



Oando Foundation RC: 43172

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**REPORT OF THE TRUSTEES
AND
AUDITED FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2019**

**OANDO FOUNDATION
REPORT OF THE TRUSTEES AND AUDITED FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2019**

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**OANDO FOUNDATION
REPORT OF THE TRUSTEES AND AUDITED FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2019**

CORPORATE INFORMATION

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	Designation	Appointed
Ms. Tokunboh Durosaro	Trustee - Chairperson	4-Feb-11
Dr. Otivere Igbuzor	Trustee	28-Nov-12
Mr. Chude Jideonwo	Trustee	28-Nov-12
Dr. (Mrs) Nguyan Feese	Trustee	29-Jan-16
Mr. Johnson Akponojivi Ikube	Trustee	2-Sep-16

Registered Address: 17a Ozumba Mbadiwe Avenue,
Victoria Island,
Lagos, Nigeria.

Registration Number: IT43172

Auditor: BDO Professional Services
ADOL House, 15 CIPM Avenue,
Central Business District Alausa, Ikeja
Lagos, Nigeria.

Legal Adviser/ Secretary: Olajide Oyewole LLP
Plot 5 Block 14 Bashorun Okusanya Avenue
Off Admiralty Road
Lekki Phase 1,
Lagos, Nigeria.

Banker: Guaranty Trust Bank PLC
56A Adeola Odeku street,
Victoria Island
Lagos, Nigeria.

**OANDO FOUNDATION
REPORT OF THE TRUSTEES
FOR THE YEAR ENDED 31 DECEMBER 2019**

The Trustees present their annual report on the affairs of Oando Foundation ("The Foundation"), together with the audited financial statements for the year ended 31 December, 2019.

1. LEGAL FORM

The Incorporated Trustees of Oando Foundation was registered on 4 February 2011 under the Companies and Allied Matters Act, CAP C20 Laws of the Federation of Nigeria 2004.

2. PRINCIPAL ACTIVITIES

The Foundation is a not-for-profit, non-governmental organization offering a holistic model to improve the basic education sub-sector in Nigeria. The Foundation is committed to improving access to quality education in Nigeria by creating world-class learning environments in public primary schools across the country.

Oando Foundation's programme interventions support the actualization of these Sustainable Development Goals (SDG) in Nigeria:

- SDG 4: Quality Education
- SDG 5: Gender Equality
- SDG 6: Clean Water and Sanitation
- SDG 17: Partnerships for the Goals

3. 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 International Financial Reporting Standards and with the requirements of the Companies and Allied Matters Act, CAP C20 Laws of the Federation of Nigeria 2004.

4. RESULT FOR THE YEAR

	31 December 2019 N'000	31 December 2018 N'000
Income	565,958	988,705
Expenditure	<u>(625,236)</u>	<u>(1,024,520)</u>
(Deficit)	<u>(59,278)</u>	<u>(35,815)</u>

5. TRUSTEES' INTEREST IN CONTRACTS

For the purpose of section 277 of the Companies and Allied Matters Act, CAP C20, Laws of the Federation of Nigeria 2004, Dr. (Mrs.) Nguyan Feese notified the Board of a contract with the Foundation during the year under review.

6. FORMAT OF THE FINANCIAL STATEMENT

The financial statements are presented in accordance with the reporting and presentation requirements of the Companies and Allied Matters Act, CAP C20, Laws of the Federation of Nigeria 2004 and International Financial Reporting Standards. The Trustees consider that the format adopted is the most suitable for the Foundation.

7. 2019 INITIATIVES

Oando Foundation remains committed to increasing access to basic education by improving the quality of learning environments in public primary schools across the country. In line with our commitment to ensure inclusive and equitable quality basic education in the communities we serve, the Foundation directly targets hard to reach children between the ages of 5 -15 in public primary schools, Out-of-School-Children (OOSC) including internally displaced persons, children with special needs, orphans, vulnerable children and girls.

Our target communities are selected following a review of varying research outputs and information sources, triangulated data along OOSC population, security risks, logistical accessibility, Girl Child Education ratio, and presence of development partners/thematic focus. Our selection process prioritizes areas with the most educational needs and relatively low security risk, to maximize impact and promote project continuity.

The Adopt-A-School Initiative thrives on synergy among various stakeholders; harnessing the strength of each partner in a coherent and systemic way to ensure sustainability-centered activities in cross-cutting intervention states, Value for Money (VFM), and increased scale and impact. Working in close collaboration with partners including government stakeholders; the Foundation recorded the following achievements in 2019:

(a) Scholarship:

An annual scholarship award programme to top performing pupils from our adopted primary schools to transit to secondary education. For the period under review, 444 scholars were supported.

(b) Educate-A-Child (EAC) / Oando Foundation Project:

Oando Foundation, in collaboration with EAC (A programme of Education Above All Foundation) implemented a three-year project effective 2016 to increase access to quality basic education across 23 states in Nigeria. The partnership was built on leveraging Oando Foundation lessons in the implementation of Adopt A-School initiative to scale impact across adopted schools.

In 2019, the project rounded up with the following key achievements:

- 60,955 out-of-school-children (OOSC) enrolled to date; with 77% cumulative retention rate achieved.
- Completed specific renovation/new-builds across 49 adopted schools.
- 118 units of toilets, 35 motorized boreholes and 26 wash bays constructed to support sanitation and hygiene needs across 39 adopted school.
- Established 39 ICT Centers and donated educational software to support deployment curriculum-based lessons in adopted schools.
- Trained 2,832 teachers and 210 head teachers in school management, modern pedagogical practices, and subject content knowledge.
- Distributed over 10,000 teaching and learning materials in 88 adopted schools to improve learning outcomes.
- Capacity building and mentorship support provided for 1,731 School Based Management Committee members, 212 Education Management Information System officers, and 170 school support officers to improve education service delivery.
- Awarded scholarships to 248 additional students across adopted schools, bringing total number of beneficiaries to 1,153; supporting their transition through secondary. education.

(c) Promoting Digital Literacy and Early Child Care Development in Nigeria:

Since 2017, Oando Foundation in partnership with Sumitomo Chemical is bridging the digital literacy gap among hard to reach children in public primary schools in Nigeria, in line with Sustainable Development Goal (SDG 4, Indicator 4.4.1); equipping young people and adults with relevant skills for a Digital World. Three (3) ICT Centers were established under this partnership in 2017 and 2018 respectively.

In 2019, two (2) ICT centers were established in Local Government Primary School, Itori, Ewukoro, Ogun State and Liberty Mafoni Primary School, Maiduguri, Borno. In addition, the Early Childhood Care Development classrooms at Liberty Mafoni Primary School, Maiduguri, Borno were upgraded under the Partnership.

(d) Oando Foundation and OVH Energy rehabilitate Model Primary School, Ekara Onne, Rivers State:

The Foundation partnered with OVH Energy, a leading downstream marketing company and licensee of the Oando retail brand to renovate, provide furniture, and teaching and instructional materials for teachers and pupils at Model Primary School, Ekara Onne, Rivers State.

The partners commissioned the project in the presence of key stakeholders including representatives from the Rivers State Universal Basic Education Board (RSUBEB) and Ekara Onne Local Government Education Authority (LGEA). It is expected to impact the lives of over 500 beneficiaries; bridging the existing education infrastructure gaps, and creating conducive learning environment for students to grow and thrive.

