





## WEDNESDAY, JUNE 2, 2021 12NOON

@TAX PROFESSIONALS' HOUSE, PLOT 16, OTUNBA JOBI FELE WAY, CENTRAL BUSINESS DISTRICT, ALAUSA - IKEJA.











### THE NATIONAL ANTHEM

Arise, o Compatriots,
Nigeria's call obey
To serve our fatherland
With love and strength and faith
The labour of our heroes past
Shall never be in vain
To serve with heart and might
One nation bound in freedom
Peace and unity.

O God of creation,
Direct our noble cause,
Guide thou our leaders right,
Help our youths the truth to know
In love and honesty to grow
And living just and true
Great lofty heights attain
To build a nation where peace
And justice shall reign.

### THE NATIONAL PLEDGE

I pledge to Nigeria my country,
To be faithful loyal and honest,
To serve Nigeria with all my strength
To defend her unity
And uphold her honour and glory
So help me God.

### **CITN ANTHEM**

We uphold integrity and service
 With God on our side
 We shall attain the dreams of our founding fathers to achieve a tax-driven economy

### **Chorus:**

CITN CITN

Chartered Institute of Taxation of Nigeria Promoting tax compliance culture CITN is soaring higher

- 2. To be one of the foremost professional
  Associations in Africa and beyond
  To build an institute which will be a citadel
  For advancement of taxation.
  - 3. To train individuals worthy of becoming tax professionals with knowledge, skills and expertise Regulating tax practice in Nigeria. CITN is soaring higher .

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### **VISION**

To be one of the foremost professional associations in Africa and beyond

### **MISSION**

To build an Institute which will be a citadel for the advancement of taxation in all its ramifications.

### **CORE VALUES**

Service Teamwork Excellence Professionalism

### MOTTO

Integrity & Service





### THE CHARTERED INSTITUTE OF TAXATION OF NIGERIA

(Established in 1982, Chartered by Act 76 of 1992)

A Member of Association of Professional Bodies of Nigeria (APBN)

TAX PROFESSIONALS' HOUSE,
Plot 16, Otunba Jobi Fele Way,
Central Business District, Alausa
Ikeja, Lagos
P. O. Box 1087, Ebute-Metta, Lagos State, Nigeria.
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### 29TH ANNUAL GENERAL MEETING

NOTICE is hereby given that the 29<sup>th</sup> Annual General Meeting of The Chartered Institute of Taxation of Nigeria will take place physically and virtually as follows:

Date: Wednesday 2<sup>nd</sup> June, 2021

Venue: Events Hall, Tax Professionals' House, Plot 16, Otunba Jobi Fele Way, CBD Alausa-

Ikeja, Lagos State

Time: 12 noon prompt

### **AGENDA**

- 1. To adopt the minutes of the 28th Annual General Meeting held on Thursday, 3rd June, 2020;
- 2. To lay before the meeting the Report of Council;
- 3. To adopt the Financial Statements for the year ended 31st December, 2020 and the Report of the Auditors thereon;
- 4. To appoint the Auditors and authorise Council to fix their remuneration;
- 5. To elect members of Council.

Dated this 5<sup>th</sup> day of May, 2021

By Order of Council

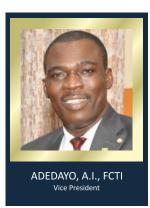


Adefisayo Awogbade, FCTI Registrar/Chief Executive

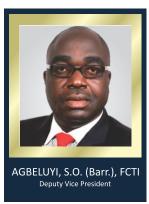




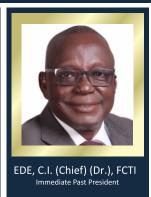
### 2020/2021 EXCO MEMBERS

















### 2020/2021 Council Members

DDECIDENT	Date joined Council
PRESIDENT	4000
Gladys Olajumoke SIMPLICE, (Dame), FCTI	<b>–</b> 1996
VICE PRESIDENT	
Adesina Isaac ADEDAYO, FCTI	<i>–</i> 2007
DEPUTY VICE PRESIDENT	
Samuel Olushola AGBELUYI, FCTI	<b>–</b> 2012
HONORARY TREASURER	
Innocent Chinyere OHAGWA, FCTI	<b>–</b> 2013
IMMEDIATE PAST PRESIDENT	
Cyril Ikemefuna EDE, Chief (Dr.), FCTI	<b>–</b> 1996
EXCO MEMBER	
Justina Adaku OKOROR, (Mrs.) (Dr.), FCTI	<b>–</b> 2012

### **MEMBERS**

Benjamin Akanji OMONAYAJO, (Rev.), FCTI	- 2015
Titilayo Eni-Itan FOWOKAN, Mrs. (Dr.), FCTI	- 2016
Godwin Emmanuel OYEDOKUN, Chief (Prof.), FCTI	- 2016
Simon Nwanmaghyi KATO, FCTI	- 2016
Kolawole Ezekiel BABARINDE, FCTI	- 2017
Muhammad Kabir UMAR, FCTI	- 2018
Igho Otejiri ORIENRU, FCTI	- 2018
Ruth Oluwabamike AROKOYO, Mrs., FCTI	- 2020
Cecilia Odefenare ODIBO, Mrs., FCTI	- 2020
Taopheeg Ade-Tunde ORETUGA, FCTI	- 2020

Rep. CITN in the House of Rep.
Mahuta Babangida IBRAHIM, (Hon.), FCTI
Rep. Executive Chairman, FIRS
EZRA USMAN ZUBAIRU, FCTI
Rep. of Tertiary Education (Universities)
Mohammad Akaro MAINOMA, (Prof.), FCTI
Rep. of Tertiary Education (Polytechnics)
Adamu Bello LAWAL, ACTI
Rep. of Joint Tax Board
Aminu Darabati ABDULMUMIN, FCTI
Rep. of Joint Tax Board
Okon OKON, FCTI
Rep. of Federal Ministry of Finance
Fatima Z. HAYATU (Hajia)
Rep. of Federal Ministry of Education

Adegboyega ADEBAYO, ACTI Rep. of North-Eastern Region Ali Manga BULAMA, FCTI

### **PAST PRESIDENTS**

David Ajibola OLORUNLEKE, (Chief), FCTI	<b>– 1985 - 1995</b>
James Kayode NAIYEJU, (Dr.), FCTI	<b>– 1995 - 1997</b>
Jacob Babalola OKELE, FCTI (Late)	<b>– 1997 - 1999</b>
Titus Olukayode AIYEWUMI, FCTI	<b>– 1999 - 2001</b>
Adebimpe Atinuke BALOGUN, (Mrs.), FCTI	<b>– 2001 - 2003</b>
Emmanuel Nwafor OSEMENE, FCTI (Late)	<b>–</b> 2003 <b>-</b> 2005
Gabriel Foluso FASOTO, FCTI	<b>–</b> 2005 <b>-</b> 2007
Kamoru Adeleke ADIGUN, FCTI	<b>–</b> 2007 <b>-</b> 2009
Rasaq Adekunle QUADRI, (Prince), FCTI	<b>–</b> 2009 <b>-</b> 2011
John Femi JEGEDE, (Asiwaju), FCTI	<b>–</b> 2011 <b>-</b> 2013
Mark Anthony Chidolue DIKE, (Chief), FCTI	<b>–</b> 2013 <b>-</b> 2015
Olateju Abiola SOMORIN, (Prof.), FCTI	<b>–</b> 2015 <b>-</b> 2017
Cyril Ikemefuna EDE, Chief (Dr.), FCTI	<b>–</b> 2017 <b>-</b> 2019

### **LEGAL ADVISERS**

Chukwuemeka Eze, FCTI Abiodun A. Olatunji, SAN, ACTI Titilola Anthonia Akinlawon, SAN, FCTI Layi Babatunde, SAN, FCTI Charles Amajuoritse Ajuyah, SAN, ACTI Abdulmumini Bala Ahmed, (Prof.), ACTI

### Registrar/Chief Executive

Adefisayo Awogbade, FCTI





### <u>CITN MANAGEMENT TEAM</u>



Adefisayo Awogbade Msc, FCA, FCTI Registrar/Chief Executive

### TOP MANAGEMENT



**Lanre** Olasunkanmi Ph.D, MBA, ACA, FCTI Deputy Registrar, Corporate & Internal Services



**Afolake** Oso (Mrs.), LLB, BL, FCTI Deputy Registrar, Technical & Professional Services



Oyeronke Ojo (Mrs.) MPA, AMNIM, ACIPM, HRPL Director, Education and Professional Services



**Mary-Fidelis** Abiahu Msc, FCA, MCIB, ACTI Director, Research and Professional Standards

### HEAD OF DEPARTMENTS

Mr. Ini Esau, FCTI Head Examinations

**Mrs. Yetunde Suleiman** Head Education

Mrs. Elizabeth Adebanjo **Head Student Affairs** 

Mr. Nasir Adegbenga Head Information & Communication Technology

Mr. Adeyinka Adebayo Head Marketing & External Relations

Mr. Robert Aigbodior

Head Membership

**Mr. Monday Akonafua** Head Human Resource and Admin

Mrs. Kemi Oluwagbami Head Corporate Communications

Mrs. Ndidi Attah Head Internal Audit, Systems and Controls

Mr. Moshood Oluneye, ACTI Ag. Head Finance & Accounts

Mr. Kola Awoyeriju, ACTI Head Abuja Liaison Office Executive



# PRESIDENT'S STATEMENT



### 1.0. INTRODUCTORY REMARKS

It is gratifying to welcome distinguished members to the 29th Annual General Meeting of our great Institute.

On behalf of Council, I wish to convey my gratitude to members of this great Institute for remaining steadfast in your support by your payment of subscriptions, attendance at Institute's programmes and activities and for positively projecting the image of the Institute by your professionalism and ethical conduct.

I recall about a year ago, we held the 28th Annual General Meeting after a national lockdown occasioned by the Corona Virus Pandemic. It is noteworthy that inspite of the glaring effects of the pandemic which is still prevalent today, our Institute maintained a smooth sail on all measurement parameters.

During the lockdown, its aftermath and at present, Council has continued to leverage on novel initiatives towards ensuring the Institute's activities continued without let or hindrance. Indeed, we had to reorder our programmes in compliance with strict Covid-19 protocols put in place by relevant government authorities. We have remained largely responsive to the needs of members and relevant stakeholders.

I am pleased to inform you that our Institute remains strong, alive to its aims and objectives, actively impacting and contributing to the development of the fiscal policy space and the Nigerian Tax System.

Being my last statement at an AGM, before my presidential tenure ends in a short while, I must appreciate the monumental goodwill and support that I have enjoyed from all stakeholders. It is on account of these great support base that we were able to achieve the modest successes and surmount the challenges that we encountered. I remain grateful and do not take it for granted.

Dear members, as always, the AGM provides the platform for Council to provide open books to members for an unbiased, objective and wholistic review of the state of the Institute. This is the minimum expectation from any professional association that adheres to best corporate governance principles.

It is also a feedback mechanism to enable Council receive comments, suggestions and critical reviews from members towards moving the Institute forward.

As it is the tradition with past AGM statements, it is





necessary for us to observe, review and report on issues within the environment, particularly those that occurred within the review period. The purpose is for informed comments and members' information. The essence is that the Institute does not operate in a vacuum, but operates within the larger society which makes it expedient for us to do so.

I will proceed to comment on these issues as it affects government's fiscal and monetary policies, socio-political developments, tax administration measures, security and other related matters.

### 2.0. OVERVIEW OF THE OPERATING **ENVIRONMENT**

The year 2020 was a challenging year for the Nigerian economy, the outbreak of COVID-19 was popular as it resurfaced such global economic downturns in history, the most popular being the Spanish flu of 1918; the great depression of 1929 and the global financial crisis of 2008 to 2009. Before the onset of the COVID-19 Pandemic, the Nigerian economy was projected to grow by 2.1% in 2020 based on projections by the World Bank. The National Bureau of Statistics (NBS) reported the overall annual growth of real GDP in 2020 to be at -1.92%, showing a decline of -4.20% points when compared to the 2.27% recorded in 2019. With decline in global demand for crude and products, the average Oil Production declined to 1.61 mbpd against 1.79 million barrels per day (mbpd) recorded for 2019. In the same vain, the average price of crude stood at \$42.89 per barrel (pb) against \$64.16pb recorded at the end of 2019. Other impacting factors that challenged the year 2020 included the rising in inflation rate which averaged 12.98% against 11.39% in 2019; External Reserves (End Period) declined to \$34.85bn against \$38.60bn while average FAAC allocations stood at N648.44bn against N678.9bn for the preceding year. However, we saw drastic increase in total volume of E-Payments to N2.4bn against N1.62bn as at the end of 2019.

Nigeria's economy unexpectedly exited a recession in the fourth quarter as growth in agriculture and telecommunications hedged against a sharp drop in oil production. The economy contracted 1.92% for the full year, the most since at least 1991, according to International Monetary Fund data.

#### 2.1. Taxation

The year under review saw government's efforts at repositioning taxation to assume the front burner in government's efforts to raise revenue. This, we expect will continue to be, due to the "New Normal" occasioned by COVID-19 pandemic which turned the global economy into recession in 2020 Nigeria inclusive, whereby taxation has proved to be the one fiscal policy instrument needed for stability in the postpandemic era. The Revenue Statistics in Africa 2020 published by the African Tax Administration Forum (ATAF) and the Centre for Tax Policy and Administration of the Organisation for Economic Co-operation and Development (OECD) has put Nigeria's Tax-to-GDP ratio in 2020 at 6.3%. The Federal Inland Revenue Service (FIRS) collected N4.95 trillion in total tax revenue in the year under review, representing 98% of the budgeted tax revenue target of N5.076 trillion for 2020, with Petroleum Profits Tax (PPT) accounting for only 30.6% of the total tax revenue generated in 2020 while the non-oil tax collection accounted for 69.4% of the collections.

On our part, the Institute continued on her advocacy on strengthening tax collections to achieve 100% funding of the Nation budget. The Institute continued in her engagements in regular education and enlightenment programmes at the national level and through our District Societies, as a concerted plan of action to change the narrative of poor tax awareness by the citizens.

### 2.2. Tax Administration

it is important that tax policy initiatives and reviews in tax laws are well-thought-out and





followed through. We have consciously seen Government efforts through the amendment of our tax laws through Finance Act, 2019 followed by Finance Act, 2020. Government must avoid the propensity to introduce earmarked taxes to raise revenues while neglecting the impact that such action would have on businesses and economic activities. The thinking of Section 2.2.6 of the Revised National Tax Policy 2017 is that our "taxes should be few in number, broadbased and high revenue-yielding". In effect, the administration of taxes should be simplified for ease of enforcement and compliance.

It is noteworthy to inform members that the Institute has been part of the Finance Acts with our recommendations featuring prominently in the amendments. This, we must continue to drive to achieve ease in tax administration and ultimately, voluntary compliance to tax laws.

### 2.3. Monetary Policy

The year under review saw the Central Bank of Nigeria's monetary policy thrust focusing more on promoting economic growth than stabilizing prices. Despite the rise in inflation throughout the year, led by food prices, the CBN lowered the Monetary Policy Rate (MPR) in May and September 2020 in effort to drive economic growth. Also, the CBN deepened and expanded its development policy interventions to mitigate COVID-19 pandemic impacts on households and businesses. These include lowering interest rates on all its subsidized interventions, as well as the introduction of a moratorium on interest payments for these facilities.

The Central Bank also imposes an additional Cash Reserve Requirement (CRR) on banks that do not comply with a minimum loans-to-deposit ratio (LDR) of 65% since 2019. While the CBN has relaxed the compliance of these indicators, a more symmetric application of the CRR, with liquidity released back to the banks once they comply with CBN requirements, could help banks to mobilize additional deposits. This in turn

increased the effectiveness of monetary policy and boost private sector credit growth that resulted in the nation's exit from recession in the last quarter of the year.

### 3.0. THE INSTITUTE

### 3.1. Membership Strength

During the period, Council employed innovative approaches towards increasing the number and quality of membership.

Despite the economic downturn arising from the effects of the COVID-19 Pandemic, we were able to hold two induction ceremonies and quite a number of capacity enhancement programmes for members.

Our membership strength recorded an appreciable increase of 9.02 % from 22,493 in June 2019 to 24555 at present.

### 4.0. SCORECARD

I hereby summarize our modest achievements for the period as follows:

### 4.1. Defence of CITN Charter

The Institute's charter was well preserved during the reporting period. CITN remains the only statutorily recognised taxation Institute in Nigeria actively contributing to the enhancement of the Nigerian Tax System. We engaged in extensive stakeholder engagements towards ensuring that the Institute's charter was preserved.

### 4.2. Membership Development and Branding

Significant steps were taken to enhance the Institute's brand during the presidential year. A new brand identity for the Institute was launched during the 22nd Annual Tax Conference held in November, 2020.

Aside the physical changes to the logo and brand materials of the Institute, we have sustained our media visibility including the revamp of our social media handles. The intent is to reflect the upward trajectory of the CITN



brand for greater appreciation of our role and placing amongst other professional Institutes.

### 4.3. Governance and Value Adding Initiatives

## 1. Commencement of the use of CITN customized CITN Practice Stamps and Seals and Matters Arisina

We have commenced the issuance of personalized and secured stamps for tax practitioners. Prior to this period, we sensitized existing members and stakeholders on this development.

A major fallout of this step was the recent tripartite stakeholders' meeting convened by the Executive Chairman of the Federal Inland Revenue Service on 15th March, 2021 and subsequently towards addressing some concerns raised by stakeholders.

We are hopeful that this effort will yield the desired positive results.

### 2. CITN/ICAN-Update

In order for CITN to take its pride as the only body to regulate the standard of taxation practice to the exclusion of any other professional bodies in Nigeria, an M.O.U was signed with ICAN and ANAN while FIRS served as the mediator. The M.O.U signing ceremony between CITN, ICAN and ANAN was held on Monday, May 31, 2021 at the office of the Executive Chairman, Federal Inland Revenue Service, Abuja.

### 3. Donation of Items in support of the COVID-19 response in Lagos State

It is noteworthy that the Institute donated hand sanitizers in support of the COVID-19 response in Lagos State which was duly acknowledged in a letter personally signed by the Governor, His Excellency, Mr. Babajide Sanwo-Olu.

### 4.4. International Relations

While working assiduously at the local level to make the Institute a brand of choice amongst other professional Institutes, we have also not lost sight of the need to be relevant at the international scene.

Some of the steps and events attended include:

### i. Country Visit to Senegal and Gambia

In my capacity as President of the West African Union of Tax Institutes (WAUTI), I led a country visit to Togo, Gambia and Liberia earlier in the year. The outcome of the visits was quite fruitful and a pointer to the leadership role that Nigeria has always played. We are expectant that our efforts would result in nurturing tax professional groups towards building a professionalised tax system for countries in West Africa.

