



FEDERAL UNIVERSITY OF AGRICULTURE
ABEOKUTA, NIGERIA



**ANNUAL REPORTS AND
STATEMENT OF ACCOUNTS,
FOR THE YEAR ENDED
31 DECEMBER, 2016**

FEDERAL UNIVERSITY OF AGRICULTURE, ABEOKUTA (FUNAAB)
ACCOUNTS FOR THE YEAR ENDED 31 DECEMBER, 2016

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FEDERAL UNIVERSITY OF AGRICULTURE, ABEOKUTA (FUNAAB)

ACCOUNTS FOR THE YEAR ENDED 31 DECEMBER, 2016

INFORMATION ABOUT THE UNIVERSITY

1. CORPORATE EXISTENCE

The Federal University of Agriculture, Abeokuta (FUNAAB) was established by Decree No. 48 of 2 November, 1992 by the then Military Government of Nigeria (among the three Universities of Agriculture: others are in Makurdi and Umudike) as a centre of excellence in teaching, academic, research and professional programmes leading to award of first degrees (including diplomas) and postgraduate degrees.

The first supervising Ministry was Federal Ministry of Agriculture and Natural Resources but it is currently under the Federal Ministry of Education effective from January, 2002. The National Universities Commission (NUC) is responsible for courses accreditation.

2.0 GOVERNING COUNCIL IN THE FISCAL YEAR 2016

| | | | |
|------|---------------------------------------|---|--|
| 2.1 | Senator, Sir (Dr) Adeseye K. Ogunlewe | - | Pro. Chancellor & Chairman |
| 2.2 | Prof. O. B. Oyewole | - | Vice-Chancellor & Member |
| 2.3 | Prof. T. A. Arowolo | - | Deputy Vice Chancellor (Academics) & Member |
| 2.4 | Prof. F. K. Salako | - | Deputy Vice Chancellor (Development) & Member |
| 2.5 | Hon. Ghali Umar Na'Abba, CFR | - | Member |
| 2.6 | Chief Olukayode Akindele | - | Member |
| 2.7 | Prof. Olufemi Otubanjo | - | Member |
| 2.8 | Alhaji Khadir Abba Dasuki | - | Member |
| 2.9 | Mr Z. O. Atte | - | Member (Rep. Federal Min. of Agric. & Rural Dev) |
| 2.10 | Mr Polycarp Shambo | - | Member (Rep. Federal Min. of Education) |
| 2.11 | Mrs. C. A. Obioha | - | Member (Rep. Federal Min. of Trade & Investment) |
| 2.12 | Prof. T. O. S. Popoola | - | Member (Representing Senate) |
| 2.13 | Prof. F. O. Bamiro | - | Member (Representing Senate) |
| 2.14 | Prof. (Mrs.) Daisy Eruvbetine | - | Member (Representing Senate) |
| 2.15 | Prof. O. B. Kehinde | - | Member (Representing Senate) |
| 2.16 | Prof. O. A. Enikuomehin | - | Member (Representing Congregation) |
| 2.17 | Dr. S. O. Akinwade | - | Member (Representing Congregation) |
| 2.18 | Prof. L. O. Sanni | - | Member (Representing Convocation) |
| 2.19 | Mr. Sola Tobun | - | Member (Representing Convocation) |
| 2.20 | Mr. M. O. Ayoola | - | Registrar & Secretary to Council |

3.0 CURRENT GOVERNING COUNCIL

| | | | |
|------|------------------------------|---|--|
| 3.1 | Dr. Aboki Zhawa | - | Pro-Chancellor and Chairman |
| 3.2 | Prof. F. K. Salako | - | Vice Chancellor & Member |
| 3.3 | Dr. Yakubu J. Tor-Agbidye | - | Federal Government Appointee |
| 3.4 | Mrs. Nkem, Nnenna Ezeomah | - | Federal Government Appointee |
| 3.5 | Dr. Femi Olufunmilade | - | Federal Government Appointee |
| 3.6 | Mrs. Titilope Oyekunbi Ajayi | - | Federal Government Appointee |
| 3.7 | Mr. Mohammad Attai Sidi-Ali | - | (Rep. Federal Ministry of Education) |
| 3.8 | Dr. O. D. Akinsola | - | (Rep. Federal Ministry of Agriculture & Rural Development) |
| 3.9 | Mr. Sola Tobun | - | Member (Rep. Convocation) |
| 3.10 | Prof. (Mrs) M. A. Dipeolu | - | Deputy Vice Chancellor (Academic) |
| 3.11 | Prof. L. O. Sanni | - | Deputy Vice Chancellor (Development) Member |
| 3.12 | Prof. C. O. Adeofun | - | Member (Representing Senate) |
| 3.13 | Prof. O. S. Sowande | - | Member (Representing Senate) |
| 3.14 | Prof. M. O. Atayese | - | Member (Representing Senate) |
| 3.15 | Prof. M. O. Ozoje | - | Member (Representing Senate) |
| 3.16 | Prof. A. A. A. Agboola | - | Member (Representing Congregating) |
| 3.17 | Arch. B. A. R. Anasanwo | - | Member (Representing Congregating) |
| 3.18 | Dr. 'Bola Adekola | - | Registrar & Secretary to Council |

