



**LAGOS STATE SECURITY TRUST FUND
ANNUAL REPORT AND FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2013**

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**LAGOS STATE SECURITY TRUST FUND
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Legal and administrative information

Registered Office

Governor's Office
Round House
Secretariat, Ikeja
Lagos, Nigeria

Board of Trustees

Mr. Remi Makanjuola Chairman
D.I.G. Waheed Olusegun Kassim (rtd.)
Mr. Kehinde Durosinmi-Etti
Mr. Bisi Onasanya
Mr. Ebenezer Onyeagwu
Mr. Opeyemi Agbaje
Mr. Biyi Mabadeje
Mr. Gbolahan Lawal

Executive Secretary/Chief Executive

Mr. Fola Arthur-Worrey

Bankers

Skye Bank Plc
Alausa Secretariat Branch
Alausa, Ikeja, Lagos

Zenith Bank Plc
Alausa Secretariat Branch
Alausa, Ikeja, Lagos

First Bank of Nigeria Plc
Acme Road, Ikeja, Lagos

Sterling Bank Plc
Opebi Road, Ikeja, Lagos

Mainstreet Bank Ltd
Reinsurance House
46 Marina, Lagos

Enterprise Bank Ltd
44 Allen Avenue
Ikeja, Lagos

Guaranty Trust Bank Plc
Alausa Secretariat Branch
Ikeja, Lagos

Access Bank Plc
183 Obafemi Awolowo Way
Ikeja, Lagos

Heritage Bank Limited
7 Ashabi Cole Street,
Central Business District, Ikeja, Lagos

Auditors

PricewaterhouseCoopers
252E Muri Okunola Street
Victoria Island, Lagos

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Report of the board of trustees

The trustees submit their report together with the audited financial statements for the year ended 31 December 2013, which disclose the state of affairs of the Fund.

INCORPORATION AND ADDRESS

The Lagos State Security Trust Fund was established in 2007 by a law of the Lagos State House of Assembly. The address of its registered office is:

Governor's Office
Round House
Secretariat, Ikeja
Lagos, Nigeria

PRINCIPAL ACTIVITIES

The principal activity of the Fund is to raise donations both in cash and in kind and coordinate the application of donations received. This is aimed at ensuring that equipment that are required to enhance the operational capacity of security agencies operating in the state are readily available as at when due. Equipment in this regard include human, material and financial resources as shall be found necessary for the effective functioning of all Federal, State and Local Government and other security agencies operating in the State.

RESULTS

The Fund's results for the year are set out on page 7. The excess of donations over expenditure received for the year of N143 million has been transferred to General Funds.

TRUSTEES

The trustees who held office during the year and to the date of this report were:

Mr. Remi Makanjuola	Chairman
D.I.G. Waheed Olusegun Kassim (rtd.)	
Mr. Kehinde Durosinmi-Etti	
Mr. Bisi Onasanya	
Mr. Ebenezer Onyeagwu	
Mr. Opeyemi Agbaje	
Mr. Biyi Mabadeje	
Mr. Gbolahan Lawal	

EMPLOYMENT OF DISABLED PERSONS

The Fund has a policy of fair consideration of job applications by disabled persons having regard to their abilities and aptitude. The Fund's policy prohibits discrimination of disabled persons in the recruitment, training and career development of its employees.

EMPLOYEE HEALTH, SAFETY AND WELFARE

The Fund enforces strict health and safety rules and practices at the work environment, which are reviewed and tested regularly.

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Report of the board of trustees (cont'd)

EMPLOYEE TRAINING AND INVOLVEMENT

The trustees maintain regular communication and consultation with the employees, the union leaders and staff representatives on matters affecting employees and the Fund.

There is great emphasis on staff development and training through carefully planned training courses and seminars to update the special skills and job requirements of the staff.

AUDITORS

The Fund's auditors, PricewaterhouseCoopers, continue in office in accordance with Section 13(2) of the Lagos State Security Trust Fund Law 2007.

