

ANNUAL REPORT & ACCOUNT 2019





Contents	Page(s)
Chairman's Speech	4 - 7
CEO's Review	8 - 10
Activity Review Pages	11- 29
Corporate information	30
Report of the directors	31 - 32
Report of the independent auditors	33 - 34
Statement of profit or loss and other comprehensive income	35
Statement of financial position	36
Statement of changes in equity	37
Statement of cash flows	38
Notes to the financial statements	
1 General information	39 - 40
2 New standards, interpretations and amendments	41
3 Significant accounting policies	42 - 49
4 Critical accounting estimates and judgements	49 - 50
5 Financial risk management	50 - 52
6 Determination of fair values	52 - 53
7 Revenue	54
8 Other operating income	55
9 Administrative expenses	56
10 Finance income	56
11 Income tax expense	56
12 Property, plant and equipment	57
13 Financial assets at fair value through other comprehensive income	58
14 Financial assets at amortised cost	58
15 Prepayments	58
16 Trade and other receivables	58
17 Cash and cash equivalents	58
18 Deferred income	59 – 60
19 Trade and other payables	60
20 Accruals	60
21 Related party transactions	60
22 Transactions with key management personnel	61
23 Surplus for the year	61
24 Information regarding employees	61
25 Events after the reporting period	62
26 Contingent liabilities	62
27 Capital commitments	62
28 Information not required under International Financial Reporting Standards:	
29 Statement of value added	63
30 Five year financial summary	64
31 Schedules to the financial statements	65 – 67

Chairman's Speech

2020 Annual General Meeting



Distinguished Members, Our Partners, Captains of Industries, Guests, Ladies and Gentlemen. I welcome you all to the 25th Annual General Meeting of the Nigerian Economic Summit Group (NESG), to present the Annual Report and Accounts for the year ended December 31st, 2019.

I thank you all for your immense contributions to the Nigerian Economic Summit Group process and our work over the last 26 years. We have, over this period contributed extensively to policy formation, reform and public sector advisory work, and I respectfully thank our founding fathers and committed public sector leaders.

The Nigerian Economy in 2019

Although economic growth improved in 2019, our economy generally remains fragile. Average inflation through the year was 11.4% which is well above the Central Bank of Nigeria (CBN) upper band target of 9%. Monetary policy rate was maintained and lending and exchange rates remained stable. However, the country recorded a decline in foreign reserves acerbated by unimpressive global oil prices.

Nigeria's fiscal position was challenging with rising debt and underperforming revenue. External debt grew to 31% of our total outstanding debt stock while domestic debt was about 69%, as at the third quarter of 2019. The closure of the land borders in October 2019 led to a wide supply gap, reduction in output of export products consumed in neighbouring countries and high prices of imported food products.

Coal Mining, Road Transport, Telecommunications & Information and Air Transport were amongst the fastest growing sectors in 2019 whilst Oil Refining, Metal Ores, Public Administration and Financial Institutions were amongst the sectors with the least growth. In all, thirteen out of the forty six sectors contracted in 2019 with twenty three sectors recording less than 2% growth. Services remained the largest sector, accounting for 52% of GDP. Agriculture rebounded though marginally from its unimpressive performance in 2018. The sector grew by 2.4% an improvement from 2.1% in the previous year, buoyed by crop production.

There was no significant growth in the Industrial Sector during the year. This is despite Nigeria's huge market, improved oil sector and governments' interventions. Industrial activities expanded by 2.2% with crude petroleum and natural gas, food and beverages and construction playing major roles in the sector's performance. The Manufacturing sub sector had a marginal growth of only 0.6% in the first nine months of 2019.

It is hoped that the early signing of the 2020 budget, themed 'Sustaining Growth and Job Creation', will result in improved capital spending, which the country needs to stimulate economic growth and facilitate the delivery of infrastructure across the country. In addition, the passage of the Finance Bill increasing VAT from 5% to 7.5% is expected to boost non-oil revenue. However, given the introduction of additional taxes and other charges, as well as sustained pressure from infrastructure deficit, monetary policy is expected to remain tight in 2020.

Other key policies and events that are expected to shape 2020 include: the AFCFTA Agreement, NAICOM's recapitalization of Insurance Companies, Electricity tariff hike, CBN's Intervention Policy in certain sectors, and the corona virus.

On the global scene, we have to watch the United States – China trade conflict and the increased tension between the United States and Iran. The outbreak of coronavirus in China is predicted to affect global growth in 2020 as the Chinese economy makes up 17% of the global GDP and is stated to be the second largest economy in the world.

Our activities in the year

In the year under review, some of the events and policy engagements organized by the NESG included:

-THE 25TH NIGERIAN ECONOMIC SUMMIT

The 25th edition of the Nigerian Economic Summit ("NES #25") held on the 7th and 8th of October 2019 at the Transcorp Hilton Hotel, Abuja. The theme of the Summit was "Nigeria 2050: Shifting Gears".

The main objective of the Summit was to create a unifying narrative for setting a long-term national agenda that will be led by the private sector. The President of the Federal Republic of Nigeria, Ministers, State Governors, Senators, Captains of Industries and Civil society amongst others were in attendance.

Being the 25th anniversary, a number of activities were also organised as part of the celebrations. These activities were:

a) 25th Anniversary Dinner

The anniversary dinner held on the 7th of October and the keynote speech was delivered by Mr. Atedo Peterside, CON. At the dinner, awards were presented to the NESG founding fathers as well as to organisations and individuals that have continuously supported the Summit process from inception in 1993 till date. The awards were divided into three categories; Life – Time Corporate Sponsors, Life-Time Awards and Long –Term Service Awards.

b) NES 25 Essay Competition

As one of the ways of ensuring active participation of Nigerian youths in nation building, NESG partnered with the National Universities Commission (NUC) to organise the

NES 25 Essay Competition for undergraduates in Nigerian Universities. The competition was themed 'Enhancing Confidence in Nigeria for Nation Building towards Economic Success and Improved Quality of Life for Nigerians'.

c) NESG in 25 Schools Tour

Each director visited a secondary school, in a state other than his/her state of residence, to meet with and talk to students. One of the aims of the programme was to increase awareness in secondary school students about their responsibility in nation building. This program was arranged in conjunction with Junior Achievement Nigeria and was themed 'United People'.

d) Bridge Fellowship

The NESG in partnership with Leap Africa instituted NESG Bridge Fellowship. The goal of the fellowship was to equip a new cadre of young visionary leaders with leadership research and policy advocacy skills to contribute to policy reform in diverse policy areas and become leaders with relevant skills to lead change.

e) Documentary and the Coffee Table Book

A documentary of the NESG through the eyes of our Founding Fathers was recorded and viewed at all the plenary sessions at the 25th Summit. Also a coffee table book was also launched and distributed at the Summit. Both the documentary and the Coffee table book were titled, 'In the National Interest'.