(e) Oando Foundation Partners World Bank funded Community and Social Development Programme

Oando Foundation officially flagged-off its partnership with the Katsina State Community & Social Development Project (CSDP) - a World Bank intervention focused on assisting underprivileged communities through the provision of support for social and infrastructure services. The partnership is geared towards leveraging resources of both organisations, driven by individual community priorities, to improve quality of life, reduce poverty, and increase access to social and economic facilities, in communities where both organisations are operational.

In Randawa Community where the Foundation has adopted a public primary school, the joint intervention provided funding for direct school improvement, upgrade of the primary healthcare Center, and improved road access into the community.

- (f) **Oando Foundation promotes evidence based knowledge sharing across various platforms:**
Oando Foundation continued active utilization of programme evidence from its Adopt-A-School Initiative for advocacy, knowledge sharing, and replication efforts at International, Federal and State levels; leveraging key platforms across the public, private and development sectors such as United Nations General Assembly (UNGA), World Innovation Summit on Education (WISE) and NEDIS Education Innovation Summit. Through our strategic affiliation with the National Education Group (NEG) and the Private Sector Advisory Group on SDGs (PSAG) among others, we are actively contributing to and influencing basic education priorities at national and state levels.
- (g) **Oando Foundation partners with the Federal Ministry of Education on the 2019 Nigerian Annual Education Conference:**
Oando Foundation partnered with the Federal Ministry of Education to host the 2019 Nigeria's Annual Education Conference themed: "*Education for Sustainable Livelihoods; A System Approach to strengthening the Sector for Productivity and Global Competitiveness*".
The conference objective was to bring together stakeholders in education policymaking in Nigeria to promote a culture of sharing evidence and open discussion. Key priority areas for 2019 were Curriculum and Instruction Strengthening for Greater Competence, Capacity Development for Productivity and Effectiveness, Infrastructure and Resources.
Key outcomes from the conference include - The need to improve educational outcomes across the various cadres of education by - review and update of the Nigerian curriculum in line with 21st Century realities, implementation of a Standardized Teacher Certification Process, Ongoing Professional Development for Teachers and Government Must Make Early Education a Priority.
- (h) **Oando Foundation Engages with Technical Partners in Katsina and Kwara States:**
Oando Foundation's Adopt-A-School programme is hinged on effective partnerships with key stakeholders supporting basic education planning and delivery to ensure sustainability, replication, and scale up of our programme interventions. The Technical Partners' Review Meeting in both Katsina and Kwara States serve as part of key activities under the Foundation's monitoring and evaluation framework for the Adopt-A-School Initiative. The meetings served to jointly evaluate the implementation of the AASI in the states, including areas for improvement, and opportunities for project replication and scale up by the government at state and local levels.
- (i) **Handover and commissioning of Infrastructure Projects in Plateau State**
In line with our commitment to improve access and quality of learning across adopted schools, Oando Foundation commissioned various infrastructure and sanitation projects in its adopted schools - Bungba Gida Primary School, Mangu Local Government Area, Plateau State, as well as other completed school improvement projects across its five (5) other adopted schools within the state. The commissioning was jointly organized by the Plateau State Government and the State Universal Basic Education Board in collaboration with Oando Foundation. The completed projects will impact the lives of over 4,200 beneficiaries; bridging the existing education infrastructure gaps in public primary schools and creating conducive learning environment for students to grow and thrive.
- (j) **Oando Employee Volunteers mentor Female Pupils of adopted schools and promote creativity:**
In commemoration of the 2019 International Day of Women and Girls in Science themed 'Investment in Women in Science for Inclusive Green Growth', A delegation of Oando PLCs female engineers mentored female pupils in one of the Oando Foundation adopted primary schools, Arch Bishop Taylor Primary School, Victoria Island, on the role and importance of Science, Technology, Engineering and Mathematics (STEM) in the world. The programme provided a platform for the female engineers to engage female pupils towards considering and embracing STEM subjects for a future career in STEM by sharing real-life and relatable stories that would inspire the young girls.
Furthermore, as part of the International Volunteers' Day celebration, Volunteers also engaged with pupils of Metropolitan Nursery and Primary School, Sari-Iganmu, Orile; an Oando Foundation adopted school. The volunteers refurbished the Early Child Care classes (ECCD) in the school, provided age-appropriate educational materials, and increased creativity among learners through arts and crafts using fun-based activities such as still-life drawing, class painting, creative collages, sketching and colouring, amongst others.

(k) Other activities engaged in the year included:

- Scholarship grant to two university beneficiaries on the Ebola Education Trust Fund
- Donation of exercise books, t-shirts, math sets and school bags towards the annual school interhouse sports competition of Archbishop Taylor Memorial Primary School, Victoria Island, Lagos, Idi-Odo Primary School, Gbagada, Lagos, Ogo-Oluwa Primary School, Gbagada, Lagos, and Temidire Primary School, Gbagada, Lagos.

8. EVENTS AFTER REPORTING DATE

The coronavirus pandemic presents an unprecedented social and economic challenge which is having a significant impact on people and businesses in Nigeria and around the world. The management performed a detailed review of operations and liquidity level. From our assessment there's no substantial doubt about the ability to continue as a going concern. Management took into consideration its current financial condition, the liquidity sources it has available, its obligations due, funding necessary to operate and other conditions that affect the Foundation for a year from the date the financial statements are issued.

Management have assessed the impact on income as it relates to its key donor (Oando Plc) and is certain to get funding to cover the next accounting period. The board will also utilize the opportunities presented by the pandemic to setup a coronavirus relief program which will be funded by both internal and external donors, seek new external donors, cut down on administrative cost by adopting a virtual working system, suspend engagement of implementing partners by paying directly to scholars accounts and utilizing coronavirus job retention scheme introduced by the government.

9. PROPERTY, PLANT AND EQUIPMENT

Information relating to changes in property, plant and equipment during the year is provided in Note 10 to the financial statements. In the opinion of the Trustees, the market value of the property, plant and equipment is not less than the carrying value.

10. EMPLOYMENT AND EMPLOYEES

Equal employment opportunity

The Foundation pursues an equal employment opportunity policy. It does not discriminate any person on the basis of race, religion, colour or physical disability.

Employment of physically 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 against disabled persons in the recruitment, training and career development of its employees.

Health, safety at work and employee welfare

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 Foundation's business.

Training and Development

The Foundation places great emphasis on the training and development of its employees as priority and believe that its people are its greatest asset. Training courses are geared towards the development needs of staff and the improvement in their individual skill sets and forms the basis for the individual training plan for the year.

11. AUDITORS

The Company's auditors, BDO Professionals Services were appointed 10 August 2022 by voting during the 43rd Annual General Meeting and has indicated its acceptance to act in office in accordance with section 401(1) of the Companies and Allied Matters Act, 2020.

By order of the board of trustees.


