JUSTICE, DEVELOPMENT AND PEACE INITIATIVE IN MAIDUGURI DIOCESE

AUDITED FINANCIAL STATEMENTS FOR THE

YEAR ENDED SEPTEMBER 30, 2024

OPARA & ONWUBIKO
CHARTERED ACCOUNTANTS

JUSTICE DEVELOPMENT AND PEACE INITIATIVE
IN MAIDUGURI DIOCESE

FINANCIAL STATEMENTS FOR THE YEAR ENDED SEPTEMBER 30, 2024

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**JUSTICE DEVELOPMENT AND PEACE INITIATIVE
IN MAIDUGURI DIOCESE**

CORPORATE INFORMATION

Board of Trustees

Programme Coordinator

Rev Fr. Vincent Okoye

Bankers

Zenith Bank Plc
First Bank of Nigeria Plc

Independent Auditor

Opara & Onwubiko, Chartered Accountants,
Plot 11216 Shaka Road, Gold and Base,
Jos, Plateau State, Nigeria.

Registered Address

C/O St. Patrick's Cathedral
No. 1, Kashim Ibrahim Way,
Maiduguri
Borno State, Nigeria

OPARA & ONWUBIKO
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Independent Auditor's Report to the Board of Trustees of Justice, Development and Peace Initiative in Maiduguri Diocese

Opinion

We have audited the financial statements of Justice, Development and Peace Initiative in Maiduguri Diocese, which comprise the statement of financial position as at September 30 2024, the statement of income and expenditure and statement of cash flows for the year then ended, and notes to the financial statements, including a summary of significant accounting policies.

In our opinion, the financial statements show a true and fair view of the organization's financial position as at September 30 2024, and of its financial performance and its cash flows for the year then ended, in accordance with financial reporting standards applicable in Nigeria.

Basis for Opinion

It is a reporting policy of the projects undertaken by the organization during the year to account for income and expenditure on receipt and payment basis. As a consequence, the financial statements may not be suitable for purposes other than the specific reporting obligations of the organization. Our opinion is not modified in respect of this matter.

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* section of our report below. We are independent of the organization in accordance with the ethical requirements that are applicable to the audit of financial statements in Nigeria, and we have fulfilled our other ethical responsibilities in accordance with those requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Responsibilities of Management and Those Charged with Governance for the Financial Statements

The organization's management is responsible for the preparation and fair presentation of the financial statements in accordance with financial reporting provisions applicable in Nigeria, and for such internal control that the management determines is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

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

In preparing the financial statements, the management is responsible for assessing the organization's ability to continue as a going concern, disclosing, as applicable, matters relating to going concern and using the going concern basis of accounting unless it is either intended to liquidate the entity or to cease operations or there is no realistic alternative but to do so.

Auditor's Responsibility

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 to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance but it does not guarantee that an audit conducted in accordance with the 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 aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of the financial statements.

As part of an audit in accordance with ISAs, we exercise professional judgment and maintain professional scepticism 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 understanding 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 organization's internal control.

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

- Conclude on the appropriateness of the management's 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 a significant doubt on the 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, subsequent events or conditions may cause the organization to cease to continue as a going concern.

We communicate with the management of the organization 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.

Darlington I. Onwubiko; FRC/2016/ICAN/000013960
Opara & Onwubiko, Chartered Accountants

Jos, Nigeria. 20 January, 2025

JUSTICE DEVELOPMENT AND PEACE INITIATIVE
IN MAIDUGURI DIOCESE

STATEMENT OF FINANCIAL POSITION AS AT SEPTEMBER 30, 2024

	Note	2024 N	2023 N
Non-Current Assets			
Property, plant and equipment	2	126,953,600	132,843,950
Current Assets			
Cash/bank balances	3	515,142,654	482,736,257
Total Assets		**642,096,254**	**615,580,207**
Current Liabilities			
Payables	4	2,000,000	1,350,000
Fund Balances			
Accumulated fund	5	640,096,254	614,230,207
		642,096,254	**615,580,207**

(The notes on pages 7 to 9 form part of the financial statements)

