

The Institute of Chartered Accountants of Nigeria
Annual Report and Financial Statements
For the Year Ended 31 December, 2023

The Institute of Chartered Accountants of Nigeria
Annual Report and Financial Statements
For the year ended 31st December 2023
Contents

Independent Auditor's report	1 - 3
Statement of Comprehensive Income	4
Statement of Financial Position	5
Statement of Changes in Members' Funds	6
Statement of Cash Flows	7
Notes to the financial statements	8 - 27
Other national disclosures:	
- Statement of Value Added	28
- Five Year Financial Summary	29



INDEPENDENT AUDITOR'S REPORT REPORT OF THE AUDITOR TO THE MEMBERS OF THE INSTITUTE OF CHARTERED ACCOUNTANTS OF NIGERIA

Opinion

We have audited the Financial Statement of the Institute of Chartered Accountants of Nigeria which comprise the Statement of Financial Position as at 31 December, 2023, the Statement of Comprehensive Income, the Statement of Changes in Members Funds for the same year ended and Cash Flows for the year then ended, which have been prepared on the basis of the summary of the significant accounting policies and other explanatory notes to the financial statements, as set out on accompanying Financial Statements.

In our opinion, the Institute of Chartered Accountants of Nigeria has kept proper accounting records and the financial statements are in agreement with the records in all material respects and give in the prescribed manner, information required by the ICAN Act NO 15 OF 1965, International Financial Reporting Standards (IFRSs) and in compliance with the Financial Reporting Council of Nigeria Act, No. 6, 2011 as amended.

The financial statements give a true and fair view of the financial position of the **Institute of Chartered Accountants Of Nigeria** as at 31 December, 2023 and of its Statement of Comprehensive Income, the Statement of Changes in Members Funds for the same year ended and Cash Flows for the year then ended in accordance with ICAN Act NO 15 OF 1965, International Financial Reporting Standards (IFRSs) as applicable and in the manner required by the Financial Reporting Council Act, No. 6, 2011 as amended.

Basis for Opinion

We conducted our audit in accordance with International Standards on Auditing (ISAs). Our responsibilities under those standards are further described in the Auditor's Responsibilities for the Audit of the Institute of Chartered Accountants of Nigeria's Financial Statements section of this report. We are independent of the Institute of Chartered Accountants of Nigeria in accordance with the International Ethics Standards Board for Accountants' Code of Ethics for Professional Accountants (IESBA Code), and we have adhered to the other independence requirements applicable to performing audits of the **INSTITUTE OF CHARTERED ACCOUNTANTS OF NIGERIA**. Therefore, we believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Other Information in the Annual Report

The Council is responsible for the other information as contained in these financial statements. The other information comprises all the information in the Institute of Chartered Accountants of Nigeria's 2023 annual report other than the Institute of Chartered Accountants of Nigeria financial statements and our auditor's report thereon.

Our opinion on the Institute of Chartered Accountants of Nigeria's 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 Institute of Chartered Accountants of Nigeria's financial statements, our responsibility is to read the Other Information and in so doing, consider whether the Other Information is materially inconsistent with the Institute of Chartered Accountants of Nigeria's 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 the Other Information, we are required to report that fact.

However, we have nothing to report in this regard.

Council's Responsibilities for the Financial Statements

The Council is responsible for the preparation and fair presentation of the financial statements in accordance with the relevant provisions of the ICAN Act NO 15 OF 1965, International Financial Reporting Standards (IFRSs) issued by the International Accounting Standards Board (IASB) and in compliance with the Financial Reporting Council Act, No. 6, 2011 as amended and for such internal control as the Council determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the Institute of Chartered Accountants of Nigeria's financial statements, the Council is responsible for assessing the Institute of Chartered Accountants of Nigeria'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 Council either intend to liquidate the Institute of Chartered Accountants of Nigeria or to cease operations, or have no realistic alternative but to do so.

The Council is responsible for overseeing the Institute of Chartered Accountants of Nigeria's financial reporting process from time to time.

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 misstatement, whether due to fraud or error, and to issue an auditors' 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 Standards 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.

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 of Chartered Accountants of Nigeria's internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the Council.
- Conclude on the appropriateness of Council'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 of Chartered Accountants of Nigeria'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 of Chartered Accountants of Nigeria 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 Institute of Chartered Accountants of Nigeria 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 charge 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.



Olawale Sonola, FCA
FRC/2013/ICAN/00000002157
FOR: SIAO Partners (Chartered Accountants)
Lagos, Nigeria.



Uwadiae Aimuamwosa Anthony, FCA
FRC/2015/PRO/ICAN/004/00000010718
FOR: UHY Maaji (Chartered Accountants)
Lagos, Nigeria.

7th May, 2024



7th May, 2024





The Institute of Chartered Accountants of Nigeria
Annual Report and Financial Statements
For the year ended 31st December 2023
Statement of Comprehensive Income

	Notes	31 December 2023 N'000	31 December 2022 N'000
Income			
Fees and subscriptions	4	1,858,605	1,938,976
Operating activities	5(a)	4,963,645	3,606,523
		6,822,250	5,545,498
Operational expenditure	5(b)	(2,852,712)	(2,183,235)
Surplus of income over expenditure		3,969,538	3,362,265
Other income	6(a)	77,560	28,764
Sundry Income	6(b)	236,333	412,156
Investment income	6(c)	72,282	72,518
Interest income	6(d)	101,751	85,443
Total income		4,457,463	3,961,145
Non operational expenditure:			
International affiliation costs	7	558,817	394,548
Other operational expenditure	8	598,236	680,908
Personnel cost	9	1,321,793	1,111,966
General and administrative expenses	10	1,642,338	1,279,871
Depreciation and amortisation	11(a)	181,053	135,996
Impairment (reversal)/charge	11(b)	(55,423)	200,738
		4,246,812	3,804,027
Surplus for the year		210,651	157,119
Other comprehensive income:			
Items that will not be reclassified to profit or loss:			
Gain in financial assets fair valued through other comprehensive income	15	18,696	769
(Loss) in financial assets fair valued through other comprehensive income	15	-	(5,306)
Total comprehensive income for the year		229,347	152,582

The notes on pages 8 to 31 are an integral part of these financial statements.

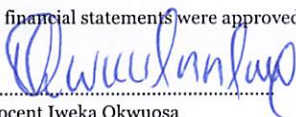
The Institute of Chartered Accountants of Nigeria
Annual Report and Financial Statements
As at 31 December, 2023

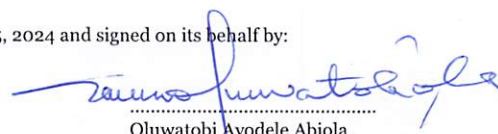
Statement of Financial Position

	Notes	31 December 2023 N'000	31 December 2022 N'000
Non-current assets:			
Property, plant and equipment	13	2,392,830	2,036,995
Investment property	14	2,211,000	2,211,000
Investment in shares and equity	15b	266,762	248,953
Financial assets at amortised cost	16(b)	55,199	48,687
Total non-current assets		4,925,790	4,545,635
Current assets:			
Financial assets at amortised cost	16(b)	23,760	26,010
Inventories	17	180,877	240,673
Members' subscription receivables	18	151,560	246,877
Other receivables	19	153,743	104,217
Prepayment	20	237,026	86,187
Deferred expenses	21	-	3,411
Cash and cash equivalents	22	1,984,825	1,740,202
Total current assets		2,731,791	2,447,577
Total assets		7,657,581	6,993,214
Funds and reserve:			
Accumulated fund	25(a)	3,137,558	2,908,211
Other charitable and trust funds	25(b)	3,397,181	3,114,856
FVOCI reserve		(7,594)	(7,594)
Total funds and reserve		6,527,145	6,015,473
Non-current liabilities:			
Contract liabilities	24	41,242	41,242
Total non-current liabilities		41,242	41,242
Current liabilities:			
Accounts payable	23	1,089,199	936,503
Total current liabilities		1,089,199	936,503
Total liabilities		1,130,441	977,745
Total reserves and liabilities		7,657,581	6,993,214

The notes on pages 8 to 31 are an integral part of these financial statements.

The financial statements were approved and authorised for issue by council on April 25, 2024 and signed on its behalf by:


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Innocent Iweka Okwuosa
President
FRC/2013/ICAN/00000003463


.....
Oluwatobi Ayodele Abiola
Honorary Treasurer
FRC/2020/ICAN/00000021823


.....
Musibau Lanre Olasunkanmi
Registrar/Chief Executive
FRC/2017/PRO/00000017131

The Institute of Chartered Accountants of Nigeria
Annual Report and Financial Statements
For the year ended 31st December 2023
Statement of Changes in Members' Funds

	←————— Other charitable and trust funds —————→											Total
	Accumulated fund	Development fund	Tuition House Support	Whistleblower Fund	Prizes fund	Benevolent fund	Library fund	Accountancy research fund	Study text revolving fund	Student development & support fund	FVOCI reserves	
	N'000	N'000	N'000	N'000	N'000	N'000	N'000	N'000	N'000	N'000	N'000	
Balance at 31 December 2021	3,136,126	1,463,316	50,000	50,000	28,603	276,775	9,644	145,469	530,340	23,092	(7,594)	5,705,771
Surplus for the year	157,119	-	-	-	-	-	-	-	-	-	-	157,119
Utilisation from fund	(283,591)	-	-	-	-	283,591	-	-	-	-	-	-
(Transfer from)/receipt into fund	(254,025)	-	-	-	996	32,601	-	-	163,787	56,641	-	-
Surplus (2022)	152,582	-	-	-	-	-	-	-	-	-	-	152,582
Movement in funds	-	-	-	-	-	-	-	-	-	-	-	-
Equity investment	-	-	-	-	-	-	-	-	-	-	-	-
Total comprehensive income	(227,915)	-	-	-	996	316,192	-	-	163,787	56,641	-	309,701
Balance at 31 December 2022	2,908,211	1,463,316	50,000	50,000	29,599	592,967	9,644	145,469	694,127	79,733	(7,594)	6,015,472
Utilisation from fund	-	-	-	-	-	-	-	-	-	-	-	-
(Transfer from)/receipt into fund	-	-	-	-	(2,470)	37,443	-	-	184,110	63,243	-	282,326
Equity investment	-	-	-	-	-	-	-	-	-	-	19,465	19,465
Surplus for the year	229,347	-	-	-	-	-	-	-	-	-	-	229,347
Total comprehensive income	229,347	-	-	-	(2,470)	37,443	-	-	184,110	63,243	19,465	531,138
Balance at 31 December 2023	3,137,558	1,463,316	50,000	50,000	27,129	630,410	9,644	145,469	878,237	142,976	11,871	6,546,610

