



**THE INSTITUTE OF CHARTERED ACCOUNTANTS OF NIGERIA
IKEJA & DISTRICT SOCIETY OF ICAN (IDSICAN)**

**AUDITED FINANCIAL STATEMENTS
FOR THE YEAR ENDED
31ST DECEMBER 2020**



Member of Affilica International, affiliates worldwide
Olufemi Jaiyesimi & Co.
(Chartered Accountants)



**THE INSTITUTE OF CHARTERED ACCOUNTANTS OF NIGERIA
IKEJA & DISTRICT SOCIETY OF ICAN (IDSICAN)**

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**OLUFEMI JAIYESIMI AND COMPANY
Chartered Accountants,
NIGERIA.**

**THE INSTITUTE OF CHARTERED ACCOUNTANTS OF NIGERIA
IKEJA & DISTRICT SOCIETY OF ICAN (IDSICAN)
2020 FINANCIAL STATEMENTS**

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THE INSTITUTE OF CHARTERED ACCOUNTANTS OF NIGERIA IKEJA & DISTRICT SOCIETY OF ICAN (IDSICAN)

OFFICIALS:

EXECUTIVE COMMITTEE:	Mrs. Rita Umami Akpan	- Chairman
	Mrs. Taibat Malomo	- Vice Chairman
	Mr. Olusesan Okunade	- General Secretary
	Mr. Bala Zakka	- Treasurer
	Mr. Taiwo Olanipekun	- Financial Secretary
	Mr. Kazeem Ojugbele	- Technical Secretary
	Mrs. Abioye Balogun	- Social Secretary
	Mr. Olutayo Solanke	- Asst. Social Secretary
	Mr. Salawu Mohammed	- Asst. General Secretary
	Mrs. Tyna Babatope	- Ex-Officio
	Mr. Amodu Kamoru	- Immediate Past Chairman

PAST CHAIRMEN:	Mr. Ben Agbode Arenyenka, FCA (Late)	-	1982 - 1984
	Mr. Emmanuel Adeyemo Ogunlowo, FCA	-	1984 - 1985
	Mr. Christopher Adewunmi Ojeikere, FCA (Late)	-	1986 - 1988
	Chief Olubemi Aremu Akindele, FCA	-	1988 - 1989
	Chief Abiodun Babatunde Adepeju, FCA (Late)	-	1989 - 1990
	Prince Gabriel Yadua, FCA (Late)	-	1990 - 1992
	Mr. Abiodun Olanrewaju Oredein, FCA (Late)	-	1992 - 1993
	Otunba Samuel Olufemi Deru, FCA	-	1993 - 1995
	Mr. Akinniyi Akinbowale, FCA (Late)	-	1995 - 1997
	Mr. Simon Ololade Fadebiyi, FCA (Late)	-	1997 - 1998
	Mrs. Moronfolu Adeyinka Olowu-Fadeyibi, FCA	-	1998 - 1999
	Otunba Wale Ayodeji Odunlami, FCA	-	1999 - 2000
	Chief Cyril Ikemefuna Ede, FCA	-	2000 - 2001
	Mr. Olutayo Ayodeji Phillips, FCA	-	2001 - 2002
	Mrs. Comfort Olujumoke Eytayo, FCA	-	2002 - 2003
	Mr. Gbadura Saka, FCA	-	2003 - 2004
	Mr. Hakeem Afolabi Akiyode, FCA	-	2004 - 2005
	Mr. Sunday Babayemi Osho, FCA	-	2005 - 2006
	Dr. (Mrs.) Shakirat Adepeju Babatunde, FCA	-	2006 - 2007
	Mr. Emmanuel Oluwole Ojeyinka, FCA	-	2007 - 2008
	Mr. Isaac Olusoji Oladapo, FCA	-	2008 - 2009
	Mr. Chukws Osuagwu, FCA	-	2009 - 2010
	Mr. Joshua Okeowo Oderinde, FCA	-	2010 - 2011
	Mrs. Wendy S. Garuba-Ayeni, FCA	-	2011 - 2012
	Mr. Patrick Oluropo Sanni, FCA	-	2012 - 2013
	Mrs. Francis Egba, FCA	-	2013 - 2014
	Mr. Oluseyi Ogunjobi, FCA	-	2014 - 2015
	Mr. Gbenga Adewole, FCA	-	2015 - 2016
	Mrs. Olaiwole Dayo Morenikeji, FCA	-	2016 - 2017
	Mr. Adebayo Jimoh Ayoade, FCA	-	2017 - 2018
	Mr. Oni Olalere, FCA	-	2018 - 2019
	Mr. Amodu Kamoru, FCA	-	2019 - 2020

REGISTERED ADDRESS: 4, Araromi Street,
Off Oduyemi Street, Anifowoshe,
Off Ikeja Local Govt. Secretariat,
IKEJA, Lagos.

AUDITORS: Olufemi Jaiyesimi and Company,
(Chartered Accountants),
16, Ogunsefunmi Street,
Anifowoshe, **IKEJA,**
Lagos.

BANKERS: First Bank Nigeria Plc
Ecobank Plc

**THE INSTITUTE OF CHARTERED ACCOUNTANTS OF NIGERIA
IKEJA & DISTRICT SOCIETY OF ICAN (IDSICAN)**

RESULTS AT A GLANCE

	<u>2020</u>	<u>2019</u>	<u>Change</u>	<u>Increase/ (Decrease)</u>
	<u>N</u>	<u>N</u>	<u>N</u>	<u>%</u>
STATEMENT OF INCOME				
Members' Subscriptions & Levies	6,325,700	7,063,250	(737,550)	-10.4%
Subvention from ICAN	500,000	500,000	-	0.0%
Net Operating activities income	2,769,757	1,044,040	1,725,717	165.3%
Other Income	771,991	713,358	58,633	8.2%
Total income	10,367,448	9,320,648	1,046,800	11.2%
Total expenditure	(7,512,877)	(8,748,073)	1,235,196	-14.1%
Surplus of income over expenditure	2,854,571	572,575	2,281,996	398.5%
STATEMENT OF FINANCIAL POSITION				
Non-Current Assets	16,853,884	16,501,666	352,218	2.1%
Current Assets	5,436,865	2,543,699	2,893,166	113.7%
Total assets	22,290,749	19,045,365	3,245,384	17.0%
Non-Current Liabilities	-	-	-	-
Current Liabilities	478,017	782,187	(304,170)	-38.9%
Total liabilities	478,017	782,187	(304,170)	-38.9%
Net assets	21,812,732	18,263,178	3,549,554	19.4%
Accumulated fund	8,581,097	5,726,526	2,854,571	49.8%
Asset Revaluation Reserve	11,017,808	11,017,808	-	0.0%
Other Funds	2,213,827	1,518,844	694,983	45.8%

*Femi Jaiyesimi, FCA
*Jeoma Bekeh, ACA
*Bayo Fashola, ACA



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Website: www.ojcconsulting.com
BN LAZ - 082384 | PAYER ID - 357070 | TIN - 10754832-0001

INDEPENDENT AUDITORS' REPORT TO THE MEMBERS OF IKEJA & DISTRICT SOCIETY OF ICAN (IDSICAN)

Opinion

We have audited the financial statements of IKEJA & DISTRICT SOCIETY OF ICAN (IDSICAN) which comprises, the statement of financial position as at 31st December 2020, the statement of total comprehensive income, the statement of changes in members fund, the statement of cashflows for the year then ended, and a summary of the significant accounting policies, and other explanatory notes.

