

**PARADIGM INITIATIVE FOR INFORMATION
TECHNOLOGY DEVELOPMENT**

STATEMENT OF AFFAIRS

**FOR THE YEAR ENDED
31ST DECEMBER, 2015**

PARADIGM INITIATIVE FOR INFORMATION TECHNOLOGY DEVELOPMENT

CONTENTS	PAGE
Corporate Information	1
Directors' Report	2 – 3
Report of Auditors	4
Statement of Significant Accounting Policies	5
Statement of Affairs	6
Income and Expenditure Account	7 – 8
Statement of Cashflow	9
Notes to the Account	10 – 12

PARADIGM INITIATIVE FOR INFORMATION TECHNOLOGY DEVELOPMENT

CORPORATE INFORMATION

1. **COMPANY NAME:**
PARADIGM INITIATIVE FOR INFORMATION TECHNOLOGY DEVELOPMENT
2. **REGISTERED OFFICE**
385, HERBERT MACAULAY WAY
YABA
LAGOS.
3. **DATE OF INCORPORATION:**
December 16, 2008
4. **BOARD OF DIRECTORS**
Prof Pat Utomi - Chairman
Dr. Seyi Adebayo Olubi
Nick Jekogian
'Gbenga Sesan - Executive Director
4. **COMPANY SECRETARY/LEGAL ADVISER**
5. **BANKERS**
DIAMOND BANK PLC
GUARANTY TRUST BANK PLC
6. **AUDITORS**
DEBAYO AJAYI & CO
(Chartered Accountants)
24, Oshindehin Street,
Off Akilo Road,
Ikeja – Lagos.

PARADIGM INITIATIVE FOR INFORMATION TECHNOLOGY DEVELOPMENT

DIRECTORS' REPORT

The Directors have pleasure in presenting to the members of the organization, their Statement of Affairs for the year ended December 31, 2015.

PRINCIPAL ACTIVITY

Paradigm Initiative for Information Technology Development is an organisation registered under Nigeria Companies and Allied Matters Decree as an Incorporated Trustee. It is a non-profit social enterprise set up to empower and connect under-served Nigerian youth with Information and Communication Technology (ICT) opportunities in order to improve their lives and that of their families.

DIRECTORS' STATEMENTS

In the opinion of the Directors, the state of the organisation affairs is satisfactory and no events have occurred after the balance sheet date, which would affect the state of affairs presented.

FIXED ASSETS

Information relating to changes in fixed asset is provided in Note 2 to the financial statements.

DIRECTORS

The following Directors were in office as at December 31, 2015:

Prof Pat Utomi	-	Chairman
Dr. Seyi Adebayo-Olubi		
Nick Jekogian		
'Gbenga Sesan	-	Executive Director

PARADIGM INITIATIVE FOR INFORMATION TECHNOLOGY DEVELOPMENT

DIRECTORS REPORT CONTD

AUDITORS

Messrs Debayo Ajayi & CO. having expressed their willingness will continue in office as organisation's auditors in accordance with Section 357 (2) of the Companies and Allied Matters Decree, 1990.

BY ORDER OF THE BOARD

SECRETARY

Dated this.....February 13,..... 2016



DEBAYO AJAYI & CO.

(CHARTERED ACCOUNTANTS)

REPORT OF THE AUDITORS TO THE MEMBERS OF PARADIGM INITIATIVE FOR INFORMATION TECHNOLOGY DEVELOPMENT FOR THE YEAR ENDED 31ST DECEMBER, 2015

We have audited the Statement of Affairs of **PARADIGM INITIATIVE FOR INFORMATION TECHNOLOGY DEVELOPMENT** on pages 6 -12 in respect of the Company's activities for the year ended December 31, 2015, which have been prepared under the historical cost convention and on the basis of the significant accounting policies set out on page 5.

The Company's Directors are responsible for the preparation of the Statement of Affairs. It is our responsibility to form an independent opinion, based on our audit, on those financial statements and to report our opinion to you.

