

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

**NOTES TO THE ACCOUNTS CONT'D**

	2016	2015
	N	N
<b><u>PERSONNEL COSTS</u></b>		
Senior Staff Salaries - Academic	1,950,969,192	3,665,209,214
Senior Staff Salaries - Non Academic	1,841,729,687	--
Junior Staff Salaries	334,758,542	398,177,085
Additional Basic Salary	395,549,372	604,328,757
Refund of Staff Salary	(132,120)	(827,819)
Cleaning of University Premises - Central	<u>55,485,878</u>	--
	<u>4,578,360,551</u>	<u>4,666,887,237</u>
<b>ACADEMIC EXPENDITURE</b>		
Examination Materials Expenses	14,631,455	20,475,475
Honorarium	8,407,982	27,960,149
Learned Conference Grant (Local)	456,000	10,485,760
Academic Staff Training Expenses	415,543	--
Grants to Colleges and Centres	63,354,190	23,199,262
Allocation to Colleges and Centres	21,772,815	--
Farm Development	3,948,220	--
General Farm Operations	13,743,670	8,106,880
Farm Inputs	11,391,328	16,323,418
Casual Labour	70,495,390	--
Maint. of Farm Facilities	108,400	--
Part Time Degree Programme Expenses	1,382,240	1,364,750
Prize Funds and Scholarships	200,000	722,420
Learned Conferences-Local-Academic Staff	1,085,000	--
Learned Conferences-Oversea-Academic Staff	947,020	--
Publications	15,731,040	17,094,883
Care of Academic Gowns, Lab Coats, Overalls and Uniforms	897,710	--
Admission Expenses	216,977	6,269,750
Student Registration Expenses	980,590	--
Student Screening Expenses	4,681,216	--
Accreditation Expenses	611,000	3,306,216
Committee of Deans and Directors	94,941	--
FUNAAB Foreign African Scholarship Scheme (FUFASS)	4,290,000	5,310,000
Training/Workshop/Study Tour etc	4,344,768	2,174,000
ICT Training for Fresh Students & P. UTME Candidates	1,205,950	--
External Assessment	12,188,562	11,972,257
Examination Supervision Expenses	5,989,500	1,814,850
Academic Ceremonies	51,122,446	5,093,607
Senate & Academic Committee	861,000	1,479,358
Student Sporting Activities	4,538,760	290,000
University-Wide Computer Activities & Internet	63,502,679	56,496,993
Academic Staff Training	776,300	27,142,911
Annual Inter-House Sport Expenses	--	300,000
Field Trips	--	1,100,000
Postgraduate Supervision Allowance	--	61,200
Share of Bench Fees	--	<u>30,768,262</u>
	<u>384,372,692</u>	<u>279,312,401</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
<b>9.0 CENTRAL ADMINISTRATIVE EXPENSES</b>		
Special Expenditure-Central	20,000	547,585
Official Overseas Passages - Central	41,730,920	2,246,600
Contingencies - Central	51,474,874	250,000
Insurance - Central	19,776,289	18,689,729
Printing and Stationery - Central	1,151,425	10,677,900
Advertisement and Publications - Central	10,854,589	8,635,299
Hospitality - Central	21,710,901	47,851,525
Maintenance of Executive Lodge-Central	718,586	549,150
Fuel Consumption - Central	21,358,157	25,767,534
Duty Travel Allowance - Central	21,532,251	32,034,130
University Research Grant Expenses	9,455,820	--
Audit Fees and Audit Expenses Central	2,290,774	1,250,000
New Appointments and Recruitment Expenses	5,500	685,050
Local Transport and Travelling	1,438,286	3,770,443
Electricity Bills	52,148,831	--
Bursary Computerization Expenses	839,700	867,500
COBNU Subscription	150,000	--
Maintenance of University Buildings-C & E Works	16,916,221	21,381,292
Entertainment -VC Lodge	1,150,000	1,555,530
Security Votes (General)	17,013,945	--
Burial Expenses	1,250,740	2,493,000
Bank Charges	2,403,527	6,271,938
Sundry Expenses	75,750	1,000,450
Institution Meetings of Professional Bodies	50,000	--
Senate Meeting Expenses	2,247,317	--
Subscriptions to National & International Asso.	1,600,000	--
Maintenance & Running Cost of Vehicle - Central	3,937,496	--
Staff Uniform	20,308	711,413
Publicity	1,286,750	--
Maintenance of RMUs and Transformers	6,685,250	--
Production of University I. D. Cards	19,045,172	18,941,664
Community Welfare Expenses	480,000	--
Non-Academic Staff Training Expenses	618,191	14,125,090
Subscription to Professional Bodies	30,000	2,323,912
Hotel Expenses	8,156,631	--
Legal Fees and Expenses	11,591,071	44,255,200
Subvention/Assistance to Student Unions	660,000	2,220,580
Grants to Clubs and Societies	150,000	--
Donation to External Bodies	880,000	--
University Representation	18,500	--
Environmental Protection	525,000	--
Maintenance of Generator	7,777,810	12,092,714
Security Communication Expenses	--	10,611,717
Budget Production Expenses	282,200	--
Maintenance of Students Hostels	11,783,075	18,154,254
Outstanding Funds to Creditors	1,991,996	--
Allowances/Accommodation for Council	23,715,755	24,413,470
Diesel Oil	114,735,500	71,655,000
Telecommunication/Telephone Expenses	--	10,223,990
Motor Vehicle Maintenance/Rehabilitation - Central	--	17,918,583
Water Supply - Central	--	59,285,725
Assistance to Community - Central	--	910,000
	<u>513,735,108</u>	<u>497,367,967</u>



