



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 2017



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ECOWAS BANK FOR INVESTMENT AND DEVELOPMENT

SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES FOR THE YEAR ENDED 31 DECEMBER 2017

The following accounting policies were applied in preparing the Group's 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 the dividend 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's 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.

6. Fixed assets

Fixed assets are stated at cost less accumulated depreciation.

7. Depreciation

The accounting policies on pages 2 to 5 and the notes on pages 10 to 23 form an integral part of these financial statements.

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 exchange rate ruling at the Balance Sheet date.

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 rates on the date of transaction.

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 across the West Africa region.

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

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 governing treatment and provision for doubtful debts.

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 14 % respectively of employees' basic salary. The scheme is only available to the professional staff.

b) Staff Provident Fund (SPF): Under this scheme, employee and the Bank contribute 5% and 14 % 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, 7 % of the 19 % total contribution is paid into the scheme monthly.

c) Regime Complementary 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, these 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. Quoted investments other than dated securities are stated at the lower of cost and market value.

Unquoted investments are stated at cost.

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. Refer to note 22 for details.

Income on off balance sheet engagements in the form of commission 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 and 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 2017

		Group		Bank	
	Note	DEC 2017 UA	DEC 2016 UA	UA	DEC 2016 UA
ASSETS					
Cash and bank balances	2	5,868,900	6,013,973	5,868,923	6,013,997
Short term funds	3	52,875,501	26,053,219	49,125,158	24,784,771
Loan to member states	4	459,741,165	440,222,149	459,741,165	440,222,149
Inter-institutional accounts	5	1,384,640	1,296,582	1,384,640	1,296,582
Other assets	6	17,476,736	19,592,699	17,330,495	19,480,235
Long term investments	7	36,627,148	32,534,724	45,135,009	41,042,585
Fixed assets	8	26,849,779	14,937,962	26,849,779	14,937,962
Total assets		600,823,868	540,651,308	605,435,168	547,778,281
LIABILITIES AND CAPITAL					
Creditors and accrual	9	11,696,494	9,368,064	11,696,223	9,367,798
Borrowings	10	280,210,163	278,016,565	280,210,163	278,016,565
Inter-institutional accounts	11	115,523	191,822	16,843,491	16,566,703
Share capital	12	270,094,740	219,174,406	270,094,740	219,174,406
Revenue reserve	13	25,805,531	23,062,803	24,652,808	21,448,381
Profit or loss for the period	13	3,486,870	2,742,728	1,937,742	3,204,427
		591,409,321	532,556,389	605,435,168	547,778,281
Non-controlling interest	14	9,414,546	8,094,919	-	-
Total liabilities		600,823,868	540,651,308	605,435,168	547,778,281
Contingent liabilities and other obligations on behalf of customers					
		259,127,765	268,068,424	259,127,765	268,068,424

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

 Kemi Adesina }
 Kaba Nankoy }
 Kemi Adesina }
 Kemi Adesina }

The accounting policies on pages 2 to 5 and the notes on pages 10 to 24 form an integral part of these financial statements.

ECOWAS BANK FOR INVESTMENT AND DEVELOPMENT (EBID)

CONSOLIDATED PROFIT AND LOSS ACCOUNT AS AT 31 DECEMBER 2017

		Group		Bank	
	Note	DEC 2017 UA	DEC 2016 UA	DEC 2017 UA	DEC 2016 UA
INCOME					
Interest income	15	20,435,971	21,889,632	20,108,312	22,026,575
Interest expense	16	(10,592,852)	(9,137,387)	(10,592,852)	(9,137,387)
Net interest income		9,843,119	12,752,245	9,515,460	12,889,188
Fees and commission	17	5,134,600	1,591,927	5,134,600	1,591,927
Exchange gain	19	366,593	(115,855)	146,130	(115,855)
Revaluation		(4,038,984)	471,376	(6,359,617)	1,189,431
Other income	18	7,026,640	500,506	7,026,640	500,506
		18,331,968	15,200,199	15,463,213	16,055,197
EXPENSES					
Staff cost		6,221,347	5,891,132	6,221,347	5,891,132
Other operating expenses		3,947,111	3,953,750	3,947,111	3,953,750
		10,168,458	9,844,882	10,168,458	9,844,882
Profit or (Loss) before Provisions		8,163,510	5,355,317	5,294,755	6,210,315
Bad /Doubful debts (loss)		-	(2,907,961)	-	(2,907,961)
Provision for bad and doubtful accounts	6	(4,643,191)	(6,633,226)	(4,643,191)	(6,633,226)
Provision no longer required		1,286,178	6,535,299	1,286,178	6,535,299
		4,806,497	2,349,429	1,937,742	3,204,427
Non-controlling interest		(1,319,627)	393,299	-	-
Profit or(loss) for the period/year, transferred to revenue reserve	13	3,486,870	2,742,728	1,937,742	3,204,427

