FINANCIAL REPORTING COUNCIL OF NIGERIA

... Conscience of Regulatory Assurance

Annual Report
31DECEMBER 2015

VISION

To be the conscience of regulatory assurance in financial reporting and corporate governance in Nigeria.

MISSION

To bring utmost confidence to investors, reputation to oversight and ensure quality in accounting, auditing, actuarial and corporate governance standards and non-financial reporting issues.

FINANCIAL REPORTING COUNCIL OF NIGERIA

ANNUAL REPORT

FOR THE YEAR ENDED 31 DECEMBER 2015

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FINANCIAL REPORTING COUNCIL OF NIGERIA

CORPORATE INFORMATION

FOR THE YEAR ENDED 31 DECEMBER 2015

CHAIRMAN:	Maryam L. Ibrahim
EXECUTIVE SECRETARY/ CHIEF EXECUTITVE OFFICER:	Jim O. Obazee
REGISTERED/BUSINESS OFFICE:	10 Nurudeen Olowopopo Drive Central Business District Alausa, Ikeja, Lago.
SOLICITORS:	Bola Ajibola & Co. 1,Murphy Atsepoy Crescent Ogudu GRA, Lagos. Ken Okpe & Organisation (Daniel's Chambers) 10 Abeokuta Street Anifowose, Ikeja, Lagos. Kenna Partners Kenna Place 8, Ogunyemi road Palace Way Oniru, Lagos.
AUDITORS:	Ernst & Young (Chartered Accountants) 10th & 13th Floors, UBA House 57, Marina Lagos, Nigeria.
INSURERS:	Standard Alliance Life Assurance Ltd Leverage Insurance Brokers Limited
BANKERS:	Central Bank of Nigeria United Bank for Africa Plc Zenith Bank Plc
Website:	http://www.financialreportingcouncil.gov.ng

FINANCIAL REPORTING COUNCIL OF NIGERIA

REPORT OF THE DIRECTORS

FOR THE YEAR ENDED 31 DECEMBER 2015

The directors have pleasure in presenting to the members of the Council their report together with the audited financial statements for the year ended 31 December 2015.

RESULT FOR THE YEAR

	2015	2014
	₦	₦
Revenue	575,410,252	958,818,023
	==========	==========
Deficit for the year	(127,962,324)	(61,804,417)
	==========	==========

LEGAL FORM

The Financial Reporting Council of Nigeria (FRC) was established on 3 June, 2011 by the Financial Reporting Council of Nigeria Act No. 6, 2011. The Financial Reporting Council is an agency of the Federal Government under the supervision of the Federal Ministry of Industry, Trade and Investment.

PRINCIPAL ACTIVITIES

The Council:

(a) Develops and publishes accounting and financial reporting standards to be observed in the preparation of financial statement of public interest entities;

(b) Enforces and approves enforcement of compliance with accounting, auditing, corporate governance and financial reporting standards;

(c) Reviews, promotes and enforces compliance with the accounting and financial reporting standards adopted by the Council;

(d) Ensures accuracy and reliability of financial reports and corporate disclosures, pursuant to the various laws and regulations currently in existence in Nigeria;

(e) Receives notices of non-compliance with approved standards from preparers, users, other third parties or auditors of financial statements;

(f) Receives copies of annual reports and financial statements of public interest entities from preparers within 60 days of the approval of their Boards, or within 30 days if such entities have submitted to any other regulatory agency;

(g) Advises the Federal Government on matters relating to accounting, financial reporting and corporate governance;

PRINCIPAL ACTIVITIES - Continued

(h) Maintains a register of professional accountants and other professionals engaged in the financial reporting process;

(i) Monitors compliance with the reporting requirements specified in the National code of corporate governance;

(j) Promotes compliance with the adopted standards issued by the International Federation of Accountants and International Accounting Standards Board;

(k) Monitors and promotes education, research and training in the fields of accounting, auditing, financial reporting and corporate governance;

(l) Conducts practice reviews of registered professionals;

(m) Reviews financial statements and reports of entities;

(n) Enforces compliance with the Act and the rules of the Council on registered professionals and the affected entities;

(o) Establishes such systems, schemes or engages in any relevant activity, either alone or in conjunction with any other organisation or agency, whether local or international, for the discharge of its functions;

(p) Receives copies of all qualified reports together with detailed explanations for such qualifications from auditors of the financial statements within a period of 30 days from the date of such qualification (and such reports shall not be announced to the public until all accounting issues relating to the reports are resolved by the Council);

(q) Adopts and keeps up-to-date accounting and financial reporting standards, and ensures consistency between standards issued and the International Financial Reporting Standards;

(r) Specifies, in the accounting and financial reporting standards, the minimum requirements for recognition, measurement, presentation and disclosure in annual financial statements, Council annual financial statements or other financial reports which every entity shall comply with, in the preparation of financial statements and reports:

(s) Develops or adopts and keeps up-to-date auditing standards issued by relevant professional bodies and ensures consistency between the standards issued and the auditing standards and pronouncements of the International Auditing and Assurance Standards Board; and

(t) Performs such other functions which in the opinion of the board are necessary or expedient to ensure the efficient performance of the functions of the Council.

(u) The Council may issue rules and guidelines for the purpose of implementing auditing and accounting standards.

STATE OF AFFAIRS

In the opinion of the Directors, the state of the Council's affairs is satisfactory and no events have occurred since the end of the reporting date that would affect the financial statements as presented.

DIRECTORS' INTERESTS IN CONTRACTS

None of the members has notified the Council for the purpose of Section 277 of the Companies and Allied Matters Act, CAP C20, Law of the Federation of Nigeria 2004 of any disclosable interest in contracts with which the Council is involved as at 31 December 2015.

CONTRIBUTIONS AND CHARITABLE GIFTS

The council identifies with the aspiration of the community and environment within which it operates. Total amount donated during the year 2015: Nil (2014: ₦8,700,000)

EVENTS AFTER REPORTING DATE

As stated in Note 30, there are no events after the reporting date which could have had material effect on the state of affairs of the Council as at 31 December 2015 and the deficit for the year ended on that date which have not been adequately provided for or disclosed in the financial statements.

EMPLOYMENT OF PHYSICALLY CHALLENGED PERSONS

No physically challenged persons were employed by the Council during the year. It is the Council's policy to consider physically challenged persons for employment if academically qualified and medically fit.

HEALTH, SAFETY AND WELFARE AT WORK OF EMPLOYEES

The council places a high premium on the health, safety and welfare of its employees in their places of work. Medical facilities are provided for employees and their immediate families at the Council expense, up to specified limits.

CORPORATE GOVERNANCE

I The council is committed to best practice and procedures in corporate governance. Its business is conducted in a fair, honest and transparent manner which conforms to high ethical standards.

ii. The Board currently consists of twenty three (23) members made up of one Executive and twenty-two (22) Independent Non-Executives.

iii Board meetings are held quarterly. However, special or emergency board meetings are convened whenever the need arises.

iv. The Board takes decisions on policy matters and directs the affairs of the Council, monitors broad strategies and priorities and oversees the delivery of each directorate.

FINANCIAL REPORTING COUNCIL OF NIGERIA

REPORT OF THE DIRECTORS - Continued

FOR THE YEAR ENDED 31 DECEMBER 2015

BOARD MEMBERS AND THEIR INTERESTS:

Names	Designation	Organisation
Hajia Maryam L. Ibrahim	Chairman	FRC*
Mr. Obazee Jim Osayande	Executive Secretary	FRC
Dr. Etofolam Osuji	Member	ICAN
Mr. Tayo Phillips	Member	ICAN
Mr George Onekhena	Member	NAICOM
Mr. Muhammed Yola Datti	Member	PENCOM
Mr. Michael Agbadun Itegboje	Member	CIS
Dr. Fodio Inuwa Musa	Member	ANAN
Prof. Okoye Emmanuel Ike.	Member	ANAN
Mr. Muniru Umaru Wambai	Member	CAC
Mr. Salmanu S. Fasksri	Member	FMITI
Mr. Queensley Seghosime	Member	FIRS
Alhaji Ahmad Rabiu	Member	NACCIMA
Mr. Moses Chimereze Okpo	Member	FMF
Mr. Michael O. Owoseni	Member	OAuGF
Mr. Alex M. Adeyemi	Member	OAGF
Mr. Abatcha Bulama	Member	SEC
Mr. Titus Olukayode Aiyewumi	Member	CITN
Mr. Zacchaues Biodun Odeleye	Member	NIESV
Alh. Ibrahim Mu'azu	Member	CBN
Ms. Awe Tinuade Tolulope	Member	NSE
Mr. Adeleke, A. Adedapo	Member	NDIC
Prof. Benjamin C. Osisioma	Member	NAA

- The chairman is appointed by the President on the recommendation of the Honourable Minister (Section 3 of the Financial Reporting Council of Nigeria Act No 6, 2011). The chairman is non-executive.

  The board was dissolved along with other Board of Federal Government Ministries, Agencies and Parastatal on 16 July, 2015, by the President and Commander in Chief of the Armed Forces, Federal Republic of Nigeria. Please refer to Federal Government Circular with Reference No.SGF.19/S.18/xix/964 for details.

BOARD MEETINGS:

Prior to the dissolution of the Governing Board on 16 July, 2015 by Mr. President, Board meetings were held on the following days: 24 March 2015, 18 May 2015 and 12 June 2015.

