

INTEGRAL NURSERY AND PRIMARY SCHOOL

FINANCIAL STATEMENTS

FOR THE YEAR ENDED

DECEMBER 31ST, 2022

INTEGRAL NURSERY AND PRIMARY SCHOOL

FINANCIAL STATEMENTS FOR THE YEAR ENDED DECEMBER 31ST, 2022

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INTEGRAL NURSERY AND PRIMARY SCHOOL

FINANCIAL STATEMENTS FOR THE YEAR ENDED

DECEMBER 31ST, 2022

MANAGEMENT TEAM / BOARD OF GOVERNORS

MRS OBAYOMI ESHO

MR. ADEDIRE DEMEHIN

MRS. ATINUKE ELIZABETH OBOH

REGISTERED OFFICE

ILOGBO INTERGRAL ROAD OLORUNDA LOCAL

GOVERNMENT, BADAGRY, LAGOS STATE, NIGERIA

AUDITORS

FEMLAW PROFESSIONAL SERVICES

(CHARTERRED ACCOUNTANTS)

OFFICE 205 GABOL PLAZA, OGBA IJAIYE ROAD, OGBA

LAGOS.

BANKERS

ACCESS BANK NIGERIA PLC

INTEGRAL NURSERY AND PRIMARY SCHOOL

REPORT OF THE BOARD

LEGAL FORM

INTEGRAL Nursery and Primary School is 100% owned by INTEGRAL School Foundation which was incorporated on 20th of June, 2011.

PRINCIPAL ACTIVITIES

The principle activity of the company is school related activities.

DIRECTORS' RESPONSIBILITIES

The directors are responsible for the preparation of FINANCIAL STATEMENTS which give a true and fair view of the state of affairs of the company at the end of each financial year, and of the profit or loss for that year, and comply with the provisions of the Companies and Allied Matters Act, (CAMA) C20 LFN 2004

In doing so, they ensure that:

proper accounting records are maintained;

internal control procedures are instituted which, as far as is reasonably possible, safeguard the assets and prevent and detect fraud and other irregularities;

applicable accounting standards are followed;

suitable accounting policies are adopted and consistently applied;

judgements and estimates made are reasonable and prudent; and

the going concern basis is used, unless it is inappropriate to presume that the company will continue in business.

**INDEPENDENT AUDITOR'S REPORT
TO THE MEMBERS OF INTEGRAL NURSERY AND PRIMARY SCHOOL
REPORT ON THE AUDIT OF THE FINANCIAL STATEMENTS**

Our opinion

In our opinion, Integral Nursery and Primary School ('the company's') financial statements give a true and fair view of the financial position of the School as at 31 December 2023, and of its financial performance and its cash flows for the year then ended in accordance with International Financial Reporting Standards and the requirements of the Companies and Allied Matters Act, the Pension Reform Act and the Financial Reporting Council of Nigeria Act.

What we have audited

Integral Nursery and Primary School financial statements comprise:

- the statement of financial position as at 31 December 2023;
 - the statement of comprehensive income for the year then ended 31 December 2023;
 - the notes to the financial statements, which include a summary of significant accounting policies.
- Annex to the Financial Statement

Basis for opinion

We conducted our audit in accordance with International Standards on Auditing (ISAs). Our responsibilities under those standards are further described in the Auditor's responsibilities for the audit of the financial statements section of our report.

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

INTEGRAL NURSERY AND PRIMARY SCHOOL

EMPLOYMENT AND EMPLOYEES

Employment of disabled persons: It is the policy of the company that there should be no discrimination in considering applications for employment including those from disabled persons. All employees whether disabled or not are given equal opportunities to widen their experience and knowledge and to qualify for promotion in furtherance of their career. As at 31st December, 2022, no disabled person was in the employment of the company.

AUDITORS

In accordance with section 357(2) of the Companies and Allied Matters Act (CAMA), Cap C20 LFN 2004.FEMLAW PROFESSIONAL SERVICES wishes to continue in office as Auditors to the Company having indicated their willingness to do so. A resolution will be proposed to authorize the Directors to fix their remuneration.

Independence

We are independent of the company in accordance with the International Code of Ethics for Professional Accountants (including International Independence Standards), i.e. the IESBA Code issued by the International Ethics Standard Board for Accountants. We have fulfilled our other ethical responsibilities in accordance with the IESBA Code.

Other Information

The directors are responsible for the other information. The other information comprises the Corporate Information, the Director's Report and Value Added Statement but does not include the financial statement and our auditor's report there on.

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

In connection with our audit of the financial statement, our responsibility is to read the other information identified above and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the audit, or otherwise appears to be materially misstated.

If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.

