

***GUILDANCE COMMUNITY DEVELOPMENT
FOUNDATION***

[RC 27308]

***FINANCIAL STATEMENTS
FOR THE YEAR ENDED
31ST DECEMBER, 2019***

PENTIUM PROFESSIONAL SERVICES

[CHARTERED ACCOUNTANTS]

Lagos, NIGERIA.

GUIDANCE COMMUNITY DEV FOUNDATION

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GUIDANCE COMMUNITY DEV FOUNDATION

DIRECTORS AND PRINCIPAL OFFICERS

DIRECTORS

*Adisa Kabiru Adeniyi
Sittu Rahman Ayodele
Akinyoola Kafayat Omosalewa
Asafa Mukaila Olukayode*

OFFICE ADDRESS

*113, Bowen University Road,
Iwo Osun state .*

AUDITORS

*PENTIUM PROFESSIONAL SERVICES
(Chartered Accountants)
17/19, Oshopry Plaza,
Allen Avenue,
Ikeja-Lagos.*

BANKERS

Stanbic IBTC PLC

DIRECTORS

Adisa Kabiru Adeniyi
Sittu Rahman Ayodele
Akinyoola Kafayat Omosalewa
Asafa Mukaila Olukayode

REPORTS OF THE DIRECTORS

The Directors are pleased to submit to members their report together with the audited financial statements for the Year ended 31st December, 2019.

1.) PRINCIPAL ACTIVITIES

The Company is a non governmental Organisation (NGO).

2.) RESULT FOR THE YEAR

	2019	2018
Surplus /(Deficit) for the year	164,511	42,501
Surplus /(Deficit) b/fwd	(43,087,345)	(43,129,846)
Retained (Deficit) c/fwd	(42,922,834)	(43,087,345)

3.) DIVIDEND

This is not applicable to NGO

4.) STATE OF AFFAIRS

In the opinion of the Directors, the state of the Company's affairs is satisfactory and there has been no material change since the balance sheet date.

5.) SIGNIFICANT CHANGES IN FIXED ASSETS

Details of these and movement therein during the year are shown in note 4 on page 6. In the opinion of the directors, there is no substantial difference between the present market value of the assets and the amount stated in these accounts.

6.) DIRECTORS' INTEREST

The Register of Directors' interest in the issued share capital of the Company as at 31st December, 2019 was as follows:-

7.) RESPONSIBILITIES OF DIRECTORS

In accordance with the provision of sections 334 and 335 of the Companies and Allied Matters Act, 1990 the Foundation's Directors are responsible for the preparation of financial statements, which give a true and fair view of the state of affairs of the company as at the end of the financial year and of the profit and cashflow statement for the year and comply with the provisions of the Decree.

These responsibilities includes:

- i) Ensuring that adequate internal control procedures are instituted to safeguard assets and prevent, defect fraud and other irregularities.*
- ii) Proper accounting records are maintained.*
- iii) Applicable accounting standards are followed.*
- iv) Suitable accounting policies are used and consistently applied.*
- v) That the financial statements are prepared on the going concern basis unless it is inappropriate to presume that the company will continue in business.*

8.) ACQUISITION OF OWN SHARES

The company did not acquire any of its own shares during the year under review.

9.) DONATIONS AND GIFTS

Donation and Gift was given as contain in the accounts.

10.) POST BALANCE SHEET EVENTS

There were no post balances sheet events, which could have had material effect on the state of affairs of the Foundation as well as the surplus for the year ended 31st December, 2019, which have been adequately provided for.

11.) EMPLOYMENT AND EMPLOYEES

It is the policy of the Foundation that there should be no discrimination in considering application for employment including those from disable persons. All employees whether or not disabled are given equal opportunities to develop.

12.) AUDITORS

The Auditors, Pentium Professional services (Chartered Accountants), have indicated their willingness to continue in office as Auditors to the Foundation, and a resolution will be proposed at the next Annual General Meeting to authorise the Directors to fix their remuneration.

BY ORDER OF THE BOARD

Secretary

LAGOS, NIGERIA.