Names	No. of Meetings	No. of Meetings Attended
Hajia Maryam L. Ibrahim	3	3
Mr. Obazee Jim Osayande	3	3
Dr. Etofolam Osuji	3	1
Mr. Tayo Phillips	3	3
Mr George Onekhena	3	3
Mr. Muhammed Yola Datti	3	3
Mr. Michael Agbadun Itegboje	3	3
Dr. Fodio Inuwa Musa	3	3
Prof. Okoye Emmanuel Ike	3	3
Mr. Muniru Umaru Wambai	3	2
Mr.Salmanu S. Faskari	3	1
Mr.Queesley Seghosime	3	-
Alhaji Ahmad Rabiu	3	1
Mr. Moses Chimereze Okpo	3	-
Mr. Michael O. Owoseni	3	3
Mr. Alex M. Adeyemi	3	-
Mr. Abatcha Bulama	3	3
Mr. Titus Olukayode Aiyewumi	3	3
Mr. Zacchaues Biodun Odeleye	3	3
Alh. Ibrahim Mu'azu	3	-
Ms. Awe Tinuade Tolulope	3	2
Mr. Adeleke, A. Adedapo	3	3
Prof. Benjamin C. Osisioma	3	1

FINANCIAL REPORTING COUNCIL OF NIGERIA

REPORT OF THE DIRECTORS - Continued

FOR THE YEAR ENDED 31 DECEMBER 2015

Prior to the dissolution of the Governing Board on 16 July, 2015 by Mr. President and in accordance with Section 15 of the enabling Act (and in conformity with the Code of Best Practice in Corporate Governance), the following committees established
by the Council, met as hereunder:

a) Technical and Oversight Committee:
The committee consists of 7 persons. Their functions are as contained in Section 15 (2) of the Financial Reporting Council of Nigeria Act, No 6, 2011.

Members and attendance of meetings during the year under review were as follows:

Names	**No. of Meetings**	**No. of Meetings Attended**
Mr. George Onekhena	-	-
Mr. Adeleke A. Adedapo	-	-
Mr. Biodun Odeleye	-	-
Mr. Abatcha Bulama	-	-
Mr. Jim O. Obazee	-	-
Ms. Queensley Seghosime	-	-
Mr. Michael Itegboje	-	-

b) Finance and General Purpose Committee:
The committee consists of 7 persons. Their functions are as specified in Section 15 (3) of the Financial Reporting Council of Nigeria Act, No 6, 2011.

Names	**No. of Meetings**	**No. of Meetings Attended**
Mr.Salmanu S. Faskari	-	-
Mr. Tayo Philips	-	-
Dr. Musa Fodio	-	-
Mr. Titus Olukayode Aiyewumi	-	-
Prof. Benjamin C. Osisioma	-	-
Mr. Muhammed Yola Datti	-	-
Mr. Jim O. Obazee	-	-

c) Audit Committee:
The committee consists of 7 persons. Their functions are as contained in Section 15 (4) of the Financial Reporting Council of Nigeria Act, No 6, 2011.
Members and attendance of meetings during the year under review were as follows:

Names	**No. of Meetings**	**No. of Meetings Attended**
Prof. Emma I. Okoye	3	3
Dr. Etofolam F. Osuji	3	2
Alhaji Ahmad Rabiu	3	-
Mr. Muniru U. Wambai	3	1
Ms. Tinuade T. Awe	3	2
Mr. Moses C.Okpo	3	2
Mr. Alex Adeyemi	3	1

AUDITORS

Ernst & Young have indicated their willingness to continue as the Council's auditors in accordance with Section 357 (2) of the Companies and Allied Matters Act, CAP C20, Laws of the Federation of Nigeria 2004.

BY ORDER OF THE BOARD

Jim O. Obazee
Executive Secretary
FRC/2012/ICAN/00000000007

6th May 2016

FINANCIAL REPORTING COUNCIL OF NIGERIA

STATEMENT OF COUNCIL'S RESPONSIBILITIES

FOR THE YEAR ENDED 31 DECEMBER 2015

The Financial Reporting Council of Nigeria Act No. 6, 2011 and the Companies and Allied Matters Act, CAP C20, Laws of the Federation of Nigeria 2004 require the Council to prepare financial statements for each financial year that give a true and fair view of the state of financial affairs of the Council at the end of the year and of its surplus or deficit. The responsibilities include ensuring that the Council:

a) keeps proper accounting records that disclose, with reasonable accuracy, the financial position of the Council and comply with the requirements of the Companies and Allied Matters Act, CAP C20, Laws of the Federation of Nigeria 2004;

b) establishes adequate internal controls to safeguard its assets and to prevent and detect fraud and other irregularities; and

c) prepares its financial statements using suitable accounting policies supported by reasonable and prudent judgments and estimates, and are consistently applied.

The council accepts responsibility for the annual financial statements, which have been prepared using appropriate accounting policies supported by reasonable and prudent judgments and estimates, in conformity with,

- relevant International Financial Reporting Standards issued by the International Accounting Standards Board (IASB)
- the requirements of the Companies and Allied Matters Act, CAP C20, Laws of the Federation of Nigeria 2004 and
- Financial Reporting Council of Nigeria Act, No 6, 2011.

The Council is of the opinion that the financial statements present fairly, in all material respects, the financial position and the financial performance of the Council as of and for the year ended 31 December 2015. The council further accepts responsibility for the maintenance of accounting records that may be relied upon in the preparation of financial statements, as well as adequate systems of internal control.

Nothing has come to the attention of the members to indicate that the Council will not remain a going concern for at least twelve months from the date of this statement.

Executive Secretary/ Chief Executive Officer
FRC/2012/ICAN/00000000007

6th May 2016

THE FINANCIAL STATEMENTS

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Building a better working world

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INDEPENDENT AUDITORS' REPORT TO THE MEMBERS OF

FINANCIAL REPORTING COUNCIL OF NIGERIA

Report on the Financial Statements

We have audited the financial statements of the Financial Reporting Council of Nigeria, which comprise the statement of financial position as at 31 December 2015, the statement of surplus or deficit and other comprehensive income, the statement of changes in equity, the statement of cash flows for the year then ended, and a summary of significant accounting policies and other explanatory notes.

Council's Responsibility for the Financial Statements

The council is responsible for the preparation and fair presentation of these financial statements in accordance with International Financial Reporting Standards, the provisions of the Companies and Allied Matters Act, CAP C20, Laws of the Federation of Nigeria 2004, the Financial Reporting Council of Nigeria Act No. 6, 2011 and such internal control as the council determines is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

Auditors' Responsibility

Our responsibility is to express an opinion on these financial statements based on our audit. We conducted our audit in accordance with the International Standards on Auditing. Those standards require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether the financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditors' judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditors consider internal control relevant to the entity's preparation and fair presentation of the financial statements 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 entity's internal control. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of accounting estimates made by the directors, as well as evaluating the overall presentation of the financial statements.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

Opinion

In our opinion, the financial statements show a true and fair view, in all material respects, the financial position of the Financial Reporting Council of Nigeria as at 31 December 2015, and its financial performance and cash flows for the year then ended in accordance with International Financial Reporting Standards, provisions of the Companies and Allied Matters Act, CAP C20, Laws of the Federation of Nigeria 2004 and the Financial Reporting Council of Nigeria Act No. 6, 2011.

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INDEPENDENT AUDITORS' REPORT TO THE MEMBERS OF

FINANCIAL REPORTING COUNCIL OF NIGERIA - Continued

Report on Other Legal and Regulatory Requirements

In accordance with the requirement of Schedule 6 of the Companies and Allied Matters Act, CAP C20, Laws of the Federation of Nigeria 2004, 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 purpose of our audit;

ii) in our opinion, proper books of account have been kept by the Council, so far as appears from our examination of those books;

iii) the Council's statement of financial position and the statement of surplus or deficit and other comprehensive income are in agreement with the books of account.

Omolola Alebiosu, FCA
FRC/2012/ICAN/00000000145
For: Ernst & Young
Lagos, Nigeria

6 May 2016

FINANCIAL REPORTING COUNCIL OF NIGERIA

STATEMENT OF SURPLUS OR DEFICIT AND OTHER COMPREHENSIVE INCOME

FOR THE YEAR ENDED 31 DECEMBER 2015

	Notes	2015 ₦	2014 ₦
Revenue:			
Internally Generated Revenue	7	575,410,252	931,430,654
Subventions	8	-	27,387,369
Total revenue		**575,410,252**	**958,818,023**
Other income	9	5,651,899	12,341,700
		581,062,151	**971,159,723**
Expenditure:			
Technical activities	10	165,808,277	284,378,915
Administrative expenses	11	543,216,198	748,585,225
		709,024,475	**1,032,964,140**
Deficit for the year		**(127,962,324)**	**(61,804,417)**
Other comprehensive income, net of tax		-	-
Total comprehensive loss for the year, net of tax		**(127,962,324)**	**(61,804,417)**

The notes on page 20 to 48 form part of these financial statements.

FINANCIAL REPORTING COUNCIL OF NIGERIA

STATEMENT OF FINANCIAL POSITION

AS AT 31 DECEMBER 2015

Assets	Notes	2015 ₦	2014 ₦
Non-current assets			
Property, plant & equipment	13	81,229,714	109,248,845
Non-current financial assets			
Loans and receivables	14	-	805,556
		81,229,714	110,054,401
Current assets			
Inventories	15	4,965,710	4,606,982
Loans and receivables	14	956,271	12,104,882
Prepayments	16	27,422,837	3,687,258
Cash and bank balances	17	73,630,726	111,197,644
		106,975,544	131,596,766
Total Assets		**188,205,258**	**241,651,167**
Equity and liabilities			
Equity			
Accumulated fund	18	32,474,151	176,516,103
Current Liabilities			
Trade and other payables	19	155,731,107	65,135,064
Total equity and liabilities		**188,205,258**	**241,651,167**

The notes on pages 20 to 48 form part of these financial statements.

