590,042
Medical expenses	10,748,868	9,369,464	10,445,410	8,900,298
	<u>133,369,014</u>	<u>138,110,348</u>	<u>108,907,522</u>	<u>111,208,295</u>
29. Other expenditure:				
IICC expenses	-	4,000,000	-	4,000,000
NAICOM subvention to College ***	-	-	50,000,000	50,000,000
Grants - CIIN Branches	-	-	-	-
Donation	5,230,000	1,629,000	5,230,000	1,629,000
President contingency	4,676,774	8,514,206	4,676,774	8,514,206
Library books	60,000	7,500	60,000	7,500
Lease interest (Car)	-	1,268,354	-	1,268,354
	<u>9,966,774</u>	<u>15,419,060</u>	<u>59,966,774</u>	<u>65,419,060</u>

*** - This is inter-related party transaction which had been backed-out from group account. See Note 34 for details.

30. Finance income and cost

(a) Finance income

Bank deposit interest	88,966	8,110,016	29,200	3,083,536
Total finance income	<u>88,966</u>	<u>8,110,016</u>	<u>29,200</u>	<u>3,083,536</u>

(b) Finance cost

Bank Charges	1,051,903	1,773,213	846,844	1,032,818
Total finance cost	<u>1,051,903</u>	<u>1,773,213</u>	<u>846,844</u>	<u>1,032,818</u>

31. Contingent liabilities

There were no contingent liabilities at the balance sheet date (2019-Nil).

32. Capital commitments

There were no commitments to capital expenditure as at balance sheet date except as defined on the financial statements as capital work in progress.

33. Comparative figures

Where necessary, comparative figures have been adjusted to conform to changes in presentation in the current year.

34. Related party transactions during the year

Related party transactions are transactions that occur between CIIN and CIFM during the year.

For Group account purpose, these transactions had been eliminated against each other as shown below:

	CIIN	INSTITUTE	ELIMINATION	GROUP
	N	N	N	N
<u>Trade debtors and receivables</u>				
<u>Income</u>				
Rental income	1,600,000		1,600,000	-
Investment in college	50,000,000		50,000,000	-
Other income		3,505,540	3,505,540	
<u>Operating activities</u>				
Hall hire for CIIN exam		1,600,000	1,600,000	-
Agency surplus sharing - CIIN	3,505,540		3,505,540	-
				-
<u>Other expenditure:</u>				
NAICOM subvention to College	-	50,000,000	-	-
			50,000,000	
	<u>3,505,540</u>	<u>51,600,000</u>	<u>55,105,540</u>	<u>-</u>

STATEMENT OF VALUE ADDED for the year ended 31 December, 2020

	THE GROUP				THE INSTITUTE			
	31-Dec-20		31-Dec-19		31-Dec-20		31-Dec-19	
	N	%	N	%	N	%	N	%
Income received	555,509,987		596,014,046		345,771,387		388,525,320	
Establishment and other costs	<u>(204,912,814)</u>		<u>(318,498,616)</u>		<u>(202,564,245)</u>		<u>(224,368,269)</u>	
Value Added	<u>350,597,173</u>	100	<u>277,515,429</u>	100	<u>143,207,143</u>	100	<u>164,157,051</u>	100
APPLIED AS FOLLOWS:								
a) To pay employees:								
Staff cost	133,369,014	38	138,110,348	50	108,907,522	76	111,208,295	68
b) To provide for maintenance of assets:								
Depreciation	31,557,575	9	33,035,514	12	11,604,416	8	15,027,502	9
Amortization of intangible properties	908,376	0	-	0	908,376	1	-	4
c) To pay Government:								
Tax provision	-	-	-	-	-	-	-	-
d) To provide for future development:								
Surplus for the year	<u>184,762,208</u>	<u>53</u>	<u>106,369,567</u>	<u>38</u>	<u>21,786,828</u>	<u>15</u>	<u>37,921,253</u>	<u>23</u>
Value Added	<u>350,597,173</u>	100	<u>277,515,429</u>	100	<u>143,207,143</u>	100	<u>164,157,051</u>	100

Value Added represents the additional wealth which the Association has been able to create by its own and its employees' efforts.

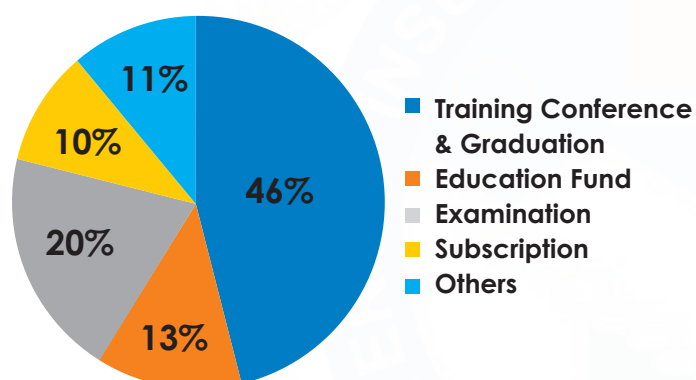
This statement shows the allocation of that wealth among employees, providers of capital, Government and that retained for future creation of wealth.

