



# **Annual Report and Financial Statement**

**for the year ended 31st December 2023**

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**PARADIGM INITIATIVE FOR INFORMATION  
TECHNOLOGY DEVELOPMENT  
ANNUAL REPORT AND FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 31ST DECEMBER 2023**

**PARADIGM INITIATIVE FOR INFORMATION TECHNOLOGY DEVELOPMENT  
ANNUAL REPORT AND FINANCIAL STATEMENTS  
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## CORPORATE INFORMATION

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<b>Company Registration No.</b>	CAC/IT/NO 30547
<b>Registered Office</b>	374, Borno Way, Yaba, Lagos.
<b>Date of Incorporation</b>	December 16, 2008
<b>Directors</b>	
Prof Pat Utomi	Chairman
Dr. Seyi Adebayo Olubi	Director
Nick Jekogian	Director
Dr. Aida Opoku- Mensah	Director
Moussoukoro Diop	Director
Dr. Jummai Zainab Umar- Ajijola	Director
'Gbenga Sesan	Executive Director
<b>Company Secretary</b>	Nnenna Paul-Ugochukwu
<b>Auditor</b>	Haruna Yahaya & Co Chartered Accountants 21 Tafawa Balewa Crescent Off Adeniran Ogunsanya Surulere Lagos, Nigeria
<b>Principal Bankers</b>	Access Bank Plc Guaranty Trust Bank Plc Flutterwave

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**REPORT OF THE DIRECTORS**

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The directors submit their report together with the audited financial statements for the year ended 31 December 2023, which disclose the state of affairs of the Organisation.

**Incorporation and address**

Paradigm Initiative works to connect underserved young Africans with digital opportunities, and ensures protection of their rights. Across our regional offices in Cameroon, Kenya, Nigeria, Senegal, Zambia, Zimbabwe and beyond, we work to connect under-served African youth with improved livelihoods through our digital inclusion and digital rights programs. Our programs include the Life Skills. ICT. Financial Readiness. Entrepreneurship (LIFE) training program, Dufuna and a digital rights program.

374 Borno Way  
Yaba,  
Lagos State  
Nigeria

**Principal activities**

Paradigm Initiative for Information Technology Development (the organization) is incorporated in Nigeria and has its registered office at 39 Baale Street, Ajegunle, Lagos, Nigeria; principal place of business at 374 Borno Way, Yaba, Lagos, Nigeria; operational offices at Port harcourt and Abuja, Nigeria; Zambia, Zimbabwe, Senegal, Cameroun and Kenya.

The principal activities of the Company, registered under the Nigeria Companies and Allied Matters Decree as an Incorporated Trustee, is to connect under-served African youth with Information and Communication Technology (ICT) enabled opportunities in order to improve their lives and that of their families.

**Results for the Year**

The following is the summary of the Organisation's Operating Results:

	31 Dec 2023		31 Dec 2022	
	Naira	Dollar	Naira	Dollar
Income	1,323,679,298	2,406,690	929,732,697	2,245,731
Expenditure	872,241,230	1,585,893	918,514,608	2,218,634
<b>Surplus/Deficit</b>	<b>451,438,069</b>	<b>820,796</b>	<b>11,218,089</b>	<b>27,097</b>

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**REPORT OF THE DIRECTORS CONT'D**

<b>Directors</b>	<b>Role</b>	<b>Nationality</b>
Prof Pat Utomi	Chairman	Nigerian
Dr. Seyi Adebayo Olubi	Director	Nigerian
Nick Jekogian	Director	American
Dr. Aida Opoku- Mensah	Director	Ghanaian
Dr. Jummai Zainab Umar- Ajijola	Director	Nigerian
Moussoukoro Diop	Director	Senegalese
'Gbenga Sesan	Executive Director	Nigerian

**Directors interests in contracts**

None of the directors has notified the company for the purpose of section 277 of the Companies and Allied Matters Act, of any declarable interests in contracts with which the company was involved during the year ended 31 December 2023.

**Employee health, safety and welfare**

The Company enforces strict health and safety rules and practices at the work environment, which are reviewed and tested regularly. The Company provides medical care for its employees and their families through designated hospitals and clinics retained for this purpose.

**Employment of disabled persons**

The Company has a policy of fair consideration of job applications by disabled persons having regard to their abilities and aptitude. The Company's policy prohibits discrimination of disabled persons in the recruitment, training and career development of its employees.

**Employee training and involvement**

The directors maintain regular communication and consultation with the employees on matters affecting employees and the Company. There is great emphasis on staff development and training through carefully planned training courses and seminars to update the special skills and job requirements of the staff throughout the Company. This has guided the Company's policy of continuous development of its human resources through courses and seminars organised by recognised professional bodies and organisations. Many members of staff benefited from these courses and seminars during the year under review.


