



BANQUE D'INVESTISSEMENT ET DE DEVELOPPEMENT DE LA CEDEAO
ECOWAS BANK FOR INVESTMENT AND DEVELOPMENT
BANCO DE INVESTIMENTO E DE DESENVOLVIMENTO DA CEDEAO

ECOWAS BANK FOR INVESTMENT AND DEVELOPMENT (EBID)

CONSOLIDATED FINANCIAL STATEMENTS AS AT 31 DECEMBER 2016

ECOWAS BANK FOR INVESTMENT AND DEVELOPMENT

SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES FOR THE YEAR ENDED 31 DECEMBER 2016

The following accounting policies were applied in preparing the Group financial statements:

1. Basis of accounting

The financial statements have been prepared on the historical cost basis.

2. Income recognition

i) Interest income is accounted for on accrual basis.

ii) Dividend relating to investments in equity is recognized when the Bank's right to receive payment is established.

iii) Fees and commissions are recognized on accrual basis when the service has been provided.

iv) Commitment fees for loans that are likely to be drawn down are deferred (together with related direct costs) and recognized as an adjustment to the effective interest rate on the loan.

3. Basis of consolidation

The Group financial statements incorporate the financial statements of the Bank and 54% of Special Fund for Telecommunications (SFT). All the financial statements are made up to 31 December.

In 2007, the operations of the Group's erstwhile subsidiaries (except SFT) were merged into the parent company (EBID), in line with the restructuring exercise which was approved in July 2006. All intra group transactions and balances were eliminated on consolidation.

4. Functional and presentation currencies

The financial statements are expressed in Units of Accounts (UA). The value of a Unit of Account is equivalent to 1 SDR (Special Drawing Rights) as defined by the International Monetary Fund (IMF). The UA is both the functional and presentation currency.

5. Currency translation

The Bank conducts its operations in various currencies. These currencies are converted into Units of Account using the SDR rates as determined by the International Monetary Fund (IMF).

Receipts and operational expenses are converted using the applicable rate on the date of the transaction. Investment expenditure are converted at the SDR rate applicable on the date of the investment.

In previous years, receipts and operational expenses were converted using the average of all rates of the preceding quarter. Investment expenditure was converted at the SDR rate applicable on the date of the investment.

6. Fixed assets

Fixed assets are stated at cost less accumulated depreciation.

7. Depreciation

Depreciation is calculated at a rate, which is expected to amortize the cost in equal annual installments over the useful life:

	%
Land and buildings :	2
Office partitioning :	25
Installation and office equipment :	20
IT equipment :	33 ^{1/3}
Motor vehicles :	20
Furniture and fittings :	20

8. Cash and short term funds

Cash and short term funds comprise cash balance on hand and cash deposited with banks within and outside Member States. Balances are converted to Units of Account at the rate ruling at the Balance Sheet date and are stated less provision for doubtful balances.

9. Loan and advances

The bank's loan portfolio comprises of loans granted to, or guaranteed by member-states, as well as loans to private sector projects. Loans disbursed and repaid are recorded in Units of Accounts by converting the various currencies at SDR ruling rates on the date of

Loans are granted for a maximum period of twenty years, including a grace period which represents the period the project has not commenced commercial operation. The balances are stated less provision for doubtful balances.

Loans are for the purpose of financing development projects.

Loans currently held by the bank are of single and multi-currency fixed interest rates. However, there is no policy restriction on the type of interest rate that could be applied to the Group's loans.

10. Bad and doubtful accounts

Specific provision is made for bad and doubtful loans that are in arrears for over six months on the basis of the manual of procedure governing treatment and provision for doubtful debts and rating companies.

11. Retirement benefit schemes

The Bank operates three funded employee retirement benefit schemes as follows:

a) Caisse de Retraite par Répartition Avec Epargne (CRRAE): Under this scheme, employees and the Bank contribute 5% and 12.6% respectively of employees' basic salary. The scheme is only available to the

b) Staff Provident Fund (SPF): Under this scheme, employee and the Bank contribute 5% and 12.6% of basic salary respectively. The employee can elect to contribute 100% to the scheme, depending on his ability or membership of CRRAE. SPF is open to both professional and non-professional staff. In the case of non-professional staff, 5.6% of the 17.6% total contribution is paid into the scheme monthly.

c) Regiment Complementaire du Personnel non Cadres (RCPNC): Under this scheme, employees and the Bank contribute 12% each of employees' basic salary. The scheme is open to non-professional staff only.

12. Long term investments

Investments are intended to be held for a period exceeding one year, which are either held to maturity or available for sale in response to needs for liquidity or changes in interest rates, exchange rates or equity prices are classified as long term investments. Quoted investments other than dated securities are stated at the lower of cost and market value.

Unquoted investments are stated at cost less provision for permanent impairment.