### 4.5. 7th WAUTI International Tax Conference

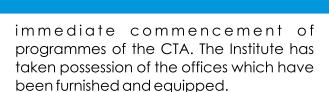
The 7th WAUTI International Tax Conference with the theme "Designing and Implementing Tax Measures for the COVID-19 Era and Beyond was held from 25th – 26th February, 2021-Sheraton Lagos Hotel, 30 Mobolaji Bank Anthony Way, Maryland, Lagos. It was a good outing with delegates from 10 countries joining virtually.

### 4.6. CITN Tax Academy

It is expedient to inform members that we have engaged an Adjunct Associate Professor who is on one-year sabbatical at the Academy. He is understudying the current Provost of the Academy, whose tenure will lapse in May, 2021. Furthermore, I led a working visit to Ilorin, Kwara State from 13th – 16th September, 2020. Key milestones arising from that working visit include:

- i. Courtesy Visits to the Vice Chancellor, Kwara State University, Commissioner for Finance Kwara State, Director-General, Land Bureau of Kwara State and the Executive Chairman, Kwara State Internal Revenue Service to solicit their support for the project.
- ii. Inspection of new land in llorin Metropolis to be allocated for the CTA project in addition to the already allocated land at Amoyo Ifelodun Area.
- iii. Allocation of ten offices by Kwara State University at its contact office in Ilorin for





iv. Inauguration of the Governing Council of the CTA

### 4.7. PUBLICATIONS AND POSITION PAPERS

Being a knowledge-based Institute, we have made it a point of duty to contribute to the body of knowledge on burning fiscal policy issues in the polity. We made quite a number of interventions on fiscal and tax policy matters within the period under review. Our intervention ranged from producing position papers, technical write-ups and production of technical publications notably was our Position Paper on Finance Bill 2021.

Details of our intervention are provided in the Faculties reports. However, I will highlight some for our information.

- CITN Research Publication Series No. 1 (Professorial Chair Monographs) titled: Maximizing the Benefits of Free Trade Agreements Among Nations: Lessons for Nigeria.
- CITN Research Publication Series No. 2(Professorial Chair Monographs) Titled: The Nigerian 2019 Finance Act: The Good And The Flip Sides.
- Handbook on Transfer Pricing Documentation.
- Understanding Solid Minerals law and Taxation Material.

### 4.8. District Societies Expansion

Four district societies were inaugurated during the period bringing the number of District Societies to forty-three.

• CITN Abakaliki and District Society was virtually inaugurated as the 38th District Society of the Institute on 8th July, 2020.

- CITN Amuwo-Odofin and District Society was virtually inaugurated as the 39th District Society of the Institute on 13th February, 2021.
- CITN Jalingo and District Society was inaugurated on 13th March, 2021.
- CITN Mowe/Arepo and District Society was inaugurated on 12th May, 2021

### 4.9. Stakeholder Engagement and Collaboration

CITN is enjoying increased recognition from relevant agencies of government at the Federal and State levels. Within the period, some events were organized by some of these institutions and the Institute received invites. CITN honoured quite a number of these invitations during which I was duly recognized or given an opportunity to speak. As a matter of priority, where I was unable to attend such events, other office bearers were detailed to represent the Institute.

During the period, CITN was invited to some key events of stakeholders' details of some which are provided below:

- I. Virtual attendance at the inauguration of the Inter-Ministerial Committee on the Audit and Recovery of Back Years Stamp Duty and the Launch of the FIRS Adhesive Stamp held on 30th June, 2020.
- II. The 2020 Presidential Retreat, Summit and Annual General Assembly of the Association of Professional Bodies of Nigeria was held from 21st -23rd September, 2020 at Premier Hotel, Ibadan, Oyo State. The Deputy Vice President of the Institute, Barr. Samuel Agbeluyi was elected as the Treasurer of the Association having served earlier as Financial Secretary. I also chaired the planning committee for the summit.
- III. The inaugural edition of National Tax Dialogue organized by Federal Inland





Revenue Service was held successfully on Thursday, January 21, 2021 at the Presidential Villa, Abuja.

Tax Appeal Tribunal Retreat – A two-day IV. event organised to set strategic action plan in building capacity of the Tax Appeal Commissioner's for effective tax adjudication was held on Thursday, April 29, 2021at the Transcorp Hilton Hotel, Abuja.

### 4.10. CITN Engagements

The Institute organized numerous capacity enhancement programmes and other statutory programmes during the period.

Notable were:

- Virtual Presentation of Practice License Certificates Ceremony held on Wednesday, July 15, 2020.
- Free Webinar on the Stamp Duties Act held 11. on 22nd July, 2020.
- III. Organisation of CITN MPTP Webinar Series.
- IV. Capacity building workshop for tax practitioners with the theme: Understanding Requisite Skills for Tax Practitioners held on Thursday, September 24, 2020 on Webinar (Zoom).
- CITN Webinar on Companies and Allied ٧. Matters Act (CAMA) 2020 held on Wednesday, September 9, 2020.
- VI. CITN Free Webinar on Common Reporting Standards (CRS) as adopted by Nigeria held on Thursday, September 10, 2020.
- The 2020 Fellowship conferment ceremony VII. took place on 10th October, 2020 at the Lagoon Restaurant, Victoria Island, Lagos. The change in date was necessitated by the hardships that would be imposed on participants as a result of partial closure of the third mainland bridge on week days as a result of the ongoing work on parts of the

bridge.

### VIII. Annual International Academic Conference on Taxation.

The 3rd Annual International Academic Tax conference was held from October 25 to 27, 2020 at Igbinedion University, Okada, Edo State.

#### 2020 Annual Dinner IX.

The Annual Dinner and Awards Ceremony for 2020 was held on December 5, 2020 at the Lagoon Restaurant, No 1C Ozumba Mbadiwe Street, Victoria Island, Lagos.

#### Catch Them Young for Secondary Schools Χ. in Rivers State

The tax quiz competition for selected secondary school students from the 23 local government councils in Rivers State was held from 21st - 23rd January, 2021.

#### XI. Training for CITN Tuition Houses.

This virtual event was jointly organized by Examinations & Student Affairs Committees of the Institute on Thursday, February 18, 2021 to brainstorm on how to assist the Tuition houses and address their challenges. We had 3 Paper Presenters namely:

- Dr. Titilayo Fowokan 1.
- 2. Mr. Orienru Igho
- Mr. Kolawole Babarinde 3.

### XII. CITN/ICSAN Tax Management Masterclass Upon the signing of an M.O.U between the two parties a joint seminar was successfully held virtually on Tuesday, March 2,2021.

#### Visit to the Auditor-General of the XIII. **Federation**

The CITN delegation inclusive of Past President, Dr. J. K. Naiyeju was led by me on Thursday, March 11, 2021 at the Auditor-General's office in Abuja.

### XIV. APBN Annual Presidential Retreat

An annual event of the APBN was held successfully from March 24 -25, 2021, the





Institute's delegation was ably by led the Deputy Vice President, Barr. Samuel Agbeluyi, joint District Society Vice Chairman, Barr. Alex Iyamu, Chairman, Port-Harcourt & District Society, Mr. Godwin Ogbu, Chairman, Warri & District Society, Deacon Abel Omolu and Chairman, Yenagoa & District Society, Mr. Nengi Aiyerite.

### XV. 147th Meeting of the Joint Tax Board.

The event was held from March 24-25,2021 in Kaduna.

### XVI. Body of Past President's Meeting.

We had the meeting on Tuesday, March 30, 2021 at the Institute's Secretariat.

### XVII. The Institute of Chartered Accountants of Nigeria' 50th Conference.

I also attended as invited on Tuesday, April 6, 2021 at the International Conference Center, Abuja.

### XVIII. Tax Practice Management Workshop

This took place on Thursday, April 15, 2021 at Nigerian National Merit Award House, Abuja.

### XIX. 44th Induction Ceremony of the Institute.

It was another successful induction ceremony held on Saturday, April 24, 2021.

### XX. BusinessDay Newspaper- Nigerian Investor Value Awards (N.I.V.A) 2021.

This yearly event by BusinessDay is worth attending, I honoured their invitation with my attendance.

### XXI. ICAN-2021Annual Dinner and Awards.

I attended as invited on Saturday, May 1, 2021 which took place at Oriental Hotel, Victoria Island, Lagos.

### XXII. Webinar on Withholding Tax Credit

A free webinar put together by Tax Policy and Administration Faculty of the Institute and was held on Thursday, May 6, 2021.

### XXIII. Conferment of Fellowship Awards.

As a result of the Council's thoughtfulness to the yearnings of members for this important event to hold twice a year, we had the first lap that took place on Saturday, May 29, 2021 at Lagoon Restaurant, Victoria Island, Lagos.

### XXIV. ICAN-Investiture of the 57th President.

The investiture ceremony of 57th President, Mrs. Comfort Olujumoke Eyitayo was held on Tuesday, June 1, 2021 at the ICAN Secretariat, Victoria Island. I was there to honour their invitation

### 5.0. APPRECIATION

I thank members for the opportunity to present my report at this meeting. I am confident that CITN will continue to make better impact and remain visible amongst professional bodies in Nigeria.

I thank the Office Bearers, other members of EXCO, Body of Past Presidents, Council Members, Members of Committees of Council and Faculties, District Chairmen and all members of Joint District Society, the Secretariat Team led by the Registrar/Chief Executive, The Provost of the CITN Tax Academy and Staff for your great support.

Long live Chartered Institute of Taxation of Nigeria!

Long live the Federal Republic of Nigeria!!

Dame Gladys Olajumoke Simplice, FCTI 14th President/Chairman of Council, Wednesday, 2nd June, 2021



















### ...AT THE ACCA KILGALI RWANDA EVENT









DURING THE CITN STAFF END OF YEAR APPRECIATION PARTY











REPORTS OF THE COMMITTEES & FACULTIES OF COUNCIL



### **ANNUAL TAX CONFERENCE** COMMITTEE



The 22nd Annual Tax Conference of the Chartered Institute of Taxation of Nigeria took place between Wednesday, 4th November to Friday, 6th November, 2020 at Eko Hotels and Suites, Plot 1415, Adetokunbo Ademola Street, Victoria Island, Lagos.

The theme of the conference was "Taxation and Economic Competitiveness: Imperatives for National Development" which was the lead paper for the conference. The sub-themes were discussed during five (5) panel sessions of the programme, where seasoned tax experts featured as moderators, discussants and panellists. The sub-themes include, but not limited to:

- a. African continental free trade area (AfCFTA): What's in it for Nigeria?
- b. The digital economy and taxation puzzle: lessons from the rest of the world
- c. Nexus between Tax practice, managing a tax function and tax administration
- d. Designing an inclusive tax system: citizens perception and the role of fiscal exchange, and
- e. Attracting investments through taxation and optimum incentive framework.

### **CONFERENCE EVENTS**

The conference was segmented into three (3) events namely: Registration, Main conference and Gala Night.

### Registration

The Conference had in attendance 1624 feepaying participants (physical 1228 and virtual 396 attendees) and 176 non-fee-paying participants.

#### Main conference opening ceremony 2.

The President of the Institute, Dame Gladys Olajumoke Simplice, FCTI, declared the Conference open.

H.E. Mallam Nasir El-Rufai, the Executive Governor of Kaduna State, presented the keynote address. During his keynote address he offered to host the 23rd Annual Tax Conference coming up in 2021.

The Chief Host of the Conference, H.E. Mr. Babajide Sanwo-Olu, the Executive Governor of Lagos State also graced the occasion. During his speech, he charged the Institute to be visible to the State on Taxation matters.

The two (2) governors did the unveiling of the new CITN loao.

#### **Technical Sessions** 3.

The lead paper of the Conference was presented by Mr. Olakunle Alake, ACTI, Group Managing Director of Dangote Industries Limited while Mr. Fatai Folarin FCTI, CEO of Deloitte & Touché, West & Central Africa and Mr. Theophilus Emuwa, FCTI, Managing Partner, Aelex, were discussant and chairman of the session, respectively.

All the conference presentations were robust and rich in contents. The facilitators, chairmen of sessions, discussants, and moderators performed impressively well.

The panel sessions were interactive and an array of seasoned tax experts was featured.

At the end of each technical session, participants were treated to sumptuous and delicious lunch by the management of Eko Hotel & Suites.





### 4. National Tax Quiz Competition

The final phase of the 2020 National Tax Quiz competition for Tertiary Institutions was held same day after the technical sessions. The competition produced 2020/2021 Tax

Ambassador and two 2nd Runners-up positions. The winners and prizes received are as listed below:

Winners	Contestant's Name	Institution	Prize Received
Tax	Odusanya Wisdom	University of Ilorin	N300,000 and a
Ambassador	Gabriel	Ornversity of norm	laptop
1st Runner up	Onilude Ayomide Daniel	University of Lagos	N200,000 and a
1 Konner op			laptop
2 <sup>nd</sup> Runner up	Oluwaseyi Atanranshe	University of Lagos	N100,000 and a
Z <sup>iiii</sup> Kuriner up			laptop

### 5. Gala Night

The conference was rounded up with the Gala night event. Due to the impact of Covid-19 which necessitated the shut down of event centres, the Gala night event was moved from Landmark Event Centre, which remained closed during the conference to the Havilah 4 tees centre, Oniru Estate, Victoria Island, Lagos. The highlight of the night was the District Societies' presentations as well as presentation of prizes to the National Tax Quiz winners. An assortment of food and drinks were available and more than adequate for the guests, while the music by Faith Band was the climax that put the icing on the cake.

Also on set was DJ who played hip-pop music for the youth. There was a blend of old school and contemporary music. In all, it was a very pleasant time when participants danced to appreciate God for a successful 22nd Annual Tax Conference amidst the Covid-19 challenges.

### **Appreciation**

On behalf of the 22nd Annual Tax Conference Committee, I wish to express our appreciation to the President and Council members, for the opportunity given to us to be of service to the Institute and to contribute our quota to the success of the conference. This conference has been adjudged to be the first of its kind that is coming up in a unique period when the whole world was on economic holiday and the people are encouraged to stay safe and stay alive. It was tagged an "image booster" for the Institute. We shall all live to see pleasant years ahead.

Long live CITN! Long live Nigeria!

Thank you and God bless.

Dr. Titilayo E. Fowokan, FCTI
Chairman, 22nd Annual Tax Conference



### INTERGOVERNMENTAL RELATIONS COMMITTEE



#### Introduction 1.0.

The committee held its virtual meeting on April 15, 2021, the meeting which was presided over by the Vice Chairman started at 11:15am and have in attendance 16 members of the Committee. Apologies were received from 1 member while 2 Members were absent.

Presented below are issues discussed and decisions reached.

#### 2.0 Update on outstanding subvention

Report taken on outstanding subvention showed that some of State boards of internal revenue have completed their payment, while larger numbers have made part payment and those yet to response are making positive efforts. The meeting advised the institute to conduct proper reconciliation and issue official receipt for those that paid, also a reminder letters should be send to those who have not paid or yet to complete their payment.

#### 3.0 **Update on Acquisition of Landed Property** in FCT.

The committee members were encouraged to use their connection within FCT to facilitate the process. Also the committee suggested the President should use her coming to Abuja as opportunity to pay visit to FCDA/ Director of Land Federal Capital Territory.

### **Courtesy Visit**

The Committee applauded the recent courtesy visit of the Leadership of the Institute to office of Auditor General for the Federation which was facilitated by the Committee as a good development and resolved to put more effort to follow up the remaining ones

#### 5.0 **Appreciation**

On behalf of all the committee members I wish to extend our gratitude and appreciation for the opportunity given to us by the Council to serve the Institute.

Muhammad Kabir Umar, FCTI Committee Chairman





# EDUCATION COMMITTEE



Council of the Institute at the start of the year under review, provided the Committee with Terms of Reference meant at serving as guidelines for the operational activities of the Committee.

The Terms of Reference, gave a clear view on the modalities

to be adopted in organizing the Institute's Mandatory Professional Training Programme (MPTP), and the organization of in-house training programme, inclusive of collaborative seminar/workshop programme with third parties and other professional bodies.

Due to outbreak of Covid-19 pandemic in 2020, that made various tiers of government to enforce social distancing geared towards flatting the curve of its spread, Council approved Webinar as alternative for physical usual traditional MPTPs.

Further to the Institute's continued resolve to perform its statutory role in entrenching a sound, virile and robust tax system for the overall economic development and well-being of the nation, the Committee organized a one-day Webinar on "Companies and Allied Matters ACT (CAMA) 2020 and Nigeria Business Environment" and a free seminar on (Stamp Duties in Nigeria: A Comparative Analysis of the Principal Act and the Amendment Bill implementation and effect on stakeholders in Abuja and Lagos respectively.

### **REPOSITION OF MPTP ACTIVITIES**

In pursuit to reposition MPTP for best utilization of webinar, the Committee carried out reformative activities of the programme. This was tailored towards promoting members technical skill, enhancement of productivity and efficiency through appropriate modification of all webinar MPTP papers and its procedural activities for better result-oriented objective with attendant benefits as follows:

- Webinar MPTP fee N15,000 (for both members and non-members)
- Webinar MPTP credit hours 12 in line with best practice
- Publication of all MPTP topics in an edited book format titled: Current Trends in Taxation, CITN MPTP Series 2020.
- Allocation of 4 credit hours per paper for Elearning MPTP
- Selection of related MPTP topics for each locality
- MPTPs will now take place in one day instead of two days
- Automated issuance of MPTP certificate.

### **LOCATION AND TOPICS FOR 2020 MPTPS:**

The Committee in the year organized various Webinar training programmes with several topics covering the vital areas of tax practice and administration. This is mainly to educate members of the Institute and the general public through its yearly MPTP in the Seventeen (17) locations namely Lagos (1st, 2nd and 3rd lap-2020) Enugu, Kaduna, Owerri, Abuja, Ibadan, Port Harcourt, Benin, Sokoto, Abeokuta, Kano, Uyo, Bayelsa, Jos, Warri, Ilorin, and Asaba.

Two sessions of in-house MPTP were held for Dangote Group from August 11th and 12th 2020 and five sessions for staff of Federal Inland Revenue Service (FIRS) in November/December 2020 were also organized in 2020.

This translates to the successful hosting of 24 MPTP sessions during the Presidential year.





The following topics were treated in the year:

- 1. Transfer Pricing: Compliance Requirements and The Changing Landscape.
- 2. The Dynamics of Modern-Day Tax Practice Management.
- 3. Managing Tax Audit and Investigation: Strategies for Effectiveness.
- 4. Taxation of Informal Sector: A Necessity for Economic Growth.
- 5. Value Added Tax Administration in Nigeria: A Review of Current Development.
- 6. Nigerian Tax Offenses and Penalties: Its Implications on Nigeria Tax System.
- 7. Managing Tax Risk in Today's Business Environment
- 8. Digital Economy and Communication Tax: Challenges and Prospects.

- 9. Tax Incentives and Revenue Generation in Nigeria.
- 10. Contemporary Issues in Transaction Taxes: Focus on Stamp Duties and Excise Duties.

### 2020 EDUCATION RETREAT

The committee held a successful retreat comprising eminent members of the Institute (including Council members) to plan for 2021 MPTP topics.