**Property, plant and equipment**


The movement in property, plant and equipment has been disclosed in Note 2 to the financial statements. In the opinion of the directors, the carrying value of property, plant and equipment is not lower than the amounts shown in the financial statements.

**Auditors**

The Company's auditors, Messrs Haruna Yahaya & Co. have indicated their willingness to continue in office in accordance with section 357(2) of the Companies and Allied Matters Act (CAMA).

**By order of the board**

  
\_\_\_\_\_  
Prof. Pat Utomi  
Chairman

  
\_\_\_\_\_  
'Gbenga Sesan  
Executive Director

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**STATEMENT OF DIRECTORS' RESPONSIBILITIES**

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The Companies and Allied Matters Act requires the directors to prepare financial statements for each financial year that give a true and fair view of the state of financial affairs of the Company at the end of the year and of its profit or loss. The responsibility include:


- a) Ensuring that the Company keeps proper accounting records that disclose, with reasonable accuracy, the financial position of the Company and comply with the requirements of the Companies and Allied Matters Act.
- b) Designing, implementing and maintaining internal control relevant to the preparation and fair presentation of financial statements that are free from material misstatements, whether due to fraud or error; and
- c) Preparing the Company's financial statements using suitable accounting policies supported by reasonable and prudent judgements and estimates that are consistently applied.

The directors accept responsibility for the annual financial statements, which have been prepared using appropriate accounting policies supported by reasonable and prudent judgements and estimates, in conformity with the International Financial Reporting Standards and the requirements of the Companies and Allied Matters Act.

The directors are of the opinion that the financial statements give a true and fair view of the state of the financial affairs of the Company and of its profit or loss. The directors further accept responsibility for the maintenance of accounting records that may be relied upon in the preparation of financial statements, as well as adequate systems of internal financial control.

Nothing has come to the attention of the directors to indicate that the Company will not remain a going concern for at least twelve months from the date of these financial statements.

  
\_\_\_\_\_  
Prof. Pat Utomi  
Chairman

  
\_\_\_\_\_  
'Gbenga Sesan  
Executive Director

**PARADIGM INITIATIVE FOR INFORMATION TECHNOLOGY DEVELOPMENT  
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**STATEMENT OF CORPORATE RESPONSIBILITIES**

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In compliance with Section 405 of the Companies and Allied Matters Act 2020, we hereby confirm that we have reviewed the audited financial statements for the accounting year ended 31 December 2023 and hereby certify that:

Based on our knowledge, the financial statements do not:

1. Contain any untrue statement or a material fact.
2. Omit or state a material fact, which would make the statement misleading in the light of the circumstances under which such statements are made.
3. The financial statements and other financial information included in this report fairly represent in all material respects, financial condition, results of operations and cash flows of the Company for the years presented in the financial statements.

The directors are responsible for establishing and maintaining internal controls.

The directors are of the opinion that the financial statements give a true and fair view of the state of the financial affairs of the Company and of its profit or loss. The directors further accept responsibility for the maintenance of accounting records that may be relied upon in the preparation of financial statements, as well as adequate systems of internal financial control.


Nothing has come to the attention of the directors to indicate that the Company will not remain a going concern for at least twelve months from the date of these financial statements.

4. Designed such internal controls to ensure the material information relating to the company is made known to us by other officers within the business, particularly during the year in which this report is being prepared.
5. Evaluated the effectiveness of the Company's internal controls within 90 days prior to the date of the financial statements.
6. Certified that the Company's internal controls are effective as at year end date.
7. There are no deficiencies in the design or operation of internal controls to report to the Company's auditors.

In addition, we have disclosed to the Company's Auditors that:

8. There are no deficiencies in the design and operation of internal controls to this report.
9. There was no occasion of fraud, whether material or not, that involves management or other employees who have a significant role in the Company's internal controls.

We confirm that there has been no significant changes in internal controls or in other factors that could significantly affect internal controls subsequent to the date of our evaluation, including any corrective actions with regard to significant deficiencies and material weaknesses.

  
\_\_\_\_\_  
Gbenga Sesan  
Executive Director

  
\_\_\_\_\_  
Adesuyi Ajibade  
Finance & Admin Manager





# HARUNA YAHAYA & CO.

(Chartered Accountants & Tax Practitioners)

BN 986979

**CORPORATE HEAD OFFICE:**

Ahmedu Bello House,  
Shiroro Road,  
P.O. Box, Minna.  
Tel: 08030612115

**LAGOS OFFICE:**

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**KADUNA OFFICE:**

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e-mail: [info@harunayahaya.org](mailto:info@harunayahaya.org)  
website: [www.harunayahaya.org](http://www.harunayahaya.org)

## INDEPENDENT AUDITORS REPORT TO THE MEMBERS OF PARADIGM INITIATIVE FOR INFORMATION TECHNOLOGY DEVELOPMENT

### *Our opinion*

In our opinion, Paradigm Initiative for Information Technology's ("the organisation's") financial statements give a true and fair view of the financial position of the company as at 31 December 2023, and of its financial performance and its cash flows for the year then ended in accordance with International Financial Reporting Standards and the requirements of the Companies and Allied Matters Act and the Financial Reporting Council of Nigeria Act.