The analysis of reserves is presented in Note 26

The Institute of Chartered Accountants of Nigeria
Annual Report and Financial Statements
For the year ended 31st December 2023
Statement of Cash Flows

	Notes	31 December 2023 N'000	31 December 2022 N'000
Cash flows from operating activities			
Cash used in operating and fund activities	27(a)	412,991	(408,829)
Cash generated from funding activities	27(b)	282,326	537,616
Net cash generated from operating activities		695,317	128,787
Cash flows from investing activities			
Acquisition of property, plant and equipment	13	(536,887)	(616,438)
Purchase of equity investments	16	-	(44,541)
Proceeds from disposal of property, plant and equipment	6(b)	-	-
Financial assets at amortised cost	16(b)	2,250	-
Proceeds from disposal of equity investments	15	(17,809)	63,567
Interest received	6(d)	101,751	85,443
Net cash used in investing activities		(450,694)	(511,968)
Cash flows from financing activities			
Net cash generated from financing activities		-	-
Net increase in cash and cash equivalents		244,623	(383,182)
Foreign exchange (loss)/gain on cash and cash equivalents		-	-
Cash and cash equivalents at the beginning of the year		1,740,202	2,123,384
Cash and cash equivalents at the end of the year	22	1,984,825	1,740,202

The Institute of Chartered Accountants of Nigeria

Annual Report and Financial Statements

For the year ended 31st December 2023

Notes to the financial statements

1 General information

The Institute of Chartered Accountants of Nigeria (ICAN) is a body established by Act of Parliament No.15 of 1965 to:

- i) determine what standards of knowledge and skill are to be attained by persons seeking to become member of the accountancy profession and to raise those standards from time to time as circumstances may permit;
- ii) secure in accordance with the provisions of the Act, the establishment and maintenance of the registers of fellows, associates and registered Accountants entitled to practice as Accountants and Auditors and to publish from time a list of those persons;
- iii) perform, through the Council of the Institute, all other functions conferred on it by the Act.

The Institute is an accountancy body in Nigeria recognised by the International Federation of Accountants (IFAC) as the foremost professional accountancy body in the West African sub-region. The Institute, in 1982, initiated and contributed significantly to the formation of the Association of Accountancy Bodies in West Africa (ABWA). The Institute is also a pioneer member of Pan-African Federation of Accountants (PAFA) and indeed produced its pioneer president.

HEAD OFFICE

Plot 16, Idowu Taylor Street,
Victoria Island, Lagos, Nigeria
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e-mail: info@ican.org.ng
website: www.icanig.org

VISION

To be a leading global professional body.

MISSION STATEMENT

To produce world class Chartered Accountants, regulate and continually enhance their ethical standards and technical competence in the public interest.

MOTTO

Accuracy and Integrity

FINANCIAL REPORTING REGISTRATION NO:

FRC/2013/NFP/501032

JOINT AUDITORS

SIAO PARTNERS
Chartered Accountants
18B Olu Holloway Road
Ikoyi
Lagos

UHY Maaji & Co Chartered Accountants

22 Town Planning Way
Ilupeju
Lagos

The Institute of Chartered Accountants of Nigeria
Annual Report and Financial Statements
For the year ended 31st December 2023
Notes to the financial statements

2 Summary of significant accounting policies

2.1 Introduction to summary of significant accounting policies

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

2.2 Basis of preparation

The financial statements of the Institute of Chartered Accountants of Nigeria have been prepared in accordance with International Financial Reporting Standards (IFRS) as issued by the International Accounting Standards Board ("IASB"). Additional information required by National regulations is included where appropriate.

The financial statements comprise the statement of comprehensive income, the statement of financial position, the statement of changes in members' funds, the statement of cash flows and the notes to the financial statements.

The financial statements have been prepared in accordance with the going concern principle under the historical cost concept. All values are rounded to the nearest thousand, except when otherwise indicated. The financial statements are presented in Naira.

The preparation of financial statements in conformity with IFRS requires the use of certain critical accounting estimates. It also requires management to exercise its judgment in the process of applying the Institute's accounting policies. Changes in assumptions may have a significant impact on the financial statements in the period the assumptions changed. Management believes that the underlying assumptions are appropriate and that the Institute's financial statements, therefore, present the financial position and results fairly. 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 Note 2.3.

2.2.1 Going concern

The Institute has consistently been generating funds through its members' subscriptions and students' exams fee. The Management believes that there is no intention or threat from any source to curtail significantly its membership and students enrollment in the foreseeable future. Thus, these financial statements are prepared on going concern basis.

2.2.2 Changes in accounting policies and disclosures

(a) New standards, amendments and interpretations adopted by the Institute

There were no new standards adopted by the Institute for the first time for the financial year beginning on or after 1 January 2023.

2.2.3 Financial assets

(a) Classification and measurement

It is the Institute's policy to initially recognize investments and other financial assets at fair value plus transaction costs.

The Institute's financial assets at amortised cost at the reporting date include staff loans, loans and receivables and receivables from district societies. Other financial assets at amortised cost include cash and cash equivalents, membership subscription receivables, and other receivables. They are included in current assets, except for maturities greater than 12 months after the reporting date.

Interest income from these assets is included in finance income using the effective interest rate method. Any gain or loss arising on derecognition is recognized directly in profit or loss and presented in finance income/cost.

Equity investments

The Institute's policy is to subsequently measure all quoted investments at FVTOCI. Fair value gains and losses are recognised in OCI and are not subsequently reclassified to profit or loss, including on disposal. Dividends from such investments continue to be recognised in profit or loss as other income when the Institute's right to receive payments is established.

(a) Classification and measurement (Cont'd)

Financial liabilities

Financial liabilities of the Institute are classified and measured at fair value on initial recognition and subsequently at amortized cost net of directly attributable transaction costs.

Fair value gains or losses for financial liabilities designated at fair value through profit or loss are accounted for in profit or loss except for the amount of change that is attributable to changes in the Institute's own credit risk which is presented in other comprehensive income. The remaining amount of change in the fair value of the liability is presented in profit or loss. The Institute's financial liabilities include accrued expenses and other account payables. The Institute does not have any financial liabilities at fair value through profit or loss.

(b) Impairment of financial assets

Recognition of impairment provisions under IFRS 9 is based on the expected credit loss (ECL) model. The ECL model is applicable to financial assets classified at amortized cost and contract assets under IFRS 15: Revenue from Contracts with Customers. The measurement of ECL reflects an unbiased and probability-weighted amount that is determined by evaluating a range of possible outcomes, time value of money and reasonable and supportable information that is available without undue cost or effort at the reporting date, about past events, current conditions and forecasts of future economic conditions.

The Institute of Chartered Accountants of Nigeria
Annual Report and Financial Statements
For the year ended 31st December 2023
Notes to the financial statements

The simplified approach is applied to membership subscription receivables while the general approach is applied to all other financial assets at amortised cost.

The simplified approach requires expected lifetime losses to be recognized from initial recognition of the receivables. This involves determining the expected loss rates using a provision matrix that is based on the Institute's historical default rates observed over the expected life of the receivable and adjusted for forward-looking estimates. This is then applied to the gross carrying amount of the receivable to arrive at the loss allowance for the period.

The three-stage approach assesses impairment based on changes in credit risk since initial recognition using the past due criterion and other qualitative indicators such as increase in political concerns or other macroeconomic factors and the risk of legal action, sanction or other regulatory penalties that may impair future financial performance. Financial assets classified as stage 1 have their ECL measured as a proportion of their lifetime ECL that results from possible default events that can occur within one year, while assets in stage 2 or 3 have their ECL measured on a lifetime basis.

Under the three-stage approach, the ECL is determined by projecting the probability of default (PD), loss given default (LGD) and exposure at default (EAD) for each ageing bucket and for each individual exposure. The PD is based on default rates determined by external rating agencies for the counterparties. The LGD is determined based on management's estimates by adopting the average recovery rates for corporate senior unsecured loans in emerging economies. The EAD is the total amount of outstanding receivable at the reporting period. These three components are multiplied together and adjusted for forward looking information, such as inflation and interest rate, to arrive at an ECL which is then discounted back to the reporting date and summed. The discount rate used in the ECL calculation is the original effective interest rate or an approximation thereof.

Loss allowances for financial assets measured at amortized cost are deducted from the gross carrying amount of the related financial assets and the amount of the loss is recognized in profit or loss.

