

**PARADIGM INITIATIVE FOR INFORMATION TECHNOLOGY  
DEVELOPMENT**

**STATEMENT OF AFFAIRS**

**FOR THE YEAR ENDED  
31<sup>ST</sup> DECEMBER, 2019**

**PARADIGM INITIATIVE FOR INFORMATION TECHNOLOGY DEVELOPMENT**

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# **PARADIGM INITIATIVE FOR INFORMATION TECHNOLOGY DEVELOPMENT**

## **CORPORATE INFORMATION**

1. **COMPANY NAME:**  
PARADIGM INITIATIVE FOR INFORMATION TECHNOLOGY DEVELOPMENT
  
2. **REGISTERED OFFICE**  
374, BORNO WAY  
ALAGOMEJI  
YABA  
LAGOS.
  
3. **DATE OF INCORPORATION:**  
December 16, 2008
  
4. **BOARD OF DIRECTORS**  
Prof Pat Utomi - Chairman  
Dr. Seyi Adebayo Olubi  
Nick Jekogian  
Dr. Aida Opoku-Mensah  
Dr. Jummai Zainab Umar-Ajjola  
'Gbenga Sesan - Executive Director
  
4. **COMPANY SECRETARY/LEGAL ADVISER**  
Adeboro Odunlami
  
5. **BANKERS**  
ACCESS BANK PLC  
GUARANTY TRUST BANK PLC  
UNITED BANKFOR AFRICA PLC
  
6. **AUDITORS**  
DEBAYO AJAYI & CO  
(Chartered Accountants)  
18A, Akinola Cole Crescent,  
Off Adeniyi Jones Street,  
Ikeja – Lagos.



**Directors' interests in contracts of significance**

No contract of significance to which the Company was a party and in which a director of the Company had a material interest, whether directly or indirectly, subsisted at the end of the year or at any time during the year.

**Events after the reporting date**

No significant event, which would affect the state of affairs presented, occurred after the reporting date.

**Auditor**

A resolution will be submitted after the annual board meeting to re-appoint Debayo Ajayi & Co (Chartered Accountants) or name a new auditor of the Company.

On behalf of the Board,



**Prof. Pat Utomi**  
**Chairman**  
June 2, 2020



**'Gbenga Sesan**  
**Executive Director**  
June 2, 2020



# 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, 2019

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, 2019, 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, 2019 and have been properly prepared in accordance with the Companies Allied Matters Act, 1990.

**ADEBAYO AJAYI**

LAGOS, NIGERIA

Dated this...June 16, 2020

**PARADIGM INITIATIVE FOR INFORMATION TECHNOLOGY DEVELOPMENT**

**STATEMENT OF SIGNIFICANT ACCOUNTING POLICIES  
FOR THE YEAR ENDED DECEMBER 31, 2019**

**(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:

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

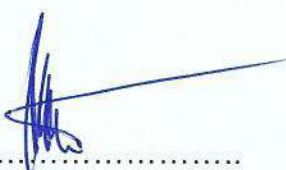
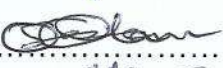
**(c) Exchange Rates**

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, 2019**

	NOTE	2019 N	2018
<b>FIXED ASSETS</b>			
Property Plant & Equipment	2	35,065,183	41,461,891
<b>CURRENT ASSETS</b>			
Short-term Investment	3	26,683,333	20,666,667
Cash in Hand and at Bank	4	43,766,103	15,542,772
Receivables / Prepayments	5	<u>17,044,782</u>	<u>10,738,265</u>
		<b>87,494,218</b>	<b>46,947,704</b>
<b>CURRENT LIABILITIES</b>			
Payables & Accruals	6	<u>(16,523,660)</u>	<u>(9,734,471)</u>
<b>NET CURRENT ASSETS</b>		<u>70,970,559</u>	<u>37,213,233</u>
<b>TOTAL NET ASSETS</b>		<u><b>106,035,742</b></u>	<u><b>78,675,124</b></u>
<b>FINANCED BY:</b>			
Accumulated Fund	7	<u><b>106,035,742</b></u>	<u><b>78,675,124</b></u>

  
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Directors

Approved by the Board of Directors on 28/07/2020.....

