

Special Olympics Nigeria (Incorporated Trustees)
General Information

SPECIAL OLYMPICS NIGERIA
(Incorporated Trustees)
(RC NO. 15730)

**FINANCIAL STATEMENTS
FOR THE YEAR ENDED
31ST DECEMBER, 2020**



Special Olympics Nigeria (Incorporated Trustees)

General Information

Country of incorporation and domicile	Nigeria
Trustees	Mr. Gbolade Osibodu Dr. Dolapo Ogunbawo Mrs. Funmito Agosto Engr. Charles Akindayomi Mrs. Hetty Bakare Mr. Foluso Phillips Mr. Udeme Ufot Mr. Chris Okeke Mr. Hassan Oye-Odukale Mr. John Momoh Mrs. Adenike Ibirogba Mr. Misan Eresanara
Registered office	368, Ikorodu Road, Maryland, Lagos
Bankers	Access Bank Plc Citi Trust Serve Microfinance Bank Limited Guaranty Trust Bank Plc Union Bank Plc
Auditors	Abax-OOSA Professionals (Chartered Accountants)
Secretary	Misan Eresanara & Co

Special Olympics Nigeria (Incorporated Trustees)

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Special Olympics Nigeria (Incorporated Trustees)

Trustees' Report

The Trustees have the pleasure in submit their financial statements of Special Olympics Nigeria (Incorporated Trustees) and the Auditor's report for the year ended 31 December 2020

1. Incorporation and Address

The Organisation was incorporated in Nigeria on 2nd April, 2004 under the Companies and Allied Matters Act as the Incorporated Trustees of Special Olympics Nigeria. The address of the Organisation is:

368, Ikorodu Road,
Maryland,
Lagos

2. Principal Activities

Main business and operations

The Organisation's overriding vision is to be a catalyst that elevates the profile and influence of the Special Olympics in Nigeria

3. Events after the reporting period

The trustees are not aware of any matter or circumstance arising since the end of the financial year.

4. Employment and employees

Equal employment opportunity

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

Employment of physically disable persons.

The Organisation maintains a policy of giving fair consideration to applications from physically disabled persons, bearing in mind their respective aptitudes and abilities. In the event of members of staff becoming disabled, every effort is made to ensure that their employment with the Organisation continue and that appropriate training is arranged.

5. Property, Plant and Equipment

There was no change in the nature of the Property, Plant and Equipment of the Organisation or in the policy regarding their use.

6. Trustees

The Trustees in office during the year under review and at the date of this report are as follows:

Special Olympics Nigeria (Incorporated Trustees)

Trustees' Report

Name

Mr. Gbolade Osibodu
Dr. Dolapo Ogunbawo
Mrs. Funmito Augusto
Engr. Charles Akindayomi
Mrs. Hetty Bakare
Mr. Foluso Phillips
Mr. Udeme Ufot
Mr. Chris Okeke
Mr. Hassan Oye-Odukale
Mr. John Momoh
Mrs. Adenike Ibirogba
Mr. Misan Eresanara

7. Secretary

The secretary to the company is Misan Eresanara & Co
(Legal Practitioners) of:

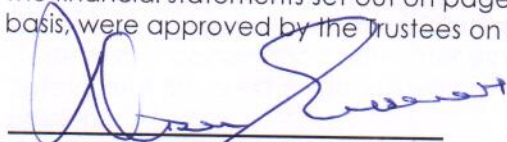
Business address :

20b Keffi Street (Rear Suite)
South West,
Ikoyi

8. Auditors

Abax-OOSA Professionals (Chartered Accountants) having expressed their willingness will continue in office as auditors in accordance with Section 401 (2) of the Companies and Allied Matters Act 2020.

The financial statements set out on page 8 to 25, which have been prepared on the going concern basis, were approved by the trustees on 30th July 2021 and were signed on its behalf by:



Misan Eresanara & Co (Legal Practitioners)
Company Secretary
Lagos, Nigeria.

Independent Auditors' Report

To the Incorporated Trustees of Special Olympics Nigeria
Report on the Financial Statements

Opinion

In our opinion, the Financial Statements present fairly, in all material respects, the financial position of **Special Olympics Nigeria (Incorporated Trustees)** as at 31st December, 2020 and its financial performance and cash flows for the year ended in accordance with International Financial Reporting Standards and the requirements of the Companies and Allied Matters Act 2020, and Financial Reporting Council of Nigeria Act No. 6 2011

We have audited the financial statements of Special Olympics Nigeria (Incorporated Trustees), set out on pages 8 to 25 which comprise the statement of financial position as at 31st December, 2020, the statement of activities and other comprehensive income, Statement of Changes in Net Assets and statement of cash flows for the year then ended, and notes to the financial statement including a summary of significant accounting policies.