(c) Significant increase in credit risk and default definition

Significant increase in credit risk

The Institute assesses the credit risk of its financial assets based on the information obtained during periodic review of publicly available information, industry trends and payment records. Based on the analysis of the information provided, the Institute identifies the assets that require close monitoring. The Institute has considered various quantitative and qualitative criteria in determining significant increase in credit risk.

i) Quantitative criteria

The Institute has considers the external credit rating for other receivables in determining significant increase in credit risk (SICR). The Institute monitors changes in external ratings of counterparties to assess significant increase in credit risk (SICR). Evidence of SICR depends on rating at initial recognition and the extent of movement in number of notches downgrade (number of downward movements between rating grades) as at reporting date.

ii) Qualitative criteria

The Institute considers the following as qualitative indicators of significant increase in credit risk:

1. Actual or expected forbearance or restructuring.
2. Significant deterioration in liquidity/solvency levels of the debtor at the reporting date which could result in a significant change in the party's ability to meet its obligations relative to the origination date (date the receivable was recognised).
3. Significant increase in credit spread
4. Significant adverse changes in business, financial and/or economic conditions in which the counterparty operates.

iii) Back stop indicator

Financial assets that have been identified to be more than 30 days past due (Watchlist) on contractual payments are assessed to have experienced significant increase in credit risk. These assets are grouped as part of Stage 2 financial assets where the three-stage approach is applied.

Definition of default

In line with the Institute's credit risk management practices, a financial asset is defined to be in default when contractual payments have not been received at least 90 days after the contractual payment period. Subsequent to default, the Institute carries out active recovery strategies to recover all outstanding payments due on receivables. Where the Institute determines that there are no realistic prospects of recovery, the financial asset and any related loss allowance is written off either partially or in full.

The Institute considers a financial asset to be in default which is fully aligned with the credit-impaired, when it meets one or more of the following criteria:

i) Quantitative criteria

The party is more than 90 days past due on its contractual payments.

ii) Qualitative criteria

The member/party meets unlikelihood to pay criteria, which indicates the member/party is in significant financial difficulty. These are instances where:

- The party is in long-term forbearance
- The party is deceased
- The party is insolvent
- The party is in breach of financial covenant(s)
- An active market for that financial asset has disappeared because of financial difficulties
- Concessions have been made by the lender relating to the party's financial difficulty

(d) Derecognition

Financial assets

The Institute derecognises a financial asset when the contractual rights to the cash flows from the financial asset expire or when it transfers the financial asset and the transfer qualifies for derecognition. Gains or losses on derecognition of financial assets are recognized as finance income/ cost.

Financial liabilities

Financial liabilities are derecognised when they are extinguished (i.e. when the obligation specified in the contract is discharged, cancelled or expires). When an existing financial liability is replaced by another from the same lender on substantially different terms, or the terms of an existing liability are substantially modified, such an exchange or modification is treated as a derecognition of the original liability and the recognition of a new liability. The difference in the respective carrying amounts is recognized immediately in the statement of comprehensive income.

(e) Write-off policy

The Institute of Chartered Accountants of Nigeria
Annual Report and Financial Statements
For the year ended 31st December 2023
Notes to the financial statements

The Institute writes off financial assets, in whole or in part, when it has exhausted all practical recovery efforts and has concluded that there is no reasonable expectation of recovery. Indicator that there is no reasonable expectation of recovery includes ceasing enforcement activities.

(f) Offsetting of financial assets and financial liabilities

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

The legally enforceable right is not contingent on future events and is enforceable in the normal course of business, and in the event of default, insolvency or bankruptcy of the Institute or the counterparty.

2.2.4 Revenue recognition from contracts with customers

Revenue is measured at the fair value of the consideration received or receivable for services, in the ordinary course of the Institute's activities. "The Institute recognises fees and subscriptions to depict the transfer of promised services to members and students in an amount that reflects the consideration to which it expects to be entitled in exchange for those services"

A valid contract is recognised as revenue after;

- The contract is approved by the parties.
- Rights and obligations are recognised.
- Collectability is probable.
- The contract has commercial substance.
- The payment terms and consideration are identifiable.

The probability that a customer would make payment (collectability criteria) is ascertained based on the evaluation done on the members as stated in the credit management policy at the inception. The historical performance of members are considered when determining collectability of the revenue.

The Institute is the principal in all of its revenue arrangement and recognises revenue from the following activities:

- Fees and subscription
- Qualification and fellowship
- Regulation, education and discipline
- Conferences and courses
- Seal and stamps

Revenue for providing these services are recognised in the accounting period in which the services are provided. Each of the services are a separate performance obligation. Fees and subscription are recognised over time as the service is provided while all other revenue are recognised at a point in time.

2.3 Critical accounting estimates and judgements

The preparation of the Institute's historical financial statements in accordance with IFRSs requires the use of certain accounting estimates which, by definition, will seldom equal the actual results. Management also exercises judgement and assumptions in applying the Institute's accounting policies.

This note provides an overview of the areas that involve a higher degree of judgement or complexity, and major sources of estimation uncertainty that have a significant risk of resulting in a material adjustment within the next financial year. Detailed information about each of these estimates and judgements is included in the related notes together with information about the basis of calculation for each affected line item in the financial statements.

Estimates and assumptions

The key assumptions concerning the future and other key sources of estimation uncertainty at the reporting date that have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities within the next financial year are described below. The Institute based its assumptions and estimates on parameters available when the financial statements were prepared. Existing circumstances and assumptions about future developments may change due to market changes or circumstances arising that are beyond the control of the Institute. Such changes are reflected in the assumptions when they occur.

(a) Critical estimates

Estimates applied in measuring the expected credit loss allowance

The measurement of the expected credit loss allowance for financial assets measured at amortized cost and FVOCI is an area that requires the use of complex models and significant assumptions about future economic conditions and credit behaviour (e.g. the likelihood of customers defaulting and the resulting losses). Explanation of the inputs, assumptions and estimation techniques used in measuring ECL is further detailed in note 3.2 which also sets out key sensitivities of the ECL to changes in these elements.

2.3 Critical accounting estimates and judgements (Cont'd)

(b) Critical judgements

i Judgements applied in measuring the expected credit loss allowance

A number of significant judgements are also required in applying the accounting requirements for measuring ECL, such as:

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

ii Judgements applied in recognising revenue from contracts with customers

The Institute applied the following judgements that significantly affect the determination of the amount and timing of revenue from contracts with customers:

Definition of Customers

A customer is a party that has contracted with the institute to use the profession membership license issued by the institution or become a member of the institution.

The contracts between the Institution and its customers have commercial substance, and both parties have the intent and ability to uphold their respective obligations.

Identification of performance obligation

The Institute of Chartered Accountants of Nigeria
Annual Report and Financial Statements
For the year ended 31st December 2023
Notes to the financial statements

The identification of performance obligations is a crucial part in determining the amount of consideration recognised as revenue. This is because revenue is only recognised at the point or over the period in which the performance obligation is fulfilled. At inception, the institute assesses the services promised in the contract with a customer to identify the performance obligations.
The performance obligation of the institute to its members is the provision of membership and practicing licences to its members.

Other performance obligations of the institute to its members include conducting examinations, organisation of conferences and courses and sale of seal and stamps.

Timing of revenue recognition

Membership subscription which includes faculty, licences and membership subscriptions are recognised over time as the service is provided while all other streams like examination fees, organisation of conferences and courses and sale of stamps and seals are recognised at a point in time.

Estimates of revenues or extent of progress toward completion are revised if circumstances change. Any resulting increases or decreases in estimated revenues are reflected in profit or loss in the period in which the circumstances that give rise to the revision become known by management

Collectability assessment on whether consideration is probable

The Institute has applied judgement in assessing whether collectability is probable. For membership subscription, the Institute has assessed that collectability is probable for only members that have been active within the last three (3) years. This means that even though these active members may not have paid the membership fees for or in the current period, the likelihood of payment is more than 50%. This pattern of revenue recognition aligns with the Institutes recent stance to delist all members that have not been active after 3 years. Delisting signifies a break in contract between the institute and delisted members. Therefore, no revenue is recognised for delisted members.
This judgement has been applied prospectively in accordance with IAS 8.

If revenue was recognised based only on cash receipts from members, profit/loss would have been N192m higher during the year.

3 Significant accounting policies

3.1.1 Dividend income

Dividend income from investment is recognised when the Institute's right to receive payment is established.

3 Significant accounting policies (Cont'd)

3.1.2 Investment income

Investment income is recognised in the statement of comprehensive income as it accrues by using the effective interest rate method. Fees and commission that are integral part of the effective yield of the financial asset or liabilities are recognised as adjustment to the effective interest rate of the financial instrument.

3.1.3 Rental income

Rental income relates to income from the use of Amuwo Odofin building for social activities and rent collected from Akintola Williams House, Abuja. Both property are classified as investment property. Rental income is recognised on accrual basis.

3 Significant accounting policies (Cont'd)

3.1.4 Donations to the Institute

The Institute receives donations from its members and other stakeholders, which are generally non-reciprocal transfers, involve transfers from entities other than the owners and these contributions are voluntary. These donations whether cash or asset (e.g. Property, Plant and Equipment) shall be recognised as income in the period it is received or receivable when and only when all the following conditions have been satisfied:

- (a) There is irrevocable commitment from the donor to the Institute
- (b) It is probable that the economic benefits arising from the donation will flow to the Institute and
- (c) The amount of the donation can be measured reliably.

Donations by the Institute to institutions and others

The Institute as part of its corporate social responsibility (CRS) donates by way of non-reciprocal transfers in form of cash and/or assets (e.g. property, plant and equipment). In either way donation by cash or asset shall be accounted in the Institute's financial statement as follows:

- (a) Donation by way of cash transfers shall be expensed during the year
- (b) Donations by way of assets- On completion this will be capitalised to the property, plant and equipment accounts and subjected to a depreciation rate of 25 % (four years) before being fully handed over to the recipients.

3.1.5 Inventories

Inventories are stated at the lower of cost and net realisable value after making adequate provision for obsolescence and damaged items. Cost comprises suppliers' invoice, prices and other costs incurred to bring the stocks to its present location and condition. Cost is determined using the first-in, first-out (FIFO) method.

