



# **Lagos Food Bank Initiative** RC No: 80366

**Audited statements of financial position  
As at December 31, 2019.**

This Audited Report was issued by Growtall Professional  
Service (Chartered Accountants).  
**FRC/2014/ICAN/0000006155**

**Growtall Professional  
Services**



## **Lagos Food Bank Initiative**

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## **Lagos Food Bank Initiative**

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### **Independent Auditor's Report**

We have audited the financial statements of LAGOS FOOD BANK INITIATIVE (A Non-Governmental Organization) set out on pages 4 to 13.

### **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, 2019, 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.

**Engagement Partner: Adeniyi Elegbede, ACA,  
FRC/2014/ICAN/00000006155  
For: Growtall Professional Services  
(Chartered Accountants)**



**February 13, 2020  
Lagos, Nigeria.**

## Lagos Food Bank Initiative

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Statement of Financial Position as at December 31, 2019.

<b>ASSETS</b>		<b>2019</b>	<b>2018</b>
<b>NON-CURRENT ASSETS</b>	<b>NOTE</b>	<b>₦</b>	<b>₦</b>
Property, Plant & Equipment	1	4,083,000	4,114,200
<b>CURRENT ASSETS</b>			
Stock of Food Items		934,065	96,550
Cash at Hand	2	0	0
Cash at Bank	3	<u>11,590,494</u>	<u>6,860,326</u>
<b>TOTAL ASSETS</b>		<b><u>16,607,559</u></b>	<b><u>11,071,076</u></b>
<b>LIABILITIES</b>			
Accrued Expenses	4	675,000	50,000
Creditors		0	0
Taxation	5	0	0
<b>TOTAL LIABILITIES</b>		<b><u>675,000</u></b>	<b><u>50,000</u></b>
<b>NET ASSETS</b>		<b><u>15,932,559</u></b>	<b><u>11,021,076</u></b>
Net Surplus	6	6,619,428	6,621,464
Contribution by Founder/Trustees.	7	<u>9,313,131</u>	<u>4,399,612</u>
<b>ACCUMULATED FUND AS AT DEC. 31, 2019</b>		<b><u>15,932,559</u></b>	<b><u>11,021,076</u></b>

The financial statements were approved by the Board of Registered Trustees at its meeting held on 2<sup>nd</sup> February, 2020.



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MR MICHAEL SUNBOLA  
Trustee

The accounting policies on page 6 and notes on pages 9 to 13 form part of these financial statements.

## **Lagos Food Bank Initiative**

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Report of the Registered Trustees for the Period Ended December 31, 2019.

### **Incorporation**

Lagos Food Bank Initiative was incorporated on the 26<sup>th</sup> day of August, 2015 and commenced operation on February 14, 2016.

### **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, 2019.

<b>Result for the Period</b>	DEC. 31, 2019	DEC. 31, 2018
	₦	₦
Surplus Income on ordinary activities	171,964	2,307,727

### **Principal Activities**

The principal activities of the organization include the following:

1. To address the problem of malnutrition in children under 5 years and to improve the nutrition intake of pregnant women and lactating mothers.
2. To improve food security at the household and aggregate levels to guarantee that families have access to safe foods that is adequate (both in quantity and quality) to meet the nutritional requirement for a healthy and active life.
3. To promote habits and activities that will reduce the level of malnutrition and improve the nutritional status of our beneficiaries
4. To provide emergency food and services to people in financial and natural crisis.
5. To feed the destitute in need of food through a nationwide network of member food banks.

## **Lagos Food Bank Initiative**

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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). **Inventor**

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.

## Lagos Food Bank Initiative

Statement of Income and Expenditure for the Year Ended 31 December, 2019.

