

CUSTODIANS OF AFRICAN LITERATURE INITIATIVE
CAC/IT/NO. 98427

ANNUAL FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31ST DECEMBER, 2023



AMEEN ABDUL & CO.
(Chartered Accountants)
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CUSTODIANS OF AFRICAN LITERATURE INITIATIVE

Annual Financial Statements for the year ended December 31, 2023

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CORPORATE INFORMATION

| | |
|----------------------------|-------------------------------------------------------------------------------------------------------------------------------------------------------------------------|
| INCORPORATION | The Organization was registered with Corporate Affairs Commission (CAC) as an Incorporated Trustees on 15th June 2017. CAC/IT/NO. 98427 |
| NATURE OF ACTIVITY | Creation of Platform and Support for Creative Writers in Africa, Encourage active participation of women in African literature,creative writing and spoken word poetry. |
| Trustees | <ul style="list-style-type: none">- Patience Finye Andrew- Basse Charles- Odey Daisy Mary- Ajayi Abigail Omoefe |
| KEY MANAGEMENT TEAM | <ul style="list-style-type: none">- Patience Finye Andrew (Chairman)- Odey Daisy Mary (Secretary) |
| REGISTERED ADDRESS | 3rd Floor, TAEN Business Complex, Old Airport Junction, Jos, Plateau State Nigeria. |
| CORPORATE ADDRESS | 3rd Floor, TAEN Business Complex, Old Airport Junction, Jos, Plateau State Nigeria. |
| BANKERS | -Access Bank Plc Jos, Plateau State, Nigeria |
| AUDITORS | AMEEN ABDUL & CO. (Chartered Accountants) ameenabdulandco@gmail.com |

CUSTODIANS OF AFRICAN LITERATURE INITIATIVE

Annual Financial Statements for the year ended December 31, 2023

Report of Trustees

The Trustees have pleasure in submitting to the members of Custodians of African Literature Initiative, the audited financial statements for the year ended 31 December 2023.

The Trustees are required by the Nigerian Companies and Allied matters Act 2020 to maintain adequate accounting records and are responsible for the content and integrity of the Annual Financial Statements and related financial information included in this report. It is their responsibility to ensure that the Annual Financial Statements satisfy the Financial Reporting Standards as to form and content and present fairly the Statement of Financial Position, results of operations of the Organization, and explain the transactions at the end of the financial year. The Annual Financial Statements are based upon appropriate accounting policies consistently applied throughout the Organization and supported by reasonable and prudent judgements and estimates.

In the opinion of the Trustees, the state of the Organization's affairs is satisfactory and no events have occurred since the year ended 31 December 2023 that would affect the financial statements as presented.

1. Principal Activities

The principal activities of the Organization include Creation of Platform and Support for Creative Writers in Africa, Encourage active participation of women in African literature, creative writing and spoken word poetry, and there were no major changes during the year.

2. Operating Results

Highlights of the operating results are as follows:

| | 2023 N | 2022 N |
|--------------------------------|------------------|---------------|
| Total Revenue | 5,794,918 | 118,000 |
| Total Expenses | (1,058,538) | (56,582) |
| Surplus/(Deficit) for the Year | <u>4,736,380</u> | <u>61,418</u> |

The operation results and statements of financial position of the company are fully set out in the attached financial statements and do not in our opinion require any further comment.

3. Going Concern

The Annual Financial Statements have been prepared on the basis of accounting policies applicable to going concern. This basis presumes that funds will be available to finance future operations and that the realization of assets and settlement of liabilities, contingent obligations and commitments will occur in the ordinary course of business.

All events subsequent to the date of the annual financial statements and for which the applicable financial reporting framework require adjustment or disclosure have been adjusted or disclosed.

The Trustees are not aware of any matter or circumstances arising since the end of the financial year to the date of this report that could have a material effect of the financial position of the Organization.

4. Trustees' interest in contracts

To our knowledge none of the Trustees had any interest in contracts entered into during the year under review.

CUSTODIANS OF AFRICAN LITERATURE INITIATIVE

Annual Financial Statements for the year ended December 31, 2023

Trustees' Report Continued

5. Employment of Physically Challenged Persons

It is the Organization's policy to consider disabled persons for employment, bearing in mind the respective aptitudes and abilities of the applicant concerned. In the event of members of staff becoming disabled, every effort is made to ensure that their employment continues and that appropriate training is arranged.

6. Auditors

Messrs AMEEN ABDUL & CO., having expressed their willingness, will continue in office as auditors of the Organization in accordance with Section 401(2) of the Companies and Allied Matters Act, 2020.