3.1.6 Investment properties

Investment property are property held to earn rentals and/or for capital appreciation (including property under construction for such purposes). Investment property are measured initially at cost, including transaction costs. Subsequent to initial recognition, investment property are measured at fair value and it is the Institute's policy to perform this every three years as this will result in a more appropriate subsequent measurement at fair value. Gains or losses arising from changes in the fair value of investment property are included in statement of comprehensive income in the period in which they arise.

An investment property is derecognised 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 profit or loss in the period in which the property is derecognised.

3.1.7 Property, plant and equipment

All categories of property plant and equipment are initially measured at cost. Subsequent measurement are at cost less accumulated depreciation and impairment. costs are included in the asset's carrying amount or recognised as a separate asset, as appropriate, only when it is probable that future economic benefits associated with the item will flow to the Institute and the cost of the item can be measured reliably. The carrying amount of the replaced part is derecognised. All other repairs and maintenance are charged to the income statement during the financial period in which they are incurred.

3.1.8 Depreciation

The Institute of Chartered Accountants of Nigeria
Annual Report and Financial Statements
For the year ended 31st December 2023
Notes to the financial statements

Depreciation of assets commences when assets are available for use. Depreciation is provided on all property, plant and equipment, other than leasehold land which is not depreciated, at rates calculated to write-off the cost or valuation, of each asset on a straight-line basis over its expected useful life, as follows:

- Freehold property - Not depreciated
- Buildings - 2%
- Lecture theatres - 25%
- Motor vehicles - 33%
- Office furniture and fittings - 25%
- Plant and machinery - 25%
- Library books - 25%

3 Significant accounting policies (Cont'd)

3.1.9 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 have suffered an impairment loss. If any such indication exists, the recoverable amount of the asset is estimated in order to determine the extent of the impairment loss (if any). Where it is not possible to estimate the recoverable amount of an individual asset, the Institute estimates the recoverable amount of the cash-generating unit to which the asset belongs. An impairment loss is charged to the statement of comprehensive income immediately unless the asset is carried at its revalued amount. Any impairment loss of a revalued asset is treated as a revaluation decrease to the extent of a previously recognised revaluation surplus for the same asset.

3.1.10 Intangible assets and impairment

Expenditure on research activities is recognised as an expense in the period in which it is incurred. A separately acquired intangible assets arising from ICAN's development projects is recognised only if all the following conditions are met:

- i. it is technically feasible to complete the product so that it will be available for use,
- ii. the intention is to complete the product for internal use or to sell it,
- iii. it is probable that the asset created will generate future economic benefits, and
- iv. the development cost of the asset can be measured reliably.

Where no separately acquired intangible asset can be recognised, development expenditure is recognised as an expense in the period in which it is incurred. Directly attributable costs that are capitalised include development project consultant costs and an appropriate portion of relevant overheads. Development expenditures previously recognised as an expense are not recognised as an asset in a subsequent period. Separately acquired intangible assets are amortised over their estimated useful lives, which are usually no more than five years. Amortisation begins when the intangible asset is available for use.

Impairment of non-financial assets

Intangible assets which are subject to amortisation are reviewed for impairment whenever events or changes in circumstances indicate that the carrying value may not be recoverable. An impairment loss is recognised 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.

3.1.11 Foreign currency translation

For the purpose of these financial statements, the results and financial position of the Institute are expressed in Naira, which is the functional currency of the Institute, and the presentation currency for the financial statements.

Transactions and balances

Foreign currency transactions are translated into the functional currency using the exchange rates prevailing at the dates of the transactions. Foreign exchange gains and losses resulting from the settlement of foreign currency transactions and from the translation at exchange rates of monetary assets and liabilities denominated in currencies other than the Institute's functional currency are recognized in Statement of comprehensive income within other income. Monetary items denominated in foreign currency are translated using the closing rate as at the reporting date.

3.1.12 Defined contribution plan

The Institute operates a defined contribution based retirement benefit scheme for its staff, in accordance with the Pension Reform Act of 2014 with employee contributing 10% and employer contributing 10% each of the employee's relevant emoluments. Payments to defined contribution retirement benefit plans are recognised as an expense when employees have rendered the service entitling them to the contributions.

3.1.13 Contract assets/liabilities

Subscriptions, interest and conference incomes received in advance are deferred to the period it relates. Interest expenses paid in advance on car loans to staff using effective interest rate is deferred to the period it relates.

3.1.14 Investment properties

Investment properties, principally freehold office buildings, are held for long-term rental yields. They are carried at fair value. Changes in fair values are presented in profit or loss as part of other income. The Institute obtains independent valuations for its investment properties at least every three years.

3.2.1 Introduction and overview of the Institute's risk management

This note presents information about the Institute's exposure to financial risks and the Institute's management of capital.

Credit risk

Credit risk is the risk of suffering financial loss, should any of the Institute's members, students or market counterparties fail to fulfil their contractual obligations to the Institute. Credit risk arises mainly from cash and cash equivalents, membership subscription receivables and credit exposures to other parties (i.e. other receivables).

Credit risk is the single largest risk for the Institute's business, management therefore carefully manages its exposure to credit risk.

3.2 Financial risk management

a) Credit risk management

The Institute of Chartered Accountants of Nigeria
Annual Report and Financial Statements
For the year ended 31st December 2023
Notes to the financial statements

The Institute's risk management policies are established to identify and analyse the risks faced by the Institute, to set appropriate risk limits and controls, to monitor risks and adherence to limits. The Institute regularly monitors and reviews its exposure with key banking and investment manager, suppliers and for deposits, only independently rated banks and financial institutions with a minimum rating of 'A' are used. The Institute's trade receivables relate substantially to members' and students' fees and subscriptions.

The credit risk analysis below is presented in line with how the Institute manages the risk. The Institute manages its credit risk exposure based on the carrying value of the financial instruments as this represents its maximum exposure.

The maximum exposure to credit risk as at the reporting date is;

	Maximum Exposure	
	2023	2022
	N'000	N'000
Financial assets at amortised cost	-	-
Cash and cash equivalents	1,984,825	1,740,202
Other receivables	151,560	246,877
Total assets bearing credit risk	2,136,385	1,987,079

Financial asset at FVOCI

Impairment of financial assets at amortised cost

- Financial assets at amortised cost (staff loans)
- Cash and cash equivalents
- Membership subscription receivables, and
- Other receivables.

Cash and cash equivalents

The cash and cash equivalents were assessed for impairment and the identified expected credit loss was considered immaterial and therefore not recognised.

Financial assets at amortised cost

The staff loans were assessed for impairment and the identified expected credit loss was considered immaterial and therefore not recognised.

Membership subscription receivables

The Institute applies the simplified approach in measuring the expected credit losses (ECL) to determine a lifetime expected loss allowance for the membership subscription receivables. The expected credit loss rate is determined using a provision matrix which is based on the Institute's historical default rates and adjusted for forward-looking estimates.

3.2.2 Critical judgements and estimates (Extracts)

Collectability assessment on whether consideration is probable

The Institute has applied judgement in assessing whether collectability is probable. For membership subscription, the Institute has assessed that collectability is probable for only members that have been active within the last three (3) years. This means that even though these active members may not have paid the membership fees for or in the current period, the likelihood of payment is more than 50%. This pattern of revenue recognition aligns with the Institutes recent stance to delist all members that have not been active after 3 years. Delisting signifies a break in contract between the Institute and delisted members. Therefore, no revenue is recognised from demand notices (Invoices) sent to delisted members. However, revenue is recognised when delisted members are readmitted by the Institute. The revenue from delisted members is recognised when cash is received in the period they are readmitted.

Due to the Covid 19 pandemic, the Institute has not delisted any of its members after the December 31, 2019 exercise.

3.2.3 Liquidity risk

Liquidity risk arises from Institute's management of working capital. It is the risk that the Institute will encounter difficulty in meeting its financial obligations as they fall due. The Institute manages its liquidity risk by ensuring that it has adequate fund. The Institute receives the majority of its income as subscriptions in the first quarter of the year, or as examination fees, exemption fees, relating to two examination sessions each year. Cash not required for short-term operating purposes is invested to maximise return with an acceptable level of risk. In addition to its own bankers, the Institute uses specialist investment advisers to invest cash surpluses with major banks of suitable credit standing to spread the risk, a maximum of 20% obligor limit is maintained per bank. Cash surpluses are invested in interest bearing fixed and call financial instrument and Federal Government Treasury Bills. At the balance sheet date the Institute held N185 million (2020: N138 million) in term deposits, N978million (2020: N523 million) in Treasury Bills and N197 million (2020: N549 million) in call accounts. Liquidity is managed to ensure investments are liquidated in a timely manner to meet operating requirements.

3.2.4 Market risk

Market risk arises from Institute's use of interest bearing, tradable and financial instruments. It is the risk that the fair value of future cash flows of a financial instrument will fluctuate because of changes in the interest rates (interest rate risk), foreign exchange rates (currency risk) or other market factors (other price risk).

Interest rate risk relates to the risk of loss due to fluctuations in both cash flows and the fair value of financial assets and liabilities due to change in market interest rates. The Institute invests surplus cash in the short-term and in doing so exposes itself to the fluctuation in interest rates that are inherent in such a market.

Currency risk relates to the risk that the fair value of future cash flows of financial instruments will fluctuate because of changes in foreign exchange risk. The Institute operates nationally and internationally in affiliation with foreign professional bodies such as IFAC, ABWA and PAPA. It also has foreign District Societies: (USA, Cameroun, Malaysia and UK) and is exposed to foreign currency exchange risk arising from the transfer of foreign currency to these bodies. The Institute mitigates the risk with regards to income because all fees and subscriptions charged by it are in Naira. At the balance sheet date 100% of the Institute's cash and cash equivalents were held in various Nigeria banks (2020: 100%).