These financial statements are set out on pages 6 to 26 and have been prepared using the significant accounting policies set out on pages 10 to 18.

In our opinion, the financial statements give a true and fair view of the financial position of the District as at 31st December, 2020 and of its financial performance and its cash flows for the year ended in accordance with the International Financial Reporting Standards and the requirements of the Ikeja & District Society of ICAN by-laws.

Basis of our opinion

We conducted our audit in accordance with International Standards on Auditing (ISAs). Our responsibilities under those standards are further described in the Auditor's responsibility for the audit of the financial statements section of our report. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Independence

We are independent of the District in accordance with the International Ethics Standards Board for Accountants Code of Ethics for Professional Accountants (IESBA Code). We have fulfilled our other ethical responsibilities in accordance with the IESBA code.

Other information other than the financial statements and auditors report

The Executive Committee is responsible for the other information. The other information comprises the Notice of Meeting, details of Officers and Executive Committee, past chairmen, report of executive committees and the Chairman's activities Report. Our Opinion does not cover other information and we do not express any form of assurance conclusion thereon. It is our responsibility to read the other information and in doing so, consider whether the information is materially inconsistent with the financial statements or with the knowledge obtained in the audit, or otherwise appears to be materially misstated. If based on our work we conclude that there is material misstatement of the other information, we are required to report that fact. We have nothing to report in this regard.

The Executive Committee responsibility and those charged with governance for the financial statements

The Executive Committee and those charged with governance are responsible for the preparation and fair presentation of these financial statements in accordance with the International Financial Reporting Standards and the Institute of Chartered Accountants of Nigeria Act. This responsibility includes: designing, implementing and maintaining internal control relevant to the preparation and fair presentation of financial statements that are free from material misstatement, whether due to fraud or error; selecting and applying appropriate accounting policies and making accounting estimates that are reasonable in the circumstances.

In preparing the financial statements, the Executive Committee are responsible for assessing the District's ability to continue as a going concern, disclosing as applicable, matters related to going concern and using the going concern basis of accounting unless there is a legislation that either intends to repeal the the enabling Act of the Institute or has no realistic alternative but to do so.

Auditors' Responsibility for the audit of the financial statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion.

Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with ISAs will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users that are taken on the basis of these financial statements.

As part of an audit in accordance with International Standards on Auditing (ISAs), we exercise professional judgement and maintained professional skepticism throughout the audit. We also:

INDEPENDENT AUDITORS' REPORT (Cont'd)

- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal Control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Association's internal Control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the Executive Committee.
- Conclude on the appropriateness of the Executive Committee use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the District's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Association to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial Statements represent the underlying transactions and events in a manner that achieves fair presentation.

We communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

Compliance with the relevant legislation and regulations requirements

In accordance with Section 404 (1) and fifth schedule of the companies and Allied Matters Act 2020, we confirm that the financial statements are in agreement with the accounting records, which have been properly kept.

In accordance with Section 407 (1) of the Companies and Allied Matters Act, 2020, we confirm that we received all of the information and explanation that were required for the purpose of the audit.



Ijeoma Bekeh - (FRC/2019/004/00000020240)
Engagement Partner
For: OLUFEMI JAIYESIMI AND CO
Chartered Accountants
Lagos, NIGERIA.
26th March 2021



**THE INSTITUTE OF CHARTERED ACCOUNTANTS OF NIGERIA
IKEJA & DISTRICT SOCIETY OF ICAN (IDSICAN)
Financial Statement for the year ended 31st December 2020**

STATEMENT OF COMPREHENSIVE INCOME

	<u>Notes</u>	<u>N</u>	<u>2020</u> <u>N</u>	<u>N</u>	<u>2019</u> <u>N</u>
INCOME:					
Members' Subscriptions & Levies	1		6,325,700		7,063,250
Subvention from ICAN			500,000		500,000
Operating activities income	2a	8,616,631		5,511,920	
Operating activities expenses	2b	<u>(5,846,874)</u>		<u>(4,467,880)</u>	
Net income from operating activities			2,769,757		1,044,040
Other Income	3		771,991		713,358
Net Income			<u>10,367,448</u>		<u>9,320,648</u>
EXPENDITURE:					
Committee & AGM Expenses	4	(487,290)		(573,000)	
Personnel Costs	5	(1,820,065)		(1,912,982)	
District Activities Expenses	6	(1,317,750)		(2,898,050)	
Administrative Expenses	7	(3,257,328)		(2,591,556)	
Finance Charges	8	(57,662)		(181,386)	
Depreciation Charges	9	<u>(572,782)</u>		<u>(591,099)</u>	
Total Expenditure			<u>(7,512,877)</u>		<u>(8,748,073)</u>
Surplus of income over expenditure			<u>2,854,571</u>		<u>572,575</u>
Other Comprehensive income:					
Gain/(loss) in financial assets fair valued through OCI			-		-
Total comprehensive income for the year			<u>2,854,571</u>		<u>572,575</u>

(9)

The accounting policies and notes on pages 10 to 24 and Non-IFRS statement on pages 25 to 26 form an integral part of these financial statements.

**THE INSTITUTE OF CHARTERED ACCOUNTANTS OF NIGERIA
IKEJA & DISTRICT SOCIETY OF ICAN (IDSICAN)
Financial Statement for the year ended 31st December 2020**

STATEMENT OF FINANCIAL POSITION

	<u>Notes</u>	N	2020 N	N	2019 N
ASSETS:					
Non-current assets:					
Property, plant and equipment	10		15,365,384		15,013,166
Intangible asset	11		1,488,500		1,488,500
Total Non-current assets			16,853,884		16,501,666
Current assets:					
Inventory	12	6,500		15,850	
Other receivables	13	682,221		627,408	
Cash and cash equivalents	14	4,748,143		1,900,441	
Total current Assets			5,436,865		2,543,699
Total assets			22,290,749		19,045,365
LIABILITIES:					
Current liabilities:					
Accounts & Other payables	15		478,017		782,187
Total current liabilities			478,017		782,187
FUNDS AND RESERVE:					
Accumulated Fund	16		8,581,097		5,726,526
Asset Revaluation Reserve	17		11,017,808		11,017,808
Land Acquisition Fund	18		814,983		120,000
Workshop Advert Fund	19		1,398,844		1,398,844
Total funds and reserves			21,812,732		18,263,178
Total liabilities and reserves			22,290,749		19,045,365

The financial statements on pages 6 to 26 were approved by the Executive Committee of the District on 26th March 2021 and signed on its behalf by:



.....
Mrs. Rita Umani Akpan
Chairman



.....
Mr. Bala Zakka
Treasurer

The accounting policies and notes on pages 10 to 24 and Non-IFRS statement on pages 25 to 26 form an integral part of these financial statements.