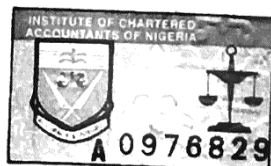
We conducted our audit in accordance with generally accepted auditing standards. An audit includes examination, on a test basis, of evidence relevant to the amounts and disclosures in the Statement of Affairs. It also includes an assessment of the significant accounting estimates and judgments by the Directors in the preparation of the Statement of Affairs, and of whether the accounting policies are appropriate to the Company's circumstances, consistently applied and adequately disclosed.

We planned and performed our audit so as to obtain all the information and explanations we considered necessary in order to provide sufficient evidence to give reasonable assurance that the Statement of Affairs are free from material misstatement. In forming our opinion, we also evaluated the overall adequacy of the information presented in the Statement of Affairs.

In our opinion, the Statement of Affairs gives a true and fair view of the state of the affairs of the Company at December 31, 2015 and have been properly prepared in accordance with the Companies Allied Matters Act, 1990.


DEBAYO AJAYI & CO
(CHARTERED ACCOUNTANTS)

LAGOS, NIGERIA



PARADIGM INITIATIVE FOR INFORMATION TECHNOLOGY DEVELOPMENT

STATEMENT OF SIGNIFICANT ACCOUNTING POLICIES FOR THE YEAR ENDED DECEMBER 31, 2015

(a) Basis of Accounting

The accounts have been prepared under the historical cost convention.

(b) Depreciation of Fixed Assets

Depreciation of tangible assets is calculated to write off the cost on a straight – line basis over the expected useful lives of the assets concerned. The annual rates used for various classes of tangible fixed assets are as follows:

<u>Description</u>	<u>%</u>
Furniture, Fittings and Fixtures	12½
Motor Vehicles	25
Improvements to leasehold	20

(c) Exchange Rates

Transactions in foreign currencies were translated to naira at the rate ruling at the date of transaction while balances were translated at the rate ruling at the balance sheet date.

PARADIGM INITIATIVE FOR INFORMATION TECHNOLOGY DEVELOPMENT

**STATEMENT OF AFFAIRS
FOR THE YEAR ENDED DECEMBER 31, 2015**

	NOTE	2015 N	2014
FIXED ASSETS			
Tangible Assets	2	24,944,321	22,970,373
CURRENT ASSETS			
Cash in Hand and at Bank	3	21,616,769	53,452,839
Debtors / Prepayments	4	<u>3,449,239</u>	<u>4,610,250</u>
		25,066,008	58,063,089
CURRENT LIABILITIES			
Creditors & Accruals	5	<u>(120,000)</u>	<u>(120,000)</u>
NET CURRENT ASSETS		<u>24,946,008</u>	<u>57,943,089</u>
TOTAL ASSETS		<u>49,890,329</u>	<u>80,913,462</u>
FINANCED BY:			
Accumulated Fund	6	<u>49,890,329</u>	<u>80,913,462</u>


)
)
) Directors

See notes to the financial statements on pages 11 to 13

PARADIGM INITIATIVE FOR INFORMATION TECHNOLOGY DEVELOPMENT

**INCOME AND EXPENDITURE
FOR THE YEAR ENDED 31ST DECEMBER, 2015**

	NOTE	2015 N	2014 N
INCOME			
Grants	7	15,314,468	87,877,616
Consulting	8	26,969,134	72,911,848
Donations	9	4,990,000	1,700,000
Income from L.I.F.E.		727,650	361,700
Other income		219,500	710,231
Exchange difference	10	<u>8,101,166</u>	<u>3,348,599</u>
		<u>56,321,918</u>	<u>166,909,994</u>
PROGRAM COSTS			
Google		8,738,960	-
NGO Connection Day		865,200	978,000
Social Media Consulting (CTFK)		4,353,168	14,796,157
Internews		1,455,112	2,707,280
Techie Entrepreneurial Nigeria Talented		6,901,530	6,329,006
Digital Jobs Project		4,560,004	16,940,786
Cybercrime Bill Advocacy		1,050,024	-
World Wide Foundation		138,000	-
Hackathon Office of the Citizen		73,400	-
CIVICUS		-	1,824,197
L.I.F.E. (Formerly Ajegunle.org)		-	373,000
T.E.N.T. Angel Investment Scheme		-	353,220
Net-Mundial		-	722,547
IPT		-	7,819,658
AITEC		-	389,720
Association for Progressive Communications		<u>-</u>	<u>274,000</u>
		<u>28,135,398</u>	<u>53,507,571</u>