### *What we have audited*

Paradigm Initiative for Information Technology's financial statements comprise: the statement of financial position as at 31 December 2023, the statement of activities and the statement of cash flows for the year ended; and the notes to the financial statements, which include a summary of significant accounting policies.

### *Basis for opinion*

We conducted our audit in accordance with International Standards on Auditing (ISAs). Our responsibilities under those standards are further described in the Auditor's responsibilities for the audit of the financial statements section of our report. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

### *Independence*

We are independent of the Company in accordance with the International Code of Ethics for Professional Accountants (including International Independence Standards), i.e. the IESBA Code issued by the International Ethics Standards Board for Accountants. We have fulfilled our other ethical responsibilities in accordance with the IESBA Code.

### *Other information*

The Directors are responsible for the other information. The other information comprises the Directors Report, Statement of Directors' Responsibilities, and Five-Year Financial Summary, but does not include the financial statements and our auditor's report thereon. Our opinion on the financial statements does not cover the other information and we do not express an audit opinion or any form of assurance conclusion thereon. In connection with our audit of the financial statements, our responsibility is to read the other information identified above and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the audit, or otherwise appears to be materially misstated. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.

### *Responsibilities of the Directors and those charged with governance for the financial statements*

The Directors are responsible for the preparation of the financial statements that give a true and fair view in accordance with International Financial Reporting Standards and the requirements of the Companies and Allied Matters Act, and for such internal control 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. In preparing the financial statements, the Directors are responsible for assessing the company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the Directors either intend to liquidate the company or to cease operations, or have no realistic alternative but to do so. Those charged with governance are responsible for overseeing the company's financial reporting process.

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Managing Partner/CEO: Haruna N. Yahaya, mba, FCA, Partner: Ahmad Shehu Haruna, FCA, Maryam Haruna, FCA, Davis Ajaguna, FCA

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### **Auditor's responsibilities for the audit of the financial statements**

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with ISAs will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

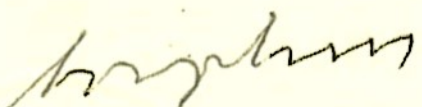
As part of an audit in accordance with ISAs, we exercise professional judgment and maintain professional skepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the company's internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the Directors.
- Conclude on the appropriateness of the Directors' use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the company to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

We communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

### **Report on other legal and regulatory requirements**

The Companies and Allied Matters Act requires that in carrying out our audit we consider and report to you on the following matters. We confirm that: i) we have obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purposes of our audit; ii) the company has kept proper books of account, so far as appears from our examination of those books; iii) the company's statement of financial position and statement of profit or loss and other comprehensive income are in agreement with the books of account.

  
For: Haruna Yahaya & Co  
Chartered Accountants  
Lagos, Nigeria  
Engagement Partner: Haruna N Yahaya mni, FCA  
FRC/2013/ICAN/0000002270  
24th June, 2024



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**STATEMENT OF ACTIVITIES**

	Note	31 Dec 2023		31 Dec 2022	
		Naira N	Dollar \$	Naira N	Dollar \$
<b>Income:</b>					
General Grants	10	110,000,000	200,000	62,089,650	149,975
Restricted Grants	11	1,073,385,166	1,951,609	704,702,260	1,702,179
Donations	12	658,427	1,197	1,644,712	3,973
Income from L.I.F.E.		546,000	993	36,000	87
Other Income		139,089,706	252,890	161,260,074	389,517
		<b>1,323,679,298</b>	<b>2,406,690</b>	<b>929,732,697</b>	<b>2,245,731</b>
<b>Expenditure:</b>					
Project Implementation Expenses	13	633,002,282	1,150,913	729,209,099	1,761,375
Administrative & Operating Expenses	14	239,238,948	434,980	189,305,510	457,260
		<b>872,241,230</b>	<b>1,585,893</b>	<b>918,514,608</b>	<b>2,218,634</b>
<b>Surplus/(Deficit) of Income Over Expenditure</b>		<b>451,438,069</b>	<b>820,796</b>	<b>11,218,089</b>	<b>27,097</b>

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**STATEMENT OF FINANCIAL POSITION**