Responsibilities of the directors and those charged with governance for the financial statements

The directors are responsible for the preparation of the financial statements that give a true and fair view in accordance with International Financial Reporting Standards and the requirements of the Companies and Allied Matters Act, Pension Reform Act, the Financial Reporting Council of Nigeria Act, and for such internal control as the directors determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, the directors are responsible for assessing the School's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the directors either intend to liquidate the school or to cease operations, or have no realistic alternative but to do so.

Those charged with governance are responsible for overseeing the school's financial reporting process.

Auditor's responsibilities for the audit of the financial statements

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

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

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

We also:

Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.

Obtain an understating of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the School's internal control.

Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the directors.

Conclude on the appropriateness of the directors' use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the company's ability to continue as a going concern.

If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the school to cease to continue as a going concern.

Evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

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

STATEMENT OF FINANCIAL POSITION FOR THE YEAR ENDED DECEMBER 31, 2022

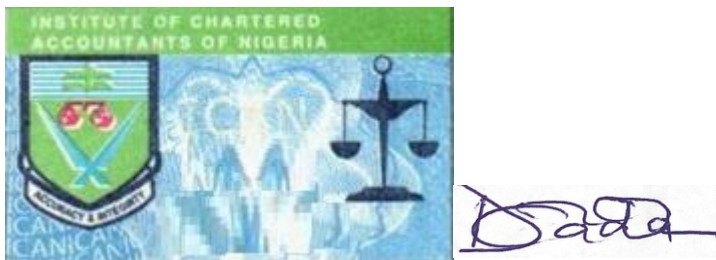
		2022		2021	
	NOTES	N	N	N	N
FIXED ASSETS	1		28,461,071.10		29,532,015.00
INVESTMENT			-		-
CURRENT ASSETS:					
DEBTORS & PREPAYMENTS	5	-		40,000.00	
CASH & BANK (SEE ANNEX 3)	4	3,099,183.19		748,924.00	
		<u>3,099,183.19</u>		<u>788,924.00</u>	
CURRENT LIABILITIES:					
CREDITORS & ACCRUALS	6	<u>4,730,578.00</u>		<u>70,578.00</u>	
NET CURRENT ASSETS			<u>-1,631,394.81</u>		<u>718,346.00</u>
NET ASSETS			<u>26,829,676.29</u>		<u>30,250,361.00</u>
FINANCED BY:					
REVENUE RESERVE OWNERS INVESTMENT	7		-2,022,827.29		995,423.24
			<u>28,852,503.58</u>		<u>29,254,937.00</u>
			<u>26,829,676.29</u>		<u>30,250,360.24</u>

MRS EUNICE ESHO
 SECRETARY
 BOARD OF GOVERNOR

Report on the other legal and regulatory requirements

The Companies and Allied Matters Act requires that in carrying out our audit we consider and report to you on the following matters. We confirm that:

- i. We have obtained all the information and explanations to the best of our knowledge and belief were necessary for the purposes of our audit.
- ii. The School has kept proper books of account, so far as appears from our examination of those books and returns adequate for our audit have been received from branches not visited by us.
- iii. The School's statements of financial position and statement of comprehensive income are in agreement with the books of account.



Lawrence Dada FCA

FRC/2014/ICAN/00000006081

For: Femlaw Professional Services

Chartered Accountants

Lagos, Nigeria

Dated: April 5, 2023

**STATEMENT OF INCOME AND EXPENDITURE FOR THE
YEAR ENDED DECEMBER 31, 2022**

	NOTES	2022 N	2021 N
INCOME FOR THE YEAR	2	19,372,845.89	15,037,683.00
LESS:			
ADMINISTRATIVE EXPENSES	3	<u>18,757,232.52</u>	<u>10,501,721.00</u>
GROSS EARNINGS		615,613.37	4,535,962.00
LESS: DEPRECIATION	1	<u>3,633,863.90</u>	<u>3,520,224.00</u>
EXCESS OF INCOME OVER EXP BEFORE TAX		-3,018,250.53	1,015,738.00
LESS: EDUCATION TAX @ 2%		<u>-</u>	<u>20,314.76</u>
DEFICIT OF INCOME OVER EXP AFTER TAX		<u>-3,018,250.53</u>	<u>995,423.24</u>

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STATEMENT OF ACCOUNTING POLICIES

The following are the significant accounting policies adopted by the company in the preparation of its financial statements:

1 Basis of Accounting :

The financial statements have been prepared under the historical cost convention and comply with the relevant statements of Accounting Standards issued by the Nigerian Accounting Standards Board. The financial statements are presented in the functional currency, Nigerian Naira

2 Fixed Assets

Fixed Assets are stated at cost or valuation less accumulated depreciation over the estimated useful life of the assets, taking into consideration any residual value, excluding the cost of day-to-day servicing. An item of fixed assets derecognized upon disposal on when no future economic benefits are expected from its use or disposal. Any gain or loss arising on derecognition of the asset (calculated as the difference between the net disposal proceeds and the carrying amount of the asset) is included in the income statement in the asset is derecognised.

