



**SOCIETY FOR CORPORATE GOVERNANCE NIGERIA**  
*...committed to the development of corporate governance*

# 2021

Annual Report  
& Financial Statements

## ABOUT THE SOCIETY

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The Society for Corporate Governance Nigeria<sup>SM</sup> (SCGN) Limited by Guarantee is a registered (Not-for-profit No 620,268) organization committed to the development of corporate governance and best practices in Nigeria.

It is the foremost institution committed to the development and promotion of corporate governance best practices in Nigeria. It aims to be the recognized reference point both nationally and internationally in matters relating to corporate governance and provide a template for formulation and enforcement of corporate governance standards for Nigeria and other emerging economies, using the tools of rankings, seminars, workshops and trainings.

## OUR VISION

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- The Society aims at being the leading role player in the development and promotion of corporate governance best practices in the Federal Republic of Nigeria.
- To be the recognized reference point both nationally and internationally in matters relating to corporate governance

## OUR MISSION

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To become a template for formulation and enforcement of corporate governance standards for Nigeria.

## OUR BOARD

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- **Mr. Muhammad K. Ahmad, OON** – *President*
- **Professor Juan M. Elegido** – *Vice President*
- **Mrs. Chioma Mordi** – *C.E.O*
- **Professor Pat Utomi**
- **Professor Chris Ogbechie**
- **Professor Fabian Ajogwu SAN**
- **Mrs. Clare Omatseye**
- **Mr. Ibrahim Dikko**
- **Mr. Tijjani Borodo**
- **Mr. Adetunji Oyebanji**
- **Mrs. Nkemdilim Uwaje Begho** (*Joined 6th October 2020*)

## OUR PROGRAMMES

The Society for Corporate Governance Nigeria, as a part of its contribution to the development and promotion of Corporate Governance offers the following:

- **CORPORATE GOVERNANCE SERIES<sup>SM</sup>**

This is a set of Programmes for Directors, Board Chairmen, Audit Committees and Company Secretaries. The series have greatly impacted on the participants by improving their knowledge and understanding of corporate governance and sharing experiences on the subject. The specific programmes that make up the Corporate Governance Series<sup>SM</sup> are:

- **Leading an Effective Board<sup>SM</sup>:**

This is a program for Board chairmen covering the role of the Board Chairmen, fiduciary duties and provision of the Board leadership that is a prerequisite for good corporate governance. This programme is held in collaboration with the International Finance Corporation (IFC), World Bank.

- **Making Boards more Effective<sup>SM</sup>:**

This program is intended exclusively for company directors and senior executives and concentrates on cutting-edge techniques, strategies, and action plans for improving board design, refining approaches, maximizing individual contributions, and enhancing corporate governance.

- **BEING AN EFFECTIVE MEMBER OF AN AUDIT COMMITTEE<sup>SM</sup>:**

This program prepares audit committee chairs and members, as well as the CFOs working with them, to operate successfully amid new regulations and emerging governance trends. It helps them examine the current regulatory environment, identify and address critical issues. In addition, they are better equipped to rethink their committee's activities and formulate approaches for dealing with the many challenges that audit committees face in this new governing environment.

- **Programme for Company Secretaries and Board Effectiveness<sup>SM</sup>:**

This seminar is designed exclusively for company secretaries in both public and private companies to enable them acquire interpersonal skills, understand how to deal with diverse investors, have a basic understanding of financial reports, be in a position to facilitate the running of an efficient board and understand the role of company secretary in enhancing good corporate governance.

- **Strategic Corporate Social Responsibility<sup>TM</sup>:**

This program is designed to give a better understanding of the changing social pressures and legislative requirements that are redefining the relationships between government, business and civil society. It will enable participants acquire new tools and techniques that have been developed to help them be more creative and effective in CSR, gain insight into best practices by sharing the experience of a wide range of practitioners, be in a position to make better business cases for their CSR activities and put together a CSR strategy and implement it effectively.

- **BOARD ENHANCEMENT PROGRAMMES**

These are specially designed programmes for boards of organizations to address specific needs. They are in-plants aimed at resolving salient issues that are unique to the particular organization that the Society has been called to assist.

- **SEMINARS, WORKSHOPS, BREAKFAST MEETINGS, TRAININGS**

Apart from the Corporate Governance Series<sup>SM</sup>, the Society for Corporate Governance Nigeria also organizes specialized programmes for Boards and Top Management of Corporate organizations to suit their particular demands covering topics in Risk Management and Ethics.

The Society also organizes induction for newly appointed Non –Executive Directors of organizations.

- **ANNUAL CONFERENCE ON CORPORATE GOVERNANCE**

The Society hosts the annual conference on corporate governance. This is a forum that enables shareholders of companies, board chairmen/directors, regulatory bodies (Central Bank of Nigeria, Securities and Exchange Commission and the Nigerian Stock Exchange etc) and stakeholders to discuss issues that arise in the course of the practice of good governance.

- **BOARD EVALUATION**

Being a statutory requirement for corporate organisations, the Society for Corporate Governance assists organisations to evaluate their board to foster effectiveness.

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# SOCIETY FOR CORPORATE GOVERNANCE NIGERIA

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website: www.corpgovnigeria.org

## NOTICE OF THE 12<sup>TH</sup> ANNUAL GENERAL MEETING OF THE SOCIETY FOR CORPORATE GOVERNANCE NIGERIA LTD/ GTE (RC 620268)

NOTICE IS HEREBY GIVEN that the 12<sup>th</sup> Annual General Meeting of the Society for Corporate Governance Nigeria Ltd/ Gte (“the Society”) shall be held virtually via Zoom Teleconference on **Wednesday, November 3, 2021 at 4:30pm** to transact the following business:

### ORDINARY BUSINESS:

1. To receive the Report of the Directors, the Financial Statements for the year ended June 30, 2021, and the Report of the Auditors thereon; and
2. To appoint a Life Director of the Society.

### SPECIAL BUSINESS

1. To amend the Constitution of the Society to include the tenure for directors.

### Proxy

In view of the COVID-19 pandemic, attendance at the Annual General Meeting shall only be by virtual attendance or by proxy. All members of the Society entitled to attend, and vote are advised to do so virtually or to appoint a Proxy to attend virtually and vote in their stead using the attached proxy form.

A member entitled to attend and vote at the meeting is entitled to appoint a proxy to attend and vote in his/ her/ its stead. A Proxy need not be a member of the Society. Where a Proxy is used, the proxy form must be duly signed and lodged at the registered Office of the Society at 5B, Lawani Oduloye Street, Oniru, Victoria Island, Lagos not later than 48 hours before the time fixed for the meeting.

**This Notice is given this 13<sup>th</sup> day of October 2021, by Order of the Board.**

**KP NOMINEES LTD.**  
**COMPANY SECRETARY** 

**KP NOMINEES LTD**  
**FRC/2014/00000003803**  
**Company Secretary**

## LETTER FROM THE PRESIDENT OF THE SOCIETY

*Nevertheless, it is thrilling to note that the Society's objective of promoting good corporate governance and best practices across business sectors has continued to be recognized and the level of acceptability by the corporate world has also increased significantly. All of these and more were reflected in the Society's activities during the period under review.*

Dear Distinguished Fellows & Members,

On behalf of the Board of Directors of the Society for Corporate Governance Nigeria ("The Society"), it is with great pleasure, that I welcome you all to the Twelfth (12th) Annual General Meeting of the Society for Corporate Governance Nigeria. During this meeting, our Auditors, Pricewaterscoopers (PwC) will present the Financial Statements of the Society for the year under review, as well as the Directors' Report.

As you know, I have occupied this position as President/ Chairman of the Board of the Society for Corporate Governance Nigeria since 2020, and it has indeed been a great honour to serve in this position. I am already into my second year as President and again delivering my speech virtually. It is sad however, I am optimistic that I will be speaking to you all in person sometime, soon.

Nevertheless, it is thrilling to note that the Society's objective of promoting good corporate governance and best practices across business sectors has continued to be recognized and the level of acceptability by the corporate world has also increased significantly. All of these and more were reflected in the Society's activities during the period under review.

Recently, it is a well-known fact that the business environment in Nigeria continues to be challenged by the Covid – 19 pandemic as

organizations endure to develop and implement strategies to guarantee their sustainability and ensure good business performance.

William Pollard once said "Learning and innovation go hand in hand. The arrogance of success is to think that what you did yesterday will be sufficient for tomorrow."

It is on that note and in line with its goals that the Society for Corporate Governance Nigeria was swiftly set in motion to organise several programmes to serve as emerging directions in corporate governance and assist organisations especially her members, in facing the new realities across the globe.

Some of such expository programmes were "Understanding the Changing Dynamics of Regulatory Compliance; Effecting Optimum Board Performance: The Fundamentals of Creating Value; Board Effectiveness in a VUCA Business Environment; Corporate Performance and Sustainability: The Role of the Board; The Place of Corporate Governance in the Post-On- Set of Covid; ESG and Sustainability. I must commend the Society for such programmes and for ensuring a satisfactory number of attendees to its training Programmes despite all odds.

As organizations continue to survive the new normal brought on by the pandemic, the need arises for innovations to help Board of Directors deliver their duties more effectively. In achieving this, I am pleased to state that the Society

successfully conducted board evaluation exercises for 23 organizations and 2 Board Enhancement Programme over the last one year.

The Society also conducted a comprehensive research in the agriculture sector in Nigeria in partnership with AFOS Foundation and support from the Financial Reporting Council of Nigeria (FRCN) and other agricultural institutions. The project was aimed at increasing the awareness on poorly understood or controversial governance issues and recommending steps to broaden knowledge and facilitate the cultivation of good corporate governance in the sector, which is essential for the long-term institutional success of companies in the Agricultural sector.

A baseline survey was carried out on the corporate governance and board structure in Agri Businesses which provided a document that addresses the complexities of the sector and offers practical guidelines to increase the understanding of the role of governance in business sustainability and fiduciary duty of the directors and owners of these businesses. The project methodology adopted included Structured questionnaires, Interviews, Focus Group Discussions and literature reviews. A validation workshop was also held with several participants including the Lagos State Government led by the Commissioner of Agriculture, Lagos state - Ms. Abisola Ogunsanya.

Following the successful conclusion of the survey report, corporate governance sensitization programmes were organised in Lagos and Abuja for stakeholders in the sector. We are grateful to AFOS Foundation sponsoring and partnering with the Society to conduct the research in a critical sector of our country and an important programme of the government.

In addition, the Society also successfully hosted its Annual Corporate Governance Conference. The 2021 Annual Corporate Governance Conference had as its theme: 'Emerging Trends in Corporate Governance' with key focus on ESG, Board Diversity, Regulations and Digital Transformation. We are most grateful to the Keynote Speaker and Lead Paper presenter, Ms. Kerrie Warring, CEO International Corporate Governance Network (ICGN) London, who presented a paper on Boards Role and Responsibility in a Sustainable World and the distinguished panelists, which included diverse and eminent professionals across the continent, Ms. Rukaiya El-Rufai, Partner, Sustainability & Climate Change, PwC Nigeria, Mr. Olufemi Shobanjo, Head, Broker Dealer Regulation, NGX Regulation and Ms. Rose Lumumba, Corporate Governance Specialist, International Finance Corporation (IFC). Our able and distinguished Director, Mrs. Nkemdilim Uwaje Begho, CEO Future Software Resources Limited (Futuresoft), moderated the session.

We are sincerely grateful to our esteemed Fellows, Members, Donors and Partners who through their grants, donations and advice, made it possible for the Society to host its programmes and conference successfully. I would like to also thank all our sponsors that supported us in hosting the Conference including Zenith Bank Plc, Stanbic IBTC, Kenna Partners, Polaris Bank Limited, OVH Energy and Flour Mills of Nigeria.

It is important to mention that the Society's Research and Publication Department undertook and developed innovative research and publications during the year with a marginal progression having successfully produced two (2) insightful publications- A "Survey on Corporate Governance and Board Structure in the Nigeria Agricultural Sector" with a foreword by Ms.

Abisola Olusanya, Lagos State Commissioner of Agriculture.

Also, the book titled "Corporate Governance & Sustainability Reporting: A Review of the Top 30 Most Capitalized Companies on the Nigerian Exchange 2021" with a foreword by Ms. Tinuade Awe, Chief Executive Officer, NGX Regulation Limited; with the team from PwC Nigeria led by Rukaiya El-Rufai, Adekemi Oke, Zainab Yunusa, Samson Ojosemako and members of the Research and Publication group as contributors. The Society got data from the NGX used in the compilation of information and the book is on sale at a subsidised rate due to advertorial support received from the Central Bank of Nigeria, 11 Plc, Danone Group, Zenith Bank and it is getting extensive readership.

The Society's membership community/ network has also experienced more visibility and expansion through different engagement initiatives. One of which were the members' session held in January, 2021 in collaboration with Sirdar Group and the second which took place in August, 2021. The Society will today induct 29 individuals and 3 Corporate organisations as members and I welcome them onboard. We will continue to increase the Society's visibility by creating more awareness of its existence and initiatives.

The Society has taken necessary steps to address the recommendations made by Members at last year's Meeting. As Directors, we will ensure that the Society remains at the forefront of good corporate governance. Whilst we achieve this, be assured of the Board's commitment to its continuous improvement, by constantly evaluating its governance practices on an ongoing basis for increased stakeholder value.

In addition to this, the Directors will continue to increase the impact of the Society in the development of

good corporate governance in Nigeria and create more opportunities for positive collaborations with international organizations that pursue the same objectives.

I would like to state that the Board has been fortunate to enjoy the support of our Esteemed Fellows and Members of the Society during this period, and we believe that, with your continued cooperation, the Society will attain greater heights in the nearest future. We are indeed effective when we work together.