Basis for Opinion

We conducted our audit in accordance with International Standards on Auditing. Our responsibilities under those standards are further described in the Auditor's Responsibilities for the Audit of the Financial Statements section of our report. We are independent of the Organisation in accordance with the International Ethics Standards Board for Accountants' Code of Ethics for Professional Accountants (Parts A and B) (IESBA Code) and other independence requirements applicable to performing audits of financial statements in Nigeria. We have fulfilled our other ethical responsibilities in accordance with the IESBA Code and in accordance with other ethical requirements applicable to performing audits in Nigeria. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Trustees' Responsibilities for the audit of the Financial Statements

The Trustees are responsible for the preparation and fair presentation of these financial statements in accordance with International Financial Reporting Standards, and requirements of the Companies and Allied Matters Act 2020, and the Financial Reporting Council of Nigeria Act No. 6, 2011 and for such internal control as the Trustees determine is necessary to enable the preparation of financial statements that are free from material misstatements, whether due to fraud or error.

In preparing the Financial Statements, the Trustees are responsible for assessing the Organisation's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the Trustees either intend to liquidate the Organisation or to cease operations, or have no realistic alternative but to do so.

The Trustees are also responsible for other information which comprise the Trustees' Report as required by the Companies and Allied Matters Act 2020 of Nigeria, which we obtained prior to the date of this report. Other information 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 and, in doing so, consider whether the other information is materially inconsistent with the Financial Statements or our knowledge obtained in the audit, or otherwise appears to be materially misstated. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact. We, however have nothing to report in this regard.

Auditors' Responsibility for the audit of the Financial Statements

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

As part of our audit in accordance with International Standards on Auditing, we exercised professional judgement and maintain professional scepticism throughout the audit. We also:

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

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

Report on Other Legal and Regulatory Requirements

- As required by the Companies and Allied Matters Act 2020 we report to you, based on our audit, that:
- 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;
 - in our opinion proper books of account have been kept by the Organisation, so far as appears from our examination of those books; and
 - the Organisation's statement of financial position and profit are in agreement with the books of account.

**Abax-OOSA Professionals
(Chartered Accountants)**

Lagos, Nigeria
30th July, 2021

Signed 
Bababode Osunkoya
Partner
FRC/2013/ICAN/00000002054
Partner

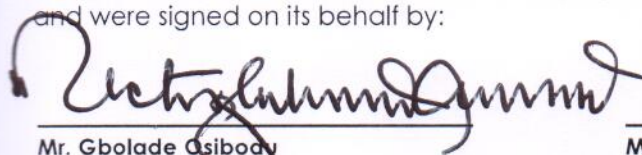


Special Olympics Nigeria (Incorporated Trustees)

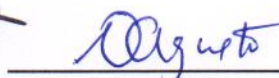
Statement of Financial Position as at 31st December, 2020

	Note(s)	2020 N.	2019 N.
Assets			
Non-Current Assets			
Property, plant and equipment	2	16,532,279	23,784,548
Right-of-Use-Assets	3	1,850,000	2,406,813
		18,382,279	26,191,361
Current Assets			
Other financial assets	4	2,933,801	2,230,729
Prepayments	5	401,182	1,291,459
Cash and cash equivalents	6	36,151,851	13,974,497
		39,486,834	17,496,685
Non-Current Assets		18,382,279	26,191,361
Current Assets		39,486,834	17,496,685
Non-current assets held for sale (and) (assets of disposal groups)		-	-
Total Assets		57,869,113	43,688,046
Net Assets and Liabilities			
Net Assets			
Fair Value Reserves		1,006,971	303,899
Accumulated surplus		48,984,082	42,884,147
		49,991,053	43,188,046
Liabilities			
Current Liabilities			
Accounts payable and other current liabilities	7	7,878,060	500,000
Non-Current Liabilities		-	-
Current Liabilities		7,878,060	500,000
Liabilities of disposal groups		-	-
Equities		49,991,053	43,188,046
Liabilities		7,878,060	500,000
Total Net Assets and Liabilities		57,869,113	43,688,046

The financial statements and the notes on pages 8 to 25, were approved by the board on 30th July 2021 and were signed on its behalf by:



Mr. Gbolade Osibodu
Trustee



Mrs. Funmito Augusto
Trustee

The accounting policies on pages 12 to 19 and the notes on pages 20 to 24 form an integral part of the financial statements.