By order of the Board of Trustees



**Fola Arthur - Worrey
Executive Secretary**

Lagos, Nigeria

2014

**LAGOS STATE SECURITY TRUST FUND
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Statement of trustees' responsibilities

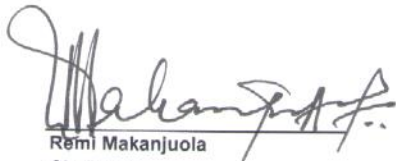
The Lagos State Security Trust Fund Law requires the trustees to prepare financial statements for each financial year that give a true and fair view of the state of financial affairs of the Fund at the end of the year and of its surplus or deficit. This responsibility includes:

- a) ensuring that the Fund keeps proper accounting records that disclose, with reasonable accuracy, the financial position of the Fund and comply with the requirements of the Lagos State Security Trust Fund Law;
- b) designing, implementing and maintaining internal control relevant to the preparation and fair presentation of financial statements that are free from material misstatement, whether due to fraud or error; and
- c) preparing the Fund's financial statements using suitable accounting policies supported by reasonable and prudent judgements and estimates, that are consistently applied.

The trustees accept responsibility for the annual financial statements, which have been prepared using appropriate accounting policies supported by reasonable and prudent judgements and estimates, in conformity with Nigerian Accounting Standards and the requirements of the Lagos State Security Trust Fund Law.

The trustees are of the opinion that the financial statements give a true and fair view of the state of the financial affairs of the Fund and of its surplus or deficit. The trustees further accept 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 financial control.

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


Remi Makanjuola
Chairman

_____ 2014


Fola Arthur - Worrey
Executive Secretary

_____ 2014



REPORT OF THE INDEPENDENT AUDITOR TO THE TRUSTEES OF LAGOS STATE SECURITY TRUST FUND

Report on the financial statements

We have audited the accompanying financial statements of the Lagos State Security Trust Fund ("the Fund") which comprise the balance sheet as of 31 December 2013 and the statement of revenue and expenses, and statement of cash flows for the year then ended and a summary of significant accounting policies and other explanatory notes.

Trustees' responsibility for the financial statements

The trustees are responsible for the preparation and fair presentation of these financial statements in accordance with Nigerian Statements of Accounting Standards and with the requirements of the Lagos State Security Fund Law and for such internal control, as the trustees determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

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 International Standards on Auditing. Those standards require that we comply with ethical requirements and plan and perform our audit to obtain reasonable assurance that 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 auditor's 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 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 trustees, 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 opinion.

Opinion

In our opinion the accompanying financial statements give a true and fair view of the state of the Fund's financial affairs at 31 December 2013 and of its surplus and cash flows for the year then ended in accordance with Nigerian Statements of Accounting Standards and the requirements of the Lagos State Security Trust Fund Law.

For: **PricewaterhouseCoopers**
Chartered Accountants
Lagos, Nigeria

Engagement Partner: Edafe Erhie
FRC/2013/ICAN/0000001143

21 November 2014



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Balance sheet as at

	Note	31 December 2013 N	31 December 2012 N
Assets			
Cash at bank	2	159,449,500	140,077,623
Accounts receivable and prepayments	3	152,883,717	13,100,208
Inventories	4	5,941,980	6,541,980
Total current assets		<u>318,275,197</u>	<u>159,719,811</u>
Property, plant and equipment	5	6,459,092	2,572,459
Total assets		<u>324,734,289</u>	<u>162,292,270</u>
Current liabilities			
Creditors and accruals	6	48,311,275	28,895,708
Net assets		<u>276,423,014</u>	<u>133,396,562</u>
General funds	7	<u>276,423,014</u>	<u>133,396,562</u>

The financial statements on pages 6 to 19 were approved for issue by the board of trustees on _____ 2014 and signed on its behalf by:



Remi Makanjuola
Chairman



Fola Arthur - Worrey
Executive Secretary

The accounting policies and notes on pages 9 to 18 form an integral part of these financial statements.

