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**NIGERIAN INSTITUTION OF CIVIL ENGINEERS**

(A DIVISION OF THE NIGERIAN SOCIETY OF ENGINEERS)

**AUDIT REPORT AND ACCOUNTS**

**FOR THE YEAR ENDED 30<sup>TH</sup> JUNE, 2017.**

**IFEANYI OBIEFUNA & CO.**  
**(CHARTERED ACCOUNTANTS)**

**NIGERIAN INSTITUTION OF CIVIL ENGINEERS.**  
(A DIVISION OF THE NIGERIAN SOCIETY OF ENGINEERS)

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

**IFEANYI OBIEFUNA & CO.  
CHARTERED ACCOUNTANTS.**

**AUDITOR'S REPORT ON THE FINANCIAL STATEMENTS OF THE NIGERIAN INSTITUTION OF CIVIL ENGINEERS TO THE MEMBERS.**

**OPINION**

We have audited the accompanying Financial Statements of THE NIGERIAN INSTITUTION OF CIVIL ENGINEERS for the financial year ended 30<sup>th</sup> June, 2017. These statements comprise the Statement of Financial Position as at 30<sup>th</sup> June, 2017 and the Statement of Comprehensive Income for the year ended on same date, the Summary of Significant Accounting Policies and other Explanatory Notes applied to the accounts.

In our opinion, the Financial Statements present fairly, in all material respects, the financial position of THE NIGERIAN INSTITUTION OF CIVIL ENGINEERS as at 30<sup>th</sup> June, 2017 and the financial performance for the year then ended in accordance with International Financial Reporting Standards, Companies and Allied Matters Act and the Financial Reporting Council of Nigeria.

**RESPONSIBILITIES OF COUNCIL AND THOSE CHARGED WITH GOVERNANCE FOR THE FINANCIAL STATEMENTS.**

Council and Management are responsible for the preparation and fair presentation of the Financial Statements in accordance with the Companies and Allied Matter Act, the Financial Reporting Council of Nigeria and the International Financial Reporting Standards. Council and Management are also responsible for such internal controls, accounting policies and estimates as they deem necessary to enable the preparation and fair presentation of financial statements that are free from material misstatements, whether due to fraud or error.

**AUDITOR'S RESPONSIBILITIES FOR THE AUDIT OF THE FINANCIAL STATEMENTS.**

We as Auditors have the responsibilities to examine and audit these Financial Statements and to obtain reasonable assurance about whether they are free from material misstatements, whether due to fraud or error and to report this opinion to you members.

**GOING CONCERN.**

The Council/Members need to take action on the Going Concern standing of the Institution to avoid a possible threat as disclosed under the Summary Accounting Policies herein contained on Page 3.

  
Engaged Partner : Ifeanyi Obiefuna  
FRC/2015/CAN/0000011340

For: IFEANYI OBIEFUNA & CO.  
CHARTERED ACCOUNTANTS.  
LAGOS, NIGERIA.  
18<sup>th</sup> OCTOBER, 2017.



**NIGERIAN INSTITUTION OF CIVIL ENGINEERS**  
**SUMMARY OF ACCOUNTING POLICIES FOR THE YEAR ENDED 30<sup>TH</sup> JUNE, 2017.**

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 cash 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 institution has consistently been generating funds through members' subscriptions, fees, charges, activities, donations, adverts, investments and corporate support. **The Council/Members need to enhance the Capital base( ACCUMMULATED FUNDS), the INCOME platform and take specific steps to avert a threat on the Going Concern status of the Institution.***

**C. PRESENTATION OF THE FINANCIAL STATEMENTS**

1. Details of specific funds movement on activity centers are disclosed by way of Foot Notes to the financial statements of the institution.
2. Income and expenses relating to these activity centers 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 recognized only when received and paid respectively.

**D. PROPERTY, PLANT AND EQUIPMENT**

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 recognized 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.

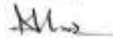
NIGERIAN INSTITUTION OF CIVIL ENGINEERS

STATEMENT OF FINANCIAL POSITION  
AS AT 30TH JUNE, 2017.