In 2019, the NESG remained active on all its platforms and roundtables including:

-THE NIGERIAN RENEWABLE ENERGY ROUNDTABLE (NiRER)

Since the establishment of NiRER in June 2017, the roundtable has established itself as a mainstay on issues concerning Renewable Energy development in Nigeria.

In the course of the year, NiRER met with the Renewable Energy and Rural Power Department of the Federal Ministry of Power to discuss high-level initiatives for 2019. A major outcome was an agreement to jointly facilitate the creation of a Database Management System and an Integrated Web-based Electrification Planning Tool. In the second quarter of the year, NiRER signed a MoU with Heinrich Boll Stiftung (HBS) for the development of a Consolidated Renewable Energy Bill.

-NASSBER

NASSBER continued to utilize its unique structure to enable collaborative solutions between the National Assembly, the civil society and the organized private sector to carry-out and build consensus in the process of the reform of the Nigerian Business Environment.

The following NASSBER priority bills were passed in the 8th Assembly and assented into law in 2019:

- Federal Competition and Consumer Protection Act 2019
- National Fertilizer Control Act 2019
- Nigerian Inland Waterways Authority Act
- National Agricultural Seed Council Act 2019.

Also in 2019, NASSBER received a recognition award from the PEBEC for its efforts in ensuring and facilitating the passage of the CAM Bill and other ease of business Bills.

-ALLIANCE FOR A GREEN REVOLUTION IN AFRICA (AGRA)

NESG signed an MOU with AGRA to work on and support the passage of the National Fertilizer Quality Control Bill, the Nigerian Independent Warehouse Regulatory Agency Bill and secure the President's assent to the National Agricultural Seeds Council Bill.

While the Nigerian Independent Warehouse Regulatory Agency Bill was rejected by the President at the close of the 8th National Assembly, Presidential Assent was received by the National Fertilizer Quality Control Bill and the National Agricultural Seeds Council Bill.

-FISCAL POLICY ROUNDTABLE WITH BILL AND MELINDA GATES FOUNDATION

The Better Tax Launch was held on the 15th of May 2019. Better Tax is an evidence-based advocacy initiative that brings together the Nigerian Government and its citizens to make the process of taxation more effective for Nigeria's socio-economic development. The overarching objective is to set a tax reform agenda that is all-encompassing and engages all stakeholders in a way that drives mutual collaboration and action which will, in turn, see Nigeria transform its tax strategy/performance and grow its local revenue.

-THE NIGERIA TRIPLE HELIX ROUNDTABLE

The Nigeria Triple Helix Roundtable was launched as a permanent platform for implementing the government academia-industry collaboration towards fostering economic growth and national development in Nigeria. It is the first practical expression of the Triple-Helix model in the country, coming after the signing of an MoU between the National Universities Commission (NUC) (for academia) and the Nigerian Economic Summit Group (NESG) (for industry), and the interactive session and retreat which held thereafter.

While the primary objective of the academia-industry collaboration is to revitalize the Nigerian higher education system, the broader long-term objective is to facilitate a tripartite partnership between the government, academia and industry such that the three actors can actively collaborate to develop solutions to critical problems and implement an agenda for economic growth. Consequently, the Steering Committee, comprising key stakeholders from the public sector, private sector and academia, was inaugurated on September 20, 2019.

-POLICY COMMISSIONS

Our policy commissions, which are NESG working groups, remained active throughout the year. I sincerely thank all public and private sector members of these Commissions for their dedication, commitment and hard work. In this new decade, we hope many more of our members will seek to join Commissions where they can utilise their knowledge and expertise to help NESG achieve its objectives.

Some of our policy commission achievements in 2019, include:

a) Sustainability Policy Commission (SPC)

SPC hosted a workshop titled "De-risking of Green Finance and Development of NDC Key Performance Indicators". This workshop was designed to actualize immediate project finance based on assessments of commercially viable and socially responsible pipeline projects for the NDCs.

SPC also partnered with Lafarge to host its first Sustainability forum on the 16th of July and held several meetings with the Climate Finance Accelerator (CFA) UK and members of the financial community (Private Equity firms, Commercial Banks and Micro-finance banks) to discuss the mapping of available climate finance.

b) Trade Investment and Competitiveness Policy Commission (TICPC)

The Policy Commission currently serves as the Private Sector Co-chair in the development of the National Scorecard Implementation Committee for the World Bank Project on ECOWAS Investment Climate Scorecard.

TIPC also supports the GIZ Project Team of the Global Alliance for Nigeria's WTO/Trade Facilitation commitments and is a member of the National Action Committee (NAC) for the implementation of the recommendations of the AfCFTA Readiness and Impact Assessment Study.

c) Energy Policy Commission (EPC)

EPC hosted an Experts Forum on Nigeria's Power Sector. The aim of the forum was for knowledgeable stakeholders to re-evaluate, re-strategize and develop various strategies and interventions to tackle the multi-faceted challenges currently plaguing the sector. The forum was also designed to collate divergent views while considering the several factors that affect market performance.

d) Science and Technology Policy Commission (STPC)

STPC had a number of collaborations with the FMoC to update and review the current e-Government Master plan (abridged) launched in May 2019.