OLAJIDE OYEWOLE & CO. S
Secretaries to the Company

Olajide Oyewole LLP
Legal Advisers/Secretary

29 September 2023

**OANDO FOUNDATION
STATEMENT OF TRUSTEES' RESPONSIBILITIES
FOR THE YEAR ENDED 31 DECEMBER 2019**

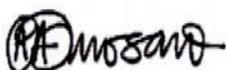
The Companies and Allied Matters Act, CAP C20 Laws of the Federation of Nigeria 2004, requires the Trustees to prepare financial statements for each financial year that give a true and fair view of the state of financial affairs of the Foundation at the end of the year and of its surplus or deficit. The responsibilities include ensuring that the Foundation:

- a) keeps proper accounting records that disclose, with reasonable accuracy, the financial position of the Foundation and comply with the requirements of the International Financial Reporting Standards (IFRS), the Financial Reporting Council of Nigeria Act, No 6, 2011 and Companies and Allied Matters Act, CAP C20 Laws of the Federation of Nigeria 2004;
- b) establishes adequate internal controls to safeguard its assets and to prevent and detect fraud and other irregularities; and
- c) prepares its financial statements using suitable accounting policies supported by reasonable and prudent judgments and estimates, and are consistently applied.

The Trustees accept responsibility for the annual financial statements, which have been prepared using appropriate accounting policies supported by reasonable and prudent judgments and estimates, in conformity with International Financial Reporting Standards and the requirements of the Financial Reporting Council of Nigeria Act, No. 6, 2011 and in compliance with the Companies and Allied Matters Act, CAP C20, Laws of the Federation of Nigeria 2004.

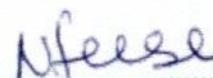
The Trustees are of the opinion that the financial statements give a true and fair view of the state of the financial affairs of the Foundation and of its deficit for the year ended 31 December 2019. The Trustees further accept responsibility for the maintenance of accounting records that may be relied upon in the preparation of the financial statements, as well as adequate systems of internal financial control.

Nothing has come to the attention of the Trustees to indicate that the Foundation will not continue as a going concern for at least twelve months from the date of this statement.



.....
Tokunboh Durosaro
Chairperson

29 September 2023



.....
Nguyen Reese
Trustee

29 September 2023

**INDEPENDENT AUDITOR'S REPORT
TO THE MEMBERS OF OANDO FOUNDATION
REPORT ON THE AUDIT OF THE FINANCIAL STATEMENTS**

Opinion

We have audited the financial statements of Oando Foundation which comprise the statement of financial position as at 31 December 2019, statement of surplus or deficit and other comprehensive income, statement of changes in equity and statement of cash flows for the year then ended, and notes to the financial statements, including a summary of significant accounting policies.

In our opinion, the financial statements present fairly, in all material respects, the financial position of the Foundation as at 31 December 2019, and their financial performance and cash flows for the year then ended in accordance with International Financial Reporting Standards and in compliance with the relevant provisions of the Financial Reporting Council of Nigeria Act, No. 6, 2011 and Companies and Allied Matters Act, CAP C20, Laws of the Federation of Nigeria 2004.

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 are independent of the Foundation in accordance with the International Ethics Standards Board for Accountants' Code of Ethics for Professional Accountants (IESBA Code). We have fulfilled our other ethical responsibilities in accordance with the IESBA Code, and in accordance with other ethical requirements applicable to performing the audit of the Foundation. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Responsibilities of the Trustees for the Financial Statements

The Trustees are responsible for the preparation and fair presentation of these financial statements in accordance with International Financial Reporting Standards issued by the International Accounting Standard Board, and in compliance with the relevant provisions of the Financial Reporting Council of Nigeria Act, No. 6, 2011 and the Companies and Allied Matters Act, CAP C20, Laws of the Federation of Nigeria 2004, and for such internal control as the Trustees determine is necessary to enable the preparation of the financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, the Trustees are responsible for assessing the Foundations'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 Trustees either intend to liquidate the Foundation or to cease operations, or have no realistic alternative but to do so.

Other Information

The Trustees are responsible for the other information. The other information comprises the Report of the Trustees, and Other National Disclosures as required by the Companies and Allied Matter Act, CAP C20 Laws of the Federation of Nigeria 2004. The Other information does not include the financial statements and our auditors' 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 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.

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 judgement and maintain professional scepticism 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 Foundation's internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the Trustees.
- Conclude on the appropriateness of the Trustees' 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 Foundation's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditors' 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 auditors' report. However, future events or conditions may cause the Foundation 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.
- obtain sufficient appropriate audit evidence regarding the financial information of the entities or business activities within the Foundation to express an opinion on the financial statements. We are responsible for the direction, supervision and performance of the Foundation's audit. We remain solely responsible for our audit opinion.

We communicate with the Trustees 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, CAP C20, Laws of the Federation of Nigeria 2004 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 purpose of our audit;
- ii) in our opinion, proper books of account have been kept by the Foundation, in so far as it appears from our examination of those books; and
- iii) the Foundation's statements of financial position and statement of surplus or deficit and other comprehensive income are in agreement with the books of account;

Lagos, Nigeria.
29 September 2023


Henry B. Omodigbo
FRC/2013/ICAN/0000003977
For: BDO Professional Services
Chartered Accountants



OANDO FOUNDATION
 STATEMENT OF SURPLUS OR DEFICIT AND OTHER COMPREHENSIVE INCOME
 FOR THE YEAR ENDED 31 DECEMBER 2019

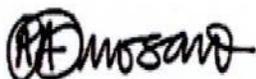
		31 December 2019 N'000	31 December 2018 N'000
Income	Notes		
Receipts	3	566,176	988,331
Exchange Loss		(218)	374
		<u>565,958</u>	<u>988,705</u>
Expenditures			
Scholarship	4	(21,063)	(26,919)
Infrastructure	5	(349,788)	(651,635)
Capacity building	6	(25,342)	(109,287)
Donations	7	(3,611)	(6,492)
Administrative expenses	8	(225,432)	(230,187)
		<u>(625,236)</u>	<u>(1,024,520)</u>
(Deficit) before tax		(59,278)	(35,815)
Taxation	9	-	-
(Deficit) for the year transferred to accumulated fund	16	<u>(59,278)</u>	<u>(35,815)</u>
Other comprehensive income		-	-
Total comprehensive loss		<u>(59,278)</u>	<u>(35,815)</u>

See notes to the financial statements.

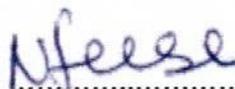
OANDO FOUNDATION
STATEMENT OF FINANCIAL POSITION
FOR THE YEAR ENDED 31 DECEMBER 2019

	Notes	31 December 2019 N'000	31 December 2018 N'000
ASSETS			
NON-CURRENT ASSETS			
Property, plant and equipment	10	<u>918</u>	<u>1,588</u>
CURRENT ASSETS			
Inventories	11	6,328	4,061
Other receivables	12	18,660	1,074
Prepayments	13	100	8,130
Cash and bank	14	<u>18,203</u>	<u>91,310</u>
TOTAL CURRENT ASSETS		<u>43,291</u>	<u>104,575</u>
TOTAL ASSETS		<u>44,209</u>	<u>106,163</u>
NET ASSETS AND LIABILITIES			
NET ASSETS			
Accumulated fund	16	<u>31,797</u>	<u>91,075</u>
CURRENT-LIABILITIES			
Other payables	15	<u>12,412</u>	<u>15,088</u>
TOTAL LIABILITIES		<u>12,412</u>	<u>15,088</u>
TOTAL NET ASSETS AND LIABILITIES		<u>44,209</u>	<u>106,163</u>

