2020 ANNUAL REPORTS & ACCOUNT STATEMENTS

AIHN

ASSOCIATION OF ISSUING HOUSES OF NIGERIA

CONTENT

ASSOCIATION'S INFORMATION

EXECUTIVE COMMITTEE MEMBERS

Mr. Ike Chioke	President
Mr. Kayode Akinkugbe	Vice President
Mr. Egie Akpata	Secretary of Administration
Mr. Abimbola Kasim	Secretary of Treasury
Mr. Suru Daniels	Secretary of Publicity
Ms. Amaka Nsofor	Secretary of Finance
Mr. Wakeel Olawale	Executive Secretary

Registered Office

16, Amodu Ojikutu Street
Off Bishop Oluwole
Victoria Island, Lagos

Auditors

SIAO
18B, Olu Holloway Road,
Ikoyi.
Lagos.

Bankers

Access Bank PLC
First Bank of Nigeria Limited

Executive Secretary

Mr. Wakeel Olawale
16, Amodu Ojikutu Street
Off Bishop Oluwole
Victoria Island, Lagos

Mr. Wakeel Olawale
Executive Secretary

FINANCIAL HIGHLIGHTS

STATEMENT OF FINANCIAL POSITION

	2020 N	2019 N	Change N	Change %
ASSETS				
Cash and Cash Equivalents	134,123,842	56,971,862	77,151,980	135%
Property, Plant & Equipment	885,795	1,121,505	(235,710)	(21%)
Financial Assets	180,451,911	232,847,588	(52,395,678)	(23%)
Other receivables	9,286,756	9,499,213	(212,456)	(2%)
TOTAL ASSETS	**324,748,307**	**300,440,171**	**24,308,136**	**8%**
FUND AND LIABILITY:				
Accumulated Fund	322,447,149	297,802,763	24,644,386	8%
CURRENT LIABILITY				
Other Payables	2,301,158	2,637,408	(336,249)	(13%)
	324,748,307	**300,440,171**	**24,308,136**	**8%**

STATEMENT OF INCOME AND EXPENDITURE

	2020 N	2019 N	Change N	Change %
INCOME				
Membership Subscriptions	25,000,000	27,200,000	(2,200,000)	(8%)
Other Income	24,922,236	52,291,945	(27,369,709)	(52%)
	49,922, 236	**79,491,945**	**(29,569,709)**	**(37%)**
Expenditure	25,277,851	41,026,256	(15,748,406)	(38%)
SURPLUS TRANSFERRED TO ACCUMULATED FUND	**24,644,385**	**38,465,689**	**(13,821,304)**	**(36%)**

EXECUTIVE COMMITTEE'S REPORT

The Executive committee has the pleasure of submitting to the members of the Association of Issuing Houses of Nigeria the audited financial statements for the year ended 31st December 2020.

PRINCIPAL ACTIVITIES
The principal activity of the Association is to encourage the professional development of its members and provide an engagement platform for investment banks operating in Nigeria.

STATE OF AFFAIRS
In the opinion of the Executive committee, the state of the Association's affairs was satisfactory, and no events have occurred since the statement of financial position date, which would affect the financial statements as presented.

Statement of Income and Expenditure

RESULT FOR THE YEAR

	2020 N	2019 N	**Change N**	**Change %**
Total Income	**49,922,236**	79,491,945	(29,569,709)	(37%)
Expenditure	**(25,277,851)**	(41,026,256)	15,748,406	(38%)
Surplus for the year	**24,644,385**	38,465,689	(13,821,304)	(36%)

EMPLOYMENT OF PHYSICALLY CHALLENGED

The Association operates a non-discriminating policy in consideration of applications for employment, including those received from physically challenged persons. In the event of members of staff becoming physically challenged, every effort is made to ensure that their employment with the Association continues and that appropriate training is arranged. It is the policy of the Association that the training, career development and promotion of physically challenged persons should, as far as possible, be identical with those of other employees. As at 31st December, 2020, the Association had no physically challenged persons in its employment.

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EXECUTIVE COMMITTEE'S REPORT (CONT'D)

EMPLOYEE INVOLVEMENT AND TRAINING

The Association places considerable value on the involvement of its employees in major policy matters and has continued its previous practices of keeping them informed on matters affecting them as employees and various factors affecting the performance of the Association. This is achieved through regular engagements with staff.

DONATIONS AND GIFTS

The Association made a Donation of N3,000,000 for COVID'19 to the Capital Market during the year under review.

FORMAT OF FINANCIAL STATEMENTS

The financial statements are presented in accordance with the reporting and presentation requirements of the International Financial Reporting Standards (IFRS). The Executive committee considers that the format adopted is the most suitable for the Association.

INDEPENDENT AUDITORS

Messrs. SIAO (Chartered Accountants) have shown willingness to continue as auditors to Association in accordance with Section 357(2) of the Companies and Allied Matters Act, 2020 a resolution will be proposed at the Annual General Meeting to authorize the Executive committee members to determine their remuneration.

SECRETARY

The Association's Executive secretary is Mr. Wakeel Olawale

The financial statements set out have been prepared on the going concern basis, were approved by the Executive Committee Members on November 11, 2021 and were signed on its behalf by:

BY ORDER OF THE EXECUTIVE COMMITTEE MEMBERS

Executive Secretary,
Mr. Wakeel Olawale

Date: November 15, 2021

STATEMENT OF EXECUTIVE COMMITTEE'S RESPONSIBILITIES

The Companies and Allied Matters Act, 2020, requires the Executive Committee to prepare financial statements for each financial period that give a true and fair view of the state of financial affairs of the Association at the end of the period and of its statement of income and expenditure. The responsibilities include ensuring that the Association:

a) keeps proper accounting records that disclose, with reasonable accuracy, the financial position of the Association and comply with the requirements of the Companies and Allied Matters Act, 2020;

b) establishes adequate internal controls to safeguard its assets and to prevent and detect fraud and other irregularities; and

c) Prepares its financial statements using suitable accounting policies supported by reasonable and prudent judgments and estimates, and are consistently applied.

The Executive committee accept responsibility for the annual financial statements, which have been prepared using appropriate accounting policies supported by reasonable and prudent judgments and estimates, in conformity with International Financial Reporting Standards (IFRS) issued by the International Accounting Standards Board (IASB), and the requirements of the Companies and Allied Matters Act, 2020.

The Executive committee is of the opinion that the financial statements give a true and fair view of the state of the financial affairs of the Association. The Executive committee members further accept responsibility for the maintenance of accounting records that may be relied upon in the preparation of financial statements, as well as adequate systems of internal financial control.

Nothing has come to the attention of the Executive committee to indicate that the Association will not remain a going concern for at least twelve months from the date of these financial statements.

PRESIDENT

TREASURER

NOTICE OF ANNUAL GENERAL MEETING

NOTICE IS HEREBY GIVEN that the Annual General Meeting ("AGM") of the Association of Issuing Houses of Nigeria is slated to hold as follows:

Date: Tuesday, November 23, 2021

Venue: The Civic Centre Victoria Island, Lagos

Time: 4.30 pm

Agenda

1. To receive the Audited Financial Statements of the Association for the year ended 31st December,2020 together with the reports of the Directors and Auditors

2. To re-appoint the Auditors

3. To authorize the Directors to fix the remuneration of the Auditors.

4. To elect Officers

5. Any Other Business

Please note that whilst this year's AGM will be convened physically, all attendees are expected to comply with all the protocols in respect of the Covid-19 pandemic. The **Annual General Investment Banking Awards ceremony** would hold immediately after the AGM.

BY ORDER OF THE EXECUTIVE COMMITTEE

WAKEEL OLAWALE
Executive Assistant

PRESIDENT SPEECH

1. INTRODUCTION

Distinguished members of the Association of Issuing Houses of Nigeria ("**AIHN**"or the "**Association**"), ladies and gentlemen, it is my pleasure to welcome you all to this year's Annual General Meeting. Our AGM affords us the opportunity to take stock and review the financial and operational performance of our Association for the year ended 31 December 2020.

2. GLOBAL ECONOMIC REVIEW

Coming from the gloom of 2020, 2021 kicked off to a good start with the development and approvals of vaccines and fiscal and monetary policies to support the economic recovery. The International Monetary Fund ("**IMF**") in its January 2021 World Economic Outlook ("**WEO**") projected the global economy would grow by 5.5% and 4.2% in 2021 and 2022, respectively. Nonetheless, global prospects remained uncertain given renewed waves and new variants of the Coronavirus ("**COVID-19**"). Furthermore, economic recoverywas divergent across countries and sectors reflecting variation in pandemic-induced disruptions and the extent of policy support.

Interestingly, the IMF in its July 2021 WEOupgraded its global growth forecast for the year to 6.0%.However, in its latest report in October, the IMF downgraded its global growth projection to 5.9% for 2021 while the forecast for 2022 was maintained at 4.9%. This was driven by a downgrade to Advanced Economies ("**AEs**") and low-income developing countries, largely due to worsening pandemic dynamics. Across regions, some economies are expected to report downgrades relative to their July forecasts. AEs are estimated to grow by 5.2%, down 0.4ppts. The US economy is expected to grow by 6.0%, down 1.0ppts due to large inventory drawdowns in Q2, supply disruptions and softening consumption in Q3. Emerging Markets and Developing Economies (EMDEs) is estimated to grow 6.4%, reflecting a 0.1ppts markup from the July forecast. The slight improvement reflects improved assessments for some commodity exporters outweighing drags from pandemic developments, coupled with slow rollout of vaccines in Latin America and the Caribbean, the Middle East and Central Asia and inSub-Saharan Africa).