PARADIGM INITIATIVE FOR INFORMATION TECHNOLOGY DEVELOPMENT

INCOME AND EXPENDITURE CONTD

FOR THE YEAR ENDED 31ST DECEMBER, 2015

	2015	2014
	N	N
EXPENDITURE: OPERATIONS		
Salaries & Wages	24,496,568	19,206,425
Repairs & Maintenance	1,308,000	719,000
Office Stationeries	465,225	470,100
Rent	6,645,750	1,558,000
Courier Service/Bulk SMS	391,480	92,197
Depreciation	6,883,875	5,045,921
Bank Charges	229,705	1,198,846
Professional Services	310,000	886,000
Office cleaning	-	9,550
Transportation	6,026,517	4,474,543
Entertainment	180,500	380,520
Internet Service	802,077	529,146
Town hall meeting	267,880	331,000
Telephone expenses	546,800	379,250
Office supply	971,750	162,485
Electricity	190,215	46,530
Advertising	268,000	62,543
Motor vehicle running expenses	1,487,950	572,433
Fuel & lubricants	2,336,800	1,197,900
Staff retreat	3,141,696	-
Staff training & development	694,550	-
Medical expenses	100,000	-
Security expenses	66,000	-
General expenses	<u>1,398,313</u>	<u>1,357,025</u>
	<u>59,209,652</u>	<u>38,679,414</u>
Total Expenditure	<u>87,345,049</u>	<u>92,186,985</u>
Excess of Income over Expenditure	(<u>31,023,133</u>)	<u>74,723,009</u>

PARADIGM INITIATIVE FOR INFORMATION TECHNOLOGY DEVELOPMENT

STATEMENT OF CASHFLOW

FOR THE YEAR ENDED 31ST DECEMBER, 2015

	2015 N	2014 N
CASHFLOW FROM OPERATING ACTIVITIES		
(Deficit)/excess of income over expenditures	(31,023,133)	74,723,009
Adjustment for items not involving movement of cash:		
Depreciation	<u>6,883,875</u>	<u>5,045,921</u>
Operating surplus b4 working capital changes	(24,139,258)	79,768,930
Changes in working capital:		
Increase in debtors and prepayments	1,161,011	(4,585,250)
Increase in creditors	<u>-</u>	<u>50,000</u>
	(22,978,247)	75,233,680
Cashflow from investing activities:		
Purchase of fixed assets	<u>(8,857,824)</u>	<u>(22,746,845)</u>
Increase/ (decrease) in cash and cash equivalents	(31,836,070)	52,486,835
Cash and cash equivalents at beginning of the year	<u>53,452,839</u>	<u>966,004</u>
Cash and cash equivalents at end of the year	<u>21,616,769</u>	<u>53,452,839</u>

PARADIGM INITIATIVE FOR INFORMATION TECHNOLOGY DEVELOPMENT

NOTES TO THE ACCOUNTS AS AT 31ST DECEMBER, 2015

1. CORPORATE STRUCTURE AND BUSINESS

The organisation was incorporated on December 16, 2008 as a non-profit social enterprise, an incorporated trusteeship under the Companies and Allied Matters Act 1990.