THE INSTITUTE OF CHARTERED ACCOUNTANTS OF NIGERIA
IKEJA & DISTRICT SOCIETY OF ICAN (IDSICAN)
Financial Statement for the year ended 31st December 2020

STATEMENT OF CHANGES IN MEMBERS' FUND

	Accumulated Fund N	Capital Reserve Account N	Land Acquisition Fund N	Workshop Advert Fund N	Total Fund N
Balance as at 1st January 2019	5,164,562	11,017,808	120,000	1,398,844	17,701,214
Prior year adjustments	(10,611)	-	-	-	(10,611)
Surplus for the year	572,575	-	-	-	572,575
Balance as at 31st December 2019	5,726,526	11,017,808	120,000	1,398,844	18,263,178
Prior year adjustments	-	-	-	-	-
Amount transferred to Fund (Net)	-	-	694,983	-	694,983
Surplus for the year	2,854,571	-	-	-	2,854,571
Balance as at 31st December 2020	8,581,097	11,017,808	814,983	1,398,844	21,812,732
Note(s)	16	17	18	19	

The accounting policies and notes on pages 10 to 24 and Non-IFRS statement on pages 25 to 26 form an integral part of these financial statements.

**THE INSTITUTE OF CHARTERED ACCOUNTANTS OF NIGERIA
IKEJA & DISTRICT SOCIETY OF ICAN (IDSICAN)
Financial Statement for the year ended 31st December 2020**

STATEMENT OF CASH FLOWS

	<u>Notes</u>	<u>2020</u> <u>N</u>	<u>2019</u> <u>N</u>
Cash flows from operating activities:			
Net cash provided by District operating activities	20	<u>3,077,720</u>	<u>1,412,173</u>
Cash flows from investing activities:			
Acquisition of Property, Plant & Equipment	10	(925,000)	(23,000)
Acquisition of Investment Property		-	-
Purchase of Financial Assets		-	-
Net cash used in investing activities		<u>(925,000)</u>	<u>(23,000)</u>
Cash flows from financing activities			
IDSICAN Land acquisition Fund		694,983	-
Workshop Advert Fund		-	(200,000)
Net cash used in financing activities		<u>694,983</u>	<u>(200,000)</u>
Net increase in cash and cash equivalents		2,847,703	1,189,173
Cash and cash equivalents at 1st January	14	1,900,440	711,267
Cash and cash equivalents at 31st December	14	<u><u>4,748,143</u></u>	<u><u>1,900,440</u></u>

(0)

(1)

The accounting policies and notes on pages 10 to 24 and Non-IFRS statement on pages 25 to 26 form an integral part of these financial statements.

THE INSTITUTE OF CHARTERED ACCOUNTANTS OF NIGERIA**IKEJA & DISTRICT SOCIETY OF ICAN (IDSICAN)****Financial Statement for the year ended 31st December 2020****ACCOUNTING POLICIES****1 General Information****1.1 Reporting Entity**

The Institute of Chartered Accountants of Nigeria (Ikeja & District Society) was established by the Acts of parliament number 15 of 1965. The District organizes training programs and workshops for its members, conducts remuneration surveys and consultancy services.

1.2 The Objects of the District

- (a) To uphold the tenets of the Institute in the District;
- (b) To support the members and students within the District as defined under Section 1.3 of the bye Law;
- (c) To implement the policies of the Institute at the District level;
- (d) To hold regular meetings of the Society and organise training, seminars and workshops for members;
- (e) To organise events such as Annual Dinner, Annual General Meeting (AGM), etc.;
- (f) To disseminate other information of interest to members;
- (g) To organise career talks for students in secondary and tertiary institutions;
- (h) To follow up on members' welfare and disputes' resolution;
- (i) To liaise with Communities, States & Local Governments and Institutions of higher learning on issues affecting the accountancy profession;
- (j) To handle matters affecting the Institute and report back to the Institute;
- (k) To establish and maintain libraries for use of members and students.;

1.3 Financial period

These financial statements cover the financial period from 1 January 2020 to 31 December 2020

1.4 Tax Status

No provision was made for Income Tax in the financial statements as the District is exempted from payment of income tax in accordance with section 23 of Companies Income Tax Act (CITA) CAP C21 LFN 2004 (as amended).

1.5 Approval of the financial statements

The financial statements were authorized for issue by the Executive Committee on 26th March 2021

2 Basis of preparation**2.1 Statement of compliance**

The District's financial statements are presented in accordance with, and comply with International Financial Reporting Standards (IFRS) and International Reporting Interpretations Committee (IFRIC) interpretations issued and effective for the years presented.

2.2 Basis of Measurement

The financial statements have been prepared under the historical cost concept, except for certain financial instruments that are measured at fair value at the end of each reporting period as explained in the accounting policies.

2.3 Functional and presentation currency

The District's functional and presentation currency is Nigerian Naira. The financial statements are presented in Nigeria Naira and have been rounded to the nearest whole number except where otherwise stated.

2.4 Use of estimates and judgements

The preparation of financial statements in conformity with IFRS requires the use of certain critical accounting estimates and judgements. It also requires management to exercise its judgement in the process of applying the District's accounting policies. The areas involving a higher degree of judgement, or areas where assumptions and estimates are significant to the financial statements are disclosed in Note

2.5 Going Concern

The District has consistently been generating funds through members subscription. The Executive Committee believe that there is no intention or threat from any source to curtail significantly its members in the foreseeable future. Thus, these financial statements have been prepared in accordance with the going concern basis.

THE INSTITUTE OF CHARTERED ACCOUNTANTS OF NIGERIA**IKEJA & DISTRICT SOCIETY OF ICAN (IDSICAN)****Financial Statement for the year ended 31st December 2020****ACCOUNTING POLICIES (Con'td)****2.6 Accounting Standards issued not yet effective**

The following new/amended accounting standards and interpretation have been issued, but are not mandatory for financial period ended 31st December 2020. They have not been adopted in preparing the financial statements for the year ended 31st December 2020 and are expected not to affect the entity in the year of initial application.

a Standards issued but not yet adopted

A number of new standards and amendments to standards are effective for annual periods beginning after 1st January 2018, however, the District has not applied the following new or amended standards in preparing these financial statements.