FEDERAL UNIVERSITY OF AGRICULTURE, ABEOKUTA (FUNAAB)

ACCOUNTS FOR THE YEAR ENDED 31 DECEMBER, 2016

INFORMATION ABOUT THE UNIVERSITY (CONT'D)

4.0 PRINCIPAL OFFICERS IN THE FISCAL YEAR 2016

| | | | |
|-----|------------------------|---|--|
| 4.1 | Prof. O. B. Oyewole | - | Vice-Chancellor |
| 4.2 | Prof. T. A. Arowolo | - | Deputy Vice Chancellor (Academics) |
| 4.3 | Prof. F. K. Salako | - | Deputy Vice Chancellor (Development) |
| 4.4 | Mr. M. O. Ayoola | - | Registrar/Secretary to the Governing Council |
| 4.5 | Mr. M. O. Ilesanmi | - | Bursar |
| 4.6 | Dr. (Mrs) M. O. Salaam | - | Librarian |

5.0 CURRENT PRINCIPAL OFFICERS

| | | | |
|-----|---------------------------|---|--------------------------------------|
| 5.1 | Prof. F. K. Salako | - | Vice Chancellor |
| 5.2 | Prof. L. O. Sanni | - | Deputy Vice Chancellor (Development) |
| 5.3 | Prof. (Mrs) M. A. Dipeolu | - | Deputy Vice Chancellor (Academics) |
| 5.4 | Dr. Bola Adekola | - | Registrar & Secretary to Council |
| 5.5 | Mr. Chukwunwike Ezekpeazu | - | Bursar |
| 5.6 | Dr. (Mrs) F. N. Onifade | - | University Librarian |

6.0 BANKERS

| | |
|------|---------------------------------------|
| 6.1 | Central Bank of Nigeria |
| 6.2 | Access Bank PLC |
| 6.3 | United Bank for Africa PLC |
| 6.4 | UNAAB Microfinance Bank (MFB) Limited |
| 6.5 | Zenith International Bank PLC |
| 6.6 | Guaranty Trust Bank PLC |
| 6.7 | Union Bank PLC |
| 6.8 | Polaris Bank Ltd |
| 6.9 | Wema Bank PLC |
| 6.10 | Diamond Bank PLC |

7.0 CONTACT ADDRESS

Federal University of Agriculture, Abeokuta
Alabata Road, Off Ibadan Road,
P. M. B. 2240, Abeokuta
Ogun State.

8.0 AUDITORS

Benjamin Akanji Omonayajo & Co.

(Chartered Accountants)

Fan Milk Building,
Onikoko Road, Panseke,
P. O. Box 5334 Totoro,
Abeokuta,
Ogun State.



08034042882, 08033376825, 08084669021,

07056161025, 08087555755, 08075777770

E-mail: benjaminakanji@yahoo.com



BENJAMIN AKANJI OMONAYAJA & CO.

(Chartered Accountants)

Member FCA Group

Fan Milk Building, Onikoko Road, Panseke
P.O Box 5334, Totoro, Abeokuta, Ogun State.
☎: 08034042882, 08087555755, 08075777770, 08033376825.
E-mail: benjaminakanji@yahoo.com

INDEPENDENT AUDITOR'S REPORT TO THE GOVERNING COUNCIL OF THE FEDERAL UNIVERSITY OF AGRICULTURE, ABEOKUTA (FUNAAB)

OUR OPINION

In our opinion, Federal University of Agriculture financial statements give a true and fair view of the state of the financial position of the University as at 31 December, 2016, and of its financial performance and its cash flows for the year ended in accordance with International Public Sector Accounting Standards and the requirements of the the Financial Reporting Council of Nigeria Act, 2011.

What we have audited:

- (i) The statement of financial position as at December 31, 2016;
- (ii) The statement of financial performance for the year ended 31 December, 2016;
- (iii) The statement of changes in Federal University of Agriculture fund for the year ended 31 Dec. 2016.
- (iv) The statement of cash flow for the year ended 31 December, 2016 and
- (v) The notes to the financial statements, which include a summary of significant accounting policies and value added statement.

BASIS OF 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 responsibilities 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 University and in accordance with the International Ethics Standards Board for Accounting Code Ethics for professional Accountants (IESBA Code), we have fulfilled our other ethical responsibilities in accordance with the IESBA Code.

Our opinion on the financial statements does not cover the other information and we do not express any form of assurance on conclusion thereon.