13. Off-balance sheet engagements

Transactions that are not currently recognized as assets or liabilities in the balance sheet but which nonetheless give rise to credit risk, contingencies and commitments, are reported off balance sheet.

Outstanding and unexpired commitments at year end in respect of these transactions are shown by way of note to the financial statements.

Income on off balance sheet engagements is in form of commission which is recognized as and when transactions are executed.

14. Provisions

Provisions are recognized when the Bank has present obligation, whether legal or constructive, as a result of past event for which it is probable that an outflow of resources embodying economic benefits will be required to settle the obligation in accordance with International Accounting Standard.

15. Taxation

Article 11.4 of Chapter IV of the Headquarters Agreement between EBID of the Government of the Republic of Togo exempts the Bank from all forms of income tax. Consequently, no income tax is computed in these financial statements.

ECOWAS BANK FOR INVESTMENT AND DEVELOPMENT (EBID)

CONSOLIDATED BALANCE SHEET AS AT 31 DECEMBER 2016

	Note	Group		Bank	
		DEC 2016 UA	DEC 2015 UA	DEC 2016 UA	DEC 2015 UA
ASSETS					
Cash and bank balances	2	6 013 973	7 104 864	6 013 997	7 104 888
Short term funds	3	26 053 219	24 288 231	24 784 771	22 902 756
Loan to member states	4	440 222 149	453 581 625	440 222 149	453 581 625
Inter-institutional accounts	5	1 177 242	1 090 540	1 177 242	1 090 540
Other assets	6	18 822 987	15 925 569	18 710 523	15 655 252
Long term investments	7	32 534 724	28 976 025	41 042 585	37 483 886
Fixed assets	8	15 707 675	16 018 182	15 707 675	16 018 182
Total assets		540 531 968	546 985 036	547 658 941	553 837 129
LIABILITIES AND CAPITAL					
Creditors and accrual	9	9 368 064	8 327 899	9 367 798	8 327 633
Borrowings	10	278 016 565	298 765 095	278 016 565	298 765 095
Inter-institutional accounts	11	72 482	1 374 753	16 447 363	18 329 752
Share capital	12	219 174 406	206 966 266	219 174 406	206 966 266
Revenue reserve	13	23 062 803	21 615 727	21 448 381	19 073 566
Profit or loss for the period	13	2 742 728	1 447 077	3 204 427	2 374 816
		532 437 049	538 496 818	547 658 941	553 837 129
Non-controlling interest	14	8 094 919	8 488 218	-	-
		540 531 968	546 985 036	547 658 941	553 837 129
Contingent liabilities and other obligations on behalf of customers and customers' liability thereon	22	268 068 424	302 351 788	268 068 424	302 351 788

Approved by the Board of Directors on
and signed on its behalf by:

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 _____ } *Directors*
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The accounting policies on pages 2 to 5 and the notes on pages 10 to 22 form an integral part of these financial statements.

ECOWAS BANK FOR INVESTMENT AND DEVELOPMENT (EBID)

CONSOLIDATED PROFIT AND LOSS ACCOUNT AS AT 31 DECEMBER 2016

	Note	Group		Bank	
		DEC 2016 UA	DEC 2015 UA	DEC 2016 UA	DEC 2015 UA
INCOME					
Interest income	15	21 889 632	22 648 770	22 026 575	22 381 648
Interest expense	16	<u>(9 137 387)</u>	<u>(11 139 112)</u>	<u>(9 137 387)</u>	<u>(11 139 112)</u>
Net interest income		12 752 245	11 509 658	12 889 188	11 242 536
Fees and commission	17	1 591 927	2 533 242	1 591 927	2 533 242
Dividend income		22 413	-	22 413	-
Exchange gain	19	355 521	2 503 101	1 073 576	4 488 259
Other income	18	<u>478 093</u>	<u>345 914</u>	<u>478 093</u>	<u>345 914</u>
		15 200 199	16 891 915	16 055 197	18 609 951
EXPENSES					
Staff cost		5 891 132	6 503 056	5 891 132	6 503 056
Other operating expenses		<u>3 953 750</u>	<u>3 421 788</u>	<u>3 953 750</u>	<u>3 421 788</u>
		9 844 882	9 924 844	9 844 882	9 924 844
Profit or (Loss) before Provisions		5 355 317	6 967 071	6 210 315	8 685 107
Bad /Doubful debts (loss)		(2 907 961)		(2 907 961)	
Provision for bad and doubtful accounts		(6 633 226)	(6 780 459)	(6 633 226)	(6 780 459)
Provision no longer required		<u>6 535 299</u>	<u>470 168</u>	<u>6 535 299</u>	<u>470 168</u>
		2 349 429	656 780	3 204 427	2 374 816
Non-controlling interest		<u>393 299</u>	<u>790 297</u>	<u>-</u>	<u>-</u>
Profit or(loss) for the period/year, transferred to revenue reserve	13	<u>2 742 728</u>	<u>1 447 077</u>	<u>3 204 427</u>	<u>2 374 816</u>