The Institute of Chartered Accountants of Nigeria

Annual Report and Financial Statements

For the year ended 31st December 2023

Notes to the financial statements

Other price risk relates to the risk of changes in market prices of the available-for-sale investments. The Institute invests surplus cash in a managed fund operated by fund managers and in doing so exposes itself to the fluctuations in price that are inherent in such a market. The Institute's Finance and General Purposes Committee has given Fund Managers discretionary management of the funds.

3.2.5 Trade payables

Trade payables classified as financial liabilities are initially measured at fair value, and are subsequently measured at amortised 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.

3.2.6 Investment risk

Budgets are prepared on a prudent basis and income from investments is not relied on for ICAN's ongoing activities. Investments are reviewed on a regular basis.

3.2.7 Capital

The Institute considers its capital to be its accumulated and charitable and trust funds and fair value reserve. Council's financial objective is to generate a targeted operating position, to build and maintain reserves at a sustainable level, taking into account the various competitive risks. The Institute also aims to achieve additional long-term growth in reserves through the active management of the investment portfolio. A five-year financial plan has been developed which, over the period of the plan, targets an agreed level of accumulated fund. The Finance and General Purposes Committee reviews the financial position of the Institute at each committee meeting. The Institute is not subject to any material externally imposed capital requirements.

3.2.7 Critical judgements and estimates

Collectability assessment on whether consideration is probable

The Institute has applied judgement in assessing whether collectability is probable. For membership subscription, the Institute has assessed that collectability is probable for only members that have been active within the last three (3) years. This means that even though these active members may not have paid the membership fees for or in the current period, the likelihood of payment is more than 50%. This pattern of revenue recognition aligns with the Institute's recent stance to delist all members that have not been active after 3 years. Delisting signifies a break in contract between the institute and delisted members. Therefore, no revenue is recognised from demand notices (Invoices) sent to delisted members. However, revenue is recognised when delisted members are readmitted by the institute. The revenue from delisted members is recognised when cash is received in the period they are readmitted.

The Institute of Chartered Accountants of Nigeria
Annual Report and Financial Statements
For the year ended 31st December 2023
Notes to the financial statements

	31 December 2023 N'000	31 December 2022 N'000
4 Fees and subscriptions		
4.1 Members:		
Annual subscriptions	796,864	958,711
Practicing licence and renewal	33,406	32,764
Faculty registration and subscription	51,799	113,016
Admission fees	39,920	29,380
Re-admission fees	2,208	3,440
Registration of firms	6,664	6,470
Development levy	23,424	4,419
Attachment Fees	4,290	4,368
	<u>958,573</u>	<u>1,152,567</u>
4.2 Professional students:		
Subscriptions	229,376	225,451
Registrations	52,334	62,247
Exemption fees	534,656	431,137
	<u>816,367</u>	<u>718,834</u>
4.3 ATS students:		
Subscriptions	35,998	27,929
Registrations	35,410	29,460
Exemption fees	12,257	10,186
	<u>83,666</u>	<u>67,575</u>
Total fees and subscriptions	<u>1,858,605</u>	<u>1,938,976</u>
5(a) Operating activities		
Qualifications and fellowship:		
Professional examinations	1,745,205	1,383,993
ATS examinations	353,098	290,889
Fellowship award conferment	343,623	180,958
New members' induction	355,033	190,970
Reciprocity Income	143,993	8,689
	<u>2,940,952</u>	<u>2,055,499</u>
Regulation, education and discipline:		
Faculties	62,434	60,423
MCPE	167,903	127,563
Benevolent Income	-	63,007
	<u>230,338</u>	<u>250,994</u>
Conferences and courses:		
Annual Accountants' conference	1,553,620	1,153,000
Annual dinner and Institute merit award	97,214	18,536
UK-USA-CANADA conference	15,574	898
	<u>1,666,408</u>	<u>1,172,434</u>
Publications and stamps:		
Institute members' seal and stamps	125,828	127,131
Students' study text	120	465
	<u>125,948</u>	<u>127,596</u>
Total operating activities	<u>4,963,646</u>	<u>3,606,523</u>
5(b) Operational expenditure		
Qualifications and fellowship:		
Professional examinations	952,863	740,806
ATS examinations	293,379	258,466
Fellowship award conferment	132,182	84,667
New members' induction	142,914	108,246
Reciprocity Expenses	30,845	1,649
	<u>1,552,183</u>	<u>1,193,835</u>

The Institute of Chartered Accountants of Nigeria
Annual Report and Financial Statements
For the year ended 31st December 2023
Notes to the financial statements

	31 December 2023	31 December 2022	
	N'000	N'000	
Operational expenditure (Cont'd)			
Regulation, education and discipline:			
Faculties	42,219	40,041	
MCPE	53,086	35,246	
	95,305	75,288	
Conferences and courses:			
Annual Accountants' conference	1,161,963	888,475	
Annual dinner and Institute merit award	41,878	21,315	
UK-USA-CANADA conference	-	-	
	1,203,842	909,790	
Publications and stamps:			
Institute members' seal and stamps	1,384	4,322	
Students' study text	-	-	
	1,384	4,322	
Total operational expenditure	2,852,713	2,183,235	
5(c) Analysis of operational activities	GROSS INCOME	GROSS EXPENDITURE	NET INCOME / (EXPENDITURE)
Year ended December 31, 2023	N'000	N'000	N'000
Qualifications and fellowship:			
Professional examination	1,745,205	(952,863)	792,341
ATS examinations	353,098	(293,379)	59,720
Fellowship award conferment	343,623	(132,182)	211,441
New members' induction	355,033	(142,914)	212,119
Reciprocity Income	143,993	(30,845)	113,148
	2,940,952	(1,552,183)	1,388,769
Regulation, education and discipline:			
Faculties	62,434	(42,219)	20,215
MCPE	167,903	(53,086)	114,817
	230,338	(95,305)	135,032
Conferences and courses:			
Annual Accountants' conference	1,553,620	(1,161,963)	391,657
Annual dinner and Institute merit award	97,214	(41,878)	55,335
UK-USA-CANADA conference	15,574	-	15,574
	1,666,408	(1,203,842)	462,566
Publications and stamps:			
Institute members' seal and stamps	125,828	(1,384)	124,444
Students' study text	120	-	120
	125,949	(1,384)	124,564
Total net surplus from operational activities	4,963,646	(2,852,712)	2,110,931
5(d) Analysis of operational activities	GROSS INCOME	GROSS EXPENDITURE	NET INCOME / (EXPENDITURE)
Year ended December 31, 2022	N'000	N'000	N'000
Qualifications and fellowship			
Professional examinations	1,383,993	(740,806)	643,187
ATS examinations	290,889	(258,466)	32,423
Fellowship award conferment	180,958	(84,667)	96,291
New members' induction	190,970	(108,246)	82,724
	2,046,810	(1,192,186)	854,624
Regulation, education and discipline:			
Faculties	60,423	(40,041)	20,382
MCPE	127,563	(35,246)	92,317
	187,986	(75,287)	112,699

The Institute of Chartered Accountants of Nigeria
Annual Report and Financial Statements
For the year ended 31st December 2023
Notes to the financial statements

Analysis of operational activities	GROSS INCOME		GROSS EXPENDITURE		NET INCOME / (EXPENDITURE)	
	N'000		N'000		N'000	
Year ended December 31, 2022						
Conferences and courses:						
Annual Accountants' Conference	1,153,000		(888,475)		264,525	
Annual dinner and Institute merit award	18,536		(21,315)		(2,779)	
UK-USA-CANADA conference	898		-		898	
	<u>1,172,434</u>		<u>(909,790)</u>		<u>262,644</u>	
Publications and stamps:						
Institute members' seal and stamps	127,131		(4,322)		122,809	
Students' study text	465		-		465	
	<u>127,597</u>		<u>(4,322)</u>		<u>123,274</u>	
Total net surplus from operational activities	<u>3,533,929</u>		<u>(2,181,585)</u>		<u>1,352,341</u>	
			31 December		31 December	
			2023		2022	
			N'000		N'000	
6(a) Other income						
Accreditation fees			2,801		1,083	
Transcripts fees			24,197		17,021	
Examination results/scripts			150		565	
Change of name			490		315	
Reissue of certificate			160		215	
E-Library/web service			6		175	
Research seminar			-		55	
Academic conference			2,838		3,489	
Accounting Tech Summit			532		1,928	
ICAN on Air and others			9,131		1,017	
IT conference			-		435	
SSPC management fee			790		492	
University of Lagos-Endowment fund			768		1,734	
SMP			2,150		240	
ACOA Income			33,546		-	
			<u>77,560</u>		<u>28,764</u>	
6(b) Sundry Income						
Income from sale of store items			1,300		169	
Contractors' registration fees			2,544		870	
Advertisement income			492		2,225	
Insurance commission			2,704		1,095	
Insurance claims			-		1,022	
Group internet			545		167	
Hire of vehicles			180		210	
Foreign Exchange gain/(loss)			7,182		(222)	
Provision for accrued expenses No Longer Required			221,386		-	
Gain on Revaluation			-		406,620	
			<u>236,333</u>		<u>412,156</u>	
6(c) Investment income						
Investment income			2,276		3,555	
Rental income			70,006		68,963	
			<u>72,282</u>		<u>72,518</u>	
6(d) Interest income						
Interest income from bank deposit and treasury bills			<u>101,751</u>		<u>85,443</u>	

The Institute of Chartered Accountants of Nigeria
Annual Report and Financial Statements
For the year ended 31st December 2023
Notes to the financial statements