BY ORDER OF THE BOARD



Patience Finye Andrew

27th January, 2024

REPORT OF THE AUDITORS

TO MEMBERS OF CUSTODIANS OF AFRICAN LITERATURE INITIATIVE

We have examined the Financial Statements of CUSTODIANS OF AFRICAN LITERATURE INITIATIVE for the year ended 31st December, 2023 set out on Pages 6 -14 which have been prepared on the basis of Accounting Policies set out on pages 10 -11.

RESPECTIVE RESPONSIBILITIES OF BOARD OF TRUSTEES AND AUDITORS

In accordance with the Companies and Allied Matters Act, 2020, the Organization's Trustees are responsible for the preparation of the Financial Statements. Our responsibility is to form an independent opinion, based on our Audit, on those Statements and to report our opinion to you.

BASIS OF OPINION

We conducted our Audit in accordance with the Generally Accepted Auditing Standards.

Our Audit includes examination on a test basis of evidence relevant to the amounts and disclosures in the Financial Statements. It also includes an assessment of significant estimates and judgments made by the Proprietors in the preparation of the Financial Statements and of whether the Accounting Policies are appropriate to the Organization's circumstances and are consistently applied and adequately disclosed.

We planned and performed our Audit so as to obtain all information and explanations which are considered necessary in order to provide us with sufficient evidence to give reasonable assurance that the Financial Statements are free from materials mis-statement(s), whether caused by fraud or other irregularity or errors. In forming our opinion, we also evaluated the overall adequacy of the presentation of information in the Financial Statements.

The Financial Statements drawn up in conformity with Generally Accepted Accounting Principles and International Financial Reporting Standards issued to date IFAC, are in agreement with the Books of Accounts which in our opinion have been properly kept. We obtained all the information and explanations we required for the purpose of our Audit.

Opinion

In our Opinion, the Organization's Financial Statements give a true and fair view of the State of its affairs as at 31st December, 2023 and of its Profit for the year ended on that date, and have been properly prepared in accordance with the requirements of the Companies and Allied Matters Act, 2020.



Ameen AbdulRafiu Ajadi
FRC/2021/004/00000022523
KADUNA, NIGERIA.
JANUARY, 2024.



AMEEN ABDUL & CO.
(CHARTERED ACCOUNTANTS)

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CUSTODIANS OF AFRICAN LITERATURE INITIATIVE

Annual Financial Statements for the year ended December 31, 2023

Statement of Financial Position

| | | 2023 ₦ | 2022 ₦ |
|-------------------------------|---|-------------------------|-----------------------|
| Assets | | | |
| Non-Current Assets | | | |
| Property, plant and equipment | 3 | 78,893 | 64,450 |
| | | <u>78,893</u> | <u>64,450</u> |
| Current Assets | | | |
| Inventories | 4 | 186,330 | 123,500 |
| Receivables & Prepayments | 5 | - | - |
| Cash and Cash Equivalents | 6 | 5,005,749 | 132,493 |
| | | <u>5,192,079</u> | <u>255,993</u> |
| Total Assets | | <u>5,270,972</u> | <u>320,443</u> |
| Current Liabilities | | | |
| Payables and accruals | 7 | 150,000 | - |
| | | <u>150,000</u> | <u>-</u> |
| Net Assets | | <u>5,120,972</u> | <u>320,443</u> |
| Represented By: | | | |
| Accumulated Fund | | 5,120,972 | 320,443 |
| | | <u>5,120,972</u> | <u>320,443</u> |



Trustee



Trustee

The Notes on Pages 10 to 14 form an Integral part of these Accounts

CUSTODIANS OF AFRICAN LITERATURE

Annual Financial Statements for the year ended December 31, 2023

Statement of Comprehensive Income

| | Note | 2023 ₦ | 2022 ₦ |
|-------------------------|------|------------------|----------------|
| Income: | | | |
| Grants | 8 | - | - |
| Donations | 9 | 2,046,618 | 118,000 |
| Book Sales | 10 | 18,300 | - |
| Service Delivery | 11 | 3,730,000 | - |
| | | 5,794,918 | 118,000 |
| Expenditure | | | |
| Book Stock Cost | 12 | (11,220) | - |
| Program Expenses | 13 | (49,000) | - |
| Administrative Expenses | 14 | (997,175) | (56,458) |
| Finance Charges | 15 | (1,143) | (124) |
| | | | |
| Net Surplus/(Deficit) | | 4,736,380 | 61,418 |