I would also like to extend my appreciation to KPMG Professional Services for undertaking the Society's Audit for 10 years and appreciate PwC for accepting to take over the Society's Audit, pro bono. We also express our gratitude to KPMG for providing non audit services to the Society. We are grateful to the management and officials of these institutions as this approach and service highlights their commitment to good corporate governance practices.

I also wish to acknowledge my colleagues on the Board, the Management and Staff for their unwavering support, dedication, and commitment to move the Society forward.

Once again, I welcome you to this year's Annual General Meeting and thank you for taking out time to be present.



**Mr. Muhammad K. Ahmad, OON**  
President & Chairman, Board of Directors  
Society for Corporate Governance Nigeria

## FROM THE MANAGEMENT DESK

*The subject, digital transformation has been in the front burner of discussions in recent times, especially, since the COVID-19 pandemic. It has become imperative for organizations to include digitalization in their strategies and processes. This approach also influences governance as it is the responsibility of the board to ensure these strategies are in place.*

It is with great delight that I write on behalf of the management of the Society for Corporate Governance Nigeria. I would like to express my appreciation to Almighty God, as it has now been a year since I took up the shroud as the Managing Director/CEO of this great organization. Leading an organisation such as SCGN comes with great responsibilities, especially with the changes in business operations brought by the advent of the Covid-19 Pandemic.

I also would like to appreciate the Board of Directors for their direction and guidance received so far. Members have been so supportive, and I thank you for taking the time to attend the 12<sup>th</sup> Annual General Meeting, virtually and I hope that we will be able to welcome you in person next year.

I intend to take this opportunity to reflect on the past year, but also to touch on the time ahead for the Society as an organisation.

The Society from inception has had the mandate to promote good corporate governance practices and business ethics. This has been the core of the organisation over a decade and we are committed to continue with it. However, with innovative service offerings and delivery, using technology as an enabler.

I am pleased to notify you that despite the changes in business operations brought by the advent of the Covid-19 Pandemic, the Society has strived as an organization and has been able to identify pathways for other organisations to follow in this new normal to enable them work more efficiently and effectively. We were able to achieve this through our well organised programmes and trainings leveraging technology for improved service delivery and impact.

As part of the board's initiative, the Society successfully hosted its Annual Corporate Governance Conference. The annual conference was held virtually on Tuesday, October 5, 2021. The conference themed, **"Emerging Trends in Corporate Governance"** focused on ESG, Board Diversity, Regulations and Digital Transformation.

The conference had Ms. Kerrie Warring, CEO, ICGN as Keynote speaker and lead paper presenter, who presented a paper on **Boards Role and Responsibility in a Sustainable World** and the distinguished

panelists, which included diverse and eminent professionals across the continent, Ms. Rukaiya El-Rufai, Partner, Sustainability & Climate Change, PwC Nigeria, Mr. Olufemi Shobanjo, Head, Broker Dealer Regulation, NGX Regulation and Ms. Rose Lumumba, Corporate Governance Specialist, International Finance Corporation (IFC) shared from their wealth of knowledge and experience. Mrs. Nkemdilim Uwaje Begho, CEO Future Software Resources Limited (Futuresoft), also moderated the session.

The sessions were very insightful and engaging as attendees asked questions and made thought provoking comments on the matters discussed. The conference was sponsored by Zenith Bank Plc, Polaris Bank Plc, OVH Energy, Stanbic IBTC, Flour Mills of Nigeria, Kenna Partners and FutureSoft.

Also, the Society in addition to her existing publications, produced two (2) publications this year. The following publications were presented by the Society for Corporate Governance Nigeria to the public

- **Corporate Governance and Sustainability Reporting in Nigeria: A Review of Thirty Most Capitalised Companies On The Nigerian Exchange 2021**

The publication with a foreword by Ms. Tinuade Awe, Chief Executive Officer, NGX Regulation Limited, reviews and compiles corporate governance structure and data of the top thirty most capitalised companies on the Nigerian Exchange as of December 2020. The 2021 edition of the book provides a fresh perspective and understanding of businesses corporate reporting. It also contains a sectoral analysis of the thirty companies and a featured article on 'ESG as a business imperative' by practitioners at PwC. Electronic copies are also available on Okadabooks, Kobowriting life and Amazon stores.

- **Survey Report on Corporate Governance in the Nigeria Agricultural Sector**

The book with a foreword by Ms. Abisola Olusanya, Lagos State Commissioner of Agriculture is an output of a baseline survey on corporate governance in Nigeria Agricultural sector, which covers the study of the practice of corporate governance by agricultural companies in Nigeria, carried out by the Society in partnership with the AFOS Foundation and with the support of the Financial Reporting Council of Nigeria

(FRCN). The book provides robust recommendations for Agric business owners and affiliates, policy makers and other business owners and is available on various platforms.

The Society also published three editions of the Corporate Governance Newsletter, an online publication showcasing topical issues in corporate governance and the weekly CorpGov Report which contains weekly news clips of corporate governance-related issues.

The Society also successfully conducted board evaluation exercises for 23 organisations and 2 Board Enhancement Programme. We are happy to state that these exercises have assisted Boards to become more efficient and comply with regulatory requirements. We also started the Corporate Governance Audit exercise which assist companies to conduct a comprehensive review of their governance process, framework and approach for compliance.

During the year, the Society successfully hosted 6 virtual Open training programmes, 2 member sessions and one breakfast meeting. Details of these programmes are below:

### **CORPORATE GOVERNANCE IN THE DIGITAL AGE – FEBRUARY 5, 2021**

The subject, digital transformation has been in the front burner of discussions in recent times, especially, since the COVID-19 pandemic. It has become imperative for organizations to include digitalization in their strategies and processes. This approach also influences governance as it is the responsibility of the board to ensure these strategies are in place. Following this, the Society for Corporate Governance Nigeria put together a training programme themed, **"Corporate Governance in the Digital Age"** which held on **Friday, February 5, 2021**. The objective of this training programme was to enhance the use of technology in achieving better corporate governance structures and strategies. Discussions at this training addressed the following: Technology as a tool to further Corporate Governance; Achieving Strong Corporate Governance through technology; Mitigate Cyber and Data Protection Risk and Technology in Strategy Development

### **BOARD EFFECTIVENESS IN A VUCA BUSINESS ENVIRONMENT – THURSDAY, MARCH 4, 2021**

The Society for Corporate Governance Nigeria hosted a training programme for Directors on "Board Effectiveness in a VUCA Business Environment" which held virtually on Thursday, March 4, 2021. The training had two (2) sessions which focused on Board Composition and Alignment to Business Goals; Board Behavioral Dynamics: A prerequisite for effectiveness; The role of the



Board in aligning strategy to company structure, vision, and goals; Board performance evaluation and development; Creating channels for improved performance and Mitigating weakness and matching changes to future growth opportunities.

These sessions were led by Founder, CWG Plc, Mr. Austin Okere and Professor Chris Ogbechie, Director, Society for Corporate Governance Nigeria who shared practical insights that helped participants better understand the discussion areas. The Programme had 15 participants, who were either senior managers or board members across sectors.

At the end of the training, 95% believed that the training was insightful and practical enough for implementation in their respective organisations.

### **CORPORATE PERFORMANCE AND SUSTAINABILITY: THE ROLE OF THE BOARD**

The Society for Corporate Governance Nigeria also organised a virtual training programme for Directors on **“Corporate Performance and Sustainability: The Role of The Board”** on Thursday, April 8, 2021. The training focused on the role of the Board in driving Business Growth & Sustainability; Succession Planning: A strategy for driving Business Growth.; Environmental, Social and Governance factors; Understanding the legal and compliance issues surrounding ESG and sustainability reporting. The session was led by Dr. Oladimeji Ajo, Managing Director/CEO, Excel Professional Services Ltd and Dr. Ndidi Nnoli-Edozien, Founder and President, Growing Business Foundation.

There were 38 participants in attendance. Attendees rated the programme's usefulness as 90%.

### **UNDERSTANDING FINANCIAL STATEMENTS: FINANCE FOR NON-FINANCE DIRECTORS**

Financial reports reveal a company's business activity and financial performance. It provides a snapshot of a company's financial state at a particular point in time, giving insight into its performance, operations, cash flow, and overall conditions. Whilst this is interesting, most directors without an accounting or finance background are unable to understand or spot red flags from these reports thereby reducing the quality of contributions at board meetings. As a result, it has become crucial for directors to understand and interpret such reports to enable them to contribute meaningfully at board meetings.

On Thursday, August 5<sup>th</sup>, 2021, the Society for Corporate Governance Nigeria conducted a training on Understanding Financial Statements: Finance for Non-finance Directors. The virtual training had two sessions led by Mr. Williams Erioma, Associate Director, KPMG and Professor Sunday Owolabi, Fellow, Society for

Corporate Governance Nigeria. The following topics were discussed.

- Regulatory framework and role of directors in Financial Report
- Structure and contents of Financial Statements
- Techniques for interpretation of financial statement
- Issues considered in assessing the financial health of companies

### **IMPROVING EFFECTIVENESS AS A COMPANY SECRETARY**

The Society for Corporate Governance Nigeria conducted a virtual training for Company Secretaries across sectors titled, **“Improving Effectiveness as a Company Secretary”** on Thursday, September 9, 2021. Our seasoned and experienced faculty; Mr. Uche Uwechia, Member, Society for Corporate Governance Nigeria and Mrs Uto Ukpanah, Company Secretary, MTN Nigeria shared from their wealth of knowledge on the following areas;

- Company Secretary as a Governance Professional
- Managing Board Dynamics
- Contemporary Corporate Governance codes and evolving frameworks.
- The Evolving Roles of the Company Secretary in Board Effectiveness and Strategy Formulation
- The Role and Duties of an Outsourced Company Secretary
- Compliance from the regulator's perspective
- Board Evaluation and Development- The Role of the Company Secretary

### **WORKSHOP FOR SECRETARIES, COMPLIANCE & LEGAL OFFICERS OF MICROFINANCE BANKS**

The Microfinance Learning & Development Centre (MLDC) in collaboration with the Society for Corporate Governance Nigeria organised a workshop for the Company Secretaries, Compliance and Legal Officers. The two-days training which held on September 14 and 15, 2021, had three sessions per day. The sessions were led by Mr. Ayokunle Ayoko, Member, Society for Corporate Governance Nigeria (SCGN) and Mr. Kazeem Olatinwo, Head, Surveillance Team, Central Bank of Nigeria (CBN). The following topics were extensively discussed at the training: Corporate Governance and Enterprise Risk Management; Effects of CAMA on Microfinance Banks; Understanding Regulatory and Other Associated Risks; The Risk Management Process and Frameworks; Opportunities and Threats from Risk Management developments; Obtaining a CTC of form CO2 (Return of allotment) filed with CAC; Why Risk management of Legislative breach must be included in Compliance framework; Board meeting, evaluation of Board and the role of Company

secretaries Regulatory Framework and Compliance; Codes of Corporate Governance and Compliance; CBN requirement for effectiveness and compliance; Qualification of a receiver for liquidated banks; Key risk areas: Financial Crime and Money laundering, cyber-crime, Bribery and Corruption, Data protection Loss, Covid pandemic and Dealing with Regulatory Issues and Enforcement

### **BREAKFAST MEETING: ESG AND SUSTAINABILITY – JULY 15, 2021**

The subject “ESG & Sustainability” has been at the front burner with growing intensity in the corporate world in recent times, helping to guide investors responsibly. Ms. Rukaiya El-Rufai, Partner, Sustainability & Climate Change and Public Sector PRS, PwC Nigeria made a presentation titled, **“Making ESG a Board Imperative Through Integrated Thinking, Acting and Reporting”**. In her presentation, she addressed the following - Drivers of ESG today; Emerging trends in Sustainability; Integrated thinking for corporates; and Navigating the “G” in ESG

Her presentation provoked thoughts and the session was very interactive. We had 385 registrations with 185 virtual attendees.

### **IT GOVERNANCE; IMPLEMENTING GOVERNANCE STRUCTURES FOR DATA PROTECTION AND CYBER SECURITY – OCTOBER 28, 2021**

With the rapid rise in organizations' daily operations becoming digital, majorly caused by the COVID-19 pandemic, there is no doubt of a possible increase in cyber security and data protection threats on organizations. In light of this, it has become imperative for organization to scale up investments in ensuring that they are better positioned with the right resources and knowledge to mitigate these risks.

It was in this light that the Society developed this training which addressed the following and more;

- Understanding Data Protection Requirements / Laws – NDPR/GDPR
- Achieving Regulatory Compliance
- Data Protection & Information System
- Implementing Good IT Governance Systems: The role of The Board
- Ransomware Protection
- Risk management Tools

The training had in attendance, Board Members, Senior Executives and Senior IT Personnel

### **MEMBERSHIP**

Also, in the year under review, the Society was dedicated to the expansion of its membership base, establishing a better and more visible relationship with prospective members, increasing its visibility by creating more awareness of its existence and today about 25 individuals and 3 corporate organisations will be inducted as members of

our organization. We also hosted members session to enhance engagement with existing members and the following topics were treated

#### • **DRIVING DIGITAL TRANSFORMATION STRATEGY IN THE CORPORATE GOVERNANCE FRAMEWORK**

The Society for Corporate Governance Nigeria in collaboration with Sirdar Astute Business Expeditions hosted a members' session themed; "**Driving Digital Transformation Strategy in the Corporate Governance Framework**" held in January 21, 2021. The session was facilitated by Mr. Roger Hitchcock, Senior Partner at Sirdar Group.

The session focused on approaches and mechanism to handle challenges of digitization and digital transformation as well as the following areas

- Understanding the role of the board in the governance of ICT (information, Communication and Technology) and decision-making,
- Examining the overall business technology architecture and how to walk through this process of design and deployment,
- Exploring specific options and solutions that are available in today's world.