Due to non-physical MPTP, printing of usual MPTP brochure had been suspended but soft copy of the brochure will be found on the Institute's website. However, printing of the yearly MPTP book is still on course.

We look forward to more members attending MPTP in the years to come as the Institute strives to package value-added and professionally enriching programmes for the benefit of members and non-members alike.

Professor Godwin Emmanuel Oyedokun, FCTI Chairman, Education Committee



# EXAMINATIONS COMMITTEE



The examinations of the Institute were scheduled to hold in April, 2020 and April, 2021. The April, 2020 examination was however held in October 2020, (due to the effect of spread of COVID 19 pandemic on socio-

economic activities in the country) while the October diet was suspended. The April 2020 examination was held at fourteen (14) centres across the country with 1,302 candidates while the April, 2021 diet examination had 1,817 candidates and was held in thirteen (13) centres across the country. The Owerri centre was merged with Enugu centre as a result of perennial low turnout of students at the centre.

Examination centres: The total number of examination centres as at date is thirteen (13) as follows:

- 1. Abuja
- 2. Ado-Ekiti
- 3. Benin
- 4 Damaturu
- 5. Enugu
- 6 Gombe
- 7. Ibadan
- 8. Ilorin
- 9. Jos
- 10 Kaduna
- 11 Kano
- 12 Lagos
- 13. Port-Harcourt

The number of students that sat for the Institute's examinations totalled 1.817 (One thousand eight hundred and seventeen) during the Presidential year. Below are the breakdowns of the candidates:

DIET	FOUNDATION	PT 1	PT 2	TOTAL
APRIL 2020	383	290	629	1,302
APRIL 2021	589	344	884	1,817
TOTAL	972	634	1,513	3,229

### INTRODUCTION OF COMPUTER BASED EXAMINATION (CBT) FOR FOUNDATION LEVEL

Within the presidential year, the Council approved commencement of proctor Computer-Based Test (CBT) at Foundation level during the just concluded April, 2021 examination diet. This was to align the Institute with global best practices that now obtains

through technology. Also, the migration from paper-based to CBT will assist the Institute to save more time during its examination processes, reduce the subjectivity of the examination, as well as assist to achieve efficiency and effectiveness during the process.



#### TRAINING OF THE EXAMINERS ON CBT.

In the last presidential year, the Examination Committee organized training for all the examiners on the guidelines for setting of the CBT Examination questions. It was facilitated by experienced examiners who have been involved in such exercise for other professional bodies. The Webinar training was declared opened by the President of the Institute.

### REVIEW OF SYLLABUS IN LINE WITH THE FINANCE AND OTHER RELEVANT ACTS.

The Institute has reviewed the syllabus of some subjects to accommodate the changes that the new tax laws (the Finance Acts, Companies & Allied Matters Act and Bank and Other Financial Institutions Act) have introduced. Accordingly, the following are the affected syllabi:

- Income Taxation
- Business Law
- International Taxation
- Income Tax for Specialized Businesses.

### INITIATION OF EXEMPTION FROM ACCA FOR CITN GRADUATES.

In furtherance to the existing Memorandum of Understanding (MOU) with the Association of Chartered Certified Accountants (ACCA), there was need for the ACCA to develop a local variant for Law and Taxation which has necessitated that CITN collaborates with ACCA to make it possible for the CITN graduates to gain exemption from not less than six of the ACCA subjects.

The exemption arrangement is currently at the final stage.

### TRAINING OF TUITION HOUSE OPERATORS.

The Examinations and Students' Affairs Committees jointly held a one day training for the tuition house operators majorly to review the dwindling performance of the tuition houses, which has affected the performance of students in the Institute's examinations. The Webinar training was declared opened by the President of the Institute.

### **APRIL 2020 OUTSTANDING STUDENTS**

S/N	STD NO	SURNAME	OTHER NAMES	COURSES	DONORS
1	PFS- 25109	BALOGUN	ADEBIMPE RASHIDAT	BEST OVERALL GRADUATING STUDENT	CHARTERED INSTITUTE OF TAXATION OF NIGERIA, DOYEN OF TAXATION
2	PFS- 25109	BALOGON	ADEBIMPE RASHIDAT	BEST OVERALL GRADUATING STUDENT	ASSOCIATION OF PROFESSIONAL BODIES OF NIGERIA
3	PFS- 23588	NEJO	OLUWASEUN	BEST OVERALL FEMALE STUDENT	PRINCE RASAQ ADEKUNLE QUADRI, FCTI, PAST PRESIDENT
4	PFS- 24668	OGUNTIMEHIN	ADEBISOLA	BUSINESS LAW	PROF. TEJU SOMORIN, FCTI, PRESIDENT
5	PFS- 24121	ВАВА	SHETIMA ABBA	INDIRECT TAXATION	CHIEF CYRIL I. EDE, FCTI, PRESIDENT





	•				
6	PFS- 24018	ОСНЕРО	DAVID	INTERNATIONAL TAX	CHIEF AYODELE O. OTITOJU, FCTI
7	PFS- 24520	AKINPELU	DAVID	TAX AUDIT AND INVESTIGATION	MAJOR GEN. RTD. BAKO, FCTI
8	PFS- 24121	BABA	SHETIMA ABBA	TAXATION OF INCOME TAXATION	MR. OSY CHUKE, FCTI
9	PFS- 23588	NEJO	OLUWASEUN	INCOME TAX FOR SPECIALIZED BUSINESS	MR. AYODELE KAMORUDEEN ADIGUN, FCTI, PAST PRESIDENT
10	PFS- 24173	ADEMOLUTI	OMOBOYEWA REBECA	FINANCIAL REPORTING	LATE E.N OSEMENE, FCTI, PAST PRESIDENT
11	PFS- 23588	NEJO	OLUWASEUN	BEST FEMALE STUDENT IN INTERNATIONAL TAXATION	DR TITI FOWOKAN
12	PFS- 24346	OKOLI	EBUKA	PRINCIPLE OF TAXA	MR. GABRIEL FOLUSO FASOTO, FCTI, PAST PRESIDENT
13	PFS- 24012	MUHAMMED	MAHMOUD	GOVERNANCE, RISKS & ETHICS	PROF. EMMANUEL GODWIN OYEDOKUN, FCTI
14	PFS- 23996	OLANIYI	OLUDOLAPO	FINANCIAL TAX ANALYSIS	PASTOR BEN OMONAYAJO

Mr. Kolawole E. Babarinde, FCTI Chairman, Examinations Committee





# STUDENTS' AFFAIRS & TERTIARY EDUCATION COMMITTEE



The Students' Affairs & Tertiary Relations Education Committee during the 2020/2021 Presidential year held there (3) meetings (1 physical meeting and 2 virtual), Sub-committees were formed during the physical meeting in order to

steer the activities of the committee.

Also, meetings were held regularly via the social media platforms where issues were raised and decisions were taken for the growth of the Institute in accordance with the Terms of Reference given to the Committee.

The committee was able to execute the following during the year under review:

### **Student Membership Growth**

In accordance with the initiative of 20% yearly students' membership growth, the following is analysis for 2020/2021 presidential year:

• June to December 2020 = 243

January to March 2021 = <u>1134</u>

1377

====

2019/2020 Presidential year recorded a total of 1062 new students. 2020/2021 Presidential year up till March 2020 recorded 1377 which gives us a total increase of 29.66%.

## One-day Free webinar for tuition house operators on enhancement of CITN Professional Examinations.

The committee in conjunction with exams committee organized a one-day free webinar for tuition house operators. The seminar was aimed at disseminating information on some recent developments regarding the Institute's examination such as:

- a. Introduction of Computer Based Test (CBT) at Foundation Level
- b. Review of the syllabus in line with some new Acts
- c. To align CITN syllabus to be at par with those of some international professional institutions
- d. Keep students abreast of the expectations of the tuition houses operators at the examination marking centres.

### <u>2020 ACCA Conversion Programme & Pre-Induction Orientation Programme</u>

The committee organized one (1) virtual ACCA conversion and Pre-Induction programme between August 25 -28 2020 during the Presidential year.

A total number of 493 participants for preinduction training and 49 participants for ACCA conversion were in attendance.

### **Institutions Running Taxation**

The committee established relationship with some Higher Institutions in Nigeria with the aim of sensitising/creating awareness and the need to mount taxation as a course of study in the tertiary Institutions as approved by National Universities Commission (NUC)/National Board for Technical Education (NBTE) curricula. Listed below are the Institutions currently running taxation as a course of study in Nigeria:

- Ogun State Institute of Technology, Igbesa
- 2. Waziri Umaru Federal Polytechnic, Birni-Kebbi.
- 3. Federal Polytechnic, Ilaro, Ogun State
- 4. Federal Polytechnic, Nekede, Imo State
- 5. Federal Polytechnic. Oko, Anambra State





- 6. Nuhu Bamaili Polytechnic, Zaria
- 7. Abubakar Tatari Ali Polytechnic, Bauchi
- 8. Nasarawa State University, Lafia
- 9. University of Benin, Edo State
- 10. Caleb University, Lagos
- 11. Usman Danfodio Univeristy, Sokoto
- 12. University of Uyo, Akwa-Ibom State
- 13. Kwara State University, Malete.
- 14. Bayero University, Kano
- 15. University of Maiduguri, Borno State
- 16. Adamawa State University, Mubi
- 17. Federal University, Dutse, Jigawa State
- 18. Benue State University, Makurdi
- 19. Federal Polytechnic, Ado, Ekiti State
- 20. Lagos State Polytechnic, Lagos
- 21. Ahmadu Bello University, Zaria Kaduna State

### Institutions with tax clubs

The committee inaugurated the following tax clubs during the year under review

- 1. Federal Polytechnic, Oko, Anambra
- 2. Ahmadu Bello University, Zaria
- 3. Usman Dan Fodio University, Sokoto
- 4. Tatari Polytechnic, Bauchi
- 5. Nassarawa State University
- 6. Federal Polytechnic, Ilaro
- 7. University of Nigeria, Nsukka
- 8. Obafemi Awolowo University
- 9. Lead City University
- 10. University of Ilorin
- 11. Waziri Umaru Federal Polytechnic, Birni-Kebbi
- 12. Nuhu Bamaiyi Polytechnic, Zaria
- 13. Abubakar Tatari Ali Polytechnic, Bauchi

Also, in the pipeline, is a list of Tertiary Institution for inauguration of Tax clubs:

- i. Caleb University, Lagos
- ii. Covenant University, Ota, Ogun State
- iii. Bells University, Ota, Ogun State
- iv. Lagos State Polytechnic, Lagos
- v. Alex Ekwueme Federal University, Ndufu-Alike, Ebonyi State
- vi. Bayero University, Kano
- vii. Olabisi Onabanjo University, Ago-Iwoye, Ogun State
- viii. Skyline University, Kano
- ix. Rivers State University, Port Harcourt

- x. Redeemers University, Ede, Osun State
- xi. Moshood Abiola University of Science and Technology, Abeokuta
- xii. Obafemi Awolowo University, Ile-Ife, Osun State
- xiii. University of Benin, Benin City
- xiv. Enugu State University of Science & Tech
- xv. Base University Abuja
- xvi. Benue State University
- xvii. Federal University, Dutse
- xviii. Landmark University, Omu Aran, Kwara State

### Formation of National body of Taxation Students Association of Nigeria (TSAN)

Preparation for the inauguration of this national body of the Taxation Students' Association has started in earnest. Presidents of 25 tax clubs have been notified of the intention of the Institute to form a National Body that will oversee the affairs of all tax clubs in the country. The inauguration date is tentatively scheduled for May 2021.

### **Accreditation of Tuition Houses**

In the year under review the following Tuition Houses were accredited to run training centres:

- 1. Treasure-hall Training, Festac Lagos
- 2. Foresight Professional Institute, Festac Lagos
- 3. Brainy Professional Academy, Ibadan
- 4. Bayelsa & District Academy, Yenagoa
- 5. OGE Business School, Lagos & Ibadan
- 6. CMCL Professional Tutors, Port Harcourt
- 7. Global Best Consulting Limited, Abeokuta–OgunState
- 8. Pinnacle Academy, Alausa Ikeja, Lagos
- Laudable Professional Service, Gbagada-Lagos
- Lani Consulting Limited, G.R.A. Ikeja -Lagos

Also, in the pipeline for accreditation are:

- 1. Uniways Consultancy, Kaduna
- 2. Tax Academy Limited, Abuja





### 2020 National Tax Quiz

An open application was placed on the Institute's website for undergraduates across all Tertiary Institutions in Nigeria to register for the competition. The total online applications received was one hundred and fifty-five (155). The Computer Based Test (CBT) was done in 3 stages, 6 finalists participated at the final rounds during the 22nd Annual Tax Conference where the winners emerged. The winners are:

- Winner: Odusanya Wisdom Gabriel from University of Ilorin
- 1st Runner Up: Oluwaseyi Atanrashe from University of Lagos
- 2nd Runner Up: Onilude Ayomide Daniel from University of Lagos

### **Catch Them Young Program**

The committee, in its Catch-Them-Young programme successfully organised its maiden edition of Rivers State All-Secondary Schools Tax Quiz competition. The programme was organized in collaboration with EggHeads Management Consultants. 111 candidates registered online for the programme. The contestants went through Computer Based Test (CBT) of two stages with the 1st stage producing 74 contestants and the 2nd stage 50 contestants from where 9 contestants emerged as the finalists.

The grand finale took place on Saturday, January 23rd, 2020.

Prior the final rounds, the finalists and the organizers paid courtesy visit to Dr Joe Udo-Nyana, the FIRS Co-ordinator for Rivers, Edo and Delta States.

After the final competition, Ogbanga David of Archdeacon Brown Education Center came first as the winner of the quiz competition.

Doris Onyemaechi Ifunayanchukwu of EggHeads International Schools came second and Filima Esther Dinebari of Mercy Girls High School came third.

The programme was adjudged a huge success. The Council thereafter approved that the programme should be a yearly event to be handled in conjunction with the Joint District Societies.

### Conclusion

I would like to appreciate the President, Dame Olajumoke Gladys Simplice, FCTI and Council members of the Chartered Institute of Taxation of Nigeria for giving me the opportunity to serve as the Chairman of this committee. I also want to say a big thank you to all committee members for the confidence reposed on me as their leader.

Mr. Igho Otejiri Orienru, FCTI. Chairman, Students' Affairs & Tertiary Education Committee





# PUBLICITY, PUBLICATION & BRANDING COMMITTEE REPORT



The Committee ensured that the activities of the Institute were executed glamorously and with the necessary media coverage during the Presidential year.

Specific areas of achievements recorded are highlighted below:

#### 1.0. PUBLICITY AND AWARENESS CREATION:

The Institute made significant breakthrough in its objective of promoting partnership with relevant government functionaries to project the relevance of CITN particularly on economic policy matters as well as awareness on what the institute stands for and the benefits of membership.

The cordial relationship created with the press was enhanced during the year under review and this resulted in the adequate coverage of all Institute's events. Request for special interviews, including the CITN President's interview was made and granted to notable media houses such as Television Continental (TVC), Arise Television, Tax Matters, Guardian, The Punch, Business Day, This Day, to mention just a few.

### 2.0. PUBLICATIONS:

#### 2.1. NEWSLETTERS

One edition of the Institute's Newsletter was published. The second edition has been sent to press. The publication served as a platform for disseminating the Institute's activities and programmes.

### 3.0. BRANDING:

In order for the Institute to manage its reputation through a revamped branding process as the only Institution in Nigeria that certifies Tax Professionals, Council approved the commencement of the process of rebranding the Institute.

A reputable Brand Consultant, Sell Media, became successful among 7 other companies and was approved to produce a new, unique Logo which was adopted to reflect the new image of the Institute. The unveiling of the new Logo was done during the 22nd Annual Tax Conference at Eko Hotel & Suites. All promotional items of the Institute including office materials like complimentary cards, calendars, letterhead paper, etc. were rebranded to complement the essence of the elements of the Logo. Also, to complement the branding process, CITN produced branded soft enamel magnetic lapel pin for Fellows and Associates which replaced the old lapel

The Institute's website is also being rebranded and the official launching will be done soon.

The Institute's core values which are: Service, Teamwork, Excellence, and Professionalism (STEP) was also launched and unveiled with the new logo at the 22nd Annual Tax Conference (ATC). Sensitization of stakeholders on the Core values is gradually being done in the course of the Institute's activities and on Social media broadcast.

Thank you

Simon N. Kato, FCTI
Chairman, Publicity, Publications and Branding
Committee





### REPORT OF CITN TAX FACULTIES



### Background

It is no longer new that year 2020 was a challenging year for all economies of the world due to disruption occasioned by the COVID - 19 pandemic, Nigeria economy not excluded, therefore various activities of the faculties was

directly affected during the year under review.

The faculties worked to meet Council approved terms of reference handed down at the beginning of the Presidential year despite the emergence of COVID - 19 pandemic.

The Tax faculties and their activities for the Presidential year are as listed and detailed hereunder.

- 1) International Taxation Faculty (INTTF) Report
- 2) Direct Taxation Faculty (DITF) Report
- 3) Indirect Taxation Faculty (INDTF)
- 4) Extractive Industry Taxation Faculty (EITF) Report
- 5) Tax Administration and Policy Faculty (TAPF) Report

### 1) ACTIVITY REPORT OF INTERNATIONAL **TAXATION FACULTY (INTTF)** HIGHLIGHTS OF ACTIVITIES

- i) Publication of handbook on Transfer Pricing Documentation;
- The faculty successfully execute virtual ii) seminar on Common Reporting Standard (CRS) with more than 300 participants, the seminar was organised to sensitize stakeholders on the implementation of the global Automatic Exchange of Information (AEOI) as championed by the Organization for Economic Cooperation and

Development (OECD), which is the global body coordinating the AEOI network of over 100 countries (including Nigeria). The implementation due date for the AEOI in Nigeria has been set to commence on 30th September 2020 by the Nigeria regulator (FIRS).

iii) Participated in suggestion of topics towards the Institute 2020 Mandatory Professional Training;

### 2) **ACTIVITY REPORT OF DIRECT TAXATION FACULTY**

### HIGHLIGHTS OF ACTIVITIES

- The faculty is currently developing materials for publication on "Thin Capitalization and Treaty Abuse". The material is presently been reviewed by the Dean of the Faculty and will be presented for Council's approval before publication;
- ii) The faculty is working on Transfer Pricing Regulation on imposition of penalties on Country by Country reporting regulations on local companies;
- iii) Participated in suggestion of topics towards the Institute 2020 Mandatory Professional Training;

### 3) ACTIVITY REPORT OF INDIRECT TAXATION **FACULTY (INDTF)** HIGHLIGHTS OF ACTIVITIES

Due to Finance Act 2019 and 2020 that i) amended Value Added Tax Act, the faculty decided that the contributors to VAT book should update their various contribution in tandem with both Finance Act and this was done accordingly, the updated VAT book is going through faculty review, which will be presented for Council's approval before publication;





ii) Participated in suggestion of topics towards the Institute 2020 Mandatory Professional Training;

## 4) ACTIVITY REPORT OF EXTRACTIVE INDUSTRY TAXATION FACULTY (EITF) HIGHLIGHT OF ACTIVITY

- i) The publication of a material on Understanding Solid Minerals Law and Taxation;
- ii) Participated in suggestion of topics towards the Institute 2020 Mandatory Professional Training;

## 5) ACTIVITY REPORT OF TAX ADMINISTRATION AND POLICY FACULTY (TAPF) HIGHLIGHT OF ACTIVITY

- i) The faculty is organising virtual seminar on "challenges of utilising WHT credit notes: stakeholders' perspective for a more efficient tax administration".
- ii) The faculty is working to make recommendations on Tax Policy and Administration in Nigeria in line with the faculty terms of reference;
- iii) Participated in suggestion of topics towards the Institute 2020 Mandatory Professional Training;

Dr. Mark Abani, FCTI
Coordinating Dean of Faculties, 2020-2021





### SOCIAL COMMITTEE



The Committee in the year 2020 no doubt faced challenges in carry out some of its responsibilities due to the Coronavirus Pandemic that made various governments at all levels pronounce restriction on Physical gatherings and had prescribed social distancing

guidelines aimed at limiting the spread of the Virus. In the midst of this global challenges however, the Committee was able to organize the following programmes with strict adherence to the COVID 19 extant regulatory guidelines:

### **ANNUAL GENERAL MEETING**

The 2020 AGM was held Wednesday, June 3, 2020 at the Tax Professionals' House. We had over three hundred (300) members that attended the AGM (both physical and virtual). The results of the election into the five vacant positions at the Council of the Institute were filled.