STPC is working with Galaxy Backbone to develop citizen and participatory government strategies for the development of e-Governance solutions.

e. Governance & Institutions Policy Commission (GIPC)

GIPC was constituted in 2019. A lot of effort went into setting up the governance structure, creating a mandate and aligning with institutions. GIPC has had interactive sessions with relevant Heads of MDAs and stakeholders.

-RESEARCH AND ADVOCACY

The NESG Research Department continued to collate, review and analyse topical socio-economic issues and publish articles on these issues. These publications influenced activities that shaped government policies, and were often issued in collaboration with policy stakeholders, including government ministries, departments and agencies, the Nigeria Governors Forum (NGF), and international financial and development institutions.

-CONCLUSION

The new decade comes with complex challenges; rising population, rapid urbanization, advancement of technology, changing ecological situation, requirement for educational enhancement, global and local security challenges and the adverse impact of climate change amongst others. These factors will create significant pressure on food, jobs, infrastructure, social amenities and human capital. We need to be innovative to deliver accelerated growth and create jobs so as to reduce poverty across the country. It is imperative that we incentivise private sector investments into strategic sectors and reposition government to be more efficient and effective. We must all continue to talk to, support and encourage Government to move in the right direction.

I would like to thank all of the NESG's distinguished Founding Fathers, Past Chairmen and CEO's, Board members (including former Board members) and our Volunteers who have continued to 'pay to serve' in the national interest. NESG would not have accomplished what it has accomplished over the years without your dedication, diligence and commitment. I would also like to thank all our partners, gentlemen of the press, networks and the business community at large for their continuing interest in and support for the work we do.

To the current CEO, Mr 'Laoye Jaiyeola and the Secretariat, I thank you for remaining focused on the NESG objectives and striving to help achieve it.

God bless the NESG, God bless the Federal Republic of Nigeria.

I thank you all.


Asue Ighodalo
Chairman, NESG

Chief Executive Office's Report

2020 Annual General Meeting



Distinguished Board Members, Members, Invited Guests, Ladies and Gentlemen,

Welcome to the 2020 Annual General Meeting of the Nigerian Economic Summit Group. Thank you all for your commitment to the Group last year, a year that marked a significant milestone for us at the NESG, as we celebrated the 25th Anniversary of the Nigerian Economic Summit (NES #25). I am pleased to report that as part of the outcomes of NES #25, we will be working with the Federal Government to develop short, mid and long-term national agendas, with the aim of making Nigeria globally competitive and inclusive. To this end, we look forward to working closely with you, this year.

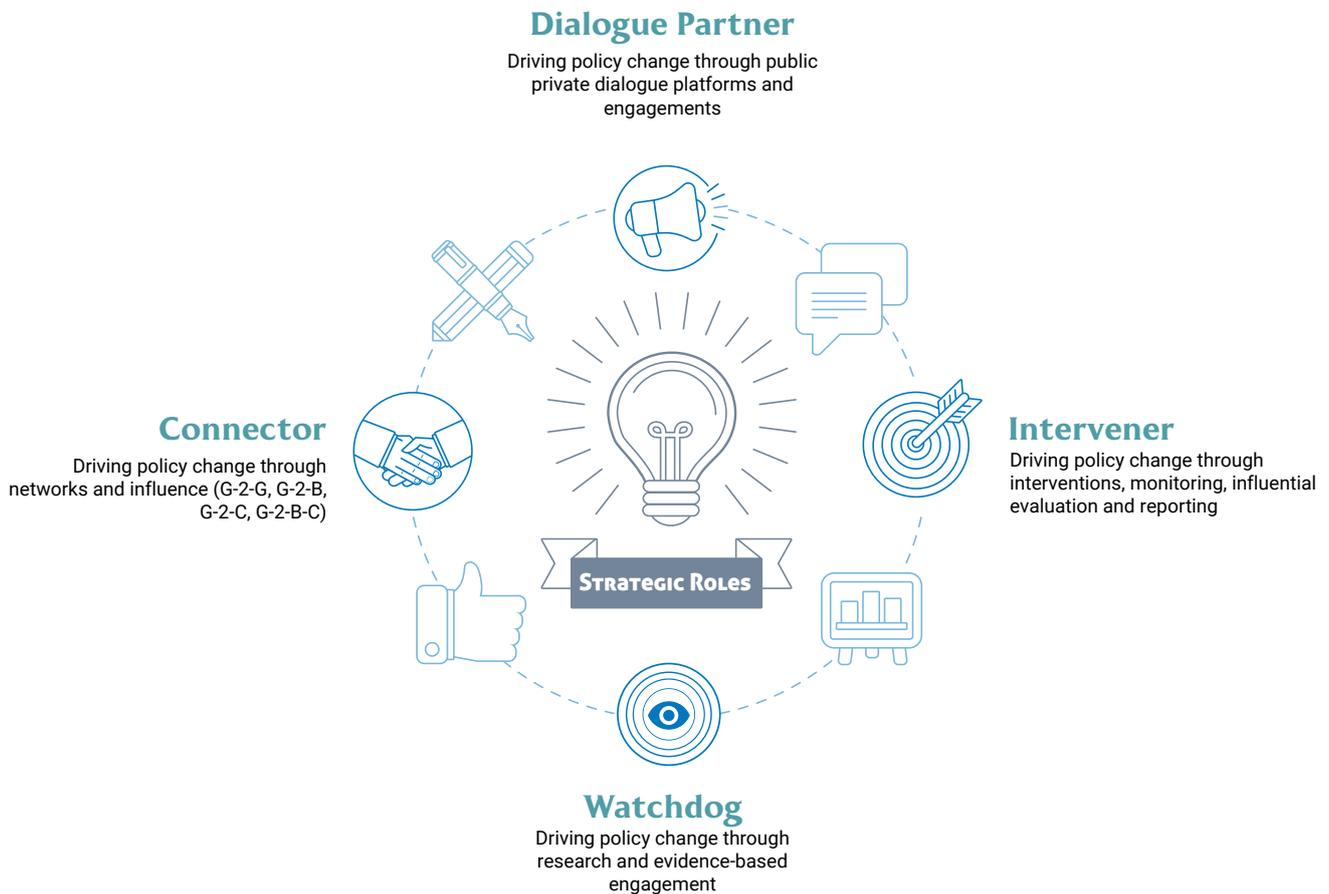
Whilst the Nigerian economy is on the path of recovery with GDP growth at 2.3 percent, the economy remains very fragile through a combination of slow growth and vulnerability to changes in external conditions, especially oil price fluctuations. 10 out of the 46 sectors of the economy, contributing approximately 27.1% of output, contracted in 2019. A review of performance by the various economic sectors showed that the agriculture sector continues to grow slowly. The Service Sectors, at 53 percent, remained the largest contributor to output. Growth, in these sectors, is adversely affected by issues which include: rising incidences of insecurity and continuing closure of our nation's borders.

