



National Identity Management Commission (NIMC)

Financial Statement for the

Year Ended

31 December, 2017






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Corporate Information

Corporate Address: 11, Sokode Crescent, Off Dalaba Street, Zone 5, Wuse, Abuja.

NIMC Management Team:	Designation
Engr. Aliyu A. Aziz	Director General/ CEO
Ibrahim Abdullahi	GM, CS
Hadiza Ali Dagabana	GM, LR & CS
Abdulhamid Umar	GM, Ops
Chuks Onyepunuka	GM, IT/IDD
Peter Wegbu	DGM/Head, CMS
Carolyn Folami	DGM/Head, BDCS
Elias Okafor	DGM/Head, ESNI
Akinola Abolaji	AGM/Head, Finance & Investment
Rhoda Jackden	AGM, Human Capital Management

Auditors: Amedu Onekpe & Co,
(Chartered accountants),
4, Marte Close, off Misau Crescent,
Garki 2, Abuja.

Bankers: Central Bank of Nigeria

Telephone: 234 702 5420 706-9, 234 704 0144 452-7, 0700 CALL NIMC

Website: www.nimc.gov.ng

Email: info@nimc.gov.ng

Governing Board's Report

The Governing Board of the Commission has the pleasure to present its Annual Report on the affairs of National Identity Management Commission (the commission) together with the Financial Statements and Audited Report for the year ended 31st December 2017.

1. LEGAL FORM, PRINCIPAL ACTIVITIES AND OPERATIONS REVIEW.

The Commission is a public sector entity established pursuant to the NIMC (Establishment) Act No. 23 of 2007 of Nigeria's National Assembly. The principal activities of the commission since inception and pursuant to the 2007 Act have centred on the following three (3) major action tracks;

- 1.1 Establishing the National Identity Management Commission as the primary, legal, regulatory and institutional mechanism for implementing Government reforms in the Identity Sector.
- 1.2 Winding-up and taking over the assets and liabilities of the former DNCR- including the associated human capital all over the country.
- 1.3 Establishing, operating and managing the National Identity Management Systems (NIMS) as well as fostering the orderly development of the identity sector in Nigeria. From Inception, the commission has been undergoing transition and institutional strengthening in readiness to begin full operation as appropriate.

The Commission's Principal Activities have begun to focus on enrolling Nigerian Citizens and Legal residents on to the National Identity database of the National Identity Management System (NIMS) as well as on the development of the Identity sector in Nigeria on a sustainable basis.

2. POST BALANCE SHEET EVENTS

In the Opinion of the board, there have been no events of material significance that may impact negatively on the state of affairs of the commission.

3. RESPONSIBILITY FOR ANNUAL FINANCIAL STATEMENTS

Sections 12 and 13 of the NIMC Act require the commission to prepare Financial Statements that give a true and fair view of the state of affairs of the commission at the end of the preceding Calendar year. These responsibilities include:

- 3.1 "Keep proper accounts and proper records in a form that conforms to accepted accounting standards". These require that the financial statements are prepared using "suitable accounting policies and supported by reasonable and prudent judgements and estimations that are consistently applied.

The Governing Board of the Commission accepts responsibilities for the Annual Financial Statements which have been prepared using appropriate accounting policies, supported by reasonable and prudent judgements and estimations in conformity with:

- International Public Sector Accounting Standards (IPSAS), and

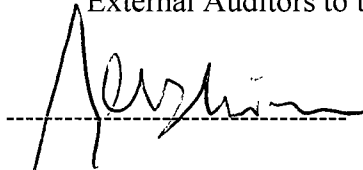
- Requirements of the NIMC Act No.23 of 2007

The Board affirms that the Financial Statements give true and fair view of the state of the financial affairs of the commission and the cash and bank balance for the year. The Board 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 the Internal Control.

Nothing has come to the attention of the Board to indicate that the commission will not remain a going concern for at least 12 months from the date of this statement.