LAGOS STATE SECURITY TRUST FUND
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Statement of revenue and expenses

	Note	31 December 2013 N	31 December 2012 N
Revenue			
Donations in cash			
From public officers and government agencies	8	17,700,000	24,050,000
From private bodies	9	402,183,616	264,417,592
Donations in kind			
From public officers and government agencies	10	678,086,218	903,483,490
From private bodies	11	174,440,000	129,039,000
Other income	17	<u>4,348,724</u>	<u>12,158,986</u>
Gross income		1,276,758,558	1,333,149,068
Provision for pledges not redeemed	14b	<u>(2,400,000)</u>	<u>(6,155,000)</u>
Net income		<u>1,274,358,558</u>	<u>1,326,994,068</u>
Expenditure			
Support to security agencies	12	(1,091,637,208)	(1,511,669,409)
Administrative expenses	13	(39,347,790)	(33,129,744)
Bank charges		<u>(347,108)</u>	<u>(578,901)</u>
Total expenditure		<u>(1,131,332,106)</u>	<u>(1,545,378,054)</u>
Surplus/(deficit) for the year	7	<u>143,026,452</u>	<u>(218,383,986)</u>

The accounting policies and notes on pages 9 to 18 form an integral part of these financial statements.

LAGOS STATE SECURITY TRUST FUND
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Statement of cash flows

	Note	31 December 2013 N	31 December 2012 N
Cash flows from operating activities			
Surplus/(deficit) for the year		143,026,452	(218,383,986)
Adjustments to reconcile surplus/(deficit) for the year to cash generated from operating activities			
Depreciation	5	2,767,367	3,832,366
Interest income	17	<u>(4,315,724)</u>	<u>(11,973,986)</u>
Operating surplus/(loss) before changes in working capital		141,478,095	(226,525,606)
Changes in working capital			
Increase in creditors and accruals		19,415,567	16,145,279
Decrease/(increase) in inventories		600,000	(4,139,980)
(Increase)/decrease in receivables and prepayments		<u>(139,783,509)</u>	<u>155,044,792</u>
Cash generated from/(used in) operations		<u>21,710,153</u>	<u>(59,475,515)</u>
Cash flow from investing activities			
Purchase of fixed assets	5	(6,654,000)	(302,000)
Interest received	17	<u>4,315,724</u>	<u>11,973,986</u>
Cash (used in)/generated from investing activities		<u>(2,338,276)</u>	<u>11,671,986</u>
Increase/(decrease) in cash and cash equivalents		19,371,877	(47,803,529)
Cash and cash equivalents at 1 January		<u>140,077,623</u>	<u>187,881,152</u>
Cash and cash equivalents at 31 December	2	<u>159,449,500</u>	<u>140,077,623</u>

The accounting policies and notes on pages 9 to 18 form an integral part of these financial statements.

**LAGOS STATE SECURITY TRUST FUND
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Statement 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 years presented, unless otherwise stated.

(a) Basis of preparation

The financial statements are prepared in compliance with Nigerian Statements of Accounting Standards (SAS). The financial statements are presented in the functional currency, Nigeria Naira (N), and prepared on a modified cash basis under the historical cost convention.

(b) Revenue recognition

Donations are recognised when pledges are made. Revenue represents fair value of cash or in-kind donations. Value added tax is not charged on revenue.

Interest income is recognised on a time proportion basis using the effective interest method.

(c) Property, plant and equipment

Property, plant and equipment are shown at acquisition cost less accumulated depreciation. Acquisition cost represents purchase price plus freight, insurance and handling charges. For assets donated to the Fund, acquisition cost represents fair value of donated assets.

Repairs and maintenance are charged to the Income and expenditure account during the financial period in which they are incurred.

Depreciation is calculated using the straight line method to write down the cost of assets to their residual values over their estimated useful lives, at the following annual rates:

	%
Office furniture and equipment	25
Computer equipment	33
Motor vehicle	25

(d) Expenses and support to security agencies

Expenses are recognised when incurred. Support to security agencies are in kind donations and they are recognised as expenses when the receiving agency acknowledge receipt of delivery.

(e) Inventories

Inventories are stated at the lower of cost and net realisable value through the first-in, first-out (FIFO) basis. Cost represents purchase price and other ancillary costs directly associated with the purchase. Net realisable value is the market value less cost to sell.

(f) Accounts receivable

Receivables are recognised initially at fair value. Subsequently, they are stated after deduction of specific provision for any pledge considered to be doubtful of recovery. A provision for impairment of receivables is established when a pledge made in a particular year is outstanding up till the time the annual financial statements of that year is about to be signed off and circulated. The amount of the provision is recognised in the Income and expenditure account.