<b>INCOME</b>	<b>NOTE</b>	<b>2019</b>	<b>2018</b>
		₦	₦
Donations Received	8	13,165,068	15,863,990
Volunteers Membership Subscription		2,012,428	2,135,000
Government Grants		0	0
Refund	9	496,645	0
Foreign Grants	10	<u>1,151,063</u>	<u>0</u>
<b>TOTAL INCOME</b>		<b><u>16,825,204</u></b>	<b><u>17,998,990</u></b>
<b>LESS EXPENSES</b>			
Cost of Production of Branded items	11	754,000	855,000
Advertisement	10	1,354,420	1,207,889
Entertainment	11	651,200	296,900
Printing & Stationery	12	551,600	944,450
Food Distribution & Relief Items	13	4,328,100	6,448,900
Venue Inspection & Security	14	380,000	273,500
Consumable	15	346,800	330,950
Transport Expenses	16	1,902,302	924,000
Laundry & Office Cleaning	17	183,000	115,500
Repairs & Maintenance	18	1,048,000	728,800
Fuel & Gas	19	924,000	403,000
Rental Expenses	20	105,000	195,000
Telephone, Postage & Telecom	21	458,000	212,500
Bank Charges		82,118	58,574
Audit Fee		50,000	50,000
Office Maintenance	22	523,500	846,500
Office Rent		600,000	600,000
Internship Allowance		1,250,000	
Depreciation		<u>1,161,200</u>	<u>1,025,800</u>
<b>TOTAL EXPENSES</b>		<b><u>16,653,240</u></b>	<b><u>15,517,263</u></b>
<b>NET SURPLUS</b>		<b><u>171,964</u></b>	<b><u>2,481,727</u></b>

## Lagos Food Bank Initiative

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Cash flow Statement for the Year Ended 31 December, 2019.

	<b>2019</b>	<b>2018</b>
	₦	₦
Operating Surplus	171,964	2,481,727
Adjustment for non-cash items		
Depreciation	<u>1,161,200</u>	<u>1,025,800</u>
Operating Profit before changes in w/Capital	1,333,164	3,507,527
<b>CHANGES IN OPERATING/W/CAPITAL</b>		
Add Increase in Payable	675,000	50,000
Less Increase in Inventory	<u>(837,515)</u>	<u>714,330</u>
Operating cash flow after changes in w/ Capital	1,170,649	4,271,857
Tax paid	<u>0</u>	<u>0</u>
Net cash flow from Operating Activities	1,170,649	4,271,857
Cash flow from Investing Activities		
Purchase of Fixed Assets	<u>(1,130,000)</u>	<u>(2,766,000)</u>
	40,649	1,505,857
Cash flow from Financing Activities	<u>4,689,519</u>	<u>426,836</u>
Increase in Cash and Cash Equivalent	4,730,168	1,932,693
Cash and Cash Equivalent as at January 1, 2019.	<u>6,860,326</u>	<u>4,927,633</u>
Cash and Cash Equivalent as at December 31, 2019.	<b><u>11,590,494</u></b>	<b><u>6,860,326</u></b>



## Lagos Food Bank Initiative

Notes to The Account 2019

### NOTE 1- PROPERTY, PLANT & EQUIPMENT

COST/VALUATION	PLANT & EQUIPMENT	COMPUTER & OFF.EQUIPMT	FURNITURE& FITTINGS	MOTOR VEHICLE	TOTAL
	₦	₦	₦	₦	₦
As at Jan.1, 2019	752,000	779,000	305,000	3,835,000	5,671,000
Additions during the yr.	165,000	634,000	271,000	60,000	1,130,000
As at Dec.31, 2019	917,000	1,413,000	576,000	3,895,000	6,801,000
<b>DEPRECIATION</b>					
As at Jan.1, 2019	278,400	93,900	57,500	1,127,000	1,556,800
Charged for the Year	183,400	141,300	57,600	779,000	1,161,200
As at Dec.31, 2019	461,800	235,200	115,100	1,906,000	2,718,000
<b>NET BOOK VALUE</b>					
As at Dec.31, 2019	455,200	1,177,800	460,900	1,989,000	4,083,000
As at Dec.31, 2018	473,600	685,100	247,500	2,708,000	4,114,200