Special Olympics Nigeria (Incorporated Trustees)

Statement of Activities and other Comprehensive Income For the Year Ended 31st December, 2020

	Note(s)	2020 N.	2019 N.
Receipts	8	85,344,928	184,207,850
Direct Expenses	9	(29,027,364)	(110,855,303)
Revenue		85,344,928	184,207,850
Other income		-	-
Cost of sales		(29,027,364)	(110,855,303)
		56,317,564	73,352,547
Other income	10	18,234,900	1,913,372
Administrative expenses	11	(22,729,295)	(33,032,957)
Employee cost	13	(45,723,234)	(38,476,505)
		56,317,564	73,352,547
		(50,217,629)	(69,596,090)
Surplus/(Deficit) for the period		6,099,935	3,756,457
Finance costs	12	-	(5,481)
Profit (loss) for the year from continuing operations		6,099,935	3,750,976
Profit (loss) for the year from discontinued operations		-	-
Surplus/(Deficit) for the year		6,099,935	3,750,976
Other comprehensive income:			
Items that may be reclassified to profit or loss:			
Financial assets at fair value through other comprehensive income		1,006,971	303,899
Other comprehensive income for the year net of taxation		1,006,971	303,899
Total comprehensive income surplus/(deficit) for the year		7,106,906	4,054,875

The accounting policies on pages 12 to 19 and the notes on pages 20 to 24 form an integral part of the financial statements.

Special Olympics Nigeria (Incorporated Trustees)

Statement of Changes in Net Assets For the Year ended 31st December, 2020

	Fair value adjustment N.	Accumulated surplus N.	Total net assets N.
Balance at 1 January 2019	622,061	39,133,171	39,755,232
Surplus for the year	-	3,750,976	3,750,976
Other comprehensive income	(318,162)	-	(318,162)
Total comprehensive income for the year	(318,162)	3,750,976	3,432,814
Balance at 1 January 2020	303,899	42,884,147	43,188,046
Surplus for the year	-	6,099,935	6,099,935
Other comprehensive income	703,072	-	703,072
Total comprehensive income for the year	703,072	6,099,935	6,803,007
Balance at 31 December 2020	1,006,971	48,984,082	49,991,053

The accounting policies on pages 12 to 19 and the notes on pages 20 to 24 form an integral part of the financial statements.

Special Olympics Nigeria (Incorporated Trustees)

Statement of Cash Flows For the Year ended 31st December, 2020

	Note(s)	2020 N.	2019 N.
Cash flows from operating activities			
Cash generated from operations	14	23,031,735	14,533,825
Finance costs		-	(5,481)
Net cash from operating activities		23,031,735	14,528,344
Cash flows from investing activities			
Purchase of property, plant and equipment	2	(854,379)	(10,364,000)
Financial assets at fair value		-	-
Net cash from investing activities		(854,379)	(10,364,000)
Cash flows from financing activities			
Repayment of other financial liabilities		-	(241,436)
Net cash from financing activities		-	(241,436)
Total cash movement for the year		22,177,356	3,922,908
Cash at the beginning of the year		13,974,497	10,051,589
Total cash at end of the year	6	36,151,851	13,974,497

The accounting policies on pages 12 to 19 and the notes on pages 20 to 24 form an integral part of the financial statements.

Special Olympics Nigeria (Incorporated Trustees)

Accounting Policies

1. Presentation of Reports and Accounts

A) Reporting Entity

The Organisation was incorporated in Nigeria on 2nd April, 2004 under the Companies and Allied Matters Act 2020 as an Incorporated Trustee of Special Olympics Nigeria with an overriding vision to be a catalyst that elevates the profile and influence of Special Olympics in Nigeria. The address of its registered office is 368, Ikorodu Road, Maryland, Lagos.

B) Statement of Compliance

The financial statements have been prepared in accordance with International Financial Reporting Standards, Financial Reporting Council of Nigeria Act No. 6, 2011 and the Companies and Allied Matters Act 2020.

C) Basis of Measurement

The financial statements have been prepared on the historical cost basis and incorporate the principal accounting policies set out below.

D) Functional and Presentation Currency

These financial statements are presented in Nigerian Naira which is the Organisation's functional currency.

E) Accounting Standards and Interpretations issued but not yet effective

The following standards have been issued but not yet effective:

Standard	Content	Effective Year
IFRS 17	Insurance contracts	-Jan-2021

IFRS 17: Insurance Contracts

IFRS 17 specifies the principles for recognition, measurement, presentation and disclosure of insurance contracts within the scope of the standard. The standard ensures that an entity provides relevant information that faithfully represents those contracts. This information allows a basis for users of financial statements to assess the effect that insurance contracts have on the entity's financial position, its performance and cash flows. IFRS 17 is meant to replace IFRS 4, Insurance contract. This standard was issued on 18 May 2017 and will be effective for periods beginning on or after 1 January 2021

F) Application of New and Revised Standards

IFRS 9 Financial Instruments

IFRS 9 requires all recognised financial assets that are within the scope of IAS 39 Financial Instruments: Recognition and Measurement to be subsequently measured at amortised cost or fair value. Specifically, debt investments that are held within a business model whose objective is to collect the contractual cash flows, and that have contractual cash flows that are solely payments of principal and interest on the principal outstanding are generally measured at amortised cost at the end of subsequent accounting periods. All other debt investments and equity investments are measured at their fair values at the end of subsequent accounting periods.

