



Lagos Food Bank Initiative

RC No: 80366

Audited statements of financial position
As at December 31, 2018.

This audited report was issued by AE & CO
A registered Accounting and Audit firm
In Lagos Nigeria.

**Adeniyi
Elegbede & Co**

Lagos Food Bank Initiative

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Lagos Food Bank Initiative

Independent Auditor's Report

We have audited the financial statements of LAGOS FOOD BANK INITIATIVE (A Non-Governmental Organisation) set out on pages 4 to 12.

Respective Responsibilities of Trustees and Auditors

The organization Registered Trustees are responsible for the keeping of records and books of accounts for the preparation of the financial statements. It is our responsibility to form an independent opinion, based on our assessment, on those statements and to report our opinion to you.

Basis of Opinion

We conducted our audit in accordance with generally accepted auditing standards. An audit includes examination, on a test basis, of evidence relevant to the amounts and disclosures in the financial statements. It also includes an assessment of the significant estimates and judgements made by the registered trustees in the preparation of the financial statements and of whether the accounting policies are appropriate to the organization's circumstances, consistently applied and adequately disclosed.

We planned and performed our audit so as to obtain all information and explanations, which we considered necessary to provide us with sufficient evidence to give a reasonable assurance that the financial statements are free from material misstatements. In forming our opinion, we also evaluated the overall adequacy of the presentation of information in the financial statements. The financial statements are in agreement with the books of accounts, which have been properly kept, and we obtained the information and explanations we required.

Opinion

In our opinion, the records and books of accounts have been kept as regard the state of affairs of the organization as at December 31, 2018 the Income and Expenditure for the year ended on that date, and have been properly prepared in accordance with the provisions of all relevant statements of Accounting Standards and the Companies and Allied Matters Act, 1990.

ADENIYI ELEGBEDE & CO
(Chartered Accountants)
FRC/2014/ICAN/000006155



January 18, 2019
Lagos, Nigeria

**Adeniyi
Elegbede & Co**

Lagos Food Bank Initiative

Statement of Financial Position as at 31st December 2018.

ASSETS		2018	2017
NON-CURRENT ASSETS	NOTE	₦	₦
Property, Plant & Equipment	1	4,114,200	2,374,580
CURRENT ASSETS			
Stock of Food Items		96,550	810,880
Cash at Hand	2	0	309,728
Cash at Bank	3	<u>6,860,326</u>	<u>4,617,905</u>
TOTAL ASSETS		11,071,076	8,113,093
LIABILITIES			
Accrued Expenses	4	50,000	50,000
Creditors		0	0
Taxation	5	0	0
TOTAL LIABILITIES		<u>50,000</u>	<u>50,000</u>
NET ASSETS		<u>11,021,076</u>	<u>8,063,093</u>
Net Surplus	6	6,447,464	4,139,737
Contribution by Trustees.	7	<u>4,573,612</u>	<u>3,923,356</u>
ACCUMULATED FUND AS AT DEC.31, 2018		<u>11,021,076</u>	<u>8,063,093</u>

The financial statements were approved by the Board of Registered Trustees at its meeting held on 2nd February, 2019.

MR MICHAEL SUNBOLA



Trustee

Lagos Food Bank Initiative

Report of the registered trustees for the period ended December 31, 2018.

Incorporation

Lagos Food Bank Initiative was incorporated on the 26th day of August, 2015 and commenced operation on January 2nd, 2017.

Accounts

The Registered Trustees have the pleasure in submitting their report together with the annual Audited Financial Statement of accounts of the organization for the period ended December 31, 2018.

Result for the Period	DEC.31, 2018	DEC. 31, 2017
	₦	₦
Surplus Income on ordinary activities	2,307,727	4,139,737

Principal Activities

The principal activities of the organization include the following:

- To provide food and related services to malnourished children and vulnerable people generally.
- To feed the destitute in need of food through a nationwide network of member food banks.

