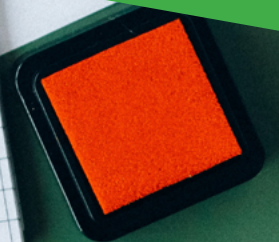


STATEMENT OF AFFAIRS

FOR THE YEAR ENDED
31ST DECEMBER, 2020



PARADIGM INITIATIVE FOR
INFORMATION TECHNOLOGY
DEVELOPMENT



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CORPORATE INFORMATION

1. **COMPANY NAME:**
PARADIGM INITIATIVE FOR INFORMATION TECHNOLOGY DEVELOPMENT
2. **REGISTERED OFFICE:**
374, BORNO WAY
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:**
OYINDASOLA OHANUGO
5. **BANKERS:**
ACCESS BANK PLC
GUARANTY TRUST BANK PLC
6. **AUDITORS:**
DEBAYO AJAYI & CO
(Chartered Accountants)
18A, Akinola Cole Crescent,
Off Adeniyi Jones Street,
Ikeja – Lagos.

REPORT OF THE AUDITORS TO THE MEMBERS OF PARADIGM INITIATIVE FOR INFORMATION TECHNOLOGY DEVELOPMENT FOR THE YEAR ENDED 31ST DECEMBER, 2020

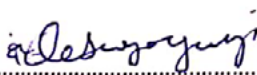
We have audited the Statement of Affairs of **PARADIGM INITIATIVE FOR INFORMATION TECHNOLOGY DEVELOPMENT** on pages 6 -12 in respect of the Company's activities for the year ended December 31, 2020, which have been prepared under the historical cost convention and on the basis of the significant accounting 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, 2020 and have been properly prepared in accordance with the Companies Allied Matters Act, 1990.

Signed 

ADEBAYO AJAYI, ACA, FRCN No: 6840

May 31, 2020

DEBAYO AJAYI & Co.
Chartered Accountants



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18A, Akinola Cole Crescent, Off Adeniyi Jones Street, Ikeja. Tel: 08023285577, 08167708685

STATEMENT OF SIGNIFICANT ACCOUNTING POLICIES

FOR THE YEAR ENDED DECEMBER 31, 2020

(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>
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.

STATEMENT OF AFFAIRS

FOR THE YEAR ENDED DECEMBER 31, 2020

NOTE		2020 N	2019 N
FIXED ASSETS			
Property Plant & Equipment	2	31,891,059	35,065,183
CURRENT ASSETS			
Short-term Investment	3	71,800,000	26,683,333
Cash in Hand and at Bank	4	343,913,684	43,766,103
Receivables / Prepayments	5	<u>23,218,416</u>	<u>17,044,782</u>
		438,932,100	87,494,218
CURRENT LIABILITIES			
Payables & Accruals	6	<u>(372,500)</u>	<u>(16,523,660)</u>
NET CURRENT ASSETS		<u>438,559,600</u>	<u>70,970,559</u>
TOTAL NET ASSETS		<u>470,450,659</u>	<u>106,035,742</u>
FINANCED BY:			
Accumulated Fund	7	<u>470,450,659</u>	<u>106,035,742</u>



