



Center for Fiscal Transparency and Integrity Watch
Audited Financial Statements
For the Year Ended
31st December, 2021

Center for Fiscal Transparency and Integrity Watch
Audited Financial Statements for the year ended 31 December, 2021
Together with Directors' and Auditor's Report

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Corporate Information

Board of Trustees:	Obot Udofia Angela Ifeyinwa Nworgu Umar Yakubu Hon.Kayode Oladele Nelson Aluya
Registered Office:	21, First Floor, Off Adetunbo, Ademola Crescent, Wuse II, Abuja - Nigeria.
Business Office:	Office Address: No. 11 Ado-Ekiti Close, Off Emeka Anyaoku Street, Area 11, Garki – Abuja.
Independent Auditor:	Umuhefe & Co. Suite 2.04, Willands Plaza, Plot 511 Herbert Macaulay Way, Zone 4, Wuse Abuja
Banker:	Stanbic IBTC Bank Plc
Registration number	CAC/IT/No.84478

TRUSTEES' REPORT

1 FINANCIAL STATEMENTS

The Trustees submit their report together with the financial statements of the Company for the year ended 31st December 2021.

2 LEGAL FORM

Center for Fiscal Transparency and Integrity Watch is a private limited company incorporated in Nigeria under the Companies and Allied Matters Act, CAP C20, LFN 2020. The Entity was incorporated as a limited liability company by Corporate Affairs Commission on the 4th February, 2016 with registration number CAC/IT/No.84478 in pursuant of the provision contained in the Companies and Allied Matters Act 2020.

3 RESULTS FOR THE YEAR

The result for the year are set out on page 8 of the Audited Financial Statements.

4 PRINCIPAL ACTIVITIES

The principal activity of the Entity continue to be the provision of training and retraining, humanitarian services and every other public awareness against fraud and injustice as contained in the Entity's Constitution.

5 TRUSTEES

The names of the Trustees who held office during the year and as at the date of this report are as follows:

Obot Udofia	- Trustee
Angela Ifeyinwa Nworgu	- Trustee
Umar Yakubu	- Trustee
Hon.Kayode Oladele	- Trustee
Nelson Aluya	- Trustee

6 TRUSTEES' INTEREST IN THE ENTITY ACTIVITIES

No TRUSTEE has notified the ENTITY in accordance with section 277 of the Companies and Allied Matters Act, CAP C20, LFN 2004, of their direct or indirect interest in the activities or proposed activities with the Entity during the year under review.

7 TRUSTEES' RESPONSIBILITIES

The Trustees are responsible for the preparation and fair presentation of these financial statements in accordance with the requirements of the Companies and Allied Matters Act, CAP C20 LFN, 2004 and the relevant provisions of the Financial Reporting Council of Nigeria Act No 6, 2011. 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;
- judgments 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.

9 PROPERTY, PLANT AND EQUIPMENT

Movements in property, plant and equipment during the year are shown in Note 17. In the opinion of the Directors, the market value of the Company's properties is not less than the value shown in the financial statements.

10 DONATIONS AND GIFTS

In accordance with Section 38(2) of the Companies and Allied Matters Act CAP C20 LFN, 2004, the Company did not make any donation or gift to any political party, political association or for any political purpose in the course of the year under review.

11 EMPLOYMENT AND EMPLOYEES

i. Employment of disabled persons

It is the policy of the Company that there is no discrimination in consideration of applications for employment including those from disabled persons. All employees whether or not disabled are given equal opportunities to develop their experience and knowledge and to qualify for promotion in furtherance of their careers.

ii. Health, Safety and Welfare

Health and safety regulations are in force within the company's premises and employees are encouraged to ensure adherence. The employees who are covered by appropriate insurance and health care schemes designed to secure and protect them. The Company provides subsidies to all levels of employees for transportation, housing, etc. in line with the industry standards.

iii. Employee Involvement and training

Realising that employees are one of the most important assets of the Company, efforts are made to enhance their skills, knowledge and productivity through a range of skill development schemes including in-house on-the-job training courses provided by various professional associations as well as educational institutions where deemed necessary.

12 EVENTS AFTER REPORTING DATE

There were no significant subsequent events, which could have had a material effect on the state of affairs of the Company as at 31 December, 2021 and the operating result for the year then ended which have not been adequately provided for or disclosed in the financial statements.

13 AUDITORS

The Company's auditors Umuhefe & Co. (Chartered Accountants) have indicated their willingness to continue in office in accordance with Section 357(2) of the Companies and Allied Matters Act, CAP C20 LFN 2004. A resolution will be proposed authorising the Directors to fix their remuneration.

By Order of the Board

Abuja, Nigeria
Date:.....

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Statement of Trustees' Responsibilities in Relation to Financial Statements for the Year ended 31 December, 2021.

The Trustees accept responsibility for the preparations of the annual financial statements set out on pages 8 to 26 that give a true and fair view in accordance with International Financial Reporting Standards (IFRS) and in the manner required by the Companies and Allied Matters Act CAP C20, LFN 2004.

The Trustees further accept responsibility for maintaining adequate accounting records as required by the Companies and Allied Matters Act CAP C20, LFN 2004 and for such internal controls 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.

The Trustees have made an assessment of the Entity's ability to continue as a going concern and have no reason to believe the company will not remain a going concern in the year ahead.

Signed on behalf of the Board of Trustees by:

.....
Signature

Trustee

....., 2022

.....
Signature

Trustee

....., 2022

Independent Auditor's Report to The Members of Center for Fiscal Transparency and Integrity Watch

We have audited the accompanying Financial Statement of Center for Fiscal Transparency and Integrity Watch for the financial year ended 31st December 2021 set out on pages 8 to 11 which have being prepared based on the accounting policies set out on pages 12 to 24.

