

NIGERIAN INSTITUTION OF CIVIL ENGINEERS

(A DIVISION OF THE NIGERIAN SOCIETY OF ENGINEERS)

AUDIT REPORT AND ACCOUNTS

FOR THE YEAR ENDED 30TH JUNE, 2016

IFEANYI OBIEFUNA & CO.
(CHARTERED ACCOUNTANTS)

**REPORT OF THE INDEPENDENT AUDITORS TO MEMBERS OF
NIGERIAN INSTITUTION OF CIVIL ENGINEERS.**

**IFEANYI OBIEFUNA & CO.
CHARTERED ACCOUNTANTS**

REPORT ON THE FINANCIAL STATEMENTS.

We have audited the accompanying financial statements of the **NIGERIAN INSTITUTION OF CIVIL ENGINEERS**. These financial statements comprise the Statement of Financial Position as at 30th June 2016 and the Statement of Comprehensive Income, summary of significant accounting policies and other explanatory notes applied.

COUNCIL'S RESPONSIBILITY FOR THE FINANCIAL STATEMENTS

The Council is responsible for the preparation and fair presentation of these financial statements in accordance with International Financial Reporting Standards and the Companies and Allied Matters Act. This responsibility includes maintaining such internal controls and checks as are necessary to enable the preparation and fair presentation of financial statements that are free from material misstatements, whether due to fraud or error and applying accounting policies and estimates that are reasonable in the circumstances.

AUDITORS' RESPONSIBILITY

Our responsibility is to express an independent opinion on these financial statements based on our examination and audit and to report this opinion to you the members of the Institution.

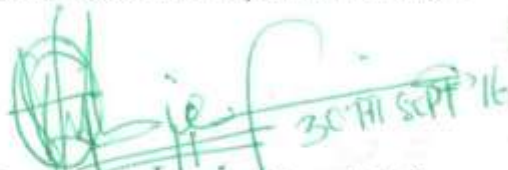
BASIS OF OUR OPINION

Nigerian Standards on Auditing require that we comply with ethical requirements, plan and perform our audit to obtain reasonable assurance as to whether the financial statements are free from material misstatements. An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements.

We believe that the audit evidence and explanation we obtained is sufficient and appropriate enough to provide a basis for our audit opinion.

OPINION

In our opinion, and having regards to records and explanation made available to us, the Financial Statements are in agreement with the accounting records and give a true and fair view of the state of the Institution's financial affairs as at 30th June, 2016 and of its financial performance for the year then ended .



**Engagement Partner : Ifeanyi Obiefuna
FRC/2015/ICAN/00000011340**



**For: IFEANYI OBIEFUNA & CO.
Chartered Accountants. 08023132479
Lagos, Nigeria.**

NIGERIAN INSTITUTION OF CIVIL ENGINEERS

SUMMARY OF ACCOUNTING POLICIES FOR THE YEAR ENDED 30TH JUNE, 2016.

The following accounting policies have been adopted by the Institution in the preparation of the financial statements.

A. BASIS OF ACCOUNTING

The financial statements are prepared under the historical cost convention and comply with Statements of Accounting Standards issued by the International Reporting Interpretations Committee applicable to companies reporting under International Financial Reporting Standards.

B. GOING CONCERN

The financial statements are prepared on going concern basis. The Institution has consistently been generating funds through members' subscriptions, fees, charges, activities, donations, adverts and corporate support. The Council believe that there is no intention or threat to curtail these sources in the foreseeable future.

C. PRESENTATION OF THE FINANCIAL STATEMENTS

1. Details of specific funds movement on activity centres are disclosed by way of Foot Notes to the financial statements of the Institution.
2. Income and expenses relating to these activity centres are credited/charged thereto, whereas those without direct and whole bearing on specific activity/event are treated directly in the Statement of Comprehensive Income.
3. The accounts have been prepared on cash basis accounting under which income and expenditure are recognised only when received and paid respectively except when material for otherwise treatment.

D. PROPERTY, PLANT AND EQUIPMENTS

Property, Plant and Equipments are stated at accumulated cost to date less accumulated depreciation thereto. Disposals, where any, are excluded at full cost to date and accumulated depreciation to the point of that disposal.