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Statement of Accounting Policies

(a) **Property Plant & Equipment**

Items of property, Plant & Equipment or assets are stated at historical costs less depreciation. Depreciation on fixed assets is calculated to write off the cost or valuation on a straight-line basis over the expected useful life of the assets are as follows:

Furniture & Fittings	10%
Computer & Office Equipment	10%
Motor Vehicles	20%
Plant & Equipment	20%

(b) **Donations**

Donations comprise of cash by individuals within the country and outside the country and corporate entities within the country. Food items were also donated by some individuals. These are valued at the market prices prevailing at the date of donation.

(c) **Repairs & Maintenance**

Normal repairs and maintenance are charged to revenue during the period in which they are incurred.

(d) **Valuation of Forex**

All forex balances are valued at CBN closing rate at the year end.

(e) **Inventory**

Inventory of food items at the end of the year are valued at the historic cost since they are not meant for resale.

(f) **Use of Estimate**

Estimated market prices have been used for all food items donated to the organization. The estimate is at the prevailing market date of donation.

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Statement of income and expenditure for the year ended 31 December, 2018.

INCOME	NOTE	2018 ₦	2017 ₦
Donations Received	8	15,689,990	14,412,378
Volunteers Membership Subscription		2,135,000	306,600
Government Grants		0	0
Foreign Grants		<u>0</u>	<u>0</u>
TOTAL INCOME		17,824,990	14,718,978
 LESS EXPENSES			
Cost of Production of Branded items	9	855,000	0
Advertisement	10	1,207,889	1,020,450
Entertainment	11	296,900	331,250
Printing & Stationery	12	944,450	232,750
Food Distribution & Relief Items	13	6,448,900	5,841,198
Venue Inspection & Security	14	273,500	165,100
Consumable	15	330,950	204,000
Transport Expenses	16	924,000	1,158,200
Laundry & Office Cleaning	17	115,500	61,000
Repairs & Maintenance	18	728,800	287,000
Fuel & Gas	19	403,000	164,100
Rental Expenses	20	195,000	100,000
Telephone, Postage & Telecom	21	212,500	388,240
Bank Charges		58,574	45,933
Audit Fee		50,000	50,000
Office Maintenance	22	846,500	0
Office Rent		600,000	0
Depreciation		<u>1,025,800</u>	<u>530,020</u>
TOTAL EXPENSES		<u>15,517,263</u>	<u>10,579,241</u>
NET SURPLUS		<u>2,307,727</u>	<u>4,139,737</u>

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Cash flow Statement for the Year Ended 31 December, 2018.

	2018	2017
	₦	₦
Operating Surplus	2,307,727	4,139,737
Adjustment for non-cash items		
Depreciation	<u>1,025,800</u>	<u>530,020</u>
Operating Profit before changes in W/Capital	3,333,527	4,669,757
CHANGES IN OPERATING/W/CAPITAL		
Add Increase in Payable	0	50,000
Add decrease in Inventory	<u>714,330</u>	<u>(810,880)</u>
Operating cash flow after changes in W/ Capital	4,047,857	3,908,877
Tax paid	<u>0</u>	<u>0</u>
Net cash flow from Operating Activities	4,047,857	3,908,877
Cash flow from Investing Activities		
Purchase of Fixed Assets	<u>(2,766,000)</u>	<u>(852,000)</u>
	1,281,857	3,056,877
Cash flow from Financing Activities	650,836	0
Increase in Cash and Cash Equivalent	1,932,693	3,056,877
Cash and Cash Equivalent as at January 1, 2018.	<u>4,927,633</u>	<u>1,870,756</u>
Cash and Cash Equivalent as at December 31, 2018.	<u>6,860,326</u>	<u>4,927,633</u>

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NOTES TO THE ACCOUNT

2018

NOTE 1 PROPERTY, PLANT & EQUIPMENT

COST/VALUATION	PLANT & EQUIPMENT	COMPUTER & OFF.EQUIPMT	FURNITURE& FITTINGS	MOTOR VEHICLE	TOTAL
	₦	₦	₦	₦	₦
As at Jan.1,2018	682,000	158,000	265,000	1,800,000	2,905,000
Additions during the yr	70,000	621,000	40,000	2,035,000	2,766,000
As at Dec.31,2018	752,000	779,000	305,000	3,835,000	5,671,000
DEPRECIATION					
As at Jan.1,2018	128,000	16,000	27,000	360,000	531,000
Charged for the Year	150,400	77,900	30,500	767,000	1,025,800
As at Dec.31,2018	278,400	93,900	57,500	1,127,000	1,556,800
NET BOOK VALUE					
As at Dec.31,2018	473,600	685,100	247,500	2,708,000	4,114,200
As at Dec.31,2017	554,000	142,000	238,000	1,440,000	2,374,000