ECOWAS BANK FOR INVESTMENT AND DEVELOPMENT (EBID)

CONSOLIDATED STATEMENT OF CHANGES IN SHAREHOLDERS' EQUITY

AS AT 31 DECEMBER 2017

Group	Share capital UA	Revenue reserve UA	Non- controlling interest UA	Total UA
At 1 January 2016	206,966,266	23,062,804	8,488,218	238,517,288
Profit or(loss) 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>
At 1 January, 2017	219,174,406	25,805,532	8,094,919	253,074,857
Loss/Profit recognised in 2017	-	3,486,870	1,319,627	4,806,497
Increase in share capital	<u>50,920,334</u>	<u>-</u>	<u>-</u>	<u>50,920,334</u>
At 31 December 2017	<u>270,094,740</u>	<u>29,292,402</u>	<u>9,414,546</u>	<u>308,801,688</u>

The accounting policies on pages 2 to 5 and the notes on pages 10 to 24 form an integral part of these financial statements.

ECOWAS BANK FOR INVESTMENT AND DEVELOPMENT (EBID)

CONSOLIDATED STATEMENT OF CASH FLOWS
FOR THE YEAR ENDED 31 DECEMBER 2017

	Group		Bank	
	2017	2016	2017	2016
	UA	UA	UA	UA
Profit for the year	3,486,870	2,742,728	1,937,742	3,204,427
Adjustment for non cash items				
Depreciation	744,635	854,174	744,635	854,174
(Profit) or loss on disposal	(1,773)	6,317	(1,773)	6,317
Profit from NCI	1,319,627	(393,299)	-	-
Revaluation (gain)/loss on Fixed assets	(6,942,832)	-	(6,942,832)	-
	(1,393,473)	3,209,920	(4,262,228)	4,064,918
Changes in working capital				
(Increase)/Decrease in Short term funds	(26,822,282)	(1,764,988)	(24,340,387)	(1,882,015)
(Increase)/Decrease in Loans to member states	(19,519,016)	13,359,476	(19,519,016)	13,359,476
(Increase)/Decrease in Institutional accounts (Assets)	(88,058)	(86,702)	(88,058)	(86,702)
(Increase)/Decrease in Other assets	2,115,963	(2,567,346)	2,149,740	(2,725,199)
Increase/(Decrease) in Accruals and payables	2,328,430	1,040,165	2,328,425	1,040,165
Increase/(Decrease) in Institutional accounts (Liabilities)	(76,299)	(1,302,271)	276,788	(1,882,389)
Total Cash flows from operating activities	(43,454,736)	11,888,254	(43,454,737)	11,888,254
Investing activities				
Proceeds from Sale of Property plant and equipment	6,565	46,024	6,565	46,024
Purchase of Property plant and equipment	(5,718,411)	(926,080)	(5,718,411)	(926,080)
Purchase of long term investments	(4,092,424)	(3,558,699)	(4,092,424)	(3,558,699)
Total Cash flows from investing activities	(9,804,270)	(4,438,755)	(9,804,270)	(4,438,755)
Financing activities				
Additional capital	50,920,334	12,208,140	50,920,334	12,208,140
Addition/(Repayment) of borrowings	2,193,598	(20,748,530)	2,193,598	(20,748,530)
Total Cash flows from financing activities	53,113,932	(8,540,390)	53,113,932	(8,540,390)
 Increase in cash and cash equivalent	 (145,073)	 (1,090,891)	 (145,074)	 (1,090,891)
Cash and cash equivalent as at 1 January 2017	6,013,973	7,104,864	6,013,997	7,104,888
Cash and cash equivalent as at 31 December 2017	5,868,900	6,013,973	5,868,923	6,013,997

ECOWAS BANK FOR INVESTMENT AND DEVELOPMENT (EBID)

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS AS AT 31 DECEMBER 2017

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 2017 UA	DEC 2016 UA	DEC 2017 UA	DEC 2016 UA
2. Cash and bank balances				
Cash in hand	10,567	17,078	10,567	17,078
Balances with other banks	5,858,333	5,996,895	5,858,356	5,996,919
	<u>5,868,900</u>	<u>6,013,973</u>	<u>5,868,923</u>	<u>6,013,997</u>
3. Short term funds				
3.1 Fixed deposits	51,587,909	26,249,766	47,837,566	23,486,445
Call deposits	1,287,592	3,356,116	1,287,592	3,356,116
	52,875,501	29,605,882	49,125,158	26,842,561
Provision for doubtful balances	-	(3,552,663)	-	(2,057,790)
	<u>52,875,501</u>	<u>26,053,219</u>	<u>49,125,158</u>	<u>24,784,771</u>
3.2 Short term funds				
- Within the Region	6,631,600	1,204,531	6,631,600	1,204,531
The - Outside the Region	46,243,901	28,401,351	42,493,558	25,638,030
	<u>52,875,501</u>	<u>29,605,882</u>	<u>49,125,158</u>	<u>26,842,561</u>