Special Olympics Nigeria (Incorporated Trustees)

Accounting Policies

IFRS 15 Revenue from Contracts with Customers

IFRS 15 requires that an entity should recognise revenue to depict the transfer of promised goods or services to customers in an amount that reflects the consideration to which the entity expects to be entitled in exchange for those goods or services. Specifically, the standard introduces a five step approach to revenue recognition:

Step 1 Identify the contract with a customer

Step 2 Identify the performance obligations in the contract.

Step 3 Determine the transaction price.

Step 4 Allocate the transaction price to the performance obligations in the contract

Step 5 Recognise revenue when (or as) the entity satisfies a performance obligation.

Under IFRS 15, the Foundation recognises revenue when (or as) a performance obligation is satisfied, that is, "control" of the goods and services underlying the particular obligation is transferred to the customer

1.1 Property, plant and equipment

Property, plant and equipment are tangible items that:

- are held for its own use and
- are expected to be used during more than one year.

An item of property, plant and equipment is recognised as an asset when it is probable that future economic benefits associated with the item will flow to the Special Olympics Nigeria, and the cost of the item can be measured reliably.

Property, plant and equipment is initially measured at cost. Cost includes all of the expenditure which is directly attributable to the acquisition or construction of the asset, including the capitalisation of borrowing costs on qualifying assets and adjustments in respect of hedge accounting, where appropriate. Property, plant and equipment is carried at cost less accumulated depreciation and accumulated impairment losses.

Expenditure incurred subsequently for major services, additions to or replacements of parts of property, plant and equipment are capitalised if it is probable that future economic benefits associated with the expenditure will flow to the company and the cost can be measured reliably. Day to day servicing costs are included in profit or loss in the year in which they are incurred.

Depreciation of an asset commences when the asset is available for use as intended by management. Depreciation is charged to write off the asset's carrying amount over its estimated useful life to its estimated residual value, using a method that best reflects the pattern in which the asset's economic benefits are consumed by the Organisation.

Leased assets are depreciated in a consistent manner over the shorter of their expected useful lives and the lease term. Depreciation is not charged to an asset if its estimated residual value exceeds or is equal to its carrying amount. Depreciation of an asset ceases at the earlier of the date that the asset is classified as held for sale or derecognised.

The useful lives of items of property, plant and equipment have been assessed as follows:

The residual value, useful life and depreciation method of each asset are reviewed at the end of each reporting period. If the expectations differ from previous estimates, the change is accounted for prospectively as a change in accounting estimate.

Special Olympics Nigeria (Incorporated Trustees)

Accounting Policies

1.1 Property, plant and equipment (continued)

The depreciation charge for each period is recognised in profit or loss unless it is included in the carrying amount of another asset.

Impairment tests are performed on property, plant and equipment when there is an indicator that they may be impaired. When the carrying amount of an item of property, plant and equipment is assessed to be higher than the estimated recoverable amount, an impairment loss is recognised immediately in profit or loss to bring the carrying amount in line with the recoverable amount.

An item of property, plant and equipment is derecognised upon disposal or when no future economic benefits are expected from its continued use or disposal. Any gain or loss arising from the derecognition of an item of property, plant and equipment, determined as the difference between the net disposal proceeds, if any, and the carrying amount of the item, is included in profit or loss when the item is derecognised.

Special Olympics Nigeria (Incorporated Trustees)

Accounting Policies

1.2 Financial instruments

Financial instruments held by the Organisation are classified in accordance with the provisions of IFRS 9 Financial Instruments.

Broadly, the classification possibilities, which are adopted by the Organisation, as applicable, are as follows:

- Mandatory at fair value through profit or loss; or
- Designated as at fair value through other comprehensive income. (This designation is not available to equity instruments which are held for trading or which are contingent consideration in a business combination).