The session was well attended by members of the Society for Corporate Governance Nigeria.

#### • **THE PLACE OF CORPORATE GOVERNANCE IN THE POST-ONSET OF COVID**

Members' Session themed **The Place of Corporate Governance in the Post-Onset of Covid** held on Saturday, August 28, 2021. The virtual session had an attendance of over 52 participating members across sectors. The session was led by Mr. Sam Cookey, a member of the Society for Corporate Governance Nigeria, CEO Space Concepts Limited and Founder/ CEO of CG & QMS. While the session was moderated by Mrs. Barbara Patrick-Isicheli, member of the Society for Corporate Governance Nigeria.

The following areas were discussed;

- Leadership: Where we were before Covid-19 Pandemic
- Pre-Covid Onset Governance
- 2020 Preview: Assumptions Made
- 2020 Reality: An Eye on the Storm
- Storm: Testing Structural Capabilities
- Leadership: What is Needed in a Crisis
- Lessons Learned
- Post- Covid Onset Governance

Participants confirmed that the training was very insightful and expository and, on an average, rated the facilitator excellent in presentation style, communication, and

interaction as well as the Moderator.

#### **SPECIAL PROJECT**

This year, the Society for Corporate Governance Nigeria partnered with the AFOS Foundation with the support of the Financial Reporting Council of Nigeria (FRCN) to conduct a baseline survey on Corporate Governance and Board Structure of the Agriculture sector in Nigeria.

The project was aimed at increasing the awareness on poorly understood or controversial governance issues and recommending steps to broaden knowledge and facilitate the cultivation of good corporate governance in the sector, which is essential for the long-term institutional success of companies in the Agricultural sector.

A baseline survey was carried out on the corporate governance and board structure in Agri Businesses which provided a document that addresses the complexities of the sector and offers practical guidelines to increase the understanding of the role of governance in business sustainability and fiduciary duty of the directors and owners of these businesses. The project methodology adopted included Structured questionnaires, Interviews, Focus Group Discussions, and literature reviews. A validation workshop was also held with several participants including the Lagos State Government led by the Commissioner of Agriculture, Lagos state - Ms. Abisola Ogunsanya.

#### **VALIDATION WORKSHOP FOR THE REVIEW OF THE SURVEY REPORT ON CORPORATE GOVERNANCE AND BOARD STRUCTURE OF THE AGRICULTURE SECTOR IN NIGERIA**

As part of the project mandate, the Society for Corporate Governance Nigeria (SCGN) in collaboration with AFOS Foundation and the Financial Reporting Council of Nigeria (FRCN) organised a validation workshop in June 2021 for the public to further review the research findings from the survey. Part of the event line-up for the workshop was a keynote address delivered by a Director and Fellow of the Society for Corporate Governance Nigeria, Alhaji Tijjani Borodo while Mr. Nelson Anumaka of the Financial Reporting Council Nigeria, delivered the regulatory remarks.

The special guest of honour was the Commissioner of Agriculture of Lagos State, Ms Abisola Olusanya, who was present but subsequently represented by the Senior Special Assistant to the Governor of Lagos State, Mr. Gbolabo Olaniwun who delivered the special guest address.

In attendance were the Managing Directors, Chief Executive Officers, Agric investors, large- and small-scale farmers, members of the press, marketers in the Agric space and Observers.

#### **CORPORATE GOVERNANCE SENSITISATION TRAINING FOR THE AGRIC SECTOR**

Also, as a follow up to the project and

research findings, the Society developed a training for key players in the sector to help in entrenching corporate governance best practices in their businesses. This training held on Wednesday, August 18 and Monday, August 23, 2021, at Ibis Hotel, Lagos and Bolton White Hotel, Garki, Abuja respectively.

Both trainings had two (2) sessions and each session afforded participants the opportunity to share challenges related to the business environment and sector. Questions asked by participants were adequately addressed by the facilitators who shared from their wealth of experience.

The feedback from participants was that the trainings were insightful, enlightening and worth their time. They requested that they be informed of such trainings in the future and more farmers and people in the Agric sector involved at such trainings.

#### **Partnership**

The society enjoyed collaborative and strategic partnership with the following institutions to promote corporate governance practice both locally and globally- The International Corporate Governance Network, the Nigerian Exchange Group, Sidar Group, Pricewaterhousecoopers (PwC) and the International Finance Corporate Governance. We appreciate these institutions for their support and partnership.

I am therefore convinced that SCGN will continue to create long-term and sustainable value for society and shareholders alike.

I would like to close by genuinely appreciating our honourable Board Members for their support and assistance, our distinguished Fellows, our valued Members, and fantastic staff for the superb work done throughout the year.

Your drive is phenomenal and your commitment to fulfilling our obligations is beyond question, and I know that when we meet at the AGM next year, we will be looking back at yet another important year for the Society.

Thank you!



**Mrs Chioma Mordi**  
Managing Director/CEO  
Society for Corporate Governance Nigeria

# RESEARCH AND PUBLICATIONS

Over the last decade, the Society for Corporate Governance Nigeria, committed to the vision of promoting high corporate governance standards, and rebuilding investor trust in the Nigerian economy, has remained dedicated to in-depth research on practical issues of corporate governance.

The resulting publications from the Society's research projects are specifically written for practitioners, as well as for education and training purposes; providing a comprehensive up-to-date reference for implementation and sustainability of high corporate governance standards.

The resources are intended to sensitise and equip Board directors, Chairmen, Company Secretaries, etc. of public and private organisation, Operation Managers/Process Managers, Middle Managers, Ethics and Compliance Officers, non-governmental organisations, etc. with an up-to-date template for formulation, implementation and enforcement of corporate governance standards in Nigeria. The resources are reflected in the list below:



## BI-ANNUAL 'JOURNAL OF CORPORATE GOVERNANCE'<sup>SM</sup>

is a peer-reviewed journal which has an editorial committee comprising of prolific and seasoned professionals, such as Dr. Oladimeji Alo, Professor Fabian Ajogwu SAN, Professor Joseph Nnanna among others.

Over the past decade, the journal of corporate governance has enticed a diverse and premium crop of contributors from university lecturers,

professors, senior advocates of Nigeria, legal practitioners, company secretaries, compliance professionals and others from professional disciplines both within and outside the country.

In addition, the journal contains well researched and topical issues on corporate governance, some of which includes, understanding the challenges to good corporate governance in Nigeria, corporate governance in private universities in Nigeria, balancing and strengthening investor protection through corporate governance, the governance of information technology in Nigeria, running effective boards in small and medium scale enterprises, imperatives for a shift to sustainable governance by Nigerian companies, revisiting professor Adolf Bernie's theory of shareholder protectionism and its relevance under compulsory Nigerian corporate governance codes.

Complimentary copies of the journal are distributed to all Nigerian Universities' libraries. (Editions 3- 22 Available)



## CORPORATE GOVERNANCE AND REGULATORY COMPLIANCE: THE REGULATOR, REGULATIONS AND THE REGULATED (ISBN: 978-978-985-851-4)

The book was presented at the 2020 annual corporate governance conference and carries a foreword by Mrs. Ozofu Ogiemudia, Chairperson of the technical advisory committee on the CAMA Bill. The book is pertinent to our current climate, given the heightened rate of regulations

and the resultant effect to the internal corporate governance of businesses. The book employs a retrospective and advanced analysis concerning topics and practice of regulatory compliance which will amplify the practice of regulatory compliance by firms and enhance the role of regulatory compliance in improving corporate governance best practices. It provides practical steps on minimising regulatory hurdles and building effective relationships with regulators. It also addresses internal compliance mechanisms to enable organisations achieve effective compliance with relevant laws, regulations and codes. In addition, the book proffers insights from the point of view of regulators and the regulated, thus providing a balanced view that promotes the concept of 'smarter regulation.' Furthermore, the book contains an extensive literature on the evolution of corporate governance, trends of regulatory compliance, the CAMA 2020 and electronic copies are available on Okadabooks, Kobowriting life and Amazon stores.



## COMPANY SECRETARY'S GUIDE ON CORPORATE GOVERNANCE (2ND EDITION) (ISBN 978-978-974-998-0)

This book with a foreword by Mr. Abubakar B. Mahmoud, SAN, former president of the Nigerian Bar Association, outlines essential roles, duties, and guiding principles to execute the modern company secretary's functions in the governance framework. The idea behind the book stemmed from the evolved role of the

company secretary as the chief governance officer and practical situations and issues that company secretary; compliance officers, legal advisors, and general counsel are involved in the system of corporate governance. It contains the practical issues plaguing the company secretary of the 21st century, either as corporate governance professional or fulfilling his statutory duties. It also offers a practical approach in contending with such issues, in a manner that fosters governance and a governance culture in their organizations. The electronic copy is available on Okadabooks, Kobowriting life and Amazon stores.



## CORPORATE GOVERNANCE AND SUSTAINABILITY REPORTING IN NIGERIA: A REVIEW OF THIRTY MOST CAPITALISED COMPANIES ON NIGERIAN STOCK EXCHANGE 2020 (ISBN: 978-978-985-850-7)

– The book with a foreword by Mr. Muhammad Ahmad, OON chairman FRCN, NCCG technical committee and president of the Society for Corporate Governance Nigeria, illuminates the corporate governance structure, data,

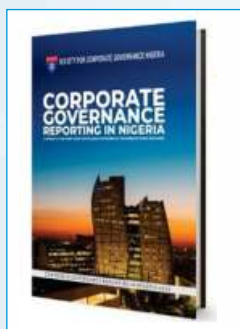
and sustainability reports of the thirty most capitalised companies on the Exchange. Based upon this extraction, the book analyses compliance of the featured companies' corporate governance and sustainability reporting against the provisions of the Nigerian Code of Corporate Governance 2018, and the Nigerian Stock Exchange Sustainability Guidelines 2018. It also contains a sectoral analysis of the thirty companies, a featured article on sustainability by practitioners at Deloitte & Touche, and electronic copies are also available on Okadabooks, Kobowriting life and Amazon stores.



### **UNDERSTANDING FINANCIAL STATEMENTS & REPORTS: A GUIDE FOR DIRECTORS (ISBN: 978-962-099-9)**

The book with a foreword by Mr. Kunle Elebute, Senior Partner, KPMG Nigeria & Chairman KPMG Africa provides a resource material for non-finance directors in the areas of financial reporting and accounts. It gives an insight into the principles and

regulations that guide financial reporting, evolving accounting conventions and relevance of accounting statements. It also examines the role of Directors in financial and national disclosures and demystifies the intricacies of corporate financial statements to the non-financial directors. Furthermore, it analyses several financial reporting concepts and tools that will help readers acquire knowledge on key elements of financial statements like assets, liabilities, equity, income, and expenses interplay in understanding the dynamics of financial statements and gaining better insight into what each of the indicators means to a business. Kindly visit the Okadabooks, Kobowriting life and Amazon stores, to obtain an electronic copy of the book.



### **CORPORATE GOVERNANCE REPORTING IN NIGERIA, 2019 (ISBN: 978-978-976-601-7)**

The book with a foreword by Ms. Mary Uduk, FCIB, Former Acting Director-General of the Securities and Exchange Commission is a corporate governance description of the top 30 most capitalised companies on the Nigeria Stock Exchange aimed at creating awareness to investors and building their confidence. (2018-2016 editions available)



### **Leading an Effective Board: The Chairman's Guide (ISBN 978-978-962-098-2)**

This seven-chapter publication contains a foreword by Mr. Pascal G. Dozie, CON, former president, Society for Corporate Governance Nigeria, gives an x-ray of the dynamic roles, responsibilities, and functions of the 21st Century Chairman in light of the ever-changing Nigerian Business

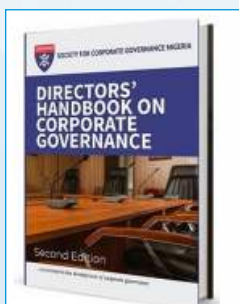
Environment. It examines the various dynamics and bottlenecks in the board's governance cycle, with an intent to guide both board chairman and board of directors. The book further examines various flexibilities of the board chairman's role and how it could spring up some corporate dilemma in making the right choice. This seven-chapter book, with useful appendices offers a simple but clear insight with substantive theories and standard corporate governance practices on leading an effective board. The electronic copy of the book is also available on the Okadabooks, Kobowriting life and Amazon stores



### **CORPORATE GOVERNANCE AND SUSTAINABILITY REPORTING IN NIGERIA: A REVIEW OF THIRTY MOST CAPITALISED COMPANIES ON THE NIGERIAN EXCHANGE 2021 (ISBN: 978-978-996-484-0)**

The book with a foreword by Ms. Tinuade Awe, Chief Executive Officer, NGX Regulation Limited, reviews and compiles corporate governance structure and data of the top thirty most capitalised companies on the Nigerian Exchange as of

December 2020. The 2021 edition of the book provides a fresh perspective and understanding of businesses corporate reporting. It also contains a sectoral analysis of the thirty companies, a featured article on 'ESG as a business imperative' by practitioners at PwC and electronic copies are also available on Okadabooks, Kobowriting life and Amazon stores.



### **DIRECTORS' HANDBOOK ON CORPORATE GOVERNANCE (ISBN: 978-978-942-780-2 AND 978-978-976-600-0) (1ST AND 2ND EDITIONS)**

The 257-page first edition is filled with salient issues which directors should gain a good understanding of, to efficiently discharge their duties. It also gives a panorama of how best to address the full spectrum of key governance and disclosure issues. It carries a foreword by

Dr. Christopher Kolade, CON, Pro-Chancellor, Pan-Atlantic University. The second edition adds identifiable value to the director's understanding of the essence of corporate governance as it acts a comprehensive manual on every aspect of a board, spanning from the individual director, the board chairman, the company secretary and various board committees. The book with a foreword by Atedo N.A. Peterside, CON, former chairman of Stanbic IBTC Bank Plc and Chairman of Cadbury Nigeria Plc, contains ample annotations on the 2018 Nigerian Code of Corporate Governance and a detailed comparison between the national code 2018 and other sector codes of corporate governance. Together, they act as a ready consult for quick guidance on salient issues that affect the practice of corporate governance in and outside the boardroom. The electronic copy for the second edition is available on Okadabooks, Kobowriting life and Amazon stores.