OWAS BANK FOR INVESTMENT AND DEVELOPMENT (EBID)

TES TO THE CONSOLIDATED FINANCIAL STATEMENTS
AT 31 DECEMBER 2017

	Group		Bank	
	DEC 2017 UA	UA	DEC 2017 UA	DEC 2016 UA
Loan to member states				
Loans signed to member states	857,656,453	879,616,271	857,656,453	879,616,271
Amount not disbursed	(259,127,765)	(265,976,544)	(259,127,765)	(265,976,544)
Amount disbursed	598,528,688	613,639,727	598,528,688	613,639,727
Repayments on principal	(116,816,529)	(155,026,938)	(116,816,529)	(155,026,938)
	481,712,159	458,612,789	481,712,159	458,612,789
Provision for bad and doubtful balances (Note 4.1)	(21,970,994)	(18,390,640)	(21,970,994)	(18,390,640)
	459,741,165	440,222,149	459,741,165	440,222,149
Provision for bad and doubtful balances		-		
At 1 January	18,390,640	19,693,286	18,390,640	19,693,286
Additional provision	3,580,354	2,575,321	3,580,354	2,575,321
Provision no longer required	-	(3,877,967)	-	(3,877,967)
Per profit and Loss				
At 31 December	21,970,994	18,390,640	21,970,994	18,390,640
Analysis of loans				
	Group		Bank	
	DEC 2017 UA	DEC 2016 UA	DEC 2017 UA	DEC 2016 UA
PUBLIC SECTOR				
By maturity				
More than two years but less than three years	3,368,076	3,368,076	3,368,076	3,368,076
More than three years but less than four years	3,933,997	3,608,397	3,933,997	3,608,397
More than four years but less than five years	17,071,185	5,036,905	17,071,185	5,036,905
More than five years	302,611,731	306,563,869	302,611,731	306,563,869
	326,984,989	318,577,247	326,984,989	318,577,247
PRIVATE SECTOR				
By maturity				
More than two years but less than three years	26,778,627	27,346,478	26,778,627	27,346,478
More than three years but less than four years	17,817,101	27,008,947	17,817,101	27,008,947
More than four years but less than five years	33,114,859	22,645,876	33,114,859	22,645,876
More than five years	77,016,583	63,034,241	77,016,583	63,034,241
	154,727,170	140,035,542	154,727,170	140,035,542
TOTAL PUBLIC & PRIVATE SECTOR	481,712,159	458,612,789	481,712,159	458,612,789
<u>BAD AND DOUBTFUL DEBTS (Principal)</u>				
Société Ciments du Golfe	5,255,093	5,255,093	5,255,093	5,255,093
Danadams Pharmaceutical Industry	2,691,336	1,825,492	2,691,336	1,825,492
UCI	507,303	507,303	507,303	507,303
Pride Petroleum SA	1,737,703	1,737,703	1,737,703	1,737,703
Réseau Mobile Intercel Guinée	1,923,027	1,466,447	1,923,027	1,466,447
Nell Stell Senegal	3,284,076	3,284,076	3,284,076	3,284,076
Swap Technologies	6,174,985	4,314,526	6,174,985	4,314,526
CHG Hotel Plage RB	18,071	-	18,071	-
Dopharma Prod Solutés	379,400	-	379,400	-
Provision for bad and doubtful balances	21,970,994	18,390,640	21,970,994	18,390,640

ECOWAS BANK FOR INVESTMENT AND DEVELOPMENT (EBID)