The financial statements and notes on pages 11 to 28 were approved by the Board of Trustees on 29 September 2023 and signed on its behalf by:



Trustee
Tokunboh Durosaro
FRC/2023/PRO/OTHERS/002/760924



Trustee
Nguyan Feese
FRC/2023/PRO/OTHERS/002/046807

OANDO FOUNDATION
 STATEMENT OF CHANGES IN EQUITY
 FOR THE YEAR ENDED 31 DECEMBER 2019

	Accumulated Fund N'000	Total Equity N'000
Balance at 1 January 2019	91,075	91,075
Deficit for the year	<u>(59,278)</u>	<u>(59,278)</u>
Balance at 31 December 2019	<u>31,797</u>	<u>31,797</u>
Balance at 1 January 2018	126,970	126,970
Deficit for the year	<u>(35,895)</u>	<u>(35,895)</u>
Balance at 31 December 2018	<u>91,075</u>	<u>91,075</u>

See notes to the financial statements.

OANDO FOUNDATION
 STATEMENT OF CASH FLOW
 FOR THE YEAR ENDED 31 DECEMBER 2019

		31 December 2019 N'000	31 December 2018 N'000
CASH FLOWS FROM OPERATING ACTIVITIES	Notes		
(Deficit) for the year before tax		(59,278)	(35,895)
Adjustment for non-cash items:			
Depreciation	10	739	907
Changes in working capital:			
Decrease/(increase) in prepayments	13	8,030	(8,130)
(Increase)/decrease in inventory	11	(2,267)	925
(Increase)/decrease in other receivables	12	(17,586)	28,754
Decrease in other payables	15	(2,676)	(19,740)
Net cash flow used in operating activities		<u><u>(73,038)</u></u>	<u><u>(33,179)</u></u>
CASH FLOWS FROM INVESTING ACTIVITIES			
Purchase of fixed assets	10	<u>(69)</u>	<u>(410)</u>
Net cash flow used in investing activities		<u>(69)</u>	<u>(410)</u>
CASH FLOWS FROM FINANCING ACTIVITIES			
Net cash flow from/(used in) financing activities		<u><u>-</u></u>	<u><u>-</u></u>
Net increase or net change in cash and cash equivalents		(73,107)	(33,589)
Cash and cash equivalents at beginning of the year		<u>91,310</u>	<u>124,899</u>
Cash and cash equivalents at end of the year	14	<u><u>18,203</u></u>	<u><u>91,310</u></u>

See notes to the financial statements.

OANDO FOUNDATION
NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2019

1 Corporate Information

Oando Foundation was incorporated in Nigeria on 4 February 2011, under the Companies and Allied Matters Act, CAP C20 Laws of the Federation of Nigeria 2004. The Foundation aims at supporting the Nigerian Government to meet the Sustainable Development Goals, with the focus towards achieving and strengthening universal primary education.

2 Basis of preparation

a) Statement of Compliance

The financial statements of Oando Foundation have been prepared in accordance with International Financial Reporting Standards (IFRS) as issued by the International Accounting Standards Board (IASB). The financial statements also comply with the requirements of the Companies and Allied Matters Act, CAP C20, Laws of the Federation of Nigeria, 2004 and the Financial Reporting Council of Nigeria Act, No 6, 2011.

b) Basis of measurement

The financial statements have been prepared on a historical cost basis, none of the assets or liabilities have been measured at fair value.

c) Functional and presentation currency

These financial statements are presented in Naira, which is the Foundation's functional currency. All financial information presented in Naira have been rounded to the nearest thousand unless stated otherwise.

d) Significant accounting judgement, estimates and assumptions

The Foundation's financial statements have been prepared on the going concern basis. The preparation of the financial statements in conformity with IFRSs requires management to make judgements, estimates and assumptions that affect the application of accounting policies and the reported amounts of assets and liabilities, revenue and expenses and the accompanying disclosures, and disclosure of the contingent liabilities at the end of the reporting period. Uncertainty about these assumptions and estimates could result in outcomes that require a material adjustment to the carrying amount of the asset or liability affected in future periods.

Significant accounting judgements, estimates and assumptions made by management for the preparation of the financial statements for which changes could have material impact on the reported amounts in the financial statements are summarised below:

Judgements

In the process of applying the Foundation's accounting policies, management has made the following judgements, which have the most significant effect on the amounts recognised in the financial statements:

Property, plant and equipment

Judgments are utilised in determining the depreciation rates and useful lives of these assets. These financial statements have, in management's opinion, been properly prepared within reasonable limits of materiality and within the framework of the summarised accounting policies.

Estimates and assumptions

The key assumptions concerning the future and other key sources of estimation uncertainty at the reporting date, that have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities within the next financial year, are described below:

- The Foundation based its assumptions and estimates on parameters available when the financial statements were prepared.
- Existing circumstances and assumption about future developments, however, may change due to market changes or circumstances arising beyond the control of the Foundation. Such changes are reflected in the assumptions when they occur.

Taxes

Due to its charitable status, the Foundation is exempted from income and education taxes.

2.1 Changes in accounting policies and disclosures

a) New standards, interpretations and amendments to existing standards

In the current year, the Foundation has applied a number of amendments to IFRSs issued by the International Accounting Standards Board (IASB) that are mandatorily effective for an accounting period that begins on or after January 01, 2019.

IFRS 16: Leases

IFRS 16 Leases was issued in January 2016 to replace IAS 17 Leases, IFRIC 4 Determining whether an Arrangement contains a Lease, SIC-15 Operating Leases-Incentives and SIC-27 Evaluating the Substance of Transactions Involving the Legal Form of a Lease. IFRS 16 sets out the principles for the recognition, measurement, presentation and disclosure of leases and requires lessees to account for all leases under a single on-balance sheet model similar to the accounting for finance leases under IAS 17. The standard includes two recognition exemptions for lessees: leases of 'low-value' assets (e.g., personal computers); and short-term leases (i.e., leases with a lease term of 12 months or less). At the commencement date of a lease, a lessee will recognise a liability to make lease payments (i.e., the lease liability) and an asset representing the right to use the underlying asset during the lease term (i.e., the right-of-use asset). Lessees will be required to separately recognise the interest expense on the lease liability and the depreciation expense on the right-of-use asset.

Lessees will also be required to re-measure the lease liability upon the occurrence of certain events (e.g., a change in the lease term, a change in future lease payments resulting from a change in an index or rate used to determine those payments). The lessee will generally recognise the amount of the re-measurement of the lease liability as an adjustment to the right-of-use asset.

The application of these amendments has effect on the Foundation's financial statements and additional notes on Leases are provided in a subsequent note.

IFRS 9: Financial Instruments (Prepayment Features)

Amends the existing requirements in IFRS 9 regarding termination rights in order to allow measurement at amortised cost (or, depending on the business model, at fair value through other comprehensive income) even in the case of negative compensation payments.

Under the amendments, the sign of the prepayment amount is not relevant, i.e. depending on the interest rate prevailing at the time of termination, a payment may also be made in favour of the contracting party effecting the early repayment. The calculation of this compensation payment must be the same for both the case of an early repayment penalty and the case of an early repayment gain.