ECOWAS BANK FOR INVESTMENT AND DEVELOPMENT (EBID)

CONSOLIDATED STATEMENT OF CHANGES IN SHAREHOLDERS' EQUITY

AS AT 31 DECEMBER 2016

Group	Share capital UA	Revenue reserve UA	Non- controlling interest UA	Total UA
At 1 January 2015	183 650 392	19 918 096	9 278 515	212 847 003
Reserve/enhancement fund		1 697 631		1 697 631
Profit or(loss) recognised in 2015	-	1 447 077	(790 297)	656 780
Increase in share capital	<u>23 315 874</u>	<u>-</u>	<u>-</u>	<u>23 315 874</u>
At 31 December 2015	<u>206 966 266</u>	<u>23 062 804</u>	<u>8 488 218</u>	<u>238 517 288</u>
At 1 January, 2016	206 966 266	23 062 804	8 488 218	238 517 288
Reserve/enhancement fund				-
Loss/Profit recognised in 2016	-	2 742 728	(393 299)	2 349 429
Increase in share capital	<u>12 208 140</u>	<u>-</u>	<u>-</u>	<u>12 208 140</u>
At 31 December 2016	<u>219 174 406</u>	<u>25 805 532</u>	<u>8 094 919</u>	<u>253 074 857</u>

ECOWAS BANK FOR INVESTMENT AND DEVELOPMENT (EBID)

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS AS AT 31 DECEMBER 2016

1. The Group

1.1 Legal form

The **ECOWAS Bank for Investment and Development Group (EBID)** is the result of the transformation of the Fund for Co-operation, Compensation and Development (ECOWAS FUND) created by Article 21 of the Treaty establishing the Economic Community of West African States (ECOWAS). By decision A/DEC/12/99 of 10 December, 1999 of the Ecowas Authority of Heads of State and Government Ecowas Fund was transformed into a Regional holding Company, EBID with two subsidiaries, Ecowas Regional Investment Bank (ERIB) and Ecowas Regional Development Fund (ERDF). Following a re-organisation exercise carried out in 2006, the Bank merged the operations of its subsidiaries into the holding company with effect from January 2007.

1.2 Principal activities

The bank is engaged in the provision of development banking services to public and private sector organisations in the West African sub-region.

	Group		Bank	
	DEC 2016	DEC 2015	DEC 2016	DEC 2015
	UA	UA	UA	UA
2. Cash and bank balances				
Cash in hand	17 078	33 331	17 078	33 331
Balances with other banks	5 996 895	7 071 533	5 996 919	7 071 557
	6 013 973	7 104 864	6 013 997	7 104 888
3. Short term funds				
3.1 Fixed deposits (Note 3.1)				
Call deposits	26 249 766	25 302 185	23 486 445	22 421 837
	3 356 116	2 538 709	3 356 116	2 538 709
	29 605 882	27 840 894	26 842 561	24 960 546
Provision for doubtful balances	(3 552 663)	(3 552 663)	(2 057 790)	(2 057 790)
	26 053 219	24 288 231	24 784 771	22 902 756
3.2 Short term funds				
- Within the Region	1 195 360	11 481 460	1 195 360	11 481 460
- Outside the Region	28 410 522	16 359 434	25 647 201	13 479 086
	29 605 882	27 840 894	26 842 561	24 960 546

ECOWAS BANK FOR INVESTMENT AND DEVELOPMENT (EBID)

