

**Sierra Leone Institution
of Engineers**



EKA

EMILE KARGBO AND ASSOCIATES
Chartered Accountants & Business Consultants

LOCATION: 2nd Floor, CLC Bookshop
92 Circular Road, Freetown, Sierra Leone
Tele: +232-22-226624
Email: eskargbo@yahoo.com

Financial Statements
for the year 1 January 2021 to
31 December 2021

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General information

Background

The Sierra Leone Institution of Engineers and Professional Engineers Registration Council is an off-shoot of the Sierra Leone Association of Technologists which was formed in the early sixties.

The Association of Technologists brought together professionals such as Engineers, Architects, Surveyors, Town Planners, Radiographers and Laboratory Technologists with the aim and objective of promoting the technical and professional development of its members.

The membership of the Association grew in size and it was soon realised that the majority of its members were Engineers, and that the Sierra Leone Association of Technologists could not fully address the problems relating to the practice of engineering in Sierra Leone. This led to the formation of the Sierra Leone Institution of Engineers around 1970, with aims and objectives of enhancing the practice of engineering; paying attention to technical and ethical standards.

During the first decade of its existence, the Sierra Leone Institution of Engineers became one of the most dynamic and influential professional bodies in the country. The Institution held lectures, debates and seminars, addressed matters of national interest as well as the concerns of engineers and the issuance by the Professional Engineering Registration Council (PERC) of licence to qualified engineers as a prerequisite to practice the profession.

The Institution initiated the process, through the Minister of Works enabling Act which was passed into law on 13th June, 1990, to regulate the practice of Engineering within the country. At the time, a total of 104 Engineers were registered; presently there are over 1200 registered members made up of Fellows, Corporate Members, and Associate Members covering the disciplines of Civil, Mechanical, Electrical, Mining and Agricultural Engineering.

The Institution is striving to promote and maintain sound engineering practice and is fostering links between the University, Industry, Schools and the general public.

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General information (Continued)

Council Members

Ing. Trudy Morgan	President
Ing. Prof. J. A. S. Redwood-Sawyer	Immediate Past President
Ing. Festus S Oba Agwu-Jones	Vice President
Ing. Christopher Forster	Vice President
Ing. Georgette Greene	Vice President
Ing. Rugiatu B. Koroma	Secretary General
Ing. Afriyie Assamany	Treasurer
Ing. Yassin Bangura	Financial Secretary
Ing. Frederick Bruce	Registrar
Ing. Mohamed Kargbo	Editor
Ing. Prince Coulson-Olowu	Publicity Secretary
Ing. Abdul Rahman Conteh	Conference Secretary
Ing. Mohamed Wuroh Timbo	Deputy Secretary General
Ing. David A. C. Jarrett	Deputy Treasurer
Ing. Nicholas Mark Gardner	Member (Engineering Consultancies)
Ing. Jacob Lahai Tarlowoh	Member (Construction Industries)
Ing. John Bockarie Kamara	Member (Parastatals)
Ing. Olaoluwa Ogunfeyitimi	Member (Manufact Industries)
Ing. Velma Labor	Sierra Leone Women Engineers
Ing. Dr. Samba Sesay	Member (University of Sierra Leone)
Ing. R. R. Wilhelm	Executive Secretary

Bankers

Rokel Commercial Bank (SL) Limited
 Siaka Stevens Street

Solicitor

Mr Adewale Showers Esq

Auditors

Emile Kargbo & Associates
 Chartered Accountants & Business Consultants
 15 Old Railway Line, Brookfields
 Freetown, Sierra Leone

Office

Government Compound
 New England Ville, Freetown

**Sierra Leone Institution of Engineers
Financial statements**

Report of the auditors, Emile Kargbo & Associates to the stakeholders of Sierra Leone Institution of Engineers

for the year 1 January 2021 to 31 December 2021

Opinion

We have audited the financial statements of Sierra Leone Institution of Engineers, which comprise the statement of financial position as at 31 December 2021, and the statements of comprehensive income for the year then ended, and notes to the financial statements, which include a summary of significant accounting policies and other explanatory notes, as set out on pages 8 to 13.

In our opinion, the accompanying financial statements present fairly, in all material respects the financial position of the Institution as at 31 December 2021 and of its financial performance and its cash flows for the year then in accordance with International Financial Reporting Standards.

Basis of 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 are independent of the Institution in accordance with the ethical requirements that are relevant to our audit of the financial statements in Sierra Leone, and we have fulfilled our other ethical responsibilities in accordance with these 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

Management is responsible for the preparation and fair presentation of the financial statements in accordance with International Financial Reporting Standards and in the manner required by the relevant laws of Sierra Leone. These responsibilities include: designing, implementing and maintaining internal controls relevant to the preparation and fair presentation of financial statements that are free from material misstatement, whether due to fraud or error, selecting and applying appropriate accounting policies; and making accounting estimates that are reasonable in the circumstances.