See notes to the financial statements on pages 10 to 12



**PARADIGM INITIATIVE FOR INFORMATION TECHNOLOGY DEVELOPMENT**

**INCOME AND EXPENDITURE  
FOR THE YEAR ENDED 31ST DECEMBER, 2019**

	<b>NOTE</b>	<b>2019 N</b>	<b>2018 N</b>
<b>INCOME</b>			
General Grants	9	-	11,620,350
Restricted Grants	10	183,242,207	135,143,193
Donations	11	911,880	-
Income from L.I.F.E.		558,020	529,350
Income from Facebook		-	18,005,905
Other income		8,516,666	3,649,467
Exchange difference	12	<u>40,989,125</u>	<u>16,049,747</u>
		<b><u>234,217,898</u></b>	<b><u>184,998,012</u></b>
<b>PROGRAM COSTS</b>			
Digital Jobs Project		-	706,231
Digital Readiness Workshop		172,300	-
Digital Rights & Freedom Bill		818,700	3,785,931
Digital Rights and Inclusion Forum 2019		42,554,264	32,839,114
Digital Rights and Inclusion Forum 2020		2,240,000	-
Engine Room		-	21,500
Google Policy Fellowship Funds		10,713,880	29,666,517
Google Impact Challenge		-	5,832,686
Google IGF Sponsorship		-	1,557,846
Heinrich Boell Foundation		-	808,250
INTEL Workshop Expenses		154,250	1,229,100
Internews		7,931,936	3,393,290
Journalism Residency		2,092,096	2,018,446
Kenya School of Internet Governance		-	918,000
L.I.F.E. M&E Expenses		-	372,400
New Media Citizenship Governance		5,551,200	1,714,117
Nigeria Internet Governance Forum		-	795,058
Offshore Workshops		-	681,954
PODE Facebook Roundtable		-	1,929,229

**PARADIGM INITIATIVE FOR INFORMATION TECHNOLOGY DEVELOPMENT****INCOME AND EXPENDITURE CONTD****FOR THE YEAR ENDED 31ST DECEMBER, 2019**

	<b>2019</b>	<b>2018</b>
	<b>N</b>	<b>N</b>
<b>PROGRAM COSTS(Contd.)</b>		
DUFUNA	2,151,730	-
Safer Internet Day	881,400	-
Techtiary Angel Investment Scheme	176,000	400,000
Google Disinformation Project	<u>528,000</u>	<u>-</u>
	<b><u>76,836,981</u></b>	<b><u>88,669,669</u></b>
<b>EXPENDITURE: OPERATIONS</b>		
Advertising	313,580	1,212,670
Bank Charges	1,746,607	1,180,019
Courier Service/Bulk SMS	45,600	213,757
Depreciation	14,560,833	13,159,806
Electricity	15,000	147,300
Entertainment	339,250	476,880
Fuel & lubricants	4,376,975	4,033,860
General expenses	4,744,023	1,824,506
Internet Service	1,563,612	1,722,123
Legal and other Professional Services	1,219,506	1,053,548
Medical expenses	-	644,000
Motor vehicle running expenses	973,600	1,784,967
Office cleaning	390,800	65,760
Office stationeries	98,500	563,129
Office supply	374,162	3,084,975
Provision for Bad Debt	1,520,000	60,000
Rent	9,757,718	8,556,269
Repairs & Maintenance	1,080,410	528,900
Salaries & Wages	35,778,184	43,417,149
Security expenses	67,000	40,000
Staff retreat	4,769,780	5,181,203
Staff training & development	433,414	948,592

**PARADIGM INITIATIVE FOR INFORMATION TECHNOLOGY DEVELOPMENT**

**INCOME AND EXPENDITURE CONTD**

**FOR THE YEAR ENDED 31ST DECEMBER, 2019**

	<b>2019</b>	<b>2018</b>
	<b>₦</b>	<b>₦</b>
Telephone expenses	443,000	953,569
Meeting and Conferences	443,933	3,368,321
Transportation/ Travel	20,154,283	16,504,894
LIFE at School Volunteers	<u>615,850</u>	<u>-</u>
	<b><u>130,020,300</u></b>	<b><u>110,726,197</u></b>
<b>Total Expenditure</b>	<b><u>206,857,280</u></b>	<b><u>199,395,866</u></b>
Surplus/(Deficit) of Income over Expenditure	<b><u>27,360,618</u></b>	<b><u>(14,397,855)</u></b>