Directors

June 16, 2021

Approved by the Board of Directors on

See notes to the financial statements on pages 10 to 12

INCOME AND EXPENDITURE

FOR THE YEAR ENDED 31ST DECEMBER, 2020

	NOTE	2020 N	2019 N
INCOME			
General Grants	9	87,637,050	
Restricted Grants	10	405,413,228	183,242,207
Donations	11	-	911,880
Income from L.I.F.E.		187,350	558,020
Income from investments		6,512,500	8,516,666
Other Income	12	<u>73,019,873</u>	<u>40,989,125</u>
		<u>573,770,001</u>	<u>234,217,898</u>
PROGRAM COSTS			
AYETA Project		5,538,200	-
CIVICUS Funded Project		-	471,225
Digital Inclusion		110,000	-
Digital Rights Academy		572,000	-
Digital Rights Violation Platform		4,940,000	-
Digital Readiness Workshop		315,550	172,300
Digital Rights & Freedom Bill		1,840,000	818,700
Digital Rights and Inclusion Forum 2019		-	
42,554,264			
Digital Rights and Inclusion Forum 2020		12,047,244	7,791,200
Digital Rights in Africa Report		1,716,840	400,000
DUFUNA Project		9,426,075	2,151,730
SCIFA		10,487,029	-
Google Policy Fellowship Funds		-	10,713,880
Google Disinformation Project		-	528,000
Grant Support to LIGS		503,531	-
INTEL Workshop Expenses		-	7,931,936
Internews Funded Project		-	154,250
Digital Rights and Inclusion Media Fellowship		2,173,800	2,092,096
Network Testing Project		600,000	-
NMCG Conference		64,700	-

INCOME AND EXPENDITURE CONTD

FOR THE YEAR ENDED 31ST DECEMBER, 2020

	2020 N	2019 N
PROGRAM COSTS(Contd.)		
Regional Workshop	2,029,500	-
Researchers Allowances	3,114,500	-
Safer Internet Day	-	881,400
Short Film Production	16,348,240	-
Social Media Bill Campaign	6,075,092	-
Techtiary Angel Investment Scheme	-	176,000
Uyo Digital Rights Workshop	7,799,500	-
West Africa Internet Governance Forum	<u>1,766,678</u>	<u>-</u>
	<u>87,468,479</u>	<u>76,836,981</u>
EXPENDITURE: OPERATIONS		
Advertising	5,579,675	313,580
Bank Charges	2,003,093	1,746,607
Courier Service/Bulk SMS	-	45,600
Depreciation	10,526,569	14,560,833
Direct Expenses	26,470,696	13,006,647
Electricity	57,100	15,000
Entertainment	240,000	339,250
Fuel & lubricants	864,658	4,376,975
General expenses	1,998,235	4,744,023
Internet Service	1,804,388	1,563,612
Legal and other Professional Services	1,290,900	1,219,506
LIFE at School Volunteers	160,000	615,850
Loss on disposal of assets	-	-
3,735,188		
Medical expenses	1,010,000	-
Motor vehicle running expenses	488,350	973,600
Office cleaning	195,000	390,800
Office Supply	1,629,633	674,132

INCOME AND EXPENDITURE CONTD

FOR THE YEAR ENDED 31ST DECEMBER, 2020

	2020 N	2019 N
OPERATION COSTS(Contd.)		
Abuja Office	279,000	7,152,875
Provision for bad debts	-	1,520,000
Rent	10,731,555	9,757,718
Repairs & Maintenance	1,083,350	1,080,410
Salaries & Wages	39,885,274	35,778,184
Security expenses	91,000	67,000
Staff retreat	1,138,700	4,769,780
Staff training & development	496,700	433,414
Stationery expenses	-	98,500
Telephone expenses	1,528,316	443,000
Meetings and Conferences	497,977	443,933
Transportation/ Travel	5,136,948	20,154,283
Website Expenses	6,059,589	-
	<u>121,246,706</u>	<u>130,020,300</u>
Total Expenditure	<u>208,715,185</u>	<u>206,857,280</u>
Surplus/(Deficit) of Income over Expenditure	<u>365,054,816</u>	<u>27,360,618</u>

STATEMENT OF CASHFLOW

FOR THE YEAR ENDED 31ST DECEMBER, 2020

	2020 N	2019 N
CASHFLOW FROM OPERATING ACTIVITIES		
Excess/ (Deficit) of income over expenditures	365,054,816	27,360,618
Adjustment for items not involving movement of Cash:		
Profit on disposal of assets	-	3,785,188
Depreciation	<u>10,526,569</u>	<u>14,560,833</u>
Operating surplus b4 working capital changes	375,581,385	45,706,639
Changes in working capital:		
Increase in debtors and prepayments	(6,173,635)	(6,306,517)
Decrease in creditors	<u>(16,791,057)</u>	<u>6,789,189</u>
	352,616,693	46,189,311
Cashflow from investing activities:		
Short term investment	(45,116,667)	(6,016,666)
Purchase of fixed assets	<u>(7,352,446)</u>	<u>(11,949,313)</u>
Increase in cash and cash equivalents	300,147,581	28,223,331
Cash and cash equivalents at beginning of the year	<u>43,766,103</u>	<u>15,542,772</u>
Cash and cash equivalents at end of the year	<u>343,913,684</u>	<u>43,766,103</u>