FIVE YEAR FINANCIAL SUMMARY

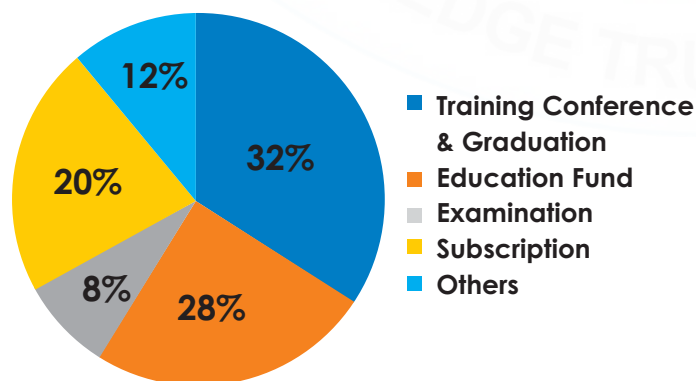
YEAR ENDED 31 DECEMBER, 2020

	THE GROUP				THE INSTITUTE			
	2020	2019	2020	2019	2018	2017	2016	
	N	N	N	N	N	N	N	
Assets employed								
Current assets	318,375,979	289,688,257	134,241,521	241,479,389	165,519,097	229,645,189	152,381,536	
Non current assets	813,886,198	794,586,076	550,797,551	557,936,378	552,528,358	475,697,892	451,955,313	
Current liabilities	(30,974,852)	(36,330,437)	(30,742,552)	(35,487,299)	(7,902,489)	(23,071,112)	(9,597,532)	
Non current liabilities	-	-	-	-	(18,196,309)	(22,389,055)	(21,433,662)	
	<u>1,101,287,326</u>	<u>1,047,943,896</u>	<u>654,296,519</u>	<u>763,928,468</u>	<u>691,948,657</u>	<u>659,882,913</u>	<u>573,305,656</u>	
Financed by:								
Accumulated fund	909,900,165	758,196,749	597,240,168	608,512,131	570,316,351	554,032,117	504,369,387	
Building fund	-	67,944,757	-	67,944,757	44,199,430	32,663,930	18,425,430	
Fund held in Trust	10,106,441		10,106,441					
Sinking fund	45,077,552	85,984,078	45,077,552	85,984,078	75,670,847	70,670,847	50,070,512	
Available-for-sales reserves	1,872,358	1,487,502	1,872,358	1,487,502	1,762,028	2,516,019	440,327	
Asset revaluation reserve	134,330,809	134,330,809	-	-	-	-	-	
	<u>1,101,287,326</u>	<u>1,047,943,896</u>	<u>654,296,519</u>	<u>763,928,468</u>	<u>691,948,657</u>	<u>659,882,913</u>	<u>573,305,656</u>	
Income and expenditure								
Income	555,509,987	596,014,046	345,771,387	424,960,594	388,525,320	358,899,200	302,264,895	
Expenditure	(370,747,780)	(489,644,467)	(323,984,559)	(387,039,341)	(365,410,931)	(283,442,944)	(234,985,921)	
Suplus for the year after								
Other Comprehensive Income	<u>184,762,208</u>	<u>106,369,578</u>	<u>21,786,828</u>	<u>37,921,253</u>	<u>23,114,389</u>	<u>75,456,256</u>	<u>67,278,974</u>	

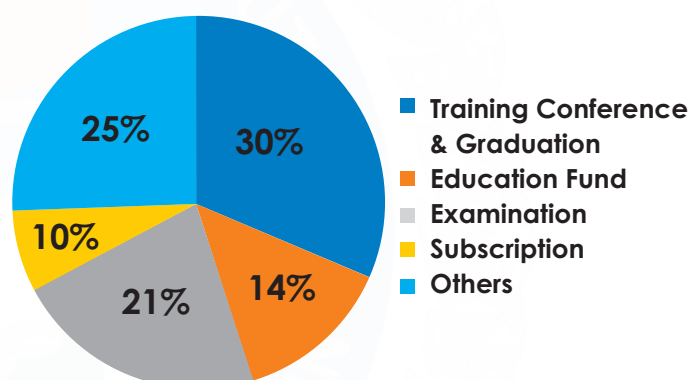
2019 INCOME	%
Training Conference & Graduation	46%
Education Fund	13%
Examination	20%
Subscription	10%
Others	11%



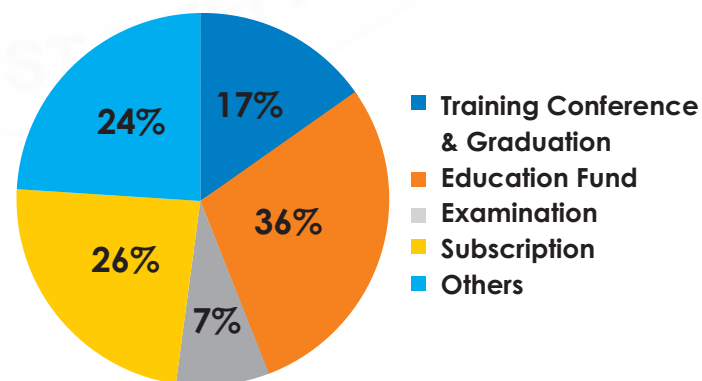
2019 EXPENDITURE	%
Training Conference & Graduation	32%
Staff Cost	28%
Examination	8%
General Administration	20%
Others	12%



2020 INCOME	%
Training Conference & Graduation	30%
Education Fund	14%
Examination	21%
Subscription	10%
Others	25%



2020 EXPENDITURE	%
Training Conference & Graduation	17%
Staff Cost	36%
Examination	7%
General Administration	26%
Others	24%



Millions (N)