# FEDERAL UNIVERSITY OF AGRICULTURE, ABEOKUTA (FUNAAB)

ACCOUNTS FOR THE YEAR ENDED 31 DECEMBER, 2016

## NOTES TO THE ACCOUNTS CONT'D

	2016 N	2015 N
<b>10.0 DEPARTMENTAL ADMINISTRATIVE EXPENDITURE</b>		
Local Transport & Travelling	57,850	--
Printing, Stationery & Materials	13,298,687	--
Cleaning Materials	272,350	28,550
Maintenance of A/C & Office Equipment	8,651,987	7,410,988
Maintenance & Running Cost of Vehicles (Departmental)	9,681,916	--
Telecommunication/Telephone Expenses	10,907,020	5,193,184
Consumables Stores	1,783,330	2,051,740
Maintenance/Repairs of Lab. Workshop	758,660	--
Teaching Materials/Chemicals	3,893,725	974,748
Special Project	3,200	--
Maintenance of Borehole	370,000	--
Maintenance of Tractors	322,500	318,800
Servicing of Projects	490,690	--
Maintenance of Other Facilities	19,000	3,143,860
Maintenance of Ambulance	576,881	--
Maintenance of Environment	3,489,155	4,216,615
Maintenance of Generator	8,542,266	--
Postage	5,014,563	--
FUNAAB International School - Central	51,506,343	41,136,023
Administrative Expenses	18,779,402	24,835,308
INHURD Expenses	11,887,974	28,887,527
Non-Academic Staff Training	6,611,255	--
Learned Conferences-Local-Non-Academic Staff	2,004,830	--
Learned Conference-Oversea-Non-Academic Staff	<u>2,600,312</u>	--
	<u>161,523,896</u>	<u>118,197,343</u>
<b>11.0 DIRECT TEACHING AND LABORATORY COSTS</b>		
BIOTECH	587,780	3,578,993
IFSERAR	1,356,600	1,893,560
COLAMRUD-Dean's Office	--	2,682,126
Teaching & Research Equipment	--	240,500
COLANIM-Dean's Office	--	3,062,695
COLENG-Dean's Office	--	2,460,545
COLERM - Dean's Office	--	2,442,349
COLNAS - Dean's Office	--	99,750
COLPLANT - Dean's Office	--	3,011,265
COLVET - Dean's Office	--	2,297,604
Agric Media Resources and Extension Centre (AMREC)	--	201,390
COLFHEC - Dean's Office	--	1,963,491
COLMAS - Dean's Office	--	1,743,435
Directorate of University Farms (DUFARMS)	--	201,390
COLBIOS - Dean's Office	--	1,994,072
COLPHYS - Dean's Office	--	3,890,445
Community Based Farming Scheme (COBFAS)	<u>2,717,051</u>	<u>20,980,501</u>
	<u>4,661,431</u>	<u>52,744,111</u>
<b>12.0 LIBRARY EXPENSES</b>		
Library Development Fund Expenditure	304,003	4,688,988
Books and Periodicals	<u>3,765,850</u>	<u>6,669,925</u>
	<u>4,069,853</u>	<u>11,358,913</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
<b>13.0 OPERATING COSTS OF RESEARCH AND DEVELOPMENT</b>		
<b>ACTIVITIES</b>		
Diagnostic Laboratory - Expenses	585,211	471,430
International Centre for Professional Dev. (ICPD)	1,127,200	436,044
Training of Farmers	548,260	--
Veterinary Teaching Hospital	1,700,000	--
VET Teaching Hospital Expenses	348,645	400,000
Drugs and Dressing	7,309,692	6,617,747
Medical Expenses	1,106,050	6,376,461
X-Ray Expenses for Students	2,277,297	2,583,750
Expenditure of Research Intervention Grants	--	19,943,228
ACE Operating Expenses	--	<u>5,171,700</u>
	<u>15,002,355</u>	<u>42,000,360</u>
<b>14.0 OPERATING COSTS OF OTHER ACTIVITIES AND UNITS</b>		
FUNAAB Guest House Expenses	3,828,662	2,396,318
Zoo Park Expenses	781,620	1,299,000
Kalahari Red Goat Project	1,867,850	4,379,100
FUNAABOT Expenses	<u>8,122,140</u>	<u>3,705,970</u>
	<u>14,600,272</u>	<u>11,780,388</u>
<b>15.0 DEPRECIATION AND AMORTIZATION</b>		
Property, Plant and Equipment	<u>677,219,025</u>	<u>638,247,602</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
<b>16.0 CASH AND CASH EQUIVALENT</b>		
Skye Bank Ltd. - FUNAAB Staff School	174,658	174,658
Skye Bank (Current Account) Oke Ilewo	<u>29,890</u>	<u>29,890</u>
	<u>204,548</u>	<u>204,548</u>
UBA - NHIS A/C	12,100	12,100
UBA Plc - Overhead/Escrow	<u>2,634</u>	<u>2,634</u>
	<u>14,734</u>	<u>14,734</u>
Union Bank of Nigeria Plc - University Loan Account	25,368,581	--
Union Bank - FUNAAB Staff School	8,065	22,887,582
Union Bank Plc - Cenhurud Infrastructure Loan	<u>8,041,561</u>	<u>4,385,761</u>
	<u>33,418,207</u>	<u>27,273,343</u>
FUNAAB Micro Finance Bank Ltd - SIWES A/C	2,953,622	44,289
FUNAAB Micro Finance Bank Ltd - IGR	9,671,503	7,652,293
FUNAAB Micro Finance Bank Ltd - ETF Lib. Dev. Fund	165,510	165,510
FUNAAB Micro Finance Bank Ltd - Organic Agriculture A/C	182	182
FUNAAB Micro Finance Bank Ltd - Donation	26,456	26,456
FUNAAB Micro Finance Bank Ltd - Isale Igbein FUNAAB Staff School	300	300
FUNAAB Micro Finance Bank Ltd - Capital Project	514	514
FUNAAB Micro Finance Bank Ltd - School Fee	3,754,825	1,381,912
FUNAAB Micro Finance Bank Ltd - DNC	133,618	133,618
FUNAAB Micro Finance Bank Ltd - Acceptance Fee	80,710	204,755
FUNAAB Micro Finance Bank Ltd - International Guest House Acct	3,885,781	1,538,211
FUNAAB Micro Finance Bank Ltd - INHURD Account	<u>572,175</u>	<u>153,693,726</u>
	<u>21,245,197</u>	<u>164,841,766</u>
CBN Current Account III (0220217142024)	1,754	1,754
CBN - Treasury Single Account (TSA)	1,964,455,623	2,300,371,023
GIFMIS Capital Control Account	43,693,149	--
GIFMIS Personnel Control Account	19,199,918	--
GIFMIS Overhead	<u>51,186,442</u>	--
	<u>2,078,536,886</u>	<u>2,300,372,777</u>
Access Bank Fee Account	62,000	62,000
Access Bank Plc - TETFUND, Oke Ilewo	<u>114,517</u>	<u>114,517</u>
	<u>176,517</u>	<u>176,517</u>
Wema Bank - JAMB and Other Third Party Fund Account	643,408	10,112,111
Diamond Bank -Health Services Operational Account (FUNAAB)	<u>571</u>	<u>571</u>
	<u>643,979</u>	<u>10,112,682</u>
<b>SUBTOTAL - (A)</b>	<b>2,134,240,068</b>	<b>2,502,996,367</b>