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(ii) **Deferred taxation**

Deferred taxation arises from timing differences in the recognition of items for accounting and tax purposes. This is calculated using the liability method. Deferred income tax assets and liabilities are measured at the rates that are expected to apply to the year when the assets are realised or the liabilities settled, based on the tax rates and tax laws that have been enacted at the balance sheet date.

6 **Debtors**

Debtors are stated after deduction of provision for debts considered bad and doubtful of collection

7 **Provision**

The Company recognises provision when there is a present obligation as a result of past event for which it is probable that an outflow of economic resources will be required to settle such obligation in accordance with the Statement of Accounting Standards (SAS) 23.

8 **Foreign Currencies Transactions**

The transfer is given mainly to pay the school fees of Children under the School's sponsorship scheme. And facilities/projects related to the advancement of the School. The financial statements are presented in naira, which is the company's functional and presentation currency. Income and expenses denominated in foreign currencies are translated to the naira at the rates of exchange ruling at

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3 Depreciation

Depreciation on fixed assets is calculated on a straight line basis at annual rates estimated to write off their cost over their expected useful lives as follows :

	%
Office Equipment	10
Motor Vehicle	20
Freehold Property	10
Land	10
Furniture & Fitting	10
Generating Set	20

4 INCOME FOR THE YEAR

This represents all school fees received from the students by the School during the year.

5 Taxation

(i) Income tax

Income tax expenses/credits are recognized in the profit or loss account. Current income tax is the expected tax payable on the profit for the year, using the tax rates at the balance sheet date

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the date of the transaction. Monetary assets and liabilities denominated in foreign currency balances are converted to the naira at the applicable rates of exchange ruling at the balance sheet date. Any profits or loss arising on the conversion of foreign currencies is included in the profit and loss account.

9 **Segment Reporting**

Business segments are distinguishable components of the company that provide products or services that are subject to risks and reward that are different to those of other business segments. Geographical segments provide products or services within a particular economic environment that is subject to risks and rewards that are different to those of components operating in other economic environments. Business segments are the primary reporting segments for the company. All operations and activities, performance monitoring, evaluation and decision making are executed on a single segment basis with no distinguishable unit that meets the requirements for disclosure as a reportable segment in line with SAS 24.

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NOTES TO THE FINANCIAL STATEMENT

1

FIXED ASSET

	LAND	FREEHOLD PROPERTY	GENERATOR	MOTOR VEHICLE	FURNITURE & FITTINGS	OFFICE EQUIPMENT	COMPUTER EQUIPMENT	TOTAL
	N	N	N	N	N	N	N	N
COST:								
AS AT 1/1/2022	6,400,000.00	23,428,600.00	250,000.00	1,900,000.00	728,429.00	345,210.00	-	33,052,239.00
ADDITIONS	-	-	-	-	1,136,400.00	-	1,426,520.00	1,136,400.00
BALANCE AS AT 31/12/2022	6,400,000.00	23,428,600.00	250,000.00	1,900,000.00	1,864,829.00	345,210.00	1,426,520.00	35,615,159.00
DEPRECIATION:								
BALANCE AS AT 1/1/2022	640,000.00	2,342,860.00	50,000.00	380,000.00	72,843.00	34,521.00	-	3,520,224.00
CHARGE FOR THE YEAR	640,000.00	2,342,860.00	50,000.00	380,000.00	186,482.90	34,521.00	356,630.00	3,633,863.90
BALANCE AS AT 31/12/2022	5,120,000.00	18,742,880.00	150,000.00	1,140,000.00	1,605,503.10	276,168.00	1,069,890.00	28,461,071.10
NET BOOK VALUE								
BALANCE AS AT 31/12/2022	5,120,000.00	18,742,880.00	150,000.00	1,140,000.00	1,605,503.10	276,168.00	1,069,890.00	28,461,071.10

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NOTES TO THE FINANCIAL STATEMENT

	2022	2021
	N	N
2. INCOME FOR THE YEAR (SEE ANNEX 1)	19,372,845.89	15,037,683.00
3) ADMINISTRATIVE EXPENSES:		
SALARIES & WAGES	6,157,070.00	4,088,400.00
ELECTRICITY & LIGHTING	134,000.00	116,500.00
PRINTING & STATIONERY	97,060.00	65,500.00
TRANSPORT & TRAVELLING	141,750.00	291,500.00
R & M : MOTOR VEHICLE	141,000.00	55,000.00
R & M : BUILDING	124,000.00	39,500.00
R & M : GENERATOR	71,000.00	45,500.00
R & M : PLUMBING	188,100.00	124,600.00
R & M : ELECTRICAL	254,300.00	-
R & M : EQUIPMENT	43,100.00	-
R & M : FURNITURE & FITTINGS	98,000.00	-
BANK CHARGES	99,292.52	50,527.00
OFFICE GENERAL EXPENSES	289,900.00	98,400.00
SCHOOL UNIFORM & CARDIGANS	1,043,000.00	888,600.00
TEXT BOOKS PURCHASED	2,370,850.00	2,379,140.00
OFFICE CONSUMABLES (TEACHING MATERIALS)	713,550.00	703,054.00
REGULATORY FEES (SEE ANNEX 2)	277,500.00	823,100.00
ENTERTAINMENT	783,800.00	572,000.00
MEDICAL BILLS	32,000.00	50,400.00
DONATIONS & GIFTS	587,500.00	110,000.00
FEUL EXPENSES	178,700.00	-
PROFESSIONAL FEES	36,000.00	-