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS AS AT 31 DECEMBER 2017

	Group		Bank	
	DEC 2017 UA	UA	DEC 2017 UA	DEC 2016 UA
4.4 By economic sector				
The distribution of outstanding loans at 31 december 2016 and 2017 were as follows:				
PUBLIC SECTOR				
Power	128,387,521	142,619,265	128,387,521	142,619,265
Communications	23,120,758	25,596,288	23,120,758	25,596,288
Transport	123,790,221	120,157,868	123,790,221	120,157,868
Agriculture and Rural Development	4,545,248	4,686,555	4,545,248	4,686,555
Water Supply and Sanitation	-	-	-	-
Finance & Industry	43,773,165	22,149,195	43,773,165	22,149,195
Multi-sector & Social	3,368,076	3,368,076	3,368,076	3,368,076
	<u>326,984,989</u>	<u>318,577,247</u>	<u>326,984,989</u>	<u>318,577,247</u>
PRIVATE SECTOR				
Power	4,458,552	5,485,869	4,458,552	5,485,869
Communications	31,265,415	31,975,549	31,265,415	31,975,549
Transport	17,549,966	25,282,436	17,549,966	25,282,436
Agriculture and Rural Development	-	-	-	-
Water Supply and Sanitation	-	-	-	-
Finance & Industry	91,811,615	73,428,901	91,811,615	73,428,901
Multi-sector & Social	9,641,622	3,862,787	9,641,622	3,862,787
	<u>154,727,170</u>	<u>140,035,542</u>	<u>154,727,170</u>	<u>140,035,542</u>
TOTAL PUBLIC & PRIVATE SECTOR	<u>481,712,159</u>	<u>458,612,789</u>	<u>481,712,159</u>	<u>458,612,789</u>
5. Inter-institutional accounts				
Executive Secretariat	33,229	31,328	33,229	31,328
Community Computer Centre	72,131	62,931	72,131	62,931
Compensation Fund	265,645	401,165	265,645	401,165
African Biofuels and Renewable Energy Fund	32,681	31,945	32,681	31,945
Ecowas Provident Fund	980,954	769,213	980,954	769,213
	<u>1,384,640</u>	<u>1,296,582</u>	<u>1,384,640</u>	<u>1,296,582</u>

The accounting policies on pages 2 to 5 and the notes on pages 10 to 23 form an integral part of these financial statements. Inter-institutional accounts represent amounts due to the Bank from other Ecowas institutions for transactions concluded on behalf of these institutions.

OWAS BANK FOR INVESTMENT AND DEVELOPMENT (EBID)

TES TO THE CONSOLIDATED FINANCIAL STATEMENTS AT 31 DECEMBER 2017

	Group		Bank	
	DEC 2017 UA	UA	DEC 2017 UA	DEC 2016 UA
Other assets				
Prepayments	5,418	198,302	5,418	198,302
Interest receivable	19,545,106	18,973,678	19,545,106	18,973,678
Accrued interest (Note 6.1)	3,389,037	2,779,216	3,348,235	2,772,191
Dividend receivable - ETI	-	-	-	-
Staff receivables	3,938,414	3,189,394	3,938,414	3,189,394
Commission receivable - Guarantee	-	-	-	-
Stock of consumables	78,166	90,136	78,166	90,136
Assets on order	141,889	5,059,977	141,889	5,059,977
Others	1,203,359	349,990	1,097,920	244,551
	28,301,389	30,640,693	28,155,148	30,528,229
Provision for impairment (Note 6.2)	(10,824,653)	(11,047,994)	(10,824,653)	(11,047,994)
	17,476,736	19,592,699	17,330,495	19,480,235
Accrued interest				
Loans	2,560,196	2,565,909	2,560,196	2,565,909
Deposits	828,841	213,307	788,039	206,282
	3,389,037	2,779,216	3,348,235	2,772,191
<u>BAD AND DOUBTFUL DEBTS (Interest)</u>				
Société Ciments du Golfe	2,200,406	2,200,406	2,200,406	2,200,406
Pride Petroleum SA	940,000	940,000	940,000	940,000
Danadams Pharmaceutical Industry	914,556	457,278	914,556	457,278
UCI	529,321	529,321	529,321	529,321
Réseau Mobile Intercel Guinée	-	-	-	-
Nell Stell Senegal	528,170	528,170	528,170	528,170
ALTEL	-	443,678	-	443,678
SODEHX	157,809	157,809	157,809	157,809
Engineers & Planners	-	842,500	-	842,500
TINAPA	1,475,241	1,080,468	1,475,241	1,080,468
Swap Technologie	3,868,364	3,868,364	3,868,364	3,868,364
Cap Vert 5 Novo Banco	72,459	-	72,459	-
Togo 11 Hotel Sodex Togo	138,327	-	138,327	-
Provision for bad and doubtful balances	10,824,653	11,047,994	10,824,653	11,047,994

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12/31/2017

SYNTHESE DES PROVISIONS SUR PRETS (PRINCIPAL ET INTERETS)