In 2019, a combination of lower than anticipated oil prices and the OPEC cap on crude oil production resulted in public revenue continuing to perform below expectations. This has led to rising public indebtedness and budget underperformance. The Federal Government took a noteworthy step in the enactment of the Finance Act 2019, which has the potential to significantly and sustainably improve fiscal transparency and effectiveness. The increase in Value Added Tax (VAT) from 5% to 7.5% will improve non-oil revenue for the government, especially for the sub-national governments.

It is, however important, for stimulating output growth and sustaining competitiveness of our economy, to ensure that higher levels of taxation do not choke our fragile growth. The NESG recognizes the need to improve revenue performance at all levels of the public sector, but this must not be at the expense of investments and job growth.

During this period, the NESG continued to play its strategic roles under the following pillars:

During this period, the NESG continued to play its strategic roles under the following pillars:



These, to a large extent, influenced and shaped the nature of our public policy advocacy and interventions at the NESG Secretariat in 2019. We were encouraged by the way many of you demonstrated your support, working tirelessly with us at the Secretariat during the period. For this, we are immensely grateful.

The following report is aimed at providing highlights of the Group's stewardship in Year 2019. I hope this might spur you to remain committed in 2020, as we continue to dialogue, intervene, connect and be the watchdog, in the national interest.

OUR POLICY COMMISSIONS

As a member of the NESG, you are invited to lend your voice to public policy debates through the platform of the Policy Commissions. The Policy Commissions of the NESG is one of the strongest value propositions of the Group that you should embrace beyond payment of membership dues. Engagement at the level of the Policy Commissions confers on you the ability to: "Influence" the big-ticket agenda items for shaping the Nigerian business and economic landscape; plan and take your business to the next level as a result of "Insight" gained from stakeholder engagement and "Access" to the people who can help in getting you there.

As part of efforts to ensure effectiveness of the NESG Policy Commissions and to conform with best practice Public Private Dialogue Principles and Framework, the Secretariat inaugurated the Steering Committees of five (5) Policy Commissions: Governance and Institutions Policy Commission (GIPC), Tourism Hospitality Entertainment Creative and Sports Policy Commission (THECS), Sustainability Policy Commission (SPC), Manufacturing and Mining Policy Commission (MMPC) and Agriculture and Food Security Policy Commission (AFSPC).

Full details of Policy Commission engagements can be accessed in the "Review of 2019 Activities" section of this AGM report.

I want to use this medium to thank all members that were present at the inauguration. You contributed in no small measure to the overall success of the event. We are counting on you to ensure that your Steering Committee is fully functional.

MEMBERSHIP

In 2019, efforts were made to make NESG membership more inclusive, as well as align membership benefits with member expectations. I am pleased to state that twelve (12) new corporate members joined the Group. Efforts to ensure the mobilization of a critical mass of stakeholders, who will lend their voices to public policy issues through active engagement at the level of the Policy Commissions, will continue in 2020.

PARTNERS

We have continued to maintain relationship with our network of non – state actors to improve NESG's capacity for research and to support economic reform initiatives. Relations have continued with the United Nations Global Compact (UNGC), the Department for International Development (DFID), World Economic Forum (WEF), World Bank, the Lagos Business School, the Nigerian Bar Association Section on Business Law (NBA- SBL), Heinrich Böll Stiftung (HBS), ALL ON , Bill and Melinda Gates Foundation (BMGF) and African Capital Alliance (ACA).

We would like to thank all our partners for their relentless support in 2019 and look forward to their continuous support this year 2020.

I am pleased to note that beyond these organizations, conscious efforts were made in 2019 to cultivate new partnerships that have given rise to some other projects that are being driven by the NESG. Details of this can be found in the Institutional Collaborations / MOUs section of this report.

CONCLUSION

This year 2020, the NESG launched its Macroeconomic Outlook report which took a deep-dive approach to dealing with Nigeria's poverty problem through accelerated economic growth and job creation, as a precursor to inclusive growth. We provided three scenarios of growth: the best-case scenario predicts 3.5% GDP, the business as usual predicts 2.6% and the worst-case predicts -1.9%.

In making these predictions, we were mindful of the fact that the probability of any of these predictions coming to bear on the Nigerian economy is hinged on the following factors:

- Short term and long-term effects of the VAT increase
- Rectification and Implementation of the African Continental Free Trade Area (AfCFTA) agreement
- Movement in global oil prices
- US-China trade wars

As we enter this new decade, I want to use this opportunity to reiterate NESG's commitment to champion advocacy and intervention on all issues regarding the adoption of policies that are conducive for good governance, globally competitive, inclusive and sustainable private sector led. I, therefore, invite you all to rise up to the challenge and work with the secretariat to deliver a Nigeria that will thrive.

My sincere thanks goes to the Board of Directors and the Board of Patrons for their unrelenting support in 2019. You have been a source of inspiration and hope from which the secretariat draws its strength. I appreciate your support always and look forward to working closely with you in 2020.



'Laoye Jaiyeola
CEO, NESG

RESEARCH AND INFORMATION SERVICES

The NESG Research and Information Services Department is responsible for tracking, collating and analyzing topical social-economic issues on the Nigerian economy. The core focus of the department is to generate objective and credible reports to support evidence-based advocacy initiatives of the NESG.

