



Oando Foundation

ANNUAL REPORTS AND FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2012

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PROFILE OF THE FOUNDATION

Oando Foundation (or "The Foundation") was established in February 2011. The Foundation aims to support the Nigerian Government to meet the Millennium Development Goals to achieve universal primary education.

Mission: To improve the learning environment in primary schools by holistically creating world-class basic education systems to the community.

Vision: To create a sustainable and successful educational system in Nigeria that educates and empowers children.

What we do

At Oando Foundation, our key focus is providing access to world class education to pupils in the adopted public primary schools. We understand that education is the bedrock of any development, therefore, the Foundation focuses on change with education as the key thematic area. The Foundation seeks to create a sustainable and replicable model for learning in all adopted primary schools across the country through its Adopt-A-School Initiative programme which utilises a systematic innovative and multifaceted approach.

The Foundation will form strategic alliances with key Government institutions and Non-Governmental Organisations. Plans are underway to incorporate other foundations in the United Kingdom and the United States.

Funding

The board of Oando PLC has committed to funding the Foundation's activities with contributions up to 1.5% of the group's profit before tax (PBT) in its first year of operations and 1% PBT annually in subsequent years.

Registered Office

2 Ajose Adeogun Street,
Victoria Island,
Lagos,
Nigeria.

TRUSTEES AND PROFESSIONAL ADVISORS

Board of Trustees

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

NAME	Appointment Date	Resignation Date
Director: Ms. Tokunboh Durosaro	4 Feb 2011	
Chairman: Chief Felix Atako	4 Feb 2011	27 Nov 2012
Chairman: Mr. Odein Ajumogobia	28 Nov 2012	
Trustee: Mrs. Oredeji Delano	4 Feb 2011	27 Sep 2011
Trustee: Alhaji Hamid Mahmud	4 Feb 2011	27 Nov 2012
Trustee: Mrs. Adaeze Nwakoby	4 Feb 2011	13 Nov 2012
Trustee: Mrs. Folashade Adefisayo	28 Nov 2012	
Trustee: Dr. Otivere Igbuzor	28 Nov 2012	
Trustee: Mr. Chude Jideonwo	28 Nov 2012	
Trustee: Mrs. Fatimah Abdurrahman	28 Nov 2012	

Members

- Board of Trustees
- Oando PLC
- Mr. Adewale Tinubu
- Mr. Omamofe Boyo
- Mr. Bolaji Osunsanya
- Mr. Ademola Akinrele (SAN) – *resigned 27 Nov 2012*
- Oando Exploration & Production
- Oando Energy Services Limited
- Oando Marketing PLC
- Oando Supply & Trading Limited
- Oando Gas & Power Limited

Auditors:

PricewaterhouseCoopers
252E, Muri Okunola Street
Victoria Island
Lagos
Nigeria

Legal Advisers:

Olajide Oyewole & Co.
Plot 27, Block 77, Admiralty Way,
Lekki I
Lagos
Nigeria

REPORT OF THE TRUSTEES FOR THE YEAR ENDED 31 DECEMBER, 2012

1. ANNUAL REPORT

The trustees present their annual report together with the audited financial statement for the year ended 31 December, 2012, which discloses the state of the affairs of the Foundation.

2. LEGAL FORM

Oando Foundation (or "The Foundation") was incorporated in Nigeria on 4 February 2011 under the Companies and Allied Matters Act.

3. PRINCIPAL ACTIVITIES

The Foundation is a not-for-profit, non-governmental organization with a desire to empowering communities by providing access to world class basic education to Nigerian pupils.

4. TRUSTEES' RESPONSIBILITY

The management of the Foundation is vested in a Board of Trustees who is responsible for the preparation and fair presentation of these financial statements in accordance with Nigerian Statements of Accounting Standards and with the requirements of the Companies and Allied Matters Act.

5. RESULT FOR THE YEAR

	2012 ₦	2011 ₦
Income	150,000	-
Expenditures	(115,000)	(150,000)
Surplus/(Deficit)	<u>35,000</u>	<u>(150,000)</u>

6. TRUSTEES' INTEREST IN CONTRACT

None of the trustees notified the Foundation of any declarable interest in contracts in which the company was involved during the year under review for the purpose of section 277 of the Companies and Allied Matters Act.

7. AUDITORS

Messrs S. Akinyele Oludare and Co audited the Foundation's financial statements in 2011, while Messers PricewaterhouseCoopers audited the Foundation's financial statements in 2012.

8. EMPLOYMENT OF DISABLED PERSONS

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

9. HEALTH, SAFETY AT WORK AND WELFARE OF EMPLOYEES

In line with the Oando PLC Environment, Health, Security, Safety and Quality (EHSSQ) policy, it is mandatory for all employees to undergo EHSSQ training before resumption. The Foundation places a premium on safety in the workplace and takes all necessary measures, provides support to ensure compliance with all health and safety legislations, policies and laws applicable to the company's business.