Respective Responsibilities of Trustees' and Independent Auditors

The Trustees are responsible for the preparation and fair presentation of this statement of affairs in accordance with International Financial Reporting Standards issued by the International Accounting Standards Board, and in compliance with the relevant provisions of the Financial Reporting Council of Nigeria Act, No. 6, 2011 and the Companies and Allied Matters Act, CAP C20, LFN 2020. This responsibility also includes: 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.

It is our responsibility to express an independent opinion based on our audit, on the statement of affairs prepared by the directors.

Basis of opinion

We conducted our audit in accordance with International Standards on Auditing. Those standards require that we comply with ethical requirements, plan and perform our audit to obtain reasonable assurance that the statement of affairs is free from material misstatements. An audit involves performing procedures to obtain and examine, on a test basis, audit evidence about amounts and disclosures in the financial statements.

The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement in the financial statements, whether due to fraud or error. In making those risk assessments, the auditors consider 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 opinion on the effectiveness of the company's internal control.

An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of accounting estimates made by the directors in the preparation of the financial statements 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. We also confirm that we have obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purpose of the audit.

Opinion

In our opinion,

- i. Proper books of account have been kept by the company;
- ii. The statement of affairs referred to above, which are in agreement with the books of account, give a true and fair view of the state of affairs of the company as at 31st December, 2021 in accordance with International Financial Reporting Standards and the relevant provisions of the Financial Reporting Council of Nigeria Act No. 6, 2011 and the Companies and Allied Matters Act, CAP C20, LFN 2020.
- iii. The company's statement of affairs is in agreement with the books of account.

Umuhefe & Co.
Abuja, Nigeria.
FRC/2014/ICAN/00000008012



Umuhefe & Co.
(Chartered Accountants)

**STATEMENT OF INCOME AND EXPENDITURE AND OTHER COMPREHENSIVE INCOME
FOR THE YEAR ENDED 31 DECEMBER 2021**

	Notes	2021 ₦'000	2020 ₦'000
Un-Restricted Income	6	112,500	101
Direct Operating activities	7	<u>(27,248)</u>	<u>(5,958)</u>
Surplus of income over expenditures		85,252	(5,857)
Administrative expenses	8a	<u>(85,004)</u>	<u>(1,811)</u>
Profit from operations		<u>247</u>	<u>(7,668)</u>
Finance expenses	9	<u>(267)</u>	<u>(1)</u>
Surplus/(Deficit) for the year after Finance Charge		(20)	(7,669)
Tax expense	10	<u>-</u>	<u>-</u>
Surplus/(Deficit) for the year		<u>(20)</u>	<u>(7,669)</u>
Other comprehensive income	8b	<u>8,962</u>	<u>-</u>
		<u>8,943</u>	<u>(7,669)</u>

The accompanying notes and significant accounting policies on pages 12 to 24 form an integral part of these financial statements.

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STATEMENT OF FINANCIAL POSITION AS AT 31 DECEMBER 2021

	Notes	31st December 2021 N'000	31st December 2020 N'000
Non-current assets			
Property, plant and equipment	17	2,219	1,540
		<u>2,219</u>	<u>1,540</u>
Current assets			
Inventories	11	-	348
Cash and cash equivalents	13	8,962	131
		<u>8,962</u>	<u>479</u>
Total Assets		<u>11,182</u>	<u>2,019</u>
Equity			
Accumulated Funds	14	8,630	8,630
Retained earnings		<u>2,332</u>	<u>(6,611)</u>
Total Equity		<u>10,962</u>	<u>2,019</u>
Current liabilities			
Accrued Expenses	16	220	-
		<u>220</u>	<u>-</u>
Total liabilities and equity		<u>11,182</u>	<u>2,019</u>

The financial statements and notes to the financial statements were approved by the Board of directors on and signed on its behalf by:

 Director

 Director

The accompanying notes and significant accounting policies on pages 12 to 24 form an integral part of these financial statements.

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STATEMENT OF CHANGES IN EQUITY FOR THE YEAR ENDED 31 DECEMBER 2021

	Accumulated Fund N'000	Retained Earnings N'000	Total equity N'000
Balance at 1 January 2021	8,630	(6,611)	2,019
Profit for the year	-	(20)	(20)
Other comprehensive income	-	8,962	-
Balance at 31 December 2021	<u>8,630</u>	<u>2,332</u>	<u>1,999</u>
	Accumulated Fund N'000	Retained Earnings N'000	Total equity N'000
Balance at 1 January 2020	8,630	1,058	9,688
Profit for the year	-	(7,669)	(7,669)
Balance at 31 December 2020	<u>8,630</u>	<u>(6,611)</u>	<u>2,019</u>

The accompanying notes and significant accounting policies on pages 12 to 24 form an integral part of these financial statements.

