PKF

Accountants &
business advisers

CRUSADERSTERLING PENSIONS LIMITED

FINANCIAL STATEMENTS
31 DECEMBER 2017

CRUSADERSTERLING PENSIONS LIMITED

FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2017

Contents | **Page**

Corporate information	i
Independent auditor's report	1
Statement of financial position	3
Statement of comprehensive income	4
Statement of changes in equity	5
Statement of cash flows	6
Notes to the financial statements	7
Other national disclosures:	
Statement of value added	23
Financial summary	24
Management information:	
Detailed profit and loss account	25

CRUSADERSTERLING PENSIONS LIMITED

FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2017

Corporate Information

Board of Directors

The names of the Directors who held office during the year and their shareholdings are as follows:

S/N	Names	Designation	Share holdings
1	Wole Oshin	Chairman	Nil
2	Adeniyi Falade	Managing Director/CEO	Nil
3	Yemi Adeola	Director	Nil
4	B.C Molokwu	Director	Nil
5	Tofarati Agusto	Director	Nil
6	Lanre Adesanya	Director	Nil
7	Kunle Omilani	Director	Nil
8	Femi Oyetunji	Director	Nil
9	Richard Asabia	Director	Nil
10	Conrad Ifode	Executive Director	Nil
11	Olufemi Odukoya	Executive Director	Nil

Company Secretary
Custodian Trustees Limited
Custodian House
16, Commercial Avenue
Sabo Yaba, Lagos

Company Auditor
PKF Professional Services
PKF House
205A, Ikorodu Road
Obanikoro, Lagos

Independent Auditor's Report

To the Members of CrusaderSterling Pensions Limited

Opinion

We have audited the financial statements of CrusaderSterling Pensions Limited, which comprise the statement of financial position at 31 December 2017, and the statement of profit or loss and other comprehensive income, statement of changes in equity and statement of cash flows for the year then ended, and notes to the financial statements, including a summary of significant accounting policies.

In our opinion, the accompanying financial statements present fairly, in all material respects, the financial position of the company at 31 December 2017, and its financial performance and its cash flows for the year then ended in accordance with International Financial Reporting Standards (IFRSs) in compliance with the Financial Reporting Council of Nigeria Act, No 6, 2011 and with the requirements of the Companies and Allied Matters Act, CAP C20, LFN 2004.

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 Financial Statements section of our report. We are independent of the company in accordance with the International Ethics Standards Board for Accountants' Code of Ethics for Professional Accountants (IESBA Code) together with the ethical requirements that are relevant to our audit of the financial statements in Nigeria, and we have fulfilled our other ethical responsibilities in accordance with these requirements and the IESBA Code. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Other Information

The directors are responsible for the other information. The other information comprises the Chairman's statement, Directors' Report, Audit Committee's Report, Corporate Governance Report and Company Secretary's Report but does not include the financial statements and our auditor's report thereon.

Our opinion on the financial statements does not cover the other information and we do not express any form of assurance conclusion thereon.

In connection with our audit of the financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the audit, or otherwise appears to be materially misstated.

If, based on the work we have performed on the other information that we obtained prior to the date of this auditor's report, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.

Responsibilities of the Directors and Those Charged with Governance for the Financial Statements

The directors are responsible for the preparation and fair presentation of the financial statements in accordance with International Financial Reporting Standards in compliance with the Financial Reporting Council of Nigeria Act, No 6, 2011 and the requirements of the Companies and Allied Matters Act, CAP C20, LFN 2004, and for such internal control as the directors 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 financial statements, the directors are responsible for assessing the company'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 directors either intend to liquidate the company or to cease operations, or have no realistic alternative but to do so.

Those charged with governance are responsible for overseeing the company's financial reporting process.

Tel: +234 (0) 9030001351 | 9030001352 • Email: lagos@pkf-ng.com | info@pkf-ng.com • Web: www.pkf-ng.com
PKF House • 205A Ikorodu Road • Obanikoro • Lagos. • G.P.O. Box 2047 • Marina • Lagos • Nigeria.

List of Partners and Partner equivalents are available at 205A Ikorodu Road • Obanikoro • Lagos.

Offices in: Abuja • Jos • Kaduna • Kano.

Auditor's Responsibilities for the Audit of the Financial Statements

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

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

- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the company's internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the directors.
- Conclude on the appropriateness of the director'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 company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the company to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

We communicate with the Audit Committee 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.

We also provide the Audit Committee with a statement that we have complied with relevant ethical requirements regarding independence, and to communicate with them all relationships and other matters that may reasonably be thought to bear on our independence, and where applicable, related safeguards.

From the matters communicated with the Audit Committee, we determine those matters that were of most significance in the audit of the financial statements of the current period and are therefore the key audit matters. We describe these matters in our auditor's report unless law or regulation precludes public disclosure about the matter or when, in extremely rare circumstances, we determine that a matter should not be communicated in our report because the adverse consequences of doing so would reasonably be expected to outweigh the public interest benefits of such communication.

Najeeb A. Abdussalaam, FCA
FRC/2013/ICAN/00000000753
For: **PKF Professional Services**
Chartered Accountants
Lagos, Nigeria

INSTITUTE OF CHARTERED ACCOUNTANTS OF NIGERIA
A 1191306

Dated: 25 January 2017

CRUSADERSTERLING PENSIONS LIMITED

STATEMENT OF FINANCIAL POSITION
AT 31 DECEMBER 2017

	Notes	2017 N'000	2016 N'000
Assets			
Cash and cash equivalents	5	250,209	267,376
Investment - Held to maturity	6	3,494,948	2,831,695
Other assets	7	294,245	249,255
Intangible asset	9	67,048	70,797
Property, plant and equipment	8	436,999	438,008
Total assets		4,543,449	3,857,131
Liabilities			
Other payables	10	522,112	386,256
Current tax payable	13.2	295,165	238,945
Deferred tax liability	13.3	55,282	40,331
Total liabilities		872,559	665,532
Equity			
Ordinary share capital	14.2	1,341,206	1,341,206
Share premium	15	13,540	13,540
Statutory contingency reserve	17	622,797	472,354
Revenue reserve		1,693,347	1,364,499
Total equity		3,670,890	3,191,599
Total liabilities and equity		4,543,449	3,857,131

The financial statements were approved by the Board of Directors on **25 January 2018** and signed on its behalf by:

Wole Oshin	**Adeniyi Falade**	**Kolawole Balogun**
Chairman	Managing Director	Financial Controller
FRC/2013/CIIN/00000003054	**FRC/2013/ICAN/00000003357**	**FRC/2013/ICAN/00000003392**

The accompanying notes form an integral part of these financial statements.