E. DEPRECIATION

Depreciation charge is calculated at the following annual rates to write off the cost of the fixed assets on a straight line basis over their estimated useful lives:

➤ LAND AND BUILDING	-	2%
➤ EQUIPMENTS & MACHINES	-	10%
➤ FURNITURE & FITTINGS	-	5%

F. INCOME FROM MEMBERS AND OTHER SOURCES

Income from member's subscriptions, registration, dues e.t.c and other sources are recognised and credited to Statement of Comprehensive Income only when received. No provision is made for income receivable or expected.

G. STOCK OF STATIONERY AND MATERIALS

These are posted as consumables in the Statement of Comprehensive Income in the year of purchase after due consideration to materiality issues.

NIGERIAN INSTITUTION OF CIVIL ENGINEERS

STATEMENT OF FINANCIAL POSITION

AS AT 30TH JUNE, 2016.

	<u>NOTES</u>	<u>30 JUNE</u> <u>2016</u> <u>N</u>	<u>30 JUNE</u> <u>2015</u> <u>N</u>
<u>ASSETS</u>			
Non-Current Assets:			
Property, Plant and Equipment	<u>1</u>	6,339,750	6,122,404
Current Assets	<u>2</u>	4,459,609	20,325,010
Companies Preliminary Expd	<u>3</u>	<u>835,000</u>	<u>835,000</u>
Total Assets		<u>11,634,359</u>	<u>27,282,414</u>
<u>FUNDS, GRANT AND LIABILITIES</u>			
Accumulated Funds	<u>4</u>	7,460,065	23,108,120
Grant	<u>5</u>	<u>4,174,294</u>	<u>4,174,294</u>
Total Funds, Grant & Liabilities		<u>11,634,359</u>	<u>27,282,414</u>



Engr. Robbie James Omirry
National Chairman
FRC/2016/COREN/



Engr. Mrs. Rahmat Odejayi
Executive Secretary
FRC/2016/COREN/00000015028

THE ATTACHED ACCOUNTING POLICIES AND THE NOTES FORM AN INTEGRAL PART OF THESE FINANCIAL STATEMENTS.

NIGERIAN INSTITUTION OF CIVIL ENGINEERS

STATEMENT OF COMPREHENSIVE INCOME

FOR THE YEAR ENDED 30TH JUNE, 2016.

	<u>NOTES</u>	<u>30 JUNE</u>	<u>30 JUNE</u>
		<u>2016</u>	<u>2015</u>
		<u>N</u>	<u>N</u>
<u>INCOME:</u>			
1. Members Processing, Subscriptions, Forms, Certificates, Developmt Levies, etc	<u>6</u>	6,277,400	7,593,550
2. Annual General Meeting/Confer.	<u>7</u>	6,714,750	6,656,664
3. Workshop, Seminar and CPD		0	575,000
4. International Conferences		3,597,050	17,810,000
5. Fellowship Income		5,175,000	300,000
6. Souvenir Income		1,068,550	1,453,100
7. Distinguished Lecture	<u>8</u>	1,110,000	0
8. NSE/COREN Assembly	<u>9</u>	1,114,400	443,050
9. Newsletter		0	150,000
10. Advertisement/Calender		950,000	620,000
11. Chairman's Investiture		0	9,844,400
12. Sundry Donations Received		<u>636,920</u>	<u>4,607,000</u>
<i>Total Income</i>		<u>26,644,070</u>	<u>50,052,764</u>
<u>EXPENDITURE:</u>			
1. Establishment Cost	<u>10</u>	413,370	531,650
2. Salaries & Wages	<u>11</u>	1,950,000	1,809,500
3. Administrative Expenses	<u>12</u>	3,687,703	3,661,931
4. Annual General Meeting/Confer.	<u>13</u>	8,429,985	7,158,960
5. Adverts & Publicity		799,550	132,825
6. EXCO & Council Meetings/Travels	<u>14</u>	3,282,867	3,603,043
7. Workshop, Seminar & Courses	<u>15</u>	244,500	52,050
8. Calender		550,000	500,000
9. NSE & COREN Confer./ Meetings	<u>16</u>	2,297,900	1,370,243
10. N. Chairman Investiture	<u>17</u>	0	3,795,424
11. Souvenirs/Certificates/Proceedings		545,500	753,000
12. International Conference		18,835,750	7,559,395
13. Distinguished Lecture	<u>18</u>	645,000	0
14. Newsletter		<u>610,000</u>	<u>150,000</u>
<i>Total Expenditure</i>		<u>42,292,125</u>	<u>31,078,021</u>
<u>DEFICIT/SURPLUS INCOME</u>		<u>-15,648,055</u>	<u>18,974,743</u>