4. AUDITORS RE-APPOINTMENT

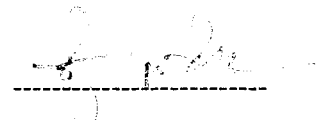
Amedu Onekpe & Co. being eligible, offer themselves willingly to be re-appointed as the External Auditors to the Commission by the Board.



Bello Ibrahim Gwandu, MFR

Ag Chairman of the Board

Date... 03 MAY 2019



Engineer Aliyu A. Aziz

Director General/CEO

Date... 03. 05. 19

Report of the Independent Auditors to the Governing Board of National Identity Management Commission

Report on the Financial Statements

We have audited the accompanying financial statements of National Identity Management Commission ("the Commission") for the year ended December 31, 2017, which comprise the statement of financial performance, a statement of financial position, a statement of changes in net assets/equity, a statement of cash flows and a summary of significant accounting policies and other explanatory information as set out on pages 12 to 17.

Governing Board's Responsibility for the Financial Statements

In accordance with the extant laws and regulations, the Commission's Management is responsible for the preparation and fair presentation of the financial statements in accordance with International Public Sector Accounting Standards, and for such internal control as the management determines is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error. This is in accordance with sections 12(1-3) and 13 of National Identity Management Commission Act No. 23 of 2007.

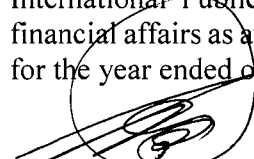
Auditor's Responsibility

Our responsibility is to express an independent opinion on the 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' judgement, 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 auditor considers internal control relevant to the Commission'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 Commission's internal control. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of accounting estimates made by management, 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.

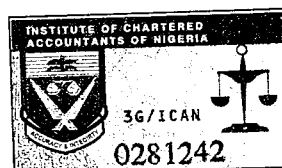
Opinion

In our opinion, the accompanying financial statements which have been prepared in accordance with International Public Sector Accounting Standard give a true and fair view of the Commission's financial affairs as at 31st December 2017 and of its financial performance and Statement of Cash Flow for the year ended on that date.



Sunday Amedu Onekpe
FRC/2012/ICAN/00000000246
For: Amedu Onekpe & Co.
Chartered Accountants

November, 2018
Abuja Nigeria



Notes to the Financial Statements

1. Statement of compliance and basis of preparation – IPSAS 1

The Commission's financial statements have been prepared in accordance with and comply with International Public Sector Accounting Standards (IPSAS). The financial statements are presented in Naira, which is the functional and reporting currency of the Commission. The accounting policies have been consistently applied to all the years presented.

The financial statements have been prepared on the basis of historical cost, unless stated otherwise. The financial statements are prepared on accrual basis.

2. Summary of significant accounting policies

Property, plant and equipment – IPSAS 17

All property, plant and equipment are stated at cost less accumulated depreciation and impairment losses. Cost includes expenditure that is directly attributable to the acquisition of the items

Inventories – IPSAS 12

Inventory is measured at cost upon initial recognition and thereafter, at the lower of cost and net realizable value. Inventories are recognized as an expense when deployed for utilization or consumption in the ordinary course of operations of the Commission.

Foreign currency transactions – IPSAS 4

Transactions in foreign currencies are initially accounted for at the ruling rate of exchange on the date of the transaction. Trade creditors or debtors denominated in foreign currency are reported at the statement of financial position reporting date by applying the exchange rate on that date. Exchange differences arising from the settlement of creditors, or from the reporting of creditors at rates different from those at which they were initially recorded during the period, are recognized as income or expenses in the period in which they arise.

Cash and cash equivalents

Cash and cash equivalents comprise cash on hand and cash at bank. Bank account balances include amounts held at the Central Bank of Nigeria at the end of the financial year, Capital (GIFMS) and TSA (GIFMS)

Comparative figures

Where necessary comparative figures for the previous financial year have been amended or reconfigured to conform to the required changes in presentation.