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STATEMENT OF CASH FLOWS FOR THE YEAR ENDED 31 DECEMBER 2021

		31st December	31st December
		2021	2020
	Notes	N'000	N'000
Cash flows from operating activities			
Profit/(loss) before taxation		8,943	(7,669)
<i>Adjustment to reconcile net income to net cash provided by operating activities:</i>			
Finance expense	9	267	1
Depreciation of property, plant and equipment	17	2,095	1,540
		<u>11,305</u>	<u>(6,128)</u>
Decrease/ (Increase) in inventories	11	348	245
(Increase)/ decrease in trade and other receivables	12	-	-
Increase/ (decrease) in trade and other payable	15	-	-
Increase/ (decrease) in accruals	16	220	-
		<u>11,872</u>	<u>(5,883)</u>
Cash generated in operating activities			
Finance expense paid		(267)	(1)
Income tax paid	18	-	-
		<u>11,605</u>	<u>(5,884)</u>
Net cash outflows from operating activities			
Total comprehensive profit			
Purchase of property, plant and equipment	17	(2,774)	-
Net cash outflows from investing activities		<u>(2,774)</u>	<u>-</u>
Cash flow from financing activities			
Accumulated Funds		-	-
		<u>-</u>	<u>-</u>
Net increase in cash and cash equivalents		8,831	(5,884)
Cash and cash equivalent at the beginning of the year	13	131	6,015
Cash and cash equivalents at the end of the year	13	<u>8,962</u>	<u>131</u>

The accompanying notes and significant accounting policies on pages 12 to 24 form an integral part of these financial statements.

NOTES TO THE FINANCIAL STATEMENTS (cont'd)

1. Reporting entity

Center for Fiscal Transparency and Integrity Watch is a private limited company incorporated in Nigeria under the Companies and Allied Matters Act, CAP C20, LFN 2020. The Entity was incorporated as a limited liability company by Corporate Affairs Commission on the 4th February, 2016 with registration number CAC/IT/No.84478 in pursuant of the provision contained in the Companies and Allied Matters Act 2020.

The principal activity of the Entity continue to be the provision of training and retraining, humanitarian services and every other public awareness against fraud and injustice as contained in the Entity's Constitution.

These financial statements for the year ended December 31st, 2021 were approved for issue by the Board of Directors on 2022.

2. Basis of preparation

(a) Statement of compliance

The financial statements have been prepared in accordance with International Financial Reporting Standards (IFRS) as issued by the International Accounting Standards Board (IASB) and the requirements of the Companies and Allied Matters Act, CAP C20 LFN, 2004.

(b) Basis of measurement

The financial statements have been prepared under the historical cost concept except for certain financial instruments measured at fair value.

(c) Functional and presentation currency

Items included in these financial statements of the Company are measured using the currency that best reflects the economic substance of the underlying events and circumstances relevant to that entity ("the functional currency"). These financial statements are presented in Nigerian Naira(N), which is the Company's functional currency. The financial information has been rounded to the nearest thousands, except as otherwise indicated.

(d) Going concern

The director assesses the Company's future performance and financial position on a going concern basis and have no reason to believe that the Company will not be a going concern in the year ahead. For this reason, the financial statements have been prepared on a going concern basis.

(e) Use of significant estimates, assumptions and management judgement

The presentation of the Company's financial statements requires management to make estimates and judgement that affect the reported amount of assets and liabilities at the reporting date and the reported amount of income and expenses during the year ended.

The Company makes estimates and assumptions about the future that affect the reported amounts of assets, liabilities, income, expenses and equity. Estimates and judgments are continually re-evaluated and are based on historical experience and other factors, including expectations of future events that are believed to be reasonable under the circumstances. Actual results may differ from these estimates.

The effect of a change in an accounting estimate is recognized prospectively by including it in statement of profit or loss in the period of the change, if the change affects that period only; or in the period of the change and future periods, if the change affects both.

Information about significant areas of estimation, uncertainty and critical judgements in applying accounting policies that have the most significant effect on the amounts recognized in the financial statements are included in the Note to the financial statements.

3. Standard, amendments and interpretations to existing standard that are not yet effective and have not been adopted early by the Company

At the date of authorisation of these financial statements, certain new standards, amendments and interpretations to existing standards have been published by the IASB but are not yet effective, and have not been adopted early by the Company.

The following new/amended accounting standards and interpretations have been issued, but are not mandatory for the financial year ended 31 December 2017. They have not been adopted in preparing the financial statements for the year ended 31 December 2017 and are expected to affect the entity in the period of initial application. In all cases the entity intends to apply these standards from application date as indicated in the table below.

NOTES TO THE FINANCIAL STATEMENTS (cont'd)