New or Amended Standards	Summary of the Requirements	Possible impact on Financial
IFRS 9 Financial Instruments	IFRS 9, published in July 2014, replaces the existing guidance in IAS 39 Financial Instruments; recognition and Measurement. IFRS 9 includes revised guidance on the Classification and measurement of financial instruments, including a new expected credit loss model for calculating impairment on financial assets, and the new general edge accounting requirements. It also carries forward guidance on recognition and derecognition of financial instruments from IAS 39. IFRS 9 is effective for annual reporting periods beginning on or after 1 January 2018 with early adoption permitted	The District is assessing the potential impact on its financial statements resulting from the application of IFRS 9.

IFRS 15 'Revenue from contracts with customers'

On 1st January 2019, the District adopted IFRS 15 which replaces IAS 18 'Revenue'. The new standard establishes a comprehensive framework for revenue recognition based on a five-step model, covering both services and goods. Detailed assessments carried out by the District have shown that the adoption of the five-step model does not significantly alter the timing or value of revenue recognised by the District as the principles of the new standard align closely with the District previous revenue recognition policy.

The following new or amended standards are not expected to have a significant impact on the District's financial statements.

*IFRS 14 Regulatory Deferral Accounts

*Accounting for Acquisitions of Interest in Joint Operations (Amendments to IFRS 11)

*Clarification of Acceptance Methods of Depreciation and Amortisation (Amendments to IAS 16 and IAS 38)

*Defined Benefit Plans: Employee Contributions (Amendments to IAS 16)

*Agricultural Bearer Plants (Amendments to IAS 16 and IAS 41)

*Annual Improvements to IFRSs 2010 - 2012 Cycle.

*Annual Improvements to IFRSs 2011 - 2013 Cycle.

THE INSTITUTE OF CHARTERED ACCOUNTANTS OF NIGERIA**IKEJA & DISTRICT SOCIETY OF ICAN (IDSICAN)****Financial Statement for the year ended 31st December 2020****ACCOUNTING POLICIES (Con'td)****3 Critical accounting estimates and judgements****Introduction and overview**

The District makes certain estimates and assumptions regarding the future. Estimates and judgements are continually evaluated based on historical experience and other factors, including expectations of future events that are believed to be reasonable under the circumstances. In the future, actual experience may differ from these estimates and assumptions. The estimates and assumptions that have a significant risk causing a material adjustment to the carrying amounts of assets and liabilities within the next financial year are:

Impairment of property, plant and equipment

The District assesses assets or groups of assets for impairment annually or whenever events or changes in circumstances indicate that carrying amounts of those assets may not be recoverable. In assessing whether a write-down of the carrying amounts of a potentially impaired asset is required, the asset's carrying amount is compared to the recoverable amount. Frequently, the recoverable amount of an asset proves to be the District's estimated value in use.

Estimates of useful lives and residual value

The estimates of useful lives and residual values of property, plant and equipment impact the annual depreciation charge. The useful lives and residual values are based on management experience and the condition of the assets. Consideration is given to management's intended usage policy for the assets in the future and potential market prices of similar assets.

Judgement applied in recognising contracts from customers

The District applied the following judgements that significantly affects the determination of the amount and timing of revenue from contracts from customers

Definition of customers

A customer is a party that as contracted with the District to become a member of the District.

The contracts between the District and its customers have commercial substance, and both parties have the intent and the ability to uphold their respective obligations.

Identification of performance obligation

The identification of performance obligation is a crucial part in determining the amount of consideration recognised as revenue. This is because revenue is only recognised at the point in which the performance obligation is fulfilled. The performance obligation of the District to its members is the provision of membership to its members.

Timing of revenue recognition

Membership subscription are recognised over time as the service is provided while other streams like workshops and seminars are recognised at a point in time.

Estimates of revenue or extent of progress towards completion are revised if circumstances change. Any resulting increases or decreases in estimated revenues are reflected in profit or loss in the period in which the circumstances that gives rise to the revision become known to the management.

THE INSTITUTE OF CHARTERED ACCOUNTANTS OF NIGERIA**IKEJA & DISTRICT SOCIETY OF ICAN (IDSICAN)****Financial Statement for the year ended 31st December 2020****ACCOUNTING POLICIES (Con'td)****4 Summary of Significant Accounting Policies**

The accounting policies set out below have been applied consistently to all years presented in these financial statements.

a) Income**i) Member Subscription**

The membership subscription are accounted for as income in the period to which they are received.

ii) Other Income

Other income relates to income from workshops, seminar, Advertisements in Magazine and other District activities.

iii) Rental Income

Rental income relates to income from the use of a section of the Secretariat sub-let out to third party.

iv) Interest Income

Interest income from savings is realised when the account is credited.

v) Donations to the District

The District receives donations from its members and other stakeholders, which are generally non-reciprocal transfers, involve transfers from entities other than the owners and these contributions are voluntary. These donations whether cash or assets (e.g. Property, Plant and Equipment) shall be recognised as income in the period it is received or receivable when and only when all the following conditions have been satisfied:

- (a) There is irrevocable commitment from the donor to the District;
- (b) It is probable that the economic benefits arising from the donation will flow to the District; and
- (c) The amount of the donation can be measured reliably.

b) Expenditure

Expenditures are recognized as they accrue during the course of the year. Analysis of expenses recognized in the statement of comprehensive income is presented in classification based on the function of the expense as this provides information that is reliable and more relevant than their nature.

c) Property, plant and equipment**Recognition and measurement**

All categories of property, plant and equipment are stated initially at historical cost less depreciation. Historical cost included in the cost includes expenditure that is directly attributable to the acquisition of the assets. Subsequent costs are included in the asset's carrying amount or recognised as a separate asset, as appropriate, only when it is probable that future economic benefits associated with the item will flow to the District and the cost of the item can be measured reliably. The carrying amount of the replaced part is derecognised. All other repairs and maintenance are charged to the income statement during the financial period in which they are incurred.

For revalued assets, any revaluation increase arising on the revaluation of such land and building is recognised in the other comprehensive income and accumulated fund, except to the extent that it reverses a revaluation decrease from the same asset previously recognised in other comprehensive income in which case the increase is credited to other comprehensive income to the extent of the decrease previously expensed. A decrease in the carrying amount arising from the revaluation of such land and building is recognised in other comprehensive income to the extent that it exceeds the balance if any, held in the property revaluation reserves relating to a previous revaluation of such asset.