(g) Comparatives

Where necessary, comparative figures have been adjusted or extended to conform with changes in presentation in the current year.

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Notes to the financial statements

1 The Fund

The Lagos State Security Trust Fund was established in 2007 by a law of the Lagos State House of Assembly to raise and coordinate the application of donations in cash and equipment which are required to enhance the operational capacity of security agencies operating in the state. The money thus raised is to be used for the acquisition and deployment of security equipment and such human, material and financial resources as shall be found necessary for the effective functioning of all Federal, State and Local Government and other security agencies operating in the State. In addition, part of the fund shall be reserved for the training and retraining of security personnel.

2 Cash at bank

	2013	2012
	N	N
Zenith Bank Plc	26,631,219	28,945,980
Sterling Bank Plc	6,979,144	6,660,310
First Bank of Nigeria Plc	55,862,579	38,357,587
Mainstreet Bank Ltd	2,562,434	11,329,950
Enterprise Bank Ltd	2,553,618	3,432,311
Skye Bank Plc	43,455,109	45,891,678
Guaranty Trust Bank Plc	7,352,397	3,209,807
Access Bank Plc	14,053,000	2,250,000
	<u>159,449,500</u>	<u>140,077,623</u>

Included in cash and cash equivalents as at 31 December 2013 is a restricted amount of N29.7 million (2012: N25 million), set aside for the purpose of self-sustainability and held in a fixed deposit bank account. For the purpose of statement of cash flows, cash and cash equivalents comprise cash at call and short term deposits with banks.

3 Accounts receivable and prepayments

	2013	2012
	N	N
Pledged donations (Note 14a)	145,175,000	3,125,000
Prepaid insurance	215,000	1,516,875
Prepaid office rent	7,493,717	8,458,333
	<u>152,883,717</u>	<u>13,100,208</u>

4 Inventories

Bullet proof vests	120,000	-
Walkie Talkies	1,275,000	1,275,000
Monitors (HP)	20,000	20,000
Central Processing Unit (HP)	60,000	60,000
Desktops (Zinox)	80,000	80,000
Solar rechargeable lights	500,000	500,000
Smart phones	-	720,000
Disposable handcuffs	3,500,000	3,500,000
Indigo LED Lantern	192,500	192,500
Flash lights	108,680	108,680
Rechargeable radios	85,800	85,800
	<u>5,941,980</u>	<u>6,541,980</u>

Inventory represents items received from donors and/or purchased but not yet distributed to approved security agencies.

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Notes to the financial statements (cont'd)

5 Property, plant and equipment

	Office furniture & equipment N	Computer equipment N	Motor vehicles N	Total N
Cost				
At Start of the year	2,074,599	1,162,000	13,895,000	17,131,599
Additions during the year	2,171,500	182,500	4,300,000	6,654,000
At end of the year	<u>4,246,099</u>	<u>1,344,500</u>	<u>18,195,000</u>	<u>23,785,599</u>
Depreciation				
At Start of the year	2,074,589	864,571	11,619,980	14,559,140
Charge for the year	320,509	223,945	2,222,913	2,767,367
At end of the year	<u>2,395,098</u>	<u>1,088,516</u>	<u>13,842,893</u>	<u>17,326,507</u>
Net Book Value				
At 31 December 2013	<u>1,851,001</u>	<u>255,984</u>	<u>4,352,107</u>	<u>6,459,092</u>
At 31 December 2012	<u>10</u>	<u>297,429</u>	<u>2,275,020</u>	<u>2,572,459</u>

6 Creditors and accruals

	2013 N	2012 N
Audit fees	8,000,000	8,000,000
Other accrued expenses	<u>40,311,275</u>	<u>20,895,708</u>
	<u>48,311,275</u>	<u>28,895,708</u>

Included in other accrued expenses as at 31 December 2013 are outstanding payment for 6 purchased Hilux vehicles - N30.6 million, accruals for supply and servicing of operational equipment - N6.5 million and outstanding payment for supply of AGO for operational vehicles - N3.2 million.