The financial statements are authorised for issue on 29th April 2016 and

are signed on behalf of the Council by:

Jim O. Obazee
Chief Executive Officer
FRC/2012/ICAN/00000000007

Ibrahim A. Abubakar
Chief Financial Officer
FRC/2012/ANAN/00000000563

FINANCIAL REPORTING COUNCIL OF NIGERIA

STATEMENT OF CHANGES IN EQUITY

FOR THE YEAR ENDED 31 DECEMBER 2015

	Notes	Accumulated Fund
		₦
At 1 January 2015		**176,516,103**
Total comprehensive income:		
Deficit for the year		(127,962,324)
Consolidated revenue fund remittance	18	(16,079,628)
At 31 December 2015		**32,474,151**
At 1 January 2014		**371,315,640**
Total comprehensive income:		
Deficit for the year		(61,804,417)
Consolidated revenue fund (CRF) remittance	18	(219,649,473)
CRF Over Provision Write Back (Note 19.5)	18	86,654,353
At 31 December 2014		**176,516,103**

The notes on page 20 to 48 form part of these financial statements.

FINANCIAL REPORTING COUNCIL OF NIGERIA

STATEMENT OF CASH FLOWS

FOR THE YEAR ENDED 31 DECEMBER 2015

	Notes	2015 ₦	2014 ₦
Operating activities			
Cash received from subventions, fines, subscriptions, etc		569,549,906	999,093,420
Cash paid to suppliers and salaries		(545,710,352)	(1,007,889,261)
Net cash provided by/(used in) operating activities	21	**23,839,554**	**(8,795,841)**
Investing activities			
Purchase of property, plant and equipment	13	(1,521,000)	(55,434,381)
Proceed from sale of property, plant and equipment		1,388,500	281,000
Net cash used in investing activities		**(132,500)**	**(55,153,381)**
Financing activities			
Consolidated revenue fund remitted	19.5	(61,273,972)	(222,755,139)
Net cash used in financing activities		**(61,273,972)**	**(222,755,139)**
Net decrease in cash and cash equivalents		(37,566,918)	(286,704,361)
Cash and cash equivalents at 1 January		111,197,644	397,902,005
Cash and cash equivalents at 31 December	17	**73,630,726**	**111,197,644**

The notes on pages 20 to 48 form part of these financial statements.

FINANCIAL REPORTING COUNCIL OF NIGERIA

NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 DECEMBER 2015

1. LEGAL FORM AND OBJECTIVES

1.1 Legal Form

The Financial Reporting Council of Nigeria (FRC) was established by the Financial Reporting Council of Nigeria Act No 6, 2011 and charged with the responsibility for, among other things, developing and publishing Accounting and Financial Reporting Standards to be observed in the preparation of financial statements of Public Entities in Nigeria; and for related matters.

The Financial Reporting Council is an agency of the Federal Government of Nigeria under the supervision of the Federal Ministry of Industry, Trade and Investment.
The council is expected to be governed by a 23 man Board representing the Institutions listed hereunder:

i) Association of National Accountants of Nigeria

ii) The Institute of Chartered Accountants of Nigeria

iii) Office of the Accountant General of the Federation

iv) Office of the Auditor-General for the Federation

v) Central Bank of Nigeria

vi) Chartered Institute of Stockbrokers

vii) The Chartered Institute of Taxation of Nigeria

viii) Corporate Affairs Commission

ix) Federal Inland Revenue Service

x) Federal Ministry of Industry, Trade and Investment

xi) Federal Ministry of Finance

xii) Nigerian Accounting Association

xiii) Nigerian Association of Chambers of Commerce, Industry, Mines & Agriculture

xiv) Nigerian Deposit Insurance Corporation

xv) Nigerian Institution of Estate Surveyors and Valuers

xvi) Securities and Exchange Commission

xvii) National Insurance Commission

xviii) Nigerian Stock Exchange

xix) National Pension Commission

xx) Financial Reporting Council of Nigeria

1.2 OBJECTIVES OF THE COUNCIL

The objectives of the Council are to:

a) Protect investors and other stakeholders' interest;

b) Give guidance on issues relating to financial reporting and corporate governance to bodies listed in sections 2 (2) (b), (c) and (d) of the Act;

c) Ensure good corporate governance practices in the public and private sectors of the Nigerian economy;

d) Ensure accuracy and reliability of financial reports and corporate disclosures, pursuant to the various laws and regulations currently in existence in Nigeria, and

e) Harmonize activities of relevant professional and regulatory bodies as it relates to Corporate Governance and Financial Reporting.

2. Basis of preparation

2.1 Statement of compliance

Financial Reporting Council of Nigeria (the Council) has prepared its financial statements in accordance with International Financial Reporting Standards (IFRS) and interpretations issued by the International Accounting Standards Board (IASB), provisions of the Companies and Allied Matters Act, CAP C20, Laws of the Federation of Nigeria 2004 and the requirements of Financial Reporting Council of Nigeria Act No. 6, 2011.

2.2 Basis of measurement

The financial statements have been prepared on the historical cost basis except for the following material items in the statements of financial position:

- Loans and receivables measured at amortised cost.
- Inventories measured at net realisable value.

Judgements made by management in the application of IFRSs that have significant effect on the financial statements and estimates with a significant risk of material adjustment in the next year are discussed in Note 6.

2.3 Functional and presentation currency

The financial statements are presented in Nigerian Naira, which is also the functional currency of the Council.

2.4 Composition of financial statements

The council's financial statements prepared under IFRS comprises of:

- Statement of financial position
- Statement of surplus or deficit and other comprehensive Income
- Statement of changes in equity
- Statement of cash flows
- Notes to the financial statements including a summary of significant accounting policies.

2.5 Financial period

These financial statements cover the financial year ended 31 December 2015, with comparative amounts for the financial year ended 31 December 2014.

3 Going concern status

The board members believe that there is no intention or threat from any source that will lead to liquidation of the Council's activities in the foreseeable future. Thus, these financial statements are prepared on going concern basis.

4 New and revised International Financial Reporting Standards (IFRS)

4.1 Standards issued but not yet effective

The standards and interpretations that are issued, but not yet effective, up to the date of issuance of the Council's financial statements are disclosed below. The Council intends to adopt these standards, if applicable, when they become effective.

IFRS 9 Financial Instruments

In July 2014, the IASB issued the final version of IFRS 9 Financial Instruments which reflects all phases of the financial instruments project and replaces IAS 39 Financial Instruments: Recognition and Measurement and all previous versions of IFRS 9. The standard introduces new requirements for classification and measurement, impairment, and hedge accounting. IFRS 9 is effective for annual periods beginning on or after 1 January 2018, with early application permitted. Retrospective application is required, but comparative information is not compulsory. Early application of previous versions of IFRS 9 (2009, 2010 and 2013) is permitted if the date of initial application is before 1 February 2015. The adoption of IFRS 9 will have an effect on the classification and measurement of the Council's financial assets, but it has no impact on the classification and measurement of the Council's financial liabilities.

IFRS 10, IFRS 12 and IAS 28 Investment Entities: Applying the Consolidation Exception - Amendments to IFRS 10, IFRS 12 and IAS 28

The amendments to IFRS 10 clarify that the exemption in paragraph 4 of IFRS 10 from presenting consolidated financial statements applies to a parent entity that is a subsidiary of an investment entity, when the investment entity measures its subsidiaries at fair value. Furthermore, the amendments also clarify that only a subsidiary of an investment entity that is not an investment entity itself and that provides support services to the investment entity is consolidated. All other subsidiaries of an investment entity are measured at fair value.

The amendments to IAS 28 allow the investor, when applying the equity method, to retain the fair value measurement applied by the investment entity associate or joint venture to its interests in subsidiaries. As at 31st December 2015, this standard does not apply to the Council's operation.

IFRS 11 Accounting for Acquisitions of Interests in Joint Operations – Amendments to IFRS 11

The amendments require an entity acquiring an interest in a joint operation, in which the activity of the joint operation constitutes a business, to apply, to the extent of its share, all of the principles in IFRS 3 and other IFRSs that do not conflict with the requirements of IFRS 11 Joint Arrangements. Furthermore, entities are required to disclose the information required by IFRS 3 and other IFRSs for business combinations. The amendments also apply to an entity on the formation of a joint operation if, and only if, an existing business is contributed by one of the parties to the joint operation on its formation. It further that, the acquisition of an additional interest in a joint operation in which the activity of the joint operation constitutes a business, previously held interests in the joint operation must not be remeasured if the joint operator retains joint control. This is standard does not apply to the Council's operation.

4.1 Standards issued but not yet effective - Continued

IFRS 14 Regulatory Deferral Accounts Effective for annual periods beginning on or after 1 January 2016

IFRS 14 is a standard which allows an entity, whose activities are subject to rate regulation, to continue applying most of its existing accounting policies for regulatory deferral account balances upon its first time adoption of IFRS. The standard does not apply to existing IFRS preparers. Also, an entity whose current GAAP does not allow the recognition of rate-regulated assets and liabilities, or that has not adopted such policy under its current GAAP, would not be allowed to recognise them on first-time application of IFRS. Entities that adopt IFRS 14 must present the regulatory deferral accounts as separate line items on the statement of financial position and present movements in these account balances as separate line items in the statement of profit or loss and other comprehensive income. The standard requires disclosure of the nature of, and risks associated with, the entity's rate regulation and the effects of that rate regulation on its financial statements. This is standard does not apply to the Council's operation.