CRUSADERSTERLING PENSIONS LIMITED

STATEMENT OF COMPREHENSIVE INCOME
FOR THE YEAR ENDED 31 DECEMBER 2017

	Notes	2017 N'000	2016 N'000
Fee income	12.1	2,585,399	2,084,979
Investment income	12.2	609,181	375,984
Other income	12.3	3,130	4,162
		3,197,710	2,465,125
Administrative expenses		(1,646,797)	(1,274,018)
Profit before tax		1,550,913	1,191,107
Current tax expense	13.1	(332,419)	(274,135)
Deferred tax expense	13.3	(14,951)	511
		1,203,543	917,483
Other comprehensive income		-	-
Total comprehensive income		1,203,543	917,483
Statutory reserve	17	(150,443)	(114,686)
Profit attributable to owners of equity		1,053,100	802,797
Basic earnings per share (EPS) Kobo	20	89.74	68.41

CRUSADERSTERLING PENSIONS LIMITED

STATEMENT OF CHANGES IN EQUITY
FOR THE YEAR ENDED 31 DECEMBER 2017

	Issued share capital N	Share premium N	Statutory contingency reserves N	Retained earnings N	Total equity N
At 31 December 2015	1,341,206	13,540	357,668	1,178,657	2,891,071
Changes in equity for 2016					
Profit for the year	-	-	-	917,483	917,483
Total comprehensive income for the year				917,483	917,483
Statutory contingency provision for the year	-	-	114,686	(114,686)	
Dividend paid during the year	-	-		(616,955)	(616,955)
Contributions by and to owners of the business	-	-	114,686	(731,641)	(616,955)
At 31 December 2016	1,341,206	13,540	472,354	1,364,499	3,191,599

	Issued share capital N	Share premium N	Statutory contingency reserves N	Retained earnings N	Total equity N
At 31 December 2016	1,341,206	13,540	472,354	1,364,499	3,191,599
Changes in equity for 2016					
Profit for the year	-	-	-	1,203,543	1,203,543
Total comprehensive income for the year	-	-	-	1,203,543	1,203,543
Statutory contingency provision for the year	-	-	150,443	(150,443)	-
Dividend paid during the year	-	-	-	(724,252)	(724,252)
Contributions by and to owners of the business	-	-	150,443	(874,695)	(724,252)
At 31 December 2017	1,341,206	13,540	622,797	1,693,347	3,670,890

CRUSADERSTERLING PENSIONS LIMITED

STATEMENT OF CASH FLOWS
FOR THE YEAR ENDED 31 DECEMBER 2017

	Notes	2017 N'000	2016 N'000
Cash flows from operating activities			
Income received		**2,541,656**	2,065,619
Payments to employees and suppliers		**(1,432,949)**	(1,059,566)
Income tax paid		**(276,199)**	(322,631)
Net cash from operating activities	21	**832,508**	683,422
Cash flows from investing activities			
Purchase of property, plant and equipment	8	**(59,391)**	(54,507)
Proceeds from disposal of property, plant and equipment		**1,883**	11,945
Investment - Held to maturity		**(663,134)**	(395,828)
Purchase of Intangible assets	9	**(13,961)**	(60,100)
Interest received		**609,181**	376,075
Net cash (used in) / from activities		**(125,423)**	(122,415)
Cash flows from financing activities			
Dividend paid in the year		**(724,252)**	(616,955)
Net cash used in financing activities		**(724,252)**	(616,955)
Net increase in cash and cash equivalents		**(17,167)**	(55,948)
Cash and cash equivalents at 1 January		**267,376**	323,324
Cash and cash equivalents at 31 December	5	**250,209**	267,376

1. The Company

1.1 Legal form
Crusadersterling Pensions Limited was incorporated on 12 October, 2004.

1.2 Principal activities
The principal activities of the company is the business of pension fund management and administration.

2. Basis of Preparation

2.1 This financial statements have been prepared in accordance with the International Financial Reporting Standards (IFRSs) as issued by the International Accounting Standard Board (IASB). Additional information required by local regulators is included where appropriate.

2.1.1 Functional and presentation currency
The financial statements are presented in Naira, which is the Company's presentational currency. The financial statements are presented in the currency of the primary economic environment in which the Company operates (its functional currency). For the purpose of the financial statements, the results and financial position are expressed in Naira, which is the functional currency of the Company, and the presentational currency for the financial statements.

2.2 Summary of Standards and Interpretations effective for the first time

a Amendments to IFRS 12 Disclosure of Interests in Other Entities

This amendment clarifies the scope of the standard by specifying that the dis-clo-sure re-quire-ments in the standard, except for those in para-graphs B10–B16, apply to an entity's interests listed in paragraph 5 that are clas-si-fied as held for sale, as held for distribution or as discontinued operations in accordance with IFRS 5 Non-current Assets Held for Sale and Discontinued Operations

b Amendments to IFRS for SMEs

Three amendments are however of larger impact:
- The standard now allows an option to use the revaluation model for property, plant and equipment as not allowing this option has been identified as the single biggest impediment to adoption of the IFRS for SMEs in some jurisdictions in which SMEs commonly revalue their property, plant and equipment and/or are required by law to revalue property, plant and equipment;
- The main recognition and measurement requirements for deferred income tax have been aligned with current requirements in IAS 12 Income Taxes (in developing the IFRS for SMEs, the IASB had already anticipated finalization of its proposed changes to IAS 12, however, these changes were never finalized); and
- The main recognition and measurement requirements for exploration and evaluation assets have been aligned with IFRS 6 Exploration for and Evaluation of Mineral Resources to ensure that the IFRS for SMEs provides the same relief as full IFRSs for these activities.

c Amendments to IAS 7 Statement of Cash Flows

This amendment to IAS7 clarify that entities shall provide disclosures that enable users of financial statements to evaluate changes in liabilities arising from financing activities

d Amendments to IAS 12 Income Taxes

Amends to recog-ni-tion of deferred tax assets for unrealized losses, IAS 12 Income Taxes clarify the following aspects:
- Unrealized losses on debt instruments measured at fair value and measured at cost for tax purposes give rise to a deductible temporary difference regardless of whether the debt instrument's holder expects to recover the carrying amount of the debt instrument by sale or by use.
- The carrying amount of an asset does not limit the estimation of probable future taxable profits.
- Estimates for future taxable profits exclude tax deductions resulting from the reversal of deductible temporary differences.
- An entity assesses a deferred tax asset in combination with other deferred tax assets. Where tax law restricts the utilization of tax losses, an entity would assess a deferred tax asset in combination with other deferred tax assets of the same type.

