

NIGERIAN BAR ASSOCIATION

Management Accounts

for the quarter ended 30 April 2019 (Q3)

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Caveat

In preparing these financial statements, we have relied on the balances and the information provided in the audited financial statements as at 31 July 2018. We have not audited or verified all the information set out in the financial statements as at July 2018 which we have had to rely upon in the preparation of these financial statements.

In view of the fact that we have not received all the relevant records required to confirm the opening balances as at the time of the preparation of these financial statements, there is a strong probability that some of the information set out in these financial statements will be re-stated as and when the relevant records are received

NIGERIAN BAR ASSOCIATION
Statement of Financial Position
for the quarter ended 30 April 2019 - Q3

		30-Apr-19	31-Jan-19
	Note	NGN	NGN
ASSETS			
Property, plant and equipment	1	2,135,354,756	2,124,105,445
Total non-current assets		<u>2,135,354,756</u>	<u>2,124,105,445</u>
Current Assets			
Trade and other receivables	2	21,341,986	26,928,486
Inventories	3	9,351,778	4,260,153
Prepayment	4	13,700,000	-
Cash & cash equivalent	5	854,759,611	163,128,100
Total Current assets		<u>899,153,376</u>	<u>194,316,739</u>
Current Liabilities			
Trade and other payables	6	521,082,675	408,861,188
Total Current Liabilities		<u>521,082,675</u>	<u>408,861,188</u>
Net Assets		<u><u>2,513,425,457</u></u>	<u><u>1,909,560,997</u></u>
FUNDS AND RESERVES			
Unrestricted net assets		1,473,141,837	1,411,215,325
Restricted net assets		1,040,283,620	498,345,672
Members' funds		<u><u>2,513,425,457</u></u>	<u><u>1,909,560,997</u></u>

NIGERIAN BAR ASSOCIATION
Statement of Comprehensive Income
for the quarter ended 30 April 2019 - Q3

	Note	30-Apr-19	31-Jan-19
		NGN	NGN
Income			
Unrestricted income	7	721,079,176	151,786,370
Restricted income	8	126,024,121	37,349,019
Total Income		847,103,297	189,135,389
Expenditure			
Program services	9	47,415,717	32,451,230
General & administrative expenses	10	195,823,120	78,472,964
Total Expenditure		243,238,837	110,924,194
Finance cost	11	-	1,500,000
Surplus/(Deficit) for the period		603,864,460	76,711,195

NIGERIAN BAR ASSOCIATION
Statement of Changes in Net Assets
for the quarter ended 30 April 2019 - Q3

Net Assets	Unrestricted NGN	Restricted NGN	Total NGN
Balance as at 31 January 2019	1,411,215,325	498,345,672	1,909,560,997
Adjusted opening net assets	1,411,215,325	498,345,672	1,909,560,997
Excess of receipts over expenditure	61,926,512	541,937,948	603,864,460
Balance as at 30 April 2019	1,473,141,837	1,040,283,620	2,513,425,457

NIGERIAN BAR ASSOCIATION
Notes to the financial statements

for the quarter ended 30
 April 2019 - Q3

	Construction in Progress	Furniture & Fittings	Office Equipment	Plant & Machinery	*Land & Building	Library Books	Motor Vehicle	Total
COST								
Bal as at 31 Jan 2019	1,755,311,902	63,174,088	46,785,200	30,147,000	298,996,466	7,164,000	72,237,585	2,273,816,241
Additions in the period	-	-	20,628,834	-	-	-	-	20,628,834
Disposal in the period	-	-	-	-	-	-	-	-
Bal as at 30 April 2019	<u>1,755,311,902</u>	<u>63,174,088</u>	<u>67,414,034</u>	<u>30,147,000</u>	<u>298,996,466</u>	<u>7,164,000</u>	<u>72,237,585</u>	<u>2,294,445,075</u>