In connection with our audit of the financial statements, our responsibility is to read the other information identified above, and in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the audit, or otherwise appears to be materially misstated. If, based on the work we have performed on the other information that we obtained prior to the date of this auditors report, we conclude that there is no material misstatement of this other information; we are required to report that fact. We have nothing or report in this regard.

RESPONSIBILITIES OF THE MANAGEMENT AND THOSE CHARGED WITH GOVERNANCE FOR THE FINANCIAL STATEMENTS

The management is responsible for the preparation and fair presentation of the financial statements that give a true and fair view, in accordance with International Public Sector Accounting Standards (IPSAS) and for such internal control as management determines as necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, the management is responsible for assessing the University'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 the government either intends to liquidate the University or to cease operations, or has no

realistic alternative but to do so. Those charged with governance are responsible for overseeing the University's financial reporting process.

AUDITOR'S RESPONSIBILITIES

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 taken on the basis of these financial statements.

As part of an audit in accordance with ISAs, we exercise professional judgement and maintain professional skepticism throughout the audit. We also:

- 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 omission, misrepresentation, 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 University's internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the University Governing Council.
- Conclude on the appropriateness of University Council's 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 University'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 University 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.

REPORT ON OTHER LEGAL AND REGULATORY REQUIREMENTS

Financial Regulations requires that in carrying out our audit we consider and report to you on the following matters.

We confirm that:

- (i) We have obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purposes of our audit;
- (ii) The University had kept proper books of account, so far as appears from our examination of those books;
- (iii) The University's statement of financial position and financial performance are in agreement with the books of account, financial regulations, and International public sector accounting standards.

for:



Benjamin Akanji Omonayajo & Co.
(Chartered Accountants)

Abeokuta, Ogun State,
Nigeria.

Engagement Partner: Mr. Benjamin Akanji Omonayajo
FRC/2013/ICAN/00000001907

27 March, 2020.



FEDERAL UNIVERSITY OF AGRICULTURE, ABEOKUTA (FUNAAB)
ACCOUNTS FOR THE YEAR ENDED 31 DECEMBER, 2016

STATEMENT OF FINANCIAL PERFORMANCE

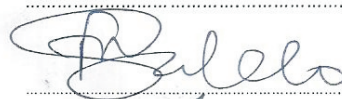
| | | 2016 | 2015 |
|--|------|----------------------|----------------------|
| | Note | N | N |
| Revenue from Exchange Transactions | | | |
| Students fees | 1 | 1,193,609,600 | 1,042,883,614 |
| Income from research and development activities | 2 | 28,328,509 | 47,467,520 |
| Income from other activities and units (IGR) | 3 | 250,564,100 | 139,837,242 |
| Investment income | 4 | <u>47,734,638</u> | <u>27,234,541</u> |
| | | <u>1,520,236,847</u> | <u>1,257,422,917</u> |
| Revenue from Non-exchange Transactions | | | |
| Subventions from Federal Government | 5 | 4,395,327,402 | 4,592,390,156 |
| Donations and Endowments | 6 | <u>385,000</u> | <u>34,563,576</u> |
| | | <u>4,395,712,402</u> | <u>4,626,953,732</u> |
| Total Revenue | | 5,915,949,249 | 5,884,376,649 |
| Expenditure | | | |
| Operating Activities: | | | |
| Personnel costs | 7 | 4,578,360,551 | 4,666,887,237 |
| Academic expenditure | 8 | 384,372,692 | 279,312,401 |
| Central administrative expenses | 9 | 513,735,108 | 497,367,967 |
| Departmental administrative expenses | 10 | 161,523,896 | 118,197,343 |
| Direct teaching and laboratory costs | 11 | 4,661,431 | 52,744,111 |
| Library expenses | 12 | 4,069,853 | 11,358,913 |
| Operating costs of research and development activities | 13 | 15,002,355 | 42,000,360 |
| Operating costs of other activities and units (IGR) | 14 | 14,600,272 | 11,780,388 |
| Depreciation and amortization | 15 | <u>677,219,025</u> | <u>638,247,602</u> |
| Total Operating Activities Expenditure | | 6,353,545,182 | 6,317,896,322 |
| Operating Costs: | | | |
| Other Gains/(Losses): | | | |
| Gains/(losses) on disposal of assets | | -- | -- |
| (Gain) or loss on foreign exchange | | -- | -- |
| Impairments losses | | -- | -- |
| Total Non-Operating Costs | | <u>--</u> | <u>--</u> |
| Total Expenditure | | <u>6,353,545,182</u> | <u>6,317,896,322</u> |
| Deficit for the year | | <u>(437,595,933)</u> | <u>(433,519,673)</u> |