, 2020



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Postal: G.P.O. 14259 Ikeja, Lagos Nigeria

Partners: **A. O. AJAYI**, ACTI, FCA (Managing)
A. O. OGUNDAIRO Bsc, ACA

Pentium Professional Services (Chartered Accountants)

INDEPENDENT AUDITORS'S REPORT

GUILDANCE COMMUNITY DEVELOPMENT FONDATION

We have audited the accompany financial statements of GUILDANCE COMMUNITY DEVELOPMENT FOUNDATION ("the Entity"). Which comprise of the Financial position For the Year ended 31st December 2019, the statement of comprehensive income, cash flows and value Added for the year ended, and a summary of significant accounting policies and other explanatory notes.

DIRECTORS' RESPONSIBILITY FOR THE FINANCIAL STATEMENT

The Directors are responsible for the preparation and fair presentation of these financial statements in accordance with the relevant standards issued by the Financial Reporting Council of Nigeria, the provisions of the Companies and Allied Matters Act, CAPP C20, Laws of the Federation of Nigeria, 2004 and for such internal control as Directors determines necessary to enable the preparation of financial statements that are free from material misstatements, due to fraud or error.

AUDITORS' RESPONSIBILITY

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

An audit is performed on procedures to obtain audit evidence about amounts and disclosures in the statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatements of the financial statements, whether due to fraud or error. In making these risk assessments, the auditors consider the internal control relevant to the entity preparation and fair presentation of the financial statement in order to design audits procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the entity internal control. An audit also include evaluating the appropriateness of accounting policies used, and the reasonable of accounting estimate made by the Director, as well as evaluating the overall presentation of the financial statement.

OPINION

In our opinion, the financial statement give a true and fair view of the financial position of the company for the Year ended 31st December, 2019 and of its financial performance and cash flows for the year ended in accordance with the standards issued by Financial Reporting Council of Nigeria and companies and Allied Matters Act, Capp C20 Laws of the Federation of Nigeria, 2004.

Olumakinde Ajayi.FCA
FOR:PENTIUM PROFESSIONAL SERVICES
FRC/2015/ICAN/000000013649

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**ACCOUNTING POLICIES
FOR THE YEAR ENDED 31st DECEMBER, 2019**

[1]. ACCOUNTING POLICIES

The following are summary of the principal accounting policies adopted in the preparation of these financial statement.

[a]. BASIS OF PREPARATION OF FINANCIAL STATEMENT

The financial statements are prepared under the historical cost concept.

[b]. INCOME/REVENUE

This represents directors contribution and donations received during the year.

[c]. DEPRECIATION

Depreciation is calculated on a straight-line basis to write off the cost of fixed asset in equal installments over the expected useful lives of the assets concerned. The principal annual rates used for these purpose are:-

LAND AND BUILDING	5%
OFFICE EQUIPMENTS	10%
OFFICE FURNITURE	10%

Depreciation is not provided for on Fixed Asset until they are brought into use.

[d]. DEBTORS

Debtors are stated after deduction of provision for debt considered bad or doubtful

**PROFIT AND LOSS ACCOUNT
FOR THE YEAR ENDED 31st DECEMBER, 2019**

	NOTES	2019	2018
		=N=	=N=
<i>Contributions from members</i>	1	10,620,000	10,300,000
<i>Donations</i>		3,705,000	5,850,000
Gross Income		14,325,000	16,150,000
Other Income		600,000	-
<i>Cost of projects</i>	2	(12,495,594)	(12,587,222)
<i>Admin expenses</i>		(2,264,895)	(3,520,277)
Surplus/(Deficit)for the year		164,511	42,501
<i>Surplus/(Deficit)b/forward</i>		(43,087,345)	(43,129,846)
<i>Surplus/(Deficit)c/forward</i>		(42,922,834)	(43,087,345)

The accounting policies on page 2 and notes on pages 6 form an integral part of the financial statement.