THE ATTACHED ACCOUNTING POLICIES AND THE NOTES FORM AN INTEGRAL PART OF THESE ACCOUNTS

NIGERIAN INSTITUTION OF CIVIL ENGINEERS

NOTES TO THE ACCOUNTS
FOR THE YEAR ENDED 30TH JUNE, 2016 .

NOTE 1 :
PROPERTY, PLANT AND EQUIPMENT

	<u>2%</u> <u>LAND &</u> <u>BUILDING</u>	<u>10%</u> <u>EQUIPMENTS</u> <u>& MACHINES</u>	<u>5%</u> <u>FURNITURE</u> <u>& FITTINGS</u>	<u>TOTAL</u>
<u>COST/VALUATION</u>	<u>N</u>	<u>N</u>	<u>N</u>	<u>N</u>
BALANCE AT 1 JULY, 2014	6,694,500	883,190	564,100	8,141,790
ADDITIONS	<u>174,000</u>	<u>0</u>	<u>0</u>	<u>174,000</u>
BALANCE AT 30 JUNE, 2015	<u>6,868,500</u>	<u>883,190</u>	<u>564,100</u>	<u>8,315,790</u>
BALANCE AT 1 JULY, 2015	6,868,500	883,190	564,100	8,315,790
ADDITIONS	<u>0</u>	<u>523,600</u>	<u>0</u>	<u>523,600</u>
BALANCE AT 30 JUNE, 2016	<u>6,868,500</u>	<u>1,406,790</u>	<u>564,100</u>	<u>8,839,390</u>
 <u>ACCUMULATED DEPRECIATION</u>				
BALANCE AT 1 JULY, 2014	1,077,980	710,615	150,897	1,939,492
CHARGE FOR THE YEAR	<u>137,370</u>	<u>88,319</u>	<u>28,205</u>	<u>253,894</u>
BALANCE AT 30 JUNE, 2015	<u>1,215,350</u>	<u>798,934</u>	<u>179,102</u>	<u>2,193,386</u>
BALANCE AT 1 JULY, 2015	1,215,350	798,934	179,102	2,193,386
CHARGE FOR THE YEAR	<u>137,370</u>	<u>140,679</u>	<u>28,205</u>	<u>306,254</u>
BALANCE AT 30 JUNE, 2016	<u>1,352,720</u>	<u>939,613</u>	<u>207,307</u>	<u>2,499,640</u>
 <u>NET BOOK VALUE</u>				
30TH JUNE, 2015	<u>5,653,150</u>	<u>84,256</u>	<u>384,998</u>	<u>6,122,404</u>
30TH JUNE, 2016	<u>5,515,780</u>	<u>467,177</u>	<u>356,793</u>	<u>6,339,750</u>

NIGERIAN INSTITUTION OF CIVIL ENGINEERS
NOTES TO THE ACCOUNTS CONT'D

<i>NOTE 2:</i>	<i>NOTES</i>	<i>2016</i>	<i>2015</i>
<i>CURRENT ASSETS</i>		<i>N</i>	<i>N</i>
Investment In NICE Ventures Ltd		1,159,000	1,159,000
Debtors		0	0
Inventories	<i>2a.</i>	622,900	220,250
Prepayment (Rent)		1,700,000	0
UBA Bank Balance		5,501	5,501
Guarranty Trust Bank Balance		373,705	13,579,564
Zenith Bank PLC Balance		272,929	5,339,273
ECO Bank Balance		318,214	12,617
Cash At Hand		<u>7,360</u>	<u>8,805</u>
	<i>TOTAL</i>	<u>4,459,609</u>	<u>20,325,010</u>

<i>NOTE 3:</i>	<i>2016</i>	<i>2015</i>
<i>COMPANIES PRELIMINARY EXPENDITURE</i>	<i>N</i>	<i>N</i>
Incorporation of 3 companies	385,000	385,000
Company Seal produced (3)	165,000	165,000
Letter head of 3 companies	135,000	135,000
Tax Identification Nos (3)	<u>150,000</u>	<u>150,000</u>
	<i>TOTAL</i>	<u>835,000</u>