Drawing from the overarching objective of the NESG Research Roadmap (2017-2020), the unit set out its research activities in 2019 by focusing on three (3) strategic priorities. These are:

- Periodic Publications
- Institutional Research Collaboration
- Macroeconomic Modelling & Policy Simulation

A. Periodic Publications

The NESG Research and Information Services Department published reports across the range of periodic publications in 2019. The following are the spotlights from the reports:

Macroeconomic Outlook: The 2019 edition of NESG Macroeconomic Outlook themed, *Steering Nigeria through the Inclusive Growth Pathway: What Strategy Should the Government Adopt?* examined the critical role of government in delivering broad-based economic growth which is essential in opening up critical sectors for investments and enabling them to create jobs. The report identified crucial social inclusion reforms that the Nigerian government, at different levels, must implement to guarantee improvement in social outcomes. The focus of the report was on the need to define a clear, broad and workable framework for implementing governance-integrated inclusive growth in Nigeria and it sought to set in motion a holistic and result-oriented debate on enabling broad-based inclusive growth in Nigeria, rooted in the principle of shared prosperity. The report was disseminated to all State Governors, Ministers, Permanent Secretaries, CEOs of MDAs and select Embassies and Donor Organisations.

- The NESG Advocacy Report on Job Creation and Inclusive Growth
- The NESG Research Report on Job Creation, Value Addition and Sectoral Growth Dynamics
- Research Report on Inclusive Growth with Focus on Job Creation
- The World Economic Forum (WEF) Executive Opinion Survey for Nigeria
- National Scorecard Report Development
- AFCFTA Report

NESG Economic & Policy Review (EPR) Journal:

The NESG EPR is a publication of the Nigerian Economic Summit Group (NESG), established to serve as an avenue for constructive analysis of economic policies and their impacts on different aspects of the business and economic environment. The EPR is listed on the African Journal Online Portal as well as on the S&P Global Portal. The 2019 edition of ERP was themed "Inclusive Growth" and featured sections covering various issues on Nigeria's inclusive growth.

Alerts and Updates: In 2019, NESG Research continued the dissemination of brief reports on topical issues to stakeholders. During the year, the department released Alert and Updates on GDP, Inflation, Unemployment, Foreign Trade, Capital Importation and Monetary Policy updates.

Global Watch Monitor: The NESG Global Watch Monitor critically examines, analyses and provides an objective view on global rankings, ratings and indices involving Nigeria. In the year under review, the NESG Research published its views on Nigeria's position in Global Competitiveness Ranking, Doing Business Report, and World Investment Reports.

State of the Economy: The "State of the Economy" is a publication by the NESG Research and Information Department that highlights the state of the Nigerian economy and provides prospects of key broad aggregates as well as on future economic activities across key sectors.

Business Confidence Monitor: The Business Confidence Monitor (BCM) is the flagship survey-based report of the Nigerian Economic Summit Group. The report obtains qualitative information on the current state of businesses' sentiment within the Nigerian economy and gauges expectations about the overall economic activities in the short-term. In the year under review, the research unit completed one edition of BCM report.

B. Research Collaboration & Partnerships

In 2019, the following partnerships and collaborations were achieved:

The Centre for Petroleum, Energy Economics and Law (CPEEL) – The research department worked with the Centre for Petroleum, Energy, Economics and Law (CPEEL) to build the CGE Model.

World Economic Forum – The research department is conducting the annual Executive Opinion Survey of the World Economic Forum (WEF) for the 2019/2020 Global Competitiveness Report (GCR).

C. Macroeconomic Modelling & Policy Simulation

With the use of robust macroeconomic models, the NESG Research unit conducts policy simulations to determine the future consequences of current policy actions on several aspects of the economy. In 2019, the Unit deployed NESG MACMOD in various reports to simulate macroeconomic outcome of policy measure. The department also developed Computable General Equilibrium Model (CGE) to evaluate the impact of increasing Value Added Tax in Nigeria. The result was fed into the work of the Fiscal Commission.



Nigerian Renewable Energy Roundtable (NiRER)

NiRER is one of NESG's specialized PPD platforms that was set up in June 2017. The Roundtable has established itself as a subject matter leader on issues concerning Renewable Energy (RE) development in Nigeria.

NiRER focuses its efforts across three areas:

- Multi-stakeholder coordination
- Research/knowledge management
- Capacity building and (iv) business facilitation

NiRER activities and accomplishments in 2019 are highlighted below:

- NiRER held a meeting on Monday 4th February, 2019 with the Renewable Energy and Rural Power Department of the Federal Ministry of Power to discuss the high-level initiatives for 2019. A major outcome was an agreement to jointly facilitate the creation of a Database Management System and an Integrated Web-based Electrification Planning Tool.
- In-line with NiRER's initiative for upscaling training programmes for Renewable Energy Technicians, All On and Rubitec Solar Awarded Mini-grid Training Scholarship to 150 Technicians. This training was successfully completed in Lagos. This was done between the 8th and 30th March, 2019. In addition, a 3-day training was delivered by NiRER on Minigrad Design to educate the Technicians on Environmental and Social Impact Assessment (ESIA) and Policy in the sector.
- In the second quarter, NiRER signed an MoU with Heinrich Böll Stiftung (HBS) for the

development of a Consolidated Renewable Energy Bill and Position Paper for the sector. NiRER has identified a Renewable Energy Consultant to begin the process of developing the Consolidated Renewable Energy Bill.

- A group of 10 experts drawn from public, private and development partner organisations have been selected to provide technical inputs into developing the bill. The following organisations are partners in this process;
 - i. Heinrich Boell Stiftung
 - ii. All On
 - iii. Nigeria Power Sector Program
 - iv. Detail Commercial Solicitors
 - v. Clean TechHub
 - vi. Renewable Energy Association of Nigeria (REAN)
 - vii. Energy Commission of Nigeria (ECN)
 - viii. Nextier Power
 - ix. Rural Electrification Agency (REA)
 - x. Federal Ministry of Power (FMP)
- In the fourth quarter, NiRER held a break-out session with the theme, "Bridging Nigeria's Electricity Deficit" during the 25th Nigerian Economic Summit on 7th October, 2019. The Managing Director of REA, MD of TCN and Chairman of NERC joined over 70 public and private sector players to discuss current plans to increase the share of renewable energy in the national energy mix.
- NiRER secured partnership commitment from the World Bank Nigeria Office, to support the development of a web-based integrated electrification planning tool for the sector.