Financial assets which are debt instruments:

- Amortised cost. (This category applies only when the contractual terms of the instrument give rise, on specified dates, to cash flows that are solely payments of principal and interest on principal, and where the instrument is held under a business model whose objective is met by holding the instrument to collect contractual cash flows); or
- Fair Value through other comprehensive income. (This category applies only when the contractual terms of the instrument give rise, on specified dates, to cash flows that are solely payments of principal and interest on principal, and when the instrument is held under a business model whose objective is achieved by both collecting contractual cash flows and selling the instruments); or
- Mandatory at fair value through profit or loss. (This classification automatically applies to all debt instruments which do not qualify as at amortised cost or at fair value through other comprehensive income); or
- Designated as at fair value through profit or loss. (This classification option can be applied when it eliminates or significantly reduces an accounting mismatch)

Financial Liabilities:

- Amortised Cost; or
- Mandatory at fair value through profit or loss. (This applies to contingent consideration in a business combination or to liabilities which are held for trading) ; or
- Designated as at fair value through profit or loss. (This classification option can be applied when it eliminates or significantly reduces an accounting mismatch).

All regular way purchases or sales of financial assets are recognised and derecognised on a trade date basis. Regular way purchases or sales are purchases or sales of financial assets that require delivery of assets within the time frame established by regulation or convention in the marketplace.

The specific accounting policies for the classification, recognition and measurement of each type of financial instrument held by the company are presented below:

Equity instruments (Note 3) are classified as financial assets subsequently measured at fair value through other comprehensive income. They have been classified in this manner because the equity instruments are not held for trading in the ordinary course of business.

Special Olympics Nigeria (Incorporated Trustees)

Accounting Policies

1.2 Financial instruments (continued)

Derecognition

Financial assets are derecognised when the contractual rights to receive cash flows from the investments have expired or on the trade date when they have been transferred and the company has transferred substantially all risks and rewards of ownership.

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

Accounts Receivable and other current assets

Accounts receivable and other current assets, excluding when applicable, Directors current account, withholding tax receivable, value added tax receivable and prepayments, are classified as financial assets subsequently measured at amortised cost.

The Organisation had no Accounts receivable as at year end.

Accounts Payable and other current liabilities

Accounts payable and other current liabilities (note 7) are classified as financial liabilities and are subsequently measured at amortised cost. Accounts payable and other current liabilities of the Organisation are finance lease and accruals.

Cash and cash equivalents

Cash and cash equivalents comprise cash on hand and bank balances which are deemed to be stated at fair value.

1.3 Leases

A lease is classified as a finance lease if it transfers substantially all the risks and rewards incidental to ownership. A lease is classified as an operating lease if it does not transfer substantially all the risks and rewards incidental to ownership.



Special Olympics Nigeria (Incorporated Trustees)

Accounting Policies

1.3 Leases (continued)

Finance leases – lessee

Finance leases are recognised as assets and liabilities in the statement of financial position at amounts equal to the fair value of the leased property or, if lower, the present value of the minimum lease payments. The corresponding liability to the lessor is included in the statement of financial position as a finance lease obligation.

The discount rate used in calculating the present value of the minimum lease payments is the interest rate implicit in the lease.

The lease payments are apportioned between the finance charge and the reduction of the outstanding liability. The finance charge is allocated to each period during the lease term so as to produce a constant periodic rate on the remaining balance of the liability.

Operating leases – lessee

Operating lease payments are recognised as an expense on a straight-line basis over the lease term. The difference between the amounts recognised as an expense and the contractual payments are recognised as an operating lease asset. This liability is not discounted.

Any contingent rents are expensed in the period they are incurred.

1.4 Employee benefits

Short-term employee benefits

The cost of short-term employee benefits, (those payable within 12 months after the service is rendered, such as paid vacation leave and sick leave, bonuses, and non-monetary benefits such as medical care), are recognised in the period in which the service is rendered and are not discounted.

The expected cost of compensated absences is recognised as an expense as the employees render services that increase their entitlement or, in the case of non-accumulating absences, when the absence occurs.

Defined contribution plans

Payments to defined contribution retirement benefit plans are charged as an expense as they fall due.

The Organisation operates a defined contributory pension scheme, the Organisation and employees pay the stipulated respective contributions into a separate entity (Pension Fund Administrator) chosen by the employee. Once paid, the Organisation does not retain any legal or constructive obligation to pay further contributions if the Organisation (i.e the PFA) does not hold sufficient assets to finance benefits accruing under the scheme.

The payments to defined contribution retirement benefit plans are recognised as an expense when employees have rendered service entitling them to the contributions. Retirement benefit plans for members of staff are structured through a defined contributory pension scheme, which is independent of the Organisation's finances. The scheme, which is funded by contributions from both employees and employer at 8% and 10% respectively, is consistent with the Pension Reforms Act 2014.

1.5 Provisions and contingencies

Provisions are recognised when:

Special Olympics Nigeria (Incorporated Trustees)

Accounting Policies

1.5 Provisions and contingencies (continued)

- the organisation has an obligation at the reporting date as a result of a past event;
- it is probable that the Organisation will be required to transfer economic benefits's in settlement; and
- the amount of the obligation can be estimated reliably.