7 General funds

	2013 N	2012 N
As at 1 January	133,396,562	351,780,548
Surplus/(deficit) for the year	<u>143,026,452</u>	<u>(218,383,986)</u>
As at 31 December	<u>276,423,014</u>	<u>133,396,562</u>

8 Donations from public officers and government agencies

Donors	2013 N
Nigerian Ports Authority	13,200,000
Lagos state executive council members	1,800,000
Body of permanent secretaries of Lagos state	1,500,000
Lagos state deputy governor's office	250,000
Mr. Babalola Olanrewaju - Chief of staff	250,000
Major Panox (Rtd) - Special adviser to the Governor on security	200,000
Mrs. F. M. Oguntuase - Honourable commissioner for establishment, training and pension	100,000
Mr. Wahid Enitan Oshodi - Honourable commissioner for youth, sports and social development	100,000
Dr. Mrs. Yewande Olaseni Adeshina - Special adviser to the Governor on public health	100,000
Mr. Seye Oladejo - Special adviser on commerce and industry	100,000
Mr. Jide Idris - Honourable commissioner for health	100,000
	<u>17,700,000</u>

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Notes to the financial statements (cont'd)

9 Donations from private bodies

Donors	2013 N
Zenith Bank Plc	100,000,000
Lebanese Nigeria Initiatives	80,000,000
First Bank of Nigeria Plc	75,000,000
Skye Bank Plc	50,000,000
Intels Nigeria Limited	50,000,000
Council of Obas & Chiefs of Lagos State	10,000,000
Energia Limited	3,000,000
Ibalex Nigeria Limited	2,500,000
Leadway Assurance Company Limited	2,000,000
YF Construction Company	2,000,000
A.A Oyenike	1,700,000
Jubaili Bros. Engineering Limited	1,500,000
Association of Fast Foods Confectioners of Nigeria	1,500,000
Body of Retired Judges of Lagos State	1,250,000
Lekki Concession Company Limited	1,000,000
Sofunde, Osakwe, Ogundipe & Belgore: Legal Practitioners	1,000,000
Professor Itse Sagay	1,000,000
Orange Island Development Company Limited	1,000,000
Mainstreet Bank Limited	1,000,000
Kayode Sofola & Associates	1,000,000
Elektrint Nigeria Limited	1,000,000
Simmons Cooper Partners	1,000,000
Alhaji M.A.K Smith I.G (Rtd)	1,000,000
Mike Igbokwe	1,000,000
The Redeemed Evangelical Mission	550,000
Wole Olanipekun & Co.	500,000
Victoria Crown Plaza Hotel	500,000
Universal Holding/ Moyosore Aboderin Foundation	500,000
Professor Taiwo Osipitan (SAN)	500,000
Mr. & Mrs. Chacin No	500,000
Favourite Club	500,000
Contact Solutions Limited	500,000
Chrisolath Nigeria Limited	500,000
Chief Molade Okoya-Thomas	500,000
Righteous Construction Company	250,000
Reddington Hospital	250,000
Abiodun Owonikoko (SAN)	250,000
Omooba Olumuyiwa Sosanya	250,000
Mr. Adesegun Ogunlewe	250,000
Nasrul-Lahi-L-Fatih Society	250,000
Mr. Oshoffa Mathew Olatosho	250,000
Mr. Babajide Sanwo-Olu	250,000
Dr. A. Onabowale	250,000
Halogen Security Company	250,000
Lagos State Cooperative Federation	250,000
Samir Elokeili	200,000
Mr. Nnaemeka Ngige (SAN)	200,000

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Notes to the financial statements (cont'd)