Programme Coordinator

Member, Board of Trustees

JUSTICE DEVELOPMENT AND PEACE INITIATIVE IN MAIDUGURI DIOCESE

STATEMENT OF INCOME AND EXPENDITURE FOR THE YEAR ENDED SEPTEMBER 30, 2024

	Note	2024 N	2023 N
Income			
Funding partners' disbursements	6	2,528,424,640	1,639,011,539
Local income		-	818,331
		2,528,424,640	1,639,829,870
Expenditure			
Project costs, Misereor/KZE project	7	32,841,054	29,166,668
Project costs, Caritas Germany projects	8	1,208,022,956	637,829,929
Project costs, CCFN projects	9	107,894,648	48,516,383
Project costs, CRS/USAID projects	10	915,000,310	674,755,936
Project costs, NHF	11	217,558,000	-
Administration costs	12	10,093,843	7,240,350
Cash refunds, BHA/CRS project		11,147,782	-
		2,502,558,593	1,397,509,266
Excess of income over expenditure	5	**25,866,047**	**242,320,604**

(The notes on pages 7 to 9 form part of the financial statements)

JUSTICE DEVELOPMENT AND PEACE INITIATIVE IN MAIDUGURI DIOCESE

STATEMENT OF CASH FLOWS FOR THE YEAR ENDED SEPTEMBER 30, 2024

	Note	2024	2023
		N	N
Cash Flows from Operating Activities			
Excess of income over expenditure		25,866,047	242,320,604
Non-cash item: depreciation		5,890,350	5,890,350
Cash flow before changes in working capital		31,756,397	248,210,954
Changes in working capital:			
Payables		650,000	825,000
Net cash flows from operating activities		32,406,397	249,035,954
Cash Flows from Financing/Investing Activities			
Property, plant and equipment		-	-
Net cash flows from financing/investing activities		-	-
Increase in cash balances		32,406,397	249,035,954
Cash balances at beginning of the year		482,736,257	233,700,303
Cash balances at end of the year	3	**515,142,654**	**482,736,257**

NOTES TO FINANCIAL STATEMENTS FOR THE YEAR ENDED SEPTEMBER 30, 2024

1. Summary of Significant Accounting Policies

i. Accounting Basis

The financial statements are prepared on modified cash basis of accounting; fixed assets are capitalized based on periodic valuation of project assets that were acquired and expensed in previous periods, in respect of already concluded projects, the assets of which have been ceded to the organization.

ii. Income and Expenditure

Income and expenditure are reported on the basis of actual amounts of receipts and disbursements during the period, except for the accrual of the independent auditor's fee.

iii. Foreign Currency Transactions.

Transactions in foreign currency are translated to naira at the exchange rates prevailing on the dates of the transactions. Foreign currency balances at the reporting date are converted to Naira at the exchange rates prevailing on that date.

iv. Depreciation

Depreciation is provided for on a straight line basis at the following annual rates, which are calculated in accordance with the expected useful lives of the assets

Land	Nil
Buildings	3%
Plant and equipment	15%

2. Property, Plant and Equipment

	Land	Buildings	Plant & Equip	Total
	N	N	N	N
Cost/Valuation				
At beginning of the year	31,880,000	99,207,500	19,427,500	150,515,000
Additions	-	-	-	-
At end of the year	31,880,000	99,207,500	19,427,500	150,515,000
Depreciation				
At beginning of the year	-	8,928,675	8,742,375	17,671,050
Charge in the year	-	2,976,225	2,914,125	5,890,350
At end of the year	-	11,904,900	11,656,500	23,561,400
Net Book Value				
At end of the year	31,880,000	87,302,600	7,771,000	**126,953,600**
At beginning of the year	31,880,000	90,278,825	10,685,125	**132,843,950**

(The assets costs/valuation at beginning of the year were as per professional valuation in 2021)

JUSTICE DEVELOPMENT AND PEACE INITIATIVE
IN MAIDUGURI DIOCESE

NOTES TO FINANCIAL STATEMENTS FOR THE YEAR ENDED SEPTEMBER 30, 2024 (CONT'D)

	2024 N	2023 N
3. Cash/Bank Balances		
Ending bank/cash balances, Misereor/KZE project	29,612,631	(6,316,781)
Ending bank/cash balances, CRS projects	(80,238,759)	11,147,782
Ending bank/cash balances, Caritas projects	564,429,490	478,852,265
Ending bank/cash balances, CCFN projects	1,339,292	(947,009)
	515,142,654	**482,736,257**
4. Payables		
Audit fee payable	**2,000,000**	**1,350,000**
5. Accumulated Fund		
Balance at beginning of the year	614,230,207	371,909,603
Excess of income over expenditure	25,866,047	242,320,604
Balance at end of the year	**640,096,254**	**614,230,207**
6. Funding Partners' Disbursements		
Misereor/KZE	68,770,466	22,663,212
CCFN	111,302,512	47,125,935
Caritas, Germany	1,290,113,315	1,053,287,813
CRS/USAID	840,680,347	515,934,579
NHF	217,558,000	-
	2,528,424,640	**1,639,011,539**
7. Project Costs, Misereor/KZE Projects		
Community-based rural water and peace building programme	**32,841,054**	**29,166,668**
8. Project Costs, Caritas Germany Projects		
ECHO/Sahara; food & WASH assistance to IDPs	262,180,323	164,231,036
BMZ; strengthening resilience of vulnerable households	657,833,121	175,652,988
GFFO; food security & humanitarian protection	216,343,253	201,959,223
MHPSS; support of insurgency victims	11,896,828	95,986,682
Psychosocial support and training	59,769,431	-
	1,208,022,956	**637,829,929**