Standards and amendments issued but yet to take effect				
IFRS Reference	Title and Affected Standard(s)	Nature of change	Application date	Impact on initial Application
IFRS 9 (2014) (issued July 2014)	Financial Instruments	<p>Classification and measurement</p> <p>Financial assets will either be measured</p> <ul style="list-style-type: none"> - at amortised cost. - fair value through other - statement of profit or loss (FVTOCI) or - fair value through profit or loss - (FVTPL). <p>Impairment</p> <p>The impairment model is a more 'forward looking' model in that a credit event no longer has to occur before credit losses are recognised. For financial assets measured at amortised cost or fair value through other statement of profit or loss (FVTOCI), an entity will now always recognise (at a minimum) 12 months of expected losses in profit or loss. Lifetime expected losses will be recognised on these assets when there is a significant increase in credit risk after initial recognition.</p> <p>Hedging</p> <p>The new hedge accounting model introduced the following key changes:</p> <ul style="list-style-type: none"> -Simplified effectiveness testing, including removal of the 80-125% highly effective threshold -More items will now qualify for hedge accounting, e.g. pricing components within a non-financial item, and net foreign exchange cash positions -Entities can hedge account more effectively the exposures that give rise to two risk positions (e.g. interest rate risk and foreign exchange risk, or commodity risk and foreign exchange risk) that are managed by separate derivatives over different periods -Less profit or loss volatility when using options, forwards, and foreign currency swaps -New alternatives available for economic hedges of credit risk and 'own use' contracts which will reduce profit or loss volatility. 	Annual reporting periods commencing on or after 1 January 2019	The first time application of IFRS 9 will have a wide and potentially very significant impact on the accounting for financial instruments. The new impairment requirements are likely to bring significant changes for impairment provisions for trade receivables, loans and other financial assets not measured at fair value through profit or loss. Due to the recent release of this standard, the entity has not yet made a detailed assessment of the impact of this standard.
IFRS 15 Issued in May 2014	Revenue from contracts with customers	IFRS 15 contains comprehensive guidance for accounting for revenue and will replace existing requirements which are currently set out in a number of Standards and Interpretations. The standard introduces significantly more disclosures about revenue recognition and it is possible that new and/or modified internal processes will be needed in order to obtain the necessary information. The Standard requires revenue recognised by an entity to depict the transfer of promised goods or services to customers in an amount that reflects the consideration to which the entity expects to be entitled in exchange for those goods or services. This core principle is delivered in a five-step model framework: (i) Identify the contract(s) with a customer (ii)Identify the performance obligations in the contract (iii)Determine the transaction price (iv)Allocate the transaction price to the performance obligations in the contract (v)Recognise revenue when (or as) the entity satisfies a performance obligation.	1 January 2019	The Board is currently reviewing the impact the standard may have on the preparation and presentation of the financial statements when the standard is adopted. Consideration will be given to the following: (i)At what point in time the Company recognises revenue from each contract whether at a single point in time or over a period of time; (ii) whether the contract needs to be 'unbundled' into two or more components; (iii)how should contracts which include variable amounts of consideration be dealt with;

NOTES TO THE FINANCIAL STATEMENTS (cont'd)

Standards and amendments issued but yet to take effect				
IFRS Reference	Title and Affected Standard(s)	Nature of change	Application date	Impact on initial Application
				(iv) what adjustments are required for the effects of the time value of money; (v) what changes will be required to the Company's internal controls and processes.
IFRS 16 issued in January 2017	Leases	<p>IFRS 16 provides a single lessee accounting model, requiring lessees to recognise assets and liabilities for all leases unless the lease term is 12 months or less or the underlying asset has a low value. Lessors continue to classify leases as operating or finance. A contract is, or contains, a lease if it conveys the right to control the use of an identified asset for a period of time in exchange for consideration. Control is conveyed where the customer has both the right to direct the identified asset's use and to obtain substantially all the economic benefits from that use.</p> <p>Accounting by lessees Upon lease commencement a lessee recognises a right-of-use asset and a lease liability. The right-of-use asset is initially measured at the amount of the lease liability plus any initial direct costs incurred by the lessee. After lease commencement, a lessee shall measure the right-of-use asset using a cost model, unless: i) the right-of-use asset is an investment property and the lessee fair values its investment property under IAS 40; or ii) the right-of-use asset relates to a class of PPE to which the lessee applies IAS 16's revaluation model, in which case all right-of-use assets relating to that class of PPE can be revalued. Under the cost model a right-of-use asset is measured at cost less accumulated depreciation and accumulated impairment. The lease liability is initially measured at the present value of the lease payments payable over the lease term, discounted at the rate implicit in the lease if that can be readily determined. If that rate cannot be readily determined, the lessee shall use their incremental borrowing rate.</p>	Annual reporting periods beginning on or after 1 January 2019	The Company is still reviewing the impact the standard may have on the preparation and presentation of the financial statements when the standard is adopted in 2019.
		<p>The lease liability is subsequently re-measured to reflect changes in: - the lease term (using a revised discount rate); - the assessment of a purchase option (using a revised discount rate); - the amounts expected to be payable under residual value guarantees (using an unchanged discount rate); or - future lease payments resulting from a change in an index or a rate used to determine those payments (using an unchanged discount rate).</p> <p>The re-measurements are treated as adjustments to the right-of-use asset. Accounting by lessor Lessor shall continue to account for leases in line with the provision in IAS 17.</p>		

NOTES TO THE FINANCIAL STATEMENTS (cont'd)

4. Critical accounting estimates and judgements

The Company makes certain estimates and assumptions regarding the future. Estimates and judgements are continually evaluated based on historical experience as other factors, including expectations of future events that are believed to be reasonable under the circumstances. In the future, actual experience may differ from these estimates and assumptions. The estimates and assumptions that have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities within the next financial year are:

Income and deferred taxation

The Company usually incurs significant amounts of income taxes payable, and also recognises significant changes to deferred tax assets and deferred tax liabilities, all of which are based on management's interpretations of applicable laws and regulations. The quality of these estimates is highly dependent upon management's ability to properly apply at times a very complex sets of rules, to recognise changes in applicable rules and, in the case of deferred tax assets, management's ability to project future earnings from activities that may apply loss carry forward positions against future income taxes.

(b) Impairment of property, plant and equipment

The Company assesses assets or Companies of assets for impairment annually or whenever events or changes in circumstances indicate that carrying amounts of those assets may not be recoverable. In assessing whether a write-down of the carrying amount of a potentially impaired asset is required, the asset's carrying amount is compared to the recoverable amount. Frequently, the recoverable amount of an asset proves to be the Company's estimated value in use.

(c) Legal proceedings

The Company reviews outstanding legal cases following developments in the legal proceedings and at each reporting date, in order to assess the need for provisions and disclosures in its financial statements. Among the factors considered in making decisions on provisions are the nature of litigation, claim or assessment, the legal process and potential level of damages in the jurisdiction in which the litigation, claim or assessment has been brought, the progress of the case (including the progress after the date of the financial statements but before those statements are issued), the opinions or views of legal advisers, experience on similar cases and any decision of the Company's management as to how it will respond to the litigation, claim or assessment.