Arguably, the outlook for the global economy shows that there is light at the end of the tunnel as it is projected to dust-off the effect of COVID-19 to grow modestly by 4.9% in 2022.This will, however, be driven by more equitable access to vaccines by countries to curtail the potential for mutation and resurgence of new variants, significant slowdown in the infection rate of COVID-19, additional fiscal support to boost economic fundamentals, sustained accommodative monetary stance, and quicker reopening of economies.

3. NIGERIA

2020 will go down as a very difficult year for many countries across the globe because of the coronavirus pandemic. For Nigeria, the pandemic worsened pre-existing fault lines in the economy and exposed the weak state of the country's health infrastructure. Although the pandemic episode was milder relative to the world, with 0.04% of the Nigerian population infected by the virus compared to 1.2% infected globally, the inadequacy

PRESIDENT SPEECH (CONTD)

of healthcare support necessitated the need for lockdowns mainly in Q2:2020 to combat the virus. Combined with the collapse of the oil market and disruption of international trade activities, the restriction dragged the domestic economy into its second recession in five years following the 6.1% and 3.6% contractions, respectively, in Q2 and Q32020. Overall, domestic output fell by 1.9% in 2020 against a growth of 2.3% in 2019 marking the worst growth on record since the -2.0% of 1993. Disaggregated, the non-oil sector output grew -1.3% compared to 2.1% in 2019 while the oil sector declined 8.9% compared to an uptick of 4.6% in 2019.

Other key macroeconomic measures deteriorated in 2020, with the unemployment rate reaching a historic high of 33.3% in Q42020 from 27.1% in Q22020 while the average monthly inflation rate rose to 13.2% from 11.4% in 2019, denoting stagflation. Similarly, the dearth of FX inflows caused by capital flow reversals, poor oil earnings, and dampened remittances inflows, forced adjustments in the official exchange rate from N307.0/$ to N380.0/$. Asides from the internal imbalances, the Current Account ("**CA**") deficit lingered at $17.0 billion in 2020 unchanged from 2019. The CA balance was largely weakened by a $16.4 billion deficit in Goods Trade account induced by a 44.1% dip in earnings from crude oil exports to $26.8 billion whereas refined oil imports fell 15.7% to $52.3 billion.

On the positive side, stimulus support amounting to 3.0% of GDP (comprising Monetary: 2.5%, Fiscal: 0.3%, and CACOVID: 0.1%) continued to aid recovery in the domestic economy, although stimulus was lower than some peer countries like Brazil (12.0% of GDP), Indonesia (3.8% of GDP) and South Africa (10.0% of GDP).

In 2021, the economy has maintained positive traction favoured by a low base from 2020, with annual real growth of 0.5%, 5.0%, and 4.0% respectively in Q1, Q2 and Q3. The growth has been mainly due to the recovery in the non-oil sector (0.8%, 6.7%, and 5.4% in Q1, Q2, and Q3, respectively, while the oil sector (-2.2%, -12.7%, and -10.7% over the same periods has struggled due to operational and technical challenges at critical oil production facilities although oil prices have fully recovered from Covid-lows.

Away from output growth, we have witnessed a disinflation trend since April 2021 (October 2021: 15.99%) due to the fuller re-opening of the economy and improvement in global supply chains. Although the trend in domestic consumer prices has contrasted the rising inflation rate in some economies around the world, underlying risks associated with the ongoing COVID-19 pandemic, insecurity issues, and climate change persist.

In terms of outlook, the IMF projects that the Nigerian economy will grow by 2.5% and 2.3% in 2021 and 2022, compared to the federal government's outlook of 3.0% in 2021 and 4.0% in 2022. We expect the sustained dovish stance of the CBN and extended intervention programmes to support a recovery of the economy through 2022. Furthermore, the passage of the Petroleum Industry Bill (now Petroleum Industry Act) into law, unification of the Naira, and investment in infrastructure should stimulate growth in the economy. The oil sector should also recover in 2022 on a better oil demand outlook (100.8mbdp) even as we expect domestic oil production to recovery.

PRESIDENT SPEECH (CONTD)

4. FIXED INCOME

After enduring a policy-induced low yield environment in Q4 2020, the yield environment came under pressure in the first half of the 2021 following rising consumer prices and large fiscal deficit. In the secondary Treasury bills (T-bills) market, the yield on 1-yr T-bills rose 912bps between January and June 2021 to 9.2%, while the yield on the 10 and 30-year sovereign bonds increased by 544bps and 568bps, respectively, to 12.7% and 13.1%. Nevertheless, investors endured negative real return as the gap between average inflation (17.3%) and one-year T-bills (6.5%) continued to widen.

5. EQUITIES

The local bourse in 2020 was a tale of two halves. The first half of the year was clouded with uncertainty and sell pressures while the second half was characterised by a strong rally. The opening optimism of 2020 started withinvestors scoutingfor high dividend-yielding stocks amid unappealing fixed income yields was quicklydampened by the outbreak of COVID-19. Nonetheless, the reopening of economic activities, fiscal and monetary stimulus and better-than-expected corporate earnings drove positive sentiments in H2:2020. Additionally, CBN's easing of interest rates drove fixed income yields to historic lows which prompted higher asset allocation into equities. On the back of this, the benchmark index closed the year at 40,270.72 points, delivering a 50.0% YTD return, the best performance in 12 years.

In 2021, the NGX sustained its bullish momentum following the low yield environment in the fixed income market. However, at the end of the first half of 2021, YTD performance declined 5.9% due to an earlier-than-expected rebound in fixed income yields, weak Foreign Portfolio Investors' (FPI) participation, and the slow-paced economic recovery. Nonetheless, since the onset of Q4 2021, we have began to see mild gains in the local bourse arising from investor's interest in the Telecommunications and Oil & Gas space.

6. INVESTMENT BANKING INDUSTRY

Capital markets across the globe are becoming transformed by new entrants and new technologies with incumbents in many cases being too slow to react. In many developed markets, investment banks are seeing historical profit centres negatively impacted by technology and regulations. Today many core processes are being automated or commoditized. From IPOs to M&A, to research and trading, issuing houses are getting smaller, leaner, and scrambling to keep up with innovation while capitalizing on the opportunities presented by the Covid-19 pandemic.

In the last few years there has been an increase in alternatives to the IPO, like SPACs,and alternative exchanges. Additionally, many large corporates are choosing not to go public given the wider availability of alternative sources of finance offered by venture capitalists and sovereign wealth funds.

It is also worthy of note that with the proliferation of tech start-ups in Nigeria, there is a need to adapt swiftly to this new reality, understanding that the traditional system of capital raising is not well-suited for this rapidly growing industry. Today many start-ups are opting to stay private indefinitely, and some thathave attempted to access funds via the capital markets have been frustrated by bureaucracy and apparent paucity of funding perhaps due to investor apathy to the current structure of the capital markets. It is clear that we will need to rethink how regulation should be done to allow for this class of issuers while utilising technology to lower costs and automate parts of the fund-raising process to help sustain profit margins.

7. ACTIVITIES OF THE ASSOCIATION

At last year's AGM, I laid out an ambitious set of measures your Association needs to take to prepare itself for the Future of Money in view of the increasing digitalization of financial transactions across the world. To that end, I outlined four strategic priorities of this Exco as follows:

i. Digitization of Capital Market Operations and Processes
ii. Market Determined Fees for Capital Market Operators
iii. Welfare of Capital Markets Operators
iv. N1 Trillion Infrastructure Fund

Over the past 12 months, your Exco has been busy engaging with all the relevant stakeholders required to ensure the realization of these strategic priorities.

7.1 Securities & Exchange Commission("SEC" or the "Commission)

During the course of the past year, the Association had multiple formal and informal consultations with the Director General of the Commission along with Executive Commissioners and senior management regarding pertinent issues affecting Capital Market Operators ("**CMOs**") specifically, and the Nigerian Capital Markets ("NCM") in general. These issues include:

i. Delay in SEC Clearance for Open Transactions
ii. Expiry of FGN Tax Exemptions on Corporate Bonds
iii. CAC/ FIRS Operational Issues
iv. CMO Transaction Fee Caps
v. Proposed Amendments to Rule 8that includes Commercial Papers as registrable securities with SEC
vi. DMO RFP Requirements

Following from our consultations, a communiquéon the take aways from these deliberations was shared with Members on 27th September 2021. In addition, the Association and the Commission established a Technical Committee to resolve these matters. I am pleased to present an interim update on 4out of 6 items from the deliberations of the Technical Committee as follows:

i. On speeding up of SEC approval timelines for book-building and post book-building for bond transactions, the has agreed to a [20] day timeline for final clearance and allotment of securities post book-building.

PRESIDENT SPEECH (CONTD)

ii. On the Expiry of the Federal Government Tax Exemption Order on Corporate Bonds in January 2022, the Commission has indicated that it has reviewed this matter and sent its recommendations to the Honourable Minister of Finance for consideration.

iii. On the issue of increased Stamp Duty charges on transactions, the Commission has indicated that the new cost will be reviewed.

iv. With respect to Transaction Fee Caps for CMOs, the Commission has requested that the Association submit empirical evidence of what obtains in similar markets and how our proposed new fee threshold could positively impact the NCM.

Further updates on the deliberations of the Technical Committee will be shared with Members as they become available.

7.2 Debt Management Office ("DMO")

Paradoxically, this year marks a milestone in the relationship of the Association with the DMO. I must acknowledge the role the DMO has played in deepening the capital marketsbyintroducing innovative products such as the Sovereign Sukuk and the Green Bond. This has helped to diversify the domestic debt portfolio and create benchmarks for other issuers to follow. The Association noted with concern DMO's minimum capital requirements for Members to participate as Issuing Houses on the FGN's Sukuk issuance. Your Exco has engaged both the Honourable Minister of Finance and the Director General of DMO and on this matter. Conversations are still ongoing as we seek a favourable position that benefits Members and ensures 'equal' access to this opportunity for all Members.