In preparing the financial statements, management is responsible for assessing the Institution'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 management either intends to liquidate the Institution or to cease operations, or has no realistic alternative but to do so.

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



To the stakeholders of Sierra Leone Institution of Engineers (continued)

Auditors' 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 misstatements, 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 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, individual or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

As part of an audit in accordance with ISAs, we exercise professional judgment 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 understanding of internal controls 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 Institution's internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.
- Conclude on the appropriateness of 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 doubt on the Institution's ability 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.



**Sierra Leone Institution of Engineers
Financial statements
for the year 1 January 2021 to 31 December 2021**



Emile I S Kargbo

Emile Kargbo & Associates

15 Old Railway Line, Brookfield, Freetown

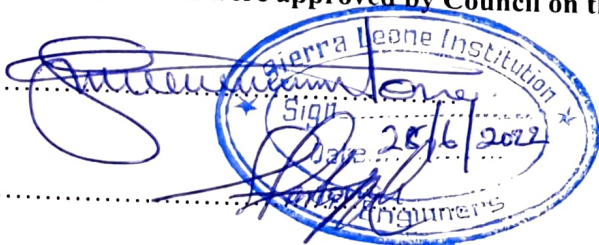
Date: 28 June 2022

Sierra Leone Institution of Engineers
Financial statements
for the year 1 January 2021 to 31 December 2021

Statement of financial position
as at 31 December 2021

	31 Dec. 2021 LE	31 Dec. 2020 LE
Assets		
<i>Non-current assets</i>		
Properties, plant and equipment	1 <u>41,875,460</u>	<u>51,752,440</u>
Current assets		
Receivables	2 8,333,333	-
Cash and bank balances	3 <u>129,635,587</u>	<u>72,240,157</u>
Total current assets	<u>146,302,253</u>	<u>72,240,157</u>
Total assets	<u>188,177,713</u>	<u>123,992,597</u>
Fund balances and liabilities		
Accumulated fund	4 <u>150,285,530</u>	<u>110,292,596</u>
Payables		
Other payables	5 <u>37,892,184</u>	<u>13,700,000</u>
Total fund balances and liabilities	<u>188,177,714</u>	<u>123,992,596</u>

These financial statements were approved by Council on the June 28, 2022



President

Secretary General



Sierra Leone Institution of Engineers
Financial statements
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Statement of income and expenditure
for the period 1 January 2021 to 31 December 2021

		31 Dec. 2021 LE'000	31 Dec. 2020 LE'000
Income			
Membership fees	6	395,720,000	312,970,000
Contributions from members and institutions	7	100,969,213	140,727,000
Other income	8	59,210,284	42,450,114
Income from programme activities		-	-
Net total income		<u>555,899,497</u>	<u>496,147,114</u>
Expenditure on conference, public lectures and notice	9	(55,884,150)	0
Administrative expenses	10	(439,463,893)	(425,102,492)
Surplus		<u><u>60,551,454</u></u>	<u><u>71,044,622</u></u>



(a) **Statement of compliance**

The financial statements have been prepared in accordance with Generally Accepted Accounting Practices

(b) **Basis of preparation**

The financial statements have been prepared under the historical cost convention.

(c) **Reporting currency**

All amounts are stated in Leone

(d) **Foreign currency transactions**

Transactions in foreign currencies are translated to Leone at the foreign exchange rate ruling at the date of the transactions. Monetary assets and liabilities denominated in foreign currencies at the balance sheet date are translated to Leone at the Foreign exchange rate ruling at that date. Foreign exchange differences arising on translation are recognised in the statement of income and expenditure.

(e) **Income**

Income is accounted for on a cash basis (i.e. when actually received and not when due)

(f) **Expenses**

Expenses are accounted for on a cash basis, as and when payments are made

(g) **Fixed assets**

Fixed assets are stated at cost less accumulated depreciation.

(h) **Depreciation**

Depreciation is charged to the statement of income and expenditure in equal annual instalment over the estimated useful lives of items of property, plant and equipment.

The rates of depreciation are:

- Electronics 33%
- Furniture and Fittings 15%

(i) **Investments**

Investments are stated at cost.

Sierra Leone Institution of Engineers
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Notes to the financial statements

1 Property and equipment

Cost	Land and buildings LE	Motor Vehicles LE	Equipment & Furniture LE	Total LE
Balance as at 1 January 1	48,641,090	8,900,000	54,084,900	111,625,990
Additions	-	3,400,000	-	3,400,000
Balance as at 31 December 2021	48,641,090	12,300,000	54,084,900	115,025,990
Depreciation				
Balance as at 1 January 2021	-	1,780,000	58,093,550	59,873,550
Charge for the year	-	2,460,000	10,816,980	13,276,980
Balance as at 31 December 2021	-	4,240,000	68,910,530	73,150,530
Carrying Amount				
As at 1 January 2021	48,641,090	7,120,000	- 4,008,650	51,752,440
As at 31 December 2021	48,641,090	8,060,000	- 14,825,630	41,875,460