(b) to how it will respond to the litigation, claim or assessment.

(c)

5. Summary of significant accounting policies

The accounting policies set out below have been applied consistently to all years presented in these financial statements.

(a) Foreign currency

In preparing the financial statements of the Company, transactions in currencies other than the entity's presentation currency (foreign currencies) are recognised at the rates of exchange prevailing at the dates of the transactions.

At the end of each reporting period, monetary items denominated in foreign currencies are retranslated at the rates prevailing at that date. Non-monetary items carried at fair value that are denominated in foreign currencies are retranslated at the rates prevailing at the date when the fair value was determined. Non-monetary items that are measured in terms of historical cost in a foreign currency are not retranslated.

(b) Revenue

The figure for revenue represents the net value of interest receivable from investments. Revenue represents the fair value of the consideration received or receivable for goods and services delivered to third parties in the ordinary course of the Company's business. Revenue is stated net

The Company recognises revenue when: the amount of revenue can be reliably measured; it is probable that future economic benefits will flow to the entity; and specific criteria have been met for each of the Company's business.

(c) Expenditure

Expenditures are recognized as they accrue during the course of the year. Analysis of expenses recognized in the statement of statement of profit or loss is presented in classification based on the function of the expense as this provides information that is reliable and more relevant than their nature.

NOTES TO THE FINANCIAL STATEMENTS (cont'd)

(d) Taxation

The tax for the period comprises current

Current income tax

The income tax expense for the year comprises current. Tax is recognised in the statement of profit or loss and other statement of profit or loss except to the extent that it relates to items recognised in other statement of profit or loss or directly in equity. In this case, the tax is also recognised in other statement of profit or loss or directly in equity, respectively.

The current income tax charge is calculated on the basis of the tax laws enacted or substantially enacted at the reporting date in Nigeria where the Company operates and generates taxable income.

The tax currently payable is based on taxable profit for the year. Taxable profit differs from profit as reported in the statement of profit or loss and other statement of profit or loss because it excludes items of income or expense that are taxable or deductible in other years, but it further excludes items that are never taxable or deductible. The Company is subject to the following types of current income tax:

- Company Income Tax - This relates to tax on revenue and profit generated by the Company during the year, to be taxed under the Companies Income Tax Act, CAP C21, LFN 2004 as amended to date
- Tertiary Education Tax - Tertiary education tax is based on the assessable income of the Company and is governed by the Tertiary Education Trust Fund (Establishment) Act, LFN 2011 (Amended)

(e) Property, plant and equipment

Recognition and measurement

Items of property, plant and equipment are carried at cost less accumulated depreciation and accumulated impairment losses. Cost includes expenditures that are directly attributable to the acquisition of the assets.

Subsequent costs are included in the asset's carrying amount or recognised as a separate asset, as appropriate, only when it is probable that

Land is not depreciated. Depreciation on other assets is calculated using the straight line method to allocate their costs to their residual values

Motor vehicles	20%
Furniture and fittings	20%
Office equipment	20%
Plant and machinery	20%

The assets' residual values and useful lives are reviewed, and adjusted if appropriate, at each reporting period. An asset's carrying amount is

Gains and losses on disposals are determined by comparing the proceeds with the carrying amount and are recognised within 'other income' in

(f) Impairment of non-financial assets

Non-financial assets other than inventories are reviewed at each reporting date for impairment whenever events or changes in circumstances indicate that the carrying amount may not be recoverable. An impairment loss is recognised for the amount by which the asset's carrying amount exceeds its recoverable amount. The recoverable amount is the higher of an asset's fair value less cost to sell and value in use. For the purposes of assessing impairment, assets are Companyed at the lowest levels for which they have separately identifiable cash flows (cash-generating units).

NOTES TO THE FINANCIAL STATEMENTS (cont'd)

If the recoverable amount of an asset is estimated to be less than its carrying amount, the carrying amount of the asset is reduced to its recoverable amount. An impairment loss is recognised immediately in the profit or loss, unless the relevant asset is carried at a revalued amount, in which case the impairment loss is treated as a revaluation decrease.

Where an impairment loss subsequently reverses, the carrying amount of the asset is increased to the revised estimate of its recoverable amount, but so that the increased carrying amount does not exceed the carrying amount that would have been determined had no impairment loss been recognised for the asset in prior years. A reversal of an impairment loss is recognised immediately in the profit or loss, unless the relevant asset is carried at a revalued amount, in which case the reversal of the impairment is treated as a revaluation increase.

(g) Financial instruments

Financial assets

Financial assets are initially recognised at fair value plus directly attributable transaction costs. Subsequent remeasurement of financial assets is determined by their designation that is revisited at each reporting date.

The classification of financial assets depends on the purpose for which the financial assets were acquired. Management determines the classification of its financial assets at initial recognition. The company's financial assets comprise of 'available for sale financial assets' and 'loans and receivables'.

At each reporting date, the Company assesses whether its financial assets have been impaired. Impairment losses are recognised in the

i) Fair value through other comprehensive income

This category comprises principally the Company's strategic investments in entities not qualifying as subsidiaries, associates or jointly controlled entities. They are carried at fair value with changes in fair value, other than those arising due to exchange rate fluctuations and interest calculated using the effective interest rate, recognised in other comprehensive income statement and accumulated in the available-for-sale reserve. Exchange differences on investments denominated in a foreign currency and interest calculated using the effective interest rate method are recognised in profit or loss.