CUSTODIANS OF AFRICAN LITERATURE INITIATIVE

Annual Financial Statements for the year ended December 31, 2023

Statement of Changes in Net Assets

| | Accumulated Surplus/(Deficit) ₦ | Trustees Fund ₦ | Total ₦ |
|---------------------------------------|---------------------------------------|-----------------------|------------|
| Balance at 1 January 2023 | 96,510.60 | 223,932 | 320,443 |
| Trustees' Fund Movement | - | 64,149 | 64,149 |
| Surplu/(Deficit) for the year | 4,736,380 | - | 4,736,380 |
| Balance at 31th December, 2023 | 4,832,891 | 288,081 | 5,120,972 |

CUSTODIANS OF AFRICAN LITERATURE INITIATIVE

Annual Financial Statements for the year ended December 31, 2023

Cash flow Statement

| | 2023 | 2022 |
|------------------------------------------------------------|------------------|------------------|
| | ₦ | ₦ |
| Cash flows from operating activities | | |
| Net Surplus/(Deficit) for the year | 4,736,380 | 61,418 |
| <i>Adjustments for:</i> | | |
| Depreciation of tangible assets | 10,556 | 8,056 |
| Prior year adjustment | | |
| Operating cash flow before working capital changes | 4,746,937 | 69,474 |
| <i>Working capital changes</i> | | |
| (Increase) / decrease in inventories | (62,830) | - |
| (Increase) / decrease in Receivable | - | - |
| Increase / (decrease) in Payables | 150,000 | - |
| Net cash flows from operations | 4,834,107 | 69,474 |
| Cash flows used in Investing activities | | |
| Property, plant and equipment acquired | (25,000) | - |
| Net cash flows used in investing activities | (25,000) | - |
| Cash flows from financing activities | | |
| Trustees Account | 64,149 | (117,533) |
| Net cash flows from financing activities | 64,149 | (117,533) |
| Net Increase/(Decrease) in Cash and Cash Equivalent | 4,873,256 | (48,059) |
| Cash and cash equivalents at beginning of the year | 132,493 | 180,552 |
| Cash and cash equivalents at end of the year | 5,005,749 | 132,493 |

CUSTODIANS OF AFRICAN LITERATURE INITIATIVE

Annual Financial Statements for the year ended December 31, 2023

Accounting Policies

1. General information

These Annual Financial Statements have been prepared in accordance with the International Financial Reporting Standards, issued by the International Accounting Standards Board. The principal accounting policies applied in the preparation of these financial statements are set out below. These policies have been consistently applied to all the years presented, unless otherwise stated.

These financial statements have been prepared under the historical cost convention and are presented in Nigerian Naira.

The preparation of annual financial statements in conformity with the IFRS requires the use of certain critical accounting estimates. It also requires management to exercise its judgement in the process of applying the Organization's accounting policies. Areas involving a higher degree of judgement or complexity, or areas where assumptions and estimations are significant to the financial statements, are disclosed in note.

2.1 Revenue Recognition

Revenue comprises the fair value of the consideration received or receivable for the services rendered in the ordinary course of the organisation's activities. Revenue is shown net of returns, and discounts (if any).

The organisation recognises revenue when: the amount of revenue can be reliably measured; it is probable that future economic benefits will flow to the entity; and specific criteria have been met for each of the organisation's activities, as described below:

2.2 Government Grants

Grants from the government and other agencies (if any) are recognised at their fair value in Income Statement where there is a reasonable assurance that the grant will be received and the organisation has complied with all attached conditions. Grants received where the organisation has yet to comply with all attached conditions are recognised as a liability (and included in deferred income within Payables) and released to income when all attached conditions have been complied with. Government grants received are included in 'other income' in Income Statement.

CUSTODIANS OF AFRICAN LITERATURE INITIATIVE

Annual Financial Statements for the year ended December 31, 2023

Accounting Policies Continued

2.3 Property & Equipment

Items of property and equipment are measured at cost less accumulated depreciation and any accumulated impairment losses.

Costs include costs incurred initially to acquire or construct an item of property, plant and equipment and costs incurred subsequently to add to, replace part of, or service it. If a replacement cost is recognised in the carrying amount, depreciation is charged so as to allocate the cost of assets less their residual values over their estimated useful lives, using the straight-line method. The following rates are used for the depreciation of property, plant and equipment:

| | |
|----------------------|-----|
| Equipment | 10% |
| Furniture & Fittings | 10% |
| Motor Vehicles | 10% |

2.4 Impairment of non-current assets

At each balance sheet date, the carrying amounts of tangible and intangible assets and investments in associates are reviewed to determine whether there is any indication that those assets have suffered an impairment loss. If the fair value less costs to sell of an asset (or group of assets) is estimated to be less than its carrying amount, the carrying amount of the asset (or group of assets) is reduced to its fair value less cost to sell. An impairment loss is recognised immediately in profit or loss.