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS AS AT 31 DECEMBER 2016

	Group		Bank	
	DEC 2016 UA	DEC 2015 UA	DEC 2016 UA	DEC 2015 UA
4. Loan to member states				
Loans signed to member states	879 616 271	896 291 345	879 616 271	896 291 345
Amount not disbursed	(265 976 544)	(297 069 651)	(265 976 544)	(297 069 651)
Amount disbursed	613 639 727	599 221 694	613 639 727	599 221 694
Repayments on principal	(155 026 938)	(125 946 783)	(155 026 938)	(125 946 783)
Provision for bad and doubtful balances (Note 4.)	458 612 789 (18 390 640)	473 274 911 (19 693 286)	458 612 789 (18 390 640)	473 274 911 (19 693 286)
	440 222 149	453 581 625	440 222 149	453 581 625
4.1 Provision for bad and doubtful balances				
At 1 January	19 693 286	19 693 286	19 693 286	19 693 286
Additional provision	2 575 321	-	2 575 321	-
Provision no longer required	(3 877 967)	-	(3 877 967)	-
Per profit and Loss				
At 31 dec	18 390 640	19 693 286	18 390 640	19 693 286
4.2 Analysis of loans				
	Group		Bank	
	DEC 2016 UA	DEC 2015 UA	DEC 2016 UA	DEC 2015 UA
PUBLIC SECTOR				
By maturity				
More than two years but less than three years	3 368 076	28 694 496	3 368 076	28 694 496
More than three years but less than four years	3 608 397	5 165 287	3 608 397	5 165 287
More than four years but less than five years	5 036 905	5 796 673	5 036 905	5 796 673
More than five years	306 563 869	283 389 209	306 563 869	283 389 209
	318 577 247	323 045 665	318 577 247	323 045 665
PRIVATE SECTOR				
By maturity				
More than two years but less than three years	27 346 478	30 186 921	27 346 478	30 186 921
More than three years but less than four years	27 008 947	30 139 146	27 008 947	30 139 146
More than four years but less than five years	22 645 876	29 169 381	22 645 876	29 169 381
More than five years	63 034 241	60 733 798	63 034 241	60 733 798
	140 035 542	150 229 246	140 035 542	150 229 246
TOTAL PUBLIC & PRIVATE SECTOR	458 612 789	473 274 911	458 612 789	473 274 911
4.3 BAD AND DOUBTFUL DEBTS (Principal)				
Société Ciments du Golfe	5 255 093	5 255 093	5 255 093	5 255 093
Danadams Pharmaceutical Industry	1 825 492		1 825 492	
UCI	507 303		507 303	
Pride Petroleum SA	1 737 703	1 737 703	1 737 703	1 737 703
Réseau Mobile Intercel Guinée	1 466 447	5 344 414	1 466 447	5 344 414
Nell Stell Senegal	3 284 076	3 284 076	3 284 076	3 284 076
Swap Technologies	4 314 526	4 072 000	4 314 526	4 072 000
Provision for bad and doubtful balances	18 390 640	19 693 286	18 390 640	19 693 286

ECOWAS BANK FOR INVESTMENT AND DEVELOPMENT (EBID)

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS AS AT 31 DECEMBER 2016

	Group		Bank	
	DEC 2016 UA	DEC 2015 UA	DEC 2016 UA	DEC 2015 UA
4.4 By economic sector				
The distribution of outstanding loans at 30 dec 2015 and 2016 were as follows:				
PUBLIC SECTOR				
Power	142 619 265	139 834 758	142 619 265	139 834 758
Communications	25 596 288	23 465 346	25 596 288	23 465 346
Transport	120 157 868	138 424 834	120 157 868	138 424 834
Agriculture and Rural Development	4 686 555	4 728 508	4 686 555	4 728 508
Water Supply and Sanitation	-	-	-	-
Finance & Industry	22 149 195	13 224 143	22 149 195	13 224 143
Multi-sector & Social	3 368 076	3 368 076	3 368 076	3 368 076
	318 577 247	323 045 665	318 577 247	323 045 665
PRIVATE SECTOR				
Power	5 485 869	9 142 428	5 485 869	9 142 428
Communications	31 975 549	33 075 208	31 975 549	33 075 208
Transport	25 282 436	31 637 388	25 282 436	31 637 388
Agriculture and Rural Development	-	-	-	-
Water Supply and Sanitation	-	-	-	-
Finance & Industry	73 428 901	72 186 707	73 428 901	72 186 707
Multi-sector & Social	3 862 787	4 187 515	3 862 787	4 187 515
	140 035 542	150 229 246	140 035 542	150 229 246
TOTAL PUBLIC & PRIVATE SECTOR	458 612 789	473 274 911	458 612 789	473 274 911

5. Inter-institutional accounts

Executive Secretariat	31 328	31 273	31 328	31 273
Community Computer Centre	62 931	62 549	62 931	62 549
Compte liaison OIF / BIDC	(2 527)	50 080	(2 527)	50 080
Compensation Fund	401 165	-	401 165	-
FAPA BAD/BIDC ASSISTANCE SECT PRIVE	(116 813)	17 594	(116 813)	17 594
African Biofuels and Renewable Energy Fund	31 945	31 578	31 945	31 578
Ecowas Provident Fund	769 213	897 466	769 213	897 466
	1 177 242	1 090 540	1 177 242	1 090 540

Inter-institutional accounts represent amounts due to the Bank from other Ecowas institutions for transactions concluded on behalf of these institutions.

ECOWAS BANK FOR INVESTMENT AND DEVELOPMENT (EBID)