Amendments to IAS 19: Plan Amendment, Curtailment or Settlement

If a plan amendment, curtailment or settlement occurs, it is now mandatory that the current service cost and the net interest for the period after the remeasurement are determined using the assumptions used for the remeasurement. In addition, amendments have been included to clarify the effect of a plan amendment, curtailment or settlement on the requirements regarding the asset ceiling.

Amendment to IFRS 3: Annual Improvements to IFRS Standards 2015-2017 Cycle

The amendments clarify that, when an entity obtains control of a business that is a joint operation, it applies the requirements for a business combination achieved in stages, including remeasuring previously held interests in the assets and liabilities of the joint operation at fair value. In doing so, the acquirer remeasures its entire previously held interest in the joint operation.

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 FOR THE YEAR ENDED 31 DECEMBER 2019

Amendment to IFRS 11: Annual Improvements to IFRS Standards 2015-2017 Cycle

A party that participates in, but does not have joint control of, a joint operation might obtain joint control of the joint operation in which the activity of the joint operation constitutes a business as defined in IFRS 3.

The amendments clarify that the previously held interests in that joint operation are not remeasured.

Amendment to IAS 12: Annual Improvements to IFRS Standards 2015-2017 Cycle

The amendments clarify that the income tax consequences of dividends are linked more directly to past transactions or events that generated distributable profits than to distributions to owners. Therefore, an entity recognises the income tax consequences of dividends in profit or loss, other comprehensive income or equity according to where the entity originally recognised those past transactions or events.

Amendment to IAS 23: Annual Improvements to IFRS Standards 2015-2017 Cycle

The amendments clarify that if any specific borrowing remains outstanding after the related asset is ready for its intended use or sale, that borrowing becomes part of the funds that an entity borrows generally when calculating the capitalisation rate on general borrowings.

b) New standards, amendments and interpretations issued but not yet effective as at the financial year beginning 1 January 2019

The standards and interpretations that are issued, but not yet effective for the financial year beginning 1 January 2019 are listed below. The Foundation intends to adopt these standards, interpretations and amendments, if applicable, when they become effective.

Description	Expected Date
Amendments to References to the Conceptual Framework in IFRS Standards	January 01 2020
Definition of a Business (Amendments to IFRS 3)	January 01 2020
Definition of Material (Amendments to IAS 1 and IAS 8)	January 01 2020
Interest Rate Benchmark Reform (Amendments to IFRS 9, IAS 39 and IFRS 7)	January 01 2020
IFRS 17 - Insurance Contracts	January 01 2023
Classification of Liabilities as Current or Non-Current (Amendments to IAS 1)	January 01 2022
Amendments to IFRS 10 and IAS 28 - Sale or Contribution of Assets between an Investor and its Associate or Joint Venture	Date to be determined

IFRS 17 Insurance Contracts

IFRS 17 requires insurance liabilities to be measured at a current fulfilment value and provides a more uniform measurement and presentation approach for all insurance contracts. These requirements are designed to achieve the goal of a consistent, principle-based accounting for insurance contracts. IFRS 17 supersedes IFRS 4 Insurance Contracts as of 1 January 2021. The General Model will use current assumptions to estimate the amount, timing and uncertainty of future cash flows and it will explicitly measure the cost of that uncertainty, it takes into account market interest rates and the impact of policyholders' options and guarantees.

The Trustees of the Foundation do not anticipate that the application of these amendments will have an impact on the Foundation's financial statements as the Foundation does not issue insurance contracts.

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NOTES TO THE FINANCIAL STATEMENTS - Continued
FOR THE YEAR ENDED 31 DECEMBER 2019

2.2 Summary of significant accounting policies

The following are the significant accounting policies applied by Oando Foundation in preparing these financial statements:

a) Revenue recognition

The Foundation recognises income received in the form of grants and donations (cash and gifts-in-kind) specifically for programme and operational activities.

Donations (cash) are recognised as income when received without imposed stipulations that can be utilized in funding any area of the Foundation's operations (unrestricted funds).

Where cash donations have been given for a specific purpose (restricted funds), or with conditions attached, income is not recognised until agreed upon programme execution have been satisfied. This will include grants from institutional donors, corporates and major donors that typically provide funding for core programming interventions. Grants received for which the requirements have not been met are treated as "deferred income".

Gifts-in-kind are recognised at fair value at the date of the donation where this can be quantified and a third party is bearing the cost. It is recognised as income and stock when they are received from donors and in expenditure when they are distributed to beneficiaries. Gifts in kind include but are not limited to school supplies, computers and IT equipment, teaching and learning materials, school furniture, renovated or newly built classroom blocks, training facilities and support, etc.

Volunteers play a vital role in the successful execution of the Foundation's activities by contributing their time and skills. However, due to the difficulty of determining the fair value, no monetary value has been attributed to their contribution or disclosed in the financial statements.

Current income and Education taxes

Due to its charitable status, the Foundation is exempt from income and education taxes.

Interest income

For all financial instruments measured at amortised cost, interest income is recorded using the effective interest rate (EIR). EIR is the rate that exactly discounts the estimated future cash payments or receipts over the expected life of the financial instrument or a shorter period, where appropriate, to the net carrying amount of the financial asset or liability. Interest income is included in finance income in the comprehensive income.

Interest expense

Interest expenses are recognised as they accrue in profit or loss, using the effective interest method.

b) Foreign currency translation

Transactions in foreign currencies are translated to the functional currency of the Foundation at the exchange rates ruling on the dates of the transactions. Monetary assets and liabilities denominated in foreign currencies at the reporting date are retranslated to the functional currency at the spot rate at that date.

Differences arising on settlement or translation of monetary items are recognised in profit or loss. Non-monetary items that are measured in terms of historical cost in a foreign currency are translated using the closing rate. Non-monetary items measured at fair value in a foreign currency are translated using the exchange rates at the date when the fair value is determined. The gain or loss arising on translation of non-monetary items measured at fair value is treated in line with the recognition of gain or loss on change in fair value of the item (i.e. translation differences on items whose fair value gain or loss is recognised in other comprehensive income or profit or loss are also recognised in other comprehensive income or profit or loss, respectively).

c) **Intangible Assets**

Computer software

Only individualised and clearly identified software is capitalised and amortised over a certain period depending on the Foundation's usage of the software.

d) **Property, Plant and Equipment**

Property, plant and equipment are stated at cost less accumulated depreciation and accumulated impairment loss. Cost includes expenditures that are directly attributable to the acquisition of property, plant and equipment, as well as any subsequent expenditure when it is probable that future economic benefits associated with the item will flow to the Foundation and the expenditure can be measured reliably. When parts of an item of property or equipment have different useful lives, they are accounted for as separate items (major components) of property and equipment.

The cost of replacing part of an item of property, plant and or equipment is recognised in the carrying amount of the item if it is probable that the future economic benefits embodied within the part will flow to the Foundation and its cost can be measured reliably. The costs of the day-to-day servicing of property and equipment are recognized in profit or loss as incurred.