Projets	ENCOURS au 31/12/2016			Provisions comptabilisées au 31/12/2016		Dotations/Reprises provisions complémentaires à comptabiliser au 31/12/2017		Pertes à comptabiliser
	Capital	Intérêts	TOTAL	Capital	Intérêts	Capital		
Benin 16 Société Ciments du Golfe	5,348,657	1,928,411	7,277,068	5,255,093	2,200,406			
Côte d'Ivoire 5 Pride Petroleum SA	1,718,934	1,012,306	2,731,240	1,737,703	940,000			
Ghana 8 Danadams Pharmaceuticals Industry Ltd	4,111,957	453,579	4,565,536	1,825,492	457,278	865,844	457,278	
Nigeria 6 Tinapa free zone	3,368,076	635,514	4,003,590	-	1,080,468	-	394,773	
Ghana 11 Engineers & Planners	13,921,278	2,878,286	16,799,564	-	842,500	456,580	842,500	
Ginee 10 Réseau Mobile Intercel Guinée	4,888,157	-	4,888,157	1,466,447	-	-	-	
Mali 12 ATEL SA	9,215,174	2,300,389	11,515,563	-	443,678	-	443,678	
Nigeria 9 Swap Technologies	10,555,054	3,868,363	14,423,417	4,314,526	3,868,364	1,860,459	138,327	
Togo 11 Sodhex	1,042,982	283,579	1,326,561	-	157,809	-	72,459	
Cap Vert 5 Novo Banco	1,593,398	72,459	1,665,857	-	-	-	-	
Neil Stell Senegal	3,284,076	528,170	3,812,246	3,284,076	528,170	-	-	
UCI	4,371,074	529,321	4,900,395	507,303	529,321	-	-	
Total	63,418,817	14,490,377	77,909,194	18,390,640	11,047,994	3,182,883	223,341	-

Provision collective

Benin 12 CHG hotel plage

Togo 7 Dopharma

Total provision

18,071
379,400

3,580,354 - 223,341

ECOWAS BANK FOR INVESTMENT AND DEVELOPMENT (EBID)

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS AS AT 31 DECEMBER 2017

	Group		Bank	
	DEC 2017 UA	DEC 2016 UA	DEC 2017 UA	DEC 2016 UA
6.3 Provision for doubtful balances				
At 1 January	11,047,994	9,647,421	11,047,994	9,647,421
Provision during the year	1,062,837	4,057,905	1,062,837	4,057,905
Released during the year	(1,286,178)	(2,657,332)	(1,286,178)	(2,657,332)
At 31 December (Note 6.2)	10,824,653	11,047,994	10,824,653	11,047,994
7. Long term investments				
<i>Equity investments:</i>				
<i>Quoted:</i>				
Ecobank Transnational Incorporated (ETI) (Note 7.1)	7,553,817	7,553,817	7,553,817	7,553,817
<i>Unquoted:</i>				
PARTICIPATION IN ECOMARINE CAP	-	1,702,751	-	1,702,751
PARTICIPATION IN AFR.INVEST.BK	-	317,291	-	317,291
PARTICIPATION BNI GESTION	65,237	65,237	65,237	65,237
PARTICIPATION IN SFT	-	-	8,507,861	8,507,861
PARTICIPATION CMTL(ctre mtce tlc)	-	44,714	-	44,714
PARTICIPATION.(SPCAR)	6,793,768	5,370,772	6,793,768	5,370,772
PARTICIPATION FDS BIOCARBURANTS	130,402	130,402	130,402	130,402
PARTICIPATION OIF / FRANCOPHONIE	560,509	560,509	560,509	560,509
PARTICIPATION (FAA) FDS AFR/AGRI	3,181,625	3,147,886	3,181,625	3,147,886
PARTICIPATION LBDI LIBERIA	1,319,015	1,319,015	1,319,015	1,319,015
PARTICIPATION WAEMGF	1,107,270	1,061,400	1,107,270	1,061,400
PARTICIPATION AREF	4,515,323	2,411,665	4,515,323	2,411,665
PARTICIPATION BURKINA BAIL	944,945	944,945	944,945	944,945
PARTICIPATION CRRH-UEMOA	629,955	629,955	629,955	629,955
PARTICIPATION AHL MARIOTT AFRICAN	2,132,499	2,132,499	2,132,499	2,132,499
PARTICIPATION ORAGROUP	3,590,821	-	3,590,821	-
	24,971,369	19,839,041	33,479,230	28,346,902
<i>Debenture</i>				
The accounting policies on pages 2 to 5 and the notes on pages 10 to 23 form an integral part of these financial statements.				
Sénégal debenture	385,144	537,912	385,144	537,912
Togo debenture	3,883,449	3,618,087	3,883,449	3,618,087
Oragroup debenture	(0)	3,592,640	(0)	3,592,640
	4,268,593	7,748,639	4,268,593	7,748,639
Provision for diminution in value (Note 7.2)	36,793,779 (166,631)	35,141,497 (2,606,773)	45,301,640 (166,631)	43,649,358 (2,606,773)
	36,627,148	32,534,724	45,135,009	41,042,585

ECOWAS BANK FOR INVESTMENT AND DEVELOPMENT (EBID)

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS AS AT 31 DECEMBER 2017

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. This represent 0.91%.