#### **ANNUAL DINNER**

The Annual Dinner of the Institute for the year 2020 took place on Saturday, December 5, 2020 at the Lagoon Restaurant, IC Ozumba Mbadiwe Street Victoria Island, Lagos.

We had Dr Rabiu Olowo Onaolapo, ACTI, Commissioner for Finance of Lagos State as the Special Guest of Honour ably represented by Permanent Secretary in the Ministry of Finance.

The 2020 Annual Dinner recorded massive attendance of (500) five hundred participants.

Also, there was presentation of long service awards to two staff of the Institute who had served meritoriously.

- I. Mr. Adegbenga Nasiru
- II. Mr. Odunmbaku Olawale

Another important segment of the event was the presentation of conferment of merit awards to the following individuals and organizations:

1. Individual Category Member I – Mr. Hamzat

- Ayodele Subair, FCTI, Executive Chairman, LIRS
- 2. Individual Category Member II Mr. Abiodun Adediran Olatunji, SAN, ACTI,, Chairman, World Lilies Event Place
- 3. Individual Category Member III Mr. Babatunde Raji Fashola, SAN, ACTI,, Minister of Power and Works
- 4. State Government Award Yobe State Government
- 5. Tax Profession Award Dr. Mark Stephen Chukwuemeka Abani, FCTI Agriculture, Leadership, Taxation, Management
- 6. Special Media Award Tax Matters
- 7. Print Media Award Punch(Nigeria) Limited

### 2020 ANNUAL TAX CONFERENCE SPORTING ACTIVITIES

The Annual Tax Conference of the Institute was held from Wednesday November 4 to Friday November 6, 2020 at the Eko Hotels and Suite. The Social Committee spiced up the programme by organizing indoor games sporting activities such as tables tennis, Ludo Scrabbles and other as form of relaxation for members while registering for the event on the first day of arrival before the commencement of rigorous intellectual interactive sessions

### COLLABORATION WITH 2021 ANNUAL TAX CONFERENCE COMMITTEE

Over the years the Committee had been part of organising the Annual Tax Conference as far as games and Sports are concerned, this year would not be an exception. As of the time of writing this report, the Committee was planning to bring in new innovations to sporting and games event at the 23rd Annual Tax Conference.

The Committee has started preparation for the Investiture of the 15th President of the Institute. It is believed that the stable succession plan would allow a smooth transition.

Chief D.C.S. Alaribe, FCTI Chairman, Social Committee





# REPORT OF THE JOINT DISTRICT SOCIETIES (JDS)



## 1. INFORMATION DISSEMINATION AND MANAGEMENT

The Joint District Society being the umbrella body for all the District Societies of the Institute improved the interaction and information management between the

leadership, secretariat and all the chairmen of the district societies during the presidential year of 2020-2021 as usual. This has impacted positively with members contributing via WhattsApp and other forms of social media and making some viable suggestions in order to improve the activities of the Institute and for information dissemination effectively to all the Chairmen of Districts Society.

#### 2. INAUGURATION OF NEW DISTRICT SOCIETIES

Two (3) new district societies were inaugurated during the presidential year of 2020/2021 and they are as follows:

- Abakaliki & District Society was inaugurated on 8th July 2020;
- ii) Amuwo & District Society was inaugurated on 13th February 2021; and
- jii) Jalingo & District Society was inaugurated on 13th March 2021.

The number of District Societies with the inauguration of the above three districts brings the number of district societies of the Institute to a total of forty-one (41), including the Society of Women in Taxation (SWIT)

S

Samuel Agbeluyi, FCTI Chairman, Joint District Societies (JDS) Committee





# TAXATION STANDARD AND PRACTICE MONITORING COMMITTEE



#### **Background**

Like other committees and faculties of the Institute that felt the impact of COVID – 19 pandemic which hindered various and structured activities of the committee, our committee improvised and adopted "new normal" option

to achieve the mandates set before it by Council of the Institute.

The Taxation Standard and Practice Monitoring Committee and it activities for the Presidential year are as listed and detailed hereunder:

#### HIGHLIGHTS OF ACTIVITIES

- I. The committee successfully conducted virtual workshop on "Understanding Requisite Skills for Tax Practitioners" with more than 250 participants subscribed and attended the workshop.
- II. The committee also conducted hybrid workshop on "Leading a successful tax practice management" with 180 participants participated physically while 210 participant participated virtually.
- III. The committee submitted to Council the template to adequately carry out monitoring of medium size firms in Lagos, Abuja and Port Harcourt. The template was approved by Council for implementation.

Dr. (Mrs.) Justina Okoror, FCTI Chairman, Taxation Standard and Practice Monitorina Committee





# MEMBERSHIP AND PROFESSIONAL CONDUCT COMMITTEE



#### Induction of new members:

The Committee, in the presidential year under review, successfully conducted two induction ceremonies:

#### **42nd Induction Ceremony:**

The 42nd Induction ceremony was held on August 28, 2020

and it was the first in the annals of our great Institute to be conducted online. Only a handful of dignitaries were physically present at the Tax Professionals' House to grace the occasion because of the government restriction on large gatherings occasioned by the global Covid 19 Pandemic, amongst whom were; the Special Guest of Honour, Mr. Timothy Olawale the DG Nigeria Employers' Consultative Association (NECA), the office bearers and some Council members.

A total number of 582 persons were inducted as Associate members of the Institute. This is made up of 494 direct applicants and 88 graduates.

#### 43rd Induction ceremony:

The 43rd Induction ceremony was held Saturday, December 5, 2020 at Lagoon Restaurant, Ozumba Mbadiwe, Victoria Island, Lagos. It is pleasing to report that the Induction was a huge success. A total number of 571 persons were inducted as Associate members of the Institute. This is made up of 345 direct applicants and 226 graduates.

The Special Guest of Honour, Prof. Abdulmumuni Bala, FCTI personally graced the ceremony along with some Council members and Past Presidents.

#### Fellowship upgrade:

The Committee also successfully conducted the Annual Fellowship Conferment ceremony in the evening of Saturday, October 10, 2020 at the Lagoon Restaurant, Ozumba Mbadiwe, Victoria Island, where a total of Three Hundred and

Seventy-Four (374) Associate members were officially upgraded to the status of fellows. The ceremony was top-notch and it provided the Institute the opportunity to showcase its social and hospitality prowess. The atmospheric ambience was extremely beautiful and there were lots of varieties to drink and eat for everyone in attendance. The special guest of honour for the occasion was Mr Yomi Olugbenro FCTI.

#### **Practice License:**

During the period under review, the Committee vetted, recommended and got approval to grant practice license to 234 professionally qualified applicants. The presentation ceremony where their certificate to practice, seals and stamps were made available to them, was done in a colourful environment and widely covered by both the print and electronic media.

#### **Appreciation:**

On behalf of all members of the Committee, I want to immensely appreciate Council for the unrelenting supports received in the course of carrying out our responsibilities. Mention should also be made of the Staff of the Secretariat and specifically those in the Membership and Professional Conduct Department who have all worked assiduously to ensure Council achieved its target in the area of membership drive and regulations of tax practice through the Committee in the course of the year under review. To the members of the Committee, you are simply the best crop of professional colleagues worth working with. Your resilience, commitment and hard work to the tasks of the Committee undoubtedly resulted in the modest successes recorded in the course of the period being reported.

Ben Omonayajo (Rev.), FCTI
Chairman, Membership and Professional
Conduct Committee
2020/21 Presidential Year





## INFORMATION AND COMMUNICATION TECHNOLOGY COMMITTEE



The Information and Communication Technology Committee is the Committee charged with overseeing and supporting the Information and Communication Technology Department of the Institute to leverage on technology to provide

services to members, students and other stakeholders of the Institute. Apart from numerous administrative matters addressed in the year, find below the tangible projects/deliverables the Committee committed itself to in the outgoing presidential year:

## 1. CONTINUOUS USE OF ICT TOOLS FOR PROGRAMMES AND PROCESSES

The Institute through the Committee's recommendation have continued to use information and communication technology (ICT) tools for its programmes and processes of the Institute. Through its internal enterprise resource planning software that interfaces with external platforms, service expectations are well profiled for. This has enhanced work efficiency within and outside of the Institute.

#### 2. ONLINE/CONFERENCE MEETINGS

Meetings and programmes of the Institute are still being done online and these have greatly impacted positively on the revenue of the Institute and have also enabled massive operational cost savings. This initiative has also encouraged busy members and those in the diaspora to participate in various programmes of the Institute. Adequate resources as approved by Council have been put in place to ensure success during online programmes. As a reminder, members are called to use the membership portal actively and patronise the Institute's e-learning suite for borderless learning and up skilling.

#### 3. 2021 COUNCIL ELECTION WITH A REVAMPED E-VOTING PLATFORM

The Committee, going by the experience and feedbacks got from previous elections, continue to recommend and accentuate a revamped evoting mechanism which is more responsive and user-friendly. There are increased channels for voting details access, issues resolutions and swift voting experience. It is to be noted, happily, that the platform security remains strong and uncompromised from inception to date and the privacy of eligible voters remains non-violated. All these are aimed at achieving improved evoting, and free and fair elections.

## 4. PROCTOR-REVIEWED COMPUTER-BASED EXAMINATION

The Institute's conducted its Foundation level examination via a proctor-enable computerbased examination. This is a computer-based environment where students write the examination from the comfort of their homes. It is virtually, restricted, monitored, recorded and reviewed to track any violation for disciplinary measures. Although with some teething hitches, the maiden proctor enable CBT examination held in April 2021 recorded a 94% participation success rate. This was made possible through detailed planning, execution and mechanism of resolution in place. It is worthy to note that CITN is the first among first class professional bodies to have achieved this feat through information technology and institutional synergy.

#### 5. LAUNCH OF A NEW AND ROBUST CITN WEBSITE

The Institute within the presidential year launched its new website. This is a modern website developed to support the new vision of the Institute. It is a one-stop service and interaction centre for members, students and all other stakeholders. Please visit this new website at www.citn.org to explore the new world of service, professional possibilities and supports





CITN has made available to you and to the world.

## 6. DEVELOPMENT OF DEDICATED WEBSITE FOR JOURNALS OF TAXATION AND ECONOMIC DEVELOPMENT

As a leading taxation professional body in Africa, your Institute has developed a website dedicated to the promotion of taxation and economic leadership thoughts. This has been done through the Journal of Taxation and Economic Development which is digitally managed for worldwide access. All the journals issued by the Institute in this regard have been hosted for viewing and use. Members and other stakeholders are invited to utilise the value that has been created through this platform by visiting https://journal.citn.org.

## 7. COMPLIANCE WITH DATA PROTECTION REGULATIONS

The Institute will join the league of other professional and corporate organizations towards compliance with the Nigeria Data Protection Regulation (NDPR). Effort is in progress at ensuring that the data of members are safe and protected against theft, unscrupulous usage and loss.

Thank you.

Samuel Okoye, FCTI
Chairman, Information and Communication
Technology Committee





## CTA PROJECT COMMITTEE



The CITN Tax Academy Project committee held its inaugural meeting in the 2020/2021 Presidential year on Thursday, August 20, 2020.

#### **OBJECTIVE OF COMMITTEE**

To facilitate the timely acquisition and preservation

of lands, and construction of buildings for the Institute including the CITN Tax Academy.

- 1. To acquire lands and buildings for the Institute either on leasehold or freehold.
- 2. To ensure that documents evidencing acquisition of properties are duly verified with the authorities before committing the Institute's resources into such transactions.
- 3. To make sure that building approvals are processed before construction.
- 4. To raise necessary fund for the building projects of the Institute.
- 5. Preservation of all the landed properties of the Institute.
- 6. Any other related responsibility as may be pronounced by Council from time to time.

#### Update on the Land

The land at Adabata in Asia local government area, llorin, Kwara State has been allocated to the Institute. The committee shall commence the process of formalizing the titled documents from the Kwara State government. The CITN council has already approved the architectural drawing and there's already a model in the institute.

Thank you.

Prof. M.T Abdulrazaq, FCTI Chairman, CTA Project committee





### TAX ACADEMY



#### **CTA CERTIFICATE COURSES**

The CITN Tax Academy runs an array of academic and professional Tax Programs for Tax Professionals in Nigeria with the following objectives-To:

- i. Provide a platform for producing welltrained and competent manpower needed in Tax Administration and Tax Practice.
- ii. Train and equip students with the necessary skills and expertise needed in today's ever dynamic revenue generation environment.
- iii. Provide platform to deliver result –oriented public revenue yielding tax courses for boosting internally generated revenue for federal, states and local governments.
- iv. Enable all Tax stakeholders to deliver on their core functions/mandates.
- v. Delivery of courses for exploration of emerging tax bases for revenue authorities.

Currently, the Tax Certificate programs being run by the Academy include:

Executive programs in Tax Administration and management.

- i. Executive Certificate in Tax Administration and Management
- ii. Executive Diploma in Tax Administration and Management
- iii. Executive Advanced Diploma in Tax Administration and Management

#### **Single Certificate Programs**

- Certificate in Maritime Taxation
- ii. Certificate in Transfer Pricing
- iii. Certificate in Oil and Gas Taxation
- iv. Certificate in Tax Audit and Investigation
- v. Certificate in Taxation Law
- vi. Certificate in Applied Taxation

The Academy has successfully conducted 2 streams of certificate course training with the following number of students certified in each stream

Streams	Period	No. of Enrolment	No. of Certified
One	February – June 2020	28	28
Two	August –October 2020	32	32
Total		60	60

## PARTNERSHIP /COLLABORATION FOR JOINT SEMINARS AND CERTIFICATE COURSES

Institute of Chartered Secretaries and Administrators of Nigeria (ICSAN).

The Academy in collaboration with ICSAN to held the Tax Management Master Class on

Entrenching Corporate Governance in Tax and Risk Management on Tuesday, 2nd March 2021 on a virtual platform. A total number of 32(Thirtytwo) participants were in attendance.

Further to this, the materials, certificates and credit hours have been duly allotted to the registered applicants in attendance.





#### PROFESSORIAL CHAIR OF CTA

The Academy made a proposal for domestication of the CITN Professorial Chair in the Academy for the following under listed benefits to the Institute and the Academy in particular:

- The Occupant of the chair will develop all efforts to build up capacity in the Academy.
- ii. To assist the Director General to review and design programs that appeal to the tax audience of the Institute.
- iii. To contribute to the academic faculty of the Academy.
- iv. To drive the effective conduct of CTA Programs and graduation of holders of CTA Certificates to contribute to the development and growth of needed manpower in the tax profession.
- v. To drive the publication of two editions of the CITN Tax Review Journal every year.
- vi. To strengthen the Research and Professional Standards Directorate in the conduct of research and surveys relating to the core mandate of the Institute.
- vii. The appointment of the professorial chair should be on Sabbatical basis which entails that the occupant will work on full time basis for the duration in the Academy.
- viii. The N8.5m fund allocated yearly for professorial chair would be adequately monitored towards research output in the relevant areas in taxation and fiscal policy, conferences, seminars and workshop in the Academy.
- ix. The fund will augment the payment of the salary of the Occupant of the Chair in the Academy

#### **Proposed Conditions:**

- i. Qualification for the position should be from senior lecturers (with 10 years teaching experience) and above.
- ii. The tenure should be for 2 years nonrenewable

#### CTA OFFICE IN KWASU, ILORIN

The Academy has taken full possession of the 10-room office accommodation provided by KWASU. The offices have been renovated and office furniture, air conditioners and accessories have been provided for the effective functioning of the office.

Sequel to the interview of staff for the Academy's office at llorin, successful applicants interviewed to fill the roles of Administrative officer and Office cleaner have resumed duty and are eased into their roles.

#### CITN TAX ACADEMY (CTA) TAX REVIEW

The CTA Tax Review is a double-blind peerreviewed Journal of the Academy, produced to provide in-depth analysis of tax laws, contemporary developments in tax laws, with the goal of examining changes and providing valuable comments and observations for practitioners, academics and policy makers. The editorial board will comprise of accomplished tax practitioners, lawyers, accountants and economists. The Review will publish articles which are subjected to a rigorous blind review process before acceptance for publication, and will cover publications on domestic, international and comparative topics across the whole spectrum of taxation. The Review is to be published biannually (April and Octoberissues).

The CITN Tax Review's editorial board, composed of an interdisciplinary and highly experienced team of academics and practitioners has been forwarded to Council for approval. The editorial board is made up as below:





### EDITORS AND EDITORIAL BOARD General Editor

Professor M.T. Abdulrazaq
Managing Editor
Dr Kareem Adedokun
Assistant Editor
Mary-Fidelis Abiahu

#### Editorial advisory board

Prof. Dominic Asada University of Jos, Nigeria

Prof. Lourens Erasmus University of Pretoria (UP), South Africa

Prof. Abiola Sanni University of Lagos, Nigeria

Prof. Abimbola Olowofoyeku Brunel University London, United Kingdom Prof. David Carl John Ahmadu Bello University, Zaria, Nigeria

Prof. Akintola Owolabi Lagos Business School, Nigeria

Prof. Rufus Ishola Akintoye Babcock University, Nigeria

#### 6. ACCA CONVERSION TRAINING AND PRE-INDUCTION ORIENTATION PROGRAM

The Academy hosted the ACCA conversion training Program and the Pre-induction Orientation program which was held from the 19th-24th of April, 2021. The Academy hosted a total number of 21 ACCA participants and 283 Pre-induction Participants.