ACCUMULATED DEPRECIATION

Bal as at 31 Jan 2018	-	37,139,269	26,615,325	19,916,875	-	3,661,483	62,377,844	149,710,796
Depr for the period	-	2,659,549	2,197,638	1,621,688	-	120,175	2,780,474	9,379,523
Disposal in the period	-	-	-	-	-	-	-	-
Bal as at 30 April 2019	<u>-</u>	<u>39,798,818</u>	<u>28,812,963</u>	<u>21,538,563</u>	<u>-</u>	<u>3,781,658</u>	<u>65,158,318</u>	<u>159,090,319</u>

NET BOOK VALUE

Bal as at 31 Jan 2019	<u>1,755,311,902</u>	<u>26,034,819</u>	<u>20,169,875</u>	<u>10,230,125</u>	<u>298,996,466</u>	<u>3,502,517</u>	<u>9,859,741</u>	<u>2,124,105,445</u>
Bal as at 30 April 2019	<u>1,755,311,902</u>	<u>23,375,270</u>	<u>38,601,072</u>	<u>8,608,438</u>	<u>298,996,466</u>	<u>3,382,342</u>	<u>7,079,267</u>	<u>2,135,354,756</u>

*Land is supposed to be recognized, measured and disclosed separately from buildings so that building can be depreciated. There is insufficient information to make such distinction at this time. The proper treatment will be carried out once this information becomes available.

NIGERIAN BAR ASSOCIATION
Notes to the financial statements
for the quarter ended 30 April 2019 - Q3

	30-Apr-19	31-Jan-19
	NGN	NGN
2 Trade and other receivables		
Staff loans and advances	1,957,700	2,562,700
Section on Legal Practice	18,488,591	18,488,591
Law Officers Association of Nigeria	200,000	200,000
Stratflex Nigeria Limited	695,695	5,677,195
	21,341,986	26,928,486
3 Inventories	9,351,778	4,260,153
4 Prepayment		
Prepayments	2,700,000	-
Prepaid expenses - AGC	11,000,000	-
	13,700,000	-
5 Cash and cash equivalents		
Diamond Bank Plc 1	34,133	34,133
Diamond Bank Plc 2	46,199	46,199
Diamond Bank Plc- Human Rights Institute	219,708	223,908
Diamond Bank Plc- Macarthur Foundation account	22,024	22,017
Access Bank Plc - AGC Account	2,005,556	10,007,676
Access Bank Plc - Bar Practicing Fee Account	82,198,295	71,498,080
Access Bank Plc - Project Account	73,028	73,028
Access Bank Plc - Admin Account	39,250,816	(17,114,599)
Access Bank Plc - North East Account	1,982,205	982,255
Access Bank Plc - Stamp and seal account	87,930,810	21,263,241
Access Bank Plc - NEC account	22,291,916	4,655,500
Access Bank Plc - NBA Naira Macarthur Foundation account	19,780	19,780
Access Bank Plc - NBA Dollar Macarthur Foundation account	64,990,954	64,989,904
Access Bank Plc - Pounds	3,206,855	5,939,645
Access Bank Plc - Dollar	487,333	487,333
Guaranty Trust Bank Plc - ICLE Account	-	-
Fixed Deposit Account	550,000,000	-
Petty Cash	-	-
	854,759,611	163,128,100