	Group		Bank	
	DEC 2017	DEC 2016	DEC 2017	DEC 2016
	UA	UA	UA	UA
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	(2,440,142)	375,386	(2,440,142)	375,386
At 31 December	<u>166,631</u>	<u>2,606,773</u>	<u>166,631</u>	<u>2,606,773</u>

OWAS BANK FOR INVESTMENT AND DEVELOPMENT (EBID)

**ITEMS TO THE CONSOLIDATED FINANCIAL STATEMENTS
AT 31 DECEMBER 2017**

Fixed assets (Cont'd)	Land		buildings		Vehicles		Furniture & fittings offices		Equipment & Office machine		Electric Installations		Furniture & Fittings of residences		IT equipment		Total	
	UA		UA		UA		UA		UA		UA		UA		UA		UA	
Bank																		
Cost																		
At 1 January 2017	1,685,423	16,905,744		784,526		1,286,990		2,437,158		804,984		143,146		1,244,255		25,292,226		
Additions		1,742,056		-		29,829		2,367,816		1,513,760		34,846		30,104		5,718,411		
Revaluations surplus	4,926,322	2,016,510														6,942,832		
Disposals		-				(38,981)		(2,805)		-		(24,241)		-		(66,027)		
At 31 december 2017	6,611,745	20,664,310		784,526		1,277,838		4,802,169		2,318,744		153,751		1,274,359		37,887,442		
Depreciation																		
At 1 January 2017		4,706,826		363,984		1,195,189		2,033,259		786,243		100,191		1,168,572		10,354,264		
Charge for the year		338,124		130,825		38,030		171,602		5,484		14,792		45,778		744,635		
Disposal		-				(34,446)		(2,805)		-		(23,985)		-		(61,236)		
At 31 december 2017	-	5,044,950		494,809		1,198,773		2,202,056		791,727		90,998		1,214,350		11,037,663		
Net book value																		
At 31 december 2017	6,611,745	15,619,360		289,717		79,065		2,600,113		1,527,017		62,753		60,009		26,849,779		
At 31 december 2016	1,685,423	12,198,918		420,542		91,801		403,899		18,741		42,955		75,683		14,937,962		

Diposals

	Group		Bank	
	DEC 2017	DEC 2016	DEC 2017	DEC 2016
Carrying amount	66,027	350,202	66,027	350,202
Accumulated Depreciation	(61,236)	(297,861)	(61,236)	(297,861)
Net Book Value	4,791	52,341	4,791	52,341
Proceeds received	6,564	46,024	6,564	46,024
Profit/loss on disposal	1,773	(6,317)	1,773	(6,317)

Creditors and accruals

	Group		Bank	
	DEC 2017	DEC 2016	DEC 2017	DEC 2016
Managed funds (Note 10.1)	2,284,213	2,436,367	2,284,213	2,436,367
Interest payable	1,626,271	787,999	1,626,271	787,999
Suppliers	561,829	336,815	561,829	336,815
Local taxes (staff)	3	3	3	3
Sundry creditors and provisions	7,224,178	5,806,880	7,223,907	5,806,614

11,696,494 9,368,064 11,696,223 9,367,798

ECOWAS BANK FOR INVESTMENT AND DEVELOPMENT (EBID)

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS AS AT 31 DECEMBER 2017

	Group		Bank	
	DEC 2017 UA	DEC 2016 UA	DEC 2017 UA	DEC 2016 UA
9.1 Managed funds				
Francophonie funds	817,454	898,440	817,454	898,440
WAHO funds	1,466,759	1,537,927	1,466,759	1,537,927
	2,284,213	2,436,367	2,284,213	2,436,367

10. Borrowings

Ligne de crédit indienne \$500 millions	186,032,355	196,506,568	186,032,355	196,506,568
Emp oblig. BIDC 2010-2017	0	10,041,022	0	10,041,022
Emp oblig. BIDC 2014-2021	29,955,651	35,860,794	29,955,651	35,860,794
Emp oblig. BIDC 2017-2027	33,379,154	0	33,379,154	0
Emprunt ligne de crédit Afreximbank	24,952,646	32,632,721	24,952,646	32,632,721
EMPRUNT A COURT TERME BTCI	2,567,627	0	2,567,627	0
EMPRUNT LIGNE DE CREDIT BADEA	3,322,730	2,975,460	3,322,730	2,975,460
	280,210,163	278,016,565	280,210,163	278,016,565

10.1 Maturity profile of borrowings

	Group		Bank	
	DEC 2017 UA	DEC 2016 UA	DEC 2017 UA	DEC 2016 UA
One year or less	2,567,627	39,924,839	2,567,627	39,924,839
More than one year but less than two years	-	-	-	-
More than two years but less than three years	-	-	-	-
More than three years but less than four years	29,955,651	41,947,194	29,955,651	41,947,194
More than four years	-	-	-	-
More than five years	247,686,885	196,144,533	247,686,885	196,144,533
	280,210,163	278,016,565	280,210,163	278,016,565

10.3 Debenture stock (2014 - 2021)

The bank issued a 40,000,000,000 FCFA debenture in February 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 have been capitalized and amortized over the life of the loan.