Thank you

Dr. Kareem Adedokun, FCTI Adjunct Professor, CITN Tax Academy





### MEMBERS' WELFARE COMMITTEE



The Committee is pleased to report the following activities carried out in the course of the 2020/21 presidential year:

#### **Benevolent Fund**

The Benevolent Fund (the Fund) was established by Council on August 18, 2017 to serve as part of

welfare package for members and their dependants. The Fund was basically for purpose of assisting members of Chartered Institute of Taxation of Nigeria, who have fulfilled their financial obligations to the Institute or their dependants respectively in the event of health disabilities or death. A Benevolent Fund Committee of Council was inaugurated on March 26, 2018 and immediately started work. At the commencement of 2019/2020 presidential year, the committee was rested and its assignments transferred to a newly established Members' Welfare Committee (the Committee).

During the period under review, the Committee received fourteen letters of application to access the Fund of the Institute from families of fourteen deceased members. Presented below is a table regarding successful applications.

S/No.	Name	M/No.	Nature
1.	Late Mrs. Victoria Yetunde Turton, ACTI	11286	Death
2.	Late Mr. Emmanuel Olugbenga Olaofe, FCTI	500	Death
3.	Late Mr. Ignatius Chimezie Onwumere, ACTI	21608	Death
4.	Late Mr. Ibrahim Iliyasu, FCTI	13942	Death
5	Late Mrs. Angeline Uyi Bassey, FCTI	999	Death

Suffice to mention that only five out of the fourteen applications met the criteria as shown in the table above while two are still being processed. It is therefore required of members to be financially upto-date in order to enjoy various welfare packages of the Institute to the maximum.

#### Review of Members' Welfare Package

As part of measures to ensure improvement in members' welfare, Council, at its 166th meeting of 15th January 2021, reviewed its Resolution 89 of April 7, 2006 and approved as follows:

- A. Any financial member that is 65 years of age shall henceforth enjoy the following benefits:
  - i. Automatic elevation to elder's status by CITN without a formal application.
  - ii. Waiver of annual subscription.
  - iii. 50% rebate in all Institute's fee-paying activities; and
  - iv. Option to either attend Mandatory Professional Training Programme (MPTP) or

Provided that in the case of a member who attained 65 years but has not been registered as a member for ten (10) years, such member shall not be eligible until after attaining ten

- (10) years of membership and must be financially up-to-date.
- B. Bonus of two (2) MPTPs for financial members through webinar platform every year.

Meanwhile, the Committee has concluded discussions on other areas and shall in due course send its recommendations to Council.

#### **RECOVID-19**

The second outbreak of COVID-19 pandemic is the defining global health crisis of this time and the greatest challenge mankind has been facing since its emergence in 2019. It is on this grounds that the Committee is advising our esteemed members to adhere strictly with Government regulatory safety procedures of physical social distance, regular washing of hands; wearing of face masks, etc. with a view to flattening the curve of its spread.

Prince Rasaq 'Kunle Quadri, FCTI, PP Chairman, Members' Welfare Committee





## INTERNATIONAL ACADEMIC CONFERENCE COMMITTEE



#### **Background**

The committee conducted it activities despite the outbreak of COVID – 19 pandemic during the year under review. The committee work tirelessly to ensure the successful organisation of 3rd International Academic Conference on Taxation.

III. The Committee has successfully published the Book of Proceedings of the 3rd International Academic Conference. The Book of Proceedings has been distributed to contributors and other stakeholders of the Institute. Copies can be obtained from the secretariat.

#### HIGHLIGHTS OF ACTIVITIES

I. The committee successfully conducted hybrid 3rd International Academic Conference with the theme "Taxation, Social Contract and Economic Development" held at Igbinedion University, Okada, Edo State, held on 9th – 11th November, 2021.

A total of 105 participants registered and attended virtually and physically. The committee carried out pair review of all papers submitted and presented during the Conference, we are pleased to inform you that the Conference book of proceedings is at the final stage of production.

II. The 4th International Academic Conference has been approved to hold from 15-17 August 2021 at Benue State University, Markudi, Benue State, call for papers for the conference have commenced while mobilization in terms of marketing and letters to Institutions have also commenced and also ongoing.

Professor, Godwin Emmanuel Oyedokun, FCTI Chairman, 3rd Int. Academic Conference Committee





## STUDENTS' EXAMINATION MISCONDUCT INVESTIGATION COMMITTEE



The Students' Examination Misconduct Investigation Committee was constituted by the Council of the Institute. The inaugural meeting was held virtually on Friday, 18th March, 2021.

The Panel members were able to discuss the terms of reference, which are:

- To investigate allegations of examination malpractice and misconduct with respect to the Institute's examination.
- To notify the accused student of the allegations levied against him/her and give such student an opportunity for fair hearing.
- To do all such things that are incidental to the above.

Barr.(Mrs.) Cecilia Odenafenale Odibo, FCTI Chairman, Students' Examination Misconduct Investigation Committee





## JOURNAL OF TAXATION AND ECONOMIC DEVELOPMENT (JTED) EDITORIAL BOARD COMMITTEE



#### **Background**

The Journal of Taxation and Economic Development (JTED) is the official Journal of the Chartered Institute of Taxation of Nigeria (CITN). JTED is devoted to the study of taxation and its role in economic development. The

journal's specific areas of interest include the theoretical and empirical analysis of taxation and its implication for fiscal performance; tax laws and policies; accounting and tax administration; and social factors determining the effectiveness of tax regimes especially in developing economies. Articles published in the journal bring out the nexus between tax-related factors and economic development in Nigeria and across the globe.

Articles submitted to JTED are peer-reviewed and are expected to promote scholarly interactions among taxation professionals, academics, policy makers, development partners, and other development stakeholders in Nigeria and abroad.

#### HIGHLIGHTS OF ACTIVITIES

- The Editorial Board produced Volume 19
   Number 1 of March 2020 edition of the Journal
- b. Successful production Volume 19 number 2 of September 2020 edition of the Journal.
- c. Copies of the printed Journal have been distributed to authors, government agencies and policy making institutions in Nigeria
- d. Issues of the Journal are accessible to members from the CITN website using the link: https://www.citn.org/pr.
- e. To drive the process of indexing the Journal and advance the global audience of the Journal, the Editorial

- Board approved the development of the CITN Journal website.
- f. The Editorial Board would have commenced the indexing of the Journal with global indexing organization like:
  - EBSCO Host;
  - ii. African Journals Online AJOL; and
  - iii. EconPapers

but the delay of journal website.

Professor Rafiu Oyesola Salawu, FCTI The Editor-in-Chief





## **LEGAL** INVESTIGATING PANEL REPORT



The Investigating panel for the 2020/2021 Presidential year consists of 5 Five members including the chairman of Panel .The Panel considered a numbered a total number of Ten cases being referred to the panel from the Office of the Registrar Chief Executive

during the period under review.

The Investigating panel is currently delibrating on six cases of alleged Professional misconduct. The nature of the cases are being classified as follows:

Misappropriation of Funds—2

Unethical Conduct as a Staff — 3

Financial Dispute — 1

Total = 6

#### Cases referred to Disciplinary Tribunal from Investigating panel

Three(3) cases have been referred to the Disciplinary Tribunal during the period under review.

#### Closed cases:

A case was closed permanently due to failure of the petitioner to produce evidence to butress the claims tendered

Barr. Samuel Agbeluyi, FCTI Chairman, Investigating Panel





## FINANCE & GENERAL PURPOSES COMMITTEE



The F&GPC during the year under review focused a lot of it's attention on strengthening the administrative system, staff realignment and organisational structuring.

- 1. The F&GPC was able to do a comprehensive review of subsisting policies to accommodate the challenge of the new normal that started towards the end of the first quarter in 2020 to ensure that operational continuity was sustained.
- 2. The issue of budget preparation monitoring was further strengthened by creation of a budget preparations, performance and monitoring subcommittee. This has further strengthened our financial and administrative policy on monitoring and evaluation of our self financing programmes.
- 3. The Staff and Systems Support Subcommittee was able to work on systems development in line with the new Directorate functions to ensure effective service delivery.
- 4. The Institute went further to strengthen it's administrative controls, monitoring and evaluation functions to assist in the governance process.
- 5. The Committee was able to ensure that the expenditure relating to continuity operational issues and technology challenges based on the effect of Covid-19 was kept under control.

6. The Committee is currently reviewing all administrative and financial policies to reflect current realities.

Thank you.

Adesina Adedayo, FCTI Chairman





## PROFESSORIAL CHAIR REPORT



While thanking you for the confidence reposed and my appointment to occupy the above Chair, I write to give you an update on the Chair for 2020/2021 Presidential Year.

#### **CONDITIONS FOR THE CHAIR**

- 1. As stated in a letter CITN/RCEO/65/Vol.1/003, my appointment was for three (3) years in the first instance, renewable for another three(3) years after.
- 2. I am to participate in all the Institute's academic functions.
- 3. Production of at least one Monograph per year
- 4. Mentoring and production of MSc and PhD students to specialize in Taxation.
- 5. Research activities on behalf of the Institute.

#### PERFORMANCE DURING THE YEAR

- 1. Participation in the Institute's academic activities I have actively been involved in the institute's academic activities, having been fully involved in the 1st CITN International Academic Conference at Nassarawa State University in 2018; served as the Chairman of Local organizing Committee for the 2nd CITN International Academic Conference held at Babcock University in August 2019 as well as the 3rd held at Igbinedon University, Okada in Edo State, in November 2020.
- 2. Currently, I am serving as the Vice-Chairman of the 2021 Academic conference coming up at Benue State University in August, 2021
- 3. Production of Monograph on behalf of the Institute –

The Chair is concluding the production of two (2) Monographs on:

- a. Thin Capitalisation and Revenue Profile of the Federal Government of Nigeria
- b. Taxation in a Disruptive Technologies (Digitalised environment).

#### 4. Research Activities on behalf of CITN –

- The Chair is concluding the Production of a Book on Transfer Pricing - Transfer Pricing and Sustainable Economic Development: A Lesson for Nigeria. Specific Call for Chapter contribution is already on
- ii. Working on Two (2) Seminars on Transfer Pricing and Taxation in a Disruptive Technologies for Tax Practitioners, Administrators and Consultants, Lecturers and students
- iii. Contributor and editorial board member to the 3rd edition the CITN Tax Guide and Statues (Ongoing).

### 5. Other relevant activities on behalf of the Institute –

- NUC The Chair made a fresh input into the NUC BSc Taxation curriculum. The exercise is still going on and the Professorial Chair person has been incorporated into the NUC Curriculum Committee. The same plan is on the way to do same for the Polytechnics through the NBTE.
- ii. Represented the Institute at the National Assembly to Debate Finance Bill 2020.
- iii. I am a member of the 2021 CITN Strategic Positioning Committee.

#### 6. **Mentorship**

- a. Through the close relationship with the Vice-Chancellors, I have facilitated direct CITN membership of Faculty members from Babcock University, McPherson University, Olabisi Onabanjo University and others as direct mentor to the relevant departments in those institutions.
- b. Through the efforts of the Professorial Chair, Babcock University has approved a full MoU with CITN on the BSc, MSc and PhD in Taxation. The letter to this effect is expected from the office of the Vice Chancellor to CITN before the end of the Presidential year.
- c. The Chair has open discussion with KOLADAISI University, Ibadan for an MoU with CITN on taxation programmes.

Professor Ishola Rufus AKINTOYE FCTI CITN Professor Chair Occupant





### THE SECRETARIAT



It is my pleasure to present to you at this year's Annual General Meeting, the report of the Secretariat for the 2020-2021 presidential year. The year under review was not without its challenges, however, with the tireless support of the members of

staff that make up the Institute's secretariat, we were able to surmount them all. As you well know that the Secretariat is saddled with the responsibility of implementing council's decisions and policies for the advancement of the Institute and invariably its members. In carrying out this mandate, the Secretariat was actively involved in the Institute's activities ranging from committee and faculty meetings to conducting examinations, induction etc. during the year under review.

The 2020-2021 presidential year kicked off with the rebranding of the Institute which included the restructuring of the secretariat for effective service delivery. In addition, members of staff were sent on relevant trainings in various fields in order to improve performance, drive efficiency as well as to strengthen the Institute's manpower. All hands were on deck, at the secretariat, to drive increased productivity and achieve record breaking results in line with the Institute's core values which are service, team work, excellence and professionalism (STEP). This resulted in outstanding success in all of the Institute's programmes. This is evident in the milestones achieved by the various Committees of Council as seen in their reports to this AGM.

In the year under review, the Secretariat further embraced the use of technology in a bid to ensure that members are not only abreast of the Institute's activities but also rendered optimum and efficient services. Programmes of the Institute were widely publicised on various social media platforms including Facebook, Instagram, Twitter, LinkedIn as well as WhatsApp,

Telegram and Yahoo groups. I want to use this medium to encourage you to follow the Institute on these platforms for real time information dissemination. It is pertinent, at this juncture, for me to mention that despite the challenges thrown up by the global pandemic, COVID-19, concerted efforts are being made by the Secretariat to ensure adequate service delivery during this time.

The Institute's portal is also updated regularly with relevant information for members. If you are yet to take advantage of the several opportunities on the portal which include registration for exams and induction, update of profile and payment of subscription, I implore you to do so by visiting www.citn.org.

Again, let me use this opportunity to remind you that payment of subscription is crucial to the smooth running of the Institute in order to carry out its statutory obligation to members. Annual subscription falls due on the 1st of January every year. I, therefore, urge defaulting members to pay up as failure to do so would not only deny you of the invaluable privileges you should enjoy as members but may also lead to the imposition of sanctions; including, if the need arises, delisting of your name from the membership register.

The 2020 - 2021 presidential year also threw up novel opportunities and challenges for tax professionals some of which include the passing of the Finance Act 2020 as well as the global pandemic which is still taking a toll on the economy of Nigeria and nations across the world. The tax profession is gaining prominence and will continue to do so in the nearest future as a result of the need for increased government revenue. Furthermore, new businesses are evolving and with them are new opportunities for tax professionals to provide guidance on tax issues. It is pertinent, therefore, for us to continue to update our knowledge and skills as stakeholders would look up to us now, more than





ever before, for professional advice and useful suggestions in all areas of their tax needs in the years ahead. Our Mandatory Professional Training Programme (MPTP) organised across the country remains a veritable channel for your professional development and I am happy to inform you that you can now partake in the MPTP online from anywhere across the globe.

My most profound appreciation goes to the President/Chairman of Council who has made the task of leading the Secretariat a rewarding one. She has consistently encouraged the efforts of the Secretariat to ensure excellent service delivery to members. I also appreciate all Chairmen of Committees and Deans of Faculties; members of Council, EXCO and the Body of Past Presidents who have selflessly given their time, support and encouragement to the Secretariat during the year under review. Undoubtedly, the past year was a success story for our institute particularly in view of the various challenges that were surmounted during the year. The successes recorded cannot be divorced from the collective efforts of Council and all members of the various Committees and Faculties.

I want to particularly thank all members of staff for their unwavering support to Council and Management of the Institute. I urge you all to continue to be loyal and dedicated to your duties and to always serve the best interest of the Institute.

Above all, I thank God Almighty, the giver of life and from whom every good and perfect gift proceeds. For without Him, we could not have achieved the landmark successes we realised during the year. To Him alone be the glory forever.

Adefisayo Awogbade, FCTI Registrar/Chief Executive



### HONORARY TREASURER'S REPORT



INTRODUCTION
Established Protocol
observed

Let me welcome you all to the 29th Annual General Meeting of our great Institute today June 2, 2021. I am honoured

to present before you, the 2020 Audited Financial Statements in my capacity as Honorary Treasurer in 2020/2021 Presidential year. The financial statements

showing the financial performance and financial position of our Institute for the year ended 31st December 2020.

Notwithstanding the global crisis of COVID-19 pandemic in the year under review 2020 financial year, our financial statements followed the due processes in line with Council policies and were not qualified by the external auditors. Below are the highlights of the financial statements for the year 2020.

	2020	2019	Increase /	% Increase /
	N'000	N'000	(Decrease)	(Decrease)
			N'000	N'000
Members' Incomes	290,481	271,016	19,465	7.18%
Total Incomes	667,034	621,414	45,620	7.34%
Operating Expenses	407,922	453,298	(45,376)	(10.01%)
Non-Cash Expenses (including				
impairment)	146,435	118,201	28,234	23.89%
Operating Surplus for the year	112,679	49,915	62,764	125.74%
Total Comprehensive Income	113,169	47,816	65,353	136.68%
Total Assets	1,564,003	1,417,348	146,655	10.35%
Total Liabilities	133,964	130,926	3,038	2%
Funds and Reserves	1,430,039	1,286,422	143,617	11.16%

#### SYNOPSIS OF THE 2020 FINANCIAL STATEMENTS

Our great Institute recorded an operating surplus for the year of about N113million representing an increase of 125.74% against the 2019 performance of about N50million. There was an improvement in the total assets from N1.4billion to N1.156billion between 2019 and 2020. The growth in the performance and total net worth is a result of the following factors

#### among others;

\* The vibrant support from members in payments of their dues and students participation in the Institute examinations despite the global economic challenge in the year contributed a 28% increase (from about N286million in 2019 to N366million in 2020) in the members' and students' incomes.

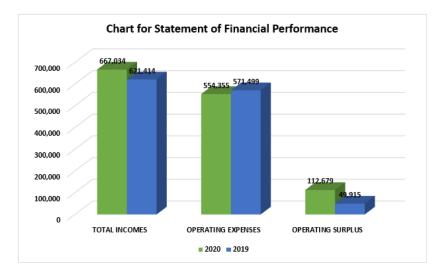




- Subventions of about N17.7million was received in the year as against N0.4million in 2019 with absolute growth of about a N17million. This has contributed to the general increase of 67% in other incomes from N24.5million in 2019 to N4.8million in 2020.
- The general lull in the money and capital market in the year under review affected our investment income with a sharp drop from N33.6million in 2019 to N18.3million in 2020 which represents about a 46% decrease.
- Personnel costs have remained stable while the administrative costs reduced from about N303million in 2019 to N252million in 2020 which signifies about a 17% drop. The impact in the administrative costs is as a result of

Council commitment to cost-saving measures and alianment with new normal by introducing virtual meetings which reduced Council and Committee expenses by about 30% (from N134million to N94million between 2019 and 2020)

- Investment in the period under review had a growth of about 36% from N440million in 2019 to N600milion in 2020.
- The members' funds and reserves had about N1.3billion in 2019 which increased to N1.4billion which represents 11%. All funds are sustained and backed up with cash assets to ensure that the Institute's activities run without any snaas of cash availability.
- There was a reduction in total payables of about 10% between 2019 and 2020.



At this juncture, I will conclude by appreciating the President/Chairman of Council, Past Presidents, Council members, Committee and Faculties members, the Registrar/Chief Executive and the entire management and staff for all the support given to me as the Honourary Treasurer.

Thank you and God bless you.