### **SURVEY ON CORPORATE GOVERNANCE IN THE NIGERIA AGRICULTURAL SECTOR**

The report with a foreword by Ms. Abisola Olusanya, Lagos State Commissioner of Agriculture is an output of a baseline survey on corporate governance and board structure in Nigeria Agricultural sector, carried out by the Society in partnership with the AFOS Foundation and with the support of the Financial Reporting Council of Nigeria (FRCN). The

report provides robust recommendations for Agric business owners and affiliates, policy makers and other business owners and is available on various platforms.

**To order any of these title, please contact the Society**

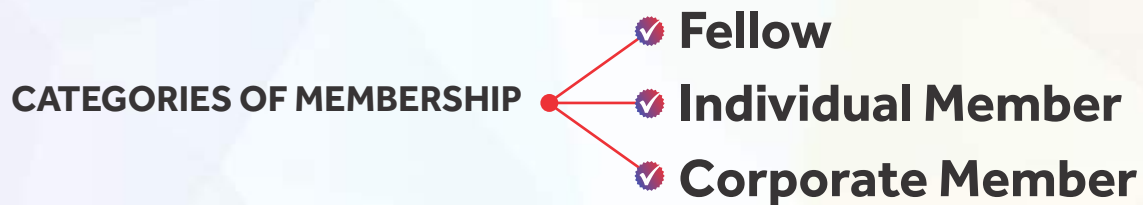
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# MAKE A POSITIVE IMPACT! JOIN THE NETWORK!!

## PROMOTE GOOD CORPORATE GOVERNANCE!!! JOIN US TODAY!!!!

Membership of the Society is guided by the constitution of the Society and is open to:

Individuals who occupy managerial positions in their organizations.  
All Corporate organizations (private, public, and registered firms.)



### **BENEFITS OF MEMBERSHIP**

- Free copies of the Bi-annually published Journal of Corporate Governance, Nigeria which is a peer reviewed publication that deals with all aspects of Governance, Management and evolving trends/extant laws affecting Corporate Governance.
- A 15% discount on fee paying training programmes organized by the Society.
- An opportunity to have dinner with the President of the Society and network with other members of the Society annually.
- Highly discounted in-house programmes for the board of member-organizations.
- Free and unlimited access to the Christopher Kolade Corporate Governance Library.
- Free and Unlimited access to resource materials for research purposes.
- Free subscription to our quarterly published Newsletter and weekly published Corp Gov News.
- Periodic updates on the changes in the Corporate Governance and Business Regulatory Environment.
- Access to advice, business information, Corporate Governance update and platforms for networking for personal and organizational development.

# PROGRAMMES

**SOCIETY FOR CORPORATE GOVERNANCE NIGERIA**  
Committed to the development of corporate governance

**Breakfast Meeting**

Speaker:  
**Rukaiya El-Rufai**  
Partner, Sustainability & Climate Change & Public Sector PRS, PwC

Moderator: **Mrs. Adeola Olumeyan**  
Member, Society for Corporate Governance Nigeria

**ESG AND SUSTAINABILITY**

Thursday, July 15, 2021 | 10:00am

**SOCIETY FOR CORPORATE GOVERNANCE NIGERIA**  
Committed to the development of corporate governance

**AFOS**

**CORPORATE GOVERNANCE SENSITIZATION TRAINING FOR THE AGRICULTURE SECTOR**

**Course Outline**

- Introduction to Governance frameworks: Corporate Governance Fundamentals – Definitions, Key players and Risks
- The Board and Ethics
- Effectiveness of Corporate Governance in the Agric Sector
- Strategy Planning and Development

**Course Fee: FREE**

Ibis Hotel, Toyin Street, Lagos  
Wednesday, August 18, 2021

Bolton Hotel, Area 11, Beside Sahad Store, Abuja  
Monday, August 23, 2021

**SOCIETY FOR CORPORATE GOVERNANCE NIGERIA**  
Committed to the development of corporate governance

**Corporate Governance in the Digital Age**

Friday, February 5, 2020 Virtual

**COURSE CONTENT**

- Technology as A Tool to Further Corporate Governance
- Achieving Strong Corporate Governance through technology
- Assessing company's cybersecurity programme
- Mitigating Cyber and Data Protection Risk
- Technology in Strategy Development

**Registration Fee: 75,000**

For more information, Contact Ngozi via email: [nejim@corp.govnigeria.org](mailto:nejim@corp.govnigeria.org) or telephone: 09022919499, 07069580999

[corgovnigeria](https://www.facebook.com/corgovnigeria) [@corgovnigeria](https://www.instagram.com/corgovnigeria) [scgnigeria](https://www.linkedin.com/company/corgovnigeria) [insognigeria](https://www.linkedin.com/company/insognigeria)

**SOCIETY FOR CORPORATE GOVERNANCE NIGERIA**  
Committed to the development of corporate governance

**Corporate Performance and Sustainability: The Role of the Board**

Thursday, April 8, 2021 VIRTUAL TRAINING

**Course Outline**

- The Role of the Board In Driving Business Growth and Sustainability
- Succession Planning: A strategy for driving Business Growth
- Entrenching good governance and best practices across managerial levels
- Environmental, Social and Governance Factors
- Understand the legal and compliance issues surrounding ESG and sustainability Reporting

**Course Fee: N75,000**

ACCOUNT DETAILS  
First Bank of Nigeria  
Society for Corporate Governance Nigeria  
Account Number: 400352741

For more enquiries, contact Ngozi [nejim@corp.govnigeria.org](mailto:nejim@corp.govnigeria.org) 07069580999

**SOCIETY FOR CORPORATE GOVERNANCE NIGERIA**  
Committed to the development of corporate governance

**Board Effectiveness in a VUCA Business Environment**

Thursday, March 4, 2021 VIRTUAL TRAINING

**Course Outline**

- Board performance Evaluation and Development
- Board Composition and alignment to Business goals
- Board Behavioural dynamics: a prerequisite for effectiveness
- The role of the Board in Aligning Strategy to company structure, vision and goals
- Creating channels for improved performance, leveraging on strengths identified from assessment, mitigating weaknesses and matching changes to future growth opportunities

for more information contact:  
Ngozi ☎ 09022919499 or 07069580999 ✉ [nejim@corp.govnigeria.org](mailto:nejim@corp.govnigeria.org)

**Course Fee: N75,000**

ACCOUNT DETAILS  
First Bank of Nigeria  
Society for Corporate Governance Nigeria  
Account number: 400352741

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**SOCIETY FOR CORPORATE GOVERNANCE NIGERIA**  
Committed to the development of corporate governance

**IMPROVING EFFECTIVENESS AS A COMPANY SECRETARY**

THURSDAY, SEPTEMBER 9, 2021

**COURSE OUTLINE**

- Company Secretary as a Governance Professional
- Managing Board Dynamics
- Contemporary Corporate Governance codes and evolving frameworks.
- The Evolving roles of the Company Secretary in Board Effectiveness and Strategy Formulation
- The Role and Duties of an Outsourced Company Secretary
- Compliance from the regulator's perspective
- Board Evaluation and Development- The Role of the Company Secretary

**Course Fee: N75,000**

For more information, contact:  
Ngozi  
T: 09022919499, 07069580999  
E: [nejim@corp.govnigeria.org](mailto:nejim@corp.govnigeria.org)

ACCOUNT DETAILS  
First Bank of Nigeria  
Society for Corporate Governance Nigeria  
Account Number: 2020269741

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**Society for Corporate Governance Nigeria Ltd/Gte**

# Annual Report **30 June 2021**



## Financial Statements for year ended 30 June 2021, Together with Directors' and Auditor's Reports

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- Five year financial summary	



# DIRECTORS' REPORT

For the year ended 30 June 2021

The directors present their report on the affairs of Society for Corporate Governance Nigeria Ltd/Gte ("the Society"), together with the financial statements and independent auditor's report for the year ended 30 June 2021.

## LEGAL FORM

Society for Corporate Governance Nigeria Ltd/Gte, ("the Society") is a not-for-profit organisation incorporated on 31 March 2005 as a company limited by guarantee under Part C. of the Companies and Allied Matters Act, CAPC20, Laws of the Federation of Nigeria, 2004.

## PRINCIPAL ACTIVITIES AND OPERATIONS REVIEW

The Society is domiciled in Nigeria and was set up to develop and promote corporate governance best practices in Nigeria using the tools of rankings, seminars, publication, research, workshops and trainings.

To achieve its objectives, the Society organized the following programmes and workshops during the year:

- Company Secretaries Programme
- Directors Programme
- President's Dinner/Induction
- Board Enhancement Programmes
- Corporate Governance Conference
- Breakfast Meetings
- Chairman's Programme

The Society earned ₦27.95 million from the workshops, seminars and donations during the year (2020: ₦23.80 million).

In addition, the Society publishes various articles, online newsletters and periodicals which are disseminated to the general public free of charge. The flagship publication of the Society, 'Journal of Corporate Governance' is generally sold to the public at a predetermined price, complimentary copies of the journal are distributed to members, all Nigerian universities' libraries as well as other well-wishers of the Society as the Directors might deem fit. Other publications issued during the period were - "Journal of Corporate Governance" and "Corporate Governance Reporting in Nigeria".

The Society also earned ₦21.1 million from registration fees and membership subscription dues (2020: ₦10.4 million).

## OPERATING RESULTS

The following is a summary of the Society's operating results:

<i>In naira</i>	<b>Year ended 30 June 2021</b>	<b>Year ended 30 June 2020</b>	<b>% Change</b>
Revenue	93,215,914	81,215,833	15%
Other income	2,130,275	331,046	543%
Impairment (loss)/reversal on receivables	(1,811,538)	(1,418,735)	28%
Expenses	(74,567,356)	(85,926,273)	-13%
<b>Results from operating activities</b>	<b>(18,967,295)</b>	<b>5,798,129</b>	<b>427%</b>

## DIRECTORS AND THEIR INTERESTS

The directors who served during the year ended 30 June 2021 were as follows:

1. Mr. Muhammad K. Ahmad OON  
(President) (Appointed Wed 5 February 2020)
2. Mrs. Chioma Mordi (C.E.O)
3. Prof. Juan Elegido (Spanish)
4. Prof. Pat Utomi
5. Prof. Chris Ogbechie
6. Prof. Fabian Ajogwu, SAN
7. Mrs. Clare Omatseye
8. Mr. Ibrahim Dikko
9. Mr. Tijjani Borodo
10. Mr. Adetunji Oyebanji
11. Mrs. Nkemdilim Uwaje Begho  
(Joined 6th October 2020)

The Society is limited by guarantee and has no share capital, hence the directors have no financial interests in the Society that are required to be disclosed under Section 301 of the Companies and Allied Matters Act.

In accordance with Section 303 of the Companies and Allied Matters Act, Laws of the Federation of Nigeria, other than as disclosed in note 16(b), none of the directors has notified the Society of any declarable interests in contracts with the Society (2020: Nil).

## RECORDS OF DIRECTORS' ATTENDANCE

Further to the provisions of Section 252 of the Companies and Allied Matters Act, the record of directors' attendance at Board Meetings held during the period will be available at the Annual General Meeting for inspection.

## PROPERTY, PLANT AND EQUIPMENT

Information relating to changes in property, plant and equipment is disclosed in Note 7 to the financial statements

## CHARITABLE DONATIONS

No charitable donations were made by the Society during the period (2020: Nil).

In compliance with Section 43(2) of the Companies and Allied Matters Act, Cap C. 20, Laws of the Federation of Nigeria, the Society did not make any donation or give gifts to any political party or association or for any political purpose during the period (2020: Nil).

## EVENTS AFTER THE REPORTING DATE

There are no events after the reporting date which could have had a material effect on the financial position of the Society as at 30 June 2021 which have not been adequately recognised or disclosed in these financial statements

## EMPLOYMENT AND EMPLOYEES

### (a) Employment of Physically Challenged Persons

The Society has no physically challenged persons in its employment. Applications for employment by physically challenged persons are always fully considered bearing in mind the respective aptitudes and abilities of the applicants concerned. In the event of members of staff becoming physically challenged, every effort will be made to ensure that their employment with the Society continues and that appropriate training is arranged. It is the policy of the Society that the training, career development and promotion of physically challenged persons should, as far as possible, be identical with those of other employees.

### (b) Dissemination of Information

In order to maintain shared perception of our goals, we are committed to communicating information to employees in fast and effective a manner as possible. We consider this critical to the maintenance of team spirit and high employee morale.

### (c) Health, Safety and Welfare at work

The Society places a high premium on the health, safety and welfare of its employees in their place of work. To this end, the Society has various forms of insurance policies to adequately secure and protect its employees.

### (d) Employee Involvement and Training

The Society places considerable value on the involvement of its employees and has a practice of keeping them informed on matters affecting them as employees and on the various factors affecting the performance of the Society.

## INDEPENDENT AUDITORS

The Company auditors, PricewaterhouseCoopers have indicated their willingness to continue in office in accordance with Section 401(2) of the Companies and Allied Matters Act of Nigeria.

## BY ORDER OF THE BOARD

KP Nominees Limited  
FRC/2014/00000003803  
Company Secretary  
8 Onigefon Road,  
Off Palace Way, Oniru  
Victoria Island, Lagos  
October 2021

**KP NOMINEES LTD.**  
**COMPANY SECRETARY**

*[Handwritten Signature]*

# STATEMENT OF DIRECTORS' RESPONSIBILITIES IN RELATION TO THE FINANCIAL STATEMENTS

For the year ended 30 June 2021

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 surplus or deficit. 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 International Financial Reporting Standards and the requirements of the Companies and Allied Matters Act.