2.5 Inventories

Inventories are stated at the lower of cost and selling price less costs to complete and sell. Cost is calculated using the first-in, first-out (FIFO) method.

2.6 Receivables

Receivables are recognised initially at the transaction value. A provision for impairment of receivables is established when there is objective evidence that the organisation will not be able to collect all amounts due according to the original terms of the receivables.

2.7 Cash and cash equivalents

Cash and cash equivalents includes cash on hand, demand deposits and other short-term highly liquid investments with original maturities of three months or less. Bank overdrafts are shown in current liabilities on the statement of financial position.

2.8 Payables

Payables are recognised initially at the transaction value and subsequently measured at amortised cost using the

CUSTODIANS OF AFRICAN LITERATURE INITIATIVE

Annual Financial Statements for the year ended December 31, 2023

Notes to Annual Financial Statements

3. Property and Equipment

| | 10% Equipment | 10% Furniture & Fittings | 10% Motor Vehicles | Total |
|---------------------------------|------------------|--------------------------------|--------------------------|----------------|
| COST | ₦ | ₦ | ₦ | ₦ |
| Balance at 1st January 2023 | 80,562 | - | - | 80,562 |
| Additions | 25,000 | - | - | 25,000 |
| Balance as 31 December, 2023 | 105,562 | - | - | 105,562 |
| Accumulated Depreciation | | | | |
| Balance at 1st January 2023 | 16,112 | - | - | 16,112 |
| Depreciation for the year | 10,556 | 0 | 0 | 10,556 |
| Balance as 31 December, 2023 | 26,669 | 0 | 0 | 26,669 |
| Carrying Amounts | | | | |
| Balance as 31 December, 2023 | 78,893 | 0 | 0 | 78,893 |
| Balance as 31 December, 2020 | 64,450 | - | - | 64,450 |

CUSTODIANS OF AFRICAN LITERATURE INITIATIVE

Annual Financial Statements for the year ended December 31, 2023

Notes to the Annual Financial Statements

| | 2023 | 2022 |
|------------------------------------|------------------|----------------|
| | ₦ | ₦ |
| 4 Inventories | | |
| Books in Stock | 186,330 | 123,500 |
| Consumables | - | - |
| | <u>186,330</u> | <u>123,500</u> |
| 5 Receivables | | |
| Receivables | - | - |
| Prepayments | - | - |
| | <u>-</u> | <u>-</u> |
| 6 Cash and Cash Equivalents | | |
| Cash at Bank | 5,005,749 | 132,493 |
| Cash at hand | - | - |
| | <u>5,005,749</u> | <u>132,493</u> |
| 7 Payables | | |
| Creditors | - | - |
| Accruals | 150,000 | - |
| | <u>150,000</u> | <u>-</u> |
| 8 Grants | | |
| Revenue from Grants | - | - |
| | <u>-</u> | <u>-</u> |
| 9 Donations | | |
| Donations | 1,025,000 | 118,000 |
| Trustees Donations | 1,021,618 | - |
| | <u>2,046,618</u> | <u>118,000</u> |
| 10 Book Sales | | |
| Book Store | 18,300 | - |
| | <u>18,300</u> | <u>-</u> |

CUSTODIANS OF AFRICAN LITERATURE INITIATIVE

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Notes to the Annual Financial Statements

| | 2023 | 2022 |
|----------------------------------|------------------|------------------|
| | ₦ | ₦ |
| 11 Service Delivery | | |
| Organizational Consultancy | 3,630,000 | - |
| Book Reading Services | 100,000 | - |
| | <u>3,730,000</u> | <u>-</u> |
| 12 Book Stock Cost | | |
| Opening Stock | 123,500 | 123,500 |
| Purchases | 74,050 | - |
| | <u>197,550</u> | <u>123,500</u> |
| Closing Stock | <u>(186,330)</u> | <u>(123,500)</u> |
| | <u>11,220</u> | <u>-</u> |
| 13 Program Expenses | | |
| Programs | 49,000 | - |
| | <u>49,000</u> | <u>-</u> |
| 14 Administrative Expense | | |
| Staff Salaries | 440,000 | - |
| Internet & and Subscription | 111,166 | 48,402 |
| Audit and Professional Fees | 150,000 | - |
| Advert. | 35,453 | - |
| Levies | 150,000 | - |
| Staff Welfare | 100,000 | - |
| Depreciation | 10,556 | 8,056 |
| | <u>997,175</u> | <u>56,458</u> |
| 15 Finance Charges | | |
| Bank Charges | 1,143 | 124 |
| | <u>1,143</u> | <u>124</u> |