	Note	31 Dec 2023		31 Dec 2022	
		Naira	Dollar	Naira	Dollar
		₦	\$	₦	\$
<b>Non-Current Assets</b>					
Property Plant & Equipment	2	27,959,503	50,835	31,045,922	74,990
Other Asset-Long Term	4	286,499,872	520,909	149,687,372	361,564
		<b>314,459,375</b>	<b>571,744</b>	<b>180,733,294</b>	<b>436,554</b>
<b>Current Assets</b>					
Inventory	3	-	-	24,000	58
Other Asset-Short Term	4	169,405,526	308,010	56,355,526	136,124
Cash in Hand and at Bank	5	275,874,371	501,590	82,594,707	199,504.12
Receivables/Prepayments	6	22,356,845	40,649	22,449,939	54,226.90
		<b>467,636,742</b>	<b>850,249</b>	<b>161,424,171</b>	<b>389,913</b>
<b>Current Liabilities</b>					
Payables & Accruals	7	6,844,790	12,445	8,451,996	20,415
<b>Net Current Assets</b>		<b>460,791,951</b>	<b>837,804</b>	<b>152,972,175</b>	<b>369,498</b>
<b>Total Net Assets</b>		<b>775,251,326</b>	<b>1,409,548</b>	<b>333,705,469</b>	<b>806,052</b>
<b>Financed By:</b>					
<b>Accumulated Fund</b>	8	<b>775,251,326</b>	<b>1,409,548</b>	<b>333,705,469</b>	<b>806,052</b>

See notes to the Financial Statement on pages 16 to 18

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**STATEMENT OF CHANGES IN FUNDS (ACCUMULATED FUNDS)**

	Accumulated surplus	
	N	\$
<b>Balance at 1 January 2022</b>	322,487,380	806,218.46
Deficit for the year	11,218,088	27,096.83
<b>Balance at 31 December 2022</b>	<b>333,705,468</b>	<b>833,315.29</b>
<b>At 1 January 2023</b>	<b>333,705,468</b>	<b>833,315.29</b>
Surplus/Deficit for the year	451,438,069	820,796.49
Prior Year Adjustment: 1024 Concept	(10,000,000)	(18,181.82)
Salary Refund	107,789	195.98
<b>Balance at 31 December 2023</b>	<b>775,251,326</b>	<b>1,409,548</b>

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STATEMENT OF CASH FLOWS

	31 Dec 2023		31 Dec 2022	
	Naira ₦	Dollar \$	Naira ₦	Dollar \$
<b>Cash Flows from Operating Activities</b>				
Excess/(Deficit) of Income over Expenditures	451,438,069	820,796	11,218,089	27,097
<b>Adjustment for items not involving movement of cash</b>				
Profit /Loss on Disposal of Asset	859,123	1,562	5,264,114	12,715
Depreciation	9,911,374	18,021	13,113,554	31,675
Impairment loss on Investment- Marvel Natural	300,000	545	-	-
<b>Operating surplus before working capital changes</b>	<b>462,508,566</b>	<b>840,925</b>	<b>29,595,757</b>	<b>71,487</b>
<b>Changes in working Capital:</b>				
Increase/Decrease in Inventory	24,000	44	(24,000)	(58)
Increase/Decrease in Debtors and Prepayments	93,094	169	9,159,855	22,125
Decrease/Increase in Creditors	(1,607,206)	(2,922)	8,001,496	19,327
	<b>461,018,454</b>	<b>838,215</b>	<b>46,733,108</b>	<b>112,882</b>
<b>Cash flows from investing activities</b>				
Movement in Investment	(278,762,500)	(506,841)	(97,456,822)	(235,403)
Sales of Asset	1,379,733	2,509	4,169,499	10,071
Refund: Salary	107,790	196	-	-
Disposal of Short-Term Investment:				
Marvel Natural Product Limited	16,500,000	30,000	14,000,000	33,816
Meristem Capital Limited	2,100,000	3,818	-	-
Purchase of Fixed Assets	(9,063,812)	(16,480)	(10,423,718)	(25,178)
<b>Increase /Decrease in cash and cash equivalents</b>	<b>193,279,665</b>	<b>351,418</b>	<b>(42,977,933)</b>	<b>(103,811)</b>
Cash and cash equivalents at start of the year	82,594,706	150,172	125,572,640	303,316
<b>Cash and cash equivalents at end of the year</b>	<b>275,874,371</b>	<b>501,590</b>	<b>82,594,707</b>	<b>199,504</b>

**PARADIGM INITIATIVE FOR INFORMATION TECHNOLOGY DEVELOPMENT  
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**NOTES TO THE FINANCIAL STATEMENTS**

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**1. General information**

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. Paradigm Initiative works to connect underserved young Africans with digital opportunities, and ensures protection of their rights. Across our regional offices in Cameroon, Kenya, Nigeria, Senegal, Zambia, Zimbabwe and beyond, we work to connect under-served African youth with improved livelihoods through our digital inclusion and digital rights programs. Our programs include the Life Skills. ICT. Financial Readiness. Entrepreneurship (LIFE) training program, Dufuna and a digital rights program.