The accounting policies on pages 2 to 5 and the notes on pages 10 to 23 form an integral part of these financial statements.

10.3 Debenture stock (2017 - 2027)

The bank issued a 26,000,000,000 FCFA debenture in June 2017 at an interest rate of 6.10% for a period of 10 years. The purpose of the loan is to finance the bank's operations. Related transaction costs have been capitalized and amortized over the life of the loan.

**NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS
AS AT 31 DECEMBER 2017**

	Group		Bank	
	DEC 2017	UA	DEC 2017	DEC 2016
	UA	UA	UA	UA
11. Inter-institutional accounts				
Special Fund for Telecommunications	(1)	1	16,727,967	16,374,882
Executive Secretariat Special Envoy	72,824	72,481	72,824	72,481
Compte liaison OIF / BIDC	1,137	2,527	1,137	2,527
FAPA BAD/BIDC ASSISTANCE	41,563	116,813	41,563	116,813
	115,523	191,822	16,843,491	16,566,703

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	(300,000,000)	(300,000,000)	(300,000,000)	(300,000,000)

Subscribed capital	700,000,000	700,000,000	700,000,000	700,000,000
Callable capital	(307,258,669)	(307,258,669)	(307,258,669)	(307,258,669)

Call-up capital:

Call in arrears (Note 12.1)	392,741,331	392,741,331	392,741,331	392,741,331
	(122,646,591)	(173,566,925)	(122,646,591)	(173,566,925)

At 31 December	270,094,740	219,174,406	270,094,740	219,174,406
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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 non regional members. The 70% which is UA 700,000,000 is completely subscribed.

ECOWAS BANK FOR INVESTMENT AND DEVELOPMENT (EBID)

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS AS AT 31 DECEMBER 2017

	Group		Bank	
	DEC 2017 UA	DEC 2016 UA	DEC 2017 UA	DEC 2016 UA
12.1 Call in arrears				
Benin	-	-	-	-
Burkina Faso	-	-	-	-
Cape Verde	2,041,625	2,041,625	2,041,625	2,041,625
Cote d'Ivoire	29,084,506	32,558,527	29,084,506	32,558,527
The Gambia	6,346,590	6,346,590	6,346,590	6,346,590
Ghana	5,551,554	12,535,820	5,551,554	12,535,820
Guinea	-	-	-	-
Guinea Bissau	4,817,318	4,817,318	4,817,318	4,817,318
Liberia	17,844,462	18,879,198	17,844,462	18,879,198
Mali	-	-	-	-
Niger	-	-	-	-
Nigeria	28,556,555	67,410,474	28,556,555	67,410,474
Senegal	16,913,898	16,913,898	16,913,898	16,913,898
Sierra Leone	11,490,083	12,022,198	11,490,083	12,022,198
Togo	-	41,277	-	41,277
	<u>122,646,591</u>	<u>173,566,925</u>	<u>122,646,591</u>	<u>173,566,925</u>

13. Revenue reserve	DEC 2017 UA	DEC 2016 UA	DEC 2017 UA	DEC 2016 UA
At 1 January	25,805,531	23,062,803	24,652,808	21,448,381
Transfer from profit and loss account	3,486,870	2,742,728	1,937,742	3,204,427
At 31 december	<u>29,292,401</u>	<u>25,805,531</u>	<u>26,590,550</u>	<u>24,652,808</u>

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	
	DEC 2017 UA	DEC 2016 UA
The € At 1 January	8,094,919	8,488,218
Arising during the year	1,319,627	(393,299)
At 31 December	<u>9,414,546</u>	<u>8,094,919</u>

ECOWAS BANK FOR INVESTMENT AND DEVELOPMENT (EBID)