Depreciation

Depreciation of assets commences when assets are available for use. Depreciation is provided on all property, plant and equipment, other than leasehold land which is not depreciated, at rates calculated to write-off the cost or valuation, of each asset on a straight line basis over its expected useful life, as follows:

Type of asset

Freehold Library Building	2%	per annum
Plant and Machinery	25%	per annum
Office Equipment	10%	per annum
Furniture and fittings	10%	per annum

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ACCOUNTING POLICIES (Con'td)

4 Summary of Significant Accounting Policies (cont'd)

De-recognition of PPE

An item of property, plant and equipment is de-recognised upon disposal or when no future economic benefits are expected from its use. Any gain or loss arising on derecognition of the asset (calculated as the difference between the net disposal proceeds and the carrying amount of the asset) is included in the profit or loss component of the statement of profit or loss and other comprehensive income within other or operating expenses in the year that the asset is derecognised.

d) Impairment of financial assets

At each balance sheet date, the District reviews the carrying amounts of its financial assets to determine whether is any indication that those assets have suffered an impairment loss. If any such indication exists, recoverable amount of the asset is estimated in order to determine the extent of the impairment loss (if any). Where it is not possible to estimate the recoverable amount of an individual asset. The District estimates the recoverable amount of the cash-generating unit to which the assets belongs. An impairment loss is charged to the statement of comprehensive income immediately unless the asset is carried at its revalued amount. Any impairment loss of a revalued asset is treated as a revaluation decrease to the extent of a previously recognised revaluation surplus for the same asset.

e) Intangible assets

Software acquired by the District is stated at cost less accumulated and accumulated impairment losses. Subsequent expenditure on software assets is capitalised only when it increase the future economic benefits embodied in the specific asset to which it relates. All other expenditure is expenses as incurred.

Amortisation is recognised in the income statement on a straight line basis over the estimated useful life of the software, from the date that it is available for use. The estimated useful life of the software is 3 years. This is reassessed annually.

Impairment of non-financial assets

Intangible assets which are subject to amortisation are reviewed for impairment whenever events or changes in circumstances indicate that the carrying value may not be recoverable. An impairment loss is recognised for the amount by which the asset's carrying amount exceeds its recoverable amount. The recoverable amount is the higher of an asset's fair value less cost to sell and value in use.

f) Inventories

Inventories are recorded at the lower of cost and net realisable value after making adequate provision for obsolescence and damaged items. Cost comprises suppliers' invoice, prices and other costs incurred to bring the stocks to its present location and condition. Cost is determined using the first-in, first-out (FIFO) method.

g) Contract Assets/Liabilities

Subscriptions, interest and conference incomes received in advance are deferred to the period it relates. Interest expenses paid in advance on loans to staff using effective interest rate is deferred to the period it relates.

k) Provisions

Provisions are recognised when the District has a present obligation (legal or constructive) as a result of a past event, it is probable that the District will be required to settle the obligation, and a reliable estimate can be made of the amount of the obligation.

The amount recognised as a provision is the best estimate of the consideration required to settle present obligation at the end of the reporting period, taking into account the risks and uncertainties surrounding the obligation. When a provision is measured using the cash flows estimate to settle present obligation, its carrying amount is the present value of these cash flows (when the effect of the time value of money is material). When some or all of the economic benefits required to settle a provision are expected to be recovered from a third party, a receivable is recognised as an asset if it is virtually certain that reimbursement will be received and the amount of the receivable can be measured reliably.

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ACCOUNTING POLICIES (Cont'd)

4 Summary of Significant Accounting Policies (cont'd)

j Financial Instruments

a) Financial assets

Financial assets are initially recognised at fair value plus directly attributable transaction costs. Subsequent re-measurement of financial assets is determined by their designation that is revisited at each reporting date. The classification of financial assets depends on the purpose for which the financial assets were acquired. Management determines the classification of its financial assets at initial recognition. The District's financial assets comprise of receivable. At the reporting date, the District assesses whether its financial assets has been impaired. Impairments lose are recognised in the statement of profit or loss and other comprehensive income where there is objective evidence of impairment.

i) Trade and Other Receivables

Trade and Other Receivables are stated at amortised cost based on the original invoice amount less an allowance for any irrecoverable amounts. Provision is made when there is objective evidence that the District will not be able to collect certain debts. Bad debts are written off when identified. The amount of impairment allowance is the difference between the asset's nominal value and the recoverable value, which is the present value of estimated cash flows, discounted at the original effective rate. Changes to this impairment are recognised under administrative costs. When a trade receivable is uncollectable, it is written off against impairment for trade receivables.

ii) Cash and cash equivalents

Cash and cash equivalents comprise cash on hand, demand and short term deposits with banks and similar institutions, which are readily convertible to known amount of cash and are subject to insignificant risks of changes in their fair value.

iii) Derecognition of Financial assets

The District derecognised a financial asset only when the contractual rights to the cash flows from the asset expire or when it transfers substantially all the risks and reward of ownership of the assets to another entity. If the District neither transfer nor retains substantially all the risks and rewards of ownership and continues to control the transferred asset, the District recognises its retained interest in there assets and an associated liability for amounts it many have to pay. If the District retains substantially all the risks and rewards of ownership of a transferred asset, the district continues to recognise a collateralised borrowing for the proceeds received.

On de-recognition of a financial asset other than in its entirety (e.g. when the District retains an option to repurchase part of a transferred asset), the District allocates the previous carrying amount of the financial asset between the part it continues to recognised under continuing involvement, and the part it no longer recognises on the basis of the relative fair value of those parts on the date of the transfer. The difference between the carrying amount allocated to the part that is no longer recognised and the sum of the consideration received for the part no longer recognised and any cumulative gains or losses allocated to it income. A cumulative gains or losses that had ben recognised in other comprehensive income are allocated between the part that continues to be recognised and the part that is no longer recognised on the basis of the relative fair value of those parts.

b) Financial liabilities

Financial liabilities are initially recognised at fair value when the District becomes a party to the contractual provisions of the liability. Subsequent measurement of financial liabilities is based on amortised cost using the effective interest method.

The District's financial liabilities include trade and other payables. Financial liabilities are presented as if the liability is due to be settled within 12 months after the reporting date, of if they are held for the purpose of being traded. Other financial liabilities which contractually will be settled more than 12 months after the reporting date are classified as non-current.

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ACCOUNTING POLICIES (Cont'd)

4 Summary of Significant Accounting Policies (cont'd)

i) Trade and Other Payables

Trade payables classified as financial liabilities are initially measured at fair value, and are subsequently measured at amortised cost, using the effective interest rate method. Other payables that are within the scope of IAS 39 are subsequently measured at amortised cost. Others are measured in respect to their applicable standards.

ii) Related Party Transactions

Related parties included the related companies, the trustees and any employee who is able to exert significant influence on the operating policies of the company. Key management personnel are also considered related parties. Key management personnel are those persons having authority and responsibility for planning, directing and controlling the activities of the entity, directly or indirectly, including any director (whether executive or otherwise) of that entity.