Provisions are not recognised for future operating losses.

Contingent assets and contingent liabilities are not recognised.

1.6 Government grants

Government grants are recognised when there is reasonable assurance that:

- the company will comply with the conditions attaching to them; and
- the grant is recognised when it has been received.

Government grants are recognised as income over the periods necessary to match them with the related costs that they are intended to compensate.

A government grant that becomes receivable as compensation for expenses or losses already incurred or for the purpose of giving immediate financial support to the entity with no future related costs is recognised as income of the period in which it becomes receivable.

Government grants related to assets, including non-monetary grants at fair value, are presented in the statement of financial position by setting up the grant as deferred income or by deducting the grant in arriving at the carrying amount of the asset.

Grants related to income are presented as a credit in the profit or loss (separately).

Repayment of a grant related to income is applied first against any un-amortised deferred credit set up in respect of the grant. To the extent that the repayment exceeds any such deferred credit, or where no deferred credit exists, the repayment is recognised immediately as an expense.

Repayment of a grant related to an asset is recorded by increasing the carrying amount of the asset or reducing the deferred income balance by the amount repayable. The cumulative additional depreciation that would have been recognised to date as an expense in the absence of the grant is recognised immediately as an expense.

1.7 Receipts

Receipts represents donations and grants received from individuals and corporate bodies. Receipts shall be recorded on cash basis. These receipts are considered as revenue.

1.8 Direct Expenses

Direct Expenses represent amounts spent during the period on programs for which grants and donations were received. For example, the Coaches Training and Local competitions.

Special Olympics Nigeria (Incorporated Trustees)

Accounting Policies

1.9 Translation of foreign currencies

Foreign currency transactions

A foreign currency transaction is recorded, on initial recognition in Naira, by applying to the foreign currency amount the spot exchange rate between the functional currency and the foreign currency at the date of the transaction.

At the end of the reporting period:

- foreign currency monetary items are translated using the closing rate;
- non-monetary items that are measured in terms of historical cost in a foreign currency are translated using the exchange rate at the date of the transaction; and
- non-monetary items that are measured at fair value in a foreign currency are translated using the exchange rates at the date when the fair value was determined.

Exchange differences arising on the settlement of monetary items or on translating monetary items at rates different from those at which they were translated on initial recognition during the period or in previous financial statements are recognised in profit or loss in the period in which they arise.

When a gain or loss on a non-monetary item is recognised to other comprehensive income and accumulated in equity, any exchange component of that gain or loss is recognised to other comprehensive income and accumulated in equity. When a gain or loss on a non-monetary item is recognised in profit or loss, any exchange component of that gain or loss is recognised in profit or loss.

Cash flows arising from transactions in a foreign currency are recorded in Naira by applying to the foreign currency amount the exchange rate between the Naira and the foreign currency at the date of the cash flow.

Special Olympics Nigeria (Incorporated Trustees)

Notes to the Financial Statements

	2020			2019		
	Cost / Valuation	Accumulate d depreciati on	Carrying value	Cost / Valuation	Accumulate d depreciati on	Carrying value
2. Property, plant and equipment						
Plant and machinery	3,592,800	(2,242,317)	1,350,483	3,592,800	(1,344,117)	2,248,683
Furniture and fixtures	6,580,850	(3,080,545)	3,500,305	6,580,850	(2,169,338)	4,411,512
Motor vehicles	11,350,000	(11,349,980)	20	11,350,000	(9,689,990)	1,660,010
Office equipment	9,231,244	(5,892,163)	3,339,081	8,376,863	(4,756,900)	3,619,963
Leasehold improvements	8,475,963	(4,743,633)	3,732,330	8,475,963	(2,624,643)	5,851,320
Health equipment	6,915,000	(2,305,000)	4,610,000	6,915,000	(922,000)	5,993,000
Sport equipment	707,735	(707,675)	60	707,735	(707,675)	60
Total	46,853,592	(30,321,313)	16,532,279	45,999,211	(22,214,663)	23,784,548

Reconciliation of property, plant and equipment - 2020

	Opening balance	Additions	Depreciatio n	Total
Plant and machinery	2,248,683	-	(898,200)	1,350,483
Furniture and fixtures	4,411,512	-	(911,207)	3,500,305
Motor vehicles	1,660,010	-	(1,659,990)	20
Office equipment	3,619,963	854,379	(1,135,261)	3,339,081
Leasehold improvements	5,851,320	-	(2,118,990)	3,732,330
Health equipment	5,993,000	-	(1,383,000)	4,610,000
Sport Equipment	60	-	-	60
	23,784,548	854,379	(8,106,648)	16,532,279