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NOTES TO THE FINANCIAL STATEMENT CONT'D

TRAINING EXPENSES	272,000.00	
CONSTRUCTION OF EXTRA CLASSROOMS	4,262,600.00	-
TOILETRIES EXPENSES	80,980.00	-
STAFF WELFARE EXPENSES	203,000.00	-
TOILETRIES EXPENSES	30,980.00	-
PAYEE	26,100.00	-
COMMUNICATION & INTERNET	20,100.00	-
TOTAL EXPENSES	18,757,232.52	10,501,721.00
DEPRECIATION	3,739,215.90	3,520,224.00
TOTAL	22,496,448.42	14,021,945.00

4.

CASH & BANK :

ACCESS BANK ACCOUNT 1	670,661.30	748,921.00
ACCESS BANK ACCOUNT 2	165,242.00	-
DORM ACCOUNT: 5071.87 @ #446.2417	2,263,279.89	-
TOTAL	3,099,183.19	748,921.00

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NOTES TO THE FINANCIAL STATEMENT CONT'D

5 DEBTORS & PREPAYMENTS:

DEBTORS	-	40,000.00
OTHERS	-	-
	<u>-</u>	<u>40,000.00</u>

6 CREDITORS & ACCRUALS:

CREDITORS (VAT)	50,264.00	50,264.00
RONKE EUNICE	4,660,000.00	
ACCRUED EXPENSES	20,314.00	20,314.76
	<u>4,730,578.00</u>	<u>70,578.76</u>

7 REVENUE & RESERVE:

BALANCE F/FWD	995,423.24	-
RETAINED DEFICIT/EXCESS OF INCOME OVER EXPENDITURE	<u>-3,018,250.53</u>	<u>995,423.24</u>
RETAINED FOR THE YEAR	<u>-2,022,827.29</u>	<u>995,423.24</u>

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NOTES TO THE FINANCIAL STATEMENT CONT'D

ANNEX TO THE NOTES

ANNEX 1:

THE INCOME FOR THE YEAR INCLUDES SCHOLARSHIP AND CONSTRUCTION OF EXTRA CLSSROOMS FOR SOME STUDENTS A ND PAIDIN EUROS CURRENCY.

THIS IS ANALYSED AS FOLLOWS:

	2022	2021	=N=
=N=			
5,500.00 EUROS @ #564.00	0	3,102,000.00	
1,000.00 EUROS @ #564.00	0	564,000.00	
4,500.00 EUROS @ #618.00	0	2,781,000.00	
4,000.00 EUROS @ 635.00	2,540,000	0	
3,500.00 EUROS@ #630.00	2,205,000.00	0	
5,071.00 EUROS @ #446.24	<u>2,263,279.89</u>	0	
	7,008,279.89	6,447,000.00	
ADD NAIRA	<u>12,364,566.00</u>	<u>8,590,683.00</u>	
TOTAL	<u>19,372,845.89</u>	<u>15,037,683.00</u>	

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NOTES TO THE FINANCIAL STATEMENT CONT'D

ANNEX TO THE NOTES

ANNEX 2:

REGULATORY FEES

THESE INCLUDES ALL EXPENSES TO THE STATE GOVERNMENT IN RESPECT OF OPERATING THE SCHOOL AND TO SECURE LICENCE.

THIS IS ANALYSED AS FOLLOWS:

MINISTRY OF EDUCATION	54,000.00	25,000.00
STREET REGISTRATION	-	50,000.00
GOVERNMENT APPROVING PROCESS	-	50,000.00
WORKS ENVIRONMENT	113,500.00	57,000.00
STABILITY TEST	50,000.00	220,000.00
GOVERNMENT APPROVED PROCESSING FEES	-	22,600.00
GOVERNMENT INSPECTION (BUILDING TEST)	-	21,000.00
STAFF PAYEE	-	70,000.00
GOVERNMENT APPROVAL	-	60,500.00
SCHOOL APPROVAL	-	30,000.00
LASG REGISTRATION	60,000.00	217,000.00
TOTAL	<u>277,500.00</u>	<u>823,100.00</u>