**PARADIGM INITIATIVE FOR INFORMATION TECHNOLOGY DEVELOPMENT**

**STATEMENT OF CASHFLOW**

**FOR THE YEAR ENDED 31ST DECEMBER, 2019**

	<b>2019</b>	<b>2018</b>
	<b>N</b>	<b>N</b>
<b>CASHFLOW FROM OPERATING ACTIVITIES</b>		
Excess/ (Deficit) of income over expenditures	27,360,618	(14,397,855)
<b>Adjustment for items not involving movement</b>		
<b>Of cash:</b>		
Profit on disposal of assets	3,785,188	(2,819,500)
Depreciation	<u>14,560,833</u>	<u>13,159,806</u>
<b>Operating surplus b4 working capital changes</b>	45,706,639	(4,057,549)
<b>Changes in working capital:</b>		
Increase in debtors and prepayments	(6,306,517)	33,718,460
Increase in creditors	<u>6,789,189</u>	<u>5,944,851</u>
	46,189,311	35,605,763
<b>Cashflow from financing activities:</b>		
Liquidation of advance from Director	-	-
<b>Cashflow from investing activities:</b>		
Short term investment	(6,016,666)	10,983,333
Purchase of fixed assets	<u>(11,949,313)</u>	<u>(34,893,573)</u>
<b>Increase in cash and cash equivalents</b>	28,223,331	14,515,024
Cash and cash equivalents at beginning of the year	<u>15,542,772</u>	<u>1,027,748</u>
Cash and cash equivalents at end of the year	<u><b>43,766,103</b></u>	<u><b>15,542,772</b></u>

**PARADIGM INITIATIVE FOR INFORMATION TECHNOLOGY DEVELOPMENT**

**NOTES TO THE ACCOUNTS  
AS AT 31ST DECEMBER, 2019**

**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. PROPERTY, PLANT AND EQUIPMENT**

<b>COST</b>	<b>FURNITURE &amp; EQUIPMENT N</b>	<b>COMPUTERS N</b>	<b>GENERATORS N</b>	<b>IMPROVEMENTS TO LEASEHOLD N</b>	<b>MOTOR VEHICLE N</b>	<b>TOTAL N</b>
As at 1/1/2019	20,272,701	11,680,000	9,998,000	35,556,579	4,135,263	81,642,543
Additions during the year	5,478,313	-	-	6,471,000	-	11,949,313
Disposal	( 996,000)	(1,631,599)	(3, 382,500)	-	-	6,010,000
As at 31/12/2019	<b><u>24,755,014</u></b>	<b><u>10,048,500</u></b>	<b><u>6,615,500</u></b>	<b><u>42,027,579</u></b>	<b><u>4,135,263</u></b>	<b><u>93,144,856</u></b>
As at 1/1/2019	10,447,527	1,460,000	1,249,750	26,196,322	827,053	40,180,652
Charge for the year	3,038,502	1,256,063	826,938	8,405,516	1,033,815	14,560,833
Eliminated on disposal	( 747,000)	( 904,125)	(573,688)	-	-	(2,224,813)
As at 31/12/2019	<b><u>12,739,029</u></b>	<b><u>1,811,938</u></b>	<b><u>1,503,000</u></b>	<b><u>34,601,838</u></b>	<b><u>1,860,868</u></b>	<b><u>52,516,673</u></b>
<b><u>NET BOOK VALUE</u></b>						
As at 31/12/2019	<b><u>12,015,985</u></b>	<b><u>8,236,563</u></b>	<b><u>5,112,500</u></b>	<b><u>7,425,741</u></b>	<b><u>2,274,394</u></b>	<b><u>35,065,183</u></b>
As at 31/12/2018	<b><u>9,825,175</u></b>	<b><u>10,220,000</u></b>	<b><u>8,748,250</u></b>	<b><u>9,360,257</u></b>	<b><u>3,308,210</u></b>	<b><u>41,461,891</u></b>

	<b>2019 N</b>	<b>2018 N</b>
<b>3. SHORT TERM INVESTMENT</b>		
60 Days Bank Investment	<b><u>26,683,333</u></b>	<b><u>20,666,667</u></b>