2.3 Standards and interpretations issued/amended but not yet effective.

At the date of authorisation of these financial statements the following standards, amendments to existing standards and interpretations were in issue, but not yet effective: This includes:

2.3.1 Amendments effective from annual periods beginning on or after 1 January 2018

a Amendments to IFRS 2 Share-based Payment

Amends IFRS 2 Share-based Payment to clarify the standard in relation to the accounting for cash settled share-based payment transactions that include a performance condition, the classification of share-based payment transactions with net settlement features, and the accounting for modifications of share-based payment transactions from cash-settled to equity-settled.

b Amendments to IFRS 4 Insurance Contracts

Amends IFRS 4 Insurance Contracts provide two options for entities that issue insurance contracts within the scope of IFRS 4:

- An option that permits entities to reclassify, from profit or loss to other comprehensive income, some of the income or expenses arising from designated financial assets; this is the so called overlay approach;
- An optional temporary exemption from applying IFRS 9 for entities whose pre-dom-i-nant activity is issuing contracts within the scope of IFRS 4; this is the so-called deferral approach.

The application of both approaches is optional and an entity is permitted to stop applying them before the new insurance contracts standard is applied.

c Amendments to IFRS 15 'Revenue from Contracts with Customers

IFRS 15 provides a single, principles based five step model to be applied to all contracts with customers. The five steps in the model are as follows:

- Identify the contract with the customer
- Identify the performance obligations in the contract
- Determine the transaction price
- Allocate the transaction price to the performance obligations in the contracts
- Recognize revenue when (or as) the entity satisfies a performance obligation.

Guidance is provided on topics such as the point in which revenue is recognized, accounting for variable consideration, costs of fulfilling and obtaining a contract and various related matters. New disclosures about revenue are also introduced.

Amends IFRS 15 Revenue from Contracts with Customers also clarify three aspects of the standard (identifying performance obligations, principal versus agent considerations, and licensing) and to provide some transition relief for modified contracts and completed contracts

d Amendments to IFRS 9 Financial Instruments

A finalized version of IFRS 9 which contains accounting requirements for financial instruments, replacing IAS 39 Financial Instruments: Recognition and Measurement. The standard contains requirements in the following areas:

- Classification and measurement. Financial assets are classified by reference to the business model within which they are held and their contractual cash flow characteristics. The 2014 version of IFRS 9 introduces a 'fair value through other comprehensive income' category for certain debt instruments. Financial liabilities are classified in a similar manner to under IAS 39; however there are differences in the requirements applying to the measurement of an entity's own credit risk;
- Impairment. The 2014 version of IFRS 9 introduces an 'expected credit loss' model for the measurement of the impairment of financial assets, so it is no longer necessary for a credit event to have occurred before a credit loss is recognized;
- Hedge accounting. Introduces a new hedge accounting model that is designed to be more closely aligned with how entities undertake risk management activities when hedging financial and non-financial risk
- Derecognition. The requirements for derecognition of financial assets and liabilities are carried forward from IAS 39.

e Amendments to IAS 40 Investment Property

Amends paragraph 57 to state that an entity shall transfer a property to, or from, investment property when, and only when, there is evidence of a change in use. A change of use occurs if property meets, or ceases to meet, the definition of investment property. A change in management's intentions for the use of a property by itself does not constitute evidence of a change in use. The list of examples of evidence in paragraph 57(a) – (d) is now presented as a non-exhaustive list of examples instead of the previous exhaustive list.

f Amendments to IFRS 1 First-time Adoption of International Financial Reporting Standards

Amendments' resulting from Annual Improvements 2014–2016 Cycle, the amendment deletes the short-term exemptions in paragraphs E3–E7 of IFRS 1, because they have now served their intended purpose.

g Amendments to IAS 28 Investments in Associates and Joint Ventures

This amendment Clarifies that the election to measure at fair value through profit or loss an investment in an associate or a joint venture that is held by an entity that is a venture capital organization, or other qualifying entity, is available for each investment in an associate or joint venture on an investment by investment basis, upon initial recognition.

2.3.2 Amendments effective from annual periods beginning on or after 1 January 2019

a IFRS 16 'Leases'

Effective for an annual periods beginning on or after 1 January 2019

- New standard that introduces a single lessee accounting model and requires a lessee to recognise assets and liabilities for all leases with a term of more than 12 months, unless the underlying asset is of low value. A lessee is required to recognise a right-of-use asset representing its right to use the underlying leased asset and a lease liability representing its obligation to make lease payments. A lessee measures right-of-use assets similarly to other non-financial assets (such as property, plant and equipment) and lease liabilities similarly to other financial liabilities. As a consequence, a lessee recognises depreciation of the right-of-use asset and interest on the lease liability, and also classifies cash repayments of the lease liability into a principal portion and an interest portion and presents them in the statement of cash flows applying IAS 7 Statement of Cash Flows;
- IFRS 16 contains expanded disclosure requirements for lessees. Lessees will need to apply judgement in deciding upon the information to disclose to meet the objective of providing a basis for users of financial statements to assess the effect that lease;
- IFRS 16 substantially carries forward the lessor accounting requirements in IAS 17. Accordingly, a lessor continues to classify its leases as operating leases or finance leases, and to account for those two types of leases differently;
- IFRS 16 also requires enhanced disclosures to be provided by lessors that will improve information disclosed about a lessor's risk exposure, particularly to residual value risk;
- IFRS 16 supersedes the following Standards and Interpretations:
  a) IAS 17 Leases;
  b) IFRIC 4 Determining whether an Arrangement contains a Lease;
  c) SIC-15 Operating Leases—Incentives; and
  d) SIC-27 Evaluating the Substance of Transactions Involving the Legal Form of a Lease.

2.3.4 New standards, amendments and interpretations issued but without an effective date

At the date of authorisation of these financial statements the following standards, amendments to existing standards and interpretations were in issue, but without an effective: This includes:

a Amendments to IFRS 9 Financial Instruments

IFRS 9 introduces new requirements for classifying and measuring financial assets, as follows:

- Debt instruments meeting both a 'business model' test and a 'cash flow characteristics' test are measured at amortised cost (the use of fair value is optional in some limited circumstances);
- Investments in equity instruments can be designated as 'fair value through other comprehensive income' with only dividends being recognized in profit or loss;
- All other instruments (including all derivatives) are measured at fair value with changes recognized in the profit or loss;
- The concept of 'embedded derivatives' does not apply to financial assets within the scope of the Standard and the entire instrument must be classified and measured in accordance with the above guidelines.