**2. Accounting policies**

The principal accounting policies applied in the preparation of these financial statements are set out below. These policies have been consistently applied to all the years presented, unless otherwise stated.

**2.1 Basis of preparation**

The financial statements have been prepared in accordance with International Financial Reporting Standards (IFRS) as issued by the International Accounting Standards Board (IASB), and IFRS Interpretations Committee (IFRSIC) interpretations applicable to companies reporting under IFRS. Additional information required by National regulations are included where appropriate.

The preparation of financial statements in conformity with IFRS requires the use of certain critical accounting estimates. It also requires management to exercise its judgment in the process of applying the Company's accounting policies. Changes in assumptions may have a significant impact on the financial statements in the period the assumptions changed. Directors believe that the underlying assumptions are appropriate and that the company's financial statements therefore present the financial position and results fairly.

The financial statements have been prepared on a historical cost basis and are presented in Naira and dollar equivalent for the ended 2023 using the relevant exchange rate.

**2.2 Foreign Currency Translation**

**(a) Functional and Presentation Currency:**

Items included in the financial statements are measured using the currency of the primary economic environment in which the company operates which is Naira ('the functional currency').

The financial statements are presented in Naira, which is the Company's presentation currency.

**(b) Transactions and Balances:**

Transactions denominated in foreign currencies are translated and recorded in Naira at the actual exchange rates as of the date of the transaction. Monetary assets and liabilities denominated in foreign currencies at the reporting date are retranslated at the rates of exchange prevailing at that date. The foreign currency gain or loss on monetary items is the difference between amortized costs in the functional currency at the beginning of the year, adjusted for effective interest and payments during the year, and the amortized cost in foreign currency translated at the exchange rate at the end of the reporting year.

NOTES TO THE FINANCIAL STATEMENTS CONT'D

2.4 **Cash and cash equivalents**

Cash and cash equivalents represent a net of cash and bank balances as well as short term investments that are readily convertible to cash. Cash and cash equivalents comprise cash in hand; current balances with banks and similar institutions; and short-term highly liquid investments that are readily convertible to known amounts of cash, are subject to insignificant risk of changes in value and have a maturity of three months or less from the date of acquisition. For the purposes of the statement of cashflows, cash & cash equivalent includes bank overdraft.

2.5 **Property, Plant and Equipment**

Property, plant and equipment are stated at cost less accumulated depreciation and accumulated impairment losses. Cost includes expenditures that are directly attributable to the acquisition of the asset. Subsequent costs are included in the asset's carrying amount or recognized as a separate asset, as appropriate, only when it is probable that future economic benefits associated with the item will flow to the company and the cost can be measured reliably. Repairs and maintenance costs are charged to the statement of income during the period in which they are incurred.

The company allocates the amount initially recognized in respect of an item of property, plant and equipment to its significant parts and depreciates separately each such part. The carrying amount of a replaced part is derecognized when replaced. Residual values, method of amortization and useful lives of the assets are reviewed annually and adjusted if appropriate. Impairment losses and gains and losses on disposals of property, plant and equipment are included in cost of sales. Gains and losses on disposals are determined by comparing the proceeds with the carrying amount and are recognised within 'general and administrative expenses' in the income statement.

The major categories of property, plant and equipment are depreciated on a straight-line basis as follows:

<b>Asset Category</b>	<b>Depreciation Rate (%)</b>
Computers	12.5
Furniture, Fittings and Fixture	12.5
Generators	12.5
Motor vehicles	25
Improvements to leasehold	20

2.6 **Impairment Of Non-Financial Assets**

Assets that are subject to amortisation are reviewed 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 costs to sell and value in use. For the purposes of assessing impairment, assets are grouped at the lowest levels for which there are separately identifiable cash flows (cash-generating units). Non-financial assets other than goodwill that suffered an impairment are reviewed for possible reversal of the impairment at each reporting date.



**NOTES TO THE FINANCIAL STATEMENTS CONT'D**

**2.7 Financial Assets**

It is the Company's policy to initially recognize financial assets at fair value plus transaction costs, except in the case of financial assets recorded at fair value through profit or loss which are expensed in profit or loss. Classification and subsequent measurement is dependent on the Company's business model for managing the asset and the cashflow characteristics of the asset. On this basis, the Company may classify its financial instruments at amortized cost, fair value through profit or loss and at fair value through other comprehensive income.