	2018	2017
NOTE 2- CASH AT HAND	₦	₦
AS PER ACCOUNT	0	<u>309,728</u>
	2018	2017
NOTE 3- CASH AT BANK	₦	₦
Standard Chartered Bank	6,073,716	4,289,732
United Bank for Africa	710,835	252,519
Standard Chartered Bank (Domiciliary)	28,535	28,488
United Bank for Africa (Domiciliary)	<u>47,240</u>	<u>47,166</u>
AS PER ACCOUNT	<u>6,860,326</u>	<u>4,617,905</u>

The organization has dollar domiciliary accounts with two banks stated above. The balance in the domiciliary accounts are UBA \$154.38 and Standard Chartered Bank \$93.25. These have been translated at CBN official rate of ₦306 a dollar as at December 31,2018.

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	2018	2017
NOTE 4- ACCRUED EXPENSES	₦	₦
Bal. B/F	50,000	0
Provision-Audit fee for the year	<u>50,000</u>	<u>50,000</u>
	100,000	
Paid during the year	<u>(50,000)</u>	<u>0</u>
AS PER ACCOUNT	<u>50,000</u>	<u>50,000</u>

NOTE 5- TAXATION

No provision has been made for taxation as the organization is a charitable organization exempted from payment of income tax.

NOTE 6- NET SURPLUS

	₦	₦
Bal. B/F	4,139,737	0
Surplus for the year	<u>2,307,727</u>	0
AS PER ACCOUNT	<u>6,447,464</u>	

NOTE 7- CONTRIBUTION FROM TRUSTEES

	₦	₦
Bal. B/F	3,923,356	0
Amount Contributed During the year	<u>4,573,612</u>	
Total Contributed as at Dec.31, 2018.	<u>8,496,968</u>	<u>3,923,356</u>

This represents the total amount that has been contributed by the registered Trustees as donations.

NOTE 8- DONATIONS RECEIVED

	₦	₦
AS PER ACCOUNT	<u>17,824,990</u>	<u>14,718,978</u>

This represents the total cash donation by individual and corporate bodies and those who donated food items valued at the prevailing market prices.

The breakdown is as follows-

Cash Donations	12,536,590	11,168,398
Volunteers Membership Subscription	2,135,000	306,600
Food Items	<u>3,153,400</u>	<u>3,243,980</u>
Total	<u>17,824,990</u>	<u>14,718,978</u>

Volunteer members pay a token fee to cover production of branded T-shirt, face cap and other souvenir items.

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NOTE 9-COST OF PRODUCTION OF BRANDED ITEMS	₦	₦
AS PER ACCOUNT	<u>855,000</u>	0

This represents the cost of Branded T-Shirt, Face cap and other souvenir items being given to Volunteer members.

NOTE 10- ADVERTISEMENT	₦	₦
AS PER ACCOUNT	<u>1,207,889</u>	<u>1,020,450</u>

This includes advert on Facebook & Instagram, PayPal, website development and maintenance, website update, sponsored post, town crier, Instablog advert, media unit, documentary for LFBI.

NOTE 11- ENTERTAINMENT	₦	₦
AS PER ACCOUNT	<u>296,900</u>	<u>331,250</u>

This includes refreshment for the planning committee, volunteers; and Board of Trustees.

NOTE 12- PRINTING & STATIONERY	₦	₦
AS PER ACCOUNT	<u>944,450</u>	<u>232,750</u>

This includes expenses on photographers, rubber band, production of annual report, Viva video subscription, printing of letter head, A4 papers, permanent makers, cost of toner for office printing, outreach flyers, cartridge, ID card holders.