It is clear the NCM will continue to be a key source of funding for the Nigerian Government both at federal and state levels.In the new Medium Term Debt Management Strategy 2020- 2023, FGN's maximum limit for domestic debt has been increased from 67% to 70%, with a focus on long-term instruments. Furthermore, in line with the approved external borrowing in the 2021 appropriation act, the DMOfor the first time ever, appointed a member of the Association as Nigerian bookrunner local adviser to galvanize domestic investor participation and foster skills transfer. We are excited at this development and hope to see further inclusion for our members through the appointment of multiple local book runners as well as modifications to the entry requirements to allow for more investor participation and skills transfer.

7.3 Nigerian Exchange Limited ("NGX" or the "Exchange")

Immediately following the completion of the de-mutualization of the Nigerian Stock Exchange, your Exco met with Mr. Temi Popoola, Managing Director of NGX and his leadership team on 21st May 2021 to discuss initiatives that can help reflate the Nigerian stock market. Specifically, we touched on three components of market development initiatives.

Equity listings

i. Bringing new IPOs to market

i. Convincing existing listed companies to consider new share issues (rights issues, special placements, public offers, etc)
iii. Growth board initiatives
iv. Listing fees

Debt listings

i. Updates on strategy to attract corporate listings as sole or dual listed instruments
ii. Other quasi-debt instruments (Preference Shares, Convertible Instruments, etc)
ii. Debt Capital Market strategy of NGX

Other instruments

i. New strategies for funds, REITs, commodities etc
ii. Collaboration with AIHN in creating new tradeable securities
iii. Update on securities lending/short selling
iv. Derivatives

NGX's responses were largely in sync with the strategic priorities rolled out by your Exco. The NGX indicated its willingness to collaborate with AIHN on new tradeable securities that will expand offerings in the market as it relates to new issues – rights, placements, public offerings, convertibles, and other quasi debt instruments.

This was to be revealed in the coming weeks as the NGX was working on strategy to attract more corporate listings for sole or dual listed instruments. Finally, the NGX was enthusiastic about the trading of derivatives asit had commenced plans to position itself on setting the pace in the derivatives market.

7.4 Central Securities Clearing System Plc ("CSCS")

Your Exco met with the CEO of CSCSand members of the executive team during mid-April to discuss key areas where AIHN and CSCS could work together to move the market forward. The identified areas of mutual collaboration include the following:

i. Faster crediting of investor accounts for primary issuances including corporate bonds, private company bonds (PCB) and commercial paper (CPs)
ii. Review of the market architecture as it concerns paying agents and registrars
iii. Enhancing efficiency of secondary market trading of PCB bonds, CPs and instruments dual listed on CSCS' depository.

The meeting with CSCS was followed up with a joint CSCS/AIHN webinar on 18th June 2021 which deliberated on how Memberscan explore the digital platforms designed by CSCS for market.

7.5 FMDQ Exchange ("FMDQ")

The Association met with the FMDQ's CEOand management staff during Q2 2021 to brainstorm on key areas where AIHN and FMDQ can work together to further the deepening and widening of the capital markets. Specifically, our deliberations touched on the following areas:

i. Private Markets- Potential for new regulation around Private Company Bonds. We agreed to work together to achieve more streamlined and efficient processes for Private Company Bonds
ii. Depository - We discussed how to accomplish faster crediting of investor accounts for primary issues bond, PCBs and CPs.
iii. Market Architecture-We also talked about the market architecture with paying agents/registrars, the efficiency of secondary market trading of PCBs, bonds, CPs as well as instruments dual listed on CSCS.
iv. Exchange - Bond listing fees and the status of arrangement with SEC for STBs
v. Extension of tax waiver on corporate debt expiring in Jan 2022).

The Association plans to have further engagements with FMDQ on these capital market issues and more as the market evolves.

7.6 Infrastructure Corporation of Nigeria ("InfraCorp")

In Q1 2021, the Central Bank of Nigeria ("CBN"), the Africa Finance Corporation ("AFC") and the Nigeria Sovereign Investment Authority ("NSIA") (jointly the "Promoters") requested for expression of interest proposals from qualified asset managers active in the infrastructure sector to manage a newly-created world class institution – the Infrastructure Corporation of Nigeria Limited ("InfraCorp").

The RFP advertisement which caused an unprecedent flurry of interest from both domestic and international CMOs mirrored the content of the speech I gave during our last AGM in November 2020, where I advocated that the Association should lead the imitative inmobilizing funding for the establishment of a N1 trillion Infrastructure Fund that will focus on executing key infrastructural projects across the country.

Interestingly, InfraCorp at inception, is to be capitalised to the tune ofN1 trillion to be contributed by the Project Sponsors, with the aim of raising funding of up to N15 trillion primarily from the private sector, supported by the Promoters. InfraCorp is expected to catalyse and accelerate investment into Nigeria's infrastructure sector. InfraCorp is to be a dedicated privately-managed infrastructure and industrial vehicle that will harness opportunities for Nigeria's infrastructure development by originating, structuring, executing and managing end-to-end bankable projects in that space. The Federal government has selected four asset managers as fund managers to InfraCorpof which two fund managers are affiliated to members of AIHN.

The kickoff of InfraCorp will usher in a new era of capital market transaction opportunities for Members who can busy themselves packaging and developing bankable infrastructural projects to present to InfraCorp's fund managers. In addition, the fund managers will need to raise addition funding from time to time in order to collectively meet the target of raising the size of InfraCorp's fund from N1 trillion to N15 trillion within the next few years.

Despite the challenges presented by the pandemic, I am gratified by the breadth and intensity of the Association's engagements with other key market stakeholders. I am confident that theTechnical Committee we have established with the Commission will soon begin to yield dividends in terms of faster turnaround of primary issue transactions. I look forward to furthering our discussions with other strategic market stakeholders such as the DMO, NGX, CSCS, FMDQ as well as other capital market trade groups including the Chartered Institute of Stockbrokers.I am confident that these constructive engagements willresultin an upsurge in issuer interest and ultimately contribute to the deepening of the Nigerian capital market.Given that more than ever, strategic stakeholders recognize the importance of collaboration, we remain optimistic that the prospect for the NCM is promising.

8. ELECTIONS

In line with our practice, two members of the Executive Committee who have served for a period of two years each would be up for election. The positions will be up for re-election / election and successful applicants will be formally elected having received nominations. I am profoundly grateful for the overwhelming support received from you all. It is my utmost desire that you would continue to provide the same level of support to the re-constituted Executive Committee.

9. CONCLUSION

On a final note, I wish to extend my heartfelt gratitude to members of the Executive Committee for their commitment, diligence, cooperation and resourcefulness in achieving the objectives of the Association. I acknowledge and appreciate the support of all our member-firms, the Honorable Minister of Finance, the DG and Executive Commissioners of the SEC as well as the leadership teams at the NGX, DMO, CSCS, and the FMDQ.

Thank you for your continued support of the Association.

IKE CHIOKE
President

SIAO
SIAO - Accomplish More

(Chartered Accountants)
18b Olu Holloway Road, Ikoyi, Lagos.
P.O. Box 55461, Falomo, Ikoyi, Lagos
Tel: 01-4630871, 4630872 Fax: 01-4630870
Website: www.siao-ng.com
E-mail: enquiries@siao-ng.com

To the Members of ASSOCIATION OF ISSUING HOUSES OF NIGERIA

Report on the Audit of the Financial Statements

Opinion

We have audited the financial statements of ASSOCIATION OF ISSUING HOUSES OF NIGERIA, which comprise the statement of financial position as at 31st December, 2020, and the statement of income and expenditure, statement of changes in members' fund and statement of cash flows for the year then ended, and notes to the financial statements, including a summary of significant accounting policies.

In our opinion, the Association's financial statements present fairly, in all material respects, the financial position of the Association as at 31st December, 2020, and its financial performance and its cash flows for the year then ended in accordance with International Financial Reporting Standards (IFRSs).

Basis for Opinion

We conducted our audit in accordance with International Standards on Auditing (ISAs). Our responsibilities under those standards are further described in the Auditors' Responsibilities for the Audit of the Financial Statements section of our report. We are independent of the Association in accordance with the International Ethics Standards Board for Accountants' Code of Ethics for Professional Accountants (IESBA Code), and we have fulfilled our other ethical responsibilities in accordance with the IESBA Code. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Other information

The Executive committee is responsible for the other information. The other information comprises the Executive Committee Members' Report. Our opinion on the financial statements does not cover the other information and we do not express any form of assurance conclusion thereon. In connection with our audit of the financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the audit or otherwise appears to be materially misstated. If, based on the work we have performed, we conclude that there is a material misstatement of this other information; we are required to report that fact. We have nothing to report in this regard.

Responsibilities of Executive committee and Those Charged with Governance for the Financial Statements

The Executive committee is responsible for the preparation and fair presentation of the financial statements in accordance with IFRSs, and for such internal control as Executive committees 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, Executive committee is responsible for assessing the Association's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the Executive committee either intends to liquidate the Association or to cease operations, or have no realistic alternative but to do so. Those charged with governance are responsible for overseeing the Association's financial reporting process.

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

As part of an audit in accordance with ISAs, 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 Association's internal control.

- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the Executive committee.

- Conclude on the appropriateness of Executive committee'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 Association's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Association 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.