Innocent OHAGWA, FCTI, FCA, CISA **Honorary Treasurer** 





REPORT OF THE INDEPENDENT AUDITORS FOR THE YEAR ENDED 31 DECEMBER 2020



## REPORT OF THE COUNCIL FOR THE YEAR ENDED 31 DECEMBER 2020

The Council has the pleasure in presenting the Audited report together with the Financial Statements of the Institute for the year ended 31 December 2020 as follows:

#### 1 Legal Form

The Chartered Institute of Taxation of Nigeria is an independent entity, established on February 4, 1982 and Chartered by Act No. 76 of 1992.

#### 2 The Charter of the Institute

The aims and objectives of the Institute as laid down in its charter (Act No. 76 of 1992), among others, are as follows:

- . To determine what standards of knowledge and skills are to be attained by persons seeking to become registered members of the Taxation profession;
- . To raise, maintain and regulate the standard of Taxation practice among its members;
- . To promote professional ethics and efficiency in Tax Administration and practice; and
- . To encourage, promote and co-ordinate reseach for the advancement of taxation practice and administration in Nigeria.

#### 3 Operating Results

	31-Dec-20	31-Dec-19
	=N=000	=N=000
Operating Surplus for the year	<u>112,679</u>	49,915

#### 4 Property, Plant and Equipment

Information relating to changes in property, plant and equipment is given in note 16 to the financial statements. In the Management's opinion the disclosures regarding the Institute's properties are in line with the related statement of accounting policy of the Council.

#### 5 Auditors

Messrs AAC Professional Services (Chartered Accountants) have been indicated their willingness to continue in office as External Auditors of the Institute in accordance with section 401 (2) of the Companies and Allied Matters Act, 2020.

6 May, 2021 Lagos, Nigeria.







### INDEPENDENT AUDITORS' REPORT To the Members of The Chartered Institute of Taxation of Nigeria

#### Report on the Audit of the Financial Statements Opinion

In our opinion, the accompanying financial statements give a true and fair view of the financial position of the Institute as at 31 December 2020 and of its financial performance and cash flows for the year then ended in accordance with the International Financial Reporting Standards (IFRS), the Financial Reporting Council of Nigeria Act, 2011, and the requirements of the Chartered Institute of Taxation Act CAP C10, LFN 2004.

The financial statements of The Chartered Institute of Taxation of Nigeria ('The Institute') comprise of statement of financial position as at 31 December 2020, the statement of Income and Expenditure and other comprehensive income, statement of changes in members' fund, statement of cash flows for the year ended 31 December 2020, and notes to the financial statements, including a summary of significant accounting policies and other explanatory information.

#### **Basis for Opinion**

We conducted our audit in accordance with International Standards on Auditing responsibilities under those standards are further described in the Auditors' Responsibilities for the [ISAs]. Our Audit of the Financial Statements section of our report.

#### Independence

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

#### Information other than the Financial Statements and Auditors' Report Thereon

The Council is responsible for the other information. The other information comprises the President's Statement, Report of Committees and Faculties of Council, the Secretariat's Report, the Honorary Treasury's Report, notice of meeting of the Annual General Meeting, list of Executive Members, the Institute's Management Team, Council Members and Officers included in the annual report, but does not include the financial statements and our auditors' report thereon.

Our opinion on the financial statements does not cover the other information and we do not express 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.

18B, Bayo Ajayi Street, off Hakeem Balogun Street, Agidingbi, Ikeja, Lagos. P. O. Box 5538, Alausa, Ikeja, Lagos. +234 (0) 2911722, +234 (0) 8051034040 bayo@aac.com.ng, bayo.aac@gmail.com www.aac.com.ng







If, based on the work we have performed on the other information obtained prior to the date of this auditors' report, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.

#### Responsibilities of the Council and those Charged with Governance for the Financial Statements

The Council and Management are responsible for the preparation and fair presentation of the financial statements that give a true and fair view in accordance with the International Financial Reporting Standards (IFRSs) and the Chartered Institute of Taxation of Nigeria Act CAP C10 LFN 2004 and for such internal control as the Council determines 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 Council is responsible for assessing the Institute'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 Management either intends to cease operations, or has no realistic alternative but to do so.

The Council is responsible for overseeing the Institute's financial reporting process.

#### Auditors' Responsibilities for the Audit of the Financial Statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion

Reasonable assurance is a high level of assurance but is not a guarantee that an audit conducted with ISAs will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

As part of an audit in accordance with ISAs, we exercise professional judgement and maintain professional skepticism throughout the audit. We also have responsibilities to:

- \* Identify and assess the risks of material misstatements of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- \* Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Council's internal control.
- \* Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the Council.
- \* 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.







- Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the entity's ability to continue as a going concern. Our conclusions are based on the audit evidence obtained up to the date of our report However, future events or conditions may cause an entity to cease to continue as a going concern.
- \* Obtain sufficient appropriate audit evidence regarding the financial information of the entity's activities to express an opinion on the financial statements. We are responsible for the direction, supervision and performance of the audit. We remain solely responsible for our audit opinion.

We communicated to the Management and Council regarding, among other matters, the planned scope and timing of the audit and any significant audit findings, including significant deficiencies in internal control that we identified during our audit.

#### Report on Other Legal Requirements

Compliance with the requirements of schedule 6 of the Companies and Allied Matters Act of Nigeria.

The Companies and Allied Matters Act, C20 LFN 2004 requires that in carrying out our audit we consider and report to you on the following matters. We confirm that:

- (i) We have obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purpose of our audit;
- (ii) In our opinion, proper books of account have been kept by the Institute; in so far as it appears from our examination of those books:
- (iii) The Institute's Statement of Financial Position and Statement of Income and Expenditure and Other Comprehensive Income are in agreement with the books of account.

6 May 2021 Lagos, Nigeria

Engagement Partner: Adebayo Ayoade, FCA

FRC/ICAN/2013/00000001512
AAC Professional Services
[Chartered Accountants]







## Statement of Income & Expenditure and Other Comprehensive Income For the year ended 31 December, 2020

	Notes	31-Dec 2020 =N='000	31-Dec 2019 =N='000
Income Fees, Subscription & Professional practising stamps Self-financing programmes Publications Investment Income Other Income Total Income	6 7 8 9 10	365,845 230,930 11,213 18,267 40,779 667,034	285,573 270,009 7,771 33,578 24,483 <b>621,414</b>
Expenditure Personnel Cost Local and International affiliate cost Administrative expenses Total Expenditure  Operating Surplus before non-cash items	11 12 13	140,826 14,544 252,551 <b>407,922</b> 259,113	140,627 9,800 302,871 <b>453,298</b>
Non-cash items: Depreciation & amortization Impairment charges Operating surplus for the year	14 15	(42,469) (103,966) 112,679	(46,740) (71,461) <b>49,915</b>
Other comprehensive income Items that may be reclassified to Income and Expend Changes in Financial Assets at fair value through other comprehensive income Total Other comprehensive income for the year	<b>liture</b> 17(c)	490 490	(2,099) (2,099)
Total comprehensive income		113,169	47,816

The accounting policies and accompanying notes are an integral part of these financial statements.





37,394

1,289

2,155

13,383

43,324

2,339

3,414

(290)

(64)

7,152

44,635

(28,329) 985,407

Statement of Changes in Members' Funds for the year ended 31 December, 2020

	Accumulated Fund	Building fund	Library & ICT	Professional Exam Prizes Endowment Fund	Tax Academy	Quiz Fund	Examination Fund	Benevolent Fund	Professional Chair Fund	Fair value Reserve	District Intervention	Total
	=N=,000	000,=N=	=N=,000	000,=N=	000,=N=	=N=,000	000,=N=	=N=,000	=N=,000	=N=,000	000,=N=	000.=N=
Balance as at 1 January, 2019	885,714	165,439	68,793	2,835	-		25,297	23,913	2,705	3,764	488	1,178,948
Operating surplus for the year	49,914			i	į	ı	ı	ı	ı	1	i	49,914
Other comprehensive income:			ii.	ı								•
Adjustment on Retained Income	(1,986)											(1,986)
Fair value gain/(loss) on Available for sale investments	1		ı	ı	i	ı	ı	1	i	(2,099)	i	(2,099)
Interest income on funds invested	1	6,681	2,653	109	25	က	1,025	885	498	1	26	11,905
Movements during the year before members' contribution.	47,928	6,681	2,653	109	25	8	1,025	885	498	(2,099)	26	57,734
Receipts during the year from members/donors	ı	42,940	1	400	10,047	3,200	Ü	II	9,470	Ü	455	66,512
Appropriation	(18,282)		2,403	1	ı	1	3,379	12,500	1	ı	i	•
Payment during the year	ı		(65)	(102)	(9,312)	(3,142)	(2,151)	(2,000)	1	ı	i	(16,772)
Transter to other tunds	1	1	1	1	1	1	1	1	1	ı	1	•
Total contributions from members	(18,282)	42,940	2,338	298	735	58	1,228	10,500	9,470	•	455	49,740
Total Members funds and reserves at 31 December 2019	915,360	215,060	73,784	3,242	760	61	27,550	35,298	12,673	1,665	696	1,286,422
Balance as at 1 January, 2020	915,360	215,061	73,784	3,242	240	19	27,550	35,298	12,672	1,665	696	1,286,422
Operating surplus for the year	112,679	ı	ı	ī	i	i	1	1	ı	1	i	112,679
Adjustment on Retained Income	(14,302)	1	1	ı	į	į	ı	1	1	ı	Î	(14,302)
Other comprehensive income:												
Fair value gain/(loss) on Investments	ı		1	1	1	ī	1	ı	i	490	1	490
Interest income on funds invested	1	4,292	1,472	92	1	-	550	704	253	•	19	7,356
Movements during the year before members' contribution.	98,376	4,292	1,472	92		-	550	704	253	490	19	106,223
Receipts during the year from members/donors	i	44,635	0	250	1,308	7,256	0	0	8,957	ı	1,289	93,696
Appropriation	(28,329)	ı	7,152	ī	i	i	10,855	10,322	ı	1	i	•
Payment during the year	ı	ı	ı	(313)	(2,068)	(4,979)	(7,442)	(3,000)	(8,500)	1	i	(26,302)
Iranster to other tunds	1	1	1	1	1	1	1	1	1	1	1	•



Total Members funds and reserves at 31 December 2020

Total contributions from members





Statement of Financial Position			
As at 31 December, 2020		31 Dec	31 Dec
	Notes	2020	2019
Assets		=N='000	=N='000
Non-Current Assets			
Property, Plant & Equipment	16	791,310	801,634
Intangible assets	17	4,279	2,945
Financial Assets fair value through other	17	1,27 7	2,7 10
comprehensive income	17(b)	13,185	12,695
	()	808,774	817,273
Current Assets			
Inventories	18	46,128	43,057
Receivables	19	42,310	56,179
Prepayments	20	3,823	10,781
Investments at Amortized cost	21	600,398	440,000
Cash & cash equivalents	21(b)	62,570	50,058
		755,229	600,075
Total Assets		1,564,003	<u>1,417,348</u>
Funds and Reserves			
Accumulated Fund	22	985,407	915,360
Building fund	22	263,987	215,060
Otherfunds	22.1	178,490	154,337
Fair value reserves	23	2,155	1,665
		1,430,039	1,286,422
Current Liabilities	0.4	00.400	10.000
Payables	24	39,682	43,828
Payables to providers of service	25	16,294	18,098
Deferred income	26	75,137	67,066
Other payables	27	2,851	1,934
		133,964	130,926
Total Reserves and Liabilities		1,564,003	1,417,348

The financial statements were approved and authorised for issue by the Council on 6 May, 2021 and signed on its behalf by:

Gladys Olajumoke Simplice

President/Chairman of Council FRC/2016/CITN/00000014118

Innocent Ohagwa Honorary Treasurer

FRC/2020/002/00000020915

ANNUAL REPORT & ACCOUNTS Adefisayo Awogbade

Registrar/CEO

FRC/2014/ICAN/00000006859

Lanre Olasunkanmi

Director of Finance and Accounts

FRC/2017/ICAN/00000017131

The accompanying notes and accounting policies form an integral part of these financial statements.



#### Statement of Cash Flows For the year ended 31 December, 2020

Cash flow from operating activities	Notes 28	31-Dec 2020 =N='000 225,989	31-Dec 2019 =N='000 130,599
Changes in current assets and liabilities			
Inventories	18	(3,071)	(20,682)
Receivables Proportional and the second seco	19 20	(86,074) 6,958	(79,133) 11,356
Prepayments Payables	20 24&25	(5,950)	24,941
Other payables	27	917	(2,141)
Deferred income	26	8,072	17,890
Net Cash flow Operating activities		146,841	82,830
Cash flows from Investing activities Interest received from Fixed deposits	9	1,303	485
Interest received from Treasury bills	9	16,964	33,093
Investment in Treasury Bills	21	130,000	(140,000)
Acquisition of Property, Plant & Equipment	16	(33,101)	(36,922)
Acquisition of intangible assets	17a	(4,402)	` (429)
Proceeds from Disposal of Property, Plant & Equipment	10	554	1,952
Net cash flow from Investing activities		<u>111,318</u>	<u>(141,821)</u>
Cash flows from Financing activities			
Building Fund		48,927	49,621
Library/ICT Fund		1,472	2,588
Professional Exam Prizes Endowment Fund		1	407
CITN Tax Academy Fund		(760)	760
National Tax Quiz Fund		2,278	61
Exam Fund		(6,891)	(1,126)
Professorial Chair Fund Benevolent Fund		710 (2,296)	9,968 (1,115)
District intervention fund		1,308	488
Net cash flow from Financing Activities		44,750	61,645
-			
Net increase in cash & cash equivalents		302,910	2,654
Cash & cash equivalents at 1 January		50,058	47,404
Cash & cash equivalents at 31 December		<u>352,968</u>	<u>50,058</u>
Cash & cash equivalents at 31 December explained as	follows:		
Fixed Deposit		290,398	30,000
Cashinhand		148	413
Cash at Bank		62,422	19,645
		<u>352,968</u>	50,058

The accompanying notes and accounting policies form an integral part of these financial statements.





#### 1. REPORTING ENTITY

#### 1.1 The Institute

The Chartered Institute of Taxation of Nigeria started on February 4, 1982 as an Association of Tax Administrators and Practitioners (ATP). Thereafter, it transformed into Nigeria Institute of Taxation, which was formally launched on February 21, 1982 and statutorily recognised on May 6, 1987 as a Company limited by Guarantee.

The Institute was chartered by the Federal Government of Nigeria by the enabling Act No. 76 of 1992 (now CITN Act, CAP C10, Vol. 2, LFN 2004) and was charged with the responsibility, among others, of regulating and controlling the practise of tax profession in its entire ramifications and also determining what standards of knowledge and skills are to be attained by persons seeking to become professional tax practitioners or administrators.

The Institute is situated at Tax Professionals' House, Plot 16, Otunba Jobi Fele way, Central Business District, Alausa, Ikeja, Lagos Nigeria with a liaison office in FCT Abuja, Nigeria.

#### 1.2 The Charter of the Institute

The entity's principal objectives are:

- a. to determine what standards of knowledge and skills are to be attained by persons seeking to become registered members of the taxation profession;
- b. to raise, maintain and regulate the standard of taxation practise among its members;
- c. to promote professional ethics and efficiency in tax administration and practise; and,
- d. to encourage, promote and co-ordinate research for the advancement of taxation practise and administration in Nigeria.

Under the Act, the Institute is the only professional body empowered to regulate tax practise and administration in Nigeria and only its members can practise Taxation. The Act sets out the rules as regards membership, composition and officers of Council, etc.

#### Vision of the Institute:

To be one of the foremost Professional Associations in Africa and beyond.

#### Mission

To build an Institute which will be a citadel for the advancement of taxation in all its ramifications.

#### Motto

Integrity and Service

#### 1.3 Tax Status

No provision was made for Income Tax in the financial statements as the Institute is exempted from payment of income tax in accordance with section 19 of Companies Income Tax Act (CITA) CAP C21 LFN 2004 (as amended).

#### 2 STATEMENT OF COMPLIANCE AND BASIS OF PREPARATION

The Financial Statements of the entity has been prepared in accordance with and comply with the requirements of International Financial Reporting Standards (IFRSs) as issued by the International Accounting Standards Board (IASB).





The financial statements of the Institute have been prepared on the basis of historical cost except for the financial assets designated as available for sale Investments measured at fair value through Other Comprehensive income.

The items included in the Financial Statements are measured using the currency that best reflects the economic substance of the underlying events and circumstances relevant to the Institute (functional currency). The financial statements are presented in Nigerian Naira (NGN) which is the functional currency of the Institute.

The accounting policies have been consistently applied to all the years presented.

These financial statements were authorised by the Council on 6 May 2021.

#### 3 ADOPTION OF THE NEW AND REVISED IFRS STANDARDS

3.1 New and Revised Accounting Standards and Interpretations in Issue But Not Yet Effective.

The following new accounting standards and interpretations have been issued, but have not been adopted for the financial statements for the year ended 31 December 2020.

They have not been adopted in preparing the financial statements for the year ended 31 December, 2020 and are not expected to affect/impact the Institute in the year of initial application.

IFRS Ref Description	Nature of change	Effective date	Impact
FRS 16 Leases	This is a standard which sets out the principles for the recognition, measurement, presentation and disclosures of leases for both parties to a contract i.e the customer (lessee) and the supplier (Lessor). It replaces the previous leases standard, IAS 17 Leases, and related interpretations. Some of the highlights are follows: Carry forward of the lessor accounting requirements in IAS 17. Lessor continues to classify its leases as operating leases or finance leases, and account for those two types of lease differently.  - Lessee will now recognize assets and liabilities for all leases, and account for those two types of leases differently.  -Separation of lease components from service components of the contract and applies lease accounting to only for leasing components as a single lease, instead of separating those components.		The Institute did not have any lease assets in the year.





IFRS 17	Insurance	This standard applies to all types of	1-Jan-21	The Council is
	Contracts	Insurance Contracts regardless of the type		yet to assess
		of entities that issue them. The main		the impact of
		features of the new model for Insurance		this standard
		contracts are:		and does not
		• The measurement of the present value		intend to adopt
		of future cash flows, incorporating an		same earlier
		explicit risk adjustment, remeasured		than the
		every reporting period (the fulfilment		effective date.
		cash flows).		
		• A contractual service margin (CSM) that		
		is equal and opposite to any day one gain		
		in the fulfilment cash flows of a group of		
		contracts, representing the unearned		
		profits of the insurance contract to be		
		recognised in profit or loss over the		
		service period.		
		Certain changes in the expected present		
		value of future cash flows are adjusted		
		against the CSM and thereby recognised in		
		profit or loss over the remaining		
		contractual service period.		
		Amount that the policy holder will		
		always receive regardless of whether an		
		insured event happens are not presented		
		in the income statement but are		
		recognised directly on the balance sheet.		
		Insurance services results (earned		
		revenue less incurred claims) are		
		presented separately from the insurance		
		finance income or expense.		
		• Extensive disclosures to provide		
		information on the recognised amounts		
		from insurance contracts and the nature		
		and extent of risks arising from these		
		contracts		

#### SIGNIFICANT ACCOUNTING POLICIES

The accounting policies set out below have been applied to the year presented in the financial statements.