NOTE 13- FOOD DISTRIBUTION&RELIEF ITEMS	₦	₦
AS PER ACCOUNT	<u>6,448,900</u>	<u>5,841,198</u>

This represents the cost of providing fresh fruits and nutritious food for the poor at the outreach and it includes cost of hiring caterer, table water, cost of meat, garri, fish protein, take away packs, pepper and all other ingredients, rice. It also includes DJ, children Christmas Outreach day, C'way water. The relief materials include Mosquito Nets, slippers for adults and children, school bags, Umbrella, wrist watch for kids, School sandals.

NOTE 14- VENUE INSPECTION & SECURITY	₦	₦
AS PER ACCOUNT	<u>486,500</u>	<u>165,100</u>

This includes cost of venue Inspection, rope for barricade, ambulance, reflective jacket, stakeholder's incentives.

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NOTE 15- CONSUMABLE	₦	₦
AS PER ACCOUNT	<u>330,950</u>	<u>204,000</u>

This includes sacks, different types of nylons, padlock, hand gloves, Face mask, rat gum, air refreshers, glucose, dispenser bottles, Rambo flit, and raincoats.

NOTE 16- TRANSPORT EXPENSES	₦	₦
AS PER ACCOUNT	<u>942,000</u>	<u>1,158,200</u>

This includes transport fare for NYSC, coaster bus for the outreach, Trip to Abuja, truck for DJ, car pack fee, boat crossing, hire of Hilux pick-up.

NOTE 17- LAUNDRY & OFFICE CLEANING	₦	₦
AS PER ACCOUNT	<u>115,500</u>	<u>61,000</u>

This includes cleaning of premises, laundry for LFBI T-shirts, LAWMA bill, Hangers for cloth rack, washing of LFBI cloth.

NOTE 18-REPAIRS & MAINTAINANCE	₦	₦
AS PER ACCOUNT	<u>728,800</u>	<u>287,000</u>

This includes repairs of fridge & freezer, motor repairs and spare parts, tyre purchase for LFBI vehicles, painting of alloy rims, car wash, fixing of computer, repair of standing fan, food bank renovation, electrical works and maintenance.

NOTE 19- FUEL & GAS	₦	₦
AS PER ACCOUNT	<u>403,000</u>	<u>164,100</u>

This includes fuelling of cars, and refilling of gas.

NOTE 20- RENTAL EXPENSES	₦	₦
AS PER ACCOUNT	<u>195,000</u>	<u>100,000</u>

This includes rental of canopy, chairs & table and cooler rental.

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NOTE 21- TELEPHONE, POSTAGE & TELECOM	₦	₦
AS PER ACCOUNT	<u>212,500</u>	<u>388,238</u>

This includes, telephone expenses, Spectranet, swift bundle.

NOTE 22- OFFICE MAINTENANCE	₦	₦
AS PER ACCOUNT	<u>846,500</u>	0

This includes, estate contribution, electricity repair, electricity bill, office mercury bulb, LFBI roofing repair, Christmas Lightening, Santa costume.

Lagos Food Bank Initiative

Organisation trustees & corporate advisers

- Trustees:** Mr. Michael Sunbola- BL, LL.M, MCI Arb (UK)
Rev. (Dr) Ayodele Sunbola
Mrs Ololade Asuku MED, BA (Ed)
Mr Joses U. Aso BSc (Food Sc. & Tech), MNIFST.
Mrs. Vivian Maduekeh- MSc. (Oxford), MIFST.
Abibat Hassan- BSc. MSc.
Mr Mabruk Kunmi-Olayiwola- LLB, BL
- Auditors:** Adeniyi Elegbede & co
(Chartered accountants)
5, Folawewo crescent,
Off Allen avenue,
Ikeja.
Tel: 08037200812, 08057447116
- Registered office:** Plot 10, Oba-Lateef Adams Crescent,
Iloro, Agege, off Olufeso
Street, Lagos.
- Bankers:** Standard Chartered Bank Ltd,
Ilupeju, Lagos.
United bank for Africa Plc.,