- Obtain sufficient appropriate audit evidence regarding the financial information or business activities of the Association to express an opinion on the financial statements. We are responsible for the direction, supervision and performance of the audit. We remain solely responsible for our audit opinion. We communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

Report on Other Legal and Regulatory Requirements

In accordance with the Financial Reporting Council of Nigeria Act 2011 and the Companies and Allied Matters Act, 2020, we confirm:

I. We have obtained all the information and explanation which to the best of our knowledge and belief were necessary for the purpose of the audit.

II. The Association has kept proper books of account, so far as it appears from our examination of those books.

III. The Association's statement of financial position and the statement of income and expenditure a re in agreement with the books of account and returns.

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Ansa Joshua, FCA
FRC/2013/ICAN/00000001728

INSTITUTE OF CHARTERED ACCOUNTANTS OF NIGERIA
36/ICAN
1021656

SIAO
(Chartered Accountants)
Lagos, Nigeria

Date..19th November, 2021

STATEMENT OF FINANCIAL POSITION

	Note	2020 N	2019 N
ASSETS			
NON CURRENT ASSET			
Property, Plant & Equipment	7	885,795	1,121,505
TOTAL NON CURRENT ASSET		885,795	1,121,505
CURRENT ASSETS			
Cash and Cash Equivalents	6	134,123,842	56,971,862
Financial Assets:			
At amortized cost	8	180,451,911	232,847,588
Other receivables	9	9,286,756	9,499,213
TOTAL CURRENT ASSETS		323,862,509	299,318,663
TOTAL ASSETS		324,748,307	300,440,171
FUND AND LIABILITY:			
Accumulated Fund	11	322,447,149	297,802,763
TOTAL FUND		322,447,149	297,802,763
CURRENT LIABILITY			
Trade and Other Payables	10	2,301,158	2,637,408
TOTAL CURRENT LIABILITY		2,301,158	2,637,408
TOTAL FUND AND LIABILITY		324,748,307	300,440,171

These financial statements were approved by the Executive Committee on November 11, 2021 and signed on its behalf by:

President

Treasurer

STATEMENT OF INCOME AND EXPENDITURE

	Note	2020 N	2019 N
INCOME			
Membership Subscriptions	**12**	**25,000,000**	27,200,000
Other Income	**13**	**24,922,236**	52,291,945
		49,922,236	79,491,945
Expenditure	**14**	**(25,277,851)**	(41,026,256)
SURPLUS FOR THE YEAR		**24,644,386**	38,465,689

The accounting policies on pages 23 to 35 and the notes on pages 35 to 43 form integral parts of these financial statements.

STATEMENT OF CASH FLOWS

	NOTES	2020 N	2019 N
Cash Flow from Operating Activities			
Subscription income	12	**25,000,000**	27,200,000
Interest Income: (Bond, Tbills, Fixed Deposit and other interest income	13	**24,322,236**	29,716,945
Other Income	13	**600,000**	22,575,000
Expenditures Financing	14	**(25,277,851)**	(41,026,256)
Operating Surplus before Changes in Operating Assets/Liabilities		**24,644,386**	38,465,689
Understatement of prior year interest income	11	-	930,473
Overstatement of prior year rent expense	11	-	375,000
Add Depreciation	7	**330,210**	253,384
Changes in Operating Assets/Liabilities			
(Decrease)/Increase in Receivables	9	**212,456**	1,079,033
(Decrease)/Increase in Payables	10	**(336,249)**	582,408
Net Cash Flow from Operating Activities		**24,850,803**	41,685,987
Cash Flow from Investing Activities			
Purchase of Property, Plant & Equipment	7	**(94,500)**	(529,450)
Net Cash Flow from Investing Activities		**(94,500)**	(529,450)
Cash Flow from Financing Activities		-	-
Net Increase in Cash and Cash Equivalents		**24,756,303**	41,156,537
Cash and Cash Equivalents at the Beginning of the Year		**141,330,994**	100,174,459
Cash and Cash Equivalents at the End of the Year		**166,087,297**	141,330,994
Cash and Cash Equivalents			
Comprises of:			
Cash and Cash Equivalents	6	**134,123,842**	56,971,862
At amortized cost	8.1	**31,963,454**	84,359,132
		166,087,297	141,330,994

The accounting policies on pages 23 to 35 and the notes on pages 35 to 43 form integral parts of these financial statements.

STATEMENT OF CHANGES IN MEMBERS' FUND

	Accumulated Fund	Total
	N	N
Balance as at 1st January 2020	**297,802,763**	297,802,763
Surplus for the Year	**24,644,386**	24,644,386
Other Comprehensive Income	-	-
Total Comprehensive Income for the Year	**24,644,386**	24,644,386
Balance as at 31st December 2020	**322,447,149**	322,447,149
Balance as at 1st January 2019	**258,031,602**	258,031,602
Surplus for the Year	**39,771,162**	39,771,162
Total Comprehensive Income for the Year	**39,771,162**	39,771,162
Balance as at 31st December 2019	**297,802,763**	297,802,763

The accounting policies on pages 23 to 35 and the notes on pages 35 to 43 form integral parts of these financial statements.

NOTES TO THE FINANCIAL STATEMENTS

1 General information

The Association of Issuing Houses of Nigeria is registered as an incorporated trustee under Part C of the companies and Allied Matters Act, 2004. The Association consists of financial companies in Nigeria licensed to operate as Issuing houses by the Securities and Exchange Commission. The principal activities of the association are to set professional and ethical standards, to enable professional development of its member issuing houses and promote free interplay of market forces.

2 Principal Activities

The principal activity of the Association is to encourage the professional development of its members and provide an engagement platform for Nigerian investment banks.

3 Summary of significant accounting policies

3.1 Introduction to summary of accounting policies

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

3.2 Basis of preparation

The financial statements of Association of Issuing Houses of Nigeria have been prepared in accordance with International Financial Reporting Standards (IFRS), and interpretations issued by the International Financial Reporting Interpretations Committee (IFRIC).

Use of Judgement and Estimates

The preparation of financial statements in conformity with IFRS requires the use of certain critical accounting estimates. It also requires Executive committee to exercise its judgement in the process of applying the Association's accounting policies. The areas involving a higher degree of judgement or complexity, or areas where assumptions and estimates are significant to the financial statements are disclosed in the Notes. Although these estimates are based on Executive committee's best knowledge of the amount, event or actions, actual results ultimately may differ from those estimates. The financial statements are presented in Naira, which is the Association's presentational currency.

The disclosures on risks from financial instruments are presented in the financial risk management report contained in Note 16.

3.3 Functional currency and translation of foreign currencies

(i) Functional and presentation currency

Items included in the financial statements of the entity are measured using the currency of the primary economic environment in which the entity operates ('the functional currency'). The financial statements are presented in Naira (NGN), which is the Association's functional and presentation currency.

NOTES TO THE FINANCIAL STATEMENTS (CONT'D)

(ii) Transactions and balances in the Association

Foreign currency transactions are translated into the functional currency of the entity using the exchange rates prevailing at the dates of the transactions or the date of valuation where items are re-measured. Foreign exchange gains and losses resulting from the settlement of such transactions and from the translation at year-end exchange rates of monetary assets and liabilities denominated in foreign currencies are recognized in the income statement.

3.4 Revenue recognition

The Association recognizes revenue when the amount of revenue can be reliably measured, it is probable that future benefits will flow to the entity and when specific criteria have been met for each of the Association's activities as described below:

Revenue

Incomes from members are accounted for currently on cash basis and not in the period to which they relate as the Association does not carry Subscription Receivables in the accounts.

Interest income

This is accounted for on accrual basis.

3.5 Property, plant and equipment

All categories of property, plant and equipment are initially recorded at cost and subsequently stated at historical cost less accumulated depreciation and impairment. Historical cost includes expenditure that is directly attributable to the acquisition of the items. Subsequent costs are included in the asset's carrying amount or recognized as a separate asset, as appropriate, only when it is probable that future economic benefits associated with the item will flow to the Association and the cost of the item can be measured reliably. The carrying amount of the replaced part is derecognized. All other repairs and maintenance are charged to the income statement during the financial period in which they are incurred. Freehold land is not depreciated. Depreciation on other assets is calculated using the straight line method to write down their cost or revalued amounts to their residual values over their estimated useful lives, as follows:

	%
Office Equipment	20
Motor Vehicle	20
Furniture & Fittings	20
Plant and Machinery	20

Where the cost of a part of an item of property, plant and equipment is significant when compared to the total cost, that part is depreciated separately based on the pattern which reflects how economic benefits are consumed.

The assets' residual values and useful lives are reviewed, and adjusted if appropriate, at each balance reporting date. An asset's carrying amount is written down immediately to its estimated recoverable amount if the asset's carrying amount is greater than its estimated recoverable amount. Gains and losses on disposal of property, plant and equipment are determined by comparing proceeds with carrying amount and are included in the profit or loss.

De-recognition:
An item of property, plant and equipment is derecognized upon disposal or when no future economic benefits are expected to arise from the continued use of the asset. Any gain or loss arising on the disposal or retirement of an item of property, plant and equipment is determined as the difference between the net disposal proceeds and the carrying amount of the assets and is recognized in the statement of comprehensive income under"other gains and losses.

3.6 Impairment of non-financial assets

All assets are reviewed whenever events or changes in circumstances indicate that the carrying amounts for those assets may not be recoverable. If assets are determined to be impaired, the carrying amounts of those assets are written down to their recoverable amount, which is the higher of fair value less cost of disposal and value in use, the latter being determined as the amount of estimated risk-adjusted discounted future cash flows. For this purpose, assets are classified into cash generating units based on separately identifiable and largely independent cash inflows.