Where there is a significant or prolonged decline in the fair value of an available for sale financial asset (which constitutes objective evidence

ii) Loans and receivables

Loans and receivables are financial assets with fixed or determinable payments that are not quoted in an active market. Such assets are recognised initially at fair value plus any directly attributable transaction cost. Financial assets classified as loans and receivables are subsequently measured at amortized cost using the effective interest method less any impairment losses. The Company's loans and receivables comprise trade and other receivables and cash and cash equivalents.

Trade receivables

Trade receivables are amounts due from customers for services rendered in the ordinary course of business. If collection is expected within one year or less (or in the normal operating cycle of the business if longer), they are classified as current assets. If not, they are presented as non-current assets.

Trade receivables are recognised initially at fair value and subsequently measured at amortised cost using the effective interest method less provision for impairment. Discounting is ignored if insignificant. A provision for impairment of trade and other receivables is established when there is objective evidence that the Company will not be able to collect all the amounts due according to the original terms of the receivables. Significant financial difficulties of the debtor, probability that debtor will enter bankruptcy and default or delinquency in payment, are the indicators that a trade and other receivable is impaired. The carrying amount of the asset is reduced through the use of an allowance account and the amount of the loss is recognised in the statement of profit or loss within the administrative costs.

NOTES TO THE FINANCIAL STATEMENTS (cont'd)

The amount of the impairment provision is the difference between the asset's nominal value and the recoverable value, which is the present value of estimated cash flows, discounted at the original effective interest rate. Changes to this provision are recognised under administrative costs. When a trade receivable is uncollectable, it is written off against the provision for trade receivables.

iii) Cash and cash equivalents

For the purposes of statement of cash flows, cash comprises cash in hand and deposits held at call with banks and other financial institutions.

iv) Financial assets at fair value through profit or loss

This category has two sub-categories: financial assets held-for-trading, and those designated at fair value through profit or loss at inception.

v) Derecognition of financial assets

The Company derecognises a financial asset only when the contractual rights to the cash flows from the asset expires, or when it transfers substantially all the risks and rewards of ownership of the asset to another entity. On derecognition of a financial asset in its entirety, the difference between the asset's carrying amount and the sum of the consideration received and receivable and the cumulative gain or loss that had been recognised in other statement of profit or loss and accumulated in equity is recognised in the profit or loss.

(h) Unquoted investment

For the purpose of these financial statements, investment in unquoted equities represents investment in related entities. These are entities over which the Company, directly or indirectly, has the power to govern the financial and operating policies so as to obtain benefits from their activities. The Company accounts for investment in related entities at cost.

(i) Inventories

Inventories are stated at the lower of cost and net realisable value, with appropriate provisions for old and slow moving items. Net realisable

The classification of financial assets depends on the purpose for which the financial assets were acquired. Management determines the

(j) Prepayments

Prepayments are payments made in advance relating to the following year and are recognised and carried at original amount less amounts utilised in the statement of profit or loss.

At each reporting date, the Company assesses whether its financial assets have been impaired. Impairment losses are recognised in the profit or loss where there is objective evidence of impairment.

(k) Financial liabilities

Financial liabilities are initially recognised at fair value when the Company becomes a party to the contractual provisions of the liability. Subsequent measurement of financial liabilities is based on amortized cost using the effective interest method or invoice price where discounting is not significant. The Company's financial liabilities include trade payables and borrowings.

Financial liabilities are presented as if the liability is due to be settled within 12 months after the reporting date, or if they are held for the purpose of being traded. Other financial liabilities which contractually will be settled in more than 12 months after the reporting date are classified as non-current.

NOTES TO THE FINANCIAL STATEMENTS (cont'd)

(i) Trade payables

Trade payables are obligations to pay for goods or services that have been acquired in the ordinary course of business from suppliers. Trade payables are classified as current liabilities if payment is due within one year or less (or in the normal operating cycle of the business if longer). If not, they are presented as non-current liabilities.

Trade payables are recognised initially at fair value and subsequently measured at amortised cost using the effective interest method.

(ii) Borrowings

Borrowings are recognised initially at fair value, as the proceeds received, net of any transaction cost incurred. Borrowings are subsequently recorded at amortised cost. Finance charges, including premiums payable on settlement or redemption, are accounted for the in profit or loss

(iii) De-recognition of financial liabilities

The Company derecognises financial liabilities when, and only when, the Company's obligations are discharged, cancelled or they expire. The difference between the carrying amount of the financial liability derecognised and the consideration paid and payable is recognised in profit or loss

(l) Impairment of financial instruments

The Company assesses at the end of each reporting period whether there is objective evidence that a financial asset or Company of financial assets is impaired. A financial asset or a Company of financial assets is impaired and impairment losses are incurred only if there is objective evidence of impairment as a result of one or more events that occurred after initial recognition of the asset (a 'loss event') and that loss event (or events) has an impact on the estimated future cash flows of the financial asset or Company of financial assets that can be reliably estimated. The company first assesses whether objective evidence of impairment exists.

For the loans and receivables category, the amount of the loss is measured as the difference between the asset's carrying amount and the present value of estimated future cash flows (excluding future credit losses that have not been incurred) discounted at the financial asset's original effective interest rate. The carrying amount of the asset is reduced and the amount of the loss is recognised in the profit or loss. If a loan has a variable interest rate, the discount rate for measuring any impairment loss is the current effective interest rate determined under the contract.

As a practical expedient, the company may measure impairment on the basis of an instrument's fair value using an observable market price.