Depreciation

Depreciation is provided on a straight –line bases to write off the cost of fixed assets over their estimated useful lives at the following annual rate:

Land and Building	5%
Motor Vehicle	25%
ICT/Computer	33.33%
Plant and Machinery	12.50%
Furniture & Fittings	20%

Revenue

Revenue are annual releases by Federal Government classified under three headings: Overhead Fund, Personnel Fund and Capital Development Fund. However, during the year, the Commission earned some Internally Generated Revenue.

THE NATIONAL IDENTITY MANAGEMENT COMMISSION

ANNUAL FINANCIAL STATEMENT FOR THE YEAR ENDED DECEMBER 31 2017

National Identity Management Commission (NIMC)

Statement of Financial Position as at 31 December 2017

Assets	Notes	2017	2016
Non -Current Assets		₦	₦
Plant, Property & Equipment	1	5,368,897,856	7,008,418,724
Intangible assets		-	-
Total Non-Current Asset (A)		<u>5,368,897,856</u>	<u>7,008,418,724</u>
Current Assets			
Other receivables and prepayments	2	17,624,785	3,656,830
Inventory	3	44,453,838	52,210,901
Electronic I.D Cards (Blank card and chips)	4	1,046,716,634	1,324,426,746
Cash and Cash Equivalent	5	<u>3,087,243,072</u>	<u>194,238,807</u>
Total current Assets (B)		<u>4,196,038,329</u>	<u>1,574,533,284</u>
Total Assets (C) = (A + B)		<u>9,564,936,185</u>	<u>8,582,952,008</u>
Liabilities			
Current liabilities			
Tax Payable	6	328,569,442	-
Accruals and other liabilities	7	<u>4,488,362,212</u>	<u>4,456,396,490</u>
Total Current liabilities (D)		<u>4,816,931,654</u>	<u>4,456,396,490</u>
Net Assets (E) = (.C) - (D)		<u>4,748,004,531</u>	<u>4,126,555,518</u>
Accumulated fund (F)	8	<u>4,748,004,531</u>	<u>4,126,555,518</u>
Total Net Assets and Liabilities (G) =(D)+(F)		<u>9,564,936,185</u>	<u>8,582,952,008</u>

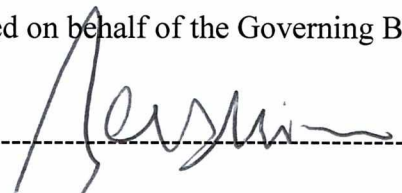
The notes set out on pages 12 to 17 form an integral part of the Financial Statements

The Financial Statements set out on pages 8 to 11 were signed on behalf of the Governing Board by:



Director General

Date 03.05.19



Ag. Chairman of the Governing Board

Date 03 MAY 2019

THE NATIONAL IDENTITY MANAGEMENT COMMISSION**ANNUAL FINANCIAL STATEMENT FOR THE YEAR ENDED DECEMBER 31 2017****National Identity Management Commission (NIMC)****Statement of Financial Performance for the Year ended 31 December 2017**

	Notes	2017 ₦	2016 ₦
Revenue			
FGN Grants	9	8,302,859,475	4,971,122,801
Sundry Receipts	10	<u>240,191,530</u>	<u>236,841,744</u>
Total Revenue (A)		8,543,051,005	5,207,964,545
Expenses			
Operations/Administration Expenses	11	5,826,669,766	5,165,170,277
Cost of E- I.D card consumed	12	322,887,651	439,899,329
Purchase of Plant, Property & Equipment.		-	204,983,704
Depreciation and amortization expense		<u>1,801,858,164</u>	<u>1,809,151,445</u>
Total Expenses (B)		<u>7,951,415,581</u>	<u>7,619,204,755</u>
Surplus/(Deficit) for the period (A) - (B)		<u>591,635,424</u>	<u>(2,411,240,210)</u>

The notes set out on pages 12 to 17 form an integral part of the Financial Statements

National Identity Management Commission (NIMC)