The District considers two parties to be related if, directly or indirectly one party has the ability to control the other party or exercise significant influence over the other party in making financial or operating decisions. Where there is a related party transaction with the District, the transactions are disclosed as to the type or relationship that exists the District and the outstanding balance necessary to understand their effects on the financial position and the mode of settlement.

iii) De-recognition of financial liabilities

The District derecognises financial liabilities when, and only when, the District's obligations are discharged, cancelled or they expire. The difference between the carrying amount of the financial liability derecognised and the consideration paid and payable is recognised in statement of profit or loss and other comprehensive income.

c) Equity Instruments

i) Accumulated Fund

The District considers its capital to be its accumulated fund. The Executive Committee financial objective is to generate a targeted operating position, to build and maintain the accumulated fund at a sustainable level, taking to account the various competitive risks. The District's Financial Committee reviews the financial position of the District at each committee meeting. The District is not subjected to any material externally imposed capital requirement.

ii) Other Funds and Reserves

Reserves included all current and prior period retained earning and other reserves which are restricted for their intended purposes.

k Offsetting of Financial Assets and Financial Liabilities

Financial assets and liabilities are offset and the net amount is reported in the statement of financial position. Offsetting can be applied when there is a legally enforceable right to offset the recognised amounts, and there is an intention to settle on a net basis or realise the asset and settle the liability simultaneously.

l Impairment of financial instruments

The District assesses its financial instruments at the end of each reporting year whether there is objective that a financial asset or group of financial assets is impaired. A financial asset or a group of financial assets is impaired and impairment losses are incurred only if there is objective evidence of impairment as a result of one or more events that occurred after initial recognition of the asset (a 'loss event') and that loss event (or events) has an impact on the estimated future cash flows of the financial assets that can be reliably estimated.

Evidence of impairment may include indications that the debtor or a group of debtors is experiencing significant financial difficulty, default or delinquency in interest or principal payments, the probability that they will enter bankruptcy or other financial reorganisation, and where observable date indicates that there is a measurable decrease in the estimated future cash flows such as changes in arrears or economic conditions that correlate with defaults.

As a practical expedient, the District may measure impairment on the basis of an instrument's fair value using an observable markets price.

If, in a subsequent period, the amount of the impairment loss decrease and the decrease can be related objectively to an event occurring after the impairment was recognised (such as an improvement in the debtor's credit rating), the reversal of the previously recognised impairment loss is recognised in the statement of profit or loss.

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ACCOUNTING POLICIES (Cont'd)

5 Financial Risk Management

General

Pursuance to a financial policy maintained by the Management Committee. The District uses several financial instruments in the ordinary course of business. The District's financial instruments are cash and cash equivalents, trade and other receivables and trade and other payables.

The District has exposure to the following risks from its use of financial instruments

- * Credit risk
- * Liquidity risk
- * Market risk, consisting of currency risk, interest rate risk and price risk.

Credit Risk

Credit risk arises principally from cash and cash equivalents, deposits with banks and financial institutions, equity held as available-for-sale investments, subscription receivables and other financial instruments. The District regularly monitors and reviews its exposure with key banking and investment manager, and for deposit, only reputable financial institution with high quality external credit rating are used.

	2020	2019
	N	N
Trade receivables	-	-
Other receivables	682,221	627,408
Cash and cash equivalent	4,748,143	1,900,441
	<u>5,430,365</u>	<u>2,527,849</u>

The credit risk is that one party to a financial instrument fails to discharge its obligation in respect of the instrument. The District has no significant concentration of credit risk, with exposure spread over a large number of customers. The District believes that the maximum exposure equates to the carrying value of trade and other receivables. Management reviews the trade receivables balance on regular basis.

Cash held with the following institutions:

First Bank of Nigeria Limited	4,432,960	1,807,542
Ecobank Plc.	315,183	92,899
	<u>4,748,143</u>	<u>1,900,441</u>

Liquidity Risk

Liquidity risk is the risk that the District will not be able to meet its financial obligations as they fall due. The District's approach to managing liquidity is to ensure that it will have sufficient liquidity to meet its liabilities when due, under normal and stressed conditions. The District receives the majority of its income as subscription in the year. Cash not required for short-term operating purposes is invested to maximize return with an acceptable level of risk.

The focus of the liquidity review is on the net financing capacity, being free cash plus available credit facilities in relation to the financial liabilities

	As at 31st December 2020				
	Book Value	Contractual cash flow	One year or less	1 - 5 years	More than 5 years
Trade and Other Payables	<u>478,017</u>	<u>478,017</u>	<u>478,017</u>	<u>-</u>	<u>-</u>
	As at 31st December 2019				
	Book Value	Contractual cash flow	One year or less	1 - 5 years	More than 5 years
Trade and Other Payables	<u>782,187</u>	<u>782,187</u>	<u>782,187</u>	<u>-</u>	<u>-</u>

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ACCOUNTING POLICIES (Cont'd)

Market Risk

Market risk concerns the risk that the District's income or if held, the value of investment in financial instruments is adversely affected by changes in market prices, such as exchange rates and interest rates. The objective of managing market risk is to keep the market risk position within acceptable boundaries while achieving the best possible return.

Market risk arises from the District's use of interest bearing and tradable financial instruments. It is the risk that the fair value of future cash flows of a financial instrument will fluctuate because of changes in the interest rate (interest rate risk), foreign exchange rates (currency risk) or other market factors (other price risk). Interest rate risk relates to the risk of loss due to fluctuations in both cash flows and their fair value of financial assets and liabilities due to changes in market interest rate.

The District invests surplus cash in the short term and in doing so exposes itself to the fluctuation in interest rates that are inherent in such a market.

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NOTES TO THE FINANCIAL STATEMENTS

	<u>2020</u>		<u>2019</u>
	N		N
1 Members Subscription & Levies			
Annual Subscription	5,283,200		5,595,250
Registration Form & Fees	264,000		370,000
Library Development Levy	346,000		488,000
Secretariat Building Levy	432,500		610,000
As per Comprehensive Income	<u>6,325,700</u>		<u>7,063,250</u>
2a Operating Activities Income			
IDSICAN Training Income	5,279,131		3,504,420
Investiture Income	2,350,000		1,375,000
Year End Family Forum	987,500		632,500
As per Comprehensive Income	<u>8,616,631</u>		<u>5,511,920</u>
2b Operating Activities Expenditure			
IDSICAN Training Expenses	4,084,374		2,542,680
Investiture Expenses	824,500		1,055,200
Year end Family forum	938,000		870,000
As per Comprehensive Income	<u>5,846,874</u>		<u>4,467,880</u>
		31st December 2020	
	Gross	Gross	Net Income/
	<u>Income</u>	<u>Expenditure</u>	<u>Expenditure</u>
	N	N	N
2c Analysis of Operating Activities			
IDSICAN Trainings	5,279,131	(4,084,374)	1,194,757
Investiture	2,350,000	(824,500)	1,525,500
Year End Family Forum	987,500	(938,000)	49,500
Total net surplus from operating activities	<u>8,616,631</u>	<u>(5,846,874)</u>	<u>2,769,757</u>
		31st December 2019	
	Gross	Gross	Net Income/
	<u>Income</u>	<u>Expenditure</u>	<u>Expenditure</u>
	N	N	N
2d Analysis of Operating Activities			
IDSICAN Trainings	3,504,420	(2,542,680)	961,740
Investiture	1,375,000	(1,055,200)	319,800
Year End Family Forum	632,500	(870,000)	(237,500)
Total net (deficit) from operating activities	<u>5,511,920</u>	<u>(4,467,880)</u>	<u>1,044,040</u>
3 Other Income			
Rental Income	418,980		366,000
Newsletter levy	106,000	3a	146,100
Practicing License	-		110,000
ICAN Western District	117,010		-
Advert income on Newsletter	100,000		-
Sundry Income	30,000		91,258
As per Comprehensive Income	<u>771,991</u>		<u>713,358</u>