NOTES TO THE ACCOUNTS

AS AT 31ST DECEMBER, 2020

1. CORPORATE STRUCTURE AND BUSINESS

The organization 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

	FURNITURE & EQUIPMENT	COMPUTERS	GENERATOR	IMPROVEMENTS TO LEASEHOLD	MOTOR VEHICLE	TOTAL
COST	N	N	N	N	N	N
As at 1/1/2020	24,755,014	10,048,500	6,615,500	42,027,579	4,135,263	87,581,856
Additions during the year	<u>588,425</u>	<u>2,291,471</u>	<u>-</u>	<u>4,472,550</u>	<u>-</u>	<u>7,352,446</u>
As at 31/12/2020	<u>25,343,439</u>	<u>12,339,971</u>	<u>6,615,500</u>	<u>46,500,129</u>	<u>4,135,263</u>	<u>94,934,302</u>
As at 1/1/2020	12,739,029	1,811,937	1,503,000	34,601,838	1,860,868	52,516,673
Charge for the year	<u>3,112,055</u>	<u>1,256,063</u>	<u>826,938</u>	<u>4,297,699</u>	<u>1,033,816</u>	<u>10,526,569</u>
As at 31/12/2020	<u>15,851,084</u>	<u>3,068,000</u>	<u>2,329,938</u>	<u>38,259,640</u>	<u>2,894,684</u>	<u>63,043,242</u>
NET BOOK VALUE						
As at 31/12/2020	9,492,355	<u>9,271,971</u>	4,285,563	<u>8,240,489</u>	<u>1,240,579</u>	<u>31,891,059</u>
As at 31/12/2019	12,015,985	<u>8,236,563</u>	<u>5,112,500</u>	<u>7,425,741</u>	<u>2,274,394</u>	<u>35,065,183</u>

	2020 N	2019 N
3. SHORT TERM INVESTMENTS		
N10m 60 days Investment in Sapphire Ltd	10,000,000	11,750,000
N14m Short term Investment in Marvel Natural Products Ltd	16,800,000	14,933,333
N45m Short term Investment in Marvel Natural Products Ltd	<u>45,000,000</u>	<u>-</u>
	<u>71,800,000</u>	<u>26,683,333</u>

NOTES TO THE ACCOUNT CONTD

AS AT 31ST DECEMBER, 2020

	2020 N	2019 N
4. BANK AND CASH		
i. Access Bank Plc Naira Account	-	3,231
. Access Bank Plc Dollar Account	89,033,623	8,849,061
ii. Guaranty Trust Bank Plc:		
* Naira account	6,953,174	839,907
* Dollar account	247,611,261	34,042,625
* Euro account	62,846	15,955
* Pound Sterling account	252,010	15,325
* Master Card Credit Card	<u>770</u>	<u>-</u>
	<u>343,913,684</u>	<u>43,766,103</u>
5. RECEIVABLES / PLEDGES		
Accounts Receivable	-	30,971,225
Accrued Investment Income	3,020,833	-
Advance to a Partner	9,000,000	-
Prepaid Rents	9,378,236	5,718,000
Staff Debtors	<u>1,819,347</u>	<u>7,767,500</u>
	<u>23,218,416</u>	<u>44,456,725</u>
6. PAYABLES / ACCRUALS		
Other creditor	<u>372,500</u>	<u>9,734,471</u>
7. ACCUMULATED FUNDS		
At January 1,	106,035,741	78,675,123
Surplus of Income over Expenditure	<u>364,414,918</u>	<u>27,360,618</u>
At December 31,	<u>470,450,659</u>	<u>106,035,741</u>

8. INCOME

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.