Statement of Change in Equity

	2017	2016
	Accumulated Fund	Accumulated Fund
	₦	₦
Balance at 1 January 2017	4,126,555,518	15,944,399,752
Surplus/(Deficit) for the year	591,635,424	(9,410,407,795)
Balance at 31 December 2017	4,718,190,942	6,533,991,957
Transfer to/from Accumulated Fund	(13,213,958)	3,803,771
	4,704,976,984	6,537,795,728
(Deficit) for the period	-	(2,411, 240, 210)
Balance at 31st December, 2017	<u>4,704,976,984</u>	<u>4,126,555,518</u>

The notes set out on pages 12 to 17 form an integral part of the Financial Statements

THE NATIONAL IDENTITY MANAGEMENT COMMISSION

ANNUAL FINANCIAL STATEMENT FOR THE YEAR ENDED DECEMBER 31 2017

National Identity Management Commission (NIMC)

Cash Flow from Operating Activities

	2017	2016
	₦	₦
Surplus/(Deficit) of Receipts over Payment	591,635,424	(2,411,240,210)
Add back: Depreciation	<u>1,801,858,164</u>	<u>1,809,151,445</u>
Net Cash generated from Operations	2,393,493,588	(602,088,765)
Adjustments to Reconcile Excess Receipts with Net Cash		
(Increase)/decrease in Receivables and Advances	(13,967,955)	(3,110,330)
(Increase)/decrease in Accounts stocks/inventory	7,757,063	7,852,581
(Increase)/decrease in Inventory (e-Cards)	322,887,651	439,899,329
(Increase)/(decrease in Account Payables	360,535,164	429,609,804
Net Cashflow from Operating Activities	3,070,705,511	272,162,619
 Cashflow From Investing Activities		
Purchase of PPE	(161,487,286)	-
Net Cashflow from Investing Activities	(161,487,286)	
 Cashflow from Financing Activities		
Refund to Treasury	(16,213,960)	(201,179,934)
Net Cashflow from Financing Activities	(16,213,960)	(201,179,934)
 (Increase)/(decrease) in Cash equivalents	2,893,004,265	70,982,685
Bank and Cash Equivalents at the beginning of the year	<u>194,238,807</u>	<u>123,256,122</u>
Cash and Cash Equivalents at the end of the year	<u>3,087,243,072</u>	<u>194,238,807</u>

The notes set out on pages 12 to 17 form an integral part of the Financial Statements

THE NATIONAL IDENTITY MANAGEMENT COMMISSION

ANNUAL FINANCIAL STATEMENT FOR THE YEAR ENDED DECEMBER 31 2017

Notes to the Financial Statement for the Year ended 31 December 2017

Note 1: Plant, Property & Equipment

	Land & Building N	Motor Vehicles N	ICT/Computer N	Plant & Machinery N	Furniture & Fittings N	Total N
Cost						
As at 01 Jan 2017	8,003,095,371	420,744,051	14,244,312,850	8,814,309,270	462,648,739	31,945,110,2
Additions during the year	-	-	104,804,506	7,055,000	49,627,780	161,487,2
Disposal in the year	-	-	-	-	-	-
As at 31 Dec 2017	<u>8,003,095,371</u>	<u>420,744,051</u>	<u>14,349,117,356</u>	<u>8,821,364,270</u>	<u>512,276,519</u>	<u>32,106,597,5</u>
Depreciation						
As at 01 Jan 2017	3,496,095,727	420,744,041	13,782,726,905	6,853,066,883	383,207,991	24,935,841,5
Depreciation for the year	400,154,769	-	196,577,557	1,102,670,534	102,455,304	1,801,858,1
As at 31 Dec 2017	<u>3,896,250,496</u>	<u>420,744,041</u>	<u>13,979,304,462</u>	<u>7,955,737,417</u>	<u>485,663,295</u>	<u>26,737,699,7</u>
Carrying Amount						
As at 31 Dec 2017	<u>4,106,844,875</u>	<u>10</u>	<u>369,812,894</u>	<u>865,626,853</u>	<u>26,613,224</u>	<u>5,368,897,8</u>
As at 31 Dec 2016	<u>4,506,999,644</u>	<u>10</u>	<u>460,735,945</u>	<u>1,961,242,387</u>	<u>79,440,748</u>	<u>7,008,418,7</u>