Also a revised version of IFRS 9 incorporating requirements for the classification and measurement of financial liabilities, and carrying over the existing derecognition requirements from IAS 39 Financial Instruments: Recognition and Measurement.
The revised financial liability provisions maintain the existing amortised cost measurement basis for most liabilities. New requirements apply where an entity chooses to measure a liability at fair value through profit or loss in these cases, the portion of the change in fair value related to changes in the entity's own credit risk is presented in other comprehensive income rather than within profit or loss.

b Amendments to IFRS 10 and IAS 28 Consolidated Financial Statements and Investments in Associates and Joint Ventures

Amends IFRS 10 Consolidated Financial Statements and IAS 28 Investments in Associ-ates and Joint Ventures (2011) to clarify the treatment of the sale or contribution of assets from an investor to its associate or joint venture, as follows:

- Require full recognition in the investor's financial statements of gains and losses arising on the sale or contribution of assets that constitute a business (as defined in IFRS 3 Business Combinations);
- Require the partial recognition of gains and losses where the assets do not constitute a business, i.e. a gain or loss is recognized only to the extent of the unrelated investors' interests in that associate or joint venture.

These requirements apply regardless of the legal form of the transaction, e.g. whether the sale or contribution of assets occurs by an investor transferring shares in a subsidiary that holds the assets (resulting in loss of control of the subsidiary), or by the direct sale of the assets themselves.

3. Summary of significant policies

The significant accounting policies set out below have been applied consistently to all periods presented in these financial statements unless otherwise indicated.

3.1 Property, plant and equipment

All property, plant and equipment assets are stated at cost less accumulated depreciation less accumulated impairment losses,if any. Historical cost includes expenditure that is directly attributable to the acquisition of the items.

When the carrying amount of an asset is greater that its estimated recoverable amount, it is written down immediately to its recoverable amount.

3.1.1 Subsequent costs

Cost arising subsequent to the acquisition of an asset 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 Company and the cost of the item can be measured reliably. All other repairs and maintenance are charged to the income statement during the financial year in which they are incurred.

3.1.2 De-recognition

An item of property,plant and equipment is derecognised on disposal or when no future economic, benefits are expected from its use.Any gain or loss arising on de-recognition of the asset (calculated as the difference between the net disposal proceeds and the carrying amount of the asset) is included in income statement in the year the asset is derecognised.

3.1.3 Depreciation of property, plant and equipment

Depreciation is calculated on a straight-line basis to write -off assets over their estimated useful lives.Depreciation starts when an asset is ready for use and ends when derecognised or classified as held for sale. Depreciation does not cease when the asset becomes idle or retired from use unless the asset is fully depreciated.

The estimated useful lives used are as follows:

Vehicles	25%
Furniture, fittings and equipment	20%
Office Equipment	20%
Computer Equipment	33.3%
Office Partitioning	50%
Building	2%

The assets' residual values and useful lives are reviewed at the end of each reporting period and adjusted if appropriate. An asset's carrying amount is written down immediately to its recoverable amount if the asset's carrying amount is greater than its estimated recoverable amount.

When revalued assets are sold, the amounts included in the revaluation surplus are transferred to retained earnings.

3.2 Intangible assets acquired separately

Intangible assets acquired separately are shown at historical cost less accumulated amortization and impairment losses.

Amortization is charged to income statement on a straight-line basis over the estimated useful lives of the intangible asset unless such lives are indefinite. These charges are included in other expenses in income statement. Intangible assets with an indefinite useful life are tested for impairment annually. Amortization periods and methods are reviewed annually and adjusted if appropriate.

3.3 Impairment of non-financial assets

The entity assesses annually whether there is any indication that any of its assets have been impaired. If such indication exists, the asset's recoverable amount is estimated and compared to its carrying value. Where it is impossible to estimate the recoverable amount of an individual asset, the Company estimates the recoverable amount of the smallest cash-generating unit to which the asset is allocated. If the recoverable amount of an asset (or cash-generating unit) is estimated to be less than its carrying amount an impairment loss is recognized immediately in income statement, unless the asset is carried at a revalued amount, in which case the impairment loss is recognized as revaluation decrease.

3.4 Receivables

Trade/other receivables are stated at their original invoiced value, as the interest that would be recognized from discounting future cash receipts over the short credit period is not considered to be material. These receivables are reduced by appropriate allowances for estimated irrecoverable amounts. Interest on overdue trade receivables is recognized as it accrues.

3.5 Payables

Trade/other payables are stated at their original invoiced value, as the interest that would be recognised from discounting future cash payments over the short payment period is not considered to be material.

3.6 Cash and cash equivalents

Cash equivalents comprise short-term, highly liquid investments that are readily convertible into known amounts of cash and which are subject to an insignificant risk of changes in value. An investment with a maturity of three months or less is normally classified as being short-term for the purpose of statement of cashflows, cash and cash equivalents are reported net of bank overdraft.

3.7 Interest-bearing borrowings

Interest-bearing borrowings are stated at amortised cost using the effective interest rate method. The effective interest rate method is a method of calculating the amortised cost of a financial liability and of allocating interest expense over the relevant period. The effective interest rate is the rate that exactly discounts estimated future cash payments through the expected life of the financial liability.

3.8 Equity instruments

Equity instruments issued by the entity are recorded at the value of proceeds received, net of costs directly attributable to the issue of the instruments. Shares are classified as equity when there is no obligation to transfer cash or other assets. Incremental costs directly attributable to the issue of equity instruments are shown in equity as a deduction from the proceeds, net of tax.

Where any Company purchases the Company's equity share capital (treasury shares), the consideration paid, including any directly attributable incremental costs (net of income taxes), is deducted from equity attributable to the Company's equity holders. Where such shares are subsequently sold, reissued or otherwise disposed of, any consideration received is included in equity attributable to the Company's equity holders, net of any directly attributable incremental transaction costs and the related income tax effects.

3.9 Compound instruments

At the issue date the fair value of the liability component of a compound instrument is estimated using the market interest rate for a similar non-convertible instrument. This amount is recorded as a liability at amortised cost using the effective interest rate method until extinguished upon conversion or at the instruments redemption date. The equity component is determined as the difference of the amount of the liability component from the fair value of the instrument. This is recognised in equity, net of income tax effects, and is not subsequently re-measured.

3.10 Retirement benefits

Define contribution plan

The Company runs a defined contribution plan. A defined contribution plan is a pension plan under which the Company pays into a separate entity a fixed contribution of 10% and 8% contributed by the Company and staff respectively based on basic salary, transport and housing allowances. The Company has no legal or constructive obligations to pay further contributions if the fund does not hold sufficient assets to pay all employees the benefits relating to employee service in the current and prior periods.

Under the defined contribution plans, the Company pays contributions to approved pension administrators on a mandatory and or voluntary basis. The Company has no further payment obligations once the contributions have been paid. The contributions are recognised as employee benefit expenses when they are due. Prepaid contributions are recognised as an asset to the extent that a cash refund or a reduction in the future payments is available.