10. EMPLOYEE TRAINING

The Foundation is committed to its employees and sees training and development of its employees as priority. To this end, a training curriculum is developed which is based on the competency directory and forms the basis for the individual training plan for the year. Both local and international training courses are available to employees.

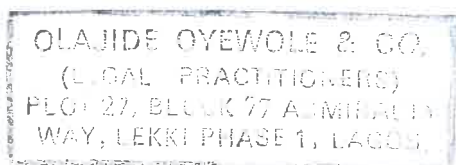
11. OTHER ACTIVITIES

In 2012, the Foundation provided technical support to various entities within Oando Group including Oando PLC, in the administration of CSR projects such as adoption of schools, renovation of schools, provision of desks and scholarships.

BY ORDER OF THE BOARD OF TRUSTEES



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Olajide Oyewole & Co
Secretary to the Foundation





REPORT OF THE INDEPENDENT AUDITOR TO THE MEMBERS OF OANDO FOUNDATION

Report on the financial statements

We have audited the accompanying financial statements of Oando Foundation ("the Foundation") which comprise the balance sheet as of 31 December 2012 and the statement of receipts and expenditures, and statement of cash flows for the year then ended and a summary of significant accounting policies and other explanatory notes.

Trustees' responsibility for the financial statements

The Trustees are responsible for the preparation and fair presentation of these financial statements in accordance with Nigerian Statements of Accounting Standards and with the requirements of the Companies and Allied Matters Act and for such internal control, as the trustees determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

Auditor's responsibility

Our responsibility is to express an independent opinion on the financial statements based on our audit. We conducted our audit in accordance with International Standards on Auditing. Those standards require that we comply with ethical requirements and plan and perform our audit to obtain reasonable assurance that the financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditor's judgement, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers 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 an opinion on the effectiveness of the entity's internal control. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of accounting estimates made by the trustees, 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.

Opinion

In our opinion the accompanying financial statements give a true and fair view of the state of the foundation's financial affairs at 31 December 2012 and of its surplus and cash flows for the year then ended in accordance with Nigerian Statements of Accounting Standards and the requirements of the Companies and Allied Matters Act and the Financial Reporting Council of Nigeria Act.



Report on other legal 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 foundation has kept proper books of account, so far as appears from our examination of those books and returns adequate for our audit have been received from branches not visited by us;
- iii) the foundation's balance sheet and receipt and expenditure account are in agreement with the books of account.

Pedro Omontuemhen

For: PricewaterhouseCoopers
Chartered Accountants
Lagos, Nigeria
Engagement Leader: Pedro Omontuemhen, FCA
FRC/2013/ICAN/00000000739



6 May 2014

OANDO FOUNDATION
BALANCE SHEET AS AT 31 DECEMBER 2012

	NOTES	2012 ¥	2011 ¥
Current Liabilities		-	-
Accruals	1	115,000	150,000
NET LIABILITY		<u>115,000</u>	<u>150,000</u>
REPRESENTED BY:			
Accumulated Deficit	2	<u>115,000</u>	<u>150,000</u>
		<u>115,000</u>	<u>150,000</u>

SIGNED ON BEHALF OF THE BOARD OF TRUSTEES BY:





Approved by the Board of Trustees on March 27, 2014

OANDO FOUNDATION
 STATEMENT OF RECEIPTS AND EXPENDITURES
 FOR THE YEAR ENDED 31 DECEMBER 2012

INCOME:	NOTES	2012 ¥	2011 ¥
Donations	3	150,000	-
		<u>150,000</u>	<u>-</u>
EXPENDITURE			
Operating Expenses	4	115,000	(150,000)
SURPLUS/(DEFICIT)		<u>35,000</u>	<u>(150,000)</u>

OANDO FOUNDATION
 STATEMENT OF CASH FLOWS
 FOR THE YEAR ENDED 31 DECEMBER 2012

	NOTES	2012 ¥	2011 ¥
CASH FLOW FROM OPERATING ACTIVITIES			
Net Income/(Deficit) from operations		35,000	(150,000)
(Decrease) /Increase in accruals		(35,000)	150,000
NET CASH FLOW FROM OPERATING ACTIVITIES		<u>-</u>	<u>-</u>
Net increase/decrease to cash and cash equivalents		-	-
Cash and cash equivalents as at 1 January 2012		<u>-</u>	<u>-</u>
Cash and cash equivalents as at 31 December 2012		<u>-</u>	<u>-</u>

OANDO FOUNDATION
STATEMENT OF ACCOUNTING POLICIES

1. BASIS OF PREPARATION

These accounts have been prepared on the basis of historical cost convention.

2. DEBTORS

Debtors are stated at net recovery values.

3. DEPRECIATION

This is calculated to write off the value of the assets over their useful lives at the following rates:

Plant & Machinery	20%
Furniture & fittings	20%
Motor Vehicles	25%
Computer and Equipment	33.3%

4. DONATIONS

Cash donations are recognised as revenue when cash is received. Gifts-in-Kind are valued at market value or reasonable estimates and disclosed in the Notes to the financial statements.