Note 2: Other receivables and prepayments

	2017 N	2016 N
Other receivable & prepayments at beginning	3,656,830	3,656,830
Other receivable & prepayments during the year	13,967,955	-
Payments during the year	<u>17,624,785</u>	<u>3,656,830</u>

THE NATIONAL IDENTITY MANAGEMENT COMMISSION

ANNUAL FINANCIAL STATEMENT FOR THE YEAR ENDED DECEMBER 31 2017

Note 3: Cost of Consumable Inventory

	2017	2016
	₦	₦
Opening Inventory (01 January, 2017)	52,210,901	60,063,482
Purchases during the year	141,580,647	58,845,361
Inventory available	193,791,548	118,908,843
Cost of Inventory used during the year	<u>149,337,712</u>	<u>66,697,942</u>
Closing Inventory (31 December, 2017)	<u>44,453,838</u>	<u>52,210,901</u>

Note 4: Value of Electronic - I.D Cards

	2017	2016
	₦	₦
Balance brought forward 01 January, 2017)	1,324,426,746	1,764,326,075
Prior Year Adjustment	45,177,539	-
Re-stated Balance	1,369,604,285	-
Additional during the year	-	-
Total available Card	1,369,604,285	1,764,326,075
Less Card consumed during the year	<u>322,887,651</u>	<u>439,899,329</u>
Closing balance of Cards at 31 December, 2017	<u>1,046,716,634</u>	<u>1,324,426,746</u>

Note 5: Cash and Cash Equivalents

	2017	2016
	₦	₦
CBN FOREX	69,463,037	4,283,872
Capital (GIFMS)	3,000,475,405	71,123
TSA (GIFMS)	<u>17,304,630</u>	<u>189,883,812</u>
As at 31st Dec 2017	<u>3,087,243,072</u>	<u>194,238,807</u>

THE NATIONAL IDENTITY MANAGEMENT COMMISSION

ANNUAL FINANCIAL STATEMENT FOR THE YEAR ENDED DECEMBER 31 2017

Note 6: Tax Payables

	2017	2016
	₦	₦
Value Added Tax-Payable	184,150,842	
Withholding Tax-Payable	144,418,600	
	<u>328,569,442</u>	<u>307,300,238</u>

Note 7: Accruals and other liabilities

	2017	2016
	₦	₦
Local Contractors	85,885,439	85,885,439
Accrued PAYE Tax (2014)	197,000,000	197,000,000
Other accrued expenses	4,170,476,773	3,850,210,813
Accrued audit fees	<u>35,000,000</u>	<u>16,000,000</u>
	<u>4,488,362,212</u>	<u>4,149,096,252</u>

Note 8: Accumulated Funds

	2017	2016
	₦	₦
Accumulated Funds Brought Forward	4,126,555,518	6,533,991,957
Net surplus /(Deficit) for the year	591,635,424	(2,411,240,210)
Prior year adjustment (Note 13)	46,027,549	-
Refund to treasury-capital fund	(16,213,960)	(201,179,934)
Purchase of plants, property & equipment	-	<u>204,983,705</u>
	<u>4,748,004,531</u>	<u>4,126,555,518</u>