3.11 Revenue recognition

Fees and commission income

This represents administration and management fees received and receivable on members' contributions and the net asset value of funds under management respectively. All fees and commission income are recognized as services are provided.

Investment return

Investment return comprises of dividend, interest movement in amortized cost on debt securities and other loan and receivables, realized gains and losses, and unrealized gains and losses on fair value assets.

The realized gains or losses on the disposal of an investment is the difference between proceeds received, net of transaction costs and its original or amortised costs as appropriate.

Interest income

Interest income is accrued on a time basis, by reference to the principal outstanding and at the effective interest rate applicable, which is the rate that exactly discounts estimated future cash receipts through the expected life of the financial asset to the assets carrying amount.

3.12 Taxation

The tax expense for the year comprises current and deferred tax. Tax is recognised in the income statement, except to the extent that it relates to items recognised in other comprehensive income or directly in equity. In this case, the tax is also recognised in other comprehensive income or directly in equity, respectively.

3.12.1 Current income tax

The current income tax charge is calculated on the basis of the tax laws enacted or substantively enacted at the end of the reporting period in the countries where the company's subsidiaries and associates operate and generate taxable income. Management periodically evaluates positions taken in tax returns with respect to situations in which applicable tax regulation is subject to interpretation and establishes provisions where appropriate.

3.12.2 Deferred income tax

Deferred income tax is recognised, using the liability method, on temporary differences arising between the tax bases of assets and liabilities and their carrying amounts in the financial statements. However, if the deferred income tax arises from initial recognition of an asset or liability in a transaction other than a business combination that at the time of the transaction affects neither accounting nor taxable profit/(loss), it is not accounted for. Deferred income tax is determined using tax rates (and laws) that have been enacted or substantively enacted by the end of the reporting period and are expected to apply when the related deferred income tax asset is realised or the deferred income tax liability is settled.

Deferred income tax assets are recognised to the extent that it is probable that future taxable profit will be available against which the temporary differences can be utilised.

Deferred income tax is provided on temporary differences arising on investments in subsidiaries and associates, except where the Company controls the timing of the reversal of the temporary difference and it is probable that the temporary difference will not reverse in the foreseeable future.

Deferred income tax assets and liabilities are offset when there is a legally enforceable right to offset current tax assets against current tax liabilities and when the deferred income taxes assets and liabilities relate to income taxes levied by the same taxation authority on either the taxable entity or different taxable entities where there is an intention to settle the balances on a net basis.

The tax effects of carry-forwards of unused losses or unused tax credits are recognised as an asset when it is probable that future taxable profits will be available against which these losses can be utilised.

Deferred tax related to fair value re-measurement of available-for-sale investments and cash flow hedges, which are charged or credited directly in other comprehensive income, is also credited or charged directly to other comprehensive income and subsequently recognised in the income statement together with the deferred gain or loss.

3.13 Provisions

Provisions are recognized when the company has a present obligation (legal or constructive) as a result of a past event, it is probable that the company will be required to settle the obligation, and a reliable estimate can be made of the amount of the obligation. The amount recognized as a provision is the best estimate of the consideration required to settle the present obligation at the end of the reporting period, taking into account the risks and uncertainties surrounding the obligation.

3.14 Foreign currency transactions

Transactions in foreign currencies are recorded in Naira at the rates of exchange prevailing at the dates of the transactions. Monetary items denominated in foreign currencies are retranslated at the exchange rates applying at the reporting date. Nonmonetary items carried at fair value that are denominated in foreign currencies are retranslated at the rates prevailing at the date when the fair value was determined.

Non-monetary items that are measured in terms of historical cost in a foreign currency are not retranslated. Exchange differences are recognized in Income Statement in the period in which they arise except for:

Exchange differences on foreign currency borrowings which are regarded as an adjustments to interest costs, where those interest costs qualify for capitalization to assets under construction.

Exchange differences on loans to or from a foreign operation for which settlement is neither planned nor likely to occur and therefore forms part of the net investment in the foreign operation, which are recognized initially in other comprehensive income and reclassified from equity to profit or loss on disposal or partial disposal of the net investment.

3.15 Risk Management Framework

The principal significant risks are assessed and mitigated under three broad headings:

Strategic risks – This specifically focused on the economic environment, the products offered and market. The strategic risks arose from a Company's ability to make appropriate decisions or implement appropriate business plans, strategies, decision making , resource allocation and its inablity to adapt to changes in its business environment.

Operational risks – These are risks associated with inadequate or failed internal processes, people and systems, or from external events.

Financial risks – Risk associated with the financial operation of the company, including capital management, investments, liquidity and credit.

The board of directors approves the company's risk management policies and meets regularly to approve any commercial, regulatory and organizational requirements of such policies. These policies define the company's identification of risk and its interpretation, limit structure to ensure the appropriate quality and diversification of assets, align investment strategy to the corporate goals, and specify reporting requirements.

3.15.1 Strategic risks

Capital Management Policies, Objectives and Approach

The following capital management objectives, policies and approach to managing the risks which affect its capital position are adopted by the Company:

- To maintain the required level of financial stability thereby providing a degree of security to stakeholders.
- To allocate capital efficiently and support the development of business by ensuring that returns on capital employed meet the requirements of its capital providers and of its shareholders.
- To retain financial flexibility by maintaining strong liquidity and access to a range of capital markets
- To align the profile of assets and liabilities taking account of risks inherent in the business.
- To maintain financial strength to support new business growth and to satisfy the requirements of the contributors, regulators and stakeholders.

CrusaderSterling's operations are also subject to regulatory requirements within Nigeria in which it operates. In addition annual returns must be submitted to PENCOM on a regular basis.

Approach to capital management

The Company seeks to optimise the structure and sources of capital to ensure that it consistently maximises returns to the shareholders and customers.

The Company's approach to managing capital involves managing assets, liabilities and risks in a coordinated way, assessing shortfalls between reported and required capital level on a regular basis.

The Company's primary source of capital used is equity shareholders' funds.

3.15.2 Operational risks

Operational risk is the risk of direct or indirect loss arising from a wide variety of causes associated with the company's processes, personnel, technology and infrastructure, and from external factors other than credit, market and liquidity risks such as those arising from legal and regulatory requirements and generally accepted standards of corporate behaviour. Operational risks arise from all of the company's operations.

The Company's objective is to manage operational risk so as to balance the avoidance of financial losses and damage to the company's reputation with overall cost effectiveness and to avoid control procedures that restrict initiative and creativity.