6 Trade and other payables		
Salaries	5,893,596	10,760,291
P. A. Y. E.	345,275	1,287
Pension	1,119,636	629,344
Bank Overdraft - Access Bank overdraft mop up from NBA related accounts	32,202,278	
Unexpired lease (Wale Babalakin)	17,500,000	17,500,000
NBA Abuja Branch	23,672,810	-
Other Payables (6a)	440,349,079	373,933,871
	<u>521,082,675</u>	<u>402,824,794</u>
6a Other Payables		
Professional Expenses - Accounting	4,828,133	6,505,962
Withholding Tax payable	8,701,924	8,013,030
MacArthur Foundation - Refund of Unauthorized Expenditure	64,086,155	
Mikano Ltd.-NBA Generator Installation Cost	3,979,488	
AGC related expenses	251,263,713	251,263,713
Others (6ai)	107,489,666	108,151,166
	<u>440,349,079</u>	<u>373,933,871</u>
6ai Others		
Accommodation -Seminars, workshops & Programmes	14,894,553	14,894,553
Allowance for staff working during the NBA National Officers Election	613,000	613,000
Printing & Stationery	5,543,800	7,198,500
Construction in Progress	49,000,000	49,000,000
Legal Fees	1,380,000	1,427,000
Office expenses	1,120,000	1,120,000
Postage & Courier	2,211,288	2,211,288
NBA National Officers Election monitoring expenses	13,933,000	13,933,000
International conference, NEC Meetings	4,146,000	4,146,000
Transport and Travelling		
Honorarium	2,418,000	2,418,000
Refreshment and Meal	2,019,325	2,019,325
NBA Consultant Multi system Bill	5,000,000	5,000,000
Salary- Security & Cleaning Agencies	2,278,700	1,238,500
North East Support	850,000	850,000
Committee meeting expenses	2,082,000	2,082,000
	<u>107,489,666</u>	<u>108,151,166</u>
7 Unrestricted Income		
Members database registration and verification	9,705,681	1,926,942
Bar Practice fees	710,974,766	139,218,523
Annual Conference Income (7a)	45,000	10,069,475
Sales of NBA Products	109,873	135,353
Letter of Good Standing	225,500	145,075

Young Lawyers Conference registration fees	-	-
Criminal Justice Conference registration fee	-	-
ICLE Income	-	-
Unidentified income	100	289,350
Rental Income	-	-
Sundry Income	17,200	-
Exchange Gains	-	-
Interest Income	1,057	1,652
	721,079,176	151,786,370

7a Annual Conference Income

Conference registration	-	-
Donations (AGC)	-	10,000,000
Exhibition	45,000	69,475
Sponsorship	-	-
	45,000	10,069,475

8 Restricted Income

Stamp Sales	124,949,121	25,349,019
Donations (8a)	1,075,000	12,000,000
Restricted interest income	-	-
MacArthur Foundation	-	-
	126,024,121	37,349,019

8a Donations

Benue NEC	-	-
Dangote Foundation	-	-
North East Support - Ministry of Justice Rule of Law Expertise, UK (ROLE) - GBP12,693.97	-	7,000,000
Access Bank Donation For NEC meeting Human Rights Institute	-	5,000,000
North East Support -Maj. Gen. Yusuf Ibrahim Shalangawa	1,000,000	-
Balance of National Industrial Court's donation for Q3 NEC cocktail party.	75,000	-
	1,075,000	12,000,000

9 Program Services

Unrestricted program expenses (9a)	47,375,717	23,501,230
Restricted program expenses (9b)	40,000	8,950,000
	47,415,717	32,451,230

9a Unrestricted program expenses

Annual Conference expenses (9a(i))	-	-
International conference Expenses	2,713,569	-
Seminars, Workshops and Programmes	5,175,000	1,837,250
Committee Meeting expenses	4,037,781	(4,494,470)
Election Monitoring expenses (National elections)	4,798,578	484,000
NEC Meetings Expenses	13,067,664	23,857,450
Accommodation (NEC)	12,363,000	-
National Officers Expenses	5,220,125	1,817,000
	47,375,717	23,501,230

9a(i) Annual Conference Expenses

Hiring and Decoration of hall/venue (AGC)	-	-
Security and cleaning expenses (AGC)	-	-
IT equipment (AGC)	-	-
Entertainment and meals (AGC)	-	-
Advertisement and publicity (AGC)	-	-
Accommodation (AGC)	-	-
Printing & Stationery (AGC)	-	-
Honorarium (AGC)	-	-
Transport, Telephone and postage (AGC)	-	-
Social and Welfare events (AGC)	-	-
Plaques and gift packs (AGC)	-	-
Event Planning (AGC)	-	-
Other expenses (AGC)	-	-
	-	-