	31 December 2023 N'000	31 December 2022 N'000
7 International affiliation costs		
IFAC:		
Subscription	72,073	38,442
Travelling and other meeting expenses	114,052	28,845
	<u>186,125</u>	<u>67,287</u>
ABWA:		
Subscription	37,039	23,879
Travelling and other meeting expenses	32,402	49,186
	<u>69,441</u>	<u>73,065</u>
PAFA:		
Subscription	188,676	112,979
Travelling and other meeting expenses	46,660	43,534
	<u>235,336</u>	<u>156,514</u>
WCOA :		
Travelling and other meeting expenses	-	79,507
AAFA CONFERENCE (CAIRO)		
Travelling and other expenses	2,349	11,901
Chartered Accountants Worldwide:		
Subscription	12,505	6,273
African Congress of Accountants expenses:		
Travelling and other expenses	53,060	-
Total International affiliation costs	<u>558,817</u>	<u>394,548</u>
8 Other operational expenditure		
Contribution to students special project (SSP)	15,808	9,836
Accreditation and visitation expenses	8,967	9,774
Scholarship Scheme	13,248	13,709
Catch Them Young awareness programme	21,490	34,127
Subventions to District/Student Societies	38,766	40,044
ICAN on Air, Accountancy Day, Others	35,859	27,742
Academic conference expenses	9,044	10,293
PPMC Monitoring Activities	14,066	2,544
Education and training expenses	104,119	119,543
Research grants and expenses	97,153	61,686
Syllabus review	3,830	12,896
Defense Of ICAN ACT	45,265	14,821
ICAN university	4,500	12,877
IT conference	320	333
The Nigerian Accountant journal	2,610	2,296
ICAN students' journal	704	578
Research journal	200	1,347
ICAN Golf Tournament	3,364	3,345
Insurance	178,756	182,949
Benevolent Expenses	166	135,678
	<u>598,236</u>	<u>696,418</u>
9 Personnel cost		
Basic salary	446,726	420,210
Defined contribution costs	80,312	74,621
Other allowances and related costs	794,755	617,135
	<u>1,321,793</u>	<u>1,111,966</u>

The Institute of Chartered Accountants of Nigeria
Annual Report and Financial Statements
For the year ended 31st December 2023
Notes to the financial statements

	31 December 2023 N'000	31 December 2022 N'000
10 General and administrative expenses		
Annual general meeting expenses	48,920	25,267
Council and committee meeting expenses	266,914	210,047
Refreshment at meetings	52,821	57,361
Local Presidential Tours	151,106	106,121
Overseas Presidential Tours	330,659	177,925
Printing and Stationery	20,488	10,974
Telephone and Postages	69,887	75,710
Computer expenses	17,363	20,803
Helpdesk related expenses	5,418	5,418
IT subscription/licence fees	46,681	40,732
Library expenses	12,532	12,882
Vehicle running costs	158,360	83,813
Travelling expenses	59,837	43,350
Advertisements and publicity	11,809	9,259
Subscription and donations	17,476	20,729
Subscription to professional bodies	4,934	4,874
General repairs and maintenance	260,625	257,938
Industrial Training Fund	18,062	-
Professional charges	57,776	72,330
Audit fees	8,225	13,000
Bank charges	22,448	15,830
	<u>1,642,338</u>	<u>1,264,361</u>
11a Depreciation and amortisation		
Depreciation of property, plant and equipment	181,053	135,996
Amortisation of intangible asset	-	-
	<u>181,053</u>	<u>135,996</u>
11b Impairment charges		
Impairment (reversal) on other receivables (Note 19c)	(45)	-
Impairment charge/(reversal) on members subscription receivables (Note 18c)	(55,378)	200,738
	<u>(55,423)</u>	<u>200,738</u>
12 Activities result		
The activities result includes the following:		
a. Salaries and related costs		
The costs of employing staff during the year were as follows:		
Staff costs	446,726	420,210
Defined contribution costs	80,312	74,621
Other allowances	794,755	617,135
	<u>1,321,793</u>	<u>1,111,967</u>
b. Depreciation and amortisation		
Depreciation of property, plant and equipment	181,053	135,996
Amortisation of intangible asset	-	-
	<u>181,053</u>	<u>135,996</u>
c. Auditors' remuneration		
Fee payable to joint auditors	8,225	13,000

The Institute of Chartered Accountants of Nigeria
Annual Report and Financial Statements
For the year ended 31st December 2023
Notes to the financial statements

13 Property, plant and equipment

	Land	Buildings	Motor vehicles	Plant and machinery	Furniture and equipment	Library books	Lecture theatres	Work-In-Progress	Total
	N'000	N'000	N'000	N'000	N'000	N'000	N'000	N'000	N'000
Cost:									
Balance at 1 January 2022	261,203	807,302	537,232	179,177	719,733	57,987	364,605	509,314	3,436,553
Additions	1,317	78,410	118,000	3,114	69,229	230	-	346,137	616,437
*Other adjustment	-	31,311	-	-	-	-	-	(31,311)	-
Balance at 31 December 2022	262,520	917,023	655,232	182,291	788,962	58,217	364,605	824,140	4,052,990
Balance at 1 January 2023	262,520	917,023	655,232	182,291	788,962	58,217	364,605	824,140	4,052,990
Additions	52,215	319,557	127,700	-	37,415	0	-	(0)	536,887
Reclassifications/Transfer	-	218,194	-	-	-	-	-	(218,194)	-
Disposals	-	-	-	-	-	-	-	-	-
Balance at 31 December 2023	314,735	1,454,774	782,932	182,291	826,377	58,217	364,605	605,946	4,589,877
Accumulated depreciation:									
Balance at 1 January 2022	-	224,397	447,736	136,881	650,723	56,515	363,747	-	1,879,999
Depreciation charge for the year	-	26,844	45,646	24,791	37,233	754	728	-	135,996
Disposals	-	-	-	-	-	-	-	-	-
Balance at 31 December 2022	-	251,241	493,382	161,672	687,956	57,269	364,475	-	2,015,995
Balance at 1 January 2023	-	251,241	493,382	161,672	687,956	57,269	364,475	-	2,015,995
Depreciation charge for the year	-	53,366	76,105	18,948	31,885	619	129	-	181,053
Disposals	-	-	-	-	-	-	-	-	-
Balance at 31 December 2023	-	304,607	569,487	180,620	719,841	57,888	364,604	-	2,197,048
Net carrying amount:									
Balance at 31 December 2022	262,520	665,782	161,850	20,619	101,006	948	130	824,140	2,036,995
Balance at 31 December 2023	314,735	1,150,167	213,445	1,671	106,536	329	1	605,946	2,392,830

*Other adjustment relates to correction of prior year reclassification of WIP to Building . This has a nil impact on the Net Book Value of the asset.

The Institute of Chartered Accountants of Nigeria
Annual Report and Financial Statements
For the year ended 31st December 2023
Notes to the financial statements

	31 2023 N'000	31 December 2022 N'000
14 Investment property		
Akintola Williams building, Abuja	911,000	911,000
Awuwo-Odofin building, Lagos	1,200,000	1,200,000
Benevolent Fund Investment property	<u>100,000</u>	<u>100,000</u>
	<u>2,211,000</u>	<u>2,211,000</u>
14b Gain on fair valuation of investment property		
Balance at 1 January 2023	2,211,000	1,715,000
Property Revaluation	-	395,000
Benevolent Fund Investment property	-	100,000
Balance at 31 December 2023	<u>2,211,000</u>	<u>2,211,000</u>
Investment properties are valued every three years in accordance with the Institute's policy. The Abuja property is managed by Jide Taiwo & Co. The property was last valued in the year 2022. The Institute is only occupying about 10% of the property.		
15 Financial assets FVOCI		
<i>Quoted investments:</i>		
At 1 January 2023	248,953	21,557
Additions	22,013	270,276
Disposal	(26,553)	(8,712)
Loss on disposal	2,984	(29,631)
Gain charged to other comprehensive income	19,456	(4,537)
At 31 December 2023	<u>266,762</u>	<u>248,953</u>
Historical cost of tradable investments	<u>266,762</u>	<u>248,953</u>
Amount Charged to OCI:		
Change in fair value of available-for-sale investments (ICAN)	18,696	769
Change in fair value of financial assets (Benevolent Fund)	-	(5,306)
15b Available for Sale Investment (Benevolent)	227,818	227,818
Available for Sale Investment (ICAN)	<u>20,469</u>	<u>16,238</u>
Total	<u>248,287</u>	<u>244,056</u>
Cost of AFS disposed (ICAN)	990	-
Total Value	<u>247,297</u>	<u>244,056</u>
Gain on AFS Valuation (ICAN)	18,696	4,128
Gain on AFS Valuation (Benevolent)	<u>769</u>	<u>769</u>
Total Valuation	<u>266,762</u>	<u>248,953</u>
Financial assets FVOCI (previously called Available-for-sales investment) are fair valued annually at the close of business on the date of the financial position. Wherever possible, fair value is determined by reference to stock exchange quoted bid prices. Financial assets FVOCI are classified as non-current assets unless they are expected to be realised within twelve months of the balance sheet date.		
Financial assets FVOCI are denominated in Naira. The Institute monitors its exposures by way of regular reports from the Fund managers who have discretionary management of the investment portfolio. None of these financial assets are impaired.		
The Institute disposed of some of its investment in, as this investment no longer suited the group's investment strategy.		
16(a) Financial assets at amortised cost		
Staff loans	49,070	56,002
Staff advances	<u>29,889</u>	<u>18,696</u>
	<u>78,959</u>	<u>74,698</u>
16(b) Financial assets at amortised cost	N'000	N'000
Non Current	55,199	48,687
Current	<u>23,760</u>	<u>26,010</u>
	<u>78,959</u>	<u>74,698</u>
The non-current financial assets at amortised cost (formerly called loan and receivables) represents the long term portion of the car		
17 Inventories		
Stationery	34,751	33,229
Electrical parts	392	484
Diesel	2,739	621
Students' study text	42,202	51,326
Others sellable items	35,388	84,568
Annual Accountants conference materials	<u>65,405</u>	<u>70,445</u>
	<u>180,877</u>	<u>240,673</u>
18 Members' subscription receivables		
Subscription receivables	Note 18(b) 752,921	903,616
Opening Allowance for credit loss	Note 18(a) (656,739)	(468,466)
Allowance for credit loss	Note 18(a) 55,378	(188,273)
Net Members' subscription receivables	<u>151,560</u>	<u>246,877</u>
18(a) Allowance for Impairment		
Opening balance	656,739	468,466
Charged/(recovered) during the year	<u>(55,378)</u>	<u>188,273</u>
Total	<u>601,360</u>	<u>656,739</u>