The business models applied to assess the classification of the financial assets held by the company are;

- **Hold to collect:** Financial assets in this category are held by the Company solely to collect contractual cash flows and these cash flows represents solely payments of principal and interest. Assets held under this business model are measured at amortized cost.
- **Fair value through other comprehensive income:** Financial assets in this category are held to collect contractual cash flows and sell where there are advantageous opportunities. The cash flows represent solely payment of principal and interest. These financial assets are measured at fair value through other comprehensive income.
- **Fair value through profit or loss:** This category is the residual category for financial assets that do not meet the criteria described above. Financial assets in this category are managed in order to realise the asset's fair value.

The business model for the Company's financial assets are held to collect contractual cashflows that are solely payments of principal (for non-interest-bearing financial assets) or solely payments of principal and interest (for interest bearing financial assets).

The Company's financial assets include trade and other receivables, cash and cash equivalents. They are included in current assets, except for maturities greater than 12 months after the reporting date. Interest income from these assets is included in finance income using the effective interest rate method. Any gain or loss arising on derecognition is recognised directly in profit or loss and presented in finance income/cost.

**3 Employee benefits**

**(i) Wages, salaries and annual leave:**

Wages, salaries, bonuses, other contributions, paid annual leave and sick leave are accrued in the period in which the associated services are rendered by employees of the company.

**(ii) Defined contribution plan**

A defined contribution plan is a pension plan under which the Company pays fixed contributions into a separate entity. The Company operates a defined contribution retirement benefit scheme for its employees governed by the Pension Reform Act 2014 in which the employers and its employees contribute a minimum of 10% and 8% respectively of the employees' monthly emoluments to a Pension Fund Administrator of employees' choice. The contributions are to be managed by the PFA according to the statutes governing the scheme. Employees contributions to the scheme are funded through payroll deductions while the Company's contribution is charged to the profit and loss account during the year. The Company has no legal or constructive obligations to pay further contributions if the fund does not hold sufficient assets to pay all employees the benefits relating to employee service in the current and prior periods.

**NOTES TO THE FINANCIAL STATEMENTS CONT'D**

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The assets of the schemes are held in separate trustee administered funds, which are funded by contributions from both the Company and employees. The Company's contributions to the defined contribution schemes are charged to the profit and loss account in the year to which they relate.

**(iii) Long service award**

Long service awards are given to employees who attain the qualifying years of service which is a period of five years. Thereafter, the award is granted at every 5-year anniversary of the initial award date. Associated expense is charge to statement of comprehensive income in the period in which it is incurred.

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NOTES TO THE FINANCIAL STATEMENTS CONT'D

2 Property, Plant and Equipment

	N	N	N	N	N	N	N
	FF/EQUIP	COMPUTER	GENERATOR	IMPROVEMENTS TO LEASEHOLD	M/VEHICLE	TOTAL	
Cost at 1/2023	26,376,427	30,234,543	5,315,500	46,570,129	4,135,263	112,631,862	
Additions	2,381,297	5,234,955	-	1,447,560.00	-	9,063,812	
Disposal	(2,286,214)	(715,000)	-	-	-	(3,001,214)	
<b>As at 31/12/2023</b>	<b>26,471,510</b>	<b>34,754,498</b>	<b>5,315,500</b>	<b>48,017,689</b>	<b>4,135,263</b>	<b>118,694,460</b>	
Acc dep							
As at 1/1/2023	20,372,810	7,879,935	2,683,814	46,514,129	4,135,253	81,585,941	
Charges for the year	3,827,060	4,977,990	826,938	279,386.00	-	9,911,374	
Disposal	(656,941)	(105,417)	-	-	0	(762,358)	
<b>As 31/12/2023</b>	<b>23,542,929</b>	<b>12,752,509</b>	<b>3,510,752</b>	<b>46,793,515</b>	<b>4,135,253</b>	<b>90,734,958</b>	
NBV							
31/12/2023	2,928,581	22,001,989	1,804,748	1,224,174	10	27,959,503	
31/12/2022	6,003,617	22,354,608	2,631,686	56,000	10	31,045,921	

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**NOTES TO THE FINANCIAL STATEMENTS CONT'D**

	N	N
	2023	2022
<b>3 Inventory</b>	-	24,000
	N	N
<b>4 Other Asset-Long Term</b>	2023	2022
Meristem capital Ltd.	189,732,588	52,920,088
Stanbic IBTC Dollar Fund	56,402,905	56,402,905
Long term Receivables	40,364,379	40,364,379
	<b>286,499,872</b>	<b>149,687,372</b>
	2023	2022
<b>Other Asset-Short term</b>	N	N
Marvel Natural Product Ltd	-	2,400,000
Meristem capital Ltd.	27,455,526	43,955,526
1024 Concept	-	10,000,000
Real Estate UK Products	18,200,000	-
Stanbic IBTC Dollar Fund	123,750,000	-
	<b>169,405,526</b>	<b>56,355,526</b>