Depreciation is charged to profit or loss on a straight-line basis to write down the cost of each asset, to their residual values over the estimated useful lives of each part of an item of property, plant and equipment. Leased assets are depreciated over the shorter of the lease term and their useful lives. Depreciation begins when an asset is available for use and ceases at the date that the asset is derecognised.

The estimated useful lives for the current and corresponding periods are as follows:

Motor Vehicle	4 years
Computer Equipment	4 years

If the expected residual value is equal to or greater than the carrying value, no depreciation is provided for. The residual values, estimated useful lives of the assets and depreciation methods are reviewed at each reporting date and adjusted as appropriate.

De-recognition

Property plant and equipment are derecognised at disposal date or at the date when it is permanently withdrawn from use without the ability to be disposed of. The differences between the carrying amounts at the date of de-recognition and any disposal proceeds, as applicable, is recognised in the profit or loss.

e) **Impairment of non-financial assets**

The carrying amounts of the Foundation's non-financial assets, other than inventories are reviewed at each reporting date to determine whether there is any indication of impairment. If any such indication exists, then the asset's cash generating unit's (CGU'S) recoverable amount is estimated and impairment recognised.

For the purpose of measuring recoverable amounts, assets are grouped at the lowest levels for which there are separately identifiable cash-generating units (CGUs). The recoverable amount is the higher of an asset's fair value less costs to sell and value in use (being the present value of the expected future cash flows of the relevant asset or CGUs). An impairment loss is recognised for the amount by which the asset's carrying amount exceeds its recoverable amount.

Oando Foundation evaluates impairment losses for potential reversals when events or circumstances may indicate such consideration is appropriate. The increased carrying amount of an asset other than amount attributable to a reversal of an impairment loss shall not exceed the carrying amount that would have been determined (net of amortisation or depreciation) had no impairment loss been recognised for the asset in prior years. Impairment losses and impairment reversals are recognised in profit and loss.

f) **Financial instruments**

A financial instrument is any contract that gives rise to a financial asset of one party and a financial liability or equity instrument of another party. The Foundation recognises financial assets and financial liabilities on the Foundation's statement of financial position when it becomes a party to the contractual provisions of the instrument. The Foundation determines the classification of its financial assets and liabilities at initial recognition. All financial assets and liabilities are recognised initially at fair value plus directly attributable transaction costs, except for financial assets and liabilities classified as fair value through profit or loss.

Financial Assets

Financial assets at amortised cost.

The classification of financial assets at initial recognition depends on the financial asset's contractual cash flow characteristics and the Foundation's business model for managing them. The Foundation's business model for managing financial assets refers to how it manages its financial assets in order to generate cash flows. The business model determines whether cash flows will result from collecting contractual cash flows, selling the financial assets, or both.

The Foundation measures financial assets at amortised cost if both of the following conditions are met:

- a) The financial asset is held within a business model with the objective to hold financial assets in order to collect contractual cash flows; and
- b) The contractual terms of the financial asset give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding. This assessment is referred to as the SPPI test and is performed at an instrument level.

Financial assets at amortised cost are subsequently measured using the effective interest (EIR) method and are subject to impairment. Gains and losses are recognised in profit or loss when the asset is derecognised, modified or impaired.

The Foundation's financial assets at amortised cost includes donations receivable, interest receivable, current investments, cash and cash equivalents. Current investments comprise of interest bearing debt instruments held with the Federal Government of Nigeria held for less than 365 days. Cash and cash equivalents comprise cash in hand, in current accounts, which is a non-interest bearing demand deposit, Naira deposits held on call and other highly liquid investments with original maturities of three months or less.

Derecognition of financial assets

A financial asset (or, when applicable, a part of a financial asset or part of similar financial assets) is derecognised when:

- a) The rights to receive cash flows from the asset have expired; or
- b) The Foundation has transferred substantially all of the risks and rewards of the asset

Financial liabilities

Initial recognition and measurement

Financial liabilities comprise other payables (excluding provisions). Financial liabilities are initially measured at fair value, net of transaction costs incurred and are subsequently measured at amortised cost using the effective interest method.

Financial liabilities are derecognised when the obligation under the liability is discharged or cancelled or expires. When an existing financial liability is replaced by another from the same lender on substantially different terms, or the terms of an existing liability are substantially modified, such an exchange or modification is treated as the derecognition of the original liability and the recognition of a new liability. The difference in the respective carrying amounts is recognised in the statement of comprehensive income.

g) Impairment of assets

Financial assets

The Foundation recognises an allowance for expected credit losses (ECLs) for all debt instruments not held at fair value through profit or loss. ECL is the difference between the contractual cash flows due in accordance with the contract and all the cash flows that the Foundation expects to receive, discounted at an approximation of the original effective interest rate. The expected cash flows will include cash flows from the sale of collateral held or other credit enhancements that are integral to the contractual terms.

The Foundation considers a financial asset in default when contractual payments are 180 days past due. However, in certain cases, the Foundation may also consider a financial asset to be in default when internal or external information indicates that the Foundation is unlikely to receive the outstanding contractual amounts in full before taking into account any credit enhancements held by the Foundation. A financial asset is written off when there is no reasonable expectation of recovering the contractual cash flows.

The Foundation's debt instruments at amortised cost comprise solely of Federal Government Treasury Bills that are graded in the non-investment category (B+) by the Fitch Rating Agency, but are considered a low credit risk investments, as the risk of default is low. The Foundation uses the ratings from the Fitch Rating Agency both to determine whether the debt instrument has significantly increased in credit risk and to estimate ECLs.

Offsetting of financial instruments

Financial assets and financial liabilities are offset and the net amount reported in the statement of financial position if, and only if, there is a currently enforceable legal right to offset the recognised amounts and there is an intention to settle on a net basis, or to realise the assets and settle the liabilities simultaneously.

2.3 Financial instrument's risk management objectives and policies

The Foundation deploys a number of financial instruments (financial assets and financial liabilities) in carrying out its activities. The key financial liabilities of the Foundation comprise Foundation overdraft and trade payables which are deployed purposely to finance the Foundation's operations and to provide liquidity to support the Foundation's operations. The financial assets of the Foundation include trade receivables, loans and receivables, and cash and short-term deposits also necessarily required for the operations of the Foundation.

The principal risks that Oando Foundation is exposed to as a result of holding the above financial instruments include credit risk, liquidity risk and market risk. The management of the Foundation oversees the management of these risks through the establishment of adequate risk management framework with appropriate approval process, internal control and authority limits. Thus, the Fund's financial risk-taking activities are governed by appropriate policies and procedures and that financial risks are identified, measured and managed in accordance with those policies. The Board of Trustees which is responsible for the overall risk management of the Foundation reviews and agrees policies for managing each of these risks inherent in its involvement in financial instruments as summarized below:

Credit risk

Credit risk is the risk that counterparty will not meet its contractual obligations under a financial instrument or customer contract leading to a financial loss to the Foundation. The sources of the Foundation's credit risk include staff loans and deposits with Foundations and financial institutions.

Credit risk from balances with Foundations and financial institutions is managed in accordance with the Foundation's policy. Investments of surplus funds are only made with approved counterparties and within credit limits assigned to each counter party. The policies are set and reviewed by the Board annually. The receivables are from Oando Plc and is expected to be used to settle its payable.