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 this statement.

SIGNED ON BEHALF OF THE BOARD OF DIRECTORS BY:



**Mr. Muhammad K. Ahmad, OON**

FRC/2017/IODN/00000002851

October 2021



**Mr. Adetunji Oyebanji**

FRC/2014/IODN/00000007151

October 2021

# STATEMENT OF CORPORATE RESPONSIBILITIES FOR THE FINANCIAL STATEMENTS

For the year ended 30 June 2021

The Directors of the Society for Corporate Governance Ltd/Gte hereby certify that they are responsible for and have ensured the following:

1. The officer who signed the audited financial statements has reviewed them, and based on the officer's knowledge the –
  - (i) audited financial statements do not contain any untrue statement of material fact or omit to state a material fact, which would make the statements misleading, in the light of the circumstances under which such statement was made, and
  - (ii) audited financial statements and all other financial information included in the statements fairly present, in all material respects, the financial condition and results of operation of the company as of and for, the periods covered by the audited financial statements;
2. The officer who signed the audited financial statements
  - (i) is responsible for establishing and maintaining internal controls and has designed such internal controls to ensure that material information relating to the company and its subsidiaries is made known to the officer by other officers of the companies, particularly during the period in which the audited financial statement report is being prepared,
  - (ii) has evaluated the effectiveness of the company's internal controls within 90 days prior to the date of its audited financial statements, and
  - (iii) certifies that the company's internal controls are effective as of that date;
3. The officer who signed the audited financial statements disclosed to the company's auditors and Board of Directors;
  - (i) that there are no deficiencies in the design or operation of internal controls which could adversely affect the company's ability to record, process, summarize and report financial data, and has identified for the company's auditors any material weaknesses in internal controls, and
  - (ii) that there are no fraud that involves management or other employees who have a significant role in the company's internal control; and
4. The officer who signed the report, has indicated in the report, that there has not been any significant changes in internal controls or in other factors that could significantly affect internal controls subsequent to the date of their evaluation, including any corrective actions with regard to significant deficiencies and material weaknesses.

SIGNED ON BEHALF OF THE BOARD OF DIRECTORS BY:



**Mr. Muhammad K. Ahmad, OON**  
FRC/2017/IODN/00000002851

October 2021



**Mr. Adetunji Oyebanji**  
FRC/2014/IODN/00000007151

October 2021



## *Independent auditor's report*

To the Members of The Society for Corporate Governance Nigeria Ltd/Gte

### *Report on the audit of the financial statements*

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#### *Our opinion*

In our opinion, The Society for Corporate Governance Nigeria Ltd/Gte (“the company’s”) financial statements give a true and fair view of the financial position of the company as at 30 June 2021, 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**

The Society for Corporate Governance Nigeria Ltd/Gte financial statements comprise:

- the statement of financial position as at 30 June 2021;
  - the statement of comprehensive income for the year then ended;
  - the statement of changes in equity for the year then ended;
  - the statement of cash flows for the year then 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.

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#### *Other information*

The directors are responsible for the other information. The other information comprises the Corporate information, the Directors Report, Statement of Directors’ Responsibilities, Statement of Corporate Responsibilities, Value Added Statement 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.

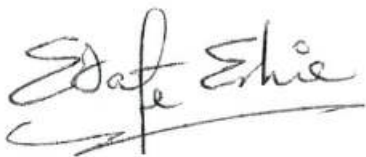
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*PricewaterhouseCoopers Chartered Accountants, Landmark Towers, 5B Water Corporation Road, Victoria*

### *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 and returns adequate for our audit have been received from branches not visited by us;
  - iii) the company's statement of financial position and statement of comprehensive income are in agreement with the books of account and returns.
- 



For: **PricewaterhouseCoopers**

Chartered Accountants  
Lagos, Nigeria

Engagement Partner: Edafe Erhie  
FRC/2013/ICAN/00000001143



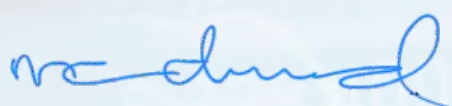
26 October 2021

# STATEMENT OF FINANCIAL POSITION

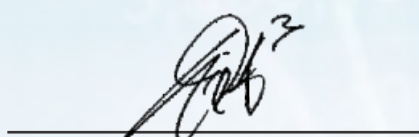
As at 30 June 2021

<i>In naira</i>	Note	2021	2020
<b>Assets</b>			
Property, plant and equipment	7	2,329,010	4,256,365
<b>Total non-current assets</b>		<b>2,329,010</b>	<b>4,256,365</b>
Inventories	12	5,899,595	6,522,770
Prepayments	11	878,143	566,822
Receivables and contract asset	8a	11,594,671	9,965,413
Cash and cash equivalents	10	72,763,904	28,794,217
Other current assets	8b	64,616	-
<b>Total current assets</b>		<b>91,200,929</b>	<b>45,839,222</b>
<b>Total assets</b>		<b>93,529,938</b>	<b>50,095,587</b>
<b>Reserves</b>			
Accumulated Surplus		55,797,079	36,500,228
<b>Total Reserves</b>		<b>55,797,079</b>	<b>36,500,228</b>
<b>Liabilities</b>			
Other Payables	9	6,190,884	8,366,609
Contract Liabilities	9	31,541,975	5,228,750
<b>Total current liabilities</b>		<b>37,732,859</b>	<b>13,595,359</b>
<b>Total reserves and liabilities</b>		<b>93,529,938</b>	<b>50,095,587</b>

The financial statements were approved by the Board of Directors on 5th October, 2021 and signed on its behalf by:



**Mr. Muhammad K. Ahmad, OON** (President)  
FRC/2017/IODN/00000002581



**Mr. Adetunji Oyebanji** (Director)  
FRC/2014/IODN/00000007151



**Mrs. Chioma Mordi** (Chief Executive Officer)  
FRC/2014/NIM/00000007899

The accompanying notes on pages 24 to 42 form an integral part of the financial statements.

# STATEMENT OF COMPREHENSIVE INCOME

For the year ended 30 June 2021

<i>In naira</i>	Note	2021	2020
Revenue	4	93,215,914	81,215,833
Other Income		2,130,275	331,046
Impairment loss (reversal) on receivables	13(a)	(1,811,538)	(1,418,735)
Expenses	6	(74,567,356)	(85,926,273)
<b>Results from operating activities</b>		<b>18,967,295</b>	<b>(5,798,129)</b>
Finance income	5	329,556	3,384,882
<b>(Deficit)/Surplus for the year</b>		<b>19,296,851</b>	<b>2,413,247</b>
Other comprehensive income		-	-
<b>Total comprehensive (loss)/ income for the year</b>		<b>19,296,851</b>	<b>(2,413,247)</b>

The accompanying notes on pages 24 to 42 form an integral part of the financial statements.



# STATEMENT OF CHANGES IN RESERVES

As at 30 June 2021

<i>In naira</i>	Note	Accumulated Surplus	Total Reserves
<b>For the year ended 30 June 2021</b>			
<b>Balance as at 1 July 2019</b>		38,913,475	38,913,475
Surplus for the year		(2,413,247)	(2,413,247)
Other comprehensive income		-	-
<b>Total comprehensive income for the period</b>		<b>(2,413,247)</b>	<b>(2,413,247)</b>
<b>Balance as at 30 June 2020</b>		<b>36,500,228</b>	<b>36,500,228</b>
<b>For the year ended 30 June 2021</b>			
<b>Balance as at 1 July 2020</b>		<b>36,500,228</b>	<b>36,500,228</b>
Deficit for the year		19,296,851	19,296,851
Other comprehensive income		-	-
<b>Total comprehensive income for the period</b>		<b>19,296,851</b>	<b>19,296,851</b>
<b>Balance as at 30 June 2021</b>		<b>55,797,079</b>	<b>55,797,079</b>

The accompanying notes on pages 24 to 42 form an integral part of the financial statements.

# STATEMENT OF CASH FLOWS

For the year ended 30 June 2021

<i>In naira</i>	Note	30 June 2021	30 June 2020
<b>Cash flows from operating activities:</b>			
(Deficit)/Surplus for the period		19,296,851	(2,413,247)
<b>Adjustments for :</b>			
- Depreciation	7	2,149,922	4,878,475
- Finance income	5	(329,556)	(3,384,882)
		<b>21,117,218</b>	<b>(919,654)</b>
<b>Changes in:</b>			
- Inventories		623,175	(1,044,937)
- Prepayments		(321,323)	(140,148)
- Receivables		(1,629,258)	(1,318,913)
- Payables*		28,400,366	6,856,962
- Other assets		(64,616)	-
<b>Cash generated from operation</b>		<b>48,125,562</b>	<b>3,433,310</b>
Value added tax paid		(4,262,866)	(5,900,000)
<b>Net cash (used in)/generated from operating activities</b>		<b>43,862,696</b>	<b>(2,466,690)</b>
<b>Cash flows from investing activities:</b>			
Acquisition of property, plant and equipment	7	(426,500)	(1,557,000)
Disposal of property, plant and equipment	7	203,933	-
Interest received	5	-	1,335,447
<b>Net cash (used in)/ generated from investing activities</b>		<b>(222,567)</b>	<b>(221,553)</b>
<b>(Decrease)/(increase) in cash and cash equivalents</b>		<b>43,640,130</b>	<b>(2,688,243)</b>
Cash and cash equivalents at 1 January		28,794,217	29,443,025
Effect of movement in exchange rates on cash and cash equivalent	5	329,556	2,049,435
<b>Cash and cash equivalents as at 30 June</b>	10	<b>72,763,903</b>	<b>28,794,217</b>

\* Movement in payables have been adjusted for Value Added Tax (VAT) paid shown separately above

The accompanying notes on pages 24 to 42 form an integral part of the financial statements.

# NOTES TO THE FINANCIAL STATEMENTS

For the year ended 30 June 2021

## 1. REPORTING ENTITY

Society for Corporate Governance Nigeria Ltd/Gte ("the Society"), a Society limited by guarantee, not-for-profit organisation was incorporated in Nigeria on 31 March 2005. The Society is domiciled in Nigeria and has its registered office address at 5B, Lawani Odunloye Street, Off Palace Way, Oniru, Victoria Island, Lagos. The principal activity of the Society is to develop and promote corporate governance best practices in Nigeria using the tools of rankings, seminars, publications, research, workshops and trainings.

## 2. BASIS OF PREPARATION

### (a) Statement of compliance

The financial statements of the Society have been prepared in accordance with International Financial Reporting Standards (IFRS) and in the manner required by the Companies and Allied Matters Act, Cap C. 20, Laws of the Federation of Nigeria and the Financial Reporting Council of Nigeria Act, 2011. The financial statements were authorised for issue by the Board of Directors on 5th October 2021.

### (b) Basis of measurement

The financial statements have been prepared in accordance with the going concern assumption under the historical cost basis except for the following:

Item	Measurement basis
Inventories	- Lower of cost and net realisable value

### (c) Functional and presentation currency

These financial statements are presented in Naira (₦), which is the Society's functional currency. All financial information presented in Naira has been rounded to the nearest thousand, unless stated otherwise.

### (d) Use of estimates and judgments

#### *Assumptions and estimation uncertainties*

The preparation of the financial statements in conformity with IFRS requires management to make judgements, estimates and assumptions that affect the application of accounting policies and the reported amounts of assets, liabilities, income and expenses. Actual results may differ from these estimates. Estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognised prospectively.

#### *(i) Measurement of fair values*

Fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date. The Society's accounting policies and disclosures require the measurement of fair values, for both financial and non financial assets and liabilities. When applicable, further information about the assumptions made in determining fair values is disclosed in the notes specific to that asset or liability.

When measuring the fair value of an asset or liability, the Society uses market observable data as far as possible. Fair values are categorised into different levels in a fair value hierarchy based on the inputs used in the valuation techniques as follows:

- Level 1: quoted prices (unadjusted) in active markets for identical assets or liabilities.
- Level 2: inputs other than quoted prices included in Level 1 that are observable for the asset or liability either directly (i.e. as prices) or indirectly (i.e. derived from prices).
- Level 3: inputs for the asset or liability that are not based on observable market data (unobservable inputs).

## 3. SIGNIFICANT ACCOUNTING POLICIES

The accounting policies set out below have been applied consistently to all periods presented in these financial statements.

**(a) Financial instruments**

**(i) Recognition and initial measurement**

Receivables are initially recognised when they are originated. All other financial assets and financial liabilities are initially recognised when the entity becomes a party to the contractual provisions of the instrument. The Society's financial assets or financial liability is initially measured at fair value plus, for an item not at FVTPL, transaction costs that are directly attributable to its acquisition.

**(ii) Classification and subsequent measurement**

*Financial assets*

On initial recognition, financial assets (receivables) are classified as measured at: amortised cost. Financial assets are not reclassified subsequent to their initial recognition unless the Society changes its business model for managing financial assets, in which case all affected financial assets are reclassified on the first day of the first reporting period following the change in the business model.

*Financial assets - subsequent measurement and gains and losses*

<b>Financial assets at amortized cost</b>	These assets are subsequently measured at amortised cost using the effective interest method. The amortised cost is reduced by impairment losses. Interest income, foreign exchange gains and losses and impairment are recognised in profit or loss. Any gain or loss on derecognition is recognised in profit or loss.
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*Financial assets*

The financial assets of the entity are classified as trade and other receivables and cash and cash equivalents. Trade and other receivables are non-derivative financial assets with fixed or determinable payment that are not quoted in an active market and that the Society does not intend to sell immediately or in the near term. Cash and cash equivalents comprise cash on hand and cash balances with banks.