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS AS AT 31 DECEMBER 2016

	Group		Bank	
	DEC 2016 UA	DEC 2015 UA	DEC 2016 UA	DEC 2015 UA
6. Other assets				
Prepayments	198 302	347 260	198 302	347 260
Interest receivable	18 973 679	15 919 155	18 973 679	15 919 155
Accrued interest (Note 6.1)	2 779 216	2 918 426	2 772 191	2 753 548
Dividend receivable - ETI	-	-	-	-
Staff receivables	3 189 394	2 189 485	3 189 394	2 189 485
Commission receivable - Guarantee	-	-	-	-
Stock of consumables	90 136	77 577	90 136	77 577
Assets on order	5 059 977	4 598 155	5 059 977	4 598 155
Others	(419 723)	(477 068)	(525 162)	(582 507)
	<u>29 870 981</u>	<u>25 572 990</u>	<u>29 758 517</u>	<u>25 302 673</u>
Provision for impairment (Note 6.3)	(11 047 994)	(9 647 421)	(11 047 994)	(9 647 421)
	<u>18 822 987</u>	<u>15 925 569</u>	<u>18 710 523</u>	<u>15 655 252</u>
6.1 Accrued interest				
Loans	2 565 909	2 685 682	2 565 909	2 685 682
Deposits	213 307	232 744	206 282	67 866
	<u>2 779 216</u>	<u>2 918 426</u>	<u>2 772 191</u>	<u>2 753 548</u>
6.2 BAD AND DOUBTFUL DEBTS (Interest)				
Société Ciments du Golfe	2 200 406	2 200 406	2 200 406	2 200 406
Pride Petroleum SA	940 000	964 681	940 000	964 681
Danadams Pharmaceutical Industry	457 278	3 699	457 278	3 699
UCI	529 321	-	529 321	-
Réseau Mobile Intercel Guinée	-	2 632 651	-	2 632 651
Nell Stell Senegal	528 170	528 170	528 170	528 170
ALTEL	443 678	-	443 678	-
SODEHX	157 809	-	157 809	-
Engineers & Planners	842 500	842 500	842 500	842 500
TINAPA	1 080 468	-	1 080 468	-
Swap Technologie	3 868 364	2 475 314	3 868 364	2 475 314
	<u>11 047 994</u>	<u>9 647 421</u>	<u>11 047 994</u>	<u>9 647 421</u>
Provision for bad and doubtful balances	<u>11 047 994</u>	<u>9 647 421</u>	<u>11 047 994</u>	<u>9 647 421</u>

ECOWAS BANK FOR INVESTMENT AND DEVELOPMENT (EBID)

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS AS AT 31 DECEMBER 2016

	DEC 2016 UA	DEC 2015 UA	DEC 2016 UA	DEC 2015 UA
6.3 Provision for doubtful balances				
At 1 January	9 647 421	9 647 421	9 647 421	9 647 421
Transfer to provision for principal (Note 4.1)	-	-	-	-
Provision during the year	4 057 905	-	4 057 905	-
Released during the year	(2 657 332)	-	(2 657 332)	-
At 31 dec (Note 6.2)	11 047 994	9 647 421	11 047 994	9 647 421
7. Long term investments				
Equity investments:				
Quoted:				
Ecobank Transnational Incorporated (ETI) (Note 7.1)	7 553 817	7 553 817	7 553 817	7 553 817
Unquoted:				
Ecomarine	1 702 751	1 702 751	1 702 751	1 702 751
Regional Telecommunications Maintenance Center	44 714	44 714	44 714	44 714
African Investment Bank	317 291	317 291	317 291	317 291
Banque Nationale d'Investissement Gestion	65 237	65 237	65 237	65 237
Special Fund for Telecommunication	-	-	8 507 861	8 507 861
African Biofuels and Renewable Energy Fund	130 402	130 402	130 402	130 402
Fonds Africain d'Agriculture	3 147 886	2 705 610	3 147 886	2 705 610
OIF/FRANCOPHONIE	560 509	560 509	560 509	560 509
AREF	2 411 665	2 411 665	2 411 665	2 411 665
CRRH-UEMOA	629 955	629 955	629 955	629 955
AHL MARIOTT AFRICAN	2 132 499	2 132 499	2 132 499	2 132 499
ORAGROUP	-	-	-	-
LBDI LIBERIA	1 319 015	1 319 015	1 319 015	1 319 015
WAEMGF	1 061 400	826 791	1 061 400	826 791
Burkina bail	944 945	944 945	944 945	944 945
SPCAR/ASKY	5 370 772	5 370 772	5 370 772	5 370 772
	19 839 041	19 162 156	28 346 902	27 670 017
Debenture				
Sénégal debenture	537 912	898 288	537 912	898 288
Togo debenture	3 618 087	-	3 618 087	-
Oragroup debenture	3 592 640	3 593 151	3 592 640	3 593 151
	7 748 639	4 491 439	7 748 639	4 491 439
Provision for diminution in value (Note 7.2)	35 141 497 (2 606 773)	31 207 412 (2 231 387)	43 649 358 (2 606 773)	39 715 273 (2 231 387)
	32 534 724	28 976 025	41 042 585	37 483 886

ECOWAS BANK FOR INVESTMENT AND DEVELOPMENT (EBID)

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS AS AT 31 DECEMBER 2016

	Group		Bank	
	DEC 2016 UA	DEC 2015 UA	DEC 2016 UA	DEC 2015 UA

7.1 Investment in Ecobank Transnational Incorporated (ETI) was acquired by ECOWAS Fund (now EBID) in April, 1989 for US\$9.5 million. Following the transformation of the Fund into EBID, the investment, along with other assets of the Fund were revalued, using net asset basis. The revalued amount was the equivalent of UA9 million.