Public Policy Intelligence & Reform Management

Power Sector Reform: The unit led a series of engagements and consultations with stakeholders across the Nigerian Electricity Supply Industry (NESI) value chain. Following requests for Position Papers from 114 stakeholders, the unit pulled together a comprehensive list of challenges and issues stifling the growth of the NESI as well as proposed recommendations. The unit organized an Expert Forum, which further reviewed and streamlined the issues and recommendations.

In May 2019, as a follow up to the Expert Forum, the Unit facilitated the formation and engagement of a Joint Team on Power for the development of a solutions framework for the resuscitation of the NESI.

The Unit maintained a daily engagement of power sector stakeholders for a 2- week period. The series of engagements produced the following outputs and outcomes:

- NESG Roundtable on Power Sector Interim Report; and the
- The Nigerian Electricity Supply Industry (NESI) Diagnostic and Solutions Framework.

Higher Education Reform: The NESG conducted high-level dialogues with NUC and TETFund in the revitalization of the Nigerian University System and in the re-assessment of research methods in Nigeria.

The unit organised the NESG-NUC Collaboration Retreat. The report and recommendations of the retreat were further broken down by a joint committee of NUC and the NESG. The engagements with the Academia, Government (as represented by NUC, TETFund) and the Federal Ministry of Education culminated in the establishment and operationalisation of the Nigeria Triple Helix Roundtable.

National Assembly Business Environment Roundtable (NASSBER)

NASSBER has used its unique position to enable collaborative solutions between the National Assembly, the Civil Society and the organised private sector to carry-out and build consensus in the process of the reform of the Nigerian business environment, by broadening participation, engagement and the quality of output to our law-making.

The following are the results from engagements activities that took place in 2019:

NASSBER played a key role in securing the passage of several business environment legislations. It also facilitated the progress of many other legislations through both chambers of the National Assembly. The following NASSBER priority bills were passed in the 8th Assembly and assented into law in 2019:

- Federal Competition and Consumer Protection Act 2019
- National Fertilizer Control Act 2019
- Nigerian Inland Waterways Authority Act
- National Agricultural Seed Council Act 2019

- President Muhammadu Buhari signed the Federal Competition and Consumer Protection Bill into law. The Bill is one of the priority legislations of NASSBER. The passage and signing into law of this Bill will create a competitive market and protect the welfare of consumers by providing them with competitive prices and product choices, prohibiting restrictive business practices that distort or constitute an abuse of a dominant position of market power in Nigeria, therefore, promoting economic efficiency. This will lead to better pricing, faster employment generation, better productivity, increased consumer savings, faster economic growth and increased investment.

- The President also signed the Agricultural Credit Guarantee Scheme Bill which promotes commercial agricultural enterprises in Nigeria by ensuring credit support for production, storage and processing of target commodities.

- NASSBER received a recognition award from the Presidential Enabling Business Environment Council (PEBEC) for its efforts in ensuring and facilitating the passage of the CAM Bill and other Ease of Business Bills on Wednesday 3rd April.
- NASSBER worked closely with several committees of the National Assembly, including participation in public hearings, providing technical support and assistance to the standing committees of the National Assembly after the public hearing to meet their objectives of enacting legislation that is fit for purpose. This remarkable cooperation increased the efficiency of the committees and resulted in more positive outcomes for NASSBER.
- Members of the 9th National Assembly were sworn into office in June 2019, but this did not halt NASSBER's work. The special legislation platform worked to institutionalize the presence of NASSBER in the National Assembly even after the 8th National Assembly gave way to the 9th.

Launch of New Brand Identity

The NESG launched its new brand identity that aligns with its increasingly visible role as a think-tank with a mandate of promoting and championing reform of the Nigerian economy into an open and globally competitive one. The new brand identity, which was launched on 10th July, 2019, represented NESG's evolution into

a think-tank that is constantly driven to make changes and impact positively on the economic discourse of the nation and beyond. The new NESG logo represents the values of sustainable economic growth, innovation and globalization that the NESG has been associated with.



25th Nigerian Economic Summit

The 25th edition of the Nigerian Economic Summit (“NES #25” or “the Summit”) held on 7th and 8th October 2019 at Transcorp Hilton Hotel, Abuja, with the theme “Nigeria 2050: Shifting Gears”. The Summit was graced as usual by dignitaries from various spheres of life. These included: The President of the Federal Republic of Nigeria, His Excellency Muhammadu Buhari, GCFR; Executive Governors and Deputy Governors of numerous States; Distinguished Lawmakers; Federal Ministers; Captains of Industries; Renowned Academics; Members of the Diplomatic Community; and other public, private and social sector leaders.

With the expiration of the Federal Government’s Economic Recovery and Growth Plan (ERGP) in 2020, the signing of the Africa Continental Free Trade Area (AfCFTA) and the United Nation’s projection that Nigeria’s population will double to 410 million by 2050, the theme for the Summit was deliberately set with a focus of defining the path the nation must tread to overcome the immediate and projected challenges and be positioned to become a 21st Century economy by 2050.

The world stands on the brink of a Fourth Industrial Revolution (4IR) and the global economic outlook, which has been characterized by economic nationalism and trends towards deglobalization, remains volatile but cautiously optimistic.

It is apparent that Nigeria must shift gears to an economy driven by a private sector that can effectively compete for opportunities in regional and global markets and achieve more sophisticated competitive advantages and higher productivity in 2050. As a result, it was critical to bring together stakeholders and leaders in business, politics and the civil society to collaboratively develop strategies that will enable the private sector to drive and sustain Nigeria’s forward trajectory towards the best-case Scenario for 2050.