FEDERAL UNIVERSITY OF AGRICULTURE, ABEOKUTA (FUNAAB)
ACCOUNTS FOR THE YEAR ENDED 31 DECEMBER, 2016

STATEMENT OF FINANCIAL POSITION

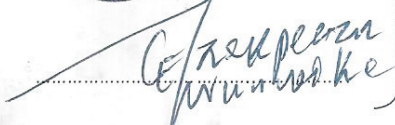
| | Note | 2016 N | 2015 N |
|---|------|-----------------------|-----------------------|
| ASSETS | | | |
| Current Assets | | | |
| Cash and cash equivalents | 16 | 2,883,549,444 | 3,327,678,204 |
| Receivables | 17 | 46,786,560 | 62,629,582 |
| Prepayments | 18 | <u>27,000,000</u> | <u>27,000,000</u> |
| Total Current Assets | | <u>2,957,336,004</u> | <u>3,417,307,786</u> |
| Non-Current Assets | | | |
| Investment in subsidiaries | 19 | 66,329,970 | 66,329,970 |
| Interest in joint venture | 20 | 24,700,000 | 24,700,000 |
| Investment in other entities | 21 | 22,703,220 | 22,222,220 |
| Property, plant and equipment | 22 | 7,994,745,720 | 7,733,050,911 |
| Biological assets | 23 | <u>140,608,210</u> | <u>126,097,437</u> |
| | | <u>8,249,087,120</u> | <u>7,972,400,538</u> |
| Total Assets | | <u>11,206,423,124</u> | <u>11,389,708,324</u> |
| LIABILITIES | | | |
| Current Liabilities | | | |
| Payables | 24 | 608,850,542 | 434,221,692 |
| Accruals | 25 | <u>2,500,000</u> | <u>2,500,000</u> |
| Total Current Liabilities | | <u>611,350,542</u> | <u>436,721,692</u> |
| Total Liabilities | | <u>611,350,542</u> | <u>436,721,692</u> |
| NET ASSETS | | | |
| Accumulated surplus | 26 | 1,570,970,310 | 2,129,304,477 |
| Other funds | 27 | 26,355,343 | 23,967,493 |
| Capital project funds | 28 | 8,788,171,310 | 8,744,478,161 |
| Loan funds and grants | 29 | 31,396,923 | 30,914,977 |
| Special funds | 30 | <u>178,178,696</u> | <u>24,321,524</u> |
| Total Net Assets | | <u>10,595,072,582</u> | <u>10,952,986,632</u> |
| Total Net Assets and Liabilities | | <u>11,206,423,124</u> | <u>11,389,708,324</u> |

These Financial Statements were approved by the Governing Council of the University on 27 March, 2020 and signed by:

.....



Pro-Chancellor and Chairman of Council

Vice-Chancellor

.....


Bursar

The accompanying notes and accounting policies form an integral part of these financial statements.

FEDERAL UNIVERSITY OF AGRICULTURE, ABEOKUTA (FUNFA)

ACCOUNTS FOR THE YEAR ENDED 31 DECEMBER, 2016

STATEMENT OF CHANGES IN NET ASSETS

| | Accumulated Surpluses | Other Funds | Capital Project Funds | Loan Funds and Grants | Special Funds | Total Net Assets |
|---------------------------------|--------------------------|-------------------|--------------------------|--------------------------|--------------------|-----------------------|
| | N | N | N | N | N | N |
| Balance at 1 January 2016 | 2,129,304,477 | 23,967,493 | 8,744,478,161 | 30,914,977 | 24,321,524 | 10,952,986,632 |
| Prior year adjustments | <u>(135,249,007)</u> | -- | -- | -- | -- | <u>(135,249,007)</u> |
| Additions during the year | 1,994,055,469 | 23,967,493 | 8,744,478,161 | 30,914,977 | 24,321,524 | 10,817,737,625 |
| Interest capitalized | -- | 2,387,850 | 43,693,149 | -- | 153,857,172 | 199,938,171 |
| Recognition of biological asset | 14,510,773 | -- | -- | 481,947 | -- | 481,947 |
| Deficit for the year | <u>(437,595,933)</u> | -- | -- | -- | -- | <u>(437,595,933)</u> |
| Balance at 31 December 2016 | <u>1,570,970,310</u> | <u>26,355,343</u> | <u>8,788,171,310</u> | <u>31,396,924</u> | <u>178,178,696</u> | <u>10,595,072,583</u> |

The accompanying notes and accounting policies form an integral part of these financial statements.