	2019	2018
<b>NOTE 2- CASH AT HAND</b>	₦	₦
AS PER ACCOUNT	<u>0</u>	<u>0</u>

	2019	2018
<b>NOTE 3- CASH AT BANK</b>	₦	₦
Standard Chartered Bank	3,801,906	6,073,716
United Bank for Africa	1,057,722	710,835
Guaranty Trust Bank A/c 1	1,161,051	0
Guaranty Trust Bank A/c 2	2,038,101	0
Union Bank	1,208,997	0
Zenith Bank A/c 1	105,599	0
Zenith Bank A/c 2	499,852	0
Zenith Bank(Domiciliary)	1,647,708	0
Standard Chartered Bank(Domiciliary)	28,623	28,535
United Bank for Africa(Domiciliary)	40,935	47,240
AS PER ACCOUNT	<u><b>11,590,494</b></u>	<u><b>6,860,326</b></u>

The organization has dollar domiciliary accounts with three banks stated above. The balance in the domiciliary accounts are UBA \$133.36, Standard Chartered Bank \$93.25 and Zenith Bank \$5,368. These have been translated at CBN IFEM official rate of ₦306.95 a dollar as at December 31,2019.

## Lagos Food Bank Initiative

	2019	2018
<b>NOTE 4- ACCRUED EXPENSES</b>	<b>₦</b>	<b>₦</b>
Bal. B/F	50,000	50,000
Rent Outstanding	600,000	0
Internship Allowance Outstanding	25,000	0
Provision-Audit fee for the year	<u>50,000</u>	<u>50,000</u>
	725,000	100,000
Paid during the year	<u>(50,000)</u>	<u>(50,000)</u>
AS PER ACCOUNT	<b><u>675,000</u></b>	<b><u>50,000</u></b>

### 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

	<b>₦</b>	<b>₦</b>
Bal. B/F	6,447,464	4,139,737
Surplus for the year	<u>171,964</u>	<u>2,481,727</u>
AS PER ACCOUNT	<b><u>6,619,428</u></b>	<b><u>6,621,464</u></b>

### NOTE 7- CONTRIBUTION BY FOUNDERS/TRUSTEES

	<b>₦</b>	<b>₦</b>
Bal. B/F	8,496,968	3,923,356
Amount Contributed During the year	<u>816,163</u>	<u>4,399,612</u>
Total Contributed as at Dec.31,2019.	<b><u>9,313,131</u></b>	<b><u>8,322,968</u></b>

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

### NOTE 8- DONATIONS RECEIVED

	<b>₦</b>	<b>₦</b>
AS PER ACCOUNT	<b><u>13,165,068</u></b>	<b><u>17,998,990</u></b>

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

The organization received a foreign donation of \$3,750 from World Connect Inc.

The breakdown is as follows:

Cash Donations	12,240,443	11,168,398
Food Items	1,762,140	3,153,400
Add Opening Stock	<u>96,550</u>	<u>0</u>
	1,858,690	3,153,400
Less Closing Stock	<u>934,065</u>	<u>96,550</u>
Used During the Year	<u>924,625</u>	<u>3,056,850</u>
Total	<b><u>13,165,068</u></b>	<b><u>15,689,990</u></b>

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

## **Lagos Food Bank Initiative**

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### **NOTE 9- REFUND**

The organization attended the Global Food Banking Network in South Africa during the year and a sum of \$1,618 was refunded. This has been translated at the CBN official rate of ₦306.95.

### **NOTE 10- FOREIGN GRANTS**

The organization received a foreign grant of \$3,750 from the World Connect Inc. during the year. This has been translated at the CBN official rate of ₦306.95.