The discussions at the Summit were anchored on four Sub-Themes: Achieving Rapid Industrialization, Transforming Education, Managing Demography and Sustainable Peace and Security. At the end of the sessions, the 25th Nigerian Economic Summit produced outcomes that will deliver on the three key pillars of economic growth, competitiveness and inclusive

development, with an overarching objective of signaling a coherent and clear 30-year agenda for sustainable economic development that will be led by the private sector.

The Summit included 11 Design Workshops, 6 Parallel Roundtables, 6 Industry Breakfast Meetings and 6 Lunch Sessions. Facilitators of these sessions adopted a workshop approach in discussing specific governance issues relating to service delivery in their focus sectors/areas. NES 25 also featured the Startups Pitching Event, 2050: Nigeria of our Dreams Art Contest and NES 25 Anniversary Essay Competition.

Below is a summary of the key recommendations and action plans agreed at the Summit (please refer to the Green Book for details).

1. ECONOMIC GROWTH

Macroeconomic Stability

- The attainment of consistent high Gross Domestic Product (GDP) growth rates and sustainable growth which permeates all sectors is critical and must be emphasised.
- Craft a National long-term agenda for inclusive double-digit economic growth and development driven by the private sector. The development of the agenda should be treated with urgency, meticulously and collectively drafted with a strategy for its sustainability. The Summit participants were more inclined towards a 30-year agenda that coincides with the United Nations projection. It was further recommended that the agenda should be subdivided into a five or ten-year national development plans, while insulating the plan from policy somersaults.
- Rebuild and sustain long-term investor confidence by ensuring excellent infrastructure, favourable and consistent policies, security and political stability. Additionally, local direct investment must be mobilised especially from institutional investors such as National Pension Fund. It is equally critical for Nigeria to focus on investment facilitation by providing an investment-friendly legal and business climate as well as investment aftercare through incentives that encourage reinvestments.

- Amend Taxes and Levies (Approved List for Collection) Act to prohibit each level of government from imposing and collecting more than five (5) taxes.
- In order to prevent price control and economic distortions, general subsidies such as for fuel, power, foreign exchange, fertiliser, etc. must be removed, and targeted subsidies introduced for the poor. Removal of such subsidies should be adequately timed and sequenced to prevent distortion of the market.
- An unsustainable circle of rising debts and declining revenue is detrimental to a country's macroeconomic stability as it crowds out private investments. This might result in high domestic interest rate as well as limited inflow of foreign investments arising from poor sovereign ratings of the country. Hence, the government should stop borrowing, and accelerate reforms in the oil and gas sector to generate revenue over the next ten years, considering the global move towards clean energy.

2. ACHIEVING COMPETITIVENESS

Rapid Industrialisation

- Identify key sectors to drive competitiveness in the global economy, and develop a clear roadmap/strategic plan to deepen private investments in these sectors. Additionally, conduct a skills-gap assessment of each industry and sector to establish the skills required to close the gaps between the education sector and Industry skills requirements to guarantee globally competitiveness.
- The Summit identified the following as industries and sectors where Nigeria has or can develop competitive advantage: Agriculture, Creative Industry, Extractive Industry, Financial Services, ICT, and Manufacturing.
- Specific reform actions were also recommended for each of the identified focus industries as follows:

Extractive Industry

- The government should hasten reforms in the oil and gas sector, which includes the privatisation of NNPC and the liberalisation of the downstream petroleum sector, amongst others.
- Deploy gas infrastructure (e.g. pipelines) incorporating safety requirements to enable gas supply nationwide.
- Promulgate, enforce and monitor legislation that promotes fair competition, adoption of environmentally friendly practices, efficient mining practices, use of leading technology, stakeholder management, punitive sanctions for infractions, appropriate revenue allocation to relevant stakeholders and funds/bonds for environmental rehabilitation

Information Communication Technology

- State governments should give Right of Way (RoW) licences at no cost, to enable infrastructure operators to extend broadband infrastructure
- Funding of the ICT and e-Government Master Plans must be private-sector oriented. Government must underpin the implementation of the ICT Masterplan through legislation to ensure its sustainability.
- Agriculture
- Due to the critical issue of food security, significant leverage should be given to the private sector to invest and conduct invaluable research for the agricultural sector, while the government maintains its role of support and regulatory oversight.
- Focus on crops that enhance domestic consumption, promote import substitution, and strengthen export promotion.
- Manufacturing
- In order to make the manufacturing sector competitive, the government should strengthen regulatory institutions to enforce compliance with requirements on standards. Ensure the unification of regulatory requirements by consolidating regulatory agencies. This would also help improve the ease of doing business, especially for MSMEs.

- Invest in modern technologies at the Nigerian ports to reduce human interface, which can lead to corruption and exploitation.
- Financial Services
- Introduce/implement laws and policies that regulate both the formal and informal credit providers to protect both the borrower and lending institutions. Mandate credit bureaus to automate consumer credit data, define the bandwidths for FinTech and informal lending, and encourage innovative use of technology to assess creditworthiness through the use of algorithms, biometrics, purchase behaviour, etc.

Creative Industry

- The Central Bank of Nigeria (CBN) must develop a platform to recognise intellectual property as collateral to encourage financial institutions to devise a valuation mechanism in which intellectual property and intangible assets can be monetised and collateralised.
- Establish Skills Development Centres, such as film and theatre schools, with well-structured curricula to help bridge the knowledge gap in the industry.

Subnational Competitiveness

- Review the Constitution to devolve more powers from the Exclusive List to the Concurrent List to enable subnational governments to provide more support in creating and sustaining a competitive private sector economy. This is important to mitigate the over-reliance of states on federal allocations and uneven industrial development at the sub-national level.

Reinventing Government

- Reforms in the legislative, regulatory and institutional environment to improve economic competitiveness and the business environment are imperative to create a regional and globally competitive private sector. Focus reforms on the needs of the private sector as it is a potent agent for job creation leading to a significant contribution to the country's GDP.
- Embark on effective Public Service Reforms consisting of: the mobilisation of the

political will to support the development of institutional capacity required to implement agreed reform initiatives; establishment of meritocratic and performance-oriented recruitments and appointment within the public sector to create systems that attract and retain exceptional talent in the public sector; and deepening evaluation capacity development to foster evidence-based policies, decisions, accountability and performance management.