NOTES TO THE ACCOUNT CONTD

AS AT 31ST DECEMBER, 2020

	2020 N	2019 N
9. GENERAL GRANTS		
Ford Foundation	<u>87,637,050</u>	<u>-</u>
	<u>87,637,050</u>	<u>-</u>
10. RESTRICTED GRANTS		
Association for Progressive Communications	-	2,531,122
Ashoka	-	38,336
Civicus	3,572,550	449,820
Counterpart International	2,041,981	-
Facebook	-	17,740,000
Ford Foundation	-	77,934,204
Freedom House	-	454,410
Global Partners	-	4,759,349
GNI	-	534,824
Google LLC	-	7,344,000
Heinrich Boell Foundation	-	1,800,000
HIVOS	-	45,998
Internews	8,084,731-	8,553,548
Intel (She will Connect)	-	107,100
ISOC	44,020,499	-
New Media Citizenship Governance	-	2,142,000
Omidyar Network	109,697,958	35,182,350
OSIWA	61,178,480	22,467,352
WAIGF	4,286,362	-
World Economic Forum		912,529
World Wide Web Foundation	5,730,615	284,917
Netherlands Embassy	163,210,559	
Collaboration of Inter ICT Policy	306,000	-
Freedom House	485,010	-
Global Partner Digital	2,139,500	-
Least Authority	<u>658,983</u>	<u>-</u>
	<u>405,413,228</u>	<u>183,242,206</u>

NOTES TO THE ACCOUNT CONTD

AS AT 31ST DECEMBER, 2020

	2020 N	2019 N
11. DONATIONS		
Seth Berma	<u> - </u>	<u>911.880</u>
	<u> </u>	<u>911.880</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: – N396.73 - \$1 (2019 : N361 - \$1)

Euro Rate :- N473.45 - €1 (2019 : N405– €1)

Pounds Sterling Rate :- N529.9 - £1 (2019 : N480.771 - £1)

SCHEDULE OF OPERATING EXPENSES

APPENDIX

	Head office	Dakata	Abuja	Aba	Ajegunle	2020	2019
Advertising	5,517,200					5,517,200	313,580
Alumni Forum	-			-		-	
Bank Charges	2,003,093					2,003,093	1,746,607
Courier Service/Bulk SMS	323,475					323,475	45,600
Depreciation	10,526,569					10,526,569	14,560,833
Electricity	57,100					57,100	15,000
Entertainment	240,000					240,000	339,250
Fuel & lubricants	128,198	220,800		234,500	281,160	864,658	6,472,925
General Expenses	808,435	942,950	26,650	100,800	18,000	1,896,835	7,816,193
Internent	1,626,393	30,000	36,625	46,000	65,370	1,804,388	2,051,512
Legal & other professional services	1,290,900					1,290,900	1,219,506
Medical expenses	1,010,000					1,010,000	-
Motor vehicle running exp	-					-	973,600
Office Cleaning	15,000	40,000	55,000	40,000	60,000	210,000	515,600
Office Supply	246,572	56,850	37,360	57,650		398,432	856,532
Direct Admin Exp	27,322,322				480,974	27,803,297	15,035,606
Regional Workshop	279,000					279,000	14,305,749
Provision for Bad Debts	-					-	20,000
Rent	6,924,075	1,453,125	-	1,944,355	410,000	10,731,555	14,121,894
Repairs & Maint	755,350	18,000		420,960	362,390	1,556,700	1,675,820
Salaries & Wages	39,820,411					39,820,411	35,748,184
Security expenses	-		91,000			91,000	134,000
Staff retreat	1,138,700					1,138,700	4,769,780
Staff training & development	496,700					496,700	433,414
Stationery	-					-	98,500
Loss on Assets disposals	-					-	5,972,250
Telephone/Communication	1,511,316					1,511,316	443,000
Meeting & Conferences	253,977					253,977	698,033
• LIFE at School volunteers	224,863					224,863	615,850
Transportation	5,106,292	19,000		10,000	1,656	5,136,948	20,173,533
Website hoisting	6,059,589					6,059,589	
	113,685,530	2,780,725	155,635	2,945,265	1,679,550	121,246,705	151,172,352