<i>NOTE 2a:</i>	<i>2016</i>	<i>2015</i>
<i>INVENTORIES</i>	<i>N</i>	<i>N</i>
Polo Tops (Adult & Children)	15,800	52,000
Ankara, Graduation Gown, Caps	350,500	250
Corporate & Graduate Bags	120,000	28,000
Pen/Key Holders, Napal Pins	127,000	0
Fellowship Medallion	<u>9,600</u>	<u>140,000</u>
	<u>622,900</u>	<u>220,250</u>

<i>NOTE 4 :</i>	<i>2016</i>	<i>2015</i>
<i>ACCUMULATED FUNDS</i>	<i>N</i>	<i>N</i>
Balance Brought Forward	23,108,120	4,133,377
Surplus/Deficit For The Year	<u>-15,648,055</u>	<u>18,974,743</u>
Balance Carried Forward	<u>7,460,065</u>	<u>23,108,120</u>

<i>NOTE 5 :</i>	<i>N</i>	<i>N</i>
<i>GRANT</i>	<u>4,174,294</u>	<u>4,174,294</u>

The grant was received from NICE Ventures Limited which is a limited liability company incorporated by the NIGERIAN INSTITUTION OF CIVIL ENGINEERS. The grant were duely approved by Council.

NIGERIA INSTITUTION OF CIVIL ENGINEERS

NOTES TO THE ACCOUNTS CONT'D

<i>NOTE 6:</i>	<i>NOTES</i>	<i>2016</i>	<i>2015</i>
<i>INCOME FROM MEMBERS</i>		<i>N</i>	<i>N</i>
Forms, Processing & Exams		1,845,350	2,310,500
Annual Subscriptions		1,991,500	2,351,000
Development Levy		730,550	861,050
Certificates		<u>1,710,000</u>	<u>2,071,000</u>
	<i>TOTAL</i>	<i>6,277,400</i>	<i>7,593,550</i>

<i>NOTE 7 :</i>	<i>2016</i>	<i>2015</i>
<i>AGM/CONFERENCE INCOME</i>	<i>N</i>	<i>N</i>
a. Donations - Individuals & Coys	2,864,750	3,585,000
b. Various Other Sources As Below	<u>3,850,000</u>	<u>3,071,664</u>
TOTAL AGM REVENUE	<u>6,714,750</u>	<u>6,656,664</u>

Annual General Meeting Income are mostly revenue received in respect of same during the AGM period and at AGM venue. They relate to Donations, AGM Registration, Advertisement, Exhibition, Souvenirs etc.

<i>NOTE 8 :</i>	<i>2016</i>
<i>DISTINGUISHED LECTURE INCOME</i>	<i>N</i>
Programmes, Sovenirs etc	510,000
Adverts Payments Received	<u>600,000</u>
<i>TOTAL</i>	<u>1,110,000</u>

<i>NOTE 9 :</i>	<i>2016</i>
<i>NSE/COREN Assembly</i>	<i>N</i>
NSE AGM Income	504,000
COREN ASSEMBLY Income	<u>610,400</u>
<i>TOTAL</i>	<u>1,114,400</u>

<i>NOTE 10 :</i>	<i>2016</i>	<i>2015</i>
<i>ESTABLISHMENT COST</i>	<i>N</i>	<i>N</i>
Electricity, Generator, Fuel & Other Utilities	172,000	178,030
Depreciation On Building (NOTE 1)	137,370	137,370
Office Expenses	60,540	193,400
General Repairs, Sanitation & Mt'ce	<u>43,460</u>	<u>22,850</u>
<i>TOTAL</i>	<u>413,370</u>	<u>531,650</u>

NIGERIA INSTITUTION OF CIVIL ENGINEERS

NOTES TO THE ACCOUNTS CONT'D

NOTES

2016

2015

N

N

NOTE 11 : SALARIES & WAGES

Basic Salary		930,000	622,250
Housing Allowance		372,000	408,500
Transport Allowance		186,000	270,750
Utilities Allowance		186,000	204,250
Medical Allowance		186,000	204,250
Xmas Bonus		90,000	43,500
Gratuity		0	56,000
	<i>TOTAL</i>	<u>1,950,000</u>	<u>1,809,500</u>

NOTE 12 GENERAL & ADMIN. EXP.

