



# Lagos Food Bank Initiative RC No: 80366

Audited Financial Statements  
As at December 31, 2017.

This audited report was issued by AE & CO  
A registered Accounting and Audit firm  
In Lagos Nigeria. FRC/2014/ICAN/00000006155

**Adeniyi  
Elegbede & Co**

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# Lagos Food Bank Initiative

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## **Independent Auditor's Report**

We have audited financial statements of Lagos Food Bank Initiative (A Non-Governmental Organization) set out on pages 4 to 11.

### **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 judgments 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, 2017 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/0000006155



January 18, 2018  
Lagos, Nigeria

**Lagos Food Bank Initiative**  
Statement of Financial Position as at 31<sup>st</sup> December 2017.

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<b>Assets</b>		<b>2017</b>
<b>Non-Current Assets</b>	<b>Note</b>	<b>₦</b>
Property, Plant & Equipment	1	2,374,580
<b>Current Assets</b>		
Stock of Food Items		810,880
Cash at Hand	2	309,728
Cash at Bank	3	<u>4,617,905</u>
<b>Total Assets</b>		<b>8,113,093</b>
<b>Liabilities</b>		
Accrued Expenses	4	50,000
Creditors		0
Taxation	5	0
<b>Total Liabilities</b>		<b>0</b>
<b>Net Assets</b>		<b><u>8,063,093</u></b>
Net Surplus		4,139,737
Contribution by Trustees to purchase Assets 6		<u>3,923,356</u>
<b>Accumulated Fund As At December 31, 2017</b>		<b><u>8,063,093</u></b>

## Lagos Food Bank Initiative

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### Report of the registered trustees for the period ended December 31, 2017.

#### Incorporation

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

#### Result for the Period

January 1, 2017 – December 31, 2017

₦

Surplus Income on ordinary activities

**4,139,737**

#### Principal activities

The principal activities of the organization include the following:

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

## 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 valuations 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. This are valued at the market price.

### (c) Repairs & Maintenance

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

## Lagos food Bank Initiative

Statement of income and expenditure for the year ended 31 December, 2017.

INCOME	NOTE	₦	2017 ₦
Donations Received	7		14,412,378
Donations for Branded LFBI Shirts & Caps			306,600
Government Grant			0
Foreign Grant			0
<b>Total Income</b>			<b>14,718,978</b>
<b>Less Expense</b>			
Gift items for Distribution	8	1,813,978	
Advertisement	9	1,020,450	
Entertainment	10	331,250	
Printing & Stationery	11	232,750	
Provision of Food for Distribution	12	4,027,220	
Venue Inspection & Security	13	165,100	
Consumable	14	204,000	
Transport Expenses	15	1,158,200	
Laundry & Office Cleaning	16	61,000	
Repairs & Maintenance	17	287,000	
Fuel & Gas	18	164,100	
Rental Expenses	19	100,000	
Telephone, Postage & Telecom	20	388,240	
Bank Charges		45,933	
Audit		50,000	
Depreciation		<u>530,020</u>	
			<b><u>10,579,241</u></b>
<b>Net Surplus</b>			<b><u>4,139,737</u></b>

## Lagos Food Bank Initiative

Cash flow Statement for the Year Ended 31 December, 2017.

	2017
	₦
Operating Surplus	4,139,737
Adjustment for non-cash items	
Depreciation	<u>530,020</u>
Operating profit before changes in working capital	4,669,757
Changes in Operating/Working Capital	
Add Increase in Payable	50,000
Less Increase in Inventory	<u>(810,880)</u>
Operating cash flow after changes in working capital	3,908,877
Tax paid	<u>0</u>
Net cash flow from operating activities	3,908,877
Cash flow from Investing Activities	
Purchase of Fixed Assets	<u>(852,000)</u>
	3,056,877
Cash flow from Financing Activities	0
Increase in Cash and Cash Equivalent	3,056,877
Cash and Cash Equivalent as at January 1, 2017.	<u>1,870,756</u>
Cash and Cash Equivalent as at December 31, 2017.	<u><b>4,927,633</b></u>