# FEDERAL UNIVERSITY OF AGRICULTURE, ABEOKUTA (FUNAAB)

ACCOUNTS FOR THE YEAR ENDED 31 DECEMBER, 2016

## NOTES TO THE ACCOUNTS CONT'D

	2016	2015
	N	N
<b>CASH AND CASH EQUIVALENTS - (CONT'D)</b>		
Zenith Bank - Extra Government Earnings A/c	323,691	361,691
Zenith Bank - Federal Government Scholarship A/c	--	--
Zenith Bank - PG Fees A/c	629,599	651,309
Zenith Bank - Students Fees A/c	760,433	760,433
Zenith Bank INHURD Account	8,450,501	9,630,539
Zenith Bank Current Account	9,498	9,498
Zenith Bank - SIWES	--	--
Zenith Bank - Fed. Govt. School	--	--
Zenith Bank - TETFund	--	85,483,962
Zenith Bank Plc (FUNIS School Fees Account)	34,426,579	325,330,262
Zenith Bank Plc - Prizes & Endowment Fund (Naira)	1,762,295	275,000
Zenith Bank Plc - Undergraduate Fees Account	110,238	110,238
Zenith Bank Plc - Postgraduate School (Naira)	2,967,105	698,862
Zenith Bank Plc - Royal Green Guest House	1,142,106	1,142,106
Fund in Garnishee Order	23,569,566	23,569,566
FUNAAB MFB (Inter-Bank Transfer to Zenith Bank)	<u>6,593,019</u>	<u>13,000,000</u>
	<u>80,744,630</u>	<u>461,023,466</u>
Guarantee Trust Bank Plc - Earned Allowance	8,231,980	8,231,980
Guarantee Trust Bank Domiciliary Account (Dollars) (Note 16.1)	45,576,009	--
Guaranty Trust Bank - Loan Account	5,176,518	5,176,518
Guaranty Trust Bank - Collaborative Research A/c	5,049,742	5,049,742
Guaranty Trust - School Fees Account	11,827,744	11,947,494
Guaranty Trust Bank Overhead Cost	5,824,308	--
Guaranty Trust Bank - TETFund	77,327,945	77,327,945
Guaranty Trust Bank - Personnel Cost	<u>122,341,713</u>	<u>122,341,713</u>
	<u>281,355,959</u>	<u>234,442,998</u>
Bank Balances - Foreign		
Nigerian Universities Office - London	4,643,099	4,643,099
Nigerian Universities Office - Washington	8,899,893	8,899,893
Nigerian Universities Office - Cairo	<u>1,193,825</u>	<u>1,193,825</u>
	<u>14,736,817</u>	<u>14,736,817</u>
Cash on Hand		
Petty Cash Impress Control	3,202,116	3,192,116
Special Imprest	<u>500,000</u>	<u>500,000</u>
	<u>3,702,116</u>	<u>3,692,116</u>
Short Term Deposits		
Zenith International Bank - Fixed Deposit	296,793,092	--
Union Bank Plc - Fixed Deposit	--	53,942,255
Diamond Bank Fixed Deposit Account	66,893,542	51,760,966
UBA Plc - Fixed Deposit Account - Chief Jamodu Endowment Fund	<u>5,083,219</u>	<u>5,083,219</u>
	<u>368,769,854</u>	<u>110,786,440</u>
<b>SUBTOTAL - (B)</b>	<u>749,309,376</u>	<u>824,681,837</u>
<b>GRANT TOTAL - A + B</b>	<u>2,883,549,444</u>	<u>3,327,678,204</u>
Third Party Fund Held in Fiduciary Capacity		
GTB Domiciliary Account (Dollars)	--	<u>99,182,550</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
<b>16.1 Guaranty Trust Bank Domiciliary Accounts (Dollars)</b>		
The balance of ₦45,576,009 included in cash and cash equivalent in note 16 above represent amount under Garnishee order. However, the order was lifted in subsequent years and the balance was transferred to Treasury single account (TSA) of the University maintained with the Central Bank of Nigeria.		
<b>17.0 RECEIVABLES</b>		
Revenue from Exchange Transactions	--	--
<b>Revenue from Non-Exchange Transactions</b>		
Staff Furniture Loan	1,967,822	4,149,479
Motor Bicycle Junior Staff Loan	764,582	851,687
Senior Staff Vehicle Loan	5,990,920	13,708,315
Staff Housing Loan	9,299,511	11,533,961
FUNAAB New Land Development Loan	1,549,979	2,806,368
FUNAAB New Building Loan	2,150,001	3,061,860
Special Loan Principal	24,803,745	26,257,912
GRADFES Revolving Loan Scheme	<u>260,000</u>	<u>260,000</u>
	<u>46,786,560</u>	<u>62,629,582</u>
<b>18.0 PREPAYMENTS</b>		
Rents Prepaid	<u>27,000,000</u>	<u>27,000,000</u>
<b>19.0 INVESTMENTS IN SUBSIDIARIES</b>		
Investment in FUNAAB Consult Ltd.	18,621,602	18,621,602
Investment in FUNAAB Microfinance Bank Nig. Ltd	28,259,153	28,259,153
Investment in FUNAAB Agro Allied Ind. Ltd.	<u>19,449,215</u>	<u>19,449,215</u>
	<u>66,329,970</u>	<u>66,329,970</u>
<b>20.0 INTERESTS IN JOINT VENTURES</b>		
Investment in Nigerian Universities Pension Company (NUPENCO)	10,000,000	10,000,000
Investment in Joint University Prelim. Exam. Board (JUPEB)	<u>14,700,000</u>	<u>14,700,000</u>
	<u>24,700,000</u>	<u>24,700,000</u>
<b>21.0 INVESTMENT IN OTHER ENTITIES</b>		
Palm Wine Production	1,825,000	1,825,000
Investment in FUNAAB Drinks	2,000,000	2,000,000
Investment in FUNAAB Roots and Tuber	2,000,000	2,000,000
Investment in FUNAAB Bakery	2,000,000	2,000,000
Investment in FUNAAB Honey Production	2,000,000	2,000,000
Investment in FUNAAB Water Production	7,500,000	7,500,000
Investment in FUNAAB Pineapple Production	1,445,700	1,445,700
Investment in FUNAAB Nut Production	972,920	972,920
FUNAAB Songhai Farm Project	<u>2,959,600</u>	<u>2,478,600</u>
	<u>22,703,220</u>	<u>22,222,220</u>