OANDO FOUNDATION
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Liquidity risk

Liquidity risk is the risk that the Foundation is unable to pay its obligations when they fall due. The Foundation monitors its risk to a shortage of funds using a recurring liquidity planning and continuous budget tool. The Foundation's objective is to maintain a balance between continuity of funding and flexibility through the use of Foundation overdrafts and Foundation loans. The Board of Trustees defines the Foundation's liquidity policy annually. As at year end the Foundation had no interest bearing borrowing (2017: nil). The payable in the books are expected to be settled by grants received.

Market risk:

Interest rate risk

Interest rate risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in market interest rates. The Foundation has no exposure to the risk of changes in market interest as it presently has no interest yielding debt obligation, be it long or short-term.

Currency rate risk

Currency risk is the risk that currency exchange rate will not be stable. The Foundation has no exposure to the risk of changes in exchange rates.

Equity price risk

The Foundation has no listed or unlisted equity securities that are susceptible to market-price risk arising from uncertainties about future values of the investment securities.

OANDO FOUNDATION
 NOTES TO THE FINANCIAL STATEMENTS - Continued
 FOR THE YEAR ENDED 31 DECEMBER 2019

3. Receipts	31 December	31 December
	2019	2018
	N'000	N'000
EAC Grant (Note 3.1)	-	153,344
Donation from Axxela Limited (Note 3.2)	-	64,814
Donation from Oando Plc (Note 3.2)	199,427	154,036
Donation from Oando SERVCO(Note 3.2)	25,000	157,831
Sponsor a child donations(Note 3.3)	-	166
Other Income (Note 3.4)	18,688	21,295
SUBEB contribution (Note 3.5)	292,083	436,845
Gifts-in-kind (Note 3.6)	30,978	-
	<u>566,176</u>	<u>988,331</u>

3.1 EAC Grant

Donation from Education Above All Foundation to implement a three-year project (2016-2018) to increase access to primary education for 60,000 Out Of School Children (OOSC) through the Foundation's Adopt-A-School Initiative.

3.2 Donation

Oando Plc and its subsidiaries donated funds totalling N224.4 Million - (2018 - N376.6 million) to the Foundation in support of its activities for the year. Axxela Limited (formerly Oando Gas and Power) made no donation in the year under review as they had divested fully from Oando (2018 - N64.8 million).

3.3 Sponsor a child donations

This represents donations from staff to sponsor selected scholars from our adopted schools to ease their transition to secondary school.

3.4 Other income

This represents cash donations from Sumitomo chemical company N18 million (2018 - N18 million) and other voluntary donations N 0.68 million (2018 - N3.3 million).

3.5 SUBEB contributions

This represents construction and renovation works by various State Universal Basic Education Boards (SUBEB).

3.6 Gifts-in-kind

This represents non-cash support in the form of construction and renovation works under the Community and Social Development Project (CSDP) done in select communities and construction and renovation works by OVH Energy.

OANDO FOUNDATION
 NOTES TO THE FINANCIAL STATEMENTS - Continued
 FOR THE YEAR ENDED 31 DECEMBER 2019

	31 December 2019 N'000	31 December 2018 N'000
4 <u>Scholarship</u>		
Scholar fees	<u>21,063</u>	<u>26,919</u>

This represents the amount spent on 444 scholars (2018 - 478 scholars) under the Foundation's scholarship scheme.

	N'000	N'000
5 <u>Infrastructure</u>		
Renovation and repair works	329,327	553,203
Information Communication Technology (ICT) centre	20,461	97,792
Itori project	-	640
	<u>349,788</u>	<u>651,635</u>

Infrastructure represents cost of renovation or new build of school blocks, support for CSDP, SUBEB and OVH projects, establishment or upgrade of Early Childhood Care Development (ECCD) centres, establishment of ICT centres, and costs associated with embarking on such projects.

	N'000	N'000
6 <u>Capacity building</u>		
Teacher and Head teacher training	3,878	53,701
Teaching Learning Materials	-	11,402
Local Government Education Authority (LGEA) training	2,448	8,942
School Based Management Committee (SBMC) training	-	12,337
Information Communication Technology (ICT) training	830	2,814
Walk-In-Center (WIC) establishment	-	8,271
Consultancy fees	-	4,001
Advocacy and communication	3,315	1,305
Monitoring and evaluation	5,311	4,133
Travel and entertainment	9,560	2,381
	<u>25,342</u>	<u>109,287</u>

Capacity building represents cost of training teachers and head teachers of our adopted schools, building the capacity and equipping LGEA officials on data collection and Education Management Information System usage, strengthening the capacity of School Based Management Committee (SBMC) members to become effective at contributing to transformative education, support the enrolment of out-of-school-children with literacy and numeracy skills in a semi-formal establishment (WIC) and the monitoring and evaluation of our projects.

7 Other donations	31 Dec 2019 N'000	31 Dec 2018 N'000
Lafarge Africa National Literacy Competition	-	3,600
Gbagada school playground	-	2,892
Sponsorship of Events (Note 7.1)	3,311	-
Ebola Education support fund	300	-
	<u>3,611</u>	<u>6,492</u>

7.1 This represents the amount spent on sponsorship of 2019 Nigeria Annual Education Conference (NAEC) and 2019 Nigerian Education Innovation Summit (NEDIS).

8 Administrative expenses	31 December 2019 N'000	31 December 2018 N'000
Bank charges	611	2,483
Communication	17,932	5,536
Depreciation (Note 10)	739	907
Management fees (Note 8.2)	2,430	10,370
Professional fees	8,412	22,412
Staff costs (Note 8.1)	167,483	153,772
Subscription	4,421	5,195
Travel and entertainment	14,066	23,938
Government levies and penalties	381	-
Utilities and office consumables	206	355
Audit of Implementing Partners	5,390	5,219
Statutory audit fee	3,361	-
	<u>225,432</u>	<u>230,187</u>

8.1. Staff costs

	N'000	N'000
Salaries and other allowances	149,779	137,526
Staff pension	17,704	16,246
	<u>167,483</u>	<u>153,772</u>

8.2. Management fees

This represents the amount paid to implementing partners for managing the adopted schools on behalf of the Foundation.

9 Taxation

Due to its charitable status, The Foundation is exempted from both income and education taxes in accordance with section 23(1C) of Companies Income Tax Act 2004.