3.7 Financial assets

3.7.1 Recognition and measurement

IFRS9 - Financial instruments

IFRS 9 introduces a new approach for classification and measurement of financial instruments, a more forward looking Impairment methodology and a new general hedge accounting requirement.

Classification and Measurement

IFRS 9 requires financial assets to be classified into one of three measurement categories: fair value through profit or loss, fair value through other comprehensive income and amortized cost.

Financial assets will be measured at amortized cost if they are held within a business model with the objective of which is to hold financial assets in order to collect contractual cash flows, and their contractual cash flows represent solely payments of principal and interest.

Financial assets will be measured at fair value through other comprehensive income if they are held within a business model, the objective of which is achieved by both collecting contractual cash flows and selling financial assets and their contractual cash flows represent solely payments of principal and interest.

Financial assets not meeting either of these two business models; and all equity instruments (unless designated at inception to fair value through other comprehensive income); and all derivatives are measured at fair value through profit or loss. An entity may, at initial recognition, designate a financial asset as measured at fair value through profit or loss if doing so eliminates or significantly reduces an accounting mismatch. The Association has undertaken an assessment to determine the potential impact of changes in classification and measurement of financial assets. Our assessment revealed that the adoption of IFRS 9 is unlikely to result in significant changes to existing asset measurement bases. IFRS 9 retains most of the existing requirements for financial liabilities. However, for financial liabilities designated at fair value through profit or loss, gains or losses attributable to changes in own credit risk shall be presented in Other Comprehensive Income.

IFRS 9 retains most of the existing requirements for financial liabilities. However, for financial liabilities designated at fair value through profit or loss, gains or losses attributable to changes in own credit risk shall be presented in Other Comprehensive Income.

Impairment Methodology

The IFRS 9 impairment model will be applicable to all financial assets at amortized cost, debt instruments measured at fair value through other comprehensive income, lease receivables, loan commitments and financial guarantees not measured at fair value through profit or loss. IFRS 9 replaces the existing 'incurred loss' impairment approach with an Expected Credit Loss ('ECL') model, resulting in earlier recognition of credit losses compared with IAS 39. Expected credit losses are the unbiased probability weighted average credit losses determined by evaluating a range of possible outcomes and future economic conditions. The ECL model has three stages. Entities are required to recognize a 12 month expected loss allowance on initial recognition (stage 1) and a lifetime expected loss allowance when there has been a significant increase in credit risk since initial recognition (stage 2). Stage 3 requires objective evidence that an asset is credit-impaired, which is similar to the guidance on incurred losses in IAS 39.

The requirement to recognize lifetime ECL for assets which have experienced a significant increase in credit risk since origination, but which are not credit impaired, does not exist under IAS 39. The assessment of whether an asset is in stage 1 or 2 considers the relative change in the probability of default occurring over the expected life of the instrument, not the change in the amount of expected credit losses. Reasonable and supportable forward looking information will also be used in determining the stage allocation. In general, assets more than 30 days past due, but not credit impaired will be classed as stage 2.

IFRS 9 requires the use of more forward looking information including reasonable and supportable forecasts of future economic conditions. The Association has developed the capability to model a number of economic scenarios and capture the impact on credit losses to ensure the overall ECL represents a reasonable distribution of economic outcomes. Appropriate governance and oversight has been established around the process.

NOTES TO THE FINANCIAL STATEMENTS (CONT'D)

Hedge Accounting

The hedge accounting requirements in IFR S 9 are optional. If certain eligibility and qualification criteria are met, hedge accounting allows an entity to reflect risk management activities in the financial statements by matching gains or losses on financial hedging instruments with losses or gains on the risk exposures they hedge. The application of the hedge accounting requirements in IFRS 9 is optional and can only be applied when certain eligibility and qualification criteria are met.

A hedging relationship qualifies for hedge accounting only if all of the following criteria are met:

1. The hedging relationship consists only of eligible hedging instruments and eligible hedged items;

2. At inception of the hedging relationship there is formal designation and documentation of the hedging relationship and the entity's risk management objective and strategy for undertaking the hedge; and

3. The hedging relationship meets all of the hedge effectiveness requirements
Hedge accounting allows an entity to reflect its risk management activities in the financial statements by matching gains or losses on hedging instruments (e.g. derivatives) with losses or gains on the risk exposures they hedge (e.g. foreign currency sales).

3.7.2 Business Model Assessment

Business model assessment involves determining whether financial assets are managed in order to generate cash flows from collection of contractual cash flows, selling financial assets or both. The Association assesses business model at a portfolio level reflective of how groups of assets are managed together to achieve a particular business objective. For the assessment of business model, the Association takes into consideration the following factors.

1. The stated policies and objectives for the portfolio and the operation of those policies in practice. In particular, whether management's strategy focuses on earning contractual interest revenue, maintaining a particular interest rate profile, matching the duration of the financial assets to the duration of the liabilities that are funding those assets or realizing cash flows through the sale of the assets.

2. How the performance of assets in a portfolio is evaluated and reported to Association heads and other key decision makers within the Association's business lines;

3. The risks that affect the performance of assets held within a business model and how those risks are managed;

4. How compensation is determined for the Association's business lines' management that manages the assets;

5. The frequency and volume of sales in prior periods and expectations about future sales activity.

NOTES TO THE FINANCIAL STATEMENTS (CONT'D)

Executive committee determines the classification of the financial instruments at initial recognition. The business model assessment falls under three categories:
(a) Business Model 1(BM1): Financial assets held with the sole objective to collect contractual cash flows;

(b) Business Model 2 (BM2): Financial assets held with the objective of both collecting contractual cash flows and selling; and
(c) Business Model 3 (BM3): Financial assets held with neither of the objectives mentioned in BM1 or BM2 above. These are basically financial assets held with the sole objective to trade and to realize fair value changes.

The Association may decide to sell financial instruments held under the BM1 category with the objective to collect contractual cash flows without necessarily changing its business model if one or more of the following conditions are met:

(I) Where these sales are infrequent even if significant in value; A Sale of financial assets is considered infrequent if the sale is one-off during the Financial Year and/or occurs at most once during the quarter or at most three (3) times within the Financial Year.
The Association may decide to sell financial instruments held under the BM1 category with the objective to collect contractual cash flows without necessarily changing its business model if one or more of the following conditions are met:

(a) Where these sales are insignificant in value both individually and in aggregate, even if frequent. A sale is considered insignificant if the portion of the financial assets sold is equal to or less than five (5) per cent of the carrying amount (book value) of the total assets within the business model.

(b) When these sales are made close to the maturity of the financial assets and the proceeds from the sales approximates the collection of the remaining contractual cash flows. A sale is considered to be close to maturity if the financial assets have a tenor to maturity of not more than one (1) year and/or the remaining contractual cash flows expected from the financial asset do not exceed the cash flows from the sales by ten (10) per cent.

Other reasons: The following reasons outlined below may constitute 'Other Reasons' that may necessitate selling financial assets from the BM1 category that will not constitute a change in business model:

ii. Selling the financial asset to realize cash to deal with unforeseen need for liquidity (infrequent).

iii. Selling the financial asset to manage credit concentration risk (infrequent)

iv. Selling the financial assets as a result of changes in tax laws (infrequent).

v. Other situations also depend upon the facts and circumstances which need to be judged by the management.

The business model adopted by the association is BM1

NOTES TO THE FINANCIAL STATEMENTS (CONT'D)

Cash flow characteristics assessment

The contractual cash flow characteristics assessment involves assessing the contractual features of an instrument to determine if they give rise to cash flows that are consistent with a basic investment arrangement. Contractual cash flows are consistent with a basic deposit arrangement if they represent cash flows that are solely payments of principal and interest on the principal amount outstanding (SPPI). Principal is defined as the fair value of the instrument at initial recognition. Principal may change over the life of the instruments due to repayments. Interest is defined as consideration for the time value of money and the credit risk associated with the principal amount outstanding and for other basic lending risks and costs (liquidity risk and administrative costs), as well as a profit margin.

a) Financial assets measured at amortised cost

Financial assets are measured at amortised cost if they are held within a business model whose objective is to hold for collection of contractual cash flows where those cash flows represent solely payments of principal and interest. After initial measurement, debt instruments in this category are carried at amortized cost using the effective interest rate method. The effective interest rate is the rate that discounts estimated future cash payments or receipts through the expected life of the financial asset to the gross carrying amount of a financial asset. Amortized cost is calculated taking into account any discount or premium on acquisition, transaction costs and fees that are an integral part of the effective interest rate. Amortization is included in Interest income in the Statement of Income. Impairment on financial assets measured at amortized cost is calculated using the expected credit loss approach.

Financial assets measured at amortized cost are presented net of the allowance for credit losses (ACL) in the statement of financial position.

b) Financial assets measured at FVOCI

Financial assets are measured at FVOCI if they are held within a business model whose objective is to hold for collection of contractual cash flows and for selling financial assets, where the assets' cash flows represent payments that are solely payments of principal and interest. Subsequent to initial recognition, unrealized gains and losses on debt instruments measured at FVOCI are recorded in other comprehensive Income (OCI).

c) Financial assets measured at FVTPL

Financial assets measured at FVTPL include assets held for trading purposes, assets held as part of a portfolio managed on a fair value basis and assets whose cash flows do not represent payments that are solely payments of principal and interest. Financial assets may also be designated at FVTPL if by so doing eliminates or significantly reduces an accounting mismatch which would otherwise arise. These instruments are measured at fair value in the Statement of Financial Position, with transaction costs recognized immediately in the Statement of Income.

d) Equity Instruments

Equity instruments are measured at FVTPL, unless an election is made to designate them at FVOCI upon purchase. For equity instruments measured at FVTPL, changes in fair value are recognized in the Statement of Income. The Association can elect to classify non-trading equity instruments at FVOCI. This election will be used for certain equity investments for strategic or longer term investment purposes. The FVOCI election is made upon initial recognition, on an instrument-by-instrument basis and once made is irrevocable. Gains and losses on these instruments including when derecognized/sold are recorded in OCI and are not subsequently reclassified to the Statement of Income. Dividends received are recorded in Interest income in the Statement of Income. Any transaction costs incurred upon purchase of the security are added to the cost basis of the security and are not reclassified to the Statement of Income on sale of the security.