9 Donations from private bodies (cont'd)	2013
	N
Erelu Abiola Dosunmu	200,000
C-Way Group Nigeria Limited	200,000
Akin Delano Legal Practitioners	200,000
Rolam Preparatory School	200,000
Proceeds from donation boxes	188,616
Abraham Adesanya Housing Estate	150,000
Mr. Vinod Kaurani	150,000
Toyin Ayinde & Associates	100,000
Prince Ademola Dada	100,000
Mr. Adelanwo	100,000
Investment Paragon Limited	100,000
Mr. Hussain Rotimi	100,000
Disun & Yinka Holloway	100,000
F.A. Kassim Survey Associates	100,000
Engr. Gbolahan Yishawu	100,000
Dr. T.A Kekere-Ekun	100,000
Akanimo Ekone	100,000
RINET Advertising Limited	100,000
Delicious Treat Eatery	100,000
Aare Kamorudeen Ajao Danjuma	60,000
P.C.R.C Lion Building Division	50,000
Mr. Adeyemi	50,000
Mrs. Iyabowale Aluko	50,000
Mr. Salvador A. Igboyega	50,000
Mr. Obanifemi Aluko	50,000
Mr. Bosun Jeje	50,000
Lanre Bashorun	50,000
Jimmy Bello (JP)	50,000
Hon. Arole Fancy	50,000
Dr. Bunmi Omoseyindemi	50,000
Smiley Kids Montessori (Heritage Place)	50,000
Dayo Adiamo	50,000
Chief Raymond Ihyembe	50,000
Alhaji S.M. Idowu	50,000
Mustard Insurance Brokers Limited	35,000
Mr. Dikko Junaid	30,000
Mr. Oriyomi Ayeola	25,000
New Dawn Cleaning Services Nigeria Limited	25,000
Elder Ajayi	25,000
Wisdom Hall International School	20,000
Prince Obieze Emebo	20,000
Mr. Obafolarin Aluko	20,000
Mr. S.E. Okpithe	20,000
Maria Breed Montessori School	20,000
Adepeju Clara Da-Silva	20,000
Mr. Dele Abiodun	10,000
Christ Apostolic Church Olorunsogo Lagos	10,000
Pastor Olatunde Santos	5,000
	<hr/>
	402,183,616

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Notes to the financial statements (cont'd)

10 Donations in kind from public officers and government agencies

Donor	Donations	2013 N
Lagos State Government	4.9 million litres of PMS	470,432,618
Lagos State Government	1.3 million litres of AGO	207,653,600
		<u>678,086,218</u>

11 Donations in kind from private bodies

Donor	Donations	2013 N
MTN Foundation	25 units of Toyota Hilux	140,000,000
Nigerian Breweries Plc	4 units of Toyota Hilux	22,400,000
Total E&P Nigeria Limited	2 units of Toyota Hilux	11,200,000
Nigeria Stock Exchange	7 bullet proof vests	840,000
Total		<u>174,440,000</u>

12 Support to security agencies

	2013 N	2012 N
Donated vehicles, equipment and other supplies issued to security agencies (Note 12a)	853,126,218	1,047,882,510
Purchased vehicles, equipment and other supplies issued to security agencies (Note 12b)	206,148,500	415,728,156
Repairs and branding (Note 12c)	32,362,490	48,058,743
	<u>1,091,637,208</u>	<u>1,511,669,409</u>

12a Donated vehicles, equipment and other supplies issued to security agencies

Beneficiaries	Items donated	2013 N
Lagos State Police Command	4.9 million litres of PMS	470,432,618
	1.3 million litres of AGO	207,653,600
	13 units of Toyota Hilux	72,800,000
	6 units of Bullet proof vests	720,000
Lagos State Rapid Response Squad (RRS)	4 units of Toyota Hilux	22,400,000
	6 units of Smart phones	720,000
Special Anti-Robbery Squad (SARS)	3 units of Toyota Hilux	16,800,000
Nigeria Drug Law Enforcement Agency (NDLEA)	2 units of Toyota Hilux	11,200,000
State Security Service (SSS)	2 units of Toyota Hilux	11,200,000
Special Fraud Unit (SFU)	2 units of Toyota Hilux	11,200,000
Nigerian Army: Operation MESA	2 units of Toyota Hilux	11,200,000
Nigerian Police Airport Command	2 units of Toyota Hilux	11,200,000
State Intelligence Bureau (SIB)	1 unit of Toyota Hilux	5,600,000
		<u>853,126,218</u>

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Notes to the financial statements (cont'd)