9b Restricted program expenses		
Macarthur Foundation Project (9b(i))	40,000	-
North east support	-	8,950,000
	40,000	8,950,000
<hr/> <hr/>		
9b(i) Macarthur Foundation project		
Hiring and Decoration of hall/venue (Mac)	-	-
Security and cleaning expenses (Mac)	-	-
Project equipment (Mac)	-	-
Entertainment and meals (Mac)	-	-
Seminars, Workshops and Programmes (Mac)	40,000	-
Advertisement and publicity (Mac)	-	-
Accommodation (Mac)	-	-
Bank Charges (Mac)	-	-
Printing & Stationery (Mac)	-	-
Honorarium (Mac)	-	-
Transport, Telephone and postage (Mac)	-	-
Plaques and gift packs (Mac)	-	-
Event Planning (Mac)	-	-
Other expenses (Mac)	-	-
	40,000	-
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10 General and Administrative Expenses		
Unrestricted expenses (10a)	132,863,620	66,437,964
Restricted expenses (10b)	62,959,500	12,035,000
	195,823,120	78,472,964
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10a Unrestricted expenses		
Personnel Expenses (see note 10a (i))	68,337,105	33,631,393
Professional Fees (see note 10a (ii))	1,800,000	8,550,481
Unrestricted general & admin expenses - Access Bank overdraft mop Up	42,421,534	-
Advertisement and Publicity	-	-
Security and Cleaning Expenses	4,617,230	3,474,300
Printing & Stationery	11,200	208,100
Accommodation	1,475,000	-
Bank Charges	569,727	1,228,685
Repairs & Maintenance	32,600	2,377,440
Subscription/Dues	240,000	-

Entertainment and meals	-	80,880
Telephone/Recharge Cards	-	2,281,679
Internet Subscription/Website development	345,200	103,400
NBA election expenses	-	-
Donations expense	-	-
Depreciation (see note 1)	9,379,523	9,379,523
Local Transport and Travelling Expenses	446,000	224,737
Newspapers and periodicals	-	104,300
Office expenses	(5,091,625)	506,217
Motor Vehicle expenses	796,939	3,057,780
Insurance	-	-
Diesel- Generator	1,200,000	-
Fuel and Lubricants	790,000	-
Electricity	1,152,700	1,229,049
Members' welfare	-	-
Lawyers' database Expenses	-	-
Exchange loss	-	-
Hire of equipment	2,200,000	-
Tax	2,140,488	-
	132,863,620	66,437,964

10a(Personnel Expenses

Salary	60,448,447	27,137,313
Allowances	120,000	551,600
Severance pay	235,000	-
NYSC salary	1,300,000	-
Contract staff pay	-	200,000
Pension	3,358,008	2,003,560
Pension contribution - Staff	-	-
Pension contribution - NBA	-	-
NSITF	-	-
NHF	-	-
Employee compensation scheme	-	-
Industrial training fund	-	-
Medical expenses	-	-
Staff training and development	-	-
Conferences and seminars	2,875,650	-
Recruitment	-	-
Staff welfare	-	50,000
13th Month Salary	-	3,688,920
	68,337,105	33,631,393

10a(i) Professional Expenses

Professional expenses - Legal expenses	-	-
Professional expenses - Audit	-	-
Professional expenses - Others	-	3,000,000
Professional expenses - Accounting	1,800,000	5,550,481
	<u>1,800,000</u>	<u>8,550,481</u>

10b Restricted expenses

Printing of stamps and licenses	62,959,500	12,035,000
	<u>62,959,500</u>	<u>12,035,000</u>

11 Finance Cost

Interest on bank overdraft	-	1,500,000
	<u>-</u>	<u>1,500,000</u>

APPENDIX

Narrative summary of Q3 financial report as at April 30, 2019

The purpose of this appendix is to summarize the financial results of the Nigeria Bar Association for the period ended April 30, 2019. This report highlights some key aspects of the financial statement and provides succinct overview of the financial position of the association. In addition, it also contains some non-financial information that we deemed will be of importance to the users of the statements.