Financial liabilities are classified into one of the following measurement categories:

(a) Amortized cost
(b) Fair Value through Profit or Loss (FVTPL)

e) Financial Liabilities at fair value through profit or loss

Financial liabilities accounted for at fair value through profit or loss fall into two categories:

Financial liabilities held for trading and financial liabilities designated at fair value through profit or loss on inception

Financial liabilities at fair value through profit or loss are financial liabilities held for trading. A financial liability is classified as held for trading if it is incurred principally for the purpose of repurchasing it in the near term or if it is part of a portfolio of identified financial instruments that are managed together and for which there is evidence of a recent actual pattern of short term profit-taking. Derivatives are also categorized as held for trading unless they are designated and effective as hedging instruments. Financial liabilities held for trading also include obligations to deliver financial assets borrowed by a short seller. Gains and losses arising from changes in fair value of financial assets are included in the income statement and are reported as 'Net gains/(losses) on financial instruments classified as held for trading. Interest expenses on financial liabilities held for trading are included in 'Net interest income'.

Financial Liabilities are designated at FVTPL when either the designation eliminates or significantly reduce an accounting mismatch which would otherwise arise or the financial liability contains one or more embedded derivatives which significantly modify the cash flows otherwise required. For liabilities designated at fair value through profit or loss, all changes in fair value are recognized in Non-interest income in the Statement of Income, except for changes in fair value arising from changes in the Association's own credit risk which are recognized in OCI. Changes in fair value of liabilities due to changes in the Association's own credit risk, which are recognized in OCI, are not subsequently reclassified to the Statement of Income upon de-recognition/extinguishment of the liabilities.

f) Financial Liabilities at amortised cost

Financial liabilities that are not classified at fair value through profit or loss fall into this category and are measured at amortised cost using the effective interest rate method. Financial liabilities measured at amortised cost are debt securities in issue for which the fair value option is not applied, convertible bonds and subordinated debts.

Reclassifications

Financial assets are not reclassified subsequent to their initial recognition, except in the period after the Association changes its business model for managing financial assets. A change in the Association's business model will occur only when the Association either begins or ceases to perform an activity that is significant to its operations such as:

- Significant internal restructuring or business combinations; for example, an acquisition of a private asset management Association that might necessitate transfer and sale of loans to willing buyers, this action will constitute changes in business model and subsequent reclassification of the Loan held from BM1 to BM2 Category

- Disposal of a business line i.e. Disposal of a business segment

Any other reason that might warrant a change in the Association's business model as determined by management based on facts and circumstances.

The following are not considered to be changes in the business model:

(a) A change in intention related to particular financial assets (even in circumstances of significant changes in market conditions)

(b) A temporary disappearance of a particular market for financial assets.

When reclassification occurs, the Association reclassifies all affected financial assets in accordance with the new business model. Reclassification is applied prospectively from the 'reclassification date'. Reclassification date is 'the first day of the first reporting period following the change in business model.

Impairment of Financial Assets

In line with IFRS 9, the Association assesses the under listed financial instruments for impairment using Expected Credit Loss (ECL) approach:

Amortized cost financial assets; and

Debt securities classified as at FVOCI;

Equity instruments and financial assets measured at FVTPL are not subjected to impairment under the standard.

NOTES TO THE FINANCIAL STATEMENTS (CONT'D)

Write-off

The Association writes off an impaired financial asset (and the related impairment allowance), either partially or in full, when there is no realistic prospect of recovery. After a full evaluation of a non-performing exposure, in the event that either one or all of the following conditions apply, such exposure shall be recommended for write-off (either partially or in full):

- continued contact with the customer is impossible;
- Recovery cost is expected to be higher than the outstanding debt;
- Amount obtained from realization of credit collateral security leaves a balance of the debt; or
- It is reasonably determined that no further recovery on the facility is possible.

Cash and cash equivalents

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

3.7.3 Trade and other receivables

Trade and other receivables, excluding, when applicable, VAT and prepayments, are classified as financial assets subsequently measured at amortised cost. They have been classified in this manner because their contractual terms give rise, on specified dates to cash flows that are solely payments of principal and interest on the principal outstanding, and the Association's business model is to collect the contractual cash flows on trade and other receivables. Trade receivables consist primarily of amounts due to the Association from normal business activities.

Trade receivables are measured at fair value at the date of trade plus directly attributable transaction costs on initial recognition, and are subsequently measured at amortised cost using the effective interest rate method. Appropriate allowances for estimated irrecoverable amounts are recognized in profit or loss when there is objective evidence that the asset is impaired. Other receivables may be financial assets or non-financial assets. Financial assets are categorized as loans and receivables and are initially measured at fair value and subsequently measured at amortized cost. Non-financial assets are measured in respective to their respective applicable standards. During the year under review, there were no trade receivables.

3.7.4 Trade and other Payables

Trade and other payables, excluding VAT and amounts received in advance, are classified as financial liabilities subsequently measured at amortised cost. Trade payables classified as financial liabilities are initially measured at fair value, and are subsequently measured at amortized cost, using the effective interest rate method. Other payables that are within the scope of IAS 39 are subsequently measured at amortized cost. Others are measured in respect to their applicable standards. During the year under review, there were no trade payables.

NOTES TO THE FINANCIAL STATEMENTS (CONT'D)

3.8 Current and deferred income tax

Income tax expense is the aggregate of the charge to the income statement in respect of current and deferred income tax. Current income tax is the amount of income tax payable on the taxable profit for the year determined in accordance with the relevant tax legislation. Education tax is provided at 2% of assessable profits of companies operating within Nigeria.

Deferred income tax is provided in full, using the liability method, on all temporary differences arising between the tax bases of assets and liabilities and their carrying values for financial reporting purposes. However, if the deferred income tax arises from the initial recognition of an asset or liability in a transaction other than a business combination that at the time of the transaction affects either neither accounting nor taxable profit or loss, it is not accounted for. Current and deferred income tax is determined using tax rates and laws enacted or substantively enacted at the reporting date and are expected to apply when the related deferred income tax liability is settled.

Deferred income tax assets are recognised only to the extent that it is probable that future taxable profits will be available against which the temporary differences can be utilised. Deferred income tax assets and liabilities are offset when there is a legally enforceable right to offset current tax assets against current tax liabilities and when the deferred income taxes assets and liabilities relate to income taxes levied by the same taxation authority on either the same taxable entity or different taxable entities where there is an intention to settle the balances on a net basis. The Association is a non-profit making organization which qualifies it for income tax exemption under section 23 (1) (I) of CITA CAP C21 LFN 2004.

3.9 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, fair
Value changes and other non-cash items have been eliminated for the purpose of preparing the statement.

4. New Standards and Interpretations

4.1 Standards and interpretations effective and adopted in the current year

In the current year, the Association has adopted the following standards and interpretations that are effective for the current financial year and that are relevant to its operations:

NOTES TO THE FINANCIAL STATEMENTS (CONT'D)

4. New Standards and Interpretations

4.1 Standards and interpretations effective and adopted in the current year

In the current year, the Institute has adopted the following standards and interpretations that are effective for the current financial year and that are relevant to its operations:

Standard/ Interpretation:	Effective date: Years beginning on or after	Expected Impact:
▪ Amendment to IFRS 16, 'Leases' – Cov id 19 Related Rent Concessions amendments	06 January, 2020	There is no impact on this Financial Statements .
▪ Amendments to IFRS 3 Business Combinations	01 January 2020	The standard has no impact on this financial statements.
▪ Amendments to References to the Conceptual framework in the IFRS Standards	01 January 2020	The impact of the standard is not material.

4.2 Standards and interpretations not yet effective

The Association has chosen not to early adopt the following standards and interpretations, which have been published and are mandatory for the Institute's accounting periods beginning on or after 01 January 2021 or later periods:

Standard/ Interpretation: impact:	Effective date: Years beginning on or after	Expected
▪ IFRS 17 Insurance Contracts	01 January 2021	The Association is not an insurance company, thus to have an impact in the financial statements material impact.
▪ Amendments to IFRS 9, IAS 39, IFRS 7, IFRS 4 and IFRS 16 Interest rate benchmark reform	01 January 2021	Unlikely there will be a material impact .
▪ Amendments to IAS 1, Presentation of financial statements on classification of liabilities	01 January 2022	Unlikely there will be material impact.
▪ Amendments to IFRS 9 Financial Instruments: Annual Improvements to IFRS 2018 - 2020 cycle	01 January 2022	Unlikely there will be a material impact.

NOTES TO THE FINANCIAL STATEMENTS (CONT'D)

• Amendments to IFRS 1 First -time Adoption of International Financial Reporting Standards: Annual Improvements to IFRS 2018 – 2020 cycle	01 January 2022	Unlikely there will be a material impact.
• Amendments to IFRS 16 Leases: Annual Improvements to IFRS 2008 - 2020 cycle	01 January 2022	Unlikely there will be a material impact
• Amendments to IAS 37 Provision, Contingent Liabilities and Contingent Assets: Issues Regarding Onerous Contracts - Cost of Fulfilling a Contract	01 January 2022	Unlikely there will be a material impact.