*Financial liabilities - Classification, subsequent measurement and gains and losses.*

Financial liabilities are classified as measured at amortised cost and are subsequently measured at amortised cost using the effective interest method. Interest expense and foreign exchange gains and losses are recognised in profit or loss. Any gain or loss on derecognition is also recognised in profit or loss.

**(iii) Derecognition**

The Society derecognises a financial asset when the contractual rights to the cash flows from the asset expire, or it transfers the rights to receive the contractual cash flows on the financial asset in a transaction in which substantially all the risks and rewards of ownership of the financial asset are transferred. The Society derecognizes a financial liability when its contractual obligations are discharged, cancelled, or expired.

**(iv) Offsetting**

Financial assets and financial liabilities are offset and the net amount presented in the statement of financial position when, and only when, the Group currently has a legally enforceable right to set off the amounts and it intends either to settle them on a net basis or to realise the asset and settle the liability simultaneously.

**(b) Impairment**

**(i) Non-derivative financial assets**

The Society recognises loss allowances for Expected Credit Losses (ECLs) on financial assets measured at amortised cost and contract assets. Loss allowances for receivables and contract assets are measured at an amount equal to lifetime ECLs. Lifetime ECLs are the ECLs that result from all possible default events over the expected life of a financial instrument.

When determining whether the credit risk of a financial asset has increased significantly since initial recognition and when estimating ECLs, the Society considers reasonable and supportable information that is relevant and available without undue cost or effort. This includes both quantitative and qualitative information and analysis, based on the Society's historical experience and informed credit assessment and including forward-looking information.

The Society assumes that the credit risk on a financial asset has increased significantly if it is more than 180 days past due.

The Society considers a financial asset to be in default when:

- \* the debtor is unlikely to pay its credit obligations to the Society in full, without recourse by the Society to actions such as realising security (if any is held); or
- \* the financial asset is more than 180 days past due.

#### *Write-off*

The gross carrying amount of a financial asset is written off when the Society has no reasonable expectations of recovering a financial asset in its entirety or a portion thereof. Amount written off are recorded in the profit or loss. If the amount of impairment loss subsequently decreases and the decrease can be related objectively to an event occurring after the impairment was recognised, then the previously recognised impairment loss is reversed through profit or loss.

### **(ii) Non-financial assets**

At each reporting date, the Society reviews the carrying amounts of its non-financial assets to determine whether there is any indication of impairment. If any such indication exists, then the asset's recoverable amount is estimated.

For impairment testing, assets are grouped together into the smallest group of assets that generates cash inflows from continuing use that are largely independent of the cash inflows of other assets or cash generating unit (CGUs).

The recoverable amount of an asset or CGU is the higher of its value in use and its fair value less costs to sell. Value in use is based on the estimated future cash flows, discounted to their present value using a pre-tax discount rate that reflects current market assessments of the time value of money and the risks specific to the asset or CGU.

An impairment loss is recognised if the carrying amount of an asset or CGU exceeds its recoverable amount.

### **(c) Property, plant and equipment**

#### **(i) Recognition, measurement and derecognition**

The cost of an item of property, plant and equipment is recognized as an asset if it is probable that future economic benefits associated with the item will flow to the Society and the cost of the item can be measured reliably. Items of property, plant and equipment are measured at cost less accumulated depreciation and any accumulated impairment losses.

Cost includes expenditure that is directly attributable to the acquisition of the asset. When parts of an item of property, plant and equipment have different useful lives, then they are accounted for as separate items (major components) of property, plant and equipment.

#### ***Derecognition***

An item of property, plant and equipment is derecognised on disposal or when no future economic benefits are expected from its use or disposal.

Gains and losses on disposal of an item of property, plant and equipment are determined by comparing the net proceeds from disposal with the carrying amount of property, plant and equipment, and are recognised within other income in profit or loss.

**(ii) Subsequent expenditure**

The cost of replacing a part of an item of property, plant and equipment is capitalised only if it is probable that the future economic benefits associated with the expenditure will flow to the Society and its cost can be measured reliably. The carrying amount of the replaced part is derecognised. The costs of the day-to-day servicing of property, plant and equipment are recognized in profit or loss as incurred.

**(iii) Depreciation**

Depreciation is calculated to write off the cost of items of property, plant and equipment less their estimated residual values using the straight-line method over their estimated useful lives, and is generally recognised in profit or loss.

The estimated useful lives of property, plant and equipment for the current and comparative periods are as follows:

Plant and machinery	-	5 years
Fixtures and fittings	-	4 years
Motor vehicles	-	4 years
Computer Equipment	-	3 years
Books	-	4 years

Depreciation methods, useful lives and residual values are reviewed at reporting date and adjusted if appropriate and the effect of any changes in estimate accounted for on a prospective basis.

**(d) Revenue**

Revenue is recognised to the extent that it is probable that the economic benefits will flow to the Society and the revenue can be reliably measured. Revenue is measured at fair value of the consideration received or receivable and represents amounts receivable or received for services provided and goods delivered, net of discounts and value added taxes (VAT) and where there is reasonable expectation that the income will be received and all attaching conditions will be complied with.

In these financial statements, surplus/deficit is used instead of profit or loss as the Society is not profit driven.

**(i) Sale of goods**

Revenue is recognised when the significant risks and rewards of ownership have been transferred to the customer, recovery of the consideration is probable, the associated costs and possible return of goods can be estimated reliably, there is no continuing management involvement with the goods, and the amount of revenue can be measured reliably. Revenue is measured net of returns and trade discounts.

**(ii) Rendering of services**

**Membership subscriptions, induction and registration fees**

Membership fees are recognised as income in the period when they are received from members due to the uncertainty about their collectability. Membership fees received in advance are recognised in deferred income.

**Board evaluation, Conferences, trainings and seminars**

Revenue from board evaluation, conferences, trainings and seminars are accounted for when services are rendered. The Society recognises revenue from rendering of services in proportion to the stage of completion of the transaction at the reporting date.

When the outcome of a transaction involving the rendering of services can be estimated reliably, revenue associated with the transaction is recognised by reference to the stage of completion of the transaction at the statement of financial position date. The outcome of a transaction can be estimated reliably when all the following conditions are satisfied:

- the amount of revenue can be measured reliably;

- it is probable that the economic benefits associated with the transaction will flow to the Society;
- the stage of completion of the transaction at the statement of financial position date can be measured reliably; and
- the costs incurred for the transaction and the cost to complete the transaction can be measured reliably.

When the outcome of the transaction involving the rendering of services cannot be estimated reliably, revenue is recognised only to the extent of the expenses recognised that are recoverable.

**(iii) Donations**

Donations are recognised as income when the Society obtains control over the assets comprising the donation or the right to receive the donation/grant, it is probable that the economic benefits derivable from the donation will flow to the Society and the amount can be measured reliably. This has been assessed as when the Society receives the cash or has an enforceable right to receive the donations.

**(iv) Publications and other materials**

Sale of publications arises from domestic sales to third party customers. Revenue from the sale of publications is recognised when the control of the publications are transferred to the buyer. This occurs when the goods are delivered to the customer.

**(e) Income Tax**

Society for Corporate Governance Nigeria Limited is registered as a not-for-profit organisation. In accordance with Section 23(1) of the Company Income Tax Act (CITA) Cap C21, LFN 2007 (as amended), the organisation is exempted from corporate income tax when it acts for charitable purposes. However, when the organisation engages in profit-oriented activities, income tax is charged on taxable profits earned on such activities in accordance with the Finance Act 2020.

**(f) Provisions and contingent liabilities**

A provision is recognised, if, as a result of a past event, the Society has a present legal or constructive obligation that can be estimated reliably, and it is probable that an outflow of economic benefits will be required to settle the obligation. Provisions are determined by discounting the expected future cash flows at a pre-tax rate that reflects current market assessments of the time value of money and the risks specific to the liability. The unwinding of the discount is recognised as finance cost.

A contingent liability is a possible obligation that arises from past events and whose existence will be confirmed only by the occurrence or non-occurrence of one or more uncertain future events not wholly within the control of the Society, or a present obligation that arises from past events but is not recognised because it is not probable that an outflow of resources embodying economic benefits will be required to settle the obligation; or the amount of the obligation cannot be measured with sufficient reliability.

Contingent liabilities are only disclosed and not recognised as liabilities in the statement of financial position. If the likelihood of an outflow of resources is remote, the possible obligation is neither a provision nor a contingent liability and no disclosure is made.

**(g) Finance income**

Finance income comprise interest income on fixed deposits. Finance income is recognised as it accrues in profit or loss, using the effective interest method.

**(h) Leases**

**Policy applicable from 1 January 2019**

The Company has adopted IFRS 16 using the modified retrospective approach. The application of IFRS 16 however, did not have any effect on amounts and disclosures reported in these financial statements as the Company elected not to recognise right-of-use assets and lease liabilities as its leases are short-term without option to purchase, including its generator equipment rental, and property rental for key management personnel. The Company recognises the lease payments associated with these leases as an

expense on a straight-line basis over the lease term.

**(i) Employee benefits**

**(i) Short-term employee benefits**

Short-term employee benefits are those wholly due within twelve months after the end of the reporting period. Such obligations are measured on an undiscounted basis and are expensed as the related service is provided.

**(ii) Defined contribution plans**

A defined contribution plan is a post-employment benefit plan (pension fund) under which the Society pays fixed contributions into a fund. The Society has no legal or constructive obligation 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.

In line with the provisions of the Pension Reform Act 2014, the Society has instituted a defined contribution pension scheme for its staff. Employee contributions to the scheme are funded through payroll deductions while the Society's contribution is charged to profit or loss. The Society and employees contribute 10% and 8% respectively of the employees' basic salary, housing and transport allowances to the scheme.

**(j) Foreign currency**

Transactions in foreign currencies are translated into the respective functional currencies of the Society at the exchange rates at the dates of the transactions.

Monetary assets and liabilities denominated in foreign currencies are translated into the functional currency at the exchange rate at the reporting date. Non-monetary assets and liabilities that are measured at fair value in a foreign currency and translated into the functional currency at the exchange rate when the fair value was determined. Foreign currency differences are generally recognised in profit or loss. Non-monetary items that are measured based on historical cost in a foreign currency are not translated.

**(k) Statement of cash flows**

The statement of cash flows is prepared using the indirect method. Changes in statement of financial position items that have not resulted in cash flows and other non-cash items, have been eliminated for the purpose of preparing the statement. Interest received is included in investing activities.

**(l) Inventories**

Inventories are measured at the lower of cost and net realisable value. The cost of inventories is based on the First-In First-Out (FIFO) principle, and includes expenditure incurred in acquiring the inventories and other costs incurred in bringing them to their existing location and condition including incidental cost.

**(m) Contract asset and contract liability**

When revenue is recognised under a contract with a customer before the Company becomes unconditionally entitled to the consideration under the relevant payment terms of the contract, a contract asset is recognised. Contract assets are reclassified to receivables when the right to consideration becomes unconditional.

When consideration is received (or the right to consideration is unconditional) before the related revenue is recognised, a contract liability is recognised. For a single contract with the customer, either a net contract asset or a net contract liability is presented. For multiple contracts, contract assets and contract liabilities of unrelated contracts are not presented on a net basis.

Receivables are recognised when the right to consideration under a revenue contract becomes unconditional regardless of billing date.

**(n) Standards and interpretations not yet effective**

A number of new standards and amendments to standards are effective for annual periods beginning on or after 1 January 2021 and early application is permitted; however, the Company has not early adopted the



new or amended standards in preparing these financial statements.

The following amended standards and interpretations are not expected to have a significant impact on the Company's financial statements.

- Revisions to the classification of liabilities as either current or non-current (Amendment to IAS 1)
- Property, Plant and Equipment - Proceeds before Intended Use (Amendment to IAS 16)
- Reference to the Conceptual Framework (Amendment to IFRS 3) [Effective from 1 January 2022]
- Interest Rate Benchmark Reform – Phase 2 (Amendments to IFRS 9, IAS 39 and IFRS 7)
- Costs which should be included in the cost of fulfilling a contract when determining whether a contract is onerous (Amendment to IAS 37) [Effective from 1 January 2022]

#### 4 REVENUE

An analysis of revenue is as follows:

<i>In naira</i>	Note	Year ended 30 June 2021	Year ended 30 June 2020
Membership subscriptions, induction and Registration fees	(a)	21,108,514	10,445,001
Workshops, seminars & donations	(b)	27,947,557	23,820,082
Publications and other materials	©	3,808,285	3,850,750
Board evaluation	(d)	40,351,558	43,100,000
		<b>93,215,914</b>	<b>81,215,833</b>

##### (a) Membership subscriptions, inductions and registration fees

Membership subscription and registration fees is analysed as follows;

<i>In naira</i>	30 June 2021	30 June 2020
Individual members' subscriptions and registration fees	14,238,514	6,195,001
Corporate members' subscriptions and registration fees	6,870,000	4,250,000
	<b>21,108,514</b>	<b>10,445,001</b>

##### (b) Workshops, seminars & donations

<i>In naira</i>	2021	2020
Workshops and seminars	17,838,516	23,820,082
Donations	10,109,041	-
	<b>27,947,557</b>	<b>23,820,082</b>

**(c) Publications and other materials**

<i>In naira</i>	<b>2021</b>	<b>2020</b>
Journals	253,500	589,900
Directors Handbook on Corporate Governance	322,100	615,000
Corporate Governance Reporting in Nigeria	844,500	950,350
Company's Secretary Guide on Corporate Governance	247,500	443,500
Leading Effective Board	154,250	98,000
Understanding Financial Statement	100,000	404,000
Advertisement	1,886,435	750,000
	<b>3,808,285</b>	<b>3,850,750</b>

**(d) Board evaluation**

The Society earned N40.35 million from board evaluation services rendered to corporate organisations during the period (2020: N43.1 million).