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NOTES TO THE FINANCIAL STATEMENTS {cont'd}

	<u>2020</u>	<u>2019</u>
<u>Notes</u>	<u>N</u>	<u>N</u>
4 Committee Meeting and AGM Expenses		
Committee Meeting Expenses	380,240	474,000
Annual General Meeting	107,050	99,000
As per Comprehensive Income	<u>487,290</u>	<u>573,000</u>
5 Personnel Cost		
Salaries and Wages	1,757,065	1,886,932
Staff Welfare/medicals	63,000	26,050
As per Comprehensive Income	<u>1,820,065</u>	<u>1,912,982</u>
6 District Activities Expenses		
Members Forum	592,650	1,419,550
Annual Accountants Conference	387,600	578,000
Western District Zonal Levy	90,000	110,000
Zonal District Conference expenses	188,000	323,500
Courtesy Visit	59,500	71,000
Presidential Visit	-	396,000
As per Comprehensive Income	<u>1,317,750</u>	<u>2,898,050</u>
7 Administrative Expenses		
Land Use Charge	28,185	43,910
Printing and Stationery	7a 430,770	286,750
Production of calendars	520,000	290,000
Electricity	132,800	297,556
Telephone & Postages	354,050	324,500
IDSICAN Website & Internet	7b 540,013	260,000
Transport & Traveling	201,700	279,690
Donation and Gifts	465,000	80,500
Asset Maintenance	7c 386,800	548,250
Newspapers & Periodicals	8,900	19,800
General Expenses	89,110	60,600
Audit Honorarium	100,000	100,000
As per Comprehensive Income	<u>3,257,328</u>	<u>2,591,556</u>
7a. Printing & Stationery		
Printing & Publication of Newsletters	331,500	89,700
Photocopy & Stationery	59,270	130,050
Computer & Consumables	40,000	67,000
	<u>430,770</u>	<u>286,750</u>
7b. IDSICAN Website & Internet expenses		
Website Maintenance	235,000	145,000
Internet subscription	149,000	115,000
Zoom Subscription	156,013	-
Per Administrative expenses	<u>540,013</u>	<u>260,000</u>

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NOTES TO THE FINANCIAL STATEMENTS {cont'd}

	<u>2020</u>	<u>2019</u>
<u>Notes</u>	<u>N</u>	<u>N</u>
7c. Asset Maintenance Expenses		
Repairs & Maintenance	167,550	347,900
Repairs - Generator	198,250	185,350
Cleaning expenses	21,000	15,000
Per Administrative expenses	<u>386,800</u>	<u>548,250</u>
8 Finance Charges		
Bank Charges	57,662	181,386
As per Comprehensive Income	<u>57,662</u>	<u>181,386</u>
9 Depreciation charges		
Depreciation of PPE	572,782	516,099
Impairment - Intangible assets	-	75,000
As per Comprehensive Income	<u>572,782</u>	<u>591,099</u>

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NOTES TO THE FINANCIAL STATEMENTS {cont'd}

10 Property, plant and equipment

<u>Cost/Valuation</u>	Freehold	Library	Plant &	Office	Furniture &	Total
	Building	Building	Machinery	Equipment	Fittings	
	N	N	N	N	N	N
At 1st January 2019	7,307,378	10,888,459	-	3,930,840	2,721,200	24,847,877
Additions	-	-	-	23,000	-	23,000
Disposals	-	-	-	-	-	-
At 31st December 2019	7,307,378	10,888,459	-	3,953,840	2,721,200	24,870,877
Additions	-	-	645,000	280,000	-	925,000
Disposals	-	-	-	-	-	-
At 31st December 2020	7,307,378	10,888,459	645,000	4,233,840	2,721,200	25,795,877
Depreciation						
At 1st January 2019	2,036,580	1,687,710	-	3,424,559	2,192,763	9,341,612
Charge for the year	186,500	217,769	-	72,830	39,000	516,099
Disposals	-	-	-	-	-	-
At 31st December 2019	2,223,080	1,905,479	-	3,497,389	2,231,763	9,857,711
Charge for the year	186,500	217,769	40,313	89,200	39,000	572,782
Disposals	-	-	-	-	-	-
At 31st December 2020	2,409,580	2,123,248	40,313	3,586,589	2,270,763	10,430,493
Net Book Value						
At 31st December 2018	5,270,798	9,200,749	-	506,281	528,437	15,506,265
At 31st December 2019	5,084,298	8,982,980	-	456,451	489,437	15,013,166
At 31st December 2020	4,897,798	8,765,211	604,687	647,250	450,437	15,365,384

11 Intangible Asset

<u>Cost/Valuation</u>	E-Library	Website	Total
	Work-in-Progress	Design	
	N	N	N
At 1st January 2019	1,413,500	150,000	1,563,500
Additions	-	-	-
At 31st December 2019	1,413,500	150,000	1,563,500
Additions	-	-	-
At 31st December 2020	1,413,500	150,000	1,563,500
Amortisation			
At 1st January 2019	-	-	-
Charge for the year	-	75,000	75,000
At 31st December 2019	-	75,000	75,000
Charge for the year	-	-	-
At 31st December 2020	-	75,000	75,000
Net Carrying Value			
At 31st December 2018	1,413,500	150,000	1,563,500
At 31st December 2019	1,413,500	75,000	1,488,500
At 31st December 2020	1,413,500	75,000	1,488,500

12 Inventory

	<u>2020</u> N	<u>2019</u> N
Label Pin	15,850	15,850
Less: impairment charges	(9,350)	-
As per Financial Position	6,500	15,850
Full provision made for obsolescence and damaged Label Pins		

13 Other Receivables

Subvention Arrears (ICAN)	500,000	500,000
Deferred Expenses - Members Forum	40,000	-
Rental Income receivable	42,221	27,408
Loan to past Chairmen	100,000	100,000
As per Financial Position	682,221	627,408

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NOTES TO THE FINANCIAL STATEMENTS {cont'd}