The primary responsibility for the development and implementation of controls to address operational risk is assigned to senior management within each unit. This responsibility is supported by the development of operational standards for the management of operational risk in the following areas:

- requirments for appropriate segregation of duties , including independent authorisation of transactions.
- requirements for the reconciliation and monitoing of transactions
- compliance with regulatory and other legal requirements
- documentataion of controls and procedures
- training and professional development
- Ethical and business standards

3.15.3 Financial risks

The Company has exposure to the following risks from financial instruments:

- Liquidity risks;
- Market risks.

3.15.4 Liquidity risks

Liquidity risk is the risk that an entity will encounter difficulty in meeting obligations associated with financial instruments.

The Company employs policies and procedures to mitigate it's exposure to liquidity risk:

3.15.5 Market risks

Market risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in market prices. Market risk comprises three types of risk: foreign exchange rates (currency risk), market interest rates (interest rate risk) and market prices (price risk).

Currency risk
Currency risk is the risk that the fair value of future cash flows of a financial instrument will fluctuate because of changes in foreign exchange rates.

The Company's principal transactions are carried out in Naira and its financial assets are primarily denominated in the Naira and its exposure to foreign exchange risk is minimal.

3.15.6 Fair value determination
Fair value is the amount at which an asset or liability is exchanged between knowlegeable willing parties in an arms length transaction.
The carrying values of the Company's financial assets and liabilities are a reasonable approximation of fair values as at the applicable reporting periods.
Fair values of equity securities with active markets were derived with reference with their markets prices as at the reporting period.

4. Critical judgement in applying the company's accounting policies
The company makes estimate and assumption about the future that affects the reported amounts of assets and liabilities. Estimates and judgement are continually evaluated and based on historical experience and other factors, including expectation of future events that are believed to be reasonable under the circumstances. In the future, actual experience may differ from these estimates and assumption. The effect of a change in an accounting estimate is recognized prospectively by including it in the comprehensive income in the period of the change, if the change affects that period only, or in the period of change and future period, if the change affects both the estimates and assumptions that have a significant risks of causing material adjustment to the carrying amount of asset and liabilities within the next financial are discussed below:

a. Depreciation and residual value of property and equipment
The estimation of the useful lives of assets is based on management's judgement. Any material adjustment to the estimated useful lives of items of property and equipment will have an impact on the carrying value of these items.

b. Determination of impairment of non-financial assets
Management is required to make judgements concerning the cause, timing and amount of impairment. In the identification of impairment indicators, management considers the impact of changes in current competitive conditions, cost of capital, availability of funding, technological obsolescence, discontinuance of services and other circumstances that could indicate that impariment exist.

	2017 N'000	2016 N'000
5. Cash and cash equivalents		
Cash in hand	**108**	61
Bank balance	**35,902**	48,836
Placements with bank	**199,246**	210,998
Deposit with custodian	**14,953**	7,481
	250,209	267,376
6. Investment - Held to maturity		
Treasury bills	**2,794,051**	1,917,182
Bonds	**700,897**	914,513
	3,494,948	2,831,695

This amount represents investment in Treasury bills and Bonds that the management intends to keep till maturity and are carried at their amortised cost.

	2017 N'000	2016 N'000
7. Other assets		
Account receivables (Note 7.1)	**276,606**	226,007
Prepayments	**14,849**	22,800
Other receivables	**2,790**	448
	294,245	249,255
7.1 Account receivables		
Management fees receivable	**270,208**	220,290
Admin fees receivable	**7,193**	9,548
Other receivables	**5,984**	2,948
	283,385	232,786
Impairment (Note 7.2)	**(6,779)**	(6,779)
	276,606	226,007
7.2 Reconciliation of impairment		
At 1 January	**(6,779)**	(6,779)
Write back during the year	**-**	-
At 31 December	**(6,779)**	(6,779)

8. Property, plant and equipment

	Land N'000	Building N'000	Furniture and fixtures N'000	Computer equipment N'000	Office partitioning N'000	Motor vehicles N'000	Office equipment N'000	Total N'000
Cost								
At 1 January	168,426	176,935	50,014	235,432	21,894	139,030	33,003	824,734
Additions in the year	-	-	3,733	7,433	-	46,654	1,571	59,391
Disposals	-	-	-	-	-	(8,933)	-	(8,933)
At 31 December	168,426	176,935	53,747	242,865	21,894	176,751	34,574	875,192
Depreciation								
At 1 January	-	10,113	41,377	215,138	21,496	79,823	18,897	386,844
Charge for the year	-	3,539	4,484	11,377	253	36,381	4,247	60,282
Disposals	-	-	-	-	-	(8,933)	-	(8,933)
	-	13,652	45,861	226,515	21,749	107,271	23,144	438,193
Carrying amount								
At 31 December 2017	**168,426**	**163,283**	**7,887**	**16,350**	**145**	**69,480**	**11,430**	**436,999**
At 31 December 2016	168,426	170,361	11,389	20,670	35	64,252	11,666	437,890

Notes

None of the assets of the company was impaired during the year and none of the assets of the Company were pledged as collateral for bank loans.

		2017 N'000	2016 N'000
9.	**Intangible costs**		
	Software		
	Cost		
	At 1 January	**124,230**	64,130
	Additions in the year	**13,961**	60,100
	At 31 December	**138,191**	124,230
	Amortisation		
	At 1 January	**53,433**	41,928
	Charge for the year	**17,711**	11,505
		71,144	53,433
	Carrying amount		
	At 31 December	**67,048**	70,797
10.	**Other payables**		
	Sundry creditors	**13,631**	63,640
	Accruals	**267,744**	278,818
	Pension protection fund (Note 10.1)	**212,008**	17,885
	Value added tax (Note 10.2)	**12,936**	13,710
	Information technology levy (Note 10.3)	**15,793**	12,203
		522,112	386,256

10.1 Pension protection fund

Included in accruals is a sum of N212 million in respect of accrued Pension Protection Fund (PPF) amounts yet to be remitted to the National Pension Commission (PENCOM). The amount represents 3% of the total management fees earned by the Company from 2015 to 2017. The accrual was in compliance with PENCOM Circular - PENCOM/FIN/FP/2016/41 which was in response to section 82(1) of the Pension Act 2014, that mandated the Commision to establish the PPF.

		2017 N'000	2016 N'000
10.2	**Value Added Tax**		
	At 1 January	**13,710**	24,904
	VAT output	**135,846**	104,316
	Remittances in the year	**(136,620)**	(115,510)
	At 31 December	**12,936**	13,710
10.3	**Information technology development levy**		
	At 1 January	**12,203**	11,057
	Provisions in the year	**15,502**	11,903
	Payment in the year	**(11,912)**	(10,757)
	At 31 December	**15,793**	**12,203**

Section 12 (2a) of the the Nigerian Information Technology Development Agency (NITDA) Act stipulates that, specified companies contribute 1% of their profit before tax to the Nigerian Information Technology Development Agency. In line with the Act, the Company has provided for NITDA levy at the specified rate.