#### 4.1 Revenue

#### 4.1.1 Income

Subscription from members are recognized as income that are due and receivable as at 1 January and full provision is made for subscriptions not yet received by the end of 31st March of the following year, except where the Council deems such subscription as recoverable.

Examination fee is accounted for as income in the year in which examination is conducted, while exemption fee is accounted for as income in the period in which it is received.





Practicing license processing fee is accounted for as income in the period in which it is received while practising license renewal fee is recognised as income that is due and receivable as at 1 January and full provision is made for amount not yet received by the end of 31st march of the following year.

Income from book sales is recognized upon dispatch and publications income is recognized in the year to which is relates. Income from training courses and conferences is recognized upon the timing of the event and all other income is recognized upon provision of goods and services.

Members' subscription and student examination fees received in advance of the year the examination is taken are carried forward as deferred income as at the year end.

Self-financing programmes are accounted for as the services are performed. Other revenues are recorded as earned or as the services are performed.

#### 4.1.2 Investment, Interest and Other incomes

Investment income comprises realized and unrealized gains on investments, interest income and dividend income.

Interest income is accrued on a time basis, by reference to the principal outstanding and the effective interest rate applicable, which is the rate that exactly discounts estimated future cash receipts through the expected life of the financial asset to that asset's net carrying amount.

Dividend income is recognized when the right to receive payment is established.

#### 4.1.3 Agency Arrangement

Where the Institute acts as agent and is remunerated on a commission basis, only the commission is included in revenue. Where the Institute acts as principal, the total value of business handled is included in revenue. Agency arrangements are accounted for in the period they relate.

#### 4.2 Employee Benefits

The cost of short-term employee benefits (those payable within 12months after service is rendered) such as paid vacation, leave pay and sick leave are recognized in the period in which the services are rendered and they are not discounted.

Provision for leave pay are recognized as a liability in the financial statement when the Institute has the present obligation to pay.

#### 4.2.2 Post-employment Benefits

#### 4.2.2.1 Defined contribution Plan

A defined contribution plan is a pension plan under which the Institute pays 10% of employee monthly emoluments into a separately administered Pension Fund Administrator (PFA). The Institute has no legal or constructive obligations to pay further contributions if the fund does not hold sufficient assets to pay all employees the benefit relating to employee service in the current and prior periods.





#### 4.3 Property, Plant and Equipment

Property, plant and equipment is stated at cost less accumulated depreciation and accumulated impairment losses. Cost includes expenditure that is directly attributable to bringing the asset to the location necessary for it to be capable of operating in the manner intended by the Institute.

Subsequent costs are included in the asset's carrying amount or recognized as a separate assets, as appropriate, only when it is probable that future economic benefits associated with the item will flow to the Institute and the cost of the item can be measured reliably. Depreciation is provided on all property, plant and equipment at rates calculated to write off the cost each asset on a straight line over its expected useful life. Certain major items of property, plant and equipment are identified separately and are depreciated over their individual estimated economic lives.

The impairment of property, plant and equipment is considered annually or whenever events or changes in circumstances indicate that the carrying amount may not be recoverable, and provisions are made where necessary. The depreciation rates are as follows.

Asset class	Useful Life (Years)
Freehold lands	Nil
Building	50
Library Books	10
Plant and Machinery	4
Motor vehicles	4
Furniture and Fittings	5
Computer & Accessories	2
Office Equipment	5

Certain assets' residual values are assumed to be ten percent (10%) or amount estimated by Council as the realistic estimate before the asset is disposed-of. Asset's residual value, useful lives and depreciation method are reviewed on annual basis and are adjusted when appropriated.

The carrying amount of an item of property, plant and equipment is derecognised on disposal when no future economic benefits are expected from its use or disposal. The gains or losses on disposal arising from derecognition of an item of property, plant and equipment is included in the income & expenditure account. Gains and losses on disposals are determined by comparing proceeds with the carrying amount.

An asset's carrying amount is written down to its recoverable amount if the asset's carrying amount is greater than its estimated recoverable amount.

Expenses on repairs and maintenance, for instance, day to day service costs and ongoing maintenance cost are recognized in income and expenditure account immediately. Major repairs and overhaul costs are capitalized if they will result in future economic benefits.

#### 4.4 Intangible Assets

#### 4.4.1 Purchased Intangible Assets – Computer Software

Intangible assets are measured initially at cost and are amortised on a straight-line basis over





their useful lives.

After initial recognition, intangible assets are carried at cost less accumulated amortization and accumulated impairment losses. The average amortization period is as follows:

- \* Computer Software: 2 Years
- \* Trade Mark and Logo: 5 Years
- \* The residual value of intangible assets is assumed to be zero.

An asset's carrying amount is written down to its recoverable amount if the asset's carrying amount is greater than its estimated recoverable amount

#### 4.4.2 Derecognition of Intangible Assets

An intangible asset is derecognised when no future economic benefits are expected from use.

#### 4.5 Impairment of Tangible and Intangible Assets

Intangible assets which are subject to amortization are reviewed for impairment whenever events or changes in circumstances indicate that the carrying value may not be recoverable. An impairment loss is recognized for the amount by which the assets' carrying amount exceeds its recoverable amount.

Recoverable amount is the higher of fair value less cost to sell and value in use. In assessing value in use, the estimated future cash flows are discounted to their present value using the Institute's effective cost of borrowing that reflects current market assessments of the time value of money and the risks specific to the asset for which the estimates of future cash flows have not been adjusted.

If the recoverable amount of an asset is estimated to be less than its carrying amount, the assets is reduced to its recoverable amount. An impairment loss is recognized immediately in income and expenditure

#### 4.6 Inventories

Inventories are stated at the lower of cost and net realizable value. Cost is calculated using the first in first out (FIFO) method. Using information year end date, The Institute makes judgments based on experience on the level of provision required to account for potential unusable and unsaleable inventories.

#### 4.7 Financial Instruments

#### 4.7.1 Recognition and Measurement

Financial instruments recognized in the statement of position include cash, available-forsale financial assets, certificates of fixed deposit, receivable and payables. Financial assets and financial liabilities are recognized in the statement of financial position when the Institute becomes a party to the contractual provisions of the instrument. Financial assets and financial liabilities are initially recognized at their fair value. Purchase and sales of financial instruments are measured on a trade-date basis.

Financial assets are derecognized when and only when:

- \* The contractual rights to the cash flows from the financial assets expire; or
- \* The Institute transfers the financial assets, including substantially all the risks and rewards of ownership of the assets.



A financial liability is derecognized when only when the liability is extinguished, that is, when the obligation specified in the contract is discharged, cancelled or has expired. The difference between the carrying amount of a financial liability (or part thereof) extinguished or transferred to another party and consideration paid, including any non-cash assets transferred or liabilities assumed, is recognized in income and expenditure.

The fair values of quoted investments are based on current markets prices available at the Nigerian Stock Exchange Official Daily List.

#### 4.7.2 Financial Assets

The Institute financial assets are cash, receivables and available-for-sale financial assets. Management determines the classification of financial assets at initial recognition; this classification depends on the nature and purpose of the financial assets.

#### 4.7.2.1 Receivables

Receivables are stated at amortised cost (i.e its fair value) less allowance made for doubtful receivables after initial recognition. Using information available at year end date, allowance is made when there is objective evidence that the Institute will not be able to collect certain debts, in accordance with original terms of those receivables.

#### 4.7.2.2 Financial Assets fair value through Other Comprehensive Income.

The portfolio of quoted investments which is managed by professional fund managers, is held for long term and is classified as 'financial assets fair value through other comprehensive income'.

Assets fair value through OCI are carried at fair value at the reporting date, with all changes in fair value recorded in Other comprehensive Income. When the asets are sold, the cumulative gains and losses previously recognized in other comprehensive income are reclassified through income and expenditure of the current period. When an impairment loss arises from fair value being below cost, this is recognised in Other Comprehensive Income.

Dividends on financial assets fair value through OCI equity instruments are recognized in the income and expenditure when the Institute's right to receive the dividends is established.

#### 4.7.2.3 Cash and Cash Equivalents

Cash and cash equivalents comprise cash on hand, demand deposits and other short term, highly liquid, investments that are convertible to a known amount of cash which are subject to insignificant risk of changes in value, all of which are available for use by the Institute unless otherwise stated.

#### 4.7.3 Fair Value Hierarchy

Fair values are determined according to the following hierarchy based on the requirement in IFRS 13 'Financial Instrument Disclosures':

- Level 1: quoted market prices: financial assets and liabilities with quoted prices identical instruments in active markets.
- Level 2: valuation techniques using observable inputs: quoted prices for similar instruments in active markets and financial assets and liabilities valued using models





where all significant inputs are observable.

\* Level 3: valuation techniques using significant unobservable inputs: financial assets and liabilities are valued using valuation techniques where one or more significant inputs are unobservable. The best evidence of fair value is a quoted price in an active market. In the event that the market for a financial asset or liability is not active, a valuation technique is used.

# 4.7.4 Financial Liabilities

Financial liabilities are recognized initially at fair value, generally being their issueproceeds net of transaction cost incurred. Financial liabilities are subsequently stated at amortised cost and interest is recognized over the period of the borrowing using the effective interest method.

# 4.7.4.1 Payables and Other Payables

These are recognize at amortised cost.

# 4.7.5 Offsetting of Financial Instruments

Financial assets and liabilities are offset and the net amount reported in the statements of financial position when there is a legally enforceable right to offset the recognize amount and there is an intention to settle on a net basis or, realize the asset and settle the liability simultaneously carried at its revalued amount. In respect of available for sale financial assets, at the reporting date, the Institute assesses whether there is objective evidence that the financial assets are impaired.

# 4.7.6 Impairment of Financial Instruments

Institute assesses at each reporting period, whether a financial asset is impaired. Where a financial asset shows an indication of impairment, it is tested to assess whether it should be specifically written down. If any such indication exist, the recoverable amount of the asset is estimated in order to determine the extent of impairment loss (if any), where it is not possible to estimate recoverable amount of individual asset, the Institute estimates recoverable amount of cash generating unit to which the asset belongs. An impairment loss is charged to the statement of income and expenditure immediately, unless the asset, at the reporting date the Institute assesses whether there is objective evidence, that the financial assets are impaired.

# 4.7.7 De-recognition of Financial Instruments

Financial assets are derecognized when the contractual rights to receive cash flows from the investment have expired or on trade date when they have been transferred and the Institute has also transferred substantially all risks and rewards of ownership. Non-cash financial assets pledged, where the counter party has the right to sell or re-pledge the assets to a third party, are classified as pledged assets.

Financial liabilities are derecognized when they are extinguished, that is when the obligation is discharged, cancelled or expires.

The Institute is required to estimate the level of irrecoverable debt allowance based on detailed analysis and experience of historic bad debt rate in the context of the current receivables profile.





# 4.8 Foreign Currency

The financial statements of Institute are presented in Nigeria Naira, which is the Institute's functional and presentational currency. In preparing the financial statements, transaction in currencies other than the Institute's functional currency are recorded at the rates of exchange prevailing on the dates of the transactions.

Monetary assets that are denominated in foreign currencies are translated at the rates prevailing at the reporting dates.

## 4.9 Funds

This comprises building, library and professional exam prize endowment funds which are restricted for their intended purposes.

# a. Building Fund

This represents levy received from members and students for the construction of the tax Professional House. Amount received together with interest earned therein are recognized directly in Building fund in the statement of changes in Member's Funds. Utilized fund are transferred into Accumulated Funds and are represented by the building while unutilized funds are retained in the fund account and represented by cash and cash equivalents.

# b. Professional Exam Prize Endowment Fund

This represent funds from donors. Amount received from donor together with interest earned on its investment and prizes paid are recognized directly in the statement of changes in members' fund.

# c. Library Fund

This represents 5% of profit from self-financing program (pre-induction training and mandatory professional training programmed). Amount appropriated as library fund interest earned on its investment are recognized directly in the statement of changes in member's funds. Utilized funds are transferred into Accumulated Fund and represented by library books while unutilized funds are retained in the fund account and represented by cash and cash equivalents.

# d. CITN Tax Academy Fund

This represents monies set aside as the Institute's contribution towards the establishment of the CITN Tax Academy and interest income appropriated from investments. The Academy was set up to provide specialized training in the field of taxation to members and the public.

# e. Benevolent Fund

This is set up to provide financial assistance to the family of deceased members. It is calculated at 10% of the subscription received from associate and fellow members and also interest income appropriated from investments during the year.

# f. Examination Fund

This represents 10% in respect of students registration fees received during the year and the net surpluses on special training and examination fees and also interest income appropriated from investments.





# g. National Tax Quiz Fund

This represents donation set aside for administration and management of the National Tax Quiz competition initiative of the Institute and also interest income appropriated from investments.

With respect to Building and Library Fund, where monies are expected for operational use in acquisition or construction of an asset; an equivalent amount representing the cost of the assets is transferred from respective fund to accumulated fund.

# h. Professorial Chair Fund

This fund represents contribution from members of the Institute in pursuit of the objectives of the fund and also interest income appropriated from investments.

# i. District Intervention Fund

This fund represents a 10% direct deduction from the District Levy collected by the Institute to cater for the needs of District Societies and also interest income appropriated from investments in the year.

# 5 FINANCIAL RISK MANAGEMENT

The registrar of the Institute directly controls daily operations, and the Council members are regularly updated on any significant issues relating to financial risk management. The main financial risks the Institute is involved in are Liquidity risk, Credit risk and Currency risk which are summarized below.

# 5.1 Credit Risk

Credit risk arises principally from cash equivalents, deposits with banks and financial institutions and receivables. The credit risk for cash and cash equivalents is monitored regularly and are held in reputable financial institutions with high-quality external credit rating. The receivables of the Institute are members which are not considered to be risk to Institute.

# 5.2 Liquidity Risk

Liquidity risk is the risk that the Institute will encounter difficulty in raising funds to meet commitments associated with financial instruments. Liquidity is managed to ensure investments are made in near liquid assets and liquidated in a timely manner to meet operating requirements.

# 5.3 Currency Risk

The majority of Institute transactions is carried out in Nigeria Naira and hold minimum balance in other currency to hedge against any currency exposures.





	ES TO THE FINANCIAL STATEMENTS OR THE YEAR ENDED 31 DECEMBER, 2020	2020	2019
		=N='000	=N='000
6	Fees, Subscription & Practising Licence stamp	000 401	071.01.4
	Members' subscription (Note 6.1)	290,481	271,016
	Students Income (Note 6.2)	73,707	12,735
	Professional Practising Stamp (Note 6.3)	1,658	1,822
		<u>365,845</u>	<u>285,573</u>
, 1	AA a contract Contrac		
6.1	Members' Subscription	60,270	EE 200
	Annual Subscriptions - Fellows	•	55,380
	Annual Subscriptions - Associates	147,991	141,623
	Annual Subscriptions - Graduates	102	286
	Registration Fees	29,254	29,101
	Practising Licence Renewal Fees	7,190	6,180
	Registration Forms	20,520	23,751
	Practising Licence Registration Fee	28,980	16,560
	Practising Licence Expenses	(3,825)	(1,865)
		<u>290,481</u>	<u>271,016</u>
	Charle whellows a man		
6.2	Students' Income	11 020	0.007
	Registration Fees	11,039	8,836
	Annual Subscription	5,487	4,464
	Exemption Fee & Forms	37,292	3,446
	Examination Fee & Form	51,320	42,204
	Examination Expenses	(31,430)	(46,214)
		<u>73,707</u>	<u>12,735</u>
6.3	Professional Practicina Stamp		
0.3	Professional Practising Stamp Income	2,181	2,398
	Cost	(523)	(575)
	COSI	<u></u>	1,822
		1,030	1,022
7	Self-Financing Programmes		
•	Income	479,263	512,304
	Expense	(248,333)	(242,297)
	2,00100	230,930	270,007
7.1	Analysis of Self-Financing Programmes		
а	Mandatory Professional Training Programme		
	Income	47,006	49,107
	Expense	(11,333)	(27,688)
	'	35,672	21,419
b	New Members Induction		
	Income	67,215	163,092
	Expense	(15,066)	_(37,116)
		52,149	125,976



		2020 =N='000	2019 =N='000
С	Annual Tax Conference		
	Income	218,426	264,979
	Expense	(151,165)	(147,892)
		67,261	117,087
d	Seminar		
	Income	8,138	692
	Expense	(8,586)	(7,483)
	1	(448)	1,449
е	International Academic Conference		
_	Income	3,160	4,845
	Expense	(9,934)	(5,126)
	2,4001100	(6,774)	(281)
f	Annual Dinner		
•	Income	8,560	6,330
	Expense	(15,415)	(6,360)
	LAPOTISC	<u>(6,855)</u>	(30)
		(0,033)	(30)
a	Fellowship Conferment		
g	Income	35,460	23,260
	Expense	(10,474)	(10,632)
	Expense	<b>24,986</b>	12,628
		<u> </u>	12,020
h	E-learning		
11	Income	64	
	Expense	04	-
	Lxperise	64	
		04_	
:01	CITN Tay A and any		
IG&I	o CITN Tax Academy	01 000	
	Income	91,299	-
	Expense	(26,424)	
		64,875	
•	A a mala manulus a a ma a		
ia.	Academy Income	F F00	
	ACCA Conversion	5,500	-
	Pre-Induction	84,241	_
	Certification Program	1,558	
		91,299	
••	_		
ib.	Expenses	2 2	
	ACCA Conversion	2,357	-
	Pre-Induction	17,199	-
	Certification Program	6,868	
		<u> 26,424</u>	





		2020 =N='000	2019 =N='000
8	Publications and CITN Fabrics	11 000	11 000
	Income	14,901	9,729
	Expenses Net income on publications and Ankara	(3,688) <b>11,213</b>	_(1,958) <b>7.771</b>
		11,210	<u> </u>
	Analysis of Publications & CITN Fabrics Sales of Tax Series & Forms (note 8.1)	145	71
	Sales of Teju Tax Series (note 8.2)	482	334
	Sales of CITN Tax Guide (note 8.3)	7,115	3,911
	Sales of CITN Fabrics (note 8.4)	136	76
	Other Publications (note 8.5) Net Income	3,336 11, <b>213</b>	3,379 <b>7,771</b>
	Nethicome	<u> </u>	
8.1	Sales of Tax Series Income	249	122
	Expenses	(104)	(51)
		145	71
8.2	Sales of Teju Tax Series		
0.2	Income	791	547
	Expenses	(309)	(213)
		<u>482</u>	334
8.3	Sales of Tax Guide		
	Income	8,780	4,825
	Expenses	(1,666) <b>7,115</b>	(915) <b>3,911</b>
0.4	Color of CITNI Ambanya Farbuita		
8.4	Sales of CITN Ankara Fabrics Income	525	295
	Expenses	(389)	(219)
		136	76
8.5	Other Publications Income	4,556	3,940
	Expenses	(1,219)	(561)
		3,336	3,379
9	Investment income		
•	Interest on Fixed deposits	1,303	485
	Interest on Treasury bills	16,964	33,093
		<u> 18,267</u>	33,578_
10	Subvention & Other income		
	Subventions (note 10.1)	17,705	400
	Advert on website Commission on 3rd party books	25 472	125 239
	Insurance claim	387	497