BALANCE SHEET
FOR THE YEAR ENDED 31st DECEMBER, 2019

	NOTE	2019		2018	
		=N=	=N=	=N=	=N=
NON CURRENT ASSETS					
PROPERTY PLANT AND EQUIPMENT	3		2,623,544		3,015,817
CURRENT ASSETS					
Inventory	4	4,476,506		3,662,174	
Debtors & prepayment	5	1,358,500		1,725,095	
Cash in hand & Bank	6	338,045		355,650	
		6,173,051		5,742,919	
LESS: CURRENT LIABILITIES					
AMOUNT FALLING DUE WITHIN ONE YEAR:					
Trade Creditors & Accruals	7	300,898		427,550	
		300,898		427,550	
NET CURRENT ASSET			5,872,153		5,315,369
TOTAL NET ASSET			8,495,697		8,331,186
Represented by:					
Accumulated Fund	8		51,418,531		51,418,531
Retained Surplus/(Deficit)			(42,922,834)		(43,087,345)
			8,495,697		8,331,186

The financial statements on pages 3 to 7 were approved by the Board of Directors on _____ and signed on its behalf by:


 _____] DIRECTORS
 _____]
 _____]

The accounting policies on page 2 and the notes on pages 6 to 7 form an integral part of these financial statements.

CASHFLOW STATEMENT
FOR THE YEAR ENDED 31st DECEMBER, 2019

	2019	2018
	=N=	=N=
<i>Profit before Taxation</i>	164,511	42,501
<i>Adjustment for item not involving the movement of funds</i>		
<i>Depreciation</i>	392,273	392,273
<i>Operating profit before changes in working capital</i>	556,784	434,774
<i>(Increase)/Decrease in Inventory</i>	(814,332)	45,131
<i>(Increase)/Decrease in Debtors & Prepayment</i>	366,595	(363,750)
<i>Increase/(Decrease) in Creditors & Accruals</i>	(126,652)	(413,916)
<i>Cash-flow from operating activities</i>	(17,605)	(297,761)
<i>Return on investment and service of Finance</i>		
<i>Cash-flow from investing activities</i>		
<i>Purchase of Property plant and equipment</i>	-	-
	(17,605)	(297,761)
<i>Financing Activities</i>		
<i>Ordinary Share Capital</i>	-	-
<i>Directors account</i>	-	-
<i>Net Increase in Liquid Funds</i>	(17,605)	(297,761)
<i>Opening Cash and Cash Equivalents</i>	355,650	653,411
<i>Closing Cash and Cash Equivalents</i>	338,045	355,650
<u>CASH AND CASH EQUIVALENTS</u>		
<i>Cash/Bank Balance</i>	338,045	355,650

The accounting policies on pages 2 and the notes on pages 6 to 7 form an integral part of these financial statements.

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31st DECEMBER, 2019**

		2019	2018		
		=N=	=N=		
1)	GROSS INCOME	14,925,000	16,150,000		
	SURPLUS				
	<i>Surplus is arrived at after charging</i>				
	Depreciation on Property Plant and Equipments	392,273	392,273		
	<i>Audit fee</i>	50,000	230,416		
3)	PROPERTY, PLANT AND EQUIPMENT				
		LAND & BUILDING	OFFICE EQUIPMENT	FURNITURE & FITTINGS	TOTAL
	COST/VALUATION	=N=	=N=	=N=	=N=
	<i>As at 01/01/19</i>	3,485,000	2,000,230	192,300	5,677,530
	<i>Addition</i>				-
	<i>As at 31/12/19</i>	3,485,000	2,000,230	192,300	5,677,530
	DEPRECIATION				
	<i>As at 01/01/19</i>	769,000	1,700,423	192,290	2,661,713
	<i>Charge for the year</i>	192,250	200,023	-	392,273
	<i>As at 31/12/19</i>	961,250	1,900,446	192,290	3,053,986
	NET BOOK VALUE				
	<i>As at 31/12/19</i>	2,523,750	99,784	10	2,623,544
	<i>As at 31/12/18</i>	2,716,000	299,807	10	3,015,817

