

CENTRAL BANK OF NIGERIA



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CIRCULAR TO OTHER FINANCIAL INSTITUTIONS (PRIMARY MORTGAGE INSTITUTIONS, MICROFINANCE BANKS AND FINANCE COMPANIES)

To avoid regulatory arbitrage and provide a level playing field for all operators, it has become necessary to adopt a uniform accounting year end in the Other Financial Institutions (OFIs) sub-sector. In this regard, the CBN circular number BSD/DIR/GEN/CIR/VOL.2/004 of June 18, 2009, requiring all banks and discount houses in Nigeria to adopt 31st December as a uniform accounting year-end from 2009 shall henceforth be applicable to OFIs.

For the avoidance of doubt, all primary mortgage institutions, microfinance banks and finance companies, are required to adopt 31st December as their accounting year-end with effect from December, 2012. Accordingly, directors of OFIs are hereby advised, as a first step, to pass a resolution to that effect and inform the relevant agencies in line with Section 334(4) of the Companies and Allied Matters Act (CAMA) 1990, as amended.

During the period of transition, a maximum accounting period of eighteen (18) months and a minimum of six (6) months are allowable, in line with accepted accounting practice. In the circumstance, OFIs whose accounting year end on 31st December, should as usual, forward their full year's accounts for CBN approval not later than four (4) months after the year-end. Those with year-ends between January and May, 2012 should submit the normal audited accounts (12 months) for CBN approval and thereafter, submit their audited accounts for the pro-rated period to 31st December, 2012 as follows:

S/No.	Current year-end dates	Period to 31st December 2012
1	31 st January, 2012	11 months
2	29 th February, 2012	10 months
3	31 st March, 2012	9 months
4	30 th April, 2012	8 months
5	31 st May, 2012	7 months
6	30 th June, 2012	Options of 12 months or 18 months
7	31 st July to 30 th November, 2012	Elongate to 31 st December, 2012

The audited accounts for the pro-rated period should equally be submitted not later than four (4) months after the period-end for CBN approval and subsequent publication, in line with Section 27 & 28 of BOFIA, 1991 (as amended).

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