As at 31st December, 2014, the number of shares held by EBID in ETI was 225,196,010 units. However, additional shares of 15,013,067 was allocated to EBID as a result of the bonus issue (1 for every 15 shares held), thus bringing EBID's total ordinary shares in ETI to 240,209,077 as at 31st December,2015

7.2 Provision for diminution in value

At 1 January	2 606 773	2 231 387	2 606 773	2 231 387
Provision during the year		-	-	-
At 31 dec	<u>2 606 773</u>	<u>2 231 387</u>	<u>2 606 773</u>	<u>2 231 387</u>

ECOWAS BANK FOR INVESTMENT AND DEVELOPMENT (EBID)

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS AS AT 31 DECEMBER 2016

	Land	buildings	FRAIS & COMM/EMP	Vehicles	Furniture & Fittings offices	Equipment & Office machine	Electric Installations	Furniture & Fittings of	Office partitioning	IT equipment	Total
	UA	UA	UA	UA	UA	UA	UA	UA	UA	UA	UA
8. Fixed assets (Cont'd)											
Bank Cost											
At 1 January 2016	1 685 423	16 852 145	2 310 505	659 877	1 227 626	1 009 908	807 210	130 183	1 153 242	1 190 734	27 026 853
Additions		53 599	-	347 323	69 346	19 056	-	12 963	362 432	61 361	926 080
Disposals		-	-	(222 674)	(9 982)	(4 113)	(2 226)	-	(103 367)	(7 840)	(350 202)
Elimination (Note 9.1)									-		-
At 31 dec 2016	1 685 423	16 905 744	2 310 505	784 526	1 286 990	1 024 851	804 984	143 146	1 412 307	1 244 255	27 602 731
Depreciation											
At 1 January		4 368 476	1 210 720	443 710	1 155 770	931 571	782 985	86 148	932 719	1 096 572	11 008 671
Charge for the year		338 350	330 072	142 948	49 406	62 215	5 484	14 043	161 888	79 840	1 184 246
Disposal		-	-	(222 674)	(9 987)	(1 297)	(2 226)	-	(53 837)	(7 840)	(297 861)
Elimination (Note 9.1)											-
At 31 dec 2016	-	4 706 826	1 540 792	363 984	1 195 189	992 489	786 243	100 191	1 040 770	1 168 572	11 895 056
Net book value											
At 31 dec 2016	1 685 423	12 198 918	769 713	420 542	91 801	32 362	18 741	42 955	371 537	75 683	15 707 675
At 31 dec 2015	1 685 423	12 483 669	1 099 785	216 167	218 453	218 453	218 453	218 453	220 523	94 162	16 018 182
				DEC 2016 UA	DEC 2015 UA	DEC 2016 UA	DEC 2015 UA				
9. Creditors and accruals											
Managed funds (Note 10.1)				2 436 367	2 334 200	2 436 367	2 334 200				
Interest payable				787 999	1 087 457	787 999	1 087 457				
Suppliers				336 815	386 764	336 815	386 764				
Local taxes (staff)				3	0	3	0				
Sundry creditors and provisions				5 806 880	4 519 478	5 806 614	4 519 212				
				9 368 064	8 327 899	9 367 798	8 327 633				

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NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS AS AT 31 DECEMBER 2016

	Group		Bank	
	DEC 2016 UA	DEC 2015 UA	DEC 2016 UA	DEC 2015 UA
9.1 Managed funds				
Francophonie funds	951 036	971 519	951 036	971 519
FGIC (FDS GARANTIE INDUST CULT)	-52 596	22 634	-52 596	22 634
WAHO funds	1 537 927	1 340 047	1 537 927	1 340 047
	2 436 367	2 334 200	2 436 367	2 334 200

10. Borrowings

These are borrowings which EBID inherited from the former ECOWAS FUND

Ligne de crédit indienne \$250 millions	196 506 568	172 806 975	196 506 568	172 806 975
Emp oblig. B IDC 2010-2017	10 041 022	20 121 646	10 041 022	20 121 646
Emp oblig. B IDC 2014-2021	35 860 794	43 916 291	35 860 794	43 916 291
Emprunt ligne de crédit Afreximbank	32 632 721	36 185 733	32 632 721	36 185 733
EMPRUNT LIGNE DE CREDIT BADEA	2 975 460	2 164 924	2 975 460	2 164 924
EMPRUNT AFRICA FINANCE CORP	0	23 569 526	0	23 569 526
	278 016 565	298 765 095	278 016 565	298 765 095

10.1 Maturity profile of borrowings

One year or less	19 140 563	44 115 129	19 140 563	44 115 129
More than one year but less than two years	18 544 359	18 544 359	18 544 359	18 544 359
More than two years but less than three years	18 544 359	18 544 359	18 544 359	18 544 359
More than three years but less than four years	18 544 359	18 544 359	18 544 359	18 544 359
More than four years	14 920 696	14 920 696	14 920 696	14 920 696
More than five years	188 322 229	184 096 193	188 322 229	184 096 193
	278 016 565	298 765 095	278 016 565	298 765 095

10.2 Debenture stock (2010 - 2017)

The bank issued a 42,000,000,000 FCFA debenture in October 2010 at an interest rate of 6.75% for a period of 7 years. The purpose of the loan is to finance the bank's operations. Related transaction costs has been capitalized and amortized over the life of the loan.