	NOTES	30 JUNE 2017 N	30 JUNE 2016 N
<b><u>ASSETS</u></b>			
<b>Non-Current Assets:</b>			
Property, Plant and Equipment	1	6,078,046	6,339,750
Current Assets	2a	2,306,424	4,459,609
Companies Preliminary Expd.	3	835,000	835,000
<b>Total Assets</b>		<b>9,219,470</b>	<b>11,634,359</b>
<b><u>FUNDS, GRANT AND LIABILITIES</u></b>			
Accumulated Funds	4	5,045,176	7,460,065
Grant	5	4,174,294	4,174,294
<b>Total Funds, Grant &amp; Liabilities</b>		<b>9,219,470</b>	<b>11,634,359</b>



Engr. Andem Ekpo Bassey MNSE, FNICE  
National Chairman  
FRC/2017/COREN/



Engr. (Mrs) Aishatu A Umar FNSE, FNICE  
Deputy National Chairman  
FRC/2017/COREN/



Engr. (Mrs) G. Rahmat Odejayi MNSE, FNICE  
Executive Secretary  
FRC/2016/COREN/00000015028

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

**NIGERIAN INSTITUTION OF CIVIL ENGINEERS**

**STATEMENT OF COMPREHENSIVE INCOME**  
**FOR THE YEAR ENDED 30TH JUNE, 2017.**

	NOTES	30 JUNE, 2017 N	30 JUNE, 2016 N
<b>INCOME:</b>			
1. Members Processing, Subscriptions, Forms, Certificates, Developmt Levies, etc	6	5,160,900	6,277,400
2. Annual General Meeting/Confer.	7	6,295,600	6,714,750
3. International Conferences		1,220,000	3,597,050
4. Fellowship Income	8	6,800,500	5,175,000
5. Souvenir Income		890,000	1,068,550
6. Distinguished Lecture		0	1,110,000
7. NSE/COREN Assembly	9	1,842,100	1,114,400
8. Advertisement/Calender		400,000	950,000
9. Chairman's Investiture	10	3,207,700	0
10. Sundry Donations Received		0	636,920
11. Rent Income		300,000	0
11. Who Is Who Programme (WIW)		<u>1,800,000</u>	0
<b>Total Income</b>		<b><u>27,916,800</u></b>	<b><u>26,644,070</u></b>
<b>EXPENDITURE:</b>			
1. Establishment Cost	11	423,050	413,370
2. Salaries & Wages	12	2,072,500	1,950,000
4. Annual General Meeting/Confer.	13	11,378,550	8,429,985
3. General & Administrative Expenses	14	2,965,244	3,687,703
5. Adverts & Publicity		260,000	799,550
6. EXCO & Council Meetings/Travels	15	5,194,137	3,282,867
7. Workshop Seminar & Courses		0	244,500
8. Calender		550,000	550,000
9. NSE & COREN Confer./ Meetings	16	1,286,500	2,297,900
10. N. Chairman Investiture	17	3,646,708	0
11. Souvenirs/Certificates/Proceedings		150,000	545,500
12. International Conference		400,000	18,835,750
13. Distinguished Lecture		360,000	645,000
14. Who Is Who Programme(WIW)	18	1,165,000	0
15. Newsletter		<u>480,000</u>	<u>610,000</u>
<b>Total Expenditure</b>		<b><u>30,331,689</u></b>	<b><u>42,292,125</u></b>
<b>DEFICIT INCOME</b>		<b><u>-2,414,889</u></b>	<b><u>-15,648,055</u></b>