The Institute of Chartered Accountants of Nigeria
Annual Report and Financial Statements
For the year ended 31st December 2023
Notes to the financial statements

	31 December 2023 N'000	31 December 2022 N'000
18(b) Reconciliation of members' subscription receivables		
At 1 January	903,616	741,526
Additions during the year	858,192	711,139
Receipts for the year	(1,008,887)	(549,049)
Gross carrying amount	752,921	903,616
Write off receivables	-	-
Net carrying amount	752,921	903,616
Less impairment provision	(601,361)	(656,739)
At 31 December	151,560	246,877
	Notes 18(c)	
18(c) Reconciliation of impairment allowance on members' subscription receivables		
Loss allowance as at 1 January	656,739	468,466
Movements during the year:		
Increase/(Decrease) in impairment loss	(216,105)	-
Increase in expected credit loss on trade receivables	160,727	188,273
Write off of receivables*	-	-
Total impairment charge into P/L during the year	(55,378)	188,273
Loss allowance as at 31 December	601,361	656,739
Explanation of prior year adjustment		
Subscriptions are stated at amortised cost based on the original invoice amount less an allowance for any irrecoverable debts. In prior years, subscriptions were recognised based on actual amount received, hence, subscription receivables were not recognised in the financial statements.		
In the year, the Institute recognised subscriptions based on invoice amount and subscriptions not received were recognised as subscription receivables after the consideration of expected credit loss. Accordingly, prior years balances were restated.		
19 Other receivables		
AAT Receivables	49,434	29,345
MCPE receivables	10,866	8,080
NNDG/ICAN Students' Special Project (SSP)	20,776	17,778
University of Lagos-Endowment Fund	26,336	25,568
AFN	13,325	18,825
Other receivables (Benevolent)	3,584	3,584
BOI Receivable	-	4,438
AAC Donation	10,000	6,310
Insurance receivable	7,143	7,143
Investment Interest	29,088	-
Impairment allowance for doubtful receivables	(16,809)	(16,854)
Net other receivables	153,743	104,217
	Note 19(a)	
19(a) Other receivables		
Other receivables	170,551	121,071
Impairment on other receivables	(16,809)	(16,854)
Net other receivables	153,742	104,217
19(b) Reconciliation of Other receivables		
At 1 January	121,071	94,013
Additions during the year	86,996	47,897
Receipts for the year	(37,516)	(20,839)
Gross carrying amount	170,551	121,071
Less impairment provision	(16,809)	(16,854)
At 31 December	153,742	104,217
	Note 19(c)	
19(c) Reconciliation of impairment allowance on other receivables		
Loss allowance as at 1 January	16,854	4,389
Impairment allowances for doubtful receivable	-	12,466
Reversal in expected credit loss	(45)	-
Loss allowance as at 31 December	16,809	16,854
20 Prepayment		
Group life insurance - ICAN members	77,254	19,093
Group life insurance - ICAN staff & council	16,501	10,804
Motor vehicle, fire and burglary insurance	8,585	2,500
Reliance HMO	7,356	6,152
Dedicated Electricity Feeder Line	27,358	20,879
IFAC (USD 5000*442)	-	2,210
NECA 2024 Subscription	159	-
Supplier Advance	-	18,675
ACL Renewal	-	5,874
Server Hosting	1,221	-
NAV Enhancement	3,330	-
54th AAC Bags	70,262	-
Int'l Conference Center (54th AAC)	25,000	-
	237,026	86,187
21 Deferred expenses		
At 1 January	0	3411
Charge for the year	-	-
At 31 December	-	3411

Deferred expenses represent unamortised balance at the reporting date of the difference between the initial amount disbursed and fair value of car loans to staff.

The Institute of Chartered Accountants of Nigeria
Annual Report and Financial Statements
For the year ended 31st December 2023
Notes to the financial statements

		31 December 2023 N'000	31 December 2022 N'000
22 Cash and cash equivalents			
Treasury bills		1,328,769	1,256,247
Other short term bank deposit		616,649	445,959
Dedicated funds - Bank deposit		35,422	35,422
Cash at bank and in hand		<u>3,984</u>	<u>2,574</u>
		<u>1,984,825</u>	<u>1,740,202</u>
The effective interest rate on short term bank deposits was 2023: 10.58% (2022: 7.96%)			
23 Accounts payables			
Sundry payables	Notes 23(a)	621,305	264,906
Accrued expenses	Notes 23(b)	<u>467,893</u>	<u>671,596</u>
		<u>1,089,199</u>	<u>936,503</u>
23(a) Sundry payables:			
Payable to Districts		437,184	136,744
BOI Payable		11,456	-
EDC Payable		19,296	18,440
Akwa Ibom State Government		4,476	807
ICAN-CTIN Pathway		3,018	3,275
ICAN staff pension fund		1,917	7,820
Withholding tax (FIRS)/LIRS		124,924	86,071
Board of Internal Revenue/NASU		-	1,970
National Housing Fund		5,087	7,961
Advance Interest		12,063	2,017
Advance Income -MCPD Payable		<u>1,885</u>	<u>-</u>
		<u>621,305</u>	<u>264,906</u>
23(b) Accrued expenses:			
PAPA subscription		106,470	106,754
Staff IOU Payable		12,292	8,393
Other Payables		28	406
Salary Payable		-	32
Advance Rent		6,092	694
Advance Insurance Commission		2,313	2,769
Audit fees		8,225	13,000
ICAN Benevolent Subvention		-	-
Sundry accrual		<u>332,473</u>	<u>539,548</u>
		<u>467,893</u>	<u>671,596</u>
24 Contract liabilities			
Subscription income		41,242	41,242
		<u>41,242</u>	<u>41,242</u>
Contract liabilities relates to subscriptions in advance received from members.			
25 Funds			
a Accumulated fund		<u>3,137,558</u>	<u>2,908,211</u>
b Other charitable and trust funds:			
Development fund		1,463,316	1,463,316
Accountancy research fund		145,469	145,469
Benevolent fund		630,412	592,969
Prizes fund		27,129	29,599
Student development and support fund		142,975	79,723
Study text revolving fund		878,237	694,127
Library fund		9,643	9,643
Tuition house support fund		50,000	50,000
Whistleblower fund		<u>50,000</u>	<u>50,000</u>
		<u>3,397,181</u>	<u>3,114,856</u>
26 The analysis of funds and other reserves			
(a) Library Fund			
The contribution to Library fund is to obtain all the resources needed for the use of the Institute's members. This is in line with the Council belief of the need to provide a befitting library facility to help students and members turn information into knowledge. This fund helps fill the gap by providing high quality library facility, necessary materials and equipment. 3% of the Institute's annual gross income is to be transferred to library development. No transfer were made in 2023 (2022: Nil).			
(b) Benevolent Fund			
The ICAN members' Benevolent and Educational Trust Fund was established by Council of the Institute of Chartered Accountants of Nigeria to assist persons in need who are or have been ICAN members and/or their families and dependants. It is also aimed at promoting and supporting educational/research in accountancy, financial Management, taxation and related subjects. The fund is managed by a five man Board of trustees. The major activities of the management board are fund raising and management of investments. 3% of the Annual Accountants' Conference gross income is credited to the fund annually. The fund generated are invested and it is the income from the investments that are disbursed to members in need and families that are distraught. Since inception, the Fund has been used to assist members and families of dead members. This include members who had renal (kidney) failure, blindness, stroke, spinal cord injuries, disaster (fire/flood/accident) victims, children's education etc. The minimum amount of benefit to applicants is Fifty thousand Naira (N50,000) only; while the maximum shall be a sum of Five Hundred Thousand Naira (N500,000) only.			
(c) Accountancy Research Fund			
Transfers to this fund is based on Council's resolutions. The fund is made available to meet expenditure on research on specialised areas of accountancy. The Fund is invested in fixed deposit and any interest accrued there from is credited to the Fund.			
(d) Professorial Chair Endowment			
Transfers to this fund is based on Council's resolutions. The fund is made available to meet expenditure on professorial chair endowment in selected universities. The fund is invested in fixed deposit and any interest accrued there from is credited to the fund.			

The Institute of Chartered Accountants of Nigeria
Annual Report and Financial Statements
For the year ended 31st December 2023
Notes to the financial statements

- (e) **Developmental Fund**
Transfers to this fund is based on council's resolutions. The fund is made available to meet expenditure on the Institute's infrastructural development. The fund is invested in fixed deposit and any interest accrued therefrom is credited to the Fund.
- (f) **Prizes Fund**
This is funded by donors of each prize. The Fund is made available to meet expenditure on the award of prizes to deserving outstanding students in the Institute's examinations. The Fund is invested in fixed deposit and any interest accrued there from is credited to the Fund.
- (g) **Study Text Revolving Fund**
This is to be funded by a portion of the amount realised from the sale of study text to students. The fund is available to meet expenditure on development, printing and distribution of study text to student. The fund is invested in fixed deposit and any interest accrued therefrom is credited to the Fund.
- (h) **Students Development and Support Fund**
This is to be funded by surplus realised from the sale of study text and is to be applied to the development and support of students writing the Institute's examination.
- (i) **FVOCI reserves**
FVOCI reserves represents the excess of unrealised gains and losses on financial assets fair valued through other comprehensive income over their historic costs.
- (j) **Accumulated Fund**
The accumulated fund represent the excess of income over expenditure which have been accumulated over the years.