IAS 1 Disclosure Initiative – Amendments to IAS 1 Effective for annual periods beginning on or after 1 January 2016

The amendments to IAS 1 Presentation of Financial Statements clarify, rather than significantly change, existing IAS 1 requirements. The amendments clarify:

- The materiality requirements in IAS 1
- That specific line items in the statement(s) of profit or loss and OCI and the statement of financial position may be disaggregated
- That entities have flexibility as to the order in which they present the notes to financial statements
- That the share of OCI of associates and joint ventures accounted for using the equity method must be presented in aggregate as a single line item, and classified between those items that will or will not be subsequently reclassified to profit or loss.

Furthermore, the amendments clarify the requirements that apply when additional subtotals are presented in the statement of financial position and the statement(s) of profit or loss and OCI. However, the adoption of these amendments is not expected to have a significant impact on the Council's profit for the year or equity reported.

IAS 16 and IAS 38 Clarification of Acceptable Methods of Depreciation and Amortisation – Amendments to IAS 16 and IAS 38 Effective for annual periods beginning on or after 1 January 2016

The amendments clarify the principle in IAS 16 Property, Plant and Equipment and IAS 38 Intangible Assets that revenue reflects a pattern of economic benefits that are generated from operating a business (of which the asset is part) rather than the economic benefits that are consumed through use of the asset. As a result, the ratio of revenue generated to total revenue expected to be generated cannot be used to depreciate property, plant and equipment and may only be used in very limited circumstances to amortise intangible assets. This is standard does not have effect in the current or prior financial statement of the Council.

IAS 16 and IAS 41 Agriculture: Bearer Plants – Amendments to IAS 16 and IAS 41 Effective for annual periods beginning on or after 1 January 2016

The amendments to IAS 16 and IAS 41 Agriculture change the scope of IAS 16 to include biological assets that meet the definition of bearer plants (e.g., fruit trees). Agricultural produce growing on bearer plants (e.g., fruit growing on a tree) will remain within the scope of IAS 41. As a result of the amendments, bearer plants will be subject to all the recognition and measurement requirements in IAS 16, including the choice between the cost model and revaluation model for subsequent measurement. In addition, government grants relating to bearer plants will be accounted for in accordance with IAS 20 Accounting for Government Grants and Disclosure of Government Assistance, instead of IAS 41. The standard does not have effect in the current or prior financial statement of the Council.

4.1 Standards issued but not yet effective - Continued

IAS 27 Equity Method in Separate Financial Statements – Amendments to IAS 27 Effective for annual periods beginning on or after 1 January 2016

The amendments to IAS 27 Separate Financial Statements allow an entity to use the equity method as described in IAS 28 to account for its investments in subsidiaries, joint ventures and associates in its separate financial statements. Therefore, an entity must account for these investments either:

- At cost
- In accordance with IFRS 9 (or IAS 39) or
- Using the equity method

The entity must apply the same accounting for each category of investment. A consequential amendment was also made to IFRS 1 First-time Adoption of International Financial Reporting Standards. The amendment to IFRS 1 allows a first-time adopter accounting for investments in the separate financial statements using the equity method, to apply the IFRS 1 exemption for past business combinations to the acquisition of the investment. This amendment does not have effect in the current or prior financial statement of the Council.

2012-2014 cycle (issued in September 2014)

Following is a summary of the amendments (other than those affecting only the standards' Basis for Conclusions) from the 2012-2014 annual improvements cycle. The changes summarised below are effective for annual reporting periods beginning on or after 1 January 2016.

IFRS 5 Non-current Assets Held for Sale and Discontinued Operations: The amendment clarifies that changing from one of these disposal methods to the other would not be considered a new plan of disposal, rather it is a continuation of the original plan. There is, therefore, no interruption of the application of the requirements in IFRS 5. The amendment does not have any material impact on the current year financial statement.

IFRS 7 Financial Instruments: Disclosures - Applicability of the offsetting disclosures to condensed interim financial statements. The amendment clarifies that the offsetting disclosure requirements do not apply to condensed interim financial statements, unless such disclosures provide a significant update to the information reported in the most recent annual report. The amendment must be applied retrospectively.

IAS 19 Employee Benefits - The amendment clarifies that market depth of high quality corporate bonds is assessed based on the currency in which the obligation is denominated, rather than the country where the obligation is located. When there is no deep market for high quality corporate bonds in that currency, government bond rates must be used.

IAS 34 Interim Financial Reporting - Disclosure of information 'elsewhere in the interim financial report. The amendment clarifies that the required interim disclosures must be either in the interim financial statements or incorporated by cross-reference between the interim financial statements and wherever they are included within the interim financial report (e.g., in the management commentary or risk report).

IFRS 15 Revenue from Contracts with Customers

Effective for annual reports beginning on or after 1 January 2018.

IFRS 15 replaces all existing revenue requirements in IFRS (IAS 11 Construction Contracts, IAS 18 Revenue, IFRIC 13 Customer Loyalty Programmes, IFRIC 15 Agreements for the Construction of Real Estate, IFRIC 18 Transfers of Assets from Customers and SIC 31 Revenue – Barter Transactions Involving Advertising Services) and applies to all revenue arising from contracts with customers, unless the contracts are in the scope of other standards, such as IAS 17.

Its requirements also provide a model for the recognition and measurement of gains and losses on disposal of certain non-financial assets, including property, equipment and intangible assets.

4.1 Standards issued but not yet effective - Continued

The standard outlines the principles an entity must apply to measure and recognise revenue. The core principle is that an entity will recognise revenue at an amount that reflects the consideration to which the entity expects to be entitled in exchange for transferring goods or services to a customer. The principles in IFRS 15 will be applied using a five-step model:

1. Identify the contract(s) with a customer
2. Identify the performance obligations in the contract
3. Determine the transaction price
4. Allocate the transaction price to the performance obligations in the contract
5. Recognise revenue when (or as) the entity satisfies a performance obligation.

The standard requires entities to exercise judgement, taking into consideration all of the relevant facts and circumstances when applying each step of the model to contracts with their customers. The standard also specifies how to account for the incremental costs of obtaining a contract and the costs directly related to fulfilling a contract. However, the Council is yet to access the impact of this standard.

Amendments to IAS 16 and IAS 38: Clarification of Acceptable Methods of Depreciation and Amortisation

The amendments clarify the principle in IAS 16 and IAS 38 that revenue reflects a pattern of economic benefits that are generated from operating a business (of which the asset is part) rather than the economic benefits that are consumed through use of the asset. As a result, a revenue-based method cannot be used to depreciate property, plant and equipment and may only be used in very limited circumstances to amortise intangible assets.
The amendments are effective prospectively for annual periods beginning on or after 1 January 2016, with early adoption permitted. These amendments are not expected to have any impact to the Council given that the Council has not used a revenue-based method to depreciate its non-current assets.

IFRS 16: LEASES

In January 2016, the International Accounting Standards Board issued a new standard IFRS 16 – Leases. The new standard provides guidance on Accounting for leases and will be effective in 2019. Upon becoming effective, it will replace IAS 17.

A primary principle of IFRS 16 is that all leases should be reported on the statement of financial position.

The Council does not currently have lease transactions which the new standard could impact. However, its general financial reporting implications will be assessed and kept in view of any future lease transactions the Council may enter into.

5 Summary of significant accounting policies

The principal accounting policies adopted in the preparation of these financial statements are set out below. These policies have been consistently applied to all periods presented, unless otherwise stated.

5.1 Revenue

5.1.1 Sale of goods

Revenue is recognised when persuasive evidence exists, usually in the form of an executed sales agreement, that the significant risks and rewards of ownership have been transferred to the buyer, recovery of the consideration is probable, the associated costs and possible return of goods can be estimated reliably, there is no continuing managerial involvement with the goods, and the amount of revenue can be measured reliably. If it is probable that discounts will be granted and the amount can be measured reliably, then the discount is recognised as a reduction of revenue as the sales are recognised.

5.1.2 Rendering of services

Revenue from services rendered is recognised in the statement of surplus or deficit and other comprehensive income in proportion to the stage of completion of the transaction at the reporting date. If it is probable that discounts will be granted and the amount can be measured reliably, then the discount is recognised as a reduction of revenue as the services are recognised.

5.1.3 The council has the following sources of revenue:

- **Annual levies/subscription**

  Annual levies are levies charged registered professionals, publicly quoted companies, public interest entities and other entities as required in Section 33 of the Financial Reporting Council Act No. 6, 2011 (The Act). Annual levies are recognised on cash basis.

  Subscriptions are annual dues payable by member organisations of the Council as defined in Section 2 of the Act. Subscriptions are recognised on cash basis.

- **Budgetary Allocations and Subventions**

  Budgetary allocation and subvention are accounted for on the basis of actual receipts.

- **Fines and Penalties**

  Fines and penalties are sanctions imposed by the Council and are recognised on cash basis.

- **Fees from services rendered**

  Council's services include consultancy services, training through workshops, seminars and conferences. Revenue is recognised on cash basis.

- **Gifts/donations**

  Gifts/donations are voluntary transfer of economic resources by persons and/or entities, public or private, to the Council without any compensation. They are recognised on cash basis.

- **Sale of Standards and other publications**

  Standards and publications include International Financial Reporting Standards bound volume and Statements of Accounting Standards published by the Council. Revenue on sale of standards and other publications are recognised on cash basis

5 Summary of significant accounting policies - Continued

5.1.3 Grants

Grant revenue arises from a transfer of resources to the Council in return for past or future compliance with certain prescribed conditions/terms relating to the operating activities of the Council.