**Note to Account****2017****Note 1 Property, Plant & Equipment**

Cost/Valuation	Plant & equipment	Computer & off. Equipment.	Furniture & fittings	Motor vehicle	Total
	₦	₦	₦	₦	₦
As at Jan.1, 2017	77,000	0	176,000	1,800,000	2,053,000
Additions during the yr.	605,000	158,000	89,000	0	852,000
As at Dec.31,2017	<b>682,000</b>	<b>158,000</b>	<b>265,000</b>	<b>1,800,000</b>	<b>2,905,000</b>
Depreciation					
As at Jan. 1, 2017	0	0	0	0	0
Charged for the Year	128,000	16,000	27,000	360,000	531,000
As at Dec.31,2017	<b>128,000</b>	<b>16,000</b>	<b>27,000</b>	<b>360,000</b>	<b>531,000</b>
Net Book Value					
As at Dec.31,2017	<b>554,000</b>	<b>142,000</b>	<b>238,000</b>	<b>1,440,000</b>	<b>2,374,000</b>

**Note 2 – Cash at Hand**

₦

As per account

309,728

This represents the donation of **£750** by an individual within The country. The figure has been translated at CBN official Rate of **₦412.97** as at December 31, 2017.

**Note 3- Cash at Bank**

₦

Standard Chartered Bank

4,289,732

United Bank for Africa

252,519

Standard Chartered Bank (Domiciliary)

47,166

United Bank for Africa (Domiciliary)

28,488

As Per Account

**4,617,905**

The organization has dollar domiciliary accounts with two banks stated above. The balance in the domiciliary accounts are UBA **\$154.39** and Standard Chartered Bank **\$93.25**. These have been Translated at CBN official rate of **₦305.5** to a dollar as at December 31, 2017.

**Note 4- Accrued Expenses**

	₦
Provisional audit fee for the year.	<b>50,000</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- Contribution from Trustees**

	₦
As per account	<b>3,923,356</b>

This represents the amount that has been contributed by the registered Trustees as donations.  
The trustees have indicated their intention not to withdraw the money and to add more when situation demands.

**Note 7- Donations Received**

	₦
As per account	<b>14,718,978</b>

This represents the total cash donation by individual and corporate bodies and those Who donated food items valued the prevailing market prices. The breakdown is as follows-

	₦
Cash Donations	11,168,398
Donations for branded Ifbi shirts caps	306,600
Food items	3,243,980
Total	<b>14,718,978</b>

**Note 8- Gift Items For Distribution**

	₦
As per account	<b>1,813,980</b>

This represents the cost of gift items made to the indigents. They include Rice and garri, slippers for adults and children, school bags, feeding Bottles for kids, drugs, and widow's mini give out, exercise books and mosquito nets.

<b>Note 9- Advertisement</b>	₺
As per account	<b>1,020,450</b>
This includes placards, branding of shirts, caps, bags, t-shirts, and sponsored post.	
<b>Note 10 – Entertainment</b>	₺
As per account	<b>331,250</b>
This includes mc & dj for the outreach, refreshment for the board of Trustees, planning Committee and volunteers.	
<b>Note 11- Printing &amp; Stationery</b>	₺
As per account	<b>232,750</b>
This includes expenses on photographers, rubber band, graphic designer, Paper for printing tags, a4paper, permanent maker, biro, stapler, and cost of Toner for office printing.	
<b>Note 12- Provision of Food for Distribution</b>	₺
As per account	<b>4,838,100</b>
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, turkey, fish, take away packs, pepper and all other ingredients.	
<b>Note 13- Venue Inspection &amp; Security</b>	₺
As per account	<b>165,100</b>
This includes cost of venue inspection and security expenses, Rope for barricade.	
<b>Note 14- Consumable</b>	₺
As per account	<b>204,000</b>
This includes hand gloves, nylons for lfbf, nose guards, protocol outfit, shower cap, nylon raincoats.	

**Note 15- Transport Expenses**

₺

As per account

**1,158,200**

This includes intern transport allowance, coaster bus for the outreach, Domestic staff cost/logistics and Uber outreach expenses.

**Note 16- Laundry & Office Cleaning**

₺

As Per Account

**61,000**

This includes laundry for LFBI T-shirts, lawma bill, waste bin.

**Note 17- Repairs & Maintenance**

₺

As Per Account

**287,000**

This includes repairs of fridge, motor repairs, tyre purchase for LFBI, Servicing of generator, Leather for sound system & labour, office repairs, Computer networking.

**Note 18- Fuel & Gas**

₺

As Per Account

**164,100**

This includes fueling of cars, generator, refilling of gas.

**Note 19- Rental Expenses**

₺

As Per Account

**100,000**

This includes rental of canopy, chairs & table.

**Note 20- Telephone, Postage & Telecom**

₺

As Per Account

**388,238**

This includes; telephone expenses, Website renewal cost & maintenance, cost of Spectranet, DHL exp., bulk SMS.

## **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., Adeniyi Jones