6 Cash and Cash Equivalents

	2020 N	2019 N
First Bank of Nigeria (Naira Account)	3,591,412	4,152,904
First Bank of Nigeria - Call Account	1,025,614	6,374
Money Market FUnd (MMF)	64,614,847	-
Access Bank	1,549,056	1,512,359
Fixed deposit / VFD Bridge	63,342,912	51,300,225
	134,123,842	56,971,862

7 Property Plant & Equipment

	FURNITURE & FITTINGS	OFFICE EQUIPMENT	MOTOR VEHICLES	PLANT & MACHINERY	TOTAL
	N	N	N	N	N
COST					
At 1 January 2020	7,757,320	2,886,713	3,426,000	156,020	14,226,053
Additions	70,000	24,500	-	-	94,500
At 31 December 2020	**7,827,320**	**2,911,213**	**3,426,000**	**156,020**	**14,320,553**
DEPRECIATION					
At 1 January 2020	7,628,880	2,078,658	3,241,000	156,010	13,104,548
Charge for the Year	67,580	188,630	74,000	-	330,210
At 31 December 2020	**7,696,460**	**2,267,288**	**3,315,000**	**156,010**	**13,434,758**
Net Book Value					
At 31 December 2020	**130,860**	**643,925**	**111,000**	**10**	**885,795**
At 31 Dec. 2019	128,440	808,055	185,000	10	1,121,505

NOTES TO THE FINANCIAL STATEMENTS (CONT'D)

		2020 ₦	2019 ₦
8	**Financial Assets At Amortized cost**		
	Treasury Bills (8.1)	31,963,454	84,359,132
	FGN Bonds (8.2)	148,488,456	148,488,456
		180,451,911	232,847,588
8.1	Treasury Bills		
	UBA PLC (Global Investor Services)	31,963,454	84,359,132
	FGN Treasury Bills (FBN)	-	-
		31,963,454	84,359,132
	FGN Bond		
8.2	UBA PLC (Global Investor Services) FGN Bond	**148,488,456**	148,488,456
9	**Other Receivables**		
	Other receivables(9.1)	9,286,756	9,499,213
		9,286,756	9,499,213
9.1	**Other receivables**		
	Accrued Income (9.2)	7,874,256	7,876,712
	Prepayments(Staff Housing) (9.3)	1,150,000	1,150,000
	Prepayment Secretariat Rent (9.4)	262,500	472,500
	Prepaid Insurance (9.5)	(0)	-
		9,286,756	9,499,213
9.2	**Accrued Income**		
	Accrued Income (BOND)	7,874,256	7,876,712
	Accrued Interest Income- Other(Tbills)	-	-
		7,874,256	7,876,712
9.3	**Prepayment (Staff Housing)**		
	Opening Balance	1,150,000	1,800,000
	Additions	2,760,000	2,760,000
	Amortization	(2,760,000)	(3,410,000)
		1,150,000	1,150,000
9.4	**Prepayment Secretariat Rent/ service charge**		
	Opening Balance	472,500	375,000
	Additions	1,050,000	1,890,000
	Amortization	(1,260,000)	(1,792,500)
		262,500	472,500
9.5	**Prepaid Insurance**		
	Opening Balance	-	
	Additions	54,260	-
	Amortization	(54,260)	-
		(0)	-

*Prepayment relates to the rent allowance given to members of staff and rent for office space during the financial year.

NOTES TO THE FINANCIAL STATEMENTS (CONT'D)

		2020	2019
		N	N
10	**Trade and Other Payables**		
	Other Payables:		
	Deferred income - Members Subscription (**Note 10.1**)	-	500,000
	Accrued Paye	163,751	-
	Provision for Accounting fee	537,500	537,500
	Provision for Audit fee	1,290,000	1,290,000
	With Holding Tax payable	270,000	270,000
	COVID'19 PROJECT (Members Contribution for Covid 19)	-	-
	Other Payables	39,908	39,908
		2,301,158	2,637,408
10.1	FBN Quest Capital Limited Subscription Income	-	500,000
		-	500,000
11	**Accumulated Fund**		
	As at 1 January	297,802,763	258,031,602
	Surplus for the year	24,644,386	39,771,162
	As at 31 December	**322,447,149**	297,802,763

NOTES TO THE FINANCIAL STATEMENTS (CONT'D)

		2020 N	2019 N
12	**Members' Subscriptions**		
	Subscription Income from members (12.1)	25,000,000	27,200,000
12.1	**AIHN Members subscription**		
	Afrinvest (West Africa) Ltd	500,000	500,000
	Absa Capital Markets Nigeria Ltd(formerly Barclays)	500,000	500,000
	Alpha Morgan Capital Advisory Partners Ltd	500,000	500,000
	ARM Securities Limited	500,000	-
	Constant Capital Mkts & Securities Ltd	-	1,500,000
	Boston Advisory Limited	-	500,000
	Capital Bancorp Plc	500,000	500,000
	Cardinalstone Partners limited	500,000	500,000
	Credent Capital & Advisory Limited	500,000	600,000
	Chapel Hill Denham Advisory Ltd	500,000	500,000
	Comercio Partners Capital Limited	500,000	600,000
	Coronation Merchant Bank Ltd	500,000	500,000
	Cordros Capital Limited	500,000	500,000
	Diamond Capital & Financial Mkts Ltd	-	500,000
	Dunn Loren Merrifield Advisory Partners Ltd	1,000,000	-
	EAC Advisory Limited	500,000	600,000
	Ecobank Development Company Ltd	500,000	500,000
	FBNQuest Capital Limited	500,000	500,000
	FBNQuest Merchant Bank Ltd	500,000	500,000
	FCMB Capital Market Limited	500,000	500,000
	FSL Securities Ltd	500,000	500,000
	First Ally Capital Limited	500,000	500,000
	Greenwich Trust Limited	500,000	500,000
	Interstate Securities Limited	500,000	500,000
	Investment One Financial Services Ltd	500,000	500,000
	Iworld Financial Services Limited	500,000	500,000
	Kairos Capital Limited	500,000	500,000
	Lead Capital Plc	-	1,500,000
	Lotus Financial Services Limited	500,000	500,000
	MBC Capital Ltd	500,000	500,000
	Meristem Capital Ltd	-	500,000
	Mainstreet Bank Capital Limited	500,000	600,000
	NSL Capital Partners Limited	500,000	500,000
	Planet Capital Limited	2,000,000	
	Quantum Zenith Capital & Investment Limited	500,000	500,000
	Quest Advisory Partners Limited	-	600,000
	Rand Merchant Bank Nigeria Ltd	500,000	500,000
	Renaissance Securities Nigeria Ltd	-	1,000,000
	SFS Financial Services Ltd	500,000	500,000
	Stanbic IBTC Capital Ltd	-	500,000
	Standard Chartered Capital and Advisory Nigeria Ltd	500,000	500,000
	SAMTL Capital	-	600,000
	SCM Capital Ltd	500,000	500,000
	The Infrastructure Bank	500,000	500,000
	Union Capital Markets Ltd	500,000	500,000
	United Capital PLC	-	500,000
	Vetiva Capital Management Ltd	500,000	500,000
	Futureview Financial Services Ltd	-	500,000
	Rusumo Capital & Investment Advisers Ltd	500,000	-
	Renaissance Capital Ltd	1,000,000	-
	Norrenberger Investment & Capital Mgt. Ltd	500,000	600,000
	Radix Capital Partners Ltd	1,000,000	500,000
	Elixir Capital Partners Ltd	-	500,000
	Sterling Asset Management	500,000	-
	PAC Capital Limited	1,000,000	-
		25,000,000	27,200,000

NOTES TO THE FINANCIAL STATEMENTS (CONT'D)

		2020 ₦	2019 ₦
13	**Other Income**		
	Investment income - Bond	18,770,422	18,310,970
	Interest on Fixed deposit	2,722,688	3,412,734
	Interest Income- (Tbills)	1,414,735	-
	Advert Income (13.1)	300,000	500,000
	Other Interest Income	1,414,391	7,993,241
	Rental income	-	75,000
	Sponsorship Income (13.2)	-	22,000,000
	Application for Registration	300,000	-
		24,922,236	52,291,945
13.1	**Advert Income**		
	Corp. Advert - Comercio Partners	50,000	-
	Corp. Advert - Emerging Africa	50,000	-
	Corp. Advert - Credent Capital	50,000	-
	Corp. Advert - Kairos Capital	50,000	-
	Corp. Advert - Vetiva Capital	50,000	-
	Corp. Advert - Afrinvest ltd	50,000	-
	Advert/ EAC Trustees	-	100,000
	Boston Advisory Limited	-	100,000
	FSL Securities Limited	-	100,000
	Absa Capital Markets Nigeria Ltd	-	100,000
	Advert/ MBC Capital		100,000
		300,000	500,000
13.2	**SPONSORSHIP INCOME**	-	22,000,000
14	**Expenditure**		
	Annual Dinner	1,400,000	14,428,075
	Annual General Meeting Expenses	3,278,895	302,023
	Audit Fee	1,290,000	1,290,000
	Severance Package	3,000,000	-
	Bank Charges	138,742	101,332
	Computer Expenses	283,520	189,760
	Depreciation	330,210	253,384
	Courier Expenses	21,980	170,926
	Gift	200,000	400,000
	Insurance	54,260	54,260
	Meeting and Seminar Expenses	315,811	7,136,576
	Miscellaneous	5,300	-
	Office Running Expenses	136,880	571,950
	UBA GIS Custordian Fee	101,484	
	Printing	783,000	52,500
	Rent	1,080,000	1,770,000
	Sponsorship	-	3,000,000
	Professional Fee	537,500	537,500
	Service Charge	180,000	232,500
	Utilities (Diesel and Lightening)	132,219	396,739
	Vehicle Running Expenses	557,050	1,715,166
	Staff Cost (Note 15)	8,038,000	8,052,000
	Staff Welfare	224,000	72,000
	Telephone Expenses	140,000.00	
	Cleaning Expense	37,000	
	Newspaper	12,000	
	LIRS Tax Liability (WHT Penalty)	-	299,565
	Donation (Covid 19)	3,000,000	-
		25,277,851	41,026,256

14.1 SIAO did not offer any other services to the Institute and as stated above the audit fee charged was N1,290,000 (VAT inclusive).