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

**NOTES TO THE ACCOUNTS CONT'D**

22.0 PROPERTY, PLANT AND EQUIPMENT	COST			DEPRECIATION		CARRYING AMOUNTS		
	01-Jan-16	Additions	Disposal/ Transfer	31-Dec-16	01-Jan-16 year	Charge for the year	31-Dec-16	01-Jan-16
Assets Classification						Disposal/ Transfer		
Land Acquisition & Compensation	42,166,848	--	--	42,166,848	--	--	42,166,848	42,166,848
Landscaping of Campus	439,206,373	4,848,720	--	444,055,093	--	--	444,055,093	439,206,373
Buildings	6,842,483,958	18,527,409	--	6,861,011,367	1,099,634,172	171,525,284	5,589,851,911	5,742,849,786
Petrol Stations	3,245,000	--	--	3,245,000	1,338,563	81,125	1,825,312	1,906,437
Roads and Drainages	874,933,413	17,199,549	--	892,132,962	463,647,085	89,213,296	339,272,580	411,286,328
Water Supply Projects	192,553,577	1,696,000	--	194,249,577	111,729,302	9,712,479	72,807,796	80,824,275
Fencing Projects	58,551,950	--	--	58,551,950	16,469,334	2,927,598	39,155,019	42,082,616
Electricity Distribution & Installation	611,611,792	9,319,170	--	620,930,962	225,479,533	31,046,548	364,404,881	386,132,259
Reservoir & Fish Ponds	61,718,590	--	--	61,718,590	40,425,100	3,085,930	18,207,561	21,293,490
Farm Houses	136,785,621	--	--	136,785,621	45,287,813	6,839,281	84,658,527	91,497,808
Furniture, Fittings and Equipment	1,235,994,798	33,750,266	--	1,269,745,064	1,001,582,585	253,949,013	14,213,466	234,412,213
Plants and Machinery	194,068,777	56,871,556	--	250,940,333	130,980,206	25,094,033	94,866,094	63,088,571
General Development Works	9,647,714	--	(452,612)	9,195,102	6,536,480	919,510	1,739,112	3,111,234
Computer equipment	307,415,297	7,238,000	--	314,653,297	269,924,700	14,909,532	29,819,065	37,490,597
Motor Vehicles	992,375,615	115,269,000	--	1,107,644,615	861,742,839	61,475,444	184,426,332	130,632,776
Academics Robes	24,772,758	7,427,000	--	32,199,758	19,703,458	6,439,952	6,056,348	5,069,300
Work in Progress	--	667,219,775	--	667,219,775	--	--	667,219,775	--
	<u>12,027,532,081</u>	<u>939,366,445</u>	<u>(452,612)</u>	<u>12,966,445,914</u>	<u>4,294,481,170</u>	<u>677,219,025</u>	<u>7,994,745,720</u>	<u>7,733,050,911</u>



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

**NOTES TO THE ACCOUNTS CONT'D**

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<b>23.0 BIOLOGICAL ASSETS</b>	
Consumable Biological Assets	
At 1 January 2016	54,978,083
Additions/Acquisitions	9,510,773
Sales	--
Changes in Fair Value	--
At 31 December 2016	<u>64,488,856</u>
 Carrying Amount of Components of the Biological Assets	
Livestocks	60,133,344
Arable Crops	<u>4,355,512</u>
	<u>64,488,856</u>
 Bearer Biological Assets	
Cost	
At 1 January 2016	71,119,354
Additions	<u>5,000,000</u>
At 31 December 2016	<u>76,119,354</u>
 Depreciation	
At 1 January 2016	--
Charge for the Year	--
At 31 December 2016	--
 Carrying Amounts:	
At 31 December 2016	<u>76,119,354</u>
At 1 January 2016	<u>76,119,354</u>