Reconciliation of property, plant and equipment - 2019

	Opening balance	Additions	Depreciatio n	Total
Plant and machinery	3,146,883	-	(898,200)	2,248,683
Furniture and fixtures	3,753,764	1,458,000	(800,252)	4,411,512
Motor vehicles	3,320,010	-	(1,660,000)	1,660,010
Office equipment	2,721,686	1,991,000	(1,092,723)	3,619,963
Leasehold improvements	7,970,311	-	(2,118,991)	5,851,320
Property, plant and equipment 1	-	6,915,000	(922,000)	5,993,000
Other property, plant and equipment	60	-	-	60
	20,912,714	10,364,000	(7,492,166)	23,784,548

Special Olympics Nigeria (Incorporated Trustees)

Notes to the Financial Statements

	2020 N.	2019 N.
3. Right-of-Use-Assets		
Present value of lease payment	1,850,000	2,406,813
<p>Represent outstanding consideration on rent lease agreement between Fatadan Properties & Development Limited and the Incorporated Trustees of Special Olympics Nigeria. Offer of lease agreement for a left wing of 3- bedroom duplex with in-built boys quarter in the rear building situate at house 9, Royal Palm Drive, Osborne Phase II, Ikoyi, Lagos</p> <p>The two (2) years lease agreement from 1st April 2020 to 31st March 2020.</p> <p>At the sum of N4,000,000 per annum payable in advance.</p>		
4. Other financial assets		
Financial assets at fair value through other comprehensive income.		
Listed shares and unit trust	2,230,729	2,230,729
Value as at the beginning of the year	2,230,729	2,548,891
Fair value gain/(loss)	703,072	(318,162)
	2,933,801	2,230,729
	-	-
	-	-
	2,933,801	2,230,729
	-	-
	-	-
Current assets		
Listed shares and unit trust	2,933,801	2,230,729
Non-current assets	-	-
Current assets	2,933,801	2,230,729

Listed shares and unit trust instruments with intention to hold to maturity are measured at fair value through other comprehensive income.

Special Olympics Nigeria (Incorporated Trustees)

Notes to the Financial Statements

	2020 N.	2019 N.
4. Other financial assets (continued)		
Level 1 hierarchy of financial assets at fair value through other comprehensive income		
For financial assets recognised at fair value, disclosure is required of a fair value hierarchy which reflects the significance of the inputs used to make the measurements.		
Level 1 represents those assets which are measured using unadjusted quoted prices for identical assets.		
Level 1		
Listed shares	741,329	607,993
Unit trust	2,192,472	1,622,736
	2,933,801	2,230,729
	2,933,801	2,230,729
	-	-
	-	-
5. Prepayments		
Prepaid Generator maintenance fee	180,000	180,000
Prepayment for Insurance	221,182	1,111,459
	401,182	1,291,459
6. Cash and cash equivalents		
Cash and cash equivalents comprises cash on hand, bank accounts(current) balances.		
Cash on hand	601,109	25,814
Bank balances	35,550,742	13,948,683
	36,151,851	13,974,497
7. Accounts payable and other current liabilities		
Payee tax payable	2,117,808	-
Pension Payable	5,260,252	-
Accrued Audit Fee	500,000	500,000
	7,878,060	500,000
8. Revenue		
Donations in Kind	-	1,545,955
Cash donations	9,623,229	19,908,000
Grants	75,721,699	162,753,895
	85,344,928	184,207,850

Special Olympics Nigeria (Incorporated Trustees)

Notes to the Financial Statements

	2020 N.	2019 N.
9. Direct Expenses		
Direct Expenses comprise expenditure in respect of the core objects of the Organisation		
Exxon Mobil Malaria Initiative	15,202,053	33,975,295
Coaches training	100,000	3,672,895
Competition Expenses	1,187,000	2,937,725
Games	-	37,595,263
Healthy Family Expenses	9,643,772	12,130,231
Regional Competition	2,894,539	945,150
SOL Anniversary Celebration	-	19,598,744
	29,027,364	110,855,303
	-	-
	29,027,364	110,855,303
	-	-
10. Other income		
Other Income are generated outside the normal course of the business. These are		
Exchange gain	18,234,900	1,913,372
11. Administrative expense		
The following items are included within administrative expenses:		
Advert and Publicity	298,361	21,916
Auditors remuneration	500,000	500,000
Bank charges	780,251	777,632
Depreciation	8,106,650	7,492,167
Entertainment	50,300	160,350
Office General Expense	1,152,453	1,692,758
Repairs and Maintenance	619,796	1,390,320
Fuel Allowance for staff	205,000	1,825,000
Committee Meetings Expenses	181,680	172,227
Family Awareness and Training	295,000	518,000
Gifts and Public Relations	-	171,700
Insurance	162,587	569,250
Motor Running Expenses	381,200	1,870,306
Employer's Pension contribution	2,924,394	4,821,621
Printing and stationeries	546,100	721,350
Office Rent	5,156,813	5,537,803
Staff Training and Development	141,000	40,000
Telephone and Postages	873,560	2,507,080
Travel and Accomodation- International	354,150	2,243,477
	22,729,295	33,032,957

Special Olympics Nigeria (Incorporated Trustees)

Notes to the Financial Statements

	2020 N.	2019 N.
12. Finance Cost		
Minimum lease payments due		
- within one year	-	5,481

Finance lease obligation was been extinguished in 2019.