If, in a subsequent period, the amount of the impairment loss decreases and the decrease can be related objectively to an event occurring after the impairment was recognised (such as an improvement in the customer's credit rating), the reversal of the previously recognised impairment loss is recognised in the profit or loss

(m) Offsetting of financial instruments

Financial assets and liabilities are offset and the net amount reported in the statement of financial position when there is a legally enforceable right to offset the recognised amounts and there is an intention to settle on a net basis or, realise the asset and settle the liability simultaneously.

(n) Employee benefits

Short term employee benefits

Short term employee benefit obligations are measured on an undiscounted basis and are expensed as the related services are provided. The company recognises wages, salaries, bonuses and other allowances for current employees in the statement of profit or loss as the employees

A liability is recognised for the amount expected to be paid under short - term benefits if the company has a present legal or constructive obligation to pay the amount as a result of past service provided by the employee and the obligation can be estimated reliably.

NOTES TO THE FINANCIAL STATEMENTS (cont'd)

(o) Provisions

Provisions are recognised when the company has a present legal or constructive obligation as a result of a past event, and it is probable

Provisions for restructuring costs are recognised when the company has a detailed formal plan for the restructuring that has been

Provisions are measured at the present value of the expenditures expected to be required to settle the obligation using a pre-tax rate

(p) Related party transactions

ss profit

Related parties include the related companies, the directors and any employee who is able to exert significant influence on the operating policies of the company. Key management personnel are also considered related parties. Key management personnel are those persons having authority and responsibility for planning, directing and controlling the activities of the entity, directly or indirectly, including any director (whether executive or otherwise) of that entity.

The Company considers two parties to be related if, directly or indirectly one party has the ability to control the other party or exercise significant influence over the other party in making financial or operating decisions. Where there is a related party transactions with the company, the transactions are disclosed separately as to the type of relationship that exists with the company and the outstanding balances necessary to understand their effects on the financial position and the mode of settlement.

(q) Share capital, reserves and dividends

(i) Share capital

Share capital represents the nominal value of shares that have been issued. Incremental costs directly attributable to the issue of new ordinary shares or options are shown in equity as a deduction, net of tax, from the proceeds (share premium).

(ii) Retained earnings

This includes all current and prior period retained earnings.

(iii) Dividends

Dividends on ordinary shares are recognised as a liability and deducted from equity when they are approved by the company's shareholders. Interim dividends are deducted from equity when they are declared or paid and no longer at the discretion of the company. Dividends for the year that are approved after the end of the reporting period are disclosed as an event after the end of the reporting date.

(o) Financial risk management

The Company is exposed through its operations to the following financial risks:

- Credit risk
- Fair value or cash flow interest rate risk
- Foreign exchange risk
- Other market price risk, and
- Liquidity risk.

In common with all other businesses, the Company is exposed to risks that arise from its use of financial instruments. This note describes the Company's objectives, policies and processes for managing those risks and the methods used to measure them. Further quantitative information in respect of these risks is presented throughout these financial statements. There have been no substantive changes in the Company's exposure to financial instrument risks, its objectives, policies and processes for managing those risks or the methods used to measure them from previous periods unless otherwise stated in this note.

(i) Financial instruments not measured at fair value

Financial instruments not measured at fair value includes cash and cash equivalents, trade and other receivables, trade and other

NOTES TO THE FINANCIAL STATEMENTS (cont'd)

Due to their short-term nature, the carrying value of cash and cash equivalents, trade and other receivables, trade and other payables

General objectives, policies and processes

The Executive Board has overall responsibility for the determination of the Company's risk management objectives and policies and, whilst retaining ultimate responsibility for them, it has delegated the authority for designing and operating processes that ensure the effective implementation of the objectives and policies to the Company's finance department. The Board receives periodic reports from the Company's Finance Manager through which it reviews the effectiveness of the processes put in place and the appropriateness of the objectives and policies it sets. The Company's Finance Manager also reviews the risk management policies and processes and report their findings to the Board.

The overall objective of the Board is to set policies that seek to reduce risk as far as possible without unduly affecting the Company's

Credit risk

Credit risk is the risk of financial loss to the Company if a customer or counterparty to a financial instrument fails to meet its contractual obligations. The Company is mainly exposed to credit risk from services rendered on credit. It is Company policy to assess the credit risk of new customers before entering contracts.

The Management has established a credit policy under which each new customer is analysed individually for creditworthiness before The Management determines concentrations of credit risk by quarterly monitoring the creditworthiness rating of existing customers and through a monthly review of the trade receivables' ageing analysis. In monitoring the customers' credit risk, customers are grouped according to their credit characteristics. Customers that are graded as "high risk" are placed on a restricted customer list, and future credit services are made only with approval of the Management, otherwise payment in advance is required. Credit risk also arises from cash and cash equivalents and deposits with banks and financial institutions. Banks with good reputation are accepted by the Company

Market risk

Market risk arises from the Company's use of interest bearing and tradable financial instruments. It is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in interest rates (interest rate risk), foreign exchange rates (Currency risk) or other market factors (other price risk).

Interest rate risk

Interest rate risk is the risk that the value of a financial instrument will be affected by changes in market interest rates. Borrowings obtained at variable rates give rise to interest rate risk. The Company's variable interest loans are short term and as such impact on changes will not be significant on the financial statement. The Company's long term borrowings have fixed interest rate.