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, 2017.**

**NOTE 1 :**  
**PROPERTY, PLANT AND EQUIPMENT**

	<u>2%</u>	<u>10%</u>	<u>5%</u>	<u>TOTAL</u>
	<u>LAND &amp;</u>	<u>EQUIPMENTS</u>	<u>FURNITURE</u>	
	<u>BUILDING</u>	<u>&amp; MACHINES</u>	<u>&amp; FITTINGS</u>	
	<u>N</u>	<u>N</u>	<u>N</u>	<u>N</u>
<b><u>COST/VALUATION</u></b>				
BALANCE AT 1 JULY, 2015	6,868,500	883,190	564,100	8,315,790
ADDITIONS	0	<u>523,600</u>	0	<u>523,600</u>
<b>BALANCE AT 30 JUNE, 2016</b>	<u>6,868,500</u>	<u>1,406,790</u>	<u>564,100</u>	<u>8,839,390</u>
BALANCE AT 1 JULY, 2016	6,868,500	1,406,790	564,100	8,839,390
ADDITIONS	0	<u>49,500</u>	0	<u>49,500</u>
<b>BALANCE AT 30 JUNE, 2017</b>	<u>6,868,500</u>	<u>1,456,290</u>	<u>564,100</u>	<u>8,888,890</u>
<b><u>ACCUMULATED DEPRECIATION</u></b>				
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>
<b>BALANCE AT 30 JUNE, 2016</b>	<u>1,352,720</u>	<u>939,613</u>	<u>207,307</u>	<u>2,499,640</u>
BALANCE AT 1 JULY, 2016	1,352,720	939,613	207,307	2,499,640
CHARGE FOR THE YEAR	<u>137,370</u>	<u>145,629</u>	<u>28,205</u>	<u>311,204</u>
<b>BALANCE AT 30 JUNE, 2017</b>	<u>1,490,090</u>	<u>1,085,242</u>	<u>235,512</u>	<u>2,810,844</u>
<b><u>NET BOOK VALUE</u></b>				
<b>30TH JUNE, 2016</b>	<u>5,515,780</u>	<u>467,177</u>	<u>356,793</u>	<u>6,339,750</u>
<b>30TH JUNE, 2017</b>	<u>5,378,410</u>	<u>371,048</u>	<u>328,588</u>	<u>6,078,046</u>

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

	NOTES	2017 N	2016 N
<b>NOTE 2a:</b>			
<b>CURRENT ASSETS</b>			
Investment in NICE Ventures Ltd		1,159,000	1,159,000
Inventories	2b.	761,274	622,900
Debtors-Internal Lending		300,000	0
Prepayment (Rent)		0	1,700,000
UBA Bank Balance		5,501	5,501
Guarranty Trust Bank Balance		21,223	373,705
Zenith Bank PLC Balance		28,252	272,929
ECO Bank Balance		27,804	318,214
Cash At Hand		3,370	7,360
	<b>TOTAL</b>	<b>2,306,424</b>	<b>4,459,609</b>
<b>NOTE 2b:</b>			
<b>INVENTORIES</b>			
Polo Tops (Adult & Children)		45,500	15,800
Graduation Gown, Caps		348,774	350,500
Corporate & Graduate Bags		367,000	120,000
Pen/Key Holders, Napal Pins		0	127,000
Fellowship Medallion		0	9,600
	<b>TOTAL</b>	<b>761,274</b>	<b>622,900</b>
<b>NOTE 3:</b>			
<b>COMPANIES PRELIMINARY EXPENDITURE</b>			
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)		150,000	150,000
	<b>TOTAL</b>	<b>835,000</b>	<b>835,000</b>
<b>NOTE 4 :</b>			
<b>ACCUMULATED FUNDS</b>			
Balance Brought Forward		7,460,065	23,108,120
Deficit For The Year		-2,414,889	-15,648,055
Balance Carried Forward		<b>5,045,176</b>	<b>7,460,065</b>
<b>NOTE 5 :</b>			
<b>GRANT</b>			
		<b>N</b>	<b>N</b>
		<b>4,174,294</b>	<b>4,174,294</b>
The grant was received from NICE Ventures Limited which is a limited liability company incorporated by NICE.			