2 Staff loan

	31 Dec. 2021 LE	31 Dec. 2020 LE
Staff loan	8,333,333	-
Prepayments	-	-
	8,333,333	-

3 Cash and bank balances

	31 Dec. 2021 LE	31 Dec. 2020 LE
Cash at bank	129,635,587	72,240,157
Cash in hand	-	-
Total bank and cash balances	129,635,587	72,240,157

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Notes to the financial statements

4 Accumulated fund

	31 Dec. 2021	31 Dec. 2020
Balance brought forward	LE	LE
Surplus for the period	110,292,596	60,948,089
Prior year adjustment (cut off issue)	60,551,454	71,044,622
	<u>(20,558,520)</u>	<u>(21,700,114)</u>
Balance carried forward	<u>150,285,530</u>	<u>110,292,596</u>

5 Other payables

	31 Dec. 2021	31 Dec. 2020
Accrued terminal benefits	LE	LE
Accrued audit fees	17,692,184	0
	<u>20,200,000</u>	<u>13,700,000</u>
	<u>37,892,184</u>	<u>13,700,000</u>

6 Membership fees

	31 Dec. 2021	31 Dec. 2020
	LE	LE
Fellow membership	30,800,000	17,800,000
Corporate membership	88,250,000	89,780,000
Associate membership	600,000	1,400,000
Graduates	22,400,000	23,200,000
Application and registration fees	10,200,000	4,240,000
Corporate fees	17,500,000	10,000,000
SLIE/PERC Fees jointly received	127,830,000	110,580,000
Arrears from members	5,060,000	4,250,000
Student membership	2,580,000	720,000
Net refund from PERC	90,000,000	51,000,000
Certificate of Membership	500,000	-
	<u>395,720,000</u>	<u>312,970,000</u>

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Notes to the financial statements

Contributions from members and institutions

	31 Dec. 2021	31 Dec. 2020
	LE	LE
Donations towards AGM	30,000,000	-
Annual Thanksgiving	37,728,000	25,620,000
Donation towards Secretariat	14,596,213	78,100,000
Contribution towards Annual Thanks Giving	-	13,607,000
Contribution towards bereaved	1,000,000	5,400,000
Donations towards NSE Conference	17,645,000	18,000,000
	100,969,213	140,727,000
	100,969,213	140,727,000

Other income

	31 Dec. 2021	31 Dec. 2020
	LE	LE
Board sitting fees	27,186,000	19,021,000
Sales of ties, lapel, pin, stickers	4,980,000	3,245,000
Interest received	453,377	74,543
Sundry income	2,800,213	50,000
Net income from special projects	8a 23,790,694	20,059,571
	59,210,284	42,450,114
	59,210,284	42,450,114

8a Special projects

	31 Dec. 2021	31 Dec. 2020
	LE	LE
Income for use of SLIE	-	-
SPHEIR Project	163,978,978	168,647,842
Payment to staff on secondment from SLIE	(140,188,284)	- 148,588,271
	23,790,694	20,059,571
	23,790,694	20,059,571

Notes to the financial statements

Expenditure on programme activities

	31 Dec. 2021	31 Dec. 2020
	LE	LE
Training	750,000	-
Expenditure on biennial conference	4,000,000	-
SLIE 50th Anniversary	16,750,000	-
NSE Conference	11,644,150	-
Production of SLIE tie	6,250,000	-
Thanksgiving	16,490,000	-
	<u>55,884,150</u>	<u>-</u>

Administrative expenses

	31 Dec. 2021	31 Dec. 2020
	LE	LE
Salaries and allowances	285,529,607	274,438,195
Terminal benefits	17,692,184	17,692,184
Overseas travel	5,000,000	10,000,000
Printing, photocopying and transportations	4,677,500	100,000
Council meetings	200,000	750,000
Stationery and computer consumables	9,893,250	2,525,000
Fuel and lubricants	4,125,000	1,980,000
Maintenance and repairs	7,025,000	7,895,000
Internet services	19,320,000	19,320,000
Security services	22,000,000	18,000,000
Audit fees	6,500,000	6,500,000
Publications	4,800,000	-
Sundry expensess	5,447,130	7,514,948
Bank charges	3,139,872	3,586,634
Gifts and donations	4,000,000	15,000,000
Website renewal	-	11,453,551
Professional Subscriptions	12,837,370	-
Electricity bills	12,000,000	13,000,000
Entertainment	2,000,000	2,750,000
Depreciation charges	13,276,980	12,596,980
	<u>439,463,893</u>	<u>425,102,492</u>

Notes to the financial statements

12 Capital commitments

There was no capital commitment as at 31 December 2021 (31 December 2020: Nil).

13 Contingent liabilities

There was no contingent liability as at 31 December 2021 (31 December 2020: Nil).

14 Income tax

Sierra Leone Institution of Engineers is exempted from income tax under section (8) and (9) of the Income Tax Act, 2000.