2. TANGIBLE FIXED ASSETS

<u>COST</u>	FURNITURE & EQUIPMENT N	IMPROVEMENT TO LEASEHOLD N	MOTOR VEHICLE	TOTAL
As at 1/1/2015	9,161,172	17,525,025	2,260,000	28,946,197
Additions during the year	1,371,214	7,486,610	-	8,857,824
As at 31/12/2015	<u>10,532,386</u>	<u>25,011,635</u>	<u>2,260,000</u>	<u>37,804,021</u>

DEPRECIATION

As at 1/1/2015	3,203,396	2,207,428	565,000	5,975,824
Charge for the year	1,316,548	5,002,327	565,000	6,883,875
As at 31/12/2015	<u>4,519,944</u>	<u>7,209,755</u>	<u>1,130,000</u>	<u>12,859,699</u>

NET BOOK VALUE

As at 31/12/2015	<u>6,012,441</u>	<u>17,801,880</u>	<u>1,130,000</u>	<u>24,944,321</u>
As at 31/12/2014	<u>5,957,776</u>	<u>15,317,597</u>	<u>1,695,000</u>	<u>22,970,373</u>

2015
N

2014
N

3. BANK AND CASH

i.	Diamond Bank Plc	1,688,326	94,163
ii.	Guaranty Trust Bank Plc		
	* Naira account	4,681,428	8,556,455
	* Dollar account \$75,723.01		
	(2014 - \$266,213.13)	15,137,030	44,723,806
iii	Cash at hand	109,935	78,415
		<u>21,616,769</u>	<u>53,452,839</u>

PARADIGM INITIATIVE FOR INFORMATION TECHNOLOGY DEVELOPMENT

**NOTES TO THE ACCOUNT CONTD
AS AT 31ST DECEMBER, 2015**

	2015 N	2014 N
4. DEBTORS / PLEDGES		
Prepaid Rents	2,164,500	4,610,250
Staff Debtors	<u>1,284,739</u>	<u>-</u>
	<u>3,449,239</u>	<u>4,610,250</u>
5. CREDITORS / ACCRUALS		
Accrued Audit Fee	<u>120,000</u>	<u>120,000</u>
5. ACCUMULATED FUNDS		
At January 1,	80,913,462	6,190,453
(Deficit)/excess of Income over Expenditure	<u>(31,023,133)</u>	<u>74,723,009</u>
At December 31,	<u>49,890,320</u>	<u>80,913,462</u>
6. INCOME		
The major sources of income of the social enterprise are through consulting services/donations/ contributions/ grants from notable foundations, charitable organizations and individuals within and outside Nigeria.		
7. GRANTS		
Internews	1,928,438	3,775,136
Rockfeller Foundation	-	84,102,480
Campaign for Tobacco Free Kids	<u>13,386,030</u>	<u>-</u>
	<u>15,314,468</u>	<u>87,877,616</u>
8. CONSULTING		
Campaign for Tobacco Free Kids	4,872,042	34,436,136
Diamond Bank Project	-	3,500,000
Microsoft Nigeria	4,600,000	5,040,000
Google	7,231,363	26,628,000
New American Foundation	336,600	-
World Wide Web	3,083,800	-
World Economic Forum	381,521	-
Others	6,463,808	-
CIVICUS	-	2,244,926
Group Investment	<u>-</u>	<u>1,062,786</u>
	<u>26,969,134</u>	<u>72,911,848</u>

PARADIGM INITIATIVE FOR INFORMATION TECHNOLOGY DEVELOPMENT

**NOTES TO THE ACCOUNT CONTD
AS AT 31ST DECEMBER, 2015**

	2015	2014
	N	N
9. DONATIONS		
NITDA	3,475,0 00	-
Stanbic IBTC Bank	500,000	-
Remita STP Transit Account	1,000,000	1,000,000
Future Generation Entrepreneurship	-	600,000
Others	<u>15,000</u>	<u>100,000</u>
	<u>4,990,000</u>	<u>1,700,000</u>
10. EXCHANGE GAIN		

This represents the translation difference arising from the transactions relating to the grants received during the period

The exchange rate as at the time of report is as follows:

Dollar Rate :- N199 - \$1 (2014 : N168 - \$1)