**NOTES TO FINANCIAL STATEMENTS FOR THE
YEAR ENDED SEPTEMBER 30, 2024 (CONT'D)**

	2024 N	2023 N
9. Project Costs, CCFN Projects		
Norway; assistance to conflict affected communities	49,403,896	31,185,785
NORAD/NEXUS	-	17,330,598
Cheerflex	58,490,752	-
	107,894,648	**48,516,383**
10. Project Costs, CRS/USAID Projects		
MAMI	3,743,702	-
Impove Alert (IA)	487,816,708	-
Centon Rayuka II (BHA); food, agriculture & WASH	-	406,580,394
THRIVE (BHA); humanitarian assistance	423,439,900	268,175,542
	915,000,310	**674,755,936**
11. Project Costs, NHF		
WASH assistance	**217,558,000**	-
12. Administration Costs		
Depreciation	5,890,350	5,890,350
Audit fee	2,000,000	1,350,000
Other expenses	2,203,493	-
	10,093,843	**7,240,350**

&& OPARA & ONWUBIKO
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December 13, 2024

The Programme Coordinator,
Justice Development and Peace Initiative In Maiduguri Diocese,
Maiduguri,
Borno State

Dear Fr. Okoye,

Audit of Financial Statements for the Year Ended 30 September 2024

We summarize below for your attention some of our observations arising from the audit of the financial statements of the organization for the year ended 30 September 2024. In accordance with generally accepted auditing standards, our audit procedures are intended primarily to enable us express an opinion on the financial statements. The matters that we have mentioned should, therefore, not be regarded as exhaustive.

1. Fixed Assets
Observations
(i)The assets register has not been promptly updated, and tagged
(ii)The assets register does not have complete information like the amount
(iii)We have not conducted physical verification of the assets as the staff responsible was conspicuously absent during the audit

Recommendations
There should be prompt update of the assets register, and tagging as well for easy tracing

Management Comments
The asset register is currently being updated across all projects. Hopefully, before the end of March 2025.

2. Staff personal files
Observation
These were seen to be loosely kept. A perusal of some files revealed that there were no guarantors for the staff

Recommendation
Care should be exercised in handling staff personal files, and those staff who do not complete documentation should be made to regularize their records

Management Comments
Personnels files are kept in a secured office and only authorized persons have access to the store, however, the files will be rope tagged to prevent any paper from falling off.

3. MHPSS Evaluation Report
Observation
Although this project has officially been closed, however, the external evaluation report is still outstanding as the responsible staff is yet to do so

Recommendation
Arrangements should be made promptly to carry out the external evaluation report considering that the project has been concluded

Management Comments
This is highly noted, and effort is already in place to engage a consultant to conduct the evaluation before the end of first quarter 2025. You will be duly notified when this activity is done.

4. Administrative Costs
Observation
We have not examined the office accounting records/sustainability account. We believe that there could be some transactions therein. For instance, the payment of last year's audit fee, and possibly other expenses, could have been made therefrom. Consequently, we have shown in the audited financial statements under administrative costs, some transactions that could not be adequately accounted for.

Recommendation
The office accounting records/sustainability account should be made available so that if there are transactions that have a direct bearing on the financial statements, these would be adequately adjusted for.

Management Comments
JDPC Maiduguri being exclusively dependent on project, the sustainability account mentioned only houses the indirect cost recovered from project when made available and it is only used or spent when the need arises, basically there are just few transactions that are conducted from the account, this is noted and accounts will be made available next time.

We remain grateful for the opportunity to continue to render our services to your organization, and for the cooperation received from Management and Staff during the audit.

Kindly inform us if you require any explanation concerning the matters we have mentioned.

Yours faithfully,
For: Opara & Onwubiko

D. I. ONWUBIKO
Managing Partner