	31 December 2023 N'000	31 December 2022 N'000
27 Cash flow statement		
a. Cash generated from activities:		
Surplus for the year	229,347	157,119
Adjustments for:		
Interest received	6d (101,751)	85,443
Movement in accumulated fund	-	(537,616)
Exchange gain	-	-
Depreciation on property, plant and equipment	13 181,053	135,996
Amortisation of intangible asset	-	-
(Gain)/Loss on disposal of shares investment	-	(763)
Profit on disposal of property, plant and equipment	-	-
Gain on valuation of investment property	6(b) -	-
Changes in working capital (excluding the effects of exchange differences):		
(Increase)/Decrease in inventory	59,796	(52,589)
(Increase)/Decrease in loans and receivables	(6,512)	(39,646)
Decrease/(Increase) in prepayments	(150,839)	(21,053)
Decrease/(Increase) in other receivables	(49,526)	(11,824)
Increase (Decrease) in deferred expenses	3,411	-
Increase/(Decrease) in trade and other payables	152,696	(150,096)
Increase in contract liabilities	-	16
(Increase)/Decrease in members subscription receivable	95,317	26,183
Cash used in operating activities	<u>412,991</u>	<u>(408,829)</u>
b. Cash from funding activities:		
Decrease in prizes fund	(2,470)	996
Increase in benevolent fund	37,443	316,192
Increase/(Decrease) in study text revolving fund	184,110	163,787
Decrease in student development and support fund	63,243	56,641
	<u>282,326</u>	<u>537,616</u>
28 Employees		
The average number of persons employed by the Institute during the period was as follows:		
Senior managers up to Directors	58	57
Junior staff up to Managers	<u>147</u>	<u>139</u>
	<u>205</u>	<u>196</u>
Staff cost		
Wages and salaries	1,241,481	1,037,345
Pension costs	<u>80,312</u>	<u>74,621</u>
	<u>1,321,794</u>	<u>1,111,967</u>
Remuneration of key management personnel (KMP)		
The Registrar/Chief Executive is the key management personnel (KMP) of the Institute. He		
Registrar/Chief Executive:		
Short-term employee benefits	<u>22,340</u>	<u>22,340</u>
	<u>22,340</u>	<u>22,340</u>

The Institute of Chartered Accountants of Nigeria
Annual Report and Financial Statements
For the year ended 31st December 2023
Notes to the financial statements

		31 December 2023 N'000	31 December 2022 N'000
28 Employees (Cont'd)			
The number of employees of the Institute whose total earnings were more than N300,000 in the year was;		Number	Number
N300,000	To N900,000	4	10
N 900,001	To N1,000,000	9	5
N 1,000,001	To N1,100,000	-	-
N 1,100,001	To N1,200,000	1	7
N 1,200,001	To N1,400,000	8	8
N 1,400,001	To N1,600,000	4	-
N 1,600,001	To N2,000,000	10	14
N 2,000,001	To N2,100,000	10	9
N 2,100,001	To N2,200,000	3	-
N 2,200,001	To N2,500,000	11	9
N 2,500,001	To N2,600,000	4	3
N 2,700,001	To N2,800,000	2	5
N 2,800,001	To N2,900,000	2	3
N 2,900,001	To N4,000,000	37	48
N 4,000,001	To N4,600,000	13	14
N 4,600,001	To N5,200,000	19	24
N 5,200,001	To N6,100,000	28	15
N 6,000,001	To N6,400,000	6	2
N 6,400,001	To N7,300,000	14	8
N 7,300,001	To N7,800,000	2	3
N 7,800,001	To N8,100,000	1	-
N 8,100,001	To N8,300,000	2	-
N8,300,001	To N9,400,000	4	-
N 9,400,001	To N9,500,000	1	-
N 9,500,001	To N10,100,000	1	1
N 10,600,001	To N10,900,000	-	1
N 10,900,001	To N12,900,000	4	2
N 12,900,001	To N15,000,000	3	3
N 15,000,001 and above		2	2
		<u>205</u>	<u>196</u>

29 Related party transactions

Council members as office bearers:

Innocent OKWUOSA (Dr) (President)
Davidson Chizuoke Stephen ALARIBE (Chief) (Vice President)
Haruna Nma YAHAYA (Mallam) (1st Deputy Vice President)
Queensley Sofuratu SEGHSIME (Alhaja) (2nd Deputy Vice President)
Tijjani Musa ISA (Mallam) (Immediate Past President)
Oluwatobi Ayodele ABIOLA (Honorary Treasurer)

Other Council members:

Francis Chavwuko OKORO (Mr), Oluseyi OLANREWAJU (Dr)
Adedeji AWOBOTU (Hon.Dr), Ezekiel ANAGHA (Chief),
Lucy Ehire EGUONO (Mrs), Augustine Obiahu IREM (Mr.)
Jamiu Adeyemi OLAKISAN (Mr), Abubakar ADAMU (Air Vice Marshal)
Sheriff Adeyemi SANNI (Mr), Tajudeen Olawale OLAYINKA (Mr), Etofolam Felix OSUJI (Dr.),
Gaddafi Peter EKHORAGBON, Clement Oyemolu AKINSULIRE (Chief)
Hilda Ofure OZOH (Mrs.), Chibuzor Noel ANYANECHI (Chief), Nasiru MUHAMMAD (Hon.)
Jude Sunday EGBO (Mr), David Olugbenga OMIDIJI (Mr.), Olaitan BABATUNDE (Mrs.)
Mathias DAFUR (Mr), Michael Foluso DAUDU (Mr), Oladele Nuraini OLADIPO (Mr), Njum Nnennaya
UMA-ONYEMENAM (Mrs), Sylvester NWANNA (Mr), Mbang Okon ESU (Mrs.)

Non Council members:

Dr. Musibau Lanre Olasunkanmi (Registrar/Chief Executive) and Dr. Ogochukwu Ijeoma Anaso (Deputy Registrar, Technical Services).

No member of the Council receives payment in respect of services to ICAN. In line with Council travel and expenses policy, Council members are reimbursed for any expenses which they directly incur on behalf of the Institute as part of their role as a Council member. No loan is granted to related parties.

The Institute of Chartered Accountants of Nigeria
Annual Report and Financial Statements
For the year ended 31st December 2023
Notes to the financial statements

30 Contingent liabilities and commitments

There were no contingent liabilities or capital commitments as at the reporting date (2023: Nil).

31 Members subscription Receivable

This is the total outstanding dues from Members Subscription, Faculties and Practising Licenses as at December 31, 2023.

32 Members subscription impairment provision

Full Provisions is made for Members that recorded no transaction in their records in the last ten years

Impairment charges on subscription above ten years

This is additional impairment or otherwise on members that are owing Subscriptions, Faculties and Practising Licenses in the year

The Institute of Chartered Accountants of Nigeria
Annual Report and Financial Statements
As at 31 December 2023
Statement of Value Added

	31 December 2023 N '000	%	31 December 2022 N '000	%
Income	6,894,533		5,618,016	
Other income	<u>179,311</u>		<u>526,583</u>	
	7,073,844		6,144,599	
 Purchase of services-Local	 (5,360,347)		 (4,739,519)	
 Value added	 <u><u>1,713,497</u></u>	 100	 <u><u>1,405,080</u></u>	 100
 DISTRIBUTION:				
To pay employees				
Salaries and benefits	1,321,793	77	1,111,966	79
 To provide for enhancement of assets and growth				
Depreciation of property, plant and equipment	181,053	11	135,996	10
Surplus for the year	<u>210,651</u>	<u>12</u>	<u>157,119</u>	<u>11</u>
 Value added	 <u><u>1,713,497</u></u>	 100	 <u><u>1,405,081</u></u>	 100

This statement represents the distribution of the wealth created through the use of the Institute's assets by its own and employees' efforts.

The Institute of Chartered Accountants of Nigeria
Annual Report and Financial Statements
For the year ended 31st December 2023
Five year financial summary

	31 December 2023 N'000	31 December 2022 N'000	31 December 2021 N'000	31 December 2020 N'000	31 December 2019 N'000
ASSETS EMPLOYED					
Property, plant and equipment	2,392,830	2,036,996	1,556,554	1,068,889	1,054,414
Intangible assets	-		-	-	0
Investment property	2,211,000	2,211,000	1,715,000	1,715,000	1,715,000
Investment in shares and equity	266,762	248,953	21,557	43,366	45,042
Loans and receivables	55,199	48,687	21,937	13,115	5,571
Net current assets	1,642,592	1,511,075	2,432,110	1,654,204	1,502,210
	6,568,387	6,056,715	5,747,158	4,494,574	4,322,237
FINANCED BY					
Non-current liabilities	41,242	41,242	41,226	41,224	41,235
Funds and reserve	6,527,145	6,015,473	5,705,932	4,453,350	4,281,002
	6,568,387	6,056,715	5,747,158	4,494,574	4,322,237
COMPREHENSIVE INCOME					
Income	6,822,250	5,545,498	5,921,694	3,761,215	5,511,390
Surplus of income over expenditure	3,969,538	3,363,913	3,849,279	2,838,260	3,328,655
Surplus for the year	210,651	157,119	1,259,028	172,406	977,358
Gain/(loss) in fair value of available-for-sale investments	18,696	769	-	-	-
Items that will not be reclassified to profit or loss:					
(Loss) in financial assets fair valued through other comprehensive income	-	(5,306)	(6,447)	(6,447)	(7,827)
Total comprehensive income/(loss) for the year	229,347	152,582	1,252,581	172,348	969,531