THE NATIONAL IDENTITY MANAGEMENT COMMISSION

ANNUAL FINANCIAL STATEMENT FOR THE YEAR ENDED DECEMBER 31 2017

National Identity Management Commission (NIMC)		
Notes to the Financial Statement for the Year ended 31 December 2017		
Note 9. Federal Government Grants		
	2017	2016
	₦	₦
Capital Grants	4,076,661,002	472,500,000
Recurrent Subvention personnel	3,995,088,249	4,207,390,412
Recurrent Subvention overhead	<u>231,110,223</u>	<u>291,230,389</u>
	<u>8,302,859,474</u>	<u>4,971,120,801</u>
Note 10: Sundry Receipts		
	2017	2016
	₦	₦
Sundry Income	69,506,364	28,698,204
Private Sponsorship/Grants/Donations	<u>170,685,166</u>	<u>208,143,540</u>
	<u>240,191,530</u>	<u>236,841,744</u>

THE NATIONAL IDENTITY MANAGEMENT COMMISSION

ANNUAL FINANCIAL STATEMENT FOR THE YEAR ENDED DECEMBER 31 2017

Note 11: Operational/Administration expenses

The following are included in Operational/Administrative expenses:

	2017	2016
	₦	₦
Biometrics activity	609,116,269	-
Enrolment Centre Expenses	92,716,665	251,543,824
Medical Services	4,465,294	1,061,153
Terminal/Burial Benefit	7,274,000	3,973,500
NYSC & IT Allowance	8,805,000	4,360,000
Local Travels and Transport	100,041,014	63,599,802
International Travels & Transport	3,674,410	3,316,875
Electricity Charges	24,618,660	30,524,995
Telephone charges	17,005,441	17,113,337
Internet Access Charges	50,201,271	-
Materials and Supplies Consumed	149,337,711	66,697,942
Maintenance of Motor Vehicles	12,813,975	11,192,174
Maintenance of Office Furniture	2,512,500	-
Maintenance of Building Office	12,449,897	-
Maintenance of Plants/Generator	56,995,534	187,629,548
Repairs and Maintenance General.	26,429,689	58,050,000
Licenses and Permits	98,870,302	10,010,500
Local Training	23,054,700	5,019,750
Security services	69,898,248	90,086,694
Cleaning and Fumigation service	22,531,660	21,767,953
Office accommodation rent	14,445,000	15,877,083
Professional Services	182,625,455	212,043,157
Bank Charges	6,221,044	914,661
Motor Vehicle Fuel Cost	1,776,500	-
Generator Fuel Cost	175,301,350	-
Publicity & Advertisement	14,996,752	11,685,900
Refreshment and meals	17,715,030	8,341,337
Postage & Courier Services	2,283,223	-
Board Meeting Sitting Allowance	21,564,100	1,930,000
Other Operating Expenses	10,977,771	-
Payroll Expenses	3,985,951,300	4,014,296,203
Printing and Publication	-	443,100
Computer Consumables & Internet Hosting	-----	73,690,789
	<u>5,826,669,766</u>	<u>5,165,170,277</u>

THE NATIONAL IDENTITY MANAGEMENT COMMISSION

ANNUAL FINANCIAL STATEMENT FOR THE YEAR ENDED DECEMBER 31 2017

Note 12: Card Consumed During the Year

	2017	2016
	₦	₦
Balance brought forward 01 January, 2017)	1,324,426,746	1,764,326,075
Prior Year Adjustment	45,177,539	
Re-stated Balance	1,369,604,285	
Additional during the year	-	-
Total available Card for the year	1,369,604,285	1,764,326,075
Closing Stock at 31 Dec2017	(1,046,716,634)	(1,324,426,746)
Card consumed during the year	<u>322,887,651</u>	<u>439,899,329</u>

Note 13: Prior year adjustment

	₦	₦
Cost of E-Card Consumed		
As per 2016 Financial Statement	439,899,329	
Corrected figure based on 2017 Audit Exercise	394,721,790	
Difference (Overstated Figure)		45,177,539
Non-Current Assets under stated in 2016 FS		
ICT /Computer Equipment	14,244,312,850	
Amount recognised in 2016 FS	14,243,462,850	
Difference (Understated Figure)		850,000
Carrying Amount of Motor Vehicle		10
Transferred to Accumulated Fund		<u>46,027,549</u>