NOTES TO THE FINANCIAL STATEMENTS (CONT'D)

	2020	2019
	N	N
15 STAFF COSTS		
Salary and wages	7,800,000	7,800,000
Leave allowance	112,000	126,000
Bonus (13th Month)	126,000	126,000
	8,038,000	8,052,000

Other employee benefits include leave allowance, medical allowances, incentive and other benefits which are consistent with industry practice.

The table below shows the numbers of direct employees of AIHN other than employees who discharged their duties wholly or mainly in Nigeria, who earned over N250,000 in the year and which fell within the bands stated:

N		N	2020 N	2019 N
300,001	-	1,000,000	2	2
1,000,001	-	2,000,000	-	-
2,000,001	-	3,000,000	-	-
3,000,001	-	4,000,000	-	-
4,000,001	-	5,000,000	-	-
5,000,001	-	above	1	1
			3	3

16. FINANCIAL RISK MANAGEMENT

The Association has exposure to the following risks from its use of financial instruments:
(I) Credit risk
(ii) Liquidity risk
(iii) Market risk.

This note presents information about the Association's exposure to each of the above risks, the Association's objectives, policies and processes for measuring and managing risk, and the Association's management of capital. Further quantitative disclosures are included throughout these financial statements.

Risk Management Framework

The Executive Committee has overall responsibility for the establishment and oversight of the Association's risk management framework.

The Association's risk management policies are established to identify and analyse the risks faced by the Association's, to set appropriate risk limits and controls, and to monitor risks and adherence to limits. Risk management policies and systems are reviewed regularly by the Executive Committe to reflect changes in market conditions and the Association's activities. The Association, through its training and management standards and procedures, aims to develop a disciplined and constructive control environment in which all employees understand their roles

NOTES TO THE FINANCIAL STATEMENTS (CONT'D)

16(i) Credit Risk

Credit risk is the risk of financial loss to the Association if a customer or counterparty to a financial instrument fails to meet its contractual obligations, and arises principally from the Association's receivables from clients and other related parties.

The carrying amount of financial assets represents the maximum credit exposure. The maximum exposure to credit risk at the reporting date was:

	2020 N	2019 N
Other receivables	9,286,756	9,499,213
Cash and cash equivalents	134,123,842	56,971,862
	143,410,599	66,471,075

17. FINANCIAL RISK MANAGEMENT

Cash and Cash equivalents

The cash and cash equivalents held as at 31 December 2020 was N134,123,842 (2019: N56,971,862). The cash and cash equivalents are held by banks and financial institutions in Nigeria.

17 Liquidity Risk

Liquidity risk is the risk that the Association will encounter difficulty in meeting the obligations associated with its financial liabilities that are settled by delivering cash or another financial asset. The Association's approach to managing liquidity is to ensure, as far as possible, that it will always have sufficient liquidity to meet its liabilities when due, under both normal and stressed conditions, without incurring unacceptable losses or risking damage to the Association's reputation.

The Association has a clear focus on ensuring sufficient access to capital to finance growth.

Typically, the credit terms with clients are more favourable compared to payment terms to its vendors in order to help provide sufficient cash on demand to meet expected operational expenses, including the servicing of financial obligations. This excludes the potential impact of extreme circumstances that cannot reasonably be predicted, such as natural disasters.

The following are the contractual maturities of financial liabilities, including estimated interest payments and excluding the impact of netting agreements.

NOTES TO THE FINANCIAL STATEMENTS (CONT'D)

Non-Derivative Financial Liabilities:

	Carrying amount	Contractual cash flows	Within 1 year	1 - 2years	2 - 5years	5 - 10 years
31 December 2020						
Other payables	2,301,158	2,301,158	2,301,158	-	-	-
	2,301,158	**2,301,158**	**2,301,158**	-	-	-
31 December 2019						
Other payables	2,637,408	2,637,408	2,637,408	-	-	-
	2,637,408	**2,637,408**	**2,637,408**	-	-	-

17 Market risk

Market risk is the risk that changes in market prices, such as foreign exchange rates, interest rates and equity prices will affect the Association's income or the value of its holdings of financial instruments. The objective of market risk management is to manage and control market risk exposures within acceptable parameters, while optimizing the return.

The Association manages market risks by keeping costs low through various cost optimization programs. Moreover, market developments are monitored and discussed regularly, and mitigating actions are taken where necessary.

Currency risk

The currency risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate due to the changes in foreign exchange rates. In managing currency risk, the Association aims to reduce the impact of short-term fluctuations one earnings.

Although the Association has various measures to mitigate exposure to foreign exchange rate movement over the longer term, the gains/losses on foreign exchange balances impact on the income statement. The Association monitors the movement in the currency rates on an on-going basis.

NOTES TO THE FINANCIAL STATEMENTS (CONT'D)

18 Capital Commitments

There are no material commitments for capital expenditure not provided for in these financial statements.

19 Effect Of Covid -19

No events or transactions have occurred since the statement of financial position date, which would have a material effect upon the financial statements at that date or which need to be mentioned in the financial statements in order not to make them misleading as to the financial position or result of operations at the statement of financial position date.

20 Contingent Liability

No contingent liabilities in respect of the year under review.

21 Approval of Financial Statements

The Financial Statements were approved by the Executive Committee Members on November 11, 2021.

STATEMENT OF VALUE ADDED

	2020 N		2019 N	
GROSS INCOME- Members Subcription	25,000,000		27,200,000	
Less: Cost of Goods and Services				
Local	(16,909,641)		(32,972,872)	
Value Added from Operations	8,090,359		(5,772,872)	
Other Income	24,922,236		52,291,945	
Value Added	**33,012,595**	**100**	46,519,072	100
Distributed as follows:				
Employees				
Salaries	8,038,000	24	8,052,000	17
Provided for Asset Replacement				
Depreciation	330,210	1	253,384	1
Surplus	24,644,386	75	38,465,689	83
Value Added	**33,012,595**	**100**	46,519,072	100

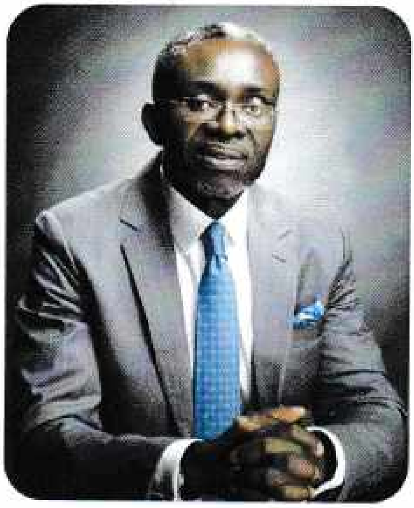
Value added represents the additional wealth the Association has been able to create by its own and direct public support. This statement shows the allocation of the wealth between employees shareholders, government and that retained for the future creation of more wealth.

FIVE YEAR FINANCIAL SUMMARY

STATEMENT OF FINANCIAL POSITION

	IFRS 2020 N	IFRS 2019 N	IFRS 2018 N	IFRS 2017 N	IFRS 2016 N
ASSETS					
Cash and Cash Equivalents	134,123,842	56,971,862	25,156,979	24,449,938	43,073,376
Property, Plant & Equipment	885,795	1,121,505	845,439	805,912	889,216
Financial Assets	180,451,911	232,847,588	223,505,938	224,572,920	171,873,481
Other receivables	9,286,756	9,499,213	10,578,245	10,048,290	10,445,458
TOTAL ASSETS	**324,748,307**	**300,440,171**	**260,086,601**	**259,877,060**	**226,281,531**
FUND AND LIABILITY:					
Accumulated Fund	322,447,149	297,802,763	258,031,602	253,175,704	219,449,459
CURRENT LIABILITY					
Other Payables	2,301,158	2,637,408	2,055,000	6,701,355	6,832,072
TOTAL FUND AND LIABILITY	**324,748,307**	**300,440,171**	**260,086,601**	**259,877,060**	**226,281,531**
STATEMENT OF PROFIT OR LOSS					
Income	49,922,236	79,491,945	54,093,072	53,185,076	44,121,159
Expenditure	(25,277,851)	(41,026,256)	(49,517,174)	(19,178,831)	(20,563,779)
Surplus	**24,644,385**	**38,465,689**	**4,575,898**	**34,006,245**	**23,557,379**

EXECUTIVE COMMITTEE MEMBERS



IKE CHIOKE
President

KAYODE AKINKUGBE
Vice President

EGIE AKPATA
Secretary of Administration

AMAKA NSOFOR
Secretary of Finance

SURU DANIELS
Secretary of Publicity

ABIMBOLA KASIM
Secretary of Treasury

AIHN

ASSOCIATION OF ISSUING HOUSES OF NIGERIA