13. Employee costs

The following items are included within employee benefits expense:

Direct employee costs

Basic	45,723,234	36,930,764
Leave Allowances	-	345,900
13th Month Salary	-	1,199,841
Total employee cost	45,723,234	38,476,505

14. Cash generated from operations

Surplus/(deficit) for the year	6,099,935	3,750,976
Adjustments for:		
Depreciation and amortisation	8,106,650	7,492,167
Finance costs	-	5,481
Movements in operating lease assets and accruals	556,813	4,505,687
Changes in working capital:		
Prepayments	890,277	(901,051)
Accounts and other payables	7,378,060	(319,435)
	23,031,735	14,533,825

Special Olympics Nigeria (Incorporated Trustees)

Value Added Statement

	2020 N.	2019 N.
VALUE ADDED		
Turnover: Local	85,344,928	184,207,850
Other income	18,234,900	1,913,372
Bought - in materials and services	(43,650,009)	(136,396,093)
Total Value Added	59,929,819	49,725,129
VALUE DISTRIBUTED		
To Pay Employees		
Salaries, wages, medical and other benefits	45,723,234	38,476,505
	45,723,234	38,476,505
To be retained in the business for expansion and future wealth creation:		
Depreciation, amortisation and impairments	8,106,650	7,492,167
Accumulated Surplus	6,099,935	3,750,976
	14,206,585	11,243,143
Total Value Distributed	59,929,819	49,725,129

The Value Added Statement does not form part of these IFRS financial statements.

Special Olympics Nigeria (Incorporated Trustees)

Five Year Financial Summary

	2020 N.	2019 N.	2018 N.	2017 N.	2016 N.
Statement of Financial Position					
Assets					
Non-current assets	18,382,279	26,191,361	27,825,214	7,001,912	8,824,647
Current assets	39,486,834	17,496,685	19,903,388	55,685,641	31,152,707
Total assets	57,869,113	43,688,046	47,728,602	62,687,553	39,977,354
Liabilities					
Current liabilities	7,878,060	500,000	1,060,871	3,123,970	4,990,024
Net Assets					
Fair Value Reserves	1,006,971	303,899	622,061	958,736	562,551
Accumulated surplus	48,984,082	42,884,147	39,133,170	58,604,847	34,424,779
Total net assets	49,991,053	43,188,046	39,755,231	59,563,583	34,987,330
Total net assets and liabilities	57,869,113	43,688,046	40,816,102	62,687,553	39,977,354
Profit and loss account					
Revenue	85,344,928	184,207,850	123,140,565	122,942,751	66,177,204
Cost of sales	(29,027,364)	(110,855,303)	(96,711,562)	(92,261,298)	(50,924,822)
Gross surplus	56,317,564	73,352,547	26,429,003	30,681,453	15,252,382
Other income	18,234,900	1,913,372	11,516,372	37,207,735	33,732,800
Operating expenses	(68,452,529)	(71,509,462)	(56,904,274)	(42,735,899)	(33,290,937)
Operating profit (loss)	6,099,935	3,756,457	(18,958,899)	25,153,289	15,694,245
Finance costs	-	(5,481)	(512,779)	(973,218)	(1,098,264)
Surplus/ (deficit) for the year	6,099,935	3,750,976	(19,471,678)	24,180,071	14,595,981
Surplus/ (deficit) for the year	6,099,935	3,750,976	(19,471,678)	24,180,071	14,595,981
Surplus/ (deficit) for the year	6,099,935	3,750,976	(19,471,678)	24,180,071	14,595,981
Surplus/ (deficit) for the year	6,099,935	3,750,976	(19,471,678)	24,180,071	14,595,981
Cash flow					
Cash flow from operating activities	23,031,735	14,528,344	(59,778,050)	-	-
Cash flow from investing activities	(854,379)	(10,364,000)	(17,384,288)	-	-
Cash flow from financing activities	-	(241,436)	(2,452,534)	-	-
Cash movement for the year	22,177,356	3,922,908	(79,614,872)	-	-

The Five Year Financial Summary does not form part of the IFRS financial statements.