Grants are of two types:
Restricted grant revenue – This arises from a transfer of resources to the Council in return for past or future compliance relating to its operating activities.

Unrestricted grant revenue – This arises from the unconditional transfer of cash or other assets to the Council.

Cash grants are recorded at the face value of the cash received or in the Nigerian Naira equivalent.

Grant revenue, including non-monetary grants at fair value, is not recognised until there is reasonable assurance that the Council will comply with the conditions attaching to them and the grants will be received. Grants are recognised as revenue over the periods necessary to match them with the related costs which they are intended to compensate, on a systematic basis.

Grants relating to assets, including non-monetary grants at fair value are presented in the Statement of Financial Position by setting up the grant as deferred revenue (and recognising the revenue on a systematic and rational basis over the life of the asset).

Grants-in-kind are recorded at the fair value of the assets (or services) received or promised, or the fair value of the liabilities satisfied.

5.2 Foreign currency translation

Transactions in foreign currencies are translated to the functional currency of the Council at exchange rates at the dates of the transactions.

Monetary assets and liabilities denominated in foreign currencies at the reporting date are retranslated to the functional currency at the exchange rate at that date. The foreign currency gain or loss on monetary items is the difference between amortised cost in the functional currency at the beginning of the period, adjusted for effective interest and payments during the period, and the amortised cost in foreign currency translated at the exchange rate at the end of the reporting period.

Non-monetary assets and liabilities denominated in foreign currencies that are measured at fair value are retranslated to the functional currency at the exchange rate at the date that the fair value was determined.

Foreign currencies are translated using the exchange rates at the dates of the initial transactions. Non-monetary items measured at fair value in foreign currencies are translated using the exchange rates at the date when the fair value is determined. The gain or loss arising on translation of non-monetary items measured at fair value is treated in line with the recognition of the gain or loss on the change in fair value of the item. When a gain or loss on a non-monetary item is recognised in profit or loss, any exchange component of that gain or loss shall be recognised in profit or loss.

5 Summary of significant accounting policies - Continued

5.3 Employee Benefits

5.3.1 Defined Contribution Scheme

The Council operates a defined contribution retirement benefit scheme for its staff, in accordance with the Pension Reform Act of 2014 with employer contributing 10% and employee contributing 8% of the employee's relevant emoluments. Obligations for contributions to defined contribution pension plans are recognised as an employee benefit expense in surplus or deficit in the periods during which services are rendered by employees.

5.3.2 Short-term employee benefits

Short-term employee benefit obligations are measured on an undiscounted basis and are expensed as the related service is provided.

A liability is recognised for the amount expected to be paid under short-term cash bonus plan if the Council has a present legal or constructive obligation to pay this amount as a result of past service provided by the employee, and the obligation can be estimated reliably.

5.4 Property, plant and equipment

Property, plant and equipment are stated at cost less accumulated depreciation and any accumulated impairment losses.

Initial costs

Cost includes expenditure that is directly attributable to the acquisition of the asset. The cost of self-constructed assets includes the cost of materials and direct labour, any other costs directly attributable to bringing the assets to a working condition for their intended use, the costs of dismantling and removing the items and restoring the site on which they are located, and borrowing costs on qualifying assets.

Subsequent costs

The cost of replacing a part of an item of property, plant and equipment is recognised in the carrying amount of the item if it is probable that the future economic benefits embodied within the part will flow to the Council, and its cost can be measured reliably. The carrying amount of the replaced part is derecognised. The costs of the day-to-day servicing of property, plant and equipment are recognised in profit or loss as incurred.

When parts of an item of property, plant and equipment have different useful lives, they are accounted for as separate items (major components) of property, plant and equipment.
Computer equipment includes cost of software that is an integral part of the asset function.
Depreciation is provided on all property, plant and equipment on straight line basis at rates calculated to write off the cost, less estimated residual value, over their expected useful lives as follows:

	Useful lives (Years)
Property, plant and equipment:	
Office improvement	4
Furniture and Fittings	5-10
Motor vehicles	5
Motorcycle	5
Computer equipment	3
Office equipment	5-10
Library books	3-5

Freehold land is not depreciated.

5 Summary of significant accounting policies – Continued

5.4 Property, plant and equipment - Continued

Depreciation of property, plant and equipment commences when is available for use i.e. when it is in the location and condition necessary for it to be capable of operating in the manner intended by the Council. Depreciation ceases at the earlier of the date that the asset is classified as held for sale and the date the asset is derecognised. Depreciation does not cease when the asset becomes idle or is retired from active use, unless the asset is fully depreciated. Where there are changes, they are accounted for as changes in estimates.
Depreciation methods, useful lives and residual values are reviewed at least at each financial year end and adjusted as appropriate. Where there are changes, they are accounted for as changes in estimates.

If events or changes in circumstances indicate the carrying value may not be recoverable then the carrying values of property, plant and equipment are reviewed for impairment. The gain or loss arising on the disposal or retirement of an asset is determined as the difference between the sale proceeds and the carrying amount of the asset and is recognised in the Statement of surplus or deficit.

5.5 Financial instruments

Financial assets and financial liabilities are recognised by the Council when it becomes a party to the contractual provisions of the instrument.

The Council derecognizes a financial asset when the contractual rights to the cash flows from the asset expire, or it transfers the rights to receive the contractual cash flows on the financial asset in a transaction in which substantially all the risks and rewards of ownership of the financial asset are transferred. Any interest in transferred financial assets that is created or retained by the Council is recognised as a separate asset or liability.

Financial assets and liabilities are offset and the net amount presented in the statement of financial position when, and only when, the Council has a legal right to offset the amounts and intends either to settle on a net basis or to realize the asset and settle the liability simultaneously.

5.6 Financial assets

Financial assets are classified into: (a) loans and receivables, (b) held-to-maturity investments (c) Available-for-sale and (d) financial assets at fair value through profit or loss. Financial assets are subsequently measured based on their nature and purpose as determined at initial recognition. The Council does not have financial assets classified as held-to-maturity, available for sale and at fair value through profit or loss.

5.6.1 Loans and receivables

Loans and receivables are financial assets with fixed or determinable payments that are not quoted in an active market. Such assets are recognised initially at fair value plus any directly attributable transaction costs. Subsequent to initial recognition loans and receivables are measured at amortised cost using the effective interest method, less any impairment losses. Loans and receivables comprises staff loans.

5 Summary of significant accounting policies - Continued

5.7 Financial liabilities

The Council has the following financial liabilities: loans and borrowings, bank overdrafts, and trade and other payables. Such financial liabilities are recognised initially at fair value less any directly attributable transaction costs. Subsequent to initial recognition these financial liabilities are measured at amortised cost using the effective interest method.

Trade payables

Trade payables are not interest bearing and are recognised and measured at their nominal value.

Derecognition

A financial liability is derecognised when the obligation under the liability is discharged or cancelled or expires. When an existing financial liability is replaced by another from the same lender on substantially different terms, or the terms of an existing liability are substantially modified, such an exchange or modification is treated as a derecognition of the original liability and the recognition of a new liability. The difference in the respective carrying amounts is recognised in profit or loss.

Offsetting of financial instruments

Financial assets and financial liabilities are offset with the net amount reported in the statement of financial position only if there is a current enforceable legal right to offset the recognised amounts and the intention to settle on a net basis, or to realise the assets and settle the liabilities simultaneously.

5.8 Impairment

5.8.1 Non -Financial Assets

At each reporting date, the Council reviews the carrying amounts of its assets to determine whether there is any indication that those assets have suffered an impairment loss. If any such indication exists, the recoverable amount of the asset is estimated in order to determine the extent of the impairment loss. Recoverable amount is the higher of fair value less costs of disposal, and value in use. If the recoverable amount of an asset is estimated to be less than its carrying amount, the carrying amount of the asset is reduced to its recoverable amount. An impairment loss is recognised as an expense immediately in statement of surplus or deficit.

An impairment loss is reversed if there has been a change in the estimates used to determine the recoverable amount. An impairment loss is reversed only to the extent that the asset's carrying amount does not exceed the carrying amount that would have been determined, net of depreciation or amortization, if no impairment loss had been recognised.

5.8.2 Financial Assets

A financial asset not carried at fair value through profit or loss is assessed at each reporting date to determine whether there is objective evidence that it is impaired. A financial asset is impaired if objective evidence indicates that a loss event has occurred after the initial recognition of the
asset, and that the loss event had a negative effect on the estimated future cash flows of that asset that can be estimated reliably.

An impairment loss in respect of a financial asset measured at amortised cost is calculated as the difference between its carrying amount and the present value of the estimated future cash flows discounted at the asset's original effective interest rate. Losses are recognised in the statement of surplus or deficit and other comprehensive income reflected in an allowance account against receivables. Interest on the impaired asset continues to be recognised through the unwinding of the discount.

5 Summary of significant accounting policies - Continued

5.8 Impairment – Financial Assets

When a subsequent event causes the amount of impairment loss to decrease, the decrease in impairment loss is reversed through the statement of surplus or deficit and other comprehensive income.

5.9 Inventories

Inventories are measured at the lower of cost and net realizable value. The cost of inventories is based on the first-in first-out method, and includes expenditure incurred in acquiring the inventories and other costs incurred in bringing them to their existing location and condition. Net realizable value is the estimated selling price in the ordinary course of business, less the estimated costs of completion and selling expenses.

Inventories comprise of IFRS bound volume which are carried at lower of cost and their net realisable value.

Inventories of publication that have been superseded by new editions are written off.
Cost of consumables is expensed in the year of purchase.