- i. **Income:** In the period under review, the association received an aggregate sum of N 847, 103, 297 split between restricted and unrestricted funds of N 126, 024, 121 and N 721, 079, 176 respectively. Revenue from Bar Practice Fees accounts forms 99% of the unrestricted funds. Please refer to table 1 for the breakdown of the Association's income in the 3rd quarter of this financial year.

Other streams of unrestricted income were, members' database registration and verification amongst others.

Restricted Income	NGN
Stamp Sales	124,949,121
Donations (See note 8a)	1,075,000
Total	126,024,121
Unrestricted Income	NGN
Members database registration and verification	9,705,681
Bar Practice fees	710,974,766
Annual Conference Income (See note 7a)	445,000
Sales of NBA Products	109,873
Letter of Good Standing	225,500
Unidentified income	100
Interest Income	1,057
Sundry Income	17,200
Total	721,079,176
Total Income	847,103,297

Table 1: Analysis of NBA revenue in Q3

- ii. **Expenses:** Q3 expenses totaled N 243,238,837 with 19% attributed to programme services. The highest spend during the quarter was on personnel expenses, which amounted to N68,337, 105. Approximately N43m relates to the personnel cost portion of the MacArthur Foundation funds to be refunded.
- iii. **Cash and Cash Equivalent:** The NBA had a cash position of N854, 759, 611 at the end of April 2019, with 64% of this balance in a fixed deposit account with access bank. Notes 5 clearly show the balance in each of the NBA's accounts. The cumulative balance of N 304, 759, 611.46 can be found in various undedicated accounts.

The NBA does not have investments in cash equivalent. The total amount in the line item are all balances in the Association's bank accounts.

- iv. **Total Liability:** The total Current Liability as at 30 April is solely trade and other payables. This amounted to N 521, 082, 675 with 48% of these accruals arising from the 2018 AGC related expenses. Further analysis of this class of the Statement of financial position is shown in Note 6.

- v. **Inventory:** The value of inventory increased from N4.2m in Q2 to N9.3m in Q3. This was as a result of the old stock of inventory which was written off in Q1. We have recognized these items as it has been confirmed that the branding and corporate unit have been making sales of NBA branded items from the old stock.
- vi. **Prepayment:** An advance payment of N2.7m was paid to Top Rank Hotel against the NEC meeting that held in March 2019. However, it was confirmed that the full amount was not utilized, and the hotel is due to return the balance to the NBA. The balance of N11m in this class was the down payment made on the venue for the 2019 Annual General Conference.
- vii. **Refund to MacArthur Foundation:** There was an increase of total expenditure by N64m, which is the approximate sum of unbudgeted expenses incurred from the year 1 MacArthur Foundation funds. This has been absorbed by the NBA as directed by NEC at the March 2019 NEC meeting. The breakdown of the entire sum is shown below:

Expense Description	Amount
Town hall meeting in Zamfara State	5, 175, 000.00
ACJA Abuja training expenses – Duplicated per diem	40, 000.00
Salary paid in excess of the project budget provisions	43, 968, 399.00
Amount swept by Access bank – Overdraft facility repayment	8, 702, 755. 99
Housing allowance for OPNBA staff	6, 200, 000.00
Total	64,086, 154.99

These absorbed expenses have resulted in the increase of these expenses categories in the table above.

- viii. **Access bank Mop-up:** Access Bank provided an overdraft facility of N50m to the NBA in August 2018 to finance the 2018 annual general conference. On the expiration of the tenure of the facility, the bank swept all the NBA bank accounts domiciled with them to the tune of N42, 421,524.51 in order to recover the funds. A balance of N32, 202,278.00 is yet to be returned to the various affected dedicated NBA account.