		2017 N'000	2016 N'000
11.	**Post employment benefits**		
	Defined contribution plan		
	At the beginning of the year	-	-
	Provisions in the year	**81,708**	81,708
	Remittance during the year	**(81,708)**	(81,708)
	At the end of the year	-	-
12.	**Income**		
12.1	**Fee income**		
	Management fees - RSA	**2,233,827**	1,812,652
	Management fees - Retirees	**182,454**	112,538
	Management fees - Legacy Companies	**58,811**	47,745
	Administrative fees - RSA	**110,307**	112,044
	Total fee income	**2,585,399**	**2,084,979**

Fee income are approved and reviewed from time to time by the National Pension Commission (PENCOM).

		2017 N'000	2016 N'000
12.2	**Investment income**		
	Income on fixed deposit	43,021	17,774
	Income on treasury bills	460,276	283,586
	Income on treasury bonds	105,457	74,138
	Interest on statutory reserves deposits	427	486
		609,181	375,984
12.3	**Other income**		
	Other income	-	167
	Other fee	**1,150**	850
	Profit on disposal of property, plant & equipments	**1,883**	3,054
	Miscellaneous income	**97**	91
		3,130	4,162
13.	**Taxation**		
13.1	**Income statement**		
	Income tax for the year	**310,330**	255,817
	Education tax for the year	**22,089**	18,318
		332,419	274,135
	Deferred tax for the year (Note 13.3)	**14,951**	(511)
		347,370	273,624

The charge for income tax in these financial statements is based on the provisions of the Companies Income Tax Act, CAP C21 LFN 2004 as amended. The charge for education tax is based on the provisions of the Education Tax Act, CAP E4 LFN 2004.

		2017 N'000	2016 N'000
13.2	**Statement of financial position**		
	At 1 January	**238,945**	287,441
	Income tax for the year	**310,330**	255,817
	Education tax for the year	**22,089**	18,318
	Payment during the year	**(276,199)**	(322,631)
	At 31 December	**295,165**	238,945
13.3	**Deferred tax liabilities**		
	Recognised deferred tax assets and liabilities		
	At 1 January	**40,331**	40,842
	Tax (write back)/charge recognised in the year	**14,951**	(511)
	At 31 December	**55,282**	40,331

The Company has adopted the International Accounting Standard (IAS 12) - income taxes on deferred taxation, which is computed using the liability method.

		2017 N'000	2016 N'000
13.4	**Reconciliation of effective tax rate**		
	Profit for the period after tax	**1,203,543**	917,483
	Total income tax expense:		
	- Current	**332,419**	274,135
	- Deferred	**14,951**	- 511
	- IT levy	**15,502**	11,903
		362,872	285,527
	Profit for the period before excluding income tax	**1,566,415**	1,203,010
	Effective tax rate	**23%**	24%
14.	**Share capital**		
14.1	***Authorised:***		
	1,600,000,000 ordinary shares of N1.00 each	**1,600,000**	1,600,000
14.2	***Issued and fully paid:***		
	1,341,206,000 ordinary shares of N1 each	**1,341,206**	1,341,206
15.	**Share premium**		
	At 31 December	**13,540**	13,540

	2017 N'000	2016 N'000
16. Profit on ordinary activities before taxation		
This is stated after charging/(crediting):		
Audit fee	**3,600**	3,600
Directors' fees	**2,111**	3,600
Finance charges	**1,951**	1,528
Depreciation	**60,282**	54,406
Amortisation of intangible assets	**17,711**	11,506
Gain on fixed assets disposed	**(1,883)**	(3,054)
Pension contributions (company)	**40,435**	33,308

	2017 N'000	2016 N'000
17. Statutory contingency reserve		
Balance at 1 January	**472,354**	357,668
Additions in the year	**150,443**	114,686
Balance at 31 December	**622,797**	472,354

In accordance with part viii section 69 of the Pension Reform Act 2014, the Company transferred 12.5% of its net profit after tax to statutory reserve fund.

18. Information regarding Directors and employees

a) Directors:

	2017 N'000	2016 N'000
Fees	**2,111**	3,600
Other emoluments - remuneration	**19,882**	18,061
Remuneration of the chairman	-	-
Remuneration of the highest paid director	**37,243**	37,243

b) Scale of Directors' remuneration

N		N	Number	Number
190,000	-	200,000	-	-
200,001		and above	**1**	1

c) Average number of persons employed (including Directors)

	2017	2016
Directorate	**2**	2
Information technology	**5**	5
Business development	**82**	49
Operations	**20**	19
Finance	**5**	5
Investment	**4**	5
Compliace/customer services	**11**	9
Internal control	**3**	3
Risk managemnet	**0**	1
Human resources/admin	**4**	5
Benefit	**10**	10
	146	113

	2017 N'000	2016 N'000
d) Total employee cost for the above during the year		
Salaries and wages	684,328	557,175
Pension cost	40,435	33,308
	724,763	590,483

e) Highest paid employees

N - N	Number	Number
100,001 - 250,000	-	-
250,001 and above	115	113

	N'000	N'000
19. Net changes in operating assets		
Decrease/(increase) in other assets	(44,990)	1
20. Net changes in operating liabilities		
(Decrease)/increase in creditors and accruals	135,856	1,142
21. Reconciliation of net profit after tax to net cash provided by operating activities		
Profit after taxation	1,203,543	917,483
Adjustment to reconcile profit after tax to net cash provided by operating activities:		
Interest income	(609,181)	(375,984)
Profit on disposal of assets	(1,883)	(3,054)
Other income	-	(1,108)
Depreciation	60,282	54,406
Amortisation of intangible assets	17,711	11,505
Deferred taxation	14,951	(511)
Increase in taxes payable	56,220	48,496
Operating profit before changes in operating assets and liabilites:		
Net changes in operating assets (Note 19)	(44,990)	1
Net changes in operating liabilities (Note 20)	135,856	1,142
Total adjustments	(371,035)	(265,107)
Net cash provided by operating activities	832,508	652,376

22. Basic earnings per share

Earnings per share is calculated by dividing the net profit after tax attributable to ordinary shareholders by number of ordinary shares in issue during the year.

Profit after tax for the year attributable to ordinary shareholders	1,203,543	917,483
Number of ordinary shares	1,341,206	1,341,206
Earnings per share (kobo)	89.74	68.41

23. Dividend

In respect of the 2017 financial year, the Board of Directors recommend a dividend of 40 kobo per Ordinary Share of N1.00 each amounting to N536,482,400. The proposed dividend is subject to Withholding Tax at the appropriate tax rate, which will be deducted before payment.. This is however subject to National Pension Commission's (PENCOM) approval. If approved, dividend will be paid to Shareholders whose names appear on the Register of Members at 31 December 2017.