10.3 Debenture stock (2014 - 2021)

The bank issued a 40,000,000,000 FCFA debenture in februaryr 2014 at an interest rate of 6.50% for a period of 7 years. The purpose of the loan is to finance the bank's operations. Related transaction costs has been capitalized and amortized over the life of the loan.

**NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS
AS AT 31 DECEMBER 2016**

	Group		Bank	
	DEC 2016 UA	DEC 2015 UA	DEC 2016 UA	DEC 2015 UA
11. Inter-institutional accounts				
Special Fund for Telecommunications	1	-	16 374 882	16 954 999
Executive Secretariat Special Envoy	72 481	71 583	72 481	71 583
Provident Fund	-	-		
Compensation Fund	-	1 303 170		1 303 170
	<u>72 482</u>	<u>1 374 753</u>	<u>16 447 363</u>	<u>18 329 752</u>
12. Share capital				
Authorised:				
1,000,000 ordinary shares of UA1,000 each	1 000 000 000	1 000 000 000	1 000 000 000	1 000 000 000
Unsubscribed capital	<u>(300 000 000)</u>	<u>(300 000 000)</u>	<u>(300 000 000)</u>	<u>(300 000 000)</u>
Subscribed capital	700 000 000	700 000 000	700 000 000	700 000 000
Callable capital	<u>(307 258 669)</u>	<u>(307 258 669)</u>	<u>(307 258 669)</u>	<u>(307 258 669)</u>
Call-up capital:				
Call in arrears (Note 12.1)	<u>392 741 331</u>	<u>392 741 331</u>	<u>392 741 331</u>	<u>392 741 331</u>
	<u>(173 566 925)</u>	<u>(185 775 065)</u>	<u>(173 566 925)</u>	<u>(185 775 065)</u>
At 31 dec 2016	<u>219 174 406</u>	<u>206 966 266</u>	<u>219 174 406</u>	<u>206 966 266</u>

The authorised capital of EBID is UA1000,000,000 of which the regional members have subscribed 70% and the balance is to be subscribed by the non regional members. This 70% which is UA 700,000,000 is completely subscribed. As at date 35% of the 700,000,000 is called up.

ECOWAS BANK FOR INVESTMENT AND DEVELOPMENT (EBID)

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS AS AT 31 DECEMBER 2016

	Group		Bank	
	DEC 2016 UA	DEC 2015 UA	DEC 2016 UA	DEC 2015 UA
12.1 Call in arrears				
Benin	0	0	0	0
Burkina Faso	0	165 937	0	165 937
Cape Verde	2 041 625	2 041 625	2 041 625	2 041 625
Cote d'Ivoire	32 558 527	32 558 527	32 558 527	32 558 527
The Gambia	6 346 590	6 346 590	6 346 590	6 346 590
Ghana	12 535 820	19 555 416	12 535 820	19 555 416
Guinea	0	0	0	0
Guinea Bissau	4 817 318	4 817 318	4 817 318	4 817 318
Liberia	18 879 198	19 884 821	18 879 198	19 884 821
Mali	0	0	0	0
Niger	0	812 003	0	812 003
Nigeria	67 410 474	67 410 474	67 410 474	67 410 474
Senegal	16 913 898	18 132 675	16 913 898	18 132 675
Sierra Leone	12 022 198	12 022 198	12 022 198	12 022 198
Togo	41 277	2 027 481	41 277	2 027 481
	173 566 925	185 775 065	173 566 925	185 775 065
13. Revenue reserve	DEC 2016 UA	DEC 2015 UA	DEC 2016 UA	DEC 2015
At 1 January	23 062 803	21 615 727	21 448 381	19 073 566
Reserve/enhancement fund				
Transfer from profit and loss account	2 742 728	1 447 077	3 204 427	2 374 816
At 31 dec 2016	25 805 531	23 062 804	24 652 808	21 448 382
14. Non-controlling interest				
This represents non-controlling interest in the capital of Special Fund for Telecommunications (SFT) in which the Bank has 54% holding.				
	Group		Bank	
	DEC 2016 UA	DEC 2015 UA	DEC 2016 UA	DEC 2015 UA
At 1 January	8 488 218	9 278 515	-	-
Arising during the year	(393 299)	(790 297)	-	-
At 31 dec 2016	8 094 919	8 488 218	-	-