		2019	2018
4)	INVENTORY	=N=	=N=
		4,476,506	3,662,174
5)	RECIEVABLES AND PREPAYMENTS		
	Receivables	1,233,500	1,622,765
	Prepayments	125,000	102,330
		1,358,500	1,725,095
6)	BANK AND CASH		
	CASH AND BANK BALANCE	338,045	355,650
7)	CREDITORS		
	Trade Creditors	300,898	402,445
	Other Creditors & Accruals		25,105
		300,898	427,550

**STATEMENT OF VALUE -ADDED
FOR THE YEAR ENDED 31st DECEMBER, 2019**

	2019		2018	
	=N=	%	=N=	%
TOTAL INCOME	14,925,000		16,150,000	
<i>Bought in goods and services</i>	<i>(14,225,622)</i>		<i>(14,185,596)</i>	
VALUE ADDED	699,378	100%	1,964,404	100%
APPLIED AS FOLLOWS				
TO PAY EMPLOYEES				
<i>Salaries & Allowances</i>	<i>142,593</i>	<i>20%</i>	<i>1,529,630</i>	<i>78%</i>
TO PAY PROVIDER OF CAPITAL				
TO PROVIDE FOR MAINT. OF ASSETS				
<i>Depreciation</i>	<i>392,273</i>	<i>56%</i>	<i>392,273</i>	<i>20%</i>
<i>Retained Profit</i>	<i>164,511</i>	<i>24%</i>	<i>42,501</i>	<i>2%</i>
	699,378	100%	1,964,404	100%

The accounting policies on page 2 and the notes on pages 6 form an integral part of these financial statements.

**DETAILED TRADING, PROFIT OR LOSS ACCOUNT
FOR THE YEAR ENDED 31st DECEMBER, 2019**

	2019		2018	
	=N=	=N=	=N=	=N=
Total Income		14,925,000		16,150,000
<i>LESS: Cost of Projets</i>		<i>(12,495,594)</i>		<i>(12,587,222)</i>
Gross Income		2,429,406		3,562,778
ADMINISTRATIVE EXPENSES				
STAFF SALARY	142,593		1,529,630	
TRANSPORT AND TRAVELLING	155,753		140,318	
STAFF TRAINING	427,479		356,233	
PUBLIC RELATIONS	63,616		57,312	
PRINTING AND STATIONERY	66,515		51,165	
TELEPHONE & RECHARGE EXPENSE	109,152		90,960	
OFFICE EXPENSES	28,800		25,946	
OFFICE RENT	64,659		57,628	
REPAIR AND MAINTENANCE	46,721		51,913	
FUEL AND DIESEL	588,636		420,454	
MEDICAL EXPENSES	118,343		106,615	
AUDIT FEE	50,000		230,416	
BANK CHARGES	10,354		9,413	
DEPRECIATON	392,273		392,273	
	2,264,895	<i>(2,264,895)</i>	3,520,277	<i>(3,520,277)</i>
Surplus for the year		164,511		42,501

COST OF PROJECTS	2019	2018
Seminar and Workshops	1,067,286.95	2,026,751.91
Councelling On HIV/AIDS	2,107,052.40	1,074,808.16
HIV/AIDS Test Expenses	1,087,060.59	1,076,297.61
Distribution of male and Female condom	2,049,104.11	3,018,914.96
Education schorlarship	1,309,632.14	1,259,261.68
Donation to school & less Privileges	810,020.00	802,000.00
Vocational Training and Skill Acquisition	487,644.24	447,380.04
Entepreneurship	742,366.00	693,800.00
Blood Donation Recruitments	62,601.63	57,432.69
Advertisement and publicity	300,657.82	291,900.80
Street campaign & Awarness On HIV/AIDS	508,973.61	503,934.27
HIV/AIDS Test Kit Materials	898,804.16	879,456.13
Hotel And Accomodation Expenses	464,389.84	455,284.16
Microfinance Loan	600,000.00	
	<u>12,495,593.51</u>	<u>12,587,222.41</u>