5.10 Provisions and Contingencies

Provisions

The council recognises provisions when the following three conditions are met:

- The Council has a present obligation (legal or constructive) as a result of past events;
- It is probable that an outflow of resources embodying economic benefits will be required to settle the obligation; and
- A reliable estimate can be made of the amount of the obligation.

The amount of the provision represents the best estimate of the expenditure required to settle the obligation at the end of the reporting period.

Contingent liabilities

Contingent liabilities, including liabilities that are not probable or which cannot be measured reliably are not recognised, but are disclosed unless the possibility of settlement is considered remote.

Contingent assets

Contingent assets are not recognised, but are disclosed where an inflow of economic benefits is probable.

Litigation costs

The legal and professional costs of litigations incurred in the period are included in the accounts on an accrual basis. Provision is made for the future costs of any litigation only where the costs are unavoidable and represent a present obligation at the reporting date.

5.11 Accumulated Fund

Accumulated Fund is the residual interest in the Council's assets after all liabilities are deducted.

The overall change in net assets represents the total surplus and deficit generated by the Council's activities during the period as determined by the particular measurement principles adopted and disclosed in the financial statements.

6 Use of judgments and estimates

The preparation of financial statements in compliance with IFRS requires management to make certain critical accounting estimates. It also requires management to exercise judgment in applying the Council's accounting policies. The areas involving a higher degree of judgment or complexity, or areas where assumptions and estimates are significant to the financial statements are disclosed in the notes.

The council makes certain estimates and assumptions regarding the future. Estimates and judgments 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.

6.1 Judgments

The judgments that have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities within the next financial year are discussed below.

6.2 Estimates and assumptions

The effect of a change in an accounting estimate is recognised prospectively by including it in the statement of surplus or deficit and other comprehensive income in the period of the change, if the change affects that period only; or in the period of the change and future periods, if the change affects both.
The estimates and assumptions that have a significant risk of causing material adjustment to the carrying amounts of assets and liabilities within the next financial year are discussed below.

6.2.1 Impairment of non-financial assets

An impairment loss is recognised for the amount by which an asset's or cash-generating unit's carrying amount exceeds its recoverable amount. To determine the recoverable amount, management estimates expected future cash flows from each asset or cash-generating unit and
determines a suitable interest rate in order to calculate the present value of those cash flows. In the process of measuring expected future cash flows management makes assumptions about future operating results. These assumptions relate to future events and circumstances. The actual results may vary, and may cause significant adjustments to the Council's assets within the next financial year.

In most cases, determining the applicable discount rate involves estimating the appropriate adjustment to market risk and the appropriate adjustment to asset-specific risk factors.

6.2.2 Useful Lives of Depreciable Assets

Management reviews the useful lives of depreciable assets including property, plant and equipment and intangible assets at each reporting date based on the expected utility of the assets to the Council. Actual results, however, may vary due to technical obsolescence. Details of the property, plant and equipment and intangibles useful lives are provided.

6.2.3 Inventories

Inventories are measured at the lower of cost and net realizable value. In estimating net realizable values, management takes into account the most reliable evidence available at the times the estimates are made. The Council's business is not subject to regular technology changes which may cause selling prices to change rapidly. Moreover, future realization of the carrying amounts of inventory is affected by price changes in different market segments. Details of the inventory balances are provided in the note.

6.2.4 Contingencies

By their nature, contingencies will only be resolved when one or more future events occur or fail to occur. The assessment of contingencies inherently involves the exercise of significant judgment and estimates of the outcome of future events.

6.2.5 Re-measurement of staff loan

Staff loan has been re-measured at amortised cost using and effective interest rate as required by IFRS. The determination of effective interest rate is based on the prime lending rate as at 31 December 2015 on CBN website.

7 Internally Generated Revenue

	2015	2014
	₦	₦
Annual dues from companies (Note 7.1)	397,401,668	582,675,209
Consultation	15,725,000	40,650,000
Fines and penalties	21,015,000	151,365,000
Registration of professionals	79,895,841	103,907,685
IGR Subject to CRF	509,037,509	878,597,894
Donation received	66,042,614	44,430,000
Sales of Standards	330,129	1,652,760
Seminars and conferences	-	6,750,000
	575,410,252	**931,430,654**

7.1 Annual dues from Companies

	2015	2014
Public Quoted Companies	228,590,735	195,191,373
Other Registered Companies	168,810,933	387,483,836
	397,401,668	**582,675,209**

8 Subventions

This represents subventions from Federal Government of Nigeria.

	2015	2014
	₦	₦
Personnel Subvention	-	22,986,613
Overhead Subvention	-	4,400,756
	-	**27,387,369**

9 Other income

	2015	2014
Biometrics (Note 9.1)	4,615,694	10,806,200
Exchange gain	667,039	-
Gain on disposal of property, plant and equipment	269,166	-
Sales of Scrap (Economic Reform Government Project)	-	1,310,500
Honorarium to CEO	100,000	225,000
	5,651,899	**12,341,700**

9.1 Biometrics

This comprises income from the following activities: reactivation of professional registration code, sales of registration forms, re-issuance of professional certificate and on-site biometric and data capturing for individual professional registration.

10 Technical Activities Expenses

	2015	2014
	₦	₦
Seminar Cost	-	45,680,228
Conference and meetings – General (Note 10.1)	64,328,459	122,713,510
Steering Committee	8,116,208	16,696,732
Internet Services	7,512,654	10,927,680
Consultancy Services	23,685,200	27,777,778
Publicity and Public Relations (Note 10.2)	62,165,756	60,582,987
	165,808,277	**284,378,915**

10.1 Conference and Meetings - General: This represents an amount spent on Annual Financial Reporting Summit, Council on Commerce (organised by Federal Ministry of Industry, Trade and Investment), sensitization of stakeholders, Council and Staff retreats.

10.2 Publicity and Public Relations: This represents media campaign in respect of the Council's activities carried out during the year 2015.

11 Administrative expenses

	2015	2014
	₦	₦
Audit Expenses	1,291,900	470,000
Audit fee	5,000,000	5,000,000
Bank charges	1,187,513	641,072
Depreciation of property, plant and equipment	28,420,797	35,855,778
Donation	-	8,700,000
Governing board expenses (Note 11.1)	19,441,335	44,920,521
Impairment Loss on Staff Receivables	-	340,951
Loss on disposal of property, plant and equipment	-	745,171
Provision for obsolete inventory	3,503,450	-
Office accommodation rent expenses	24,346,143	25,081,622
Office Relocation	11,180,107	-
Office stationeries	828,039	568,247
Personnel cost (Note 11.2)	233,961,327	224,289,866
Postages & Telephone	23,092,544	10,584,530
Printing	4,017,337	78,996,724
Professional fee (Legal and Retainership fee)	41,020,000	35,615,000
Repairs	39,866,698	38,894,816
Staff cost (Note 11.3)	1,424,182	1,753,257
Staff training and welfare (Note 11.4)	56,180,034	104,393,204
Subscription	176,415	129,454
Transportation	1,519,255	4,307,748
Travelling, Local (Note 11.5)	44,539,249	124,891,916
Vehicle Insurance	2,219,873	2,405,348
	543,216,198	748,585,225

11.1 Governing board expenses: This comprises board members sitting allowances of ₦8.50 million paid during the year (2014: ₦18.11 million) and board members expenses of ₦11.19 million incurred during the year (2014: ₦26.81 million).

11.2 Personnel Cost: This comprises payment of salaries and benefits to the Council's staff, security personnel and National Youth Service Corps members.

2015	2014	
	₦	₦
Personnel Cost	233,961,327	224,289,866
Staff training and welfare	56,180,034	104,393,204
Other Staff Cost (interest on loan)	1,424,182	1,753,257
	291,565,543	330,436,327

11.3 Staff cost: The loans given to staff are measured at amortised cost using the effective rate of 16.96%. It is applied on reducing balance basis. This is an additional staff cost arising from re-measurement of the loan.

11 Administrative expenses - Continued

11.4 Staff training and welfare: This represents payment of estacode, air tickets, course fees for both local and foreign training and cost of staff monthly provision.

11.5 Travelling, Local: This represents the travelling expenses of Council's staff on official duties during the year.

12 Income tax

The council is classified as tax-exempt under the Financial Reporting Council of Nigeria Act No. 6, 2011.

13 Property, plant and equipment

	Computer equipment	Motor vehicles	Motorcycle	Furniture & fittings	Office equipment	Office improvements	Library books	Total
	₦	₦	₦	₦	₦	₦	₦	₦
Cost								
At 1 January 2014	17,466,529	25,324,852	667,000	43,778,892	41,359,271	14,384,654	16,287,317	159,268,515
Additions	10,702,800	42,477,631	-	1,189,750	1,064,200	-	-	55,434,381
Disposals	-	(3,265,000)	-	(1,070,000)	(1,673,550)	-	-	(6,008,550)
At 31 December 2014	**28,169,329**	**64,537,483**	**667,000-**	**43,898,642**	**40,749,921**	**14,384,654**	**16,287,317**	**208,694,346**
Additions	1,521,000	-	-	-	-	-	-	1,521,000
Disposals	-	(7,196,667)	-	-	-	(14,384,654)	-	(21,581,321)
					-			
At 31 December 2015	**29,690,329**	**57,340,816**	**667,000**	**43,898,642**	**40,749,921**	**-**	**16,287,317**	**188,634,025**
Accumulated depreciation and impairment								
At 1 January 2014	9,717,493	12,814,150	44,467	9,570,830	11,038,083	12,306,986	13,080,093	68,572,102
Charge for the year	6,324,954	11,471,974	133,400	6,234,483	6,517,962	1,965,781	3,207,224	35,855,778
Eliminated on disposal	-	(3,265,000)	-	(728,797)	(988,582)	-	-	(4,982,379)
At 31 December 2014	**16,042,447**	**21,021,124**	**177,867**	**15,076,516**	**16,567,463**	**14,272,767**	**16,287,317**	**99,445,501**
Charge for the year	7,757,847	11,145,561	133,400	4,364,900	4,907,202	111,887	-	28,420,797
Eliminated on disposal	-	(6,077,333)	-	-	-	(14,384,654)	-	(20,461,987)
At 31 December 2015	**23,800,294**	**26,089,352**	**311,267**	**19,441,416**	**21,474,665**	**-**	**16,287,317**	**107,404,311**
Carrying amount								
At 31 December 2015	**5,890,035**	**31,251,464**	**355,733**	**24,457,226**	**19,275,256**	**-**	**-**	**81,229,714**
At 31 December 2014	**12,126,882**	**43,516,359**	**489,133**	**28,822,126**	**24,182,485**	**111,887**	**-**	**109,248,845**

13.1 Capital commitments

The council had no contractual commitments for the year ended 31 December 2015 (2014: Nil).