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NOTES TO THE FINANCIAL STATEMENTS CONT'D

	2023	2022
	N	N
<b>5 Bank and Cash</b>		
i. <b>Access Bank Plc. -Dollar Account</b>	196,489.00	196,489
ii. <b>Flutterwave</b>	807,860.37	-
iii. <b>Guaranty Trust Bank Plc.:</b>		
• Naira Account	80,848,329	17,910,132
• Dollar Account	183,230,399	49,888,238
• Euro Account	177,096	11,970,743
• Pound Sterling Account	5,069,851	261,569
• GTB Dollar Mastercard 1	3,949,055	1,404,230
• GTB Dollar Mastercard 2	1,051,683	348,696
• GTB Naira Mastercard 1	389,874	300,444
• GTB Naira Mastercard 2	153,736	314,167
	<b>275,874,371</b>	<b>82,594,707</b>
<b>6 Receivable/Pledges</b>		
Accrued other Income	-	8,355,052
Advanced to a Partner	15,000,000	10,000,000
Prepaid Rents	3,579,067	1,194,744
Staff Debtors	3,777,778	2,900,143
	<b>22,356,845</b>	<b>22,449,939</b>
<b>7 Payables/Accruals</b>		
Account Payable	-	78,000
PAYE/NSIF/Pension Accrued	5,344,790	1,157,746
Other Creditors	-	372,500
Rent Accrued	-	5,643,750
Accrued Audit fee	1,500,000	1,200,000
	<b>6,844,790</b>	<b>8,451,996</b>

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**NOTES TO THE FINANCIAL STATEMENTS CONT'D**

	<b>2023</b>	<b>2022</b>
	<b>₦</b>	<b>₦</b>
<b>8 Accumulated Funds</b>		
At January 1	333,705,468	322,487,380
Surplus/Deficit of Income over Expenditure	451,438,069	11,218,089
Prior Year Adjustment: 1024 Concept	(10,000,000)	
Salary Refund	107,790	
At December 31	<b>775,251,326</b>	<b>333,705,468</b>

**9 Income**

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

	<b>₦</b>	<b>₦</b>
	<b>2023</b>	<b>2022</b>
<b>10 General Grants</b>		
Ford Foundation	-	62,089,650
Google	110,000,000	-
	<b>110,000,000</b>	<b>62,089,650</b>
<b>Restricted Grants</b>		
Facebook	1,332,073	41,700,150
Internews	61,684,167	57,926,449
ISOC	50,582,615	32,666,703
OSIWA	-	39,938,580
WAGIF	1,375,000	4,961,790
World Wide Web Foundation	-	1,546,497
Netherlands Embassy	193,180,307	147,836,390
Global Partner Digital	12,355,910	26,982,459
DRL	-	274,001,503
University of WITS	-	1,549,710
IYF	25,217,500	12,420,000
UNDP	-	1,026,381
Wikimedia	9,611,250	8,269,650
GNI	14,848,053	6,980,040
Luminate	115,486,250	-
Disney	10,986,250	10,339,650
Google	-	31,050,000
Ford Foundation	134,150,500	1,382,868
Disinformation index Limited	13,575,100	4,123,440
ARTICLE 19	5,478,000	-
ASSOCIATION FOR PROGRESSIVE COM	3,289,000	-
Business and Human Rights Center	2,750,000	-

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CODE FOR AFRICA	1,375,000	-
Institute Of Development Studies	29,405,250	-
MOTT FOUNDATION	87,994,500	-
OSF	192,500,000	-
OTF	73,183,000	-
Privacy International	8,109,563	-
Social Finance	2,750,000	-
TIDES Foundation	8,250,000	-
UNESCO	1,630,750	-
WACSI	12,285,130	-

<b>1,073,385,166</b>	<b>704,702,260</b>
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**11 Donations**

Global Online Giving	658,427	1,092,212
Tech Project	-	352,500
Donation	-	200,000
	<b>658,427</b>	<b>1,644,712</b>

**12 Exchange Gain**

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

The exchange rates for translation are expressed at the company's internal rate as follows:

Dollar Rate:	N550 - \$1 (2022: N414 - \$1)
Euro Rate:	N600 - €1 (2022: N450 - €1)
Pounds Sterling Rate:	N650 - £1 (2022: N550 - £1)