FEDERAL UNIVERSITY OF AGRICULTURE, ABEOKUTA (FUNAAB)
ACCOUNTS FOR THE YEAR ENDED 31 DECEMBER, 2016

STATEMENT OF CASH FLOWS

| | 2016 | 2015 |
|--|----------------------|----------------------|
| | N | N |
| Cash Flow from Operating Activities | | |
| Deficit for the year | (437,595,933) | (433,519,673) |
| Adjustment for Non-Cash Items | | |
| Depreciation and amortization | 677,219,025 | 638,247,602 |
| TETFUND grant | 146,874,367 | -- |
| Prior year adjustments | <u>(135,249,007)</u> | <u>107,688,164</u> |
| Cash Flow Before Changes in Working Capital | 251,248,452 | 312,416,093 |
| (Increase)/decrease in receivables | 15,843,022 | (44,847,602) |
| Increase/(decrease) in payables | <u>174,628,850</u> | <u>434,593,650</u> |
| | 441,720,324 | 702,162,141 |
| Adjustments for Non-Operating Cash Flows: | | |
| Decrease in TETFUND | (146,874,367) | -- |
| Investment income | <u>47,734,638</u> | -- |
| Net Cash Flow from Operating Activities | <u>342,580,595</u> | <u>702,162,141</u> |
| Cash Flow from Investing Activities: | | |
| Acquisition of property, plant & equipment | (939,366,445) | (937,627,785) |
| Additions to investments | (481,000) | (7,978,600) |
| Investment income | <u>(47,734,639)</u> | -- |
| Net Cash Flow from Investing Activities | <u>(987,582,084)</u> | <u>(945,606,385)</u> |
| Cash Flow from Financing Activities: | | |
| Net movement in fund account balances | <u>200,872,729</u> | <u>105,697,669</u> |
| Net Cash Flow from Financing Activities | <u>200,872,729</u> | <u>105,697,669</u> |
| Net (Decrease)/(Increase) in Cash and Equivalents | (444,128,760) | (137,746,575) |
| Cash and cash equivalents at 1 January | <u>3,327,678,204</u> | <u>3,465,424,779</u> |
| Cash and cash equivalent at 31 December | <u>2,883,549,444</u> | <u>3,327,678,204</u> |

FEDERAL UNIVERSITY OF AGRICULTURE, ABEOKUTA (FUNAAB)

ACCOUNTS FOR THE YEAR ENDED 31 DECEMBER, 2016

STATEMENT OF COMPARISON OF BUDGET AND ACTUAL AMOUNTS

| | Original Budget | | Adjustments | | Final budget | | Actual on Comparable Basis | | Performance Difference |
|---|-------------------------|---|------------------|---|-------------------------|---|----------------------------|-------------------------|------------------------|
| | 2016 | ₦ | 2016 | ₦ | 2016 | ₦ | 2016 | ₦ | |
| Revenue | | | | | | | | | |
| Government Grants and Subventions: | | | | | | | | | |
| Personnel cost | 4,783,480,090.00 | | -- | | 4,783,480,090.00 | | 4,866,615,439.00 | (83,135,349.00) | (2%) |
| Overhead cost | 39,916,645.00 | | -- | | 39,916,645.00 | | 35,924,980.50 | 3,991,664.50 | (10%) |
| Direct teaching/laboratory cost | 58,787,868.00 | | -- | | 58,787,868.00 | | 52,909,081.20 | 5,878,786.80 | (10%) |
| TETFUND grants | 337,000,000.00 | | -- | | 337,000,000.00 | | -- | 337,000,000.00 | 0% |
| Federal government grant for capital projects | 53,693,149.00 | | -- | | 53,693,149.00 | | 43,693,149.00 | 10,000,000.00 | (18%) |
| Research grants and aids | 165,000,000.00 | | -- | | 165,000,000.00 | | 17,783,828.98 | 147,216,171.02 | (89%) |
| Third party funds (service charges)-students fees | 1,247,338,220.00 | | -- | | 1,247,338,220.00 | | 1,028,482,441.91 | 218,855,778.09 | (18%) |
| Income from other activities and units (IGR) | 142,057,000.00 | | -- | | 142,057,000.00 | | 106,495,748.00 | 35,561,252.00 | (25%) |
| Total Income | 6,827,272,972.00 | | -- | | 6,827,272,972.00 | | 6,151,904,668 | 748,162,093.00 | (10%) |
| Expenditure | | | | | | | | | |
| Personnel costs | 4,783,257,531.37 | | -- | | 4,783,257,531.37 | | 4,746,057,531.37 | 37,200,000.00 | 1% |
| Academic expenditure | 330,500,000.00 | | -- | | 330,500,000.00 | | 216,178,945.08 | 114,321,054.92 | 35% |
| Capital expenditure from recurrent funds | 253,000,000.00 | | -- | | 253,000,000.00 | | 193,113,909.74 | 59,886,090.26 | 24% |
| Capital ventures from recurrent funds | 57,500,000.00 | | -- | | 57,500,000.00 | | 5,041,648.00 | 52,458,352.00 | 91% |
| Central administrative expenses | 318,350,000.00 | | -- | | 318,350,000.00 | | 246,010,530.25 | 72,339,469.75 | 23% |
| Departmental expenditure | 86,190,903 | | (371,904) | | 85,818,999.00 | | 58,929,702.10 | 26,889,296.90 | 31% |
| Direct teaching and laboratory costs | 58,787,868.00 | | -- | | 58,787,868.00 | | -- | 58,787,868.00 | -- |
| Institute of human resources and development | 106,091,639.00 | | -- | | 106,091,639.00 | | 64,254,913.59 | 41,836,725.41 | 39% |
| TETFUND grant | 337,000,000.00 | | -- | | 337,000,000.00 | | -- | 337,000,000.00 | -- |
| Federal government capital grant | 43,693,149.00 | | -- | | 43,693,149.00 | | -- | 43,693,149.00 | -- |
| Special recurrent expenditure | 488,991,200.00 | | -- | | 488,991,200.00 | | 355,366,124.31 | 133,625,075.69 | 27% |
| Total expenditure | 6,863,362,290 | | -- | | 6,862,990,386.37 | | 5,884,953,304 | 1,145,734,061.00 | 14% |
| Deficit for the year | (36,089,318) | | (371,904) | | (35,717,414.37) | | 266,951,364 | (397,571,967) | |