	<u>Notes</u>	<u>2020</u> N	<u>2019</u> N
14 Cash and cash equivalent			
Bank balances	14a	4,748,143	1,900,441
Cash in hand		-	-
As per Financial Position		<u>4,748,143</u>	<u>1,900,441</u>
14a. Bank Balances			
First Bank Plc (Main Account)		3,617,977	1,532,375
First Bank Plc (Welfare Account)		814,983	275,167
Ecobank Plc. (Advert Account)		315,183	92,899
Balance as at 31st December		<u>4,748,143</u>	<u>1,900,441</u>
15 Trade & Other Payable			
Deferred Income - Subscription		223,000	-
Deferred Income - Rent		-	204,167
Building fund		155,017	350,000
Land use charge		-	87,820
IDSICAN Co-operative		-	40,200
Accrued-Auditor's Honorarium		100,000	100,000
As per Financial Position		<u>478,017</u>	<u>782,187</u>
16 Accumulated fund			
Balance as at 1st January		5,726,526	5,164,562
Prior year adjustments		-	(10,611)
		<u>5,726,526</u>	<u>5,153,951</u>
Surplus for the year		2,854,571	572,575
As per Financial Position		<u>8,581,097</u>	<u>5,726,526</u>
The accumulated fund represents the excess of income over expenditure which have been accumulated over the years.			
17 Revaluation Reserve Account			
Balance as at 1st January		11,017,808	11,017,808
Addition during the year		-	-
As per Financial Position		<u>11,017,808</u>	<u>11,017,808</u>
This represent the surplus on revaluation of the Districts' building			
18 IDSICAN LAND ACQUISITION FUND			
Balance as at 1st January		120,000	120,000
Funds contributed during the year		694,983	-
As per Financial Position		<u>814,983</u>	<u>120,000</u>
This represent fund set aside for capital project by the District.			
19 Workshop Advert Fund			
Balance as at 1st January		1,398,844	1,398,844
Fund contributed during the year		-	-
Training Advert payment during the year		-	-
As per Financial Position		<u>1,398,844</u>	<u>1,398,844</u>
Workshop Advert Fund represents advert contribution between the district and training consultants in order to service advert placed on national dailies for training purposes			

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NOTES TO THE FINANCIAL STATEMENTS {cont'd}

	<u>2020</u>	<u>2019</u>
<u>Notes</u>	<u>N</u>	<u>N</u>
20 Cash generated from operating activities:		
Surplus for the year	2,854,571	572,575
Adjustment for:		
Depreciation charges	572,782	591,099
Prior year adjustment	-	(10,611)
	<u>3,427,353</u>	<u>1,153,063</u>
Changes in working capital:		
Inventories	9,350	-
Other Receivables & prepayment	(54,813)	-
Accounts Payable	(304,170)	259,110
Total adjustments	<u>(349,633)</u>	<u>259,110</u>
Net cash provided by operating activities	<u>3,077,720</u>	<u>1,412,173</u>

21 Employees

The average number of persons employed by the District during the period was as follows:

	Number	Number
Management	1	1
Senior Staff	1	1
Junior Staff	2	2
	<u>4</u>	<u>4</u>
Staff Cost		
Wages and salaries	1,757,065	1,886,932
Pension Cost	-	-
	<u>1,757,065</u>	<u>1,886,932</u>

22 Capital Commitments

The Executive Committee are of the opinion that there were no capital commitment as at 31st December 2020 (2019:Nil)

23 Contingent liabilities

The District has no contingent liabilities as at 31st December 2020 (2019: Nil)

24 Events After Statement of Financial Position Date

In the first quarter of 2020, there was a COVID-19 outbreak which had spread globally. As at the date of this report several cases had been confirmed in Nigeria by the Nigeria Centre for Disease Control.

The disease has caused a significant reduction in social interaction, with a shutdown of public facilities and physical interaction. Measures taken to contain the virus have affected economic activities. Members of staff have incorporated working from home procedures. Teleconferencing infrastructures have been put in place for meetings of committee of Executive Committee to perform their roles to the District member.

25 Comparative Figures

Certain comparative figures have been reclassified in line with the current year's presentation wherever this has been deemed necessary to ensure compliance with the International Reporting Standards.

THE INSTITUTE OF CHARTERED ACCOUNTANTS OF NIGERIA
IKEJA & DISTRICT SOCIETY OF ICAN (IDSICAN)
Financial Statement for the year ended 31st December 2020

STATEMENT OF VALUE ADDED

	2020		2019	
	N	%	N	%
Net Income	10,367,448		9,320,648	
Purchase of services - local	(5,120,030)		(6,243,992)	
Value Added	<u>5,247,418</u>	<u>100</u>	<u>3,076,656</u>	<u>100</u>
Applied as follows:				
To pay employees:				
Wages, salaries and other benefits	1,820,065	34.7	1,912,982	62.2
To provide for enhancement of assets and growth:				
Depreciation of property, plant and equipment	572,782	10.9	591,099	19.2
Surplus for the year	2,854,571	54.4	572,575	18.6
	<u>5,247,418</u>	<u>100</u>	<u>3,076,656</u>	<u>100</u>

This statement represents the distribution of the wealth created through the use of the District's assets by its own and employees' efforts.

**THE INSTITUTE OF CHARTERED ACCOUNTANTS OF NIGERIA
IKEJA & DISTRICT SOCIETY OF ICAN (IDSICAN)
Financial Statement for the year ended 31st December 2020**

FIVE-YEAR FINANCIAL SUMMARY

NON IFRS STATEMENT AS AT 31ST DECEMBER

	2020	2019	2018	2017	2016
	N	N	N	N	N
STATEMENT OF FINANCIAL POSITION					
ASSETS AND LIABILITIES					
Property, plant and equipment	15,365,384	15,013,166	15,506,265	14,671,181	15,259,718
Intangible assets	1,488,500	1,488,500	1,563,500	1,413,500	1,413,500
Current assets	5,436,865	2,543,699	1,354,525	1,757,172	1,301,171
Current liabilities	(478,017)	(782,187)	(1,572,076)	(775,250)	(874,750)
	<u>21,812,732</u>	<u>18,263,178</u>	<u>16,852,214</u>	<u>17,066,603</u>	<u>17,099,639</u>
REPRESENTED BY:					
Accumulated Fund	8,581,097	5,726,526	5,164,562	5,105,681	5,235,972
Asset Revaluation Reserve	11,017,808	11,017,808	11,017,808	11,017,808	11,017,808
Land Acquisition Fund	814,983	120,000	120,000	120,000	120,000
Workshop Advert Fund	1,398,844	1,398,844	549,844	823,114	725,859
	<u>21,812,732</u>	<u>18,263,178</u>	<u>16,852,214</u>	<u>17,066,603</u>	<u>17,099,639</u>
STATEMENT OF COMPREHENSIVE INCOME					
Total net income	10,367,448	9,320,648	8,736,814	7,060,750	7,021,650
Total Expenditure	(7,512,877)	(8,748,073)	(8,362,133)	(7,191,040)	(8,041,569)
Surplus/(deficit) for the year	<u>2,854,571</u>	<u>572,575</u>	<u>374,681</u>	<u>(130,290)</u>	<u>(1,019,919)</u>
Other Comprehensive income	-	-	-	-	-
Total Comprehensive income/(loss)	<u>2,854,571</u>	<u>572,575</u>	<u>374,681</u>	<u>(130,290)</u>	<u>(1,019,919)</u>