**NIGERIA INSTITUTION OF CIVIL ENGINEERS**  
**NOTES TO THE ACCOUNTS CONT'D**

<b><u>NOTE 6:</u></b>	<b><u>2017</u></b>	<b><u>2016</u></b>
<b><u>INCOME FROM MEMBERS</u></b>	<b><u>N</u></b>	<b><u>N</u></b>
Forms, Processing & Exams	1,607,650	1,845,350
Annual Subscriptions	1,845,500	1,991,500
Development Levy	527,750	730,550
Certificates	<u>1,180,000</u>	<u>1,710,000</u>
<b>TOTAL</b>	<b><u>5,160,900</u></b>	<b><u>6,277,400</u></b>

<b><u>NOTE 7 :</u></b>	<b><u>2017</u></b>	<b><u>2016</u></b>
<b><u>AGM/CONFERENCE INCOME</u></b>	<b><u>N</u></b>	<b><u>N</u></b>
a. Donations - Individuals & Coys	2,845,000	2,864,750
b. Conference Fees	1,617,200	1,830,000
c. Other General Realisation At AGM	<u>1,833,400</u>	<u>2,020,000</u>
<b>TOTAL</b>	<b><u>6,295,600</u></b>	<b><u>6,714,750</u></b>

AGM/Conference Income are revenue mostly received during the AGM period/activities. They relate to Donations, Registration, Adverts, Subscriptions, Levies, Exhibition, Souvenirs etc. However, major/key and distinctly identified events from which high material revenue were generated have been credited straight to the Statement Of Comprehensive Income for 2017 thus Fellowship Conferment - N4,250,500 and Who Is Who Programme N1,800,000.

**NOTE 8 :**  
**FELLOWSHIP CONFERMENT**

The total figure of N6,800,500 in respect of Fellowship Income were majorly received during the AGM/Conf., Chairman's Investiture and other periods.

<b><u>NOTE 9 :</u></b>	<b><u>2017</u></b>	<b><u>2016</u></b>
<b><u>NSE/COREN Assembly</u></b>	<b><u>N</u></b>	<b><u>N</u></b>
NSE AGM Income	1,198,000	504,000
Donations & Other NSE Income	274,000	0
COREN ASSEMBLY Income	<u>370,100</u>	<u>610,400</u>
<b>TOTAL</b>	<b><u>1,842,100</u></b>	<b><u>1,114,400</u></b>

<b><u>NOTE 10 :</u></b>	<b><u>2017</u></b>
<b><u>CHAIRMAN'S INVESTITURE INCOME</u></b>	<b><u>N</u></b>
Donations On Investiture Day	1,707,700
Donations After Investiture	<u>1,500,000</u>
<b>TOTAL</b>	<b><u>3,207,700</u></b>

N1,800,000 in respect of Fellowship Conferment has been credited straight to Statement Of Comprehensive Income.

**NIGERIA INSTITUTION OF CIVIL ENGINEERS**  
**NOTES TO THE ACCOUNTS CONT'D**

**NOTE 11 :**

**ESTABLISHMENT COST**

	<b>2017</b>	<b>2016</b>
	<b>N</b>	<b>N</b>
Electricity, Generator, Fuel & Other Utilities	184,900	172,000
Depreciation On Building (NOTE 1)	137,370	137,370
Office Expenses	57,790	60,540
General Repairs, Sanitation & Mt'ce	<u>42,990</u>	<u>43,460</u>
<b>TOTAL</b>	<b><u>423,050</u></b>	<b><u>413,370</u></b>

**NOTE 12: SALARIES & WAGES**

	<b>N</b>	<b>N</b>
Basic Salary	982,500	930,000
Housing Allowance	393,000	372,000
Transport Allowance	196,500	186,000
Utilities Allowance	196,500	186,000
Medical Allowance	196,500	186,000
Xmas Bonus & Gratuity	<u>107,500</u>	<u>90,000</u>
<b>TOTAL</b>	<b><u>2,072,500</u></b>	<b><u>1,950,000</u></b>