NOTES TO THE FINANCIAL STATEMENTS

SUMMARY TO STATEMENT OF SIGNIFICANT OF ACCOUNTING POLICIES

The following are the summary of the University's important Accounting Policies which are used in the preparation of the accounts.

1. **BASIS OF ACCOUNTING**

These Accounts are prepared under the Historical Cost Convention.

2. **NON-CURRENT ASSETS**

The non-current assets are stated at historical cost (gross book value less accumulated depreciation).

3. **DEPRECIATION AND IMPAIRMENTS OF NON-CURRENT ASSETS**

This is computed on the following basis which is consistently applied to write off that historical cost of non-current assets which had been brought into use on a straight line basis method over the expected useful life (yearly).

| | % |
|--|-------|
| Land Acquisition and Compensation | Nil |
| Landscaping of Campus | Nil |
| Buildings | 2.50 |
| Farm Houses | 5.00 |
| Road and Drainage | 10.00 |
| Water Projects | 5.00 |
| Electrical Installation and Distribution | 5.00 |
| Reservoir and Fish Ponds | 5.00 |
| Office Furniture, Fittings & Equipment | 20.00 |
| Central Plant and Machinery | 10.00 |
| General Development Works | 10.00 |
| Motor Vehicles | 25.00 |
| Academic Robes | 20.00 |
| Computers/Computer Installations | 33.33 |
| International Scholars Centre | 2.50 |
| Post Graduate School Building | 2.50 |
| Sports Complex | 2.50 |
| Fencing Project | 5.00 |
| Boreholes | 5.00 |
| Lab. Furniture, Fittings & Equipment | 20 |
| Farm Equipment | 10 |
| Farm Centre Buildings | 2.50 |
| Petrol Station | 2.50 |
| Office Equipment | 20 |
| EMU/ICTREC Building | 2.50 |
| Centre for Ent. Studies | 2.50 |
| FUNAAB Staff Building | 2.50 |

NOTES TO THE FINANCIAL STATEMENTS (CONT'D)

SUMMARY TO STATEMENT OF SIGNIFICANT OF ACCOUNTING POLICIES
(CONT'D)

4. REPAIRS AND RENEWALS

Repairs and Renewals on Building and Equipment are written off.

5. INVENTORY

Inventories are stated at the lower of cost and net realizable value.

6. RECEIVABLES

No allowance is made for doubtful debts but specific bad debt are written off as at when ascertained.

7. INCOME GRANTS - FOR RECURRENT EXPENDITURE

Subvention Income, grant for recurrent expenditure, salaries/allowances, overhead/administrative expenses are accounted for on actual receipts basis from Federal Government.

8. FOREIGN CURRENCIES

Foreign Currencies are held by the University in fiduciary capacity for specific projects that are donors driven.

The University also derives revenue in form of administrative charges for administering the funds. The policies are as stated below:

- (i) Transactions in Foreign Currencies are translated into Naira at the rate of exchange ruling on the date of the transaction.
- (ii) Foreign Currencies balances in respect of Collaborative Research projects are disclosed at reporting date as notes in the account.