Postages & Courier Expenses		79,350	91,270
General Accomodation & Travelling		1,078,570	1,300,900
Telephone Cards, Internet & Website		256,805	272,000
Computer Running & Repairs		61,200	31,700
Printing, Photocopy & Stationery	<i>19</i>	672,640	794,740
Bank Charges & Commission		295,254	111,797
Rent (Office)		200,000	0
Audit & Other Professional Fees		430,000	365,000
Audit Committee Expenses		0	70,000
Gifts & Donations		445,000	508,000
Depreciation(NOTE 1)		168,884	116,524
	<i>TOTAL</i>	<u>3,687,703</u>	<u>3,661,931</u>

NOTE 13: ANNUAL GENERAL MEETING & CONF.

Hall, Food and Drinks		1,685,733	3,291,960
Souvenirs	<i>13a.</i>	1,816,000	1,910,000
Conference Bags		965,000	1,200,000
Decoration		140,000	100,000
Music/Traditional Dancers		135,000	210,000
Plagues(Awardees & Fellows)		407,000	37,000
Fellowship Medallion		90,000	0
Ankara & Spouse Jotter		110,800	0
Picnic & Health Talk(Spouses)		88,000	0
Logistics		285,000	0
Ushers		60,000	0
Masters Of Ceremony (MC)		100,000	0
Graduation Gowns (Fellows)		400,000	0
Photographer		90,000	0
Video Coverage		150,000	0
Accomodation For Guests		568,652	0
EXCO Expenses/Operations		425,000	0
Staff Expenses/Operations		277,000	0
Air Ticketts		201,800	0
Press/Public Relations		435,000	410,000
	<i>TOTAL</i>	<u>8,429,985</u>	<u>7,158,960</u>

NIGERIA INSTITUTION OF CIVIL ENGINEERS

NOTES TO THE ACCOUNTS CONT'D

NOTES

2016

2015

N

N

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	<i>TOTAL</i>	<u>8,429,985</u>	<u>7,158,960</u>

NIGERIA INSTITUTION OF CIVIL ENGINEERS***NOTES TO THE ACCOUNTS CONT'D******NOTE 16 :******NSE & COREN ASSEMBLY***

The above relate to expenditure in respect NSE AGM and Conference/Activities including COREN Assembly. For the year under audit, they were incurred as follows

a. Accomodation	858,500
b. Feeding	452,000
c. Travels (Local & Airticket)	675,900
d. Donations Made	280,000
e. Allowances	<u>31,500</u>

TOTAL ***2,297,900***

N
2,297,900 ***N***
1,370,243

NOTE 17 :***NATIONAL CHAIRMAN'S INVESTITURE***

	<i>2016</i>	<i>2015</i>
	<i>N</i>	<i>N</i>
Hall, Food & Drinks	0	2,000,200
Souvenir	0	809,000
Ankara Cloth (Investiture Comm.)	0	70,000
Decoration	0	60,000
Accommodation (N/C & PNC)	0	256,700
Tables & Chairs	0	20,000
Press	0	214,524
Radio Annoucements	0	165,000
Compare/MC	0	140,000
DJ & Music	<u>0</u>	<u>60,000</u>

TOTAL ***0*** ***3,795,424***

2016 ***2015***

N ***N***

NOTE 18 :***DISTINGUISHED LECTURE***

	<i>2016</i>	<i>2015</i>
	<i>N</i>	<i>N</i>
Programmes & Sovenirs	400,000	0
Plagues	78,000	0
Banner Flex	30,000	0
Photographs & Photo Book	<u>137,000</u>	<u>0</u>
	<u><i>645,000</i></u>	<u><i>0</i></u>

NOTE 19 :***PRINTING, STATIONARY & PHOTOCOPY***

General Printing	571,850	645,000
Stationery & Photocopy	<u>100,790</u>	<u>149,740</u>
<i>TOTAL</i>	<u><i>672,640</i></u>	<u><i>794,740</i></u>

2016 ***2015***

N ***N***