ECOWAS BANK FOR INVESTMENT AND DEVELOPMENT (EBID)

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS AS AT 31 DECEMBER 2016

	Group		Bank	
	DEC 2016 UA	DEC 2015 UA	DEC 2016 UA	DEC 2015 UA
15. Interest income				
Interest on loans	18 370 256	19 420 827	18 370 256	19 420 827
Interest on delayed payments	3 161 993	1 983 124	3 161 993	1 983 124
Interest on fixed deposits	349 247	915 082	486 190	647 960
Interest on current and call accounts	8 136	329 737	8 136	329 737
	<u>21 889 632</u>	<u>22 648 770</u>	<u>22 026 575</u>	<u>22 381 648</u>
16. Interest expense				
Finance charges	<u>9 137 387</u>	<u>11 139 112</u>	<u>9 137 387</u>	<u>11 139 112</u>
17. Fees and commission				
Service charges	41 578	55 392	41 578	55 392
Commitment charges	980 219	929 862	980 219	929 862
Commissions/processing fees	329 043	896 414	329 043	896 414
Commission on guarantees	241 087	651 574	241 087	651 574
	<u>1 591 927</u>	<u>2 533 242</u>	<u>1 591 927</u>	<u>2 533 242</u>
18. Other income				
Rental income - Dome and Elegbede Hall	301	8	301	8
Rental income	70 706	45 825	70 706	45 825
Sale of fixed assets	-6 317	18 595	-6 317	18 595
Miscellaneous income	328 591	136 515	328 591	136 515
Others	84 812	144 971	84 812	144 971
	<u>478 093</u>	<u>345 914</u>	<u>478 093</u>	<u>345 914</u>
19 Exchange Gain/Loss				
Exchange Gain	-44 705 819	55 648 127	-44 705 819	55 648 127
Exchange Loss	44 805 106	(55 740 889)	44 805 106	(55 740 889)
Currency Translation Gain	11 353 802	18 130 342	11 353 802	18 130 342
Currency Translation Loss	-11 097 568	(15 534 479)	-10 379 513	(13 549 321)
	<u>355 521</u>	<u>2 503 101</u>	<u>1 073 576</u>	<u>4 488 259</u>

ECOWAS BANK FOR INVESTMENT AND DEVELOPMENT (EBID)

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS AS AT 31 DECEMBER 2016

21. Related party transactions

22.1 Ecobank Transnational Incorporated

The Bank maintains banking relationship with Ecobank Togo, in which it has 1,00 % shareholding. The bank accounts were opened in the ordinary course of business.

22. Off balance sheet engagements

The bank entered into various commitments in the normal course of business which are not reflected on the balance sheet, and in respect of which there are corresponding obligations by customers. These were as follows:

Guarantees

	Bank	
	DEC 2016 UA	DEC 2015 UA
Port Autonome d'Abidjan (PAA)	0	324 337
PALMCI	597 680	1 859 456
Société Multinationale de Bitumes (SMB)	1 494 200	3 098 344
Total of Obligations guaranteed	2 091 880	5 282 137
Amount not disbursed on Loans signed to member states	265 976 544	297 069 651
Contingent liabilities and other obligations on behalf of customers and customers' liability thereon	268 068 424	302 351 788

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FOR MANAGEMENT USE ONLY

ECOWAS BANK FOR INVESTMENT AND DEVELOPMENT (EBID)

MANAGEMENT EXPENSES AS AT 31 DECEMBER 2016

	Group		Bank	
	DEC 2016 UA	DEC 2015 UA	DEC 2016 UA	DEC 2015 UA
Staff cost	5 891 132	6 503 056	5 891 132	6 503 056
Official mission	423 344	427 490	423 344	427 490
Conference expenses	310 574	335 051	310 574	335 051
Vehicle maintenance	58 560	66 606	58 560	66 606
Printing and office stationery	57 864	19 100	57 864	19 100
Post and telecommunication	138 627	103 547	138 627	103 547
Publicity and advertisement	28 089	25 414	28 089	25 414
Office repairs and maintenance	757 008	694 865	757 008	694 865
Studies and project evaluation	482 878	339 705	482 878	339 705
General expenses	760 846	295 618	760 846	295 618
Audit fees	3 243	55 095	3 243	55 095
Other operating expenses	78 543	134 543	78 543	134 543
Bad and doubtful debts (loss)	2 907 961	77 452	2 907 961	77 452
Provision on Loans Principal + Interest	6 633 226	6 780 459	6 633 226	6 780 459
Provision on Banks	0	0	0	0
Depreciation	854 174	847 302	854 174	847 302
	<u>13 494 937</u>	<u>10 202 247</u>	<u>13 494 937</u>	<u>10 202 247</u>
	<u>19 386 069</u>	<u>16 705 303</u>	<u>19 386 069</u>	<u>16 705 303</u>