FEDERAL UNIVERSITY OF AGRICULTURE, ABEOKUTA (FUNAAB)
ACCOUNTS FOR THE YEAR ENDED 31 DECEMBER, 2016

NOTES TO THE FINANCIAL STATEMENTS (CONT'D)

Explanatory notes to the reconciliation of the budget amounts to actual amounts

| S/N | Budget Item | Explanation |
|------------|---|--|
| 1. | Personnel cost | This difference represents amounts paid in respect of 2014 promotion arrears |
| 2. | Overhead cost | Balance mopped up by Central Bank of Nigeria to the Treasury at the end of the year |
| 3. | Direct Teaching/Laboratory | Balance mopped up by Central Bank of Nigeria to the Treasury at the end of the year |
| 4. | TETFUND-Staff Training and Development | ₦147,436,901.5 and ₦6,814,800 were received in 2014 and 2014/2015 grant respectively. No amount was received for the current reporting year. |
| 5. | TETFUND-Institution Based Research Grant | ₦16,390,618 was received in 2013/2014 grant. No amount was received for the current reporting year. |
| 6. | TETFUND-Conference Attendance | ₦36,286,996 was received in 2013/2014 grant. No amount was received for the current reporting year. |
| 7. | TETFUND-Manuscript Development | ₦530,025 was received in 2011/2012 grant. No amount was received for the current reporting year. |
| 8. | Research Grants and Aids-Centre for Agricultural Development and Sustainable Environment (CADESE) | No grant was received from World Bank during the current reporting year. |

FEDERAL UNIVERSITY OF AGRICULTURE, ABEOKUTA (FUNAAB)
ACCOUNTS FOR THE YEAR ENDED 31 DECEMBER, 2016

NOTES TO THE FINANCIAL STATEMENTS (CONT'D)

| | 2016 | 2015 |
|--|-----------------------------|-----------------------------|
| | N | N |
| 1. STUDENTS' FEES | | |
| Undergraduates | | |
| Tuition | 379,348,038 | 273,298,109 |
| Lodging fees | 48,493,860 | 28,856,591 |
| Refund of student fees | (1,893,792) | -- |
| Application fee | 33,694,273 | -- |
| Student handbook | 11,495,686 | -- |
| Result verification/notification | 3,234,000 | -- |
| Acceptance fee | 114,804,145 | -- |
| Student certificate fee | 10,250,000 | -- |
| Academic transcript | 5,408,875 | -- |
| Accommodation fees for COBFAS | 2,338,200 | -- |
| Advancement graduating students' fees | 6,539,022 | -- |
| JAMB admission letter | 36,000 | -- |
| Change of course | 42,500 | -- |
| Change of university | 35,450 | 343,750 |
| Rectification of result | 483,700 | -- |
| Income from softcopy of transcript | 85,150 | -- |
| CD read only memory (freshers) | 81,000 | -- |
| Identify card | 122,400 | -- |
| ICT training (freshers) | 516,664 | -- |
| Income from scratch card - post UTME | -- | <u>34,571,770</u> |
| Sub - Total (A) | <u>615,115,170</u> | <u>337,070,220</u> |
| Postgraduates | | |
| Tuition | 210,375,215 | 231,525,325 |
| Sales of P. G. Forms | 19,857,589 | -- |
| Academic Transcript (P.G. School) | <u>699,250</u> | <u>--</u> |
| Sub - Total (B) | <u>230,932,054</u> | <u>231,525,325</u> |
| Other Fees | | |
| Student Fees - Part-Time Programmes | 2,083,700 | 37,139,900 |
| Income From FUNAAB Staff School | 31,035,227 | 17,400,475 |
| Income From FUNAAB International School (UNIS) | 159,702,244 | 169,461,053 |
| Student Fees - INHURD | <u>154,741,205</u> | <u>250,286,641</u> |
| Sub - Total (C) | <u>347,562,376</u> | <u>474,288,069</u> |
| Total Students' Fees (A + B + C) | <u>1,193,609,600</u> | <u>1,042,883,614</u> |

FEDERAL UNIVERSITY OF AGRICULTURE, ABEOKUTA (FUNAAB)
ACCOUNTS FOR THE YEAR ENDED 31 DECEMBER, 2016

NOTES TO THE FINANCIAL STATEMENTS (CONT'D)