 Bearer Biological Assets Comprises:	
Oil Palm	28,139,365
Cashew	26,982,953
Teak	12,142,329
Pineapple	3,854,708
Other Assets	<u>5,000,000</u>
	<u>76,119,354</u>
 Bearer biological assets are not available for use in their present location and in the manner intended by the management, hence, they are not depreciated.	
 Total Carrying Amounts of Biological Assets	
At 31 December, 2016	<u>140,608,210</u>
At 1 January 2016	<u>126,097,437</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
<b>24.0 PAYABLES</b>		
Exchange Transactions	172,088,680	149,425,953
Non-Exchange Transactions	<u>436,761,862</u>	<u>284,795,739</u>
	<u>608,850,542</u>	<u>434,221,692</u>
Exchange Transactions		
Sundry Creditors	171,992,088	149,329,361
Retention	<u>96,592</u>	<u>96,592</u>
	<u>172,088,680</u>	<u>149,425,953</u>
Non-Exchange Transactions		
NHIS Current Account with FUNAAB	70,100,785	--
CAVA-CTAP Current Account with FUNAAB	3,787,290	--
Part-Time Degree Fund Current Account with FUNAAB	57,374,895	--
FMFB Post Graduate School Fund Current Account with FUNAAB	5,716,644	--
National Housing Fund	--	(59,742)
Pension Fund Current Account with FUNAAB	287,179,318	284,855,481
National Health Insurance Scheme Fund	<u>12,602,929</u>	<u>--</u>
	<u>436,761,862</u>	<u>284,795,739</u>
<b>25.0 ACCRUALS</b>		
Accrual - Audit Fees	<u>2,500,000</u>	<u>2,500,000</u>
<b>26.0 ACCUMULATED SURPLUS</b>		
At 1 January 2016	2,129,304,477	2,455,135,986
Change in Value of Biological Assets	<u>14,510,773</u>	<u>--</u>
	2,143,815,250	2,455,135,986
Prior Year Adjustment	(135,249,007)	107,688,164
Deficit for the year	<u>(437,595,933)</u>	<u>(433,519,673)</u>
At 31 December 2016	<u>1,570,970,310</u>	<u>2,129,304,477</u>
<b>27.0 OTHER FUNDS</b>		
Endowments	9,331,938	8,021,938
SIWES Fund	4,005,429	378,776
Donations	378,776	2,948,729
Student Scholarship Fund	4,444,400	4,423,250
JAMB UME Fund	<u>8,194,800</u>	<u>8,194,800</u>
	<u>26,355,343</u>	<u>23,967,493</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
<b>28.0 CAPITAL PROJECT FUNDS</b>		
At 1 January 2016	8,744,478,161	8,744,478,161
Additional Receipts During the Year	<u>43,693,149</u>	<u>--</u>
At 31 December 2016	<u>8,788,171,310</u>	<u>8,744,478,161</u>
<b>29.0 LOAN FUND &amp; GRANTS</b>		
Staff Furniture Loan Fund	3,000,000	3,000,000
Vehicle Refurbishing Fund	11,976,071	11,976,071
Housing Loan Fund	15,938,906	15,938,906
Interest Earned on Staff Loans	<u>481,947</u>	<u>--</u>
	<u>31,396,924</u>	<u>30,914,977</u>
<b>30.0 SPECIAL FUNDS</b>		
Deferred TETFUND	146,874,367	--
IFSERAR Cassava Transformation - IITA FUND	13,000	13,000
Research and Consultancy	19,349,076	19,349,076
Collaborative Research and Dev. Work with Nestle Foods Nip	297,454	297,454
NARP/NCRP - Marine/Freshwater Fisheries	3,428,572	3,428,572
FUNAAB/WAAPP-Fingerings Multiphert	1,059,424	1,059,424
FUNAAB/IITA SWMT Cassava Project	<u>7,156,803</u>	<u>173,998</u>
	<u>178,178,696</u>	<u>24,321,524</u>