**5 FINANCE INCOME**

<i>In Naira</i>	<b>2021</b>	<b>2020</b>
Interest income on fixed deposit	-	1,335,447
Exchange gain	329,556	2,049,435
	<b>329,556</b>	<b>3,384,882</b>

**6. EXPENSES**

Expenses analysed by nature is as follows:

<i>In naira</i>	<b>Note</b>	<b>2021</b>	<b>2021</b>
Publication expenses		1,195,375	3,140,131
Programmes expenses		5,773,400	13,658,311
Office rent		5,000,000	5,000,007
Transport and travel expenses		49,350	808,050
General office expenses		13,795,223	10,974,482
Motor vehicle maintenance		1,015,414	4,023,588
Employee benefit expenses	6(a)	38,811,830	41,894,877
Bank charges		178,107	198,062
Depreciation		2,149,923	4,878,475
Consultancy fees		4,020,000	15,000
Other professional fees		366,601	321,590
Audit fees	6(e)	-	-
Bad debt written off		-	421,500
Inventory write down		2,212,133	592,200
		<b>74,567,356</b>	<b>85,926,273</b>

**(a) Employee benefit expenses are analysed as follows:**

*In naira*

Wages and salaries

Other employee cost

	<b>2021</b>	<b>2020</b>
	38,661,830	38,102,859
	150,000	3,792,018
	<b>38,811,830</b>	<b>41,894,877</b>

**(b) Paid employees of the society, other than directors, whose duties were wholly or mainly discharged in Nigeria, received annual remuneration (excluding pension costs and certain benefits) in the following ranges:**

	<b>2021</b>	<b>2020</b>
	Number	Number
Less than ₦ 500,000	-	-
₦ 500,000 - ₦ 1,000,000	-	3
₦ 1,000,001 - ₦ 2,000,000	-	1
₦ 2,000,001 - ₦ 3,000,000	1	1
₦ 3,000,001 - ₦ 6,000,000	1	1
₦ 6,000,001 - ₦ 8,000,000	-	-
₦ 8,000,001 - ₦ 10,000,000	-	-
₦ 10,000,001 - ₦ 12,000,000	2	2
	<b>4</b>	<b>8</b>

**(c) Number of persons employed on full time basis by the Society as at period end was as follows:**

	<b>2021</b>	<b>2020</b>
	Number	Number
Administration Department	4	8

**(d) The directors received no emoluments during the period (2020: Nil).**

**(e) Audit services are rendered pro bono to The Society by its auditors, PricewaterhouseCoopers..**

**7. PROPERTY, PLANT AND EQUIPMENT**

The movement in these accounts during the year was as follows:

(a) Reconciliation of carrying amount

<i>In naira</i>	Computer Equipment	Plant & Machinery	Fixtures & Fittings	Books	Motor Vehicle	Total
<b>COST</b>						
Balance at 1 July 2019	7,882,213	4,712,400	2,772,772	120,587	8,995,500	23,923,472
Additions	157,000	1,230,000	170,000	-	-	1,557,000
<b>Balance at 30 June 2020</b>	<b>8,039,213</b>	<b>5,942,400</b>	<b>2,942,772</b>	<b>120,587</b>	<b>8,995,500</b>	<b>26,040,472</b>
Balance at 30 June 2020	8,039,213	5,942,400	2,942,772	120,587	8,995,500	26,040,472
Additions	426,500	-	-	-	-	426,500
Disposals		(203,933)				(203,933)
<b>Balance at 30 June 2021</b>	<b>8,465,713</b>	<b>5,738,467</b>	<b>2,942,772</b>	<b>120,587</b>	<b>8,995,500</b>	<b>26,263,039</b>
<b>DEPRECIATION</b>						
Balance at 1 July 2019	5,318,023	1,876,100	1,415,700	103,737	8,192,072	16,905,632
Charge for the period	2,233,295	1,147,480	677,790	16,482	803,428	4,878,475
<b>Balance at 30 June 2020</b>	<b>7,551,318</b>	<b>3,023,580</b>	<b>2,093,490</b>	<b>120,219</b>	<b>8,995,500</b>	<b>21,784,107</b>
Balance at 1 July 2020	7,551,318	3,023,580	2,093,490	120,219	8,995,500	21,784,107
Charge for the year	592,072	947,063	610,419	367	-	2,149,922
<b>Balance at 30 June 2020</b>	<b>8,143,390</b>	<b>3,970,643</b>	<b>2,703,909</b>	<b>120,587</b>	<b>8,995,500</b>	<b>23,934,029</b>
<b>CARRYING AMOUNT</b>						
At 30 June 2019	487,895	2,918,820	849,282	368	-	4,256,365
At 30 June 2020	322,323	1,767,823	238,863	0	-	2,329,010

(b) The Society had no contractual capital commitments as at the reporting date (2020: Nil).

(c) None of the Society's property, plant and equipment has restricted title or has been pledged as security for liabilities (2020: Nil).

## 8. RECEIVABLES AND CONTRACT ASSET

### (a) In naira

	2021	2020
Accounts receivable	11,881,250	9,900,355
Sundry receivable *	1,524,959	2,570,066
Inventory sales	-	376,228
	<u>13,406,209</u>	<u>12,846,648</u>
Impairment loss	(1,811,538)	(2,881,235)
	<u><b>11,594,671</b></u>	<u><b>9,965,413</b></u>

The Society's exposure to credit risk and impairment losses related to receivables is disclosed in Note 13.

\*Sundry receivable represents withholding taxes erroneously deducted by customers. These have been fully impaired on the basis that the entity will not be able to utilize any resulting tax asset.

### (b) other current assets

	2021	2020
Other current assets	64,616	-

## 9. PAYABLES AND CONTRACT LIABILITIES

### In naira

	2021	2020
Employee tax liabilities	797,781	1,394,408
Withholding tax payable	-	2,456,978
Employee pension payable	428,579	998,904
Accrued expenses	1,510,325	17,800
Value added tax payable	3,454,199	3,498,519
Contract liabilities	31,541,975	5,228,750
	<u><b>37,732,859</b></u>	<u><b>13,595,359</b></u>

\*Contract liability is recognised when a payment for customer is due (or already received, whichever is earlier) before a related performance obligation is satisfied..

The Society's exposure to credit, liquidity and market risks is disclosed in Note 13.

## 10. CASH AND CASH EQUIVALENTS

### In naira

	2020	2019
Demand deposits in bank	72,750,178	25,725,346
Cash on hand	13,726	3,068,871
	<u><b>72,763,904</b></u>	<u><b>28,794,217</b></u>

The Society's exposure to credit, liquidity and market risks is disclosed in Note 13.

## 11 PREPAYMENTS

(a) Prepayments comprise:

<i>In naira</i>	2021	2020
Prepaid rent	416,667	416,667
Prepaid service charge	-	140,155
Prepayment	461,476	-
	<b>878,143</b>	<b>556,822</b>

Prepayments as at 30 June 2021 relates to the short term lease rentals of the company's office. This is both outside the scope of IFRS 16.

## 12. INVENTORIES

	2021	2020
Directors' Handbook on Corporate Governance	494,000	624,800
Company Secretary's Guide on Corporate Governance	464,600	508,200
Journal of Corporate Governance	1,282,600	1,322,370
Corporate Governance Reporting in Nigeria	3,443,400	3,635,000
Leading an Effective Board	91,800	153,000
Understanding Financial Statements	123,195	279,400
	<b>5,899,595</b>	<b>6,522,770</b>

The cost of inventories recognised in publication expenses amounted to ₦1.1 million (2020: ₦3.1million). There was write down of inventories in current year amounting to ₦2.2 million (2019: ₦0.59 million).

## 13 FINANCIAL INSTRUMENTS - FINANCIAL RISK MANAGEMENT AND FAIR VALUES

### (a) Financial risk management

#### Risk management framework

The Society's board of directors has overall responsibility for the establishment and oversight of the Society's risk management framework. The board of directors has the responsibility to identify and analyse the risks faced by the Society, to set appropriate risk limits and controls and to monitor risks and adherence to limits. The Society, through its training and management standards and procedures, aims to maintain a disciplined and constructive control environment in which all employees understand their roles and obligations.

The Society has exposure to the following risks from its use of financial instruments:

- Credit risk
- Liquidity risk
- Market risk

This note presents information about the Society's exposure to the above risks, the Society's objectives, policies and processes for measuring and managing risk. Further quantitative disclosures are included throughout these financial statements.

#### (i) Credit risk

Credit risk is the risk of financial loss to the Society if a member or counter party to a financial instrument fails to meet its contractual obligations, and arises principally from the Society's receivables from members and other parties.

### Exposure to credit risk

The carrying amount of financial assets represents the maximum credit exposure. The maximum exposure to credit risk at the reporting date was:

<i>In naira</i>	<b>2021</b>	<b>2020</b>
Receivables and contract asset (Note 8)	13,406,209	12,846,648
Cash and cash equivalents *(Note 10)	72,750,178	25,725,346
	<b>86,156,387</b>	<b>38,571,994</b>

\*Cash on hand is not included

### Receivables

The Society's exposure to credit risk is influenced mainly by the individual characteristics of each counterparty. The Society establishes an allowance for impairment that represents its estimate of incurred losses in respect of receivables. The main component of this allowance are a specific loss component that relate to individually significant exposures. The Society does not hold collateral as security for its receivables.

The ageing of receivables and related impairment losses including those that were past due was as follows:

#### As at 30 June 2021

<i>In Naira</i>	<b>Weighted average loss rate</b>	<b>Gross carrying amount</b>	<b>Loss Allowance</b>	<b>Credit Impaired</b>
Current (not past due)	0.00%	-	-	No
0-30 days	0.05%	3,440,000	1,633	No
31-60 days	0.21%	1,612,500	3,460	No
61-90 days	0.86%	4,497,500	38,734	No
91-180 days	10.41%	2,331,250	242,751	No
Greater than 180 days	0.00%	-	-	No
<b>Accounts receivable writeoff</b>		<b>11,881,250</b>	<b>286,579</b>	
Sundry receivables writeoff (100%)		<b>1,524,959</b>	<b>1,524,959</b>	
<b>Total impairment</b>		<b>-</b>	<b>1,811,538</b>	

#### As at 30 June 2020

<i>In Naira</i>	<b>Weighted average loss rate</b>	<b>Gross carrying amount</b>	<b>Loss Allowance</b>	<b>Credit Impaired</b>
Current (not past due)	0.00%	-	-	No
0-30 days	0.00%	-	-	No
31-60 days	0.00%	1,290,000	-	No
61-90 days	0.00%	-	-	No
91-180 days	0.02%	6,282,854	2,058	No
Greater than 180 days	11.03%	5,273,794	1,416,677	No
		<b>12,846,648</b>	<b>1,418,735</b>	

### Cash and cash equivalents

The Society held cash and cash equivalents of ₦72,763,903 as at 30 June 2021 (2020: ₦28,794,217), which represents its maximum credit exposure on these assets. The cash and cash equivalents are held with banks. The Society mitigates the credit risk exposure of its bank balances by selecting reputable banks with good credit rating and a history of strong financial performance.

### (ii) Liquidity risk

Liquidity risk is the risk that the Society will encounter difficulty in meeting the obligations associated with its financial liabilities that are settled by delivering cash or another financial asset. The Society's approach to managing liquidity is to ensure, as far as possible, that it will always have sufficient liquidity to meet its liabilities when due, under both normal and stressed conditions, without incurring unacceptable losses or risking damage to the Society's reputation.

The Society aims to maintain the level of its cash and cash equivalent at an amount in excess of expected cash outflows of financial liabilities. The Society also monitors the level of expected cash inflows on accounts receivables together with expected cash outflows on other payables and accrued expenses.

<i>In Naira</i>	<b>Carrying amount</b>	<b>Contractual cash flows in one year or less</b>
<i>Non-derivative financial liabilities</i>		
<b>30 June 2021</b>		
Payables*	33,052,300	33,052,300
	<u>33,052,300</u>	<u>33,052,300</u>
<b>30 June 2020</b>		
Payables*	5,246,550	5,246,550
	<u>5,246,550</u>	<u>5,246,550</u>

\* \*Excludes statutory deductions such as VAT, WHT, pension payable and employee tax of ₦3.2 million (2020: ₦8.35 million).

### (iii) Market risk

Market risk is the risk that changes in market prices, such as foreign exchange rates and interest rates will affect the Society's income or the value of its holdings of financial instruments. The objective of market risk management is to manage and control market risk exposures within acceptable parameters, while optimizing the return.

### Interest rate risk

At the reporting date, the Society had no interest-bearing financial instruments.

### Currency risk

The Society is exposed to currency risk on bank balances that are denominated in a currency other than the functional currency of the Society, the Naira. The currency in which these transactions are primarily denominated is US Dollar (USD).

The currency risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate due to the changes in foreign exchange rates. The Society's policy is to ensure that its net exposure in respect of monetary assets and liabilities denominated in foreign currencies are kept to an acceptable level. Movement in foreign exchange rates is monitored on an ongoing basis and necessary actions are taken as appropriate. The Society's exposure to foreign currency risk as at period end was as follows:



	2021	2020
	USD	USD
<b>Financial assets</b>		
Cash and cash equivalents	14,627	17,741
<b>Total exposure</b>	<b>14,627</b>	<b>17,741</b>

The following significant exchange rates were applied during the period:

	REPORTING DATE EXCHANGE RATE	
<i>In Naira</i>	30 June 2021	30 June 2020
	USD	USD
<b>Year end spot rate</b>	410.66	386.75
<b>Average rate</b>	381.00	369.25

### Sensitivity analysis

A ten percent (10%) weakening of the Naira, as indicated below, against the US Dollar at reporting date would have affected financial instruments denominated in foreign currencies and increased profit by the amounts shown below.