13.2 Assets pledged as security

There were no assets pledged as securities for liabilities during the year ended 31 December 2015 (2014: Nil).

14 Loans and receivables

	2015	2014
	₦	₦
Staff loans – non-current	-	805,556
Staff loans - current portion	956,271	12,445,833
Impairment loss on receivables	-	(340,951)
	956,271	12,104,882
Total	**956,271**	**12,910,438**

Staff loans represent soft loans given to staff which is recoverable from their monthly salaries. The Effective Interest Rate (EIR) is 16.96% and the difference between the fair value of the loan measured using the EIR and the amount disbursed is treated as staff cost.

Impairment loss recognised

There was no impairment loss identified on staff loan in the current year (2014 ₦340,951).
The impairment loss recognised in prior year relates to loan unrecoverable from the staff who left the Council.

15 Inventories

	2015	2014
	₦	₦
IFRS Bound Volume 2015	3,862,178	-
IFRS Bound Volume 2013/2014 /SMEs 2009	4,606,982	4,606,982
Provision for obsolete inventory (volume 2013/2014)	(3,503,450)	-
	4,965,710	**4,606,982**

Provisions have been made for the obsolescence of IFRS bound volume 2013 and 2014 and have been charged to income statement.
Total inventories are at lower of cost and net realisable value. The council did not pledge any inventory as collateral for liabilities during the year (2014: Nil).

16 Prepayments

	2015	2014
	₦	₦
Other assets - current	27,422,837	3,687,258
	==========	========

Prepayments represent an advance paid for office rent for both Lagos and Abuja offices for the year.

17 Cash and bank balances

For the purposes of the statement of cash flows, cash and cash equivalents include cash at banks.

	2015	2014
	₦	₦
Cash at bank (Note 17.1)	73,630,726	111,197,644
	=========	==========

The carrying amounts approximately equal to their fair values.

17.1 Cash at bank

	2015	2014
	₦	₦
Central Bank of Nigeria	170,452	170,452
Central Bank of Nigeria –(TSA)	52,907,914	-
Ecobank Plc.	-	5,251,528
First Bank of Nigeria Limited.	-	1,046,803
Union Bank Domiciliary Account	701,560	34,521
Union Bank of Nigeria Plc.	-	1,561,795
United Bank for Africa	19,100,800	83,505,353
Zenith Bank Plc.	750,000	19,627,192
	-------------------	-------------------
	73,630,726	**111,197,644**
	==========	==========

17.2 Treasury Single Account (TSA)

As a result of the new directive enforced by the Federal Government of Nigeria to maintain a Single Treasury Account for all monies received by Government Parastatals, some bank balances were moved into the Federation pool account with CBN which is inaccessible by the Council.

18 Accumulated fund

	2015	2014
	₦	₦
At 1 January	176,516,103	371,315,640
Deficit for year	(127,962,324)	(61,804,417)
Consolidated Revenue Fund remittance (Note 18.1)	(16,079,628)	(219,649,473)
CRF Over Provision Write Back (Note 19.5)	-	86,654,353
	-----------------	------------------
At 31 December	**32,474,151**	**176,516,103**
	=========	==========

18.1 Consolidated revenue fund remittance

This represents 25% of the total amounts generated internally, and these are: consultancy services, fines and penalties, registration of professionals and annual dues from publicly quoted and registered companies in Nigeria, effective January 2012.

Section 22 of the Fiscal Responsibility Act, 2007 states: “Notwithstanding the provisions of any written law governing the corporation, each corporation shall establish a general reserve fund and shall allocate thereto at the end of each financial year, one-fifth of its operating surplus for the year. The balance of the operating surplus shall be paid to the Consolidated Revenue Fund of the Federal Government, not later than one month following the statutory deadline for publishing each corporation's accounts”.

The Federal Ministry of Finance released a letter on 17 July 2012 further to the Circular issued by the Coordinating Minister for the Economy and Honourable Minister of Finance on 11 November 2011, directing government establishments to remit 25 per cent of its gross revenue (excluding some income streams) instead of the remittance of the balance of its operating surplus in accordance with the Fiscal Responsibility Act, 2007.

Due to the treasury single account directive from the Federal Government, 25% of Internally generated revenue was not recognised during the year as all bank balances of the Council are now to be reported under the Treasury Single Account (TSA) with the Central Bank of Nigeria (2014:₦219,649,473).

19 Trade and other payables

	2015	2014
	₦	₦
IFRS Academy (Note 19.1)	99,623,556	-
NERC project (Note 19.2)	-	2,480,615
Other payables (Note 19.3)	-	197,000
Accrued expenses (Note 19.4)	4,090,045	3,271,929
Audit fee	5,000,000	5,000,000
Accrued consolidated revenue fund remittance (Note 19.5)	-	45,194,344
PAYE	2,847,823	-
Pension (Note 20)	23,779,731	1,125,406
Deferred Income (Note 19.6)	5,000,000	-
Withholding tax payable (Note 19.7)	15,389,952	7,865,770
	155,731,107	**65,135,064**

19.1 IFRS ACADEMY

This amount was closed into the Financial Reporting Council's Treasury Single Account with the Central Bank of Nigeria (CBN) from Guaranty Trust Bank and Access bank on the directive of the Federal Government.

19.2 NERC PROJECT

The directors agreed to recognise the outstanding sum of ₦2,480,615 in respect of the NERC project as donation to Financial Reporting Council of Nigeria.

19.3 OTHER PAYABLES

The directors agreed to write off the sum of ₦197,000 which represents wrongly credited items as the Council no longer have an account with Union Bank of Nigeria Plc.

19.4 ACCRUED EXPENSES

The amount of ₦4,090,045 was accrued (2014: ₦3,271,929). This amount is made up of ₦3,390,820 in respect of interest on loan to staff and ₦699,225 for services enjoyed but not yet paid for as at year end.

19.5 Accrued consolidated revenue fund remittance	**2015**	**2014**
	₦	**₦**
At 1 January	45,194,344	134,954,363
Additions	-	219,649,473
Amount closed to Federal Government TSA account	16,079,628	-
Payment during the year	(61,273,972)	(222,755,139)
Over-provision written back	-	(86,654,353)
At 31 December	**-**	**45,194,344**

19.6 DEFERRED INCOME

The ₦5,000,000 represents the excess payment by Nigerian Breweries in respect of annual dues for the current year, now deferred.

19.7 Withholding tax payable

This represents the portion of withholding tax yet to be remitted as at year end.

20 Defined Contribution Plan

The council operates a defined contributory pension scheme in line with the Pensions Reform Act 2014. The Scheme is administered by designated Pension Fund Administrators. The council contributes 10% of employees emolument and the employees contribute 8% of same.

The total expense recognised in the statement of surplus or deficit represents contributions payable to the plan by the Council at rates specified above. As at 31 December 2015, there was an outstanding amount of ₦23,779,731 (2014: ₦1,125,406).

21 Reconciliation of net income to net cash provided by operating activities:

	2015	2014
	₦	₦
Deficit for the year	(127,962,324)	(61,804,417)
Adjustment to reconcile surplus to net cash flows:		
Depreciation of property, plant and equipment (Note 13)	28,420,797	35,855,778
Gain on disposal of asset (Note 9)	(269,167)	-
Loss on disposal of property, plant and equipment	-	745,171
Consolidated revenue fund provision write-back (Note 19.5)	-	86,654,353
Cash (used in) /generated from operations	**(99,810,694)**	**61,450,885**
Changes in assets and liabilities:		
Increase in inventories	(358,728)	(2,999,653)
Decrease in receivables	11,148,611	20,813,797
Increase in prepayments	(23,735,579)	(778,954)
Decrease in other financial assets	805,556	7,153,684
Increase/(decrease) in payables	135,790,388	(94,435,600)
	123,650,248	(70,246,726)
Net cash provided by /(used in) operating activities	23,839,554	(8,795,841)

22 Non-cash transactions

There were no non-cash transactions during the year ended 31 December 2015 (2014: Nil).