**FIRST TIME ADOPTION OF INTERNATIONAL PUBLIC SECTOR ACCOUNTING STANDARDS**

The adoption of IPSASs by the University was based on IPSAS 33 First Time Adoption of IPSAS Accrual Basis. Although, the standard has mandatory adoption date for the first IPSAS financial statements with a period beginning on/after 1 January 2017, the University has elected to adopt it early in the preparation and presentation of its financial statements for the year ended 31 December 2016. This is consistent with the Federal Government directive through the office of the Accountant-General of the Federation that all government ministerial departments and agencies should adopt IPSASs with 1 January 2016 as the transition date.

The University has, therefore, applied this standard in the presentation of its financial statements for the year ended 31 December 2016 and the opening statement of financial position as at 1 January 2016.

Explanation of how the transition from Nigerian GAAP to IPSASs has affected the University's financial position, financial performance and cash flows is set out in the following tables and the accompany reconciliation notes.

# FEDERAL UNIVERSITY OF AGRICULTURE, ABEOKUTA (FUNAAB)

ACCOUNTS FOR THE YEAR ENDED 31 DECEMBER, 2016

## NOTES TO THE ACCOUNTS CONT'D

### RECONCILIATION OF NET ASSETS AS AT 1 JANUARY 2016

	Notes	Reported Balance (NGAAP)	IPSAS Adjustments		IPSAS Balance
			Reclassification	Remeasurement	
		₦	₦	₦	₦
<b>ASSETS</b>					
<b>Current Assets</b>					
Cash and Cash Equivalents	2,3	3,327,678,204	23,569,566	--	3,351,247,770
Receivables	2,3,4	62,629,582	(23,569,566)	--	39,060,016
Prepayments		<u>27,000,000</u>	--	--	<u>27,000,000</u>
Total Current Assets		<u>3,417,307,786</u>	<u>--</u>	<u>--</u>	<u>3,417,307,786</u>
<b>Non-Current Assets</b>					
Investments	6	239,349,627	(239,349,627)	--	--
Investment in Subsidiaries	6	--	66,329,970	--	66,329,970
Interest in Joint Venture	6	--	24,700,000	--	24,700,000
Investment in Other Entities	6	--	22,222,220	--	22,222,220
Biological Assets	6,7	--	126,097,437	--	126,097,437
Property, Plant and Equipment		<u>7,733,050,911</u>	--	--	<u>7,733,050,911</u>
Total Non-Current Assets		<u>7,972,400,538</u>	<u>--</u>	<u>--</u>	<u>7,972,400,538</u>
<b>Total Assets</b>		<u>11,389,708,324</u>	<u>--</u>	<u>--</u>	<u>11,389,708,324</u>
<b>Liabilities</b>					
<b>Current Liabilities</b>					
Payables	1	434,221,692	--	--	434,221,692
Accruals		2,500,000	--	--	2,500,000
Total Current Liabilities		436,721,692	--	--	436,721,692
<b>Non-Current Liabilities</b>					
Total Non-Current Liabilities		--	--	--	--
<b>Total Liabilities</b>		<u>436,721,692</u>	<u>--</u>	<u>--</u>	<u>436,721,692</u>
<b>NET ASSETS</b>					
Accumulated Surpluses		2,129,304,477	14,510,773	--	2,143,815,250
Other Funds		23,967,493	--	--	23,967,493
Capital Project Funds		8,744,478,161	--	--	8,744,478,161
Loan Fund and Grants		30,914,977	--	--	30,914,977
Special Funds		<u>24,321,524</u>	--	--	<u>24,321,524</u>
Total Net Assets		<u>10,952,986,632</u>	<u>14,510,773</u>	<u>--</u>	<u>10,967,497,405</u>
Total Net Assets and Liabilities		<u>11,389,708,324</u>	<u>14,510,773</u>	<u>--</u>	<u>11,404,219,097</u>