This analysis is based on foreign currency exchange rate variances that the Society considered to be reasonably possible at the end of the reporting period. The analysis assumes that all other variables, in particular interest rates, remain constant and ignores any impact of forecast of cash inflows and outflows.

	PROFIT OR (LOSS)	
	Strengthening	Weakening
<b>30 June 2021</b>		
<i>In Naira</i>		
USD (10% movement)	(600,672)	600,672
<b>30 June 2020</b>		
<i>In Naira</i>		
USD (10% movement)	(686,135)	686,135

### (b) Fair values versus carrying amounts

The financial instruments of the Society are short term and are not measured at fair value. The carrying amounts are therefore reasonable approximation of fair value. Accordingly, no fair value information is presented.

## 14 CONTINGENT LIABILITIES

The Society had no contingent liabilities as at 30 June 2021 (2020: Nil).

## 15 EVENTS AFTER THE REPORTING DATE

There are no other significant subsequent events, which could have had a material effect on the state of affairs of the Company as at 30 June 2021 that have not been adequately provided for or disclosed in the financial statements.

**16 RELATED PARTIES**

**(a) Key management personnel compensation**

Key management personnel compensation comprised the following:

	2021	2020
Short-term employee benefit: Salaries and wages	22,730,085	23,568,987
Long-term employee benefits: Pension	3,276,867	1,649,829
	<b>26,006,952</b>	<b>25,218,817</b>

**(b) Other related party transactions**

	Transaction values for the period		Balance outstanding	
	2021	2020	2021	2020
<i>In Naira</i>				
<b>Sale of goods and services</b>				
Futuresoft	1,132,875	-	-	-
Pan Atlantic University (*)	-	150,000	-	-
Kenna Partners (*)	-	1,350,000	-	-
Other related parties	-	6,555,000	-	-
<b>Purchases of goods and services</b>				
Kenna Partners (*)	-	-	-	-
Other related parties	-	-	-	-
<b>Sponsorships to the society</b>				
Polaris Bank (*) (**)	-	1,300,000	-	-
FBN Holdings Plc	-	250,000	-	-

\* Some member of board of directors of the society have significant influence over the identified related parties.

\*\* A member of the board with significant influence in Polaris Bank was appointed as the chairman of the Society's board during the year.



# OTHER NATIONAL DISCLOSURES



# VALUE ADDED STATEMENT

For the year ended 30 June 2021

<i>In Naira</i>	2021	%	2020	%
Revenue	93,215,914	155	81,215,833	183
Bought in materials and services:				
- Local	(35,417,142)	(59)	(40,571,656)	(91)
	57,798,772		40,644,177	
Other income	2,130,275	4	331,046	1
Finance income	329,556	1	3,384,882	8
<b>Value added</b>	<b>60,258,603</b>	<b>100</b>	<b>44,360,105</b>	<b>100</b>
<b>Distribution of Value Added:</b>				
<b>To Employees:</b>				
Employee benefit expenses	38,811,830	64	41,894,877	94
<b>Retained in the business:</b>				
For replacement of property, plant and equipment	2,149,922	4	4,878,475	11
To (deplete) augment reserve	19,296,851	32	(2,413,247)	(5)
<b>Value added</b>	<b>60,258,603</b>	<b>100</b>	<b>44,360,105</b>	<b>100</b>

*Value added is wealth created by the efforts of the Society and its employees and its allocation between employees and re-investment for the creation of future wealth.*

## FIVE-YEAR FINANCIAL SUMMARY

For the period ended

<i>In Naira</i>	<b>30 June 2021</b>	<b>30 June 2020</b>	<b>30 June 2019</b>	<b>30 June 2018</b>	<b>30 June 2017</b>
Revenue	93,215,914	81,215,833	97,079,606	88,180,484	94,068,463
(Deficit)/Surplus for the period	19,296,851	(2,413,247)	8,316,471	(10,087,415)	23,026,199
Total comprehensive income for the year	19,296,851	(35,417,142)	8,316,471	(10,087,415)	23,026,199

<i>In Naira</i>	<b>30 June 2021</b>	<b>30 June 2020</b>	<b>30 June 2019</b>	<b>30 June 2018</b>	<b>30 June 2017</b>
<b>Assets Employed</b>					
Non-current assets	2,329,010	4,256,265	7,577,840	12,137,671	14,717,348
Net Current assets	53,468,070	32,243,863	31,335,635	18,459,333	25,967,071
	<b>55,797,079</b>	<b>36,500,228</b>	<b>38,913,475</b>	<b>30,597,004</b>	<b>40,684,419</b>
Financed by					
<b>Accumulated surplus</b>	<b>55,797,079</b>	<b>36,500,228</b>	<b>38,913,475</b>	<b>30,597,004</b>	<b>40,684,419</b>

# BOARD OF DIRECTORS



**1 Mr. Muhammad K. Ahmad, OON**  
*President*

**2 Mrs. Chioma Mordi**  
*C.E.O*

**3 Professor Juan M. Elegido**  
*Vice-Chancellor, Pan-Atlantic University*

**4 Professor Pat Utomi**  
*Chairman, Centre for Values & Leadership (CVL)*

**5 Professor Chris Ogbechie**  
*Dean, Lagos Business School*

**6 Professor Fabian Ajogwu SAN**  
*Principal, Kenna Partners*

**7 Mrs. Clare Omatseye**  
*Managing Director, JNC International Ltd*

**8 Mr. Ibrahim Dikko**  
*Principal, Hitel Communications Limited*

**9 Mr. Tijjani Borodo**  
*Chairman, FBN Nominees*

**10 Mr. Adetunji Oyeboji**  
*Managing Director / CEO 11Plc*

**11 Mrs. Nkemdilim Uwaje Begho**  
*CEO, Future Software Resources Limited*

## SPECIAL THANKS

The Society for Corporate Governance Nigeria wishes to thank the following individuals/organizations for their continued support of its activities.

### ORGANIZATIONS

- KMPG Professional Services
- International Finance Corporation (IFC)
- First Bank of Nigeria Plc
- MTN Nigeria Limited
- GlaxoSmithKline Consumers Nig Plc
- Exxon Mobil
- Kenna Partners
- Lagos Business School
- Cutix Plc
- Bank of Industry
- Polaris Bank Plc
- Zenith Bank Plc
- Stanbic IBTC Holdings
- NPF Microfinance Bank Plc
- ARM Holdings and subsidiaries
- Custodian Group
- Crusader Sterling Pensions
- Unity Bank Plc
- Hasal microfinance Bank
- Finca MFB
- FBN Insurance Brokers Ltd
- Jubilee Life Mortgage bank
- Unitrust Insurance company limited
- Nigeria University Pension management company
- Total E&P Nigeria CPFA Limited
- Investment one financial services
- Pricewatercoopers (PwC)
- OVH Energy
- Flour Mills of Nigeria
- Futuresoft Resources Limited

### INDIVIDUALS

- Dr Christopher Kolade, CON
- Chief Olusegun Osunkeye OFR
- Mr. Pascal Dozie CON
- Professor Juan Elegido
- Mr. Dayo Lawuyi, MON
- Professor Pat Utomi
- Professor Chris Ogbechie
- Mr. Ibrahim Dikko
- Mrs. Clare Omatseye
- Professor Fabian Ajogwu, SAN
- Mr. Goodluck Obi
- Mr. Tijjani Borodo
- Mr Tunji Oyebanji
- Mr. Uchenna Uwechia
- Mr. Isaac Orolugbagbe
- Mr. Olu Onakoya
- Ms. Abiye Tobin West
- Mrs. Joe-Audrey Ezigbo
- Mr. Frank Aigbogun
- Ms. Ngozi Njemanze
- Mr. Ebenezar Foby
- Dr. Ernerst Ndukwe, OFR
- Mr. Alhassan Suleiman
- Mr. Godstime Iwenekhai
- Mrs. Tomi Adepoju
- Proffesor Olayinka David-West
- Mr. Adeseye Adeyemi
- Mr. Eyetan Walter
- Mr. Ephraim Nwokonneya
- Mr. Leonard Akah
- Mr. Abdul Kadir Dahiru
- Dr. Nelson Anumaka
- Dr. Franklin Ngwu
- Dr. Romeo Savage
- Mrs. Bola Tinubu
- Mrs. Ann Okwuego
- Mrs. Nkemdilim Uwaje-Begho
- Mr. Eyetan Walter
- Dr. Evans E. Woherem, FICA
- Mr. Chinenye Mba – Uzoukwu
- Mrs. Ndidi O. Nwuneli MFR
- Dr. Ndidi Nnoli-Edozien
- Dr. Ikechukwu Keliume
- Ms. Tinuade Awe

### ARTICLE CONTRIBUTORS

- Professor Bankole Sodipo
- Dr. Kunle Aina
- Dr. Anthonia Odelye
- Mr. Ituah Imhanze
- Mr. Olaniyi Arije
- Ms. Sotonye Belonwu
- Mrs. Adejugbe Bolanle
- Mr. Adebisi Sanda
- Mr. Tobenna Igweonu

### REGULATORS

- Nigerian Exchange Group (NGX)
- Nigerian Deposit Insurance Company (NDIC)
- Securities And Exchange Commission (SEC)
- Nigerian Communications Commission (NCC)
- National Insurance Commission (NAICOM)
- Central Bank of Nigeria (CBN)
- Financial Reporting Council of Nigeria (FRCN)

### MEDIA

- BusinessDay Newspaper
- Proshare
- WebTV

### INSTITUTIONS

- International Finance Corporation (IFC)
- AFOS Foundations

SESSION ONE	
TIME SLOT	TOPICS TO COVER
10.00am – 11.15am	<ul style="list-style-type: none"> <li>• Role of the board and directors' duties</li> <li>• What makes an effective board member?</li> <li>• Board role in setting strategy – Short term vs long term strategy and planning</li> </ul>
11.20am - 12.30pm	<ul style="list-style-type: none"> <li>• Board role in risk /opportunities – setting risk appetite, oversight of internal controls and external auditor</li> <li>• Board role in setting corporate purpose and culture -incentives, ethics, whistleblowing</li> </ul>
12.35pm – 1.45pm	<ul style="list-style-type: none"> <li>• Board role in capital allocation oversight</li> <li>• Shareholder dialogue: AGM, voting, other shareholder rights</li> </ul>

SESSION TWO	
TIME SLOT	TOPICS TO COVER
10.00am – 11.15am	<ul style="list-style-type: none"> <li>• <b>Leadership</b> – Chair, CEO, Independent Non-Executive Director</li> <li>• <b>Composition</b> – Size, Skills, Independence, Diversity, and Dynamics</li> </ul>
11.20am - 12.30pm	<ul style="list-style-type: none"> <li>• Board Appointment, Refreshment and Retirement, including role of the Nomination committee</li> <li>• <b>Succession Planning</b> - Chair, CEO and Board Directors</li> </ul>
12.35pm – 1.45pm	<ul style="list-style-type: none"> <li>• Board and CEO Evaluation</li> <li>• Operation – Board Support, Access to information</li> </ul>

SESSION THREE	
TIME SLOT	TOPICS TO COVER
10.00am – 11.15am	<ul style="list-style-type: none"> <li>• <b>Cost of Capital</b></li> <li>• <b>Cash flow and company resilience</b></li> </ul>
11.20am - 12.30pm	<ul style="list-style-type: none"> <li>• Board role in capital allocation oversight (rights issues, dividends, buybacks, incentives)</li> <li>• Developing a capital allocation policy</li> </ul>
12.35pm – 1.45pm	<ul style="list-style-type: none"> <li>• Cross-shareholdings</li> <li>• Conflicts of interest</li> </ul>



SESSION FOUR	
TIME SLOT	TOPICS TO COVER
10.00am – 11.15am	<ul style="list-style-type: none"> <li>• Definitions of Sustainability</li> <li>• Analysing and Valuing sustainability</li> <li>• Governance of sustainability</li> </ul>
11.20am - 12.30pm	<ul style="list-style-type: none"> <li>• Priorities: Climate change, social inequality, technological Development</li> <li>• Stakeholder identification and engagement</li> <li>• Reporting on financial, human, natural Capital</li> </ul>

VARIABLE	SCHEME
Course Materials	Reading materials, presentation slides, case studies, relevant text
Duration	(4weeks of +/- 4hours/session)
Methodology	Facilitation, Discussions and Presentation
Delivery Mode	Due to the COVID, the programme will be done virtually.
Expected number of Participants per session	15 Directors
Fees	N150,000 per session (N500,000 for 4 sessions)

## MATERIALS

The following materials will be provided & utilized to deliver the Training

- Course & relevant reading materials
- Research reports
- Technical Notes
- Textbooks (where necessary)
- Presentation Slides
- Certification
- Follow up guide/action plan for implementing lessons learnt

**For more information on trainings, kindly contact**

**Ngozi via email - [nejim@corpgovnigeria.org](mailto:nejim@corpgovnigeria.org)  
or telephone - 07069580999, 090229194999**

## **PRAISE FOR THE DIRECTORS' HANDBOOK ON CORPORATE GOVERNANCE**



*.... "It provides additional comfort for the Director who takes the imperative of due diligence seriously. It comes handy and very essential for Directors in all organizations across sectors".*

**Dr Christopher Kolade, CON, Pioneer President, Society for Corporate Governance Nigeria**



*.... "It is a well-researched, rich in content, interesting in reading as well as qualitative book. This book will surely go a long way in educating members of the public on best practices in corporate governance".*

**Alhaji Umaru Ibrahim, MNI, Managing Director/CEO, Nigerian Deposit Insurance Corporation (NDIC)**





**For more details, please contact:**

[info@corpgovnigeria.org](mailto:info@corpgovnigeria.org)

**Society for Corporate Governance Nigeria**

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