5. EXPENDITURE

All expenditure is accounted for on a modified cash basis and has been classified under headings that aggregate all costs of similar nature. Expenditure is recognised:

- when goods or services are received and cash paid;
- when cash is paid in advance to project partners.

6. CASH

Cash and cash equivalents comprise cash in hand, deposits held at call with banks and other short term highly liquid investments with original maturities of three months or less.

OANDO FOUNDATION
 NOTES TO THE FINANCIAL STATEMENTS
 AS AT 31 DECEMBER, 2012

1. ACCRUALS

	2012 ₦	2011 ₦
Accrual	115,000	150,000
Closing Balance	<u>115,000</u>	<u>150,000</u>

Accrual represents fine for late tax filing for 2012 and 2013 years of assessment.

2. ACCUMULATED FUND

	2012 ₦	2011 ₦
Opening balance	(150,000)	-
Surplus/(deficit)	35,000	(150,000)
Closing balance	<u>(115,000)</u>	<u>(150,000)</u>

This represents the difference in the opening assets and liabilities.

3. DONATIONS RECEIVED

	2012 ₦	2011 ₦
Donations	150,000	-
	<u>150,000</u>	<u>-</u>

Donations represent Oando PLC settling the 2011 audit fees on behalf of Oando Foundation.

4. OPERATING EXPENSES

	2012 ₦	2011 ₦
Audit fee	-	150,000
Fine for late tax filing	115,000	-
	<u>115,000</u>	<u>150,000</u>

2012 Audit was done pro bono by Messrs PricewaterhouseCoopers. The fine for late tax filing relates to 2012 and 2013 years of assessment.

5. CSR ACTIVITIES

The foundation is yet to commence operations. The foundation rendered technical support on the CSR activities undertaken by entities within the Oando group.

6. GIFTS IN KIND

In addition to the 1.5% donation which will be contributed to the foundation from 2013, the staff, office space, and other facilities currently being used by the foundation belong to Oando Plc.

7. EVENTS AFTER THE REPORTING PERIOD

i. Incorporation in the UK and USA

Oando Foundation embarked on incorporating foundations in the UK and USA as charities in March 2012 and September 2012 respectively. On August 29, 2013, Oando Foundation US was fully registered as a charity in the USA and granted tax exempt status under section 501(c) (3) of the Internal Revenue Code by the Internal Revenue Service (IRS). Oando Foundation UK was also registered as a Charity under the UK Charities Commission on 4 November, 2013.

ii. Bank

In October 2013, an account was opened with Guaranty Trust Bank PLC at its Adeola Odeku Branch.

iii. School Adoption

By December 2013, a total of 47 Schools across 19 states and the FCT were adopted.

iv. Programme Implementation

In 2013, a number of activities were undertaken by way of the signature project, Adopt-A-School (AAS) Initiative. They include:

a. Infrastructural Development

Oando Foundation so far has adopted 47 schools across Nigeria (19 States and the FCT) to benefit from the Foundation's holistic programme interventions; and providing access to quality education to 41,377 pupils.

Creating conducive learning environments through infrastructure upgrade is central to our work at the Foundation. In 2013, we completed the renovation of Central Primary School, Bauchi and commenced renovation in Olokun Primary School in Lagos and Zumuratul Islamiyat Primary School (ZI) Ogun State. Periodic repair and maintenance work were carried out in 2 schools in Cross River and Akwa Ibom States

b. Scholarship

Oando Foundation has awarded scholarships to 529 best performing Primary six pupils from our adopted primary schools so far. The scholarship supports their transition to secondary school and the award covers tuition (where applicable) and sundry expenses, subject to excellent academic performance.

c. Early Childhood Care and Development (ECCD) Centres

Oando Foundation works to invest in young children and create a strong foundation for their lifelong health, education, and productivity. Our ECCD centers target the 2-5 age group. We completed our pilot ECCD centre in Archbishop Taylor Primary School, Lagos in December 2013.

d. ICT/Creative Centres

In December 2013, the Foundation completed its pilot ICT Center in Archbishop Taylor Memorial School, Lagos which boasts of 10 desktop computers, 1 laptop, computer tables and chairs, 1 projector/screen, 1 printer, 1 TV, and 1 DVD Player. All appliances will be powered by solar energy.

ICT classrooms will enhance the learning capabilities of students; facilitate their exposure to computer education and other technologies while allowing students get connected with rest of the world via the use of the Internet.

e. SBMC Capacity Building

In 2013, Oando Foundation partnered with the UK Department for International Development (DfID) Education Sector Support Programme in Nigeria (ESSPIN) to jointly implement trainings for School Based Management Committees (SBMCs).

We commenced the first phase of training for SBMCs in 16 adopted schools across Lagos, Enugu, Kwara, Kaduna, Akwa Ibom, Edo and Ogun States. The training which was based on identified areas of need provided participants with relevant skills and competencies necessary to improve the quality of education at the community level, enhance access to education, and strengthen local systems of school governance.