**PARADIGM INITIATIVE FOR INFORMATION TECHNOLOGY DEVELOPMENT**

**NOTES TO THE ACCOUNT CONTD  
AS AT 31ST DECEMBER, 2019**

		<b>2019</b>	<b>2018</b>
		<b>N</b>	<b>N</b>
<b>4. BANK AND CASH</b>			
i.	Access Bank Plc Naira Account	3,231	3,340
	Access Bank Plc Dollar Account	8,849,061	-
ii.	Guaranty Trust Bank Plc:		
	* Naira account	839,907	1,083,960
	* Debit card	-	1,158,923
	* Dollar account	34,042,625	11,333,126
	* Euro account	15,955	1,644,367
	* Pound Sterling account	15,325	302,141
iii.	United Bank for Africa Plc -		
	* Naira Account	-	545
iv.	Cash at hand	<u>-</u>	<u>16,370</u>
		<b><u>43,766,103</u></b>	<b><u>15,542,772</u></b>
<b>5. RECEIVABLES / PLEDGES</b>			
	Accounts Receivable	-	30,971,225
	Prepaid Rents	13,049,292	5,718,000
	Staff Debtors	<u>3,995,490</u>	<u>7,767,500</u>
		<b><u>17,044,782</u></b>	<b><u>44,456,725</u></b>
<b>6. PAYABLES / ACCRUALS</b>			
	Other creditors	<b><u>16,523,660</u></b>	<b><u>9,734,471</u></b>
<b>7. ACCUMULATED FUNDS</b>			
	At January 1,	78,675,123	93,072,978
	Deficit of Income over Expenditure	<u>27,360,618</u>	<u>(14,397,855)</u>
	At December 31,	<b><u>106,035,741</u></b>	<b><u>78,675,123</u></b>
<b>8. INCOME</b>			

The major sources of income of the social enterprise are through donations/contributions/grants from notable foundations, charitable organizations and individuals within and outside Nigeria.

**PARADIGM INITIATIVE FOR INFORMATION TECHNOLOGY DEVELOPMENT**

**NOTES TO THE ACCOUNT CONTD  
AS AT 31ST DECEMBER, 2019**

	<b>2019</b>	<b>2018</b>
	<b>N</b>	<b>N</b>
<b>9. GENERAL GRANTS</b>		
Access Now	-	8,568,000
Mozilla	-	<u>3,052,350</u>
	<u>-</u>	<u><b>11,620,350</b></u>
<b>10. RESTRICTED GRANTS</b>		
Association for Progressive Communications	2,531,122	237,251
Ashoka	38,336	-
Centre for Info Tech. & Dev.	-	1,262,084
Civicus	449,820	-
Collaboration on Inter ICT Policy	-	301,410
Council for Europe	-	2,811,193
DHL	-	868,480
Engine Room	-	612,000
Facebook	17,740,000	-
Ford Foundation	77,934,204	-
Freedom House	454,410	-
Global Partners	4,759,349	4,439,764
GNI	534,824	-
Google LLC	7,344,000	-
Google.org	-	33,491,700
Google Global Service	-	17,066,750
Google Policy Fellowship	-	42,479,605
Henrich Boell Foundation	1,800,000	464,223
HIVOS	45,998	535,500
Internews	8,553,548	16,107,311
Intel (She will Connect)	107,100	11,169,000
Media Legal Defense	-	225,000
Nigeria Internet Registration	-	250,000
New Media Citizenship Governance	2,142,000	-
Observer Research Foundation	-	339,660
Omidyar Network	35,182,350	-
OSIWA	22,467,352	-
World Economic Forum	912,529	-
World Wide Web Foundation	284,917	<u>2,482,261</u>
	<u><b>183,242,206</b></u>	<u><b>135,143,193</b></u>

**PARADIGM INITIATIVE FOR INFORMATION TECHNOLOGY DEVELOPMENT**

**NOTES TO THE ACCOUNT CONTD  
AS AT 31ST DECEMBER, 2019**

	<b>2019</b>	<b>2018</b>
	<b>N</b>	<b>N</b>
<b>11. DONATIONS</b>		
Seth Berma	<u>911,880</u>	<u>-</u>

**12. 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: – N361 – \$1 (2018 : N306 - \$1)

Euro Rate :- N405 – €1 (2018 : N369– €1)

Pounds Sterling Rate :- N480.771 – £1 (2018 :N415 – £1)