24. Related parties

Parties are considered to be related if one party has the ability to control the other party or exercise influence over the other party in making financial and operational decisions. The definition includes the Directors and key personnel among others.

Related party transactions

During the year, the company had dealing with Custodian and Allied Insurance Company Plc it's parent company as detailed below;

Business dealing	**2017**	**2016**
	N'000	**N'000**
1. Rental of properties from sterling bank	2,040	2,040
2. Provision of legal and secretarial services by Custordian Trustees Ltd.	3,150	2,940
3. Rental of properties from Custodian Insurance Plc	4,776	4,776
4. Contribution to Custodian Assurance Plc Foundation (CSR)	15,502	11,908
5. Company's share of various cost incured by the parent company	27,629	25,110

25. Financial commitments

The Directors are of the opinion that all known liabilities and commitments have been taken into consideration in the preparation of these financial statements.These liabilities are relevant in assessing the Company's state of affairs.

26. Contingent liabilities

There were no contingent liabilities at 31 December 2017.

27. Comparative figures

Certain figures in 2016 financial statements were re-classified to conform with 2017 presentation and enhance comparability.

28. Post balance sheet events - Events after reporting period

There were no significant post balance sheet events that could have had a material effect on the results to 31 December 2017 or the balance sheet to that date which have not been adequately provided for.

Other national disclosures

CRUSADER STERLING PENSIONS LIMITED

STATEMENT OF VALUE ADDED
FOR THE YEAR ENDED 31 DECEMBER 2017

	2017 N'000	%	2016 N'000	
Turnover	2,585,399		2,084,979	
Other income	612,311		380,146	
	3,197,710		2,465,125	
Less: Cost of bought-in-goods and Services:-				
- Foreign	-		-	
- Local	(1,066,464)		(748,197)	
Value added	2,131,245	100	1,716,928	100
Applied as follows:				
To pay employees:				
Wages, salaries and other benefits	724,763	33	590,483	34
To pay providers of capital:				
Finance costs	1,951	-	1,528	0
To pay government:				
Income and education tax	276,199	15	322,631	19
Retained for future replacement of assets and expansion of business:				
Depreciation of property, plant and equipment	60,282	5	-	(1)
Deferred taxation	14,951	-	(511)	(0)
Retained profit for the year	1,053,100	47	802,797	47
Value added	2,131,245	100	1,716,928	100

Value added represents the additional wealth the Company has been able to create during the reporting period. This statement shows the allocation of that wealth among employees, shareholders, government, providers of funds and that retained for the future creation of more wealth.

CRUSADER STERLING PENSIONS LIMITED

FINANCIAL SUMMARY

31 DECEMBER	2017 N'000	2016 N'000	2015 N'000	2014 N'000	2013 N'000
Gross income	**3,197,710**	2,465,125	2,183,886	1,953,986	1,550,207
Fee income	**2,585,399**	2,084,979	1,847,365	1,732,756	1,360,067
Interest income	**609,181**	375,984	334,961	206,211	187,120
Other income	**3,130**	4,162	1,561	15,019	3,020
Administrative expenses	**(1,646,797)**	(1,274,018)	(1,108,162)	(1,019,398)	(911,689)
Profit on ordinary activities before taxation	**1,550,913**	1,191,107	1,075,725	934,588	638,518
Earnings per share	**89.74**	68.41	60.00	50.80	36.00
Balance sheet					
Assets					
Cash and bank balances	**250,209**	267,376	323,325	539,922	466,598
Investment	**3,494,948**	2,831,695	2,435,867	1,602,710	1,090,510
Other assets	**294,245**	249,255	228,878	232,149	305,396
Fixed assets	**504,047**	557,400	469,001	499,320	432,803
Total assets	**4,543,449**	3,905,726	3,457,071	2,874,101	2,295,307
Liabilities					
Creditors and accrued expenses	**522,112**	387,402	237,716	220,723	228,413
Taxation	**350,447**	237,760	328,283	299,655	233,514
Total liabilities	**872,559**	625,162	565,999	520,378	461,927
Capital and reserves					
Ordinary share capital	**1,341,206**	1,341,206	1,341,206	1,341,206	1,341,206
Share premium	**13,540**	13,540	13,540	13,540	13,540
Statutory contingency reserve	**622,797**	601,028	357,670	256,971	171,806
Revenue reserve	**1,693,347**	1,996,962	1,178,656	742,006	306,828
Shareholders fund	**3,670,890**	3,952,736	2,891,072	2,353,723	1,833,380
Total liabilities and equities	**4,543,449**	4,577,898	3,457,071	2,874,101	2,295,307

CRUSADER STERLING PENSIONS LIMITED

FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2017

For management use only

CRUSADERSTERLING PENSIONS LIMITED

DETAILED PROFIT AND LOSS ACCOUNT
FOR THE YEAR ENDED 31 DECEMBER 2017

	Management Information	
	2017	2016
	N'000	N'000
Fee income	2,585,399	2,084,979
Interest income	609,181	375,984
Profit on disposal of assets	1,883	3,054
Other income	1,247	1,108
	3,197,710	2,465,125
Staff cost	684,328	557,175
Audit fees	3,600	3,600
Directors' fees	2,111	3,600
Directors' sitting allowance	5,131	3,871
Directors' rest and recreation	14,751	14,190
Relocation expenses	-	293
Entertainment	3,321	3,759
Telephone and postages	29,869	28,158
Repairs and maintenance	25,538	24,629
Insurance	12,532	11,105
Office expenses	15,409	12,422
Depreciation	60,282	54,406
Amortization of intangible assets	17,711	11,506
Travelling and transport	18,908	18,130
Stationery and printing	18,676	18,350
Legal and professional fee	17,632	13,627
Pension contribution	40,435	33,308
Advert and publicity	155,405	174,273
IT communication and subscription	55,784	25,348
Bank charges	1,951	1,528
Rent and rates	33,572	27,928
Sales and marketing	90,569	87,450
CSR Foundation - Custodian	15,502	11,908
Electricity	6,648	6,251
Fuel	26,748	22,288
Staff welfare and training	14,951	18,184
Industrial training fund	5,294	5,644
Medical expenses	21,805	15,408
Group Shared cost expenses	27,629	25,110
Information technology levy	15,502	11,903
Pension protection fund levy	194,123	17,885
LASPEC admin fees	11,080	10,781
	1,646,797	1,274,018
Profit before tax	1,550,913	1,191,107