12b Purchased vehicles, equipment and other supplies issued to security agencies

Beneficiaries	Description	2013 N	
Lagos State Police Command	6 units of Toyota Hilux	30,600,000	
	Fuelling of Marine police gun boats	18,240,000	
	1 unit of Toyota Hilux double cabin	6,500,000	
	Sponsorship of Nigeria Police games	5,000,000	
	9 sets each of mobile base radio, revolving security bar lights and siren	2,430,000	
	Settlement of hospital bills of police officer injured in the line of service	1,500,000	
	Cash award for RRS operatives	700,000	
	2 sets of revolving security bar lights and siren	600,000	
	Construction of 3 back cabins with seats	360,000	
	Lagos State Rapid Response Squad (RRS)	5 units of Toyota Hilux	25,500,000
480 units of tyres		11,760,000	
1 unit of Toyota Land Cruiser Prado Jeep		10,500,000	
500 units of rain gear		5,000,000	
500 units of custom made worsted wool sweater		3,100,000	
6 sets each of mobile base radio, revolving security bar light and siren		1,350,000	
Construction of 5 Back cabins with seat		870,000	
Construction of 2 Back cabins without seat		220,000	
State Security Service		Installation of masts and antennae	30,473,000
Nigerian Army: Operation MESA		1 unit of Toyota Hilux	5,100,000
	30 units of tyres	650,000	
	1 set each of mobile base radio, revolving security bar light and siren	270,000	
	Construction of 1 back cabin seat	120,000	
Nigerian Air Force: Operation MESA	47 units of tyres	1,093,500	
Lagos State Task Force	3 units of Toyota Hilux	15,300,000	
Nigerian Navy	Supply of AGO	4,800,000	
Nigerian Immigration Service	2 units of security bar lights	280,000	
	Construction of 2 Back cabins with seats	240,000	
Quick Response Group (QRG)	3 units of Toyota Hilux (Double Cabin)	19,500,000	
	3 sets each of mobile base radio and 3 amber lights on the vehicles donated	810,000	
	Construction of 3 back cabin seats	360,000	
Neighbourhood Watch	Organisation of a two-day workshop on Intelligence gathering	2,440,000	
Counter Terrorism Unit	20 units of tyres	482,000	
		<u>206,148,500</u>	

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Notes to the financial statements (cont'd)

12c Repairs and branding		2013 N
Nigerian Army: Operation MESA	Refurbishing of 4 patrol vehicles	1,395,600
	Repairs of 4 badly damaged operational vehicles	930,000
	Repairs of 1 communication equipment	223,000
	Branding of 4 vehicles	220,000
	Repairs of 2 security bar lights	200,000
Lagos State Rapid Response Squad (RRS)	Routine servicing of 145 operational vehicles	4,900,700
	Repairs and servicing of 10 Armoured Personnel Carriers	4,821,000
	Repairs and overhaul of 40 TVS motor bikes	3,071,165
	Overhaul of 1 badly damaged Armoured Personnel Carrier SWAT 17	1,466,000
	Repairs of 1 badly damaged Armoured Personnel Carrier SWAT 20	1,465,000
	Overhaul of 1 badly damaged Armoured Personnel Carrier SWAT 07	937,125
	Routine servicing of 97 operational vehicles	795,400
	Repairs of 11 damaged patrol vehicles	558,600
	Repairs of 16 RRS patrol vehicles' amber lights and siren	538,000
	Full body branding of 5 Toyota Hilux vehicles	400,000
	Repairs of 11 operational vehicles	372,400
	Servicing of injector nozzles for 35 patrol vehicles	287,000
	Repairs of 1 Armoured Personnel Carrier	270,000
	Replacement of the clutch system of 1 unit of Armoured Personnel Carrier	150,000
Lagos State Police Command	Refurbishing of 4 badly damaged patrol vehicles	2,312,700
	Repairs of 1 Gun boat	1,455,500
	Repairs of 4 badly damaged patrol vehicles	1,511,800
	Routine servicing of 7 gun boats	1,396,000
	Repairs and servicing of 6 gun boats	917,500
	Repairs of 4 Armoured Personnel Carriers	560,000
	Branding of 11 donated vehicles	520,000
	Branding of 1 purchased operational vehicle	60,000
	Branding of 1 refurbished vehicle	40,000
Anti-Terrorism Squad	Repairs of 1 Armoured Personnel Carrier	508,000
Nigerian Immigration Service	Branding of 2 operational vehicles	80,000
		<u>32,362,490</u>

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Notes to the financial statements (cont'd)