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

**NOTES TO THE ACCOUNTS CONT'D**

	N	N
Previously Reported Under Local GAAP		2,129,304,477
Adjustments Arising from IPSAS Conversion:		
Recognition of Biological Assets	<u>14,510,773</u>	
	<u>14,510,773</u>	<u>14,510,773</u>
IPSAS Balance As At 1 January 2016		<u>2,143,815,250</u>

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

**NOTES TO THE ACCOUNTS CONT'D**

**EXPLANATION NOTES TO THE RECONCILIATIONS**

**1. EXEMPTIONS**

The following exemptions that will not affect the fair presentation of the financial statements in accordance with the IPSAS 33 First Time Adoption of IPSAS Accrual Basis have been adopted by the University in the preparation of the opening statement of financial position.

(a) **Deemed Cost**

The University has elected to apply the deemed cost to measure as fair values for the following assets:

Property, plant and equipment

Investment properties

Assets acquired through non-exchange transactions

Investment in subsidiaries, associates and joint venture measured as cost.

(b) **Impairment**

Impairment on financial assets, cash and non-cash generating assets has been applied prospectively from 1 January 2016.

(c) **Financial Risk Management Disclosures**

The University has elected not to present information about the nature and extent of risks arising from the financial instruments in its first IPSAS financial statements in accordance with IPSAS 33:78, 123.

(d) **Related Party**

The University has adopted not to disclose related party relationships, related party transactions and information about key management personnel for reporting periods in accordance with IPSAS 33.51.

**2. CHANGE OF NOMENCLATURE**

Certain nomenclature not consistent with IPSAS have been changed to reflect the best practice in IPSAS financial reporting. They are as follows:

Fixed assets changed to property, plant and equipment

Income and expenditure account changed to statement of financial performance

Balance sheet changed to statement of financial position

Cash and bank balances changed to cash and cash equivalents

Creditors changed to payables

**3. FUND UNDER GARNISHEE ORDER**

High Court against the University by Zenith Bank Plc. The fund was presented as receivables in the previous NGAAP. IPSAS 2-Cashflows Statement paragraph 59 requires an entity to disclose in the note to the financial statements, any significant amount of cash and cash equivalents balance held by entity that are not available for use by the economic activity. Paragraph 61 (c) of the same standard requires the disclosure of the nature of the restrictions. Furthermore, IPSAS 28 Financial Instruments-Presentation paragraph 9 defines financial assets (receivable) as a contract right to receive cash or another financial asset from another entity; or to exchange financial assets or financial liabilities with another entity under conditions that are potentially favorable to the entity. From this definition, the fund do not qualify as receivable (financial asset) as there is no contract between the University and the Bank in respect of.



# FEDERAL UNIVERSITY OF AGRICULTURE, ABEOKUTA (FUNAAB)

ACCOUNTS FOR THE YEAR ENDED 31 DECEMBER, 2016

## NOTES TO THE ACCOUNTS CONT'D

### EXPLANATION NOTES TO THE RECONCILIATIONS (CONT'D)

#### 4. INTER-BANK TRANSFER OF FUND CONTROL

Interbank transfer was made from the University FUNAAB MFB to Zenith Bank was reported as receivables under NGAAP. The Interbank transfer does not have affect the bank balance of the University and this would have been reconciled. For receivable to qualify as financial asset, there must be a contract requiring the University to transfer or receive cash from a counterparty. In this instance, there was no counterparty as the University merely transfer cash from one of the its banks to another i.e. cash in transit.

#### 5. DEBTORS AND PREPAYMENTS

This has been disaggregated and presented as two separate line items in the statement of financial position. Also, debtors has been changed to receivables.

#### 6. INVESTMENTS

The University presented investment in other entities as a single line item in the NGAAP financial statements. However, some of them are investment in subsidiaries, joint ventures. These have been reclassified according under IPSAS.

	01-Jan-16
Reported Under NGAAP	239,349,627
Reclassified as follows:	
Investment in Subsidiaries	66,329,970
Investment in Joint Ventures	24,700,000
Investment in Other Entities	22,222,220
Biological Assets	<u>126,097,437</u>
Reported Under IPSAS Accrual Basis	<u>239,349,627</u>

#### 7. BIOLOGICAL ASSETS

Under the Nigeria GAAP, the carrying value of cumulative cost on commercial cropping-AMREC and commercial cattle rearing was presented as investment. They are not reclassified as biological assets under IPAS (see note 6).

#### 8. RECLASSIFICATION OF FUNDS

##### National Health Insurance Scheme Fund

This represents paid by students for as contributions to the scheme held by the University on behalf of the National Health Insurance Scheme. It was reported as a fund under NGAAP but now reclassified as a liability because it represents a present obligation expected to be paid by the University.