**NOTE 13a: ANNUAL GEN. MEETING/CONF.**

	<b>N</b>	<b>N</b>
Hall, Food and Drinks	5,210,000	1,685,733
Souvenirs <span style="float: right;"><u>13b.</u></span>	1,635,500	1,816,000
Conference Bags	1,495,550	965,000
Decoration	0	140,000
Music/Traditional Dancers	50,000	135,000
Plaques/Medalions(Awardees & Fellows)	450,000	497,000
Ankara & Spouse Jotter	0	110,800
Picnic & Health Talk(Spouses)	0	88,000
Logistics	0	285,000
Ushers	82,000	60,000
Masters Of Ceremony (MC)	120,000	100,000
Graduation Gowns (Fellows)	20,000	400,000
Photographer/Video Coverage	160,000	240,000
EXCO/Guests Expenses & Activities	1,275,500	1,195,452
Staff Expenses/Operations	180,000	277,000
Students Affiliate Expenses	70,000	0
Press/Public Relations	0	435,000
Achievers Programme/Celebration	250,000	0
PR (Hotel Staff)	5,000	0
Bus (Lag. Bus)	115,000	0
Jingles (MITV)	60,000	0
Lagos State Council Of Arts/Culture	<u>200,000</u>	<u>0</u>
<b>TOTAL</b>	<b><u>11,378,550</u></b>	<b><u>8,429,985</u></b>

**NIGERIA INSTITUTION OF CIVIL ENGINEERS**  
**NOTES TO THE ACCOUNTS CONT'D**

<b>NOTE 14b :</b>	<b>2017</b>	<b>2016</b>
<b><u>LEGAL/AUDIT &amp; OTHER PROFESSIONAL FEES</u></b>	<b><u>N</u></b>	<b><u>N</u></b>
Legal Fees	250,000	0
Audit Fees	430,000	430,000
Other Professional Charges	44,400	0
<b>TOTAL</b>	<b><u>724,400</u></b>	<b><u>430,000</u></b>

<b>NOTE 15 :</b>	<b>2017</b>	<b>2016</b>
<b><u>EXCO/COUNCIL MEETINGS</u></b>	<b><u>N</u></b>	<b><u>N</u></b>
Accommodation	1,220,000	500,000
Feeding & Drinks	1,200,000	605,000
Local Transport	1,150,000	615,000
Entertainment/Hall	407,600	631,000
Air Ticket	<u>1,216,537</u>	<u>931,867</u>
<b>TOTAL</b>	<b><u>5,194,137</u></b>	<b><u>3,282,867</u></b>

This is expenditure incurred by EXCO/Council members in respect of their meetings and activities. They include air travel tickets, accommodation, local transport, entertainment and logistics thereto related

<b>NOTE 16 :</b>	<b>N</b>	<b>N</b>
<b><u>NSE &amp; COREN ASSEMBLY</u></b>	<b><u>1,286,500</u></b>	<b><u>2,297,900</u></b>
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. Accommodation	277,000	858,500
b. Feeding	162,000	452,000
c. Travels (Local & Airticket)	357,500	675,900
d. Donations Made	490,000	280,000
e. Allowances	0	<u>31,500</u>
<b>TOTAL</b>	<b><u>1,286,500</u></b>	<b><u>2,297,900</u></b>

**NIGERIA INSTITUTION OF CIVIL ENGINEERS  
NOTES TO THE ACCOUNTS CONT'D**

<u>NOTE 17 :</u>	<u>2017</u>	<u>2016</u>
<u>NATIONAL CHAIRMAN'S INVESTITURE</u>	<u>N</u>	<u>N</u>
Food & Drinks	1,730,000	0
Hall Space	100,000	0
Souvenir	420,000	0
Photographer	100,000	0
Flight Tickets (EXCO & IPC)	187,408	0
Accomodation/Itinery (EXCO)	401,000	0
Accomodation/Itinery (Staff)	187,800	0
Brochure & Logistics	270,500	0
Guests Accomodation	<u>250,000</u>	<u>0</u>
TOTAL	<u>3,646,708</u>	<u>0</u>

<u>NOTE 18 :WHO IS WHO PROGRAMME</u>	<u>2017</u>	<u>2016</u>
	<u>N</u>	<u>N</u>
Invitation Cards	40,000	0
Cake For WIW	25,000	0
WIW Programme & Activities	<u>1,100,000</u>	<u>0</u>
TOTAL	<u>1,165,000</u>	<u>0</u>

<u>NOTE 19 :</u>	<u>2017</u>	<u>2016</u>
<u>PRINTING, STATIONARY &amp; PHOTOCOPY</u>	<u>N</u>	<u>N</u>
General Printing	216,650	571,850
Stationery & Photocopy	<u>106,300</u>	<u>100,790</u>
TOTAL	<u>322,950</u>	<u>672,640</u>