Foreign exchange risk

Foreign exchange risk arises when the Company enters into transactions denominated in a Currency other than its functional Currency. The Company's assets and liabilities are not denominated in foreign currency as at the year ended 31 December 2017 and 31 December

Liquidity risk

Liquidity risk arises from the Company's management of working capital, the finance charges and principal repayments on its debt. The Company's policy is to ensure that it will always have sufficient cash to allow it to meet its liabilities when they become due. To The liquidity risk of the Company is managed by the Company's Finance Manager

Price risk

The company is exposed to financial risks arising from changes in commodity prices. These risks are managed through an established process whereby the various conditions which influenced commodity prices are monitored on a daily basis. Decisions on the procurement of raw materials as well as the utilisation of derivative instruments to hedge against these risks are taken by executive management within board approved mandates.

Capital Disclosures

The Company monitors "adjusted capital" which comprises all components of equity (i.e. share capital, and retained earnings). The Company's objectives when maintaining capital are:

- to safeguard the entity's ability to continue as a going concern, so that it can continue to provide returns for shareholders and benefits for other stakeholders, and
- to provide an adequate return to shareholders by pricing products and services commensurately with the level of risk.

The Company sets the amount of capital it requires in proportion to risk. The Company manages its capital structure and makes

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NOTES TO THE FINANCIAL STATEMENTS (cont'd)

	2021	2020
	N'000	N'000
6 Restricted Funds and Donations	112,500	101
Un - Restricted Funds and Donations		
	<u>112,500</u>	<u>101</u>

The figure for revenue represents donations from individuals and corporate bodies including government agencies.

7. Direct Cost	2021	2020
	N'000	N'000
Consultancy	19,394	5,958
Hall Rental	5,146	-
Honorarium	741	-
Refreshment and Entertainment	578	-
Hotel and Accommodation	690	-
Publicity and Media	699	-
Activities which involves Direct Trainings and Sensitization		
	<u>27,248</u>	<u>5,958</u>

8a Administrative expenses	2021	2020
	N'000	N'000
Trustees meeting expenses	23,332	-
Auditor Fees	807	-
Internet expenses	1,081	115
Overseas Tours and Other Activities	8,000	-
Printing & stationeries	1,305	156
Cleaning and Sanitation	150	-
Local Travel and Transport	1,374	-
NHIS	3,195	-
Publicity and Media	699	-
Repairs and Maintenance	200	-
Telephone	1,461	-
Utilities	1,033	-
Salaries and Wages	37,611	-
Pension	2,662	-
Depreciation	2,095	1,540
	<u>85,004</u>	<u>1,811</u>

8b Exchange Gain/Loss	2021	2020
	N'000	N'000
Gain due to budget difference	14,042	-
Gain due to budget difference	(5,080)	-
Exchange Gain for the year	<u>8,962</u>	<u>-</u>

9 Finance Expenses	2021	2020
	N'000	N'000
Bank Charges	267	-
	<u>267</u>	<u>1</u>

The figure for finance charges represents bank charges and other account maintenance fees deducted by the bank for the business activities for the year under review

10 Tax expense	2021	2020
Current tax expense	N'000	N'000
Education tax	-	-
Company income tax	-	-
Total current tax expense	-	-

The income tax is the expected income tax payable on the taxable profit for the year, determined in accordance with the Companies Income Tax Act (CITA) using the statutory rate as at the reporting date and any adjustment to tax payable in respect of previous years. Tertiary education tax is assessed at 2% of the assessable profit.

11 Inventory	2021	2020
	N'000	N'000
Balance as at 1st of January	348	593
Training and other Sensization Materials - Additions (Various donated)	-	-
Materials consumed during the year under review	(348)	(245)
Balance as at 31st of December	-	348

Inventories are stated at the lower of cost and net realizable value after adjusting for obsolete items

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NOTES TO THE FINANCIAL STATEMENTS (cont'd)

12 Trade and Other Receivables	2021	2020
	N'000	N'000
Balance as at 1st of January	-	-
Others	-	-
Directors' Loan Accounts	-	-
Amount received during the year	-	-
Balance as at 31st December	-	-

Trade and other receivables includes intercompany's balances and are stated after provision for bad and doubtful debts

13 Cash and cash equivalents	2021	2020
	N'000	N'000
Cash at bank	8,962	131
	8,962	131

14 Accumulated Fund	2021	2020
	N'000	N'000
Balance as at 1st of January	(6,611)	1,058
Surplus/(deficit) during the year	8,943	(7,669)
Balance as at 31st December	2,332	(6,611)

The figures for trade payables and other creditors represent amounts owed to third parties and intercompany's balances during the course of business.

15 Accrued Expenses	2021	2020
	N'000	N'000
Balance as at 1st January	-	-
Auditors fee for the year	220	-
Balance as at 31st December	220	-

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NOTES TO THE FINANCIAL STATEMENTS (cont'd)

16 **Property, plant and equipment**

(a) Details of the Company's property, plant and equipment and their carrying amounts are as follows:

	Motor Vehicles	Furniture and fittings	Office Equipment	Computer Equipment	Total
	N'000	N'000	N'000	N'000	N'000
Cost					
At 1st January 2021	680	220	640	-	1,540
Additions	-	-	-	2,774	2,774
At 31st December 2021	680	220	640	2,774	4,314
Depreciation					
At 1st January 2021	2,040	660	1,920	-	4,620
Charge for the year	680	220	640	555	2,095
At 31st December 2021	2,720	880	2,560	555	6,715
Carrying amount as at:					
31st December 2021	-	-	-	2,219	2,219
31st December 2020	680	220	640	-	1,540

- (b) No company's property, plant and equipment have been pledged as securities for facilities.
- (c) There were no impairment losses recognised during the year.