		2020 =N='000	2019 =N='000
	Contractors renewal fees Profit on sale of Assets Accreditation fee Reinsuance of Certificates & Transcript Administrative Charges - Late Registration Fee & Others Rental income Hall rental	285 554 905 476 313 18,783 873 <b>40,779</b>	420 1,952 400 317 811 17,558 1,764 24,483
10.1	Subventions Kano State IRS Ogun State IRS Katsina State IRS Sokoto State IRS Federal Inland Revenue Service (FIRS) Kebbi State IRS Borno State IRS Niger State IRS Bauchi State IRS Kaduna State IRS Plateau State IRS	810 300 340 750 12,750 200 600 840 375 740	- - - - - - - - 400
11	Personnel cost Gross Salary and Allowance End of year bonus SIWES Allowance Pension Fund Contribution - Employer	120,775 7,520 2,566 9,965 <b>140,826</b>	113,972 8,427 7,449 10,779 <b>140,627</b>
12	Local and International Affiliate cost Association of Professional Bodies of Nigeria [APBN] West African Union of Tax Institute [WAUTI] Annual Dues Nigeria International Chamber of Commerce Joint Tax Board	4,442 6,252 100 3,750 <b>14,544</b>	3,381 5,194 100 1,125 <b>9,800</b>





		2020 =N='000	2019 =N='000
13	Administrative Expenses		
	Staff Welfare & Medical	11,322	3,317
	Staff Training and Development	12,908	3,328
	Subscription	546	407
	Long Service Award	213	1,681
	Printing and Stationaries	6,567	10,509
	Annual General Meeting & E-Voting	4,996	7,511
	Council and Committee Retreats	8,204	11,215
	Council, Committees and JDS Expenses (Note 13.1)	94,172	133,685
	Newspapers and Periodicals	569	536
	Insurance Premium	3,815	3,575
	Telephone Expenses	5,006	6,856
	Transport & Travelling	8,473	10,162
	Generator Repairs & Running Cost	3,842	4,927
	Entertainment	885	892
	Publicity & Promotions	21,737	5,731
	Gift & Donations	1,723	4,613
	Postage & Courier Services	332	842
	Office Expenses/Supplies	3,534	5,028 8,408
	Website & Internet expenses	9,279 6,642	8,498 5,777
	Repairs and Maintenance Rates & Utilities	16,665	16,082
	Audit Fee	3,763	2,100
	Fuel & Running Expenses	5,823	5,253
	Legal Fee	8,050	40,000
	ITF Fee	1,408	1,427
	Consultancy & Management Fee	2,680	540
	Bank Charges	2,088	2,264
	CSR (COVID-19 Support/Expenses)	2,129	-
	Presidential Valedictory Service		1,971
	Presidential Investiture (note 13.2)	_	4,144
	Inventory Written off (Obsolete inventory)	5,184	-
		252,551	302,871
13.1	Council, Committees and Joint District Societies Expenses		
	Council/Committee meeting - Transport expenses	65,195	90,720
	Council/Committee meeting - Entertainment expenses	2,443	4,198
	Council/Committee meeting - Other expenses	4,853	1,974
	Joint District Society expenses	12,072	227
	Office of the President expenses	1,460	4,585
	International Seminar & Conferences - Council	7,295	31,146
	International Seminar & Conferences - Staff	-	835
	Local Seminar & Conference - Council	854	
		94,172	133,685



13.2	Presidential Investiture Incomes Expenditures	- - -	8,187 (12,331) <b>(4,144)</b>
14	Depreciation and Amortisation Depreciation (see note 16) Amortisation (see note 17)	39,402 3,067 <b>42,469</b>	43,486 3,254 <b>46,740</b>
15	Impairment Charges Members subscription (note 19.1.1) Practise License Renewal (note 19.2.1)	100,840 3,125 <b>103,966</b>	69,099 2,362 <b>71,461</b>



NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER, 2020

16 Property, Plant & Equipment

	Land	Building	Improvement to office Building (WIP)	Library Books	Furniture & Fittings	Motor Vehicles	Plant & Machinery	Office Equipment	Computer & Accessories	Total
Cost		200	200	200	000 k		200			200
At 1 January 2019	150,764	641,091	1	3,567	49,354	61,039	63,345	34,478	17,606	1,021,244
Additions	1,520	9,686	2,470	202	751	13,121	3,484	2,008	3,680	36,922
Disposal		1		•	(96)	(8,497)	1	1	(180)	(8,773)
At 31 December 2019	152,284	650,777	2,470	3,769	50,009	65,663	66,829	36,486	21,106	1,049,393
At 1 January 2020	152,284	650,777	2,470	3,769	50,009	65,663	66,829	36,486	21,106	1,049,393
Adjustment	•	ı	1	ı	i	ı	İ	1	1	ı
Additions	3,078	1	11,492	45	4,424	8,812	i	3,908	1,343	33,101
Disposal	•	ı	•	•	ı	(12,928)	•	(107)	(278)	(13,313)
At 30 December 2020 (a)	155,362	650,777	13,962	3,814	54,433	61,547	66,829	40,287	22,171	1,069,182
								ı		ı
Accumulated Depreciation										
At 1 January 2019	ı	46,382	ı	1,675	33,126	32,165	53,815	31,295	14,587	213,047
Adjustment	•	į			ı	1	1	ı	1	ı
Charge for the year	•	13,016	1	367	7,667	10,868	4,881	4,864	1,824	43,487
Disposal		i	•	•	(96)	(8,498)	ì	1	(180)	(8,774)
At 31 December 2019	•	59,398	•	2,042	40,697	34,535	58,696	36,159	16,231	247,760
At 1 January 2020	•	59,398	•	2,042	40,697	34,536	58,696	36,159	16,231	247,760
Adjustment									ı	1
Charge for the year	1	15,146	1	378	5,236	12,653	927	2,779	2,283	39,402
Disposal	•	Ť	•	ı	ı	(8,905)	Ĩ	(107)	(278)	(9,290)
At 31 December 2020 (b)	•	74,544	•	2,420	45,933	38,285	59,623	38,831	18,236	277,872
Carrying Amount										
At 31 December 2020 (c=a-b)	155,362	576,233	13,962	1,394	8,500	23,262	7,206	1,456	3,935	791,310
At 31 December 2019	152,284	591,379	2,470	1,727	9,311	31,128	8,132	327	4,876	801,634







# NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER, 2020

17a	Intangible Assets	Computer Software =N='000	Trade Mark & Logo =N='000	Total =N='000
	Cost At 1 January 2019 Addition At 31 December 2019	20,400 429 <b>20,829</b>	- - -	20,400 429 <b>20,829</b>
	At 1 January 2020 Addition in the year <b>At 31 December 2020</b>	20,829 456 <b>21,286</b>	3,945 3, <b>945</b>	20,829 4,402 <b>25,231</b>
	Amortisation At 1 January 2019 Charge for the year At 31 December 2019	14,631 3,254 17,885	- - -	14,631 3,254 <b>17,885</b>
	At 1 January 2020 Charge for the year At 31 December 2020	17,885 2,935 <b>20,820</b>	132 132	17,885 3,067 <b>20,951</b>
	Carrying Amounts At 31 December 2020 At 31 December 2019	466 <b>2,944</b>	3,814	4,279 <b>2,944</b>

17(b) Financial Assets fair value through other	comprehensive income	=N='000
Access Bank Plc	1,439	1,686
African Prudential Registrar Plc	22	16
Ecobank Transactional Plc	43	53
FBN Holdings Plc	2,197	2,012
Guaranty Trust Bank Plc	5,514	5,114
Law Union & Rock Insurance Plc	110	70
Niger Insurance Plc	38	38
Nigeria Breweries Plc	2,632	2,585
United Bank of Africa Plc	842	779
Union Bank of Nig Plc	266	294
United CapitalPlc	67	36
WAPIC PIC	15	12
	<u>13,185</u>	12,695

This represents equity holdings in the listed Securities of Quoted Companies on the Nigeria Stock Exchange [NSE].





		2020 =N='000	2019 =N='000
170	Changes in Financial Assets at fair value through other comp		
170	At 1 January	12,695	1 <i>4,7</i> 94
	At 31 December	13,185	12,695
	Changes in fair value	490	(2,099)
18	Inventories		
	Books, Forms and Publications	19,380	11,411
	Stationeries & Programme Bags	26,341	27,780
	CITN Fabrics	-	1,139
	Professional Practise Stamps & Seal	407	2,727
		46,128	43,057
19	Receivables		
	Self Financing Programmes	2,516	12,316
	Staff Housing Upfront	102	271
	Subscription in Arrears (note 19.1)	34,756	30,553
	Practising Licence renewal fee in Arrears (note 19.2)	920	790
	Rent receivable	1,225	8,842
	Interest & Other receivables	2,792	3,407
		42,310	56,179
19.1	Subscription in Arrears		
	At 1 January	625,467	553,488
	Due for the year	208,261	197,003
		833,728	750,491
	Receipt relating to current year dues	(103,219)	(125,024)
	All ( ) ( ) ( ) ( ) ( ) ( ) ( ) ( ) ( ) (	730,509	625,467
	Allowance for impairment (note 19.1.1)	(695,753)	(594,913)
	As at 31 December	<u>34,756</u>	30,554
10.1.1			
19.1.1	Allowance for impairment on subscription	E04012	EOE 014
	At 1 January Impairment charged for the year	594,913	525,814
	As at 31 December	100,840	69,099
	As di 31 December	695,753	594,913
19.2	Practicing Licence fee in arrears	10.015	1,555
	At 1 January	19,015	16,555
	Due for the year	7,190	6,180
	Descript during the veg	26,205	22,735
	Receipt during the year	(3,935)	(3,720)
	Allowance for impairment (note 10.0.1)	22,271	19,015
	Allowance for impairment (note 19.2.1)	(21,350)	(18,225)
	At 31 December	920	790





	2020 =N='000	2019 =N='000
19.2.1 Allowance for Impairment on Practicing Renewal Fee		
At 1 January	18,225	15,863
Impairment charge	3,125	2,362
As at 31 December	21,350	18,225
20 Prepayments		
Prepaid Insurance	1,823	1,678
Prepaid expenses	5	5,100
Prepaid rate & utilities	<u>1,994</u>	4,003
	3,823	10,781
21 Investment at Amortised Cost		
Fixed Deposit (note 21.1)	290,398	30,000
Investment in Treasury Bills	310,000	440,000
	600,398	470,000
21(b) Cash & Cash equivalents		
Cash in hand	148	413
Cash at Bank	62,422	19,645
	62,570	20,058
21.1 Fixed Deposit		
Zenith Bank Plc	100,398	_
Access (Diamond) Bank Plc	90,000	=
Wema Bank Plc	100,000	30,000
	290,398	30,000
22 Fund		
Accumulated fund	985,407	915,360
Building fund	263,987	215,060
Other funds (note 22.1)	178,489	154,337
	1,427,884	1,284,757
22.1 Other funds		
Library fund	82,409	73,784
Professional Exam Prize Endowment fund	3,244	3,242
CITN Tax Academy fund	-	760
National Tax Quiz Fund	2,339	61
Examination fund	31,514	27,550
Benevolent fund	43,324	35,298
Professional chair fund	13,383	12,673
District Intervention fund	2,277	969
	<u>178,490</u>	154,337

The Institute's policy on the fund has been described in note 4.9 of the significant accounting policies.





	2020 =N='000	2019 =N='000
23 Fair value reserves		0.744
At 1 January	1,665	3,764
Gain/(Loss) for the year	490	(2,099)
At 31 December	2,155	1,665
Account represents changes in financial assets fair value through other comprehensive income		
	=N='000	=N='000
24 Payables		
District levy	9,396	10,899
Account payable and Accruals	30,286	32,929
	39,682	43,828
25 Payables to service providers		
Pension contribution	2,141	3,812
Lagos State Internal Revenue [PAYE]	2,606	3,212
Lagos State Internal Revenue [WHT]	1,482	1,610
Federal Inland Revenue Service [VAT]	29	28
Federal Inland Revenue Service [WHT]	8,155	8,386
Audit fee	1,881	1,050
	<u>16,294</u>	18,098
26 <b>Deferred income</b> Rent received in advance Interest income on Treasury Bills received in advance Subscription/Practicing Licence Fee in Advance Advance from self-financing programmes Examination fees in advance Online wallet	7,838 2,713 25,245 31,281 5,653 2,405 75,137	2,450 19,639 21,065 21,107 945 1,859 67,065
27 Other Payables		
Third party books	709	1,934
Staff Cooperative	2,142	-
	2,851	1,934
	·	
28 Cash flows from operating Activities		
Operating surplus for the year	112,679	49,914
Adjustments for: Interest Income	(10 0/7)	(22 E70)
	(18,267) (554)	(33,578)
Profit on disposal of Assets Depreciation	(554) 39,402	(1,952) 43,486
Amortisation	39,402 3,067	43,466 3,254
Impairment charges	103,966	71,461
Other adjustments	(14,302)	(1,986)
Sino. adjourname	225,989	130,599
	220,707	100,077





# 29 Contingent liabilities and Capital commitments

# 29.1 Contingent liabilities

The Institute contingent liabilities are limited to the Third party books in its custody. The Institute did not have any contingent liability regarding the third party books in its custody as at 31 December 2020 (2019:nil). The value of Third Party books in the Institute custody as at 31 December 2020 amounted to =N= 5,343,800.

30 <b>Activities result</b> The activities result include the following:	2020 =N='000	2019 =N='000
a Personnel cost		
The costs of employed staff during the year were as follows:		
Salaries and wages together with allowances	130,861	129,848
Pension	9,965	10,779
	140,825	140,627
b Auditors' remuneration		
Audit fee	3,763	2,100

# 31 Remuneration of Key Management Personnel [KMP]

The Registrar/Chief Executive is the key management personnel of the Institute. He has responsibilty for implementing Council policies and drives the secretariat in promoting the Institute's brand. The KMP has no business relationship with the Institute.

# 32 Related Party Transactions

The Key Management Personnel [KMP] has no business relationship with the Institute during the reporting period. In line with Council travel and expenses policy, Council members are reimbursed for any expenses which they directly incur on behalf of the Institute as part of their role as Council members; No loan was granted to related parties in the year under review.

# 33 Approval of the Financial Statements

These financial statements were approved by the Council and authorised for issue on 6 May 2021.





# **NON-IFRS STATEMENTS**

# VALUE ADDED STATEMENT FOR THE YEAR ENDED 31 DECEMBER 2020

	2020 =N='000	%	2019 =N='000	%
Gross Income	667,034		621,414	
Bought-in materials and services - Local - Foreign Value absorbed by operating activities	(352,507) (18,553) <b>295,974</b>	100	(307,308) (76,824) <b>237,282</b>	100
	273,774	100	237,202	100
Distribution of value added  To prove applications				
To pay employees: Salaries, wages and allowances	140,826	48	140,627	59
Retained for future expansion: Depreciation of Property, Plant and Equipment	42,469	14	46,740	20
Surplus for the year	112,679	38	49,915	21
	<u> 295,974</u>	100	237,282	<u> 100</u>





# FIVE YEAR FINANCIAL SUMMARY FOR THE YEAR ENDED 31 DECEMBER, 2020

	2020 =N='000	2019 =N='000	2018 =N='000	2017 =N='000	2016 =N='000
Statement of Financial Position					
Assets					
Non-Current Assets					
Property, Plant and Equipment	791,310	801,634	808,198	801,909	831,826
Intangible assets	4,279	2,945	5,769	1,069	161
Financial Assets fair value through other	13,185	12,695	14,794	19,536	14,222
comprehensive income	808,774	817,273	828,761	822,514	846,209
Current Assets	000,//4	017,273	020,/01	022,314	040,209
	47.100	10.057	00.075	05.71.4	1771
Inventories	46,128	43,057	22,375	25,716	17,716
Receivables	42310	56,179	48507 22,137	57588	46,156
Prepayments Investments at Amortised Cost	3,823 600,398	10,781 440,000	300,000	5,244 175,000	5,904 75,000
Cash and cash equivalents	62,570	50,058	47,404	53,738	102,195
Casit and Casit equivalents	755,229	600,075	440,423	317,286	246,971
	755,227	800,075	440,423	317,200	240,771
Total Assets	1,564,003	1,417,348	1,269,184	1,139,800	1,093,180
Funds & Reserves					
Accumulated fund	985.407	915,360	885.714	860,491	868,717
Building fund	263,987	215,060	165,439	121,869	92,897
Other funds	178,489	154,337	124,031	87,919	76,294
Fair value reserves	2,155	1,665	3,764	8,507	3,192
Total funds and reserves	1,430,039	1,286,422	1,178,948	1,078,786	1,041,100
Current Liabilities					
Payables	55,976	61,926	36,985	13,189	16,343
Other payables	2,851	1,934	4,075	16,530	14,133
Deferred Income	75,137	67,066	49,176	31,295	21,604
	133,964	130,926	90,236	61,014	52,080
Total fund, Reserves & Liabilities	1,564,003	1,417,348	1,269,184	1,139,800	1,093,180





# NON-IFRS FINANCIAL STATEMENT (Cont'd)

# FIVE YEAR FINANCIAL SUMMARY STATEMENT OF INCOME & EXPENDITURE AND OTHER COMPREHENSIVE INCOME

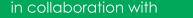
	2020 =N='000	2019 =N='000	2018 =N='000	2017 =N='000	2016 =N='000
INCOME					
Fees, Subscription & Professional practising stamps	365,845	285,573	270,623	167,361	184,773
Self-financing programmes	230,930	270,010	242,566	172,956	161,754
Publications	11,213	<i>7,77</i> 1	12,740	7987	14,568
Investment Income	18,267	33,578	18,980	28,516	2,087
Other Income	40,779	24,483	25,191	22,235	28,366
Total Income	667,034	621,413	570,100	399,055	391,548
		<del></del>			
Expenditure					
Personnel Cost	140,826	140,627	121,024	112,886	107,839
Local and International affiliate cost	14,544	9,800	9,673	9,109	11,112
Administrative expenses	252,551	302,871	232,254	185,484	187,736
Depreciation & amortization	42,469	46,740	52,648	49,939	46,722
Impairment charges	103,966	71,461	85,357	33,014	52,981
Total Expenditure	554,356	571,499	500,956	390,432	406,390
Operating surplus/(deficit) for the year	112,679	49,914	69,144	8,623	(14,842)
Other comprehensive income Items that may be reclassified to Income and Expendit Changes in Financial Assets at fair value through	ure				
other comprehensive income	490	(2,099)	(4,743)	5,315	1,334
Total comprehensive surplus/(deficit) for the year	113,169	47,815	64,401	13,938	(13,508)





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