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

**VALUE ADDED STATEMENT**

	2016 (IPSAS Accrual Basis) N	%	2015 (NGAAP Basis) N	
Gross Income	5,915,949,249		5,885,204,468	
Brought-in-Goods and Services-Local	<u>(1,097,965,604)</u>		<u>(1,012,761,483)</u>	
Value Added Available for Distribution	<u>4,817,983,644</u>		<u>4,872,442,985</u>	
 <b>Applied As Follows:</b>				
 <b><u>Payment to Employee</u></b>				
Personnel Costs	4,578,360,552	95	4,667,715,056	95.2
 <b><u>To Provide for Asset Maintenance and Further Expansion &amp; Development</u></b>				
Depreciation and Amortization	677,219,025	14	638,247,602	13.09
Deficit for the Year	<u>(437,595,933)</u>	<u>(9)</u>	<u>(433,519,673)</u>	<u>(8.79)</u>
	<u>4,817,983,644</u>	<u>100</u>	<u>4,872,442,985</u>	<u>100</u>

Value Added represents the additional wealth the University has been able to create by its own and employees' efforts.



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

**FIVE YEAR FINANCIAL SUMMARY**

ASSETS	IPSAS		Non-IPSAS		
	2016	2015	2014	2013	2012
<b>Current Assets</b>	N	N	N	N	N
Cash and Cash Equivalents	2,883,549,444	3,327,678,204	--	--	--
Receivables	46,786,560	62,629,582	--	--	--
Prepayments	27,000,000	27,000,000	--	--	--
Current Assets	<u>--</u>	<u>--</u>	<u>3,546,776,324</u>	<u>1,516,466,793</u>	<u>732,189,34</u>
Total Current Assets	<u>2,957,336,004</u>	<u>3,417,307,786</u>	<u>3,546,776,324</u>	<u>1,516,466,793</u>	<u>732,189,34</u>
<b>Non-Current Assets</b>					
Investment	--	--	231,371,027	204,252,407	204,252,40
Investment in Subsidiaries	66,329,970	66,329,970	--	--	--
Interest in Joint Venture	24,700,000	24,700,000	--	--	--
Investment in Other Entities	22,703,220	22,222,220	--	--	--
Biological Assets	140,608,210	126,097,437	--	--	--
Property, Plant and Equipment	<u>7,994,745,720</u>	<u>7,733,050,911</u>	<u>7,433,670,727</u>	<u>7,163,249,939</u>	<u>7,172,198,89</u>
Total Non-Current Assets	<u>8,249,087,120</u>	<u>7,972,400,538</u>	<u>7,665,041,754</u>	<u>7,367,502,346</u>	<u>7,376,451,30</u>
<b>Total Assets</b>	<u>11,206,423,124</u>	<u>11,389,708,324</u>	<u>11,211,818,078</u>	<u>8,883,969,139</u>	<u>8,108,640,64</u>
<b>Liabilities</b>					
Current Liabilities	--	--	2,128,042	233,900,536	128,470,12
Payables	608,850,542	434,221,692	--	--	--
Accruals	2,500,000	2,500,000	--	--	--
Total Current Liabilities	<u>611,350,542</u>	<u>436,721,692</u>	<u>2,128,042</u>	<u>233,900,536</u>	<u>128,470,12</u>
Total Liabilities	<u>611,350,542</u>	<u>436,721,692</u>	<u>2,128,042</u>	<u>233,900,536</u>	<u>128,470,12</u>
<b>NET ASSETS</b>					
Accumulated Funds	1,570,970,310	2,129,304,477	2,455,135,987	2,819,570,842	2,531,744,39
Endowment/Prize Funds	26,355,343	23,967,493	--	--	--
Other Funds	--	--	17,070,418	9,871,568	5,242,93
Special Funds	178,178,696	24,321,524	19,790,068	39,906,249	124,945,34
Loan Fund and Grants	31,396,924	30,914,977	30,914,976	30,914,976	30,914,97
Exchange Difference	--	--	--	--	25,429,23
Capital Project Funds	<u>8,788,171,310</u>	<u>8,744,478,161</u>	<u>8,686,587</u>	<u>5,749,804,968</u>	<u>5,261,893,63</u>
Total Net Assets	<u>10,595,072,583</u>	<u>10,952,986,632</u>	<u>11,209,690,036</u>	<u>8,650,068,603</u>	<u>7,980,170,51</u>
<b>STATEMENT OF FINANCIAL PERFORMANCE</b>				<b>NON-IPSAS</b>	
Total Revenue	5,915,949,249	5,885,204,468	5,951,325,663	6,536,807,932	6,028,595,39
Total Expenditure	<u>(6,353,545,182)</u>	<u>(6,318,724,141)</u>	<u>(6,532,196,913)</u>	<u>(6,336,616,140)</u>	<u>(5,681,821,703)</u>
Surplus/(Deficit)	<u>(437,595,933)</u>	<u>(433,519,673)</u>	<u>(580,871,250)</u>	<u>200,191,792</u>	<u>346,773,69</u>