	2013	2012
	N	N
13 Administrative expenses		
Audit fees	8,000,000	8,000,000
Rent expense for Lagos Security Trust Fund office space	3,500,000	3,536,667
Employees' remuneration (Note 16)	5,263,000	5,408,000
Depreciation of property, plant and equipment (Note 5)	2,767,367	3,832,366
Mid-year and annual Town hall meeting on security expenses	8,066,705	4,395,535
Public awareness/media publications	3,219,642	1,084,673
General office expenses	3,600,000	3,600,000
Service charge for office space	2,376,618	2,166,878
Trustees' remuneration (Note 15)	450,000	900,000
Renewal of website domain	75,000	75,000
Other office maintenance expense	2,029,458	130,625
	<u>39,347,790</u>	<u>33,129,744</u>
14 Pledged donations		
a Donors		
Pledges as at year end	172,125,000	27,675,000
Provision for unredeemed pledges (Note 14b)	<u>(26,950,000)</u>	<u>(24,550,000)</u>
	<u>145,175,000</u>	<u>3,125,000</u>
b Provision for outstanding pledges		
At 1 January 2013	24,550,000	18,395,000
Charge for the year	<u>2,400,000</u>	<u>6,155,000</u>
At 31 December 2013	<u>26,950,000</u>	<u>24,550,000</u>

This amount relates to provision for unredeemed pledges which were outstanding as at 31 December 2013 and are yet to be redeemed as of the date of circulation of the 2013 annual financial statements.

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Notes to the financial statements (cont'd)

15 Trustees' remuneration

The remuneration paid to the Trustees of the Fund was:	2013 N	2012 N
Fees	450,000	900,000
	<u>450,000</u>	<u>900,000</u>

Remuneration disclosed above (excluding pension contributions) include amounts paid to:

The Chairman	-	-
Highest paid Trustee	-	-

The number of Trustees whose remuneration were within the following range are:

	N		N	Number	Number
	1	-	50,000	1	-
	50,001	-	100,000	1	-
	100,001	-	150,000	2	-
	150,001	and	above	-	4
				<u>4</u>	<u>4</u>
Trustees with no remuneration				<u>4</u>	<u>4</u>

The Trustees with no remuneration waived their rights to receive remuneration from the Fund during the year

16 Employees' remuneration

The number of employees of the Fund, in receipt of emoluments within the following ranges were:

	N		N	2013 Number	2012 Number
	100,000	-	1,000,000	3	3
	1,000,001	-	2,000,000	<u>2</u>	<u>2</u>
				<u>5</u>	<u>5</u>

The aggregate cost of these employees was:

	2013 N	2012 N
Salaries and wages	<u>5,263,000</u>	<u>5,408,000</u>

17 Other income

Interest income	4,315,724	11,973,986
Income on disposal of scraps	<u>33,000</u>	<u>185,000</u>
	<u>4,348,724</u>	<u>12,158,986</u>

**LAGOS STATE SECURITY TRUST FUND
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Five year financial summary

	31 December 2013 N	31 December 2012 N	31 December 2011 N	31 December 2010 N	31 December 2009 N
Financial results					
Net income	1,274,358,558	1,326,994,068	2,099,905,594	1,271,065,565	1,123,651,499
Total expenditure	<u>(1,131,332,106)</u>	<u>(1,545,378,054)</u>	<u>(2,041,140,973)</u>	<u>(1,097,877,128)</u>	<u>(1,464,870,637)</u>
Surplus/(deficit) for the year	<u>143,026,452</u>	<u>(218,383,986)</u>	<u>58,764,621</u>	<u>173,188,437</u>	<u>(341,219,138)</u>
Financial position					
General funds	<u>276,423,014</u>	<u>133,396,562</u>	<u>351,780,548</u>	<u>293,015,927</u>	<u>119,827,490</u>
Employment of funds					
Property, plant and equipment	6,459,092	2,572,459	6,102,825	10,246,625	5,930,425
Current assets	318,275,197	159,719,811	358,428,152	299,860,652	122,753,837
Current liabilities	<u>(48,311,275)</u>	<u>(28,895,708)</u>	<u>(12,750,429)</u>	<u>(17,091,350)</u>	<u>(8,856,772)</u>
	<u>276,423,014</u>	<u>133,396,562</u>	<u>351,780,548</u>	<u>293,015,927</u>	<u>119,827,490</u>