23 Employee information

23.1 Employees emoluments:

	2015	2014
	₦	₦
Aggregate payroll costs	291,565,543	330,436,327
	==========	===========

The number of employees of the Council, other than Board, whose duties were wholly or mainly discharged in Nigeria, in receipt of emoluments within the following ranges were:

	2015	2014
Range (₦)	**Numbers**	**Numbers**
Below ₦500,000	7	4
₦500,001 - ₦1,000,000	10	11
₦1,000,001 - ₦3,000,000	27	27
Above ₦3,000,000	22	23
	---------	----------
	66	65
	=====	=====

23.2 Staff numbers by department

Executive Secretary	1	1
Finance and Accounts (F & A)	7	7
Directorate of Inspection and Monitoring (DIM)	5	6
Coordination Linkage Advocacy and Publications (CLAP)	-	2
Directorate for Auditing Standards (DAS)	9	3
Human Capital Management Department (HCMD)	25	28
Information Technology (IT)	2	2
Strategy Organisation Research and Policy (SORP)	6	1
Procurement Acquisition Scrap and Sales (PASS)	-	1
Legal, Library & Collection	1	2
Registration	9	11
Internal Control Unit (ICU)	1	1
	----------	----------
	66	65
	=====	=====

24. RELATED PARTY DISCLOSURES

24.1 Compensation to key management personnel of the Council:

	2015 ₦	2014 ₦
Chief Executive Officer (1)	28,000,000	28,000,000
	=========	=========

24.2 Short-term employee benefit

Chief Executive Officer (1)	2,333,333	2,333,333
	========	========

24.3 Board Members Allowances	8,500,000	18,110,000
	========	=========

25 Capital risk management

The council manages its capital to ensure that it will be able to continue as going concern.
The capital structure of the Council consists of equity (i.e. accumulated funds) as disclosed in the statement of financial position. The council has no borrowed funds.
The council manages its capital structure and makes adjustment to it, in light of changes to funding requirements. To maintain or adjust the capital structure, budgetary discretionary expenditure is reduced to avoid the need for external borrowings.
The council's overall strategy for managing capital remained unchanged since 2014.
The council is not subject to any externally imposed capital requirements.

26 Financial Instruments

26.1 Categories of financial instruments

	2015 ₦	2014 ₦
Financial assets		
Loans and receivables:		
Cash and bank balances (Note 17)	73,630,726	111,197,644
Loans and receivables – current (Note 14)	956,271	12,104,882
Loans and receivables – non-current (Note 14)	-	805,556
	-----------------	-------------------
	74,586,997	124,108,082
Financial liabilities	=========	==========
Financial liabilities at amortised cost:		
Payables	155,731,107	65,135,064
	==========	==========

26.2 Financial risk management objectives
The council's activities expose it to minimal risks. The council does not trade in financial instruments, nor does it take on speculative or open positions through the use of derivatives.

26 Financial Instruments - Continued

Risk management is essential to help ensure sustainability. The board of directors acknowledges its responsibility for establishing, monitoring and communicating appropriate risk and control policies.

Key elements of risk management are strong corporate governance including relevant and reliable management information and internal control processes.

Significant risk factors the Council is exposed to are:
- Market risk which is mainly due to foreign exchange and interest rate risk.
- Credit risk
- Liquidity risk

26.3 Market risk

Market risk is the risk that changes in market prices and indices such as foreign exchange rates, interest rates will affect the Council's income or the value of its holding of financial instruments. The objective of market risk management is to manage and control market exposure within acceptable parameters, while optimising the return on risk. The most important component of this risk is foreign currency risk.

26.4 Foreign currency risk management

Foreign currency risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in foreign exchange rates.
The Council is exposed to currency risk on its assets and liabilities that are denominated in a currency other than the functional currency of the Council which is Naira. However, the Council has a domiciliary account with a small balance but considered it immaterial on the basis of the amount involved.

26.5 Credit risk management

Credit risk is the risk that one party to a financial instrument will cause a loss to the other party by failing to discharge an obligation. Key areas where the Council is exposed to credit risk are: certain classes of financial assets such as term deposits and bank balances and certain accounts within receivables.

The Council does not have significant credit exposure to any single customer or Council of customers that are related entities.

The carrying amount of the financial assets that represents the Council's maximum exposure at the reporting date was as follows:

	2015	2014
	₦	₦
Bank balances (Note 17)	73,630,726	111,197,644
Loans and receivables (Note 14)	956,271	12,910,438
	74,586,997	**124,108,082**

26.6 Liquidity risk management

Liquidity risk is the risk that the Council will encounter difficulty in raising funds to meet commitments associated with financial instruments.

The council manages liquidity risk by monitoring forecast cash flows and ensuring that adequate funds are maintained. In addition, detailed cash flow forecasts are regularly prepared and

26.6 Liquidity risk management - Continued

reviewed so that cash needs of the Council are managed according to requirements. The Council also obtains funds in form of subventions from the Federal Government of Nigeria.

26.6.1 Maturity risk

The following are the maturity analysis of financial liabilities payable based on the earliest date on which the Council can be required to repay the liability.

		2015 Contractual amounts			
	Carrying amount **₦**	**0-6 months** **₦**	**6-12 months** **₦**	**Over 12 months** **₦**	**Total** **₦**
Financial liabilities at amortised cost					
Non-interest bearing:					
Payables	155,731,107	155,731,107	-	-	155,731,107
	==========	==========	========	========	==========

		2014 Contractual amounts			
	Carrying amount **₦**	**0-6 months** **₦**	**6-12 months** **₦**	**Over 12 months** **₦**	**Total** **₦**
Financial liabilities at amortised cost					
Non-interest bearing:					
Payables	65,135,064	65,135,064	-	-	65,135,064
	==========	==========	=======	=======	==========

Financial liabilities that can be repaid at any time have been assigned to the earliest possible time period. It is not expected that the cash flows included in the maturity analysis could occur significantly earlier, or at significantly different amounts.

26.7 Fair value of financial instruments

	Carrying values **2015** **₦' 000**	Fair value **2015** **₦' 000**	Carrying values **2014** **₦' 000**	Fair value **2014** **₦' 000**
Financial assets				
Cash and bank balances	73,630,726	73,630,726	111,197,644	111,197,644
Loans and receivables - current	956,271	2,380,453	12,104,882	13,748,743
Loans and receivables – non-current	-	-	805,556	914,952
	----------------	----------------	------------------	------------------
Total	**74,586,997**	**76,011,179**	**124,108,082**	**125,861,339**
	=========	=========	==========	==========
Financial Liabilities				
Trade and other payables	155,731,107	155,731,107	65,135,064	65,135,064
	-----------------	------------------	----------------	----------------
Total	**155,731,107**	**155,731,107**	**65,135,064**	**65,135,064**
	==========	==========	=========	=========

26.7 Fair value of financial instruments - Continued

The difference between the carrying value and the fair value is interest on staff loan, which has been recognised in the statement of surplus or deficit and other comprehensive income and statement of financial position.

27 IFRS Academy

The International Financial Reporting Standards (IFRS) Academy is in the process of incorporation as a special purpose vehicle called, "IFRS Academy Gte/Ltd" for education of IFRS and related matters in accordance with section 8 (i) (i) of the Financial Reporting Council Act, 2011. Separate records are being maintained for the academy to be examined by a separate appointed independent auditor.

The IFRS Academy, once fully operational, shall be consolidated with the financial statements of the Council in accordance with the provisions of IFRS 10 – Consolidated Financial Statements.

28 Capital commitments

There are no known capital commitments as at 31 December 2015 (2014: Nil).

29 Contingent liabilities

There are no known contingent liabilities as at 31 December 2015 (2014: Nil).

30 Events after the reporting period

There were no events after the statement of financial position date which would have a material effect on the state of affairs of the organisation as at 31 December 2015 or the loss for the year ended on that date that have not been adequately provided for or disclosed.

FINANCIAL REPORTING COUNCIL OF NIGERIA

STATEMENT OF VALUE ADDED

FOR THE YEAR ENDED 31 DECEMBER 2015

	2015		2014	
	₦		₦	
Revenue	575,410,252		958,818,023	
Cost of services - Local	(372,958,507)		(447,022,562)	
- Foreign	-	-	-	
	202,451,745		**511,795,461**	
Other income	**5,651,899**		**12,341,700**	
Value Added	**208,103,644**		**524,137,161**	
Applied as follows:				
		%		%
To employees:				
As salaries and wages	291,565,543	140	330,436,327	63
To Government:				
Consolidated revenue fund remittance	16,079,628	8	219,649,473	42
Retained for the organisation's future:				
For asset expansion (depreciation)	28,420,797	13	35,855,778	7
Deficit for the year	(127,962,324)	(62)	(61,804,417)	(12)
	208,103,644	100	**524,137,161**	100

The value added represents the additional wealth which the Council has been able to create on its own and by its employees' efforts. This statement shows the allocation of that wealth to employees, providers of capital, government (of internally generated revenue as statutory remittance) and that retained for the future creation of more wealth.

FINANCIAL REPORTING COUNCIL OF NIGERIA

FIVE-YEAR FINANCIAL SUMMARY

Statement of financial Position	2015	2014	2013	2012	2011	
	₦	₦	₦	₦	₦	
Accumulated fund	32,474,151	176,516,103	371,315,640	60,224,265	186,185,743
	=========	==========	==========	=========	==========
Assets and Liabilities					
Property, plant and equipment	81,229,714	109,248,845	90,696,413	105,446,672	131,452,389
Non-current assets: loans to staff	-	805,556	7,959,239	-	-
Net current assets	(48,755,563)	66,461,702	272,659,988	(45,222,407)	54,733,354
	----------------	------------------	------------------	------------------	--------------
Net Assets	32,474,151	176,516,103	371,315,640	60,224,265	186,185,743
	=========	==========	==========	==========	=========
Revenue	575,410,252	958,818,023	1,182,520,943	624,541,540	394,968,949
(Deficit) / Surplus for year	(127,962,324)	(61,804,417)	563,919,294	(14,285,045)	(92,554,509)