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS AS AT 31 DECEMBER 2017

	Group		Bank	
	DEC 2017 UA	UA	DEC 2017 UA	DEC 2016 UA
15. Interest income				
Interest on loans	18,993,533	18,370,256	18,993,533	18,370,256
Interest on delayed payments	441,415	3,161,993	441,415	3,161,993
Interest on fixed deposits	982,310	349,247	654,651	486,190
Interest on current and call accounts	18,713	8,136	18,713	8,136
	<u>20,435,971</u>	<u>21,889,632</u>	<u>20,108,312</u>	<u>22,026,575</u>
16. Interest expense				
Finance charges	<u>10,592,852</u>	<u>9,137,387</u>	<u>10,592,852</u>	<u>9,137,387</u>
17. Fees and commission				
Service charges	31,043	41,578	31,043	41,578
Commitment charges	959,500	980,219	959,500	980,219
Commissions/processing fees	735,351	329,043	735,351	329,043
Commission on guarantees	3,408,706	241,087	3,408,706	241,087
	<u>5,134,600</u>	<u>1,591,927</u>	<u>5,134,600</u>	<u>1,591,927</u>
18. Other income				
Rental income - Dome and Elegbede Hall	-	301	-	301
Rental income	27,859	70,706	27,859	70,706
Dividend income	383,322	22,413	383,322	22,413
Sale of fixed assets	1,773	(6,317)	1,773	(6,317)
Revaluation gain (note 18.1)	6,942,832		6,942,832	
Miscellaneous income	(329,146)	413,403	(329,146)	413,403
	<u>7,026,640</u>	<u>500,506</u>	<u>7,026,640</u>	<u>500,506</u>

During the year 2017, the Bank performed a revaluation exercise on its land and building. The revaluation resulted in a revaluation gain of UA 6 942 832.

The accounting policies on pages 2 to 5 and the notes on pages 10 to 23 form an integral part of these financial statements.

19 Exchange Gain/Loss

Exchange Gain	(25,733,596)	(44,705,819)	(25,733,596)	(44,705,819)
Exchange Loss	26,098,904	44,805,106	25,878,441	44,805,106
Currency Translation Gain	20,154,967	11,353,802	17,834,334	11,353,802
Currency Translation Loss	(24,192,666)	(11,097,568)	(24,192,666)	(10,379,513)
	<u>(3,672,391)</u>	<u>355,521</u>	<u>(6,213,487)</u>	<u>1,073,576</u>

ECOWAS BANK FOR INVESTMENT AND DEVELOPMENT (EBID)

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS AS AT 31 DECEMBER 2017

21. Related party transactions

22.1 Ecobank Transnational Incorporated

The Bank maintains banking relationship with Ecobank Togo, in which it has 0,91 % 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 2017 UA	DEC 2016 UA
Port Autonome d'Abidjan (PAA)	-	-
PALMCI	-	597,680
Société Multinationale de Bitumes (SMB)	-	1,494,200
Total of Obligations guaranteed	-	2,091,880
 Amount not disbursed on Loans signed to member states	 259,127,765	 265,976,544
 Contingent liabilities and other obligations on behalf of customers and customers' liability thereon	 259,127,765	 268,068,424

The accounting policies on pages 2 to 5 and the notes on pages 10 to 23 form an integral part of these financial statements.

ECOWAS BANK FOR INVESTMENT AND DEVELOPMENT (EBID)

AS AT 31 DECEMBER 2017

FOR MANAGEMENT USE ONLY

ECOWAS BANK FOR INVESTMENT AND DEVELOPMENT (EBID)

MANAGEMENT EXPENSES AS AT 31 DECEMBER 2017

	Group		Bank	
	DEC 2017 UA	DEC 2016 UA	DEC 2017 UA	DEC 2016 UA
Staff cost	6,221,347	5,891,132	6,221,347	5,891,132
Official mission	535,363	423,344	535,363	423,344
Conference expenses	421,459	310,574	421,459	310,574
Vehicle maintenance	63,879	58,560	63,879	58,560
Printing and office stationery	45,219	57,864	45,219	57,864
Post and telecommunication	131,966	138,627	131,966	138,627
Publicity and advertisement	55,837	28,089	55,837	28,089
Office repairs and maintenance	864,239	757,008	864,239	757,008
Studies and project evaluation	324,400	482,878	324,400	482,878
General expenses	563,026	760,846	563,026	760,846
Audit fees	122,815	3,243	122,815	3,243
Other operating expenses	74,273	78,543	74,273	78,543
Bad and doubtful debts (loss)	-	2,907,961	-	2,907,961
Provision on Loans Principal + Interest	4,643,191	6,633,226	4,643,191	6,633,226
Depreciation	744,635	854,174	744,635	854,174
	<u>8,590,302</u>	<u>13,494,937</u>	<u>8,590,302</u>	<u>13,494,937</u>
	<u>14,811,649</u>	<u>19,386,069</u>	<u>14,811,649</u>	<u>19,386,069</u>