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	N	N
13 Project Implementation Expenses	2023	2022
AYETA Project	-	445,000
Digital Rights Academy	15,476,797	40,571,277
Digital Rights & Freedom Bill	-	131,824,542
Digital Rights and Inclusion Forum 2021	-	14,450,505
Digital Rights in Africa Report	20,089,795	5,000,000
Researchers Allowances	4,632,920	2,065,860
Short Film Production	14,616,000	38,485,812
West Africa Internet Governance Forum	15,500,748	9,722,742
Learning Calls - NRC F fee	600,000	324,200
Strategic Litigation Support	700,000	-
AI GPD Project	-	482,724
Conference, Convention, Meeting	27,850,441	20,206,899
Net Rights Coalition Expenses	200,000	124,200
DPA Report	-	90,000
DRIMF 2 Cohorts	-	2,318,400
PIN Festival	412,500	56,784,947
Advocacy Workshops -Zambia	-	6,821,892
Advocacy Workshops (Tanzania)	-	6,367,320
French translation	4,787,932	5,511,449
Radio appearance & TV Appearance	2,547,200	6,352,422
Monitoring and Evaluation	321,200	-
ARUSWG	-	9,000,000
DRIF22 Workshop	-	72,257,604
Personnel Project Expenses	178,008,601	148,531,701
Project Communication expenses	5,703,485	12,878,000
SCILLS	-	8,122,546
life Legacy	14,885,547	2,476,400
Strategic Litigation Support	-	900,000
Documentary	-	1,500,000
Short Film Marketing	-	8,747,054
Newspaper Ads	1,555,625	9,472,803
Media Parley	330,000	1,389,700
Online Ads	2,941,898	1,846,236
Legislative retreat workshop	57,381,647	4,295,845
Fund Raising	553,460	292,200
ACHPR Advocacy	6,557,130	7,323,660
Digitalks	-	25,178,905
Collaboration Coalition Focus	12,867,661	4,827,681
Colloquium on Digital Rights	7,073,349	7,341,650



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Francophone Shaping Policy	-	1,863,000
Shaping Policy - Zambia	-	1,627,000
Shaping Policy - Tanzania	-	4,802,400
Digital Rights - East Africa	-	1,178,500
GPD BHR	-	1,672,000
IYF Project	5,450,615	5,555,000
PIN Anniversary	-	23,554,123
Printing of Box Set (LONDA)	-	14,624,900
Advocacy Workshops -Francophone	1,375,000	-
DRIF 23	140,754,856	-
DRIF 24	1,578,054	-
DRILL	1,133,000	-
Digital Rights- East Africa	86,232,568	-
DREAM	884,256	-
	<b>633,002,282</b>	<b>729,209,099</b>

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**14. Administrative & Operating Expenses**

	<b>N</b>	<b>N</b>
	<b>2023</b>	<b>2022</b>
Bank Charges	11,080,071.46	10,135,061
Courier Service/Bulk SMS	568,249.00	0
Depreciation	9,911,374.08	13,113,554
Electricity	926,200.00	400,400
Entertainment	271,136.00	1,288,875
Fuel & Lubricants	1,283,660.05	2,782,741
General Expenses	25,500.00	3,472,046
Legal and other Professional Services	305,787.73	225,000
Loss on disposal of Assets Written off/Asset stolen	859,123.16	5,264,114
Medical Expenses	5,622,282.48	5,507,858
Motor vehicle running expenses	880,500.00	1,263,969
Office Cleaning	1,471,645.45	1,412,190
Office Supplies	4,244,668.68	4,902,239
Rent	13,118,123.43	12,994,929
Repairs and Maintenance	2,077,684.00	2,009,800
Salaries & Wages	70,532,669.90	49,746,700
Security expenses	-	56,000
Staff retreat	47,211,740.40	26,498,466
staff Training	15,279,860.89	2,893,868
Telephone	2,560,085.00	2,377,990
Transportation	5,037,663.77	3,198,370
Printing and copying	209,200.00	114,518
Bamboo HR	1,780,391.00	1,505,897
Compliance expenses	94,000.00	85,000

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PIN External Donations	2,169,720.00	741,940
Quickbooks Expenses	1,950,150.00	1,256,942
Staff welfare	8,453,977.25	9,163,780
Long Service benefit and Award	2,795,139.13	436,300
IT Expenses	8,072,393.70	7,493,795
NSITF	387,478.16	347,923
Miscellaneous/General Expenses	6,093,439.74	-
Audit	1,500,000.00	1,229,700
ISBN	4,685.44	3,944
Overstatement of Inventory Written off	24,000.00	-
Recruitment cost	-	711,877
Asset Tagging Exercise	12,000.00	1,061,500
Postage	55,000.00	104,100
Membership Subscriptions	157,500.00	143,750
Decrease in Value of Asset	300,000.00	-
Terminal Benefit	6,164,303.83	14,360,076
Service Charge	1,811,687.82	1,000,296
HR Automated tools	1,546,875.00	-
Internet Subscriptions	2,172,381.06	-
Insurance	216,600.00	-
	<b>239,238,947.60</b>	<b>189,305,510</b>



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