| | 2016 | 2015 |
|--|-------------------|-------------------|
| | N | N |
| 2 INCOME FROM RESEARCH AND DEVELOPMENTAL ACTIVITIES | | |
| Income From AMREC | 110,950 | 34,775 |
| IGR Income from COLAMRUD | 91,200 | 147,100 |
| IGR Income from COLFHEC | 37,300 | 241,750 |
| IGR Income from COLANIM | 56,250 | 45,500 |
| IGR Income from COLPLANT | 1,000 | 19,300 |
| IGR Income from COLVET | 25,500 | -- |
| Income From COLERM Field Forestry Reser. Ponds | 8,000 | -- |
| Income from IFSERAR | 454,500 | 1,095,180 |
| Income from Biotec | 735,650 | 2,505,850 |
| IGR Income from COLMAS | 67,430 | 35,800 |
| Income from COBFAS | 250,900 | 683,000 |
| Income from TREFAD | 16,956,554 | 19,169,140 |
| IGR Income from COLPHYS | 4,000 | -- |
| Income from Zoological Gardens | 1,470,150 | 2,552,000 |
| Income from Kalahari Red Goat Project | 378,000 | 42,000 |
| Income from Farm Produce | 268,840 | -- |
| Income from Central Laboratory | 31,500 | 1,096,450 |
| Veterinary Teaching Hospital | 1,170,050 | 2,361,750 |
| Income from University Health Services | 769,960 | 11,499,430 |
| Income from FUNAAB Centre for Internationalization and Partnership (CENIP) | 200,000 | -- |
| Income from Comfort Stations | 127,880 | 65,540 |
| Income from Cattle Production Venture | 123,026 | 192,000 |
| Income from Industrial Park Directorate | 1,940,000 | 1,990,000 |
| Income from Centre for Entrepreneurial Studies (CENTS) | 231,000 | -- |
| Income from FPY Contribution | 2,727,969 | 3,225,570 |
| Income from Service Charges on 3rd Party Res. Funds | 52,200 | -- |
| Income from Sales of Inaugural Lecture Booklets | 38,700 | -- |
| Income from Poultry Management Tech. Committee (POMTEC) | -- | 5,000 |
| Income from Hiring of Tractors - FADEB | -- | 22,575 |
| Income from Research Fees for Academic Workshop | -- | 400,110 |
| IGR Income from COLNAS | -- | 2,000 |
| IGR Income from COLERM | -- | 12,000 |
| IGR Income from COLENG | -- | 23,700 |
| | <u>28,328,509</u> | <u>47,467,520</u> |

FEDERAL UNIVERSITY OF AGRICULTURE, ABEOKUTA (FUNAAB)

ACCOUNTS FOR THE YEAR ENDED 31 DECEMBER, 2016

NOTES TO THE ACCOUNTS CONT'D

| | 2016 | 2015 |
|---|----------------------|----------------------|
| | N | N |
| 3. <u>INCOME FROM OTHER ACTIVITIES AND UNITS (IGR)</u> | | |
| Income from Final Year Book | 4,141,000 | 3,039,750 |
| Income from Royal Green Guest House | 16,187,279 | 22,226,794 |
| Miscellaneous Income | 132,311,362 | 1,674,989 |
| Income from Computer Centre (ICTREC) | 2,356,582 | 2,891,500 |
| Income from Academic Outfit | 8,855,700 | 6,023,600 |
| Income from Transport Services | 8,895,120 | 11,097,378 |
| Income from International Scholars Guest House | 100,000 | 711,100 |
| 10% Commission on Advertisement | 88,791 | 384,941 |
| Income from Bursary Service Charge | 672,957 | -- |
| Income from Sale of Unserviceable Goods/Disposal of Assets | 5,550 | 333,840 |
| Income from Attestation Charges | 59,500 | -- |
| Income from Charges for Issuing Statement of Result | 26,000 | -- |
| Income from Car Sticker and Parking Ticket | 238,020 | -- |
| Income from Rent of Labour Line Quarters | 114,000 | -- |
| Income from Works & Services | 7,000 | -- |
| Income from Reparation for Damage of University Property | 72,803,790 | 5,000 |
| Tender Fees | 3,178,149 | 5,844,720 |
| Income from Contractor Registration | 523,300 | 250,600 |
| Claims from Insurance Companies | -- | 249,087 |
| Income from Hiring of Open Spaces | -- | 32,500 |
| Income from Domiciliary Account | -- | 52,782,759 |
| Proceeds from Ceremonial Committee | -- | 45,000 |
| Income from Sales of Newspaper | -- | 539,630 |
| Income from Handling Charges on Externally FP | -- | 29,705,085 |
| Miscellaneous Income | -- | 1,998,969 |
| | <u>250,564,100</u> | <u>139,837,242</u> |
| 4. <u>INVESTMENT INCOME</u> | | |
| Income from Rent of University Property | 5,922,050 | 2,857,200 |
| Interest on Fixed Deposit Income | 40,756,310 | 23,993,225 |
| Interest from Current Accounts | 1,056,278 | -- |
| Interest Received on Loans | -- | 384,116 |
| | <u>47,734,638</u> | <u>27,234,541</u> |
| 5. <u>SUBVENTIONS FROM FEDERAL GOVERNMENT OF NIGERIA</u> | | |
| Personnel Grants | 4,329,194,377 | 4,407,050,025 |
| Overhead Grants | 66,133,025 | 35,825,301 |
| Departmental Teaching & Laboratory Costs | -- | 49,287,868 |
| TETFund Recurrent Grant | -- | 100,226,962 |
| | <u>4,395,327,402</u> | <u>4,592,390,156</u> |
| 6. <u>DONATIONS AND ENDOWMENTS FROM THIRD PARTIES</u> | | |
| General Endowment | 385,000 | 1,738,420 |
| Donation from External Bodies | -- | 32,825,156 |
| | <u>385,000</u> | <u>34,563,576</u> |