OANDO FOUNDATION
 NOTES TO THE FINANCIAL STATEMENTS - Continued
 FOR THE YEAR ENDED 31 DECEMBER 2019

10 Property, plant and equipment

	Furniture & fitting N'000	Computer Equipment N'000	Total N'000
Cost:			
Balance at 1 January 2018	120	3,336	3,456
Additions	-	410	410
Balance at 31 December 2018	<u>120</u>	<u>3,746</u>	<u>3,866</u>
Balance at 1 January 2019	120	3,746	3,866
Additions	-	69	69
Balance at 31 December 2019	<u>120</u>	<u>3,815</u>	<u>3,935</u>
Accumulated depreciation:	N'000	N'000	N'000
Balance at 1 January 2018	8	1,363	1,371
Charge for the year	30	877	907
Balance at 31 December 2018	<u>38</u>	<u>2,240</u>	<u>2,278</u>
Depreciation:	N'000	N'000	N'000
Balance at 1 January 2019	38	2,240	2,278
Charge for the year	30	709	739
Balance at 31 December 2019	<u>68</u>	<u>2,949</u>	<u>3,017</u>
Net Book Value:	N'000	N'000	N'000
At 31 December 2019	<u>52</u>	<u>866</u>	<u>918</u>
At 31 December 2018	<u>82</u>	<u>1,506</u>	<u>1,588</u>

	31 December 2019 N'000	31 December 2018 N'000
11 Inventories		
Teaching and learning materials (Note 11.1)	3,776	3,551
Computer equipment/IT (Note 11.2)	31	6
Corporate gift items	2,111	94
Bajaj motorcycle	410	410
	<u>6,328</u>	<u>4,061</u>
11.1 Inventories	N'000	N'000
Balance at 1 January	3,551	3,888
Books and other teaching aids	627	-
Books distributed to adopted schools	(402)	(337)
Balance at 31 December	<u>3,776</u>	<u>3,551</u>

OANDO FOUNDATION
 NOTES TO THE FINANCIAL STATEMENTS - Continued
 FOR THE YEAR ENDED 31 DECEMBER 2019

	31 December 2019 N'000	31 December 2018 N'000
11.2 Computer Equipment / IT		
Balance at 1 January	6	31
Desktop computers distributed to adopted schools	<u>25</u>	<u>(25)</u>
Balance at 31 December	<u><u>31</u></u>	<u><u>6</u></u>
12 Other receivables		
	N'000	N'000
Due from Parent	6,911	-
Other receivables	<u>11,749</u>	<u>1,074</u>
	<u><u>18,660</u></u>	<u><u>1,074</u></u>
<p>Other receivables relates to outstanding donations receivable from Oando plc and its subsidiaries and advance payments made as at the year end.</p>		
13 Prepayment	N'000	N'000
HMO	-	5,019
Group life insurance	-	3,069
Laptop insurance	-	42
Local Travel	<u>100</u>	<u>-</u>
	<u><u>100</u></u>	<u><u>8,130</u></u>
<p>This relates to amounts paid in advance for services received in 2019.</p>		
14 Cash and bank	N'000	N'000
Cash at bank	<u>18,204</u>	<u>91,310</u>
15 Other payables	N'000	N'000
PAYE	-	46
National housing fund	-	162
WHT payables	1,925	2,795
Accruals (Notes 15.1)	<u>10,487</u>	<u>12,085</u>
	<u><u>12,412</u></u>	<u><u>15,088</u></u>
15.1 Accruals	N'000	N'000
At 1 January	12,085	21,852
For the year	10,487	12,085
Payment during the year	<u>(12,085)</u>	<u>(21,852)</u>
At 31 December	<u><u>10,487</u></u>	<u><u>12,085</u></u>

Accruals relate to provisions made for services rendered to the Foundation. The accrual was based on the amount negotiated with the service providers.

OANDO FOUNDATION
NOTES TO THE FINANCIAL STATEMENTS - Continued
FOR THE YEAR ENDED 31 DECEMBER 2019

	31 December 2019 N'000	31 December 2018 N'000
16 Accumulated fund		
At 1 January	91,075	126,970
(Deficit) for the year	<u>(59,278)</u>	<u>(35,895)</u>
At 31 December	<u><u>31,797</u></u>	<u><u>91,075</u></u>
17 Related Party Disclosures		
i) The Foundation was set-up by Oando Plc which is principally responsible for its finances. During the year under review, the Foundation received a total of N199.4 million (2018 - N154 million) in form of cash as follows:		
	N'000	N'000
Cash donations	<u>199,427</u>	<u>154,036</u>
	<u><u>199,427</u></u>	<u><u>154,036</u></u>
ii) Other related parties are as follows:		
Donations from:	N'000	N'000
· Oando Servco	25,000	157,831
· Axxela Limited (formerly Oando Gas and Power Ltd)	-	64,814
	<u>25,000</u>	<u>222,645</u>
Oando Servco is a subsidiary of Oando Plc while Axxela Limited is an associate of Oando Plc.		
iii) Balances due from related parties are as follows:		
	N'000	N'000
Oando Plc	<u>6,911</u>	<u>-</u>
	<u><u>6,911</u></u>	<u><u>-</u></u>
18 Information regarding Employees	Number	Number
i) Average number of employees employed during the year	<u>6</u>	<u>6</u>
ii) The cost relating to the above staff includes:	N'000	N'000
Salaries and allowances	149,779	137,526
Pension contribution	<u>17,704</u>	<u>16,246</u>
	<u><u>167,483</u></u>	<u><u>153,772</u></u>
19 Contingent Liabilities		
The Foundation had no contingent liabilities as at 31 December 2019 (2018: Nil).		
20 Capital Commitments		
The Foundation had no capital commitments, authorised or contracted, as at 31 December 2019 (2018: Nil).		
21 Events after reporting date		
The effects of the coronavirus outbreak did not have a significant impact on global markets and share prices until after 31 January 2020. Accordingly, concluding that developments after 31 January 2020 provide no information about the circumstances that existed at 31 December reporting dates and are therefore considered non-adjusting events under IAS 10. Therefore, the pandemic has no material effect on the financial statements as presented.		

OTHER NATIONAL DISCLOSURES

OANDO FOUNDATION
 STATEMENT OF VALUE ADDED
 FOR THE YEAR ENDED 31 DECEMBER 2019

	31 December 2019		31 December 2018	
	N'000	%	N'000	%
Total receipts	566,176		988,331	
Bought in materials - local	(457,232)		(869,547)	
Value added	<u>108,944</u>	<u>100</u>	<u>118,784</u>	<u>100</u>
Distributions:				
To pay employees:				
Salaries, wages and allowances	167,483	154	153,772	129
To pay Government:				
Income tax	-	-	-	-
To provide providers of capital:				
Interest charges	-	-	-	-
To provide for the maintenance of assets:				
· Depreciation	739	1	907	1
· (Deficit) for the year	(59,278)	(54)	(35,895)	(30)
	<u>108,944</u>	<u>100</u>	<u>118,784</u>	<u>100</u>

Value added represents the additional wealth which The Foundation has been able to create by its own and its employees' efforts. This statement shows the allocation of wealth among employees, shareholders, government and that retained for future growth. The statement has been prepared to comply with Companies and Allied Matters Act CAP C20 Laws of the Federation of Nigeria 2004.

OANDO FOUNDATION
FIVE-YEAR FINANCIAL SUMMARY

31 December	2019 N'000	2018 N'000	2017 N'000	2016 N'000	2015 N'000
Statement of comprehensive income					
(Deficit)/surplus for the year before taxation	(59,278)	(35,895)	17,754	99,867	182
Taxation	-	-	-	-	-
Total comprehensive (loss)/income for the year	(59,278)	(35,895)	17,754	99,867	182
Statement of financial position					
	N'000	N'000	N'000	N'000	N'000
Property, plant and equipment	918	1,589	2,086	1,117	1,567
Total current assets	43,291	104,574	159,713	109,879	103,247
Total assets	44,209	106,163	161,799	110,996	104,814
Total liabilities	12,412	15,088	34,829	1,780	95,465
Accumulated funds	31,797	91,075	126,970	109,216	9,349
	44,209	106,163	161,799	110,996	104,814