<b>NOTE 11-COST OF PRODUCTION OF BRANDED ITEMS</b>	<b>₦</b>	<b>₦</b>
AS PER ACCOUNT	<b><u>754,000</u></b>	<b><u>855,000</u></b>

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

<b>NOTE 12- ADVERTISEMENT</b>	<b>₦</b>	<b>₦</b>
AS PER ACCOUNT	<b><u>1,354,420</u></b>	<b><u>1,207,889</u></b>

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

<b>NOTE 13- ENTERTAINMENT</b>	<b>₦</b>	<b>₦</b>
AS PER ACCOUNT	<b><u>651,200</u></b>	<b><u>296,900</u></b>

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

<b>NOTE 14- PRINTING &amp; STATIONERY</b>	<b>₦</b>	<b>₦</b>
AS PER ACCOUNT	<b><u>551,600</u></b>	<b><u>944,450</u></b>

This includes expenses on photographers, rubber band, production of annual report, Viva video production, printing of letter head, A4 paper, permanent maker, cost of toner for office printing, flyer, cartridge, ID card holder.

## **Lagos Food Bank Initiative**

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<b>NOTE 15- FOOD DISTRIBUTION&amp;RELIEF ITEMS</b>	₦	₦
AS PER ACCOUNT	<u><b>4,328,100</b></u>	<u><b>6,448,900</b></u>

This represents the cost of providing 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 Outreach, Xmas day outreach C'Way water.

The relief materials include mosquito nets, slippers for adults and children, school bags, school sandals, umbrella, wrist watch for kids, sandal.

<b>NOTE 16- VENUE INSPECTION &amp; SECURITY</b>	₦	₦
AS PER ACCOUNT	<u><b>380,000</b></u>	<u><b>486,500</b></u>

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

<b>NOTE 17- CONSUMABLE</b>	₦	₦
AS PER ACCOUNT	<u><b>346,800</b></u>	<u><b>330,950</b></u>

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

<b>NOTE 18- TRANSPORT EXPENSES</b>	₦	₦
AS PER ACCOUNT	<u><b>1,902,302</b></u>	<u><b>942,000</b></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, trip to South Africa for Global Food Bank Conference.

<b>NOTE 19- LAUNDRY &amp; OFFICE CLEANING</b>	₦	₦
AS PER ACCOUNT	<u><b>183,000</b></u>	<u><b>115,500</b></u>

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

<b>NOTE 20- REPAIRS &amp; MAINTAINANCE</b>	₦	₦
AS PER ACCOUNT	<u><b>1,048,000</b></u>	<u><b>728,800</b></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.

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<b>NOTE 21- FUEL &amp; GAS</b>	₦	₦
AS PER ACCOUNT	<u>924,000</u>	<u>403,000</u>

This includes fuelling of cars, and refilling of gas.

<b>NOTE 22- RENTAL EXPENSES</b>	₦	₦
AS PER ACCOUNT	<u>105,000</u>	<u>195,000</u>

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

<b>NOTE 23- TELEPHONE, POSTAGE &amp; TELECOM</b>	₦	₦
AS PER ACCOUNT	<u>458,000</u>	<u>212,500</u>

This includes, telephone expenses, Spectranet, swift bundle.

<b>NOTE 24- OFFICE MAINTENANCE</b>	₦	₦
AS PER ACCOUNT	<u>523,500</u>	<u>846,500</u>

This includes, estate contribution, electricity repair, Nepa bill, office mercury bulb, LFBI roof repair, Christmas Lightening, santa costume.

## Lagos Food Bank Initiative

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### Organisation Trustees & Corporate Advisers

- Trustees:** Mr Michael Sunbola- BL, LL.M, MCI Arb (UK)  
Rev. (Dr) Ayodele Sunbola  
Mrs Ololade Asuku MED, BA (Ed)  
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:** Grewtall Professional Service  
(Chartered Accountants),  
Suite G, Eni Plaza, Opp. Vitality Oil,  
Ilo-Awela Road, Ota,  
Ogun State.  
Tel: 08037200812, 08057447116
- Registered office:** Plot 10, Oba-Lateef Adams Crescent,  
Iloro, Agege, off Olufeso  
Street, Lagos.
- Bankers:** Standard Chartered Bank Ltd.  
United Bank for Africa Plc.  
Guaranty Trust Bank Plc.  
Union Bank Plc.  
Zenith Bank Plc.