- The government should work with the private sector to find the appropriate balance between strict regulations that govern the industry and ensuring that local businesses are regionally and globally competitive. There must be a periodic review of the regulatory environment/framework to avoid regulatory overlaps. In this regard, there is the need for a re-orientation of the institutional role of regulators towards a market-creating and market-growing function, and enabling competition and consumer protection. Governments should design regulatory frameworks to foster industry growth and create functioning markets.
- Nigeria's traditional governance structures and policy-making models must be agile and responsive to the pace of change that creates a more collaborative multi-stakeholder framework.

Infrastructure Development

- The quality of Nigerian infrastructure is detrimental to the economy, thus increasing logistics and transaction costs, ultimately making Nigerian industries uncompetitive. There is an urgent need to adopt a more radical and robust approach to closing this infrastructure gap through public-private partnerships. This requires reforming the governance framework for infrastructure delivery to clearly define and delineate the role of government and the private sector, addressing the shortage of skilled professionals, especially within the public sector in negotiating public-private partnerships and resolving the disagreement on the role of private capital in the delivery of public infrastructure.

3. INCLUSIVE DEVELOPMENT

Transforming Education

- Declare a state of emergency in the education sector to redefine and articulate the education system to fit our national goals, and industry trends. This will also include retraining our tertiary education graduates with the relevant skills and knowledge to meet the current and future labour, industry and market needs as well as teaching methodologies for the right quality of teachers.
- Enforce the Child Rights Act across all the states to ensure that parents are held responsible for child education as non-compliance attracts punitive measures.
- Focus on girl-child education, especially in Northern Nigeria through the mobilisation of increased funding for establishing more girls-only schools to encourage girl-child enrolment. Also, train and deploy female teachers for girls-only schools as a key driver

for inclusion as many parents may not enrol their female wards in schools dominated by male teachers.

- Invest in basic education to significantly reduce the number of out-of-school children. Also, decentralise curriculum development from the federal government to allow state governments to design and develop a curriculum that suits their local environments.

Managing Demography

- Disincentivise revenue allocation to states with higher populations.
- Advance girl-child education in Northern Nigeria as a key solution to addressing the challenge of population explosion.

Sustainable Peace and Security

- Deploy the use of technology for effective security management.



NES #25 Anniversary Programmes

NES #25 Anniversary Essay Competition

As part of the NES #25 Anniversary activities, the NESG partnered with the National Universities Commission (NUC) to organise the NES #25 Essay Competition for Undergraduates in Nigerian Universities. Themed 'Enhancing Confidence in Nigeria for Nation Building Towards Economic Success and Improved Quality of Life for Nigerians', the aim of the competition was to ensure the active participation of Nigerian youths in shaping the agenda of the Nigerian economy and get them involved in nation building.

The winner of the NES #25 Essay Competition was Osamede Ikpowomsa Kingsley, a 400 Level undergraduate from the University of Benin studying Medicine and Surgery. The first runner up was Oladipupo Ogundare, a 300 Level undergraduate of Babcock University, studying Accounting, while the second runner up was Damilola Oguntade, a 500-level undergraduate of the University of Lagos, studying Law.

The winners were awarded certificates of performance, cash gifts, paid internship opportunity at the NESG and an all-expense paid trip to Abuja to attend NES #25 Anniversary, the platform on which they presented their ideas on enhancing confidence in Nigeria for Nation Building.

NESG in 25 Schools Tour

The NESG, in conjunction with Junior Achievement Nigeria, conducted a tour of 25 schools in different States across Nigeria to commemorate the NES 25th Anniversary. The core objective of the tour which was themed "United People" was to help inculcate the culture of nation building among Nigerian students. One of the aims of the programme was to increase awareness in secondary school students about their responsibility in nation building. NESG also engaged the students in thinking about how ethics, values, and entrepreneurship could contribute to creating a just and fair Nigeria, while also encouraging them to get involved in building the Nigeria of their dreams.

Launch of the 'In The National Interest' Documentary and Photo Book

The NESG launched its documentary titled "In The National Interest" and coffee table photo book on 29th October, 2019. The documentary film and coffee table photo book were released as part of activities celebrating the 25th Nigerian Economic Summit. The documentary not only detailed the past, present and future circumstances for Nigeria, but also took a critical look at the economic activities through the different timelines from the lens of the NESG.

NESG Bridge Fellowship

The NESG in partnership with Leap Africa instituted the NESG Bridge Fellowship in November 2019. The goal of the Fellowship is to equip a new cadre of young visionary leaders with leadership, research and policy advocacy skills to contribute to policy reform in diverse Policy Areas of Concentration and become leaders equipped with a contribution consciousness and relevant skills to lead change. Over 318 applications were received from across all States in Nigeria.

The beneficiaries of the Fellowship which will commence in 2020 are 25-30 female and male mid-level professionals between the ages of 25 to 40 who have demonstrated interest and have done quality work in research, public policy, community development, social work, business and social entrepreneurship. These professionals will be drawn from academia, private and public development sectors, through a stringent selection process. In addition, they will go through a series of capacity development projects.



Selected applicants will be enrolled into an eighteen (18) month Fellowship, during which they will develop leadership, research and policy advocacy competencies, participate in policy research and advocacy, and also implement social impact projects. Furthermore, they will be provided with networking and mentorship opportunities and be engaged in a Community of Practice Post-Fellowship. Fellows will conduct their policy research and advocacy activities in line with the NESG's eleven (12) Policy Commissions and Communities of Practice.

Conclusions from NES #25

Nigeria's National Long-term Agenda must ensure high economic growth that stimulates jobs and economic opportunities for a large and youthful population. It must also generate economic activities that open more economic sectors within the country. With a rising population and fundamental shifts in our demographic architecture, we require innovative strategies

and approaches to ensure that policies, programmes and projects that are developed and implemented by governments at all levels as well as the private sector exponentially improves our human development indicators. The focus areas are poverty, income inequality, gender gap, education, health and wellbeing, jobs and industry-ready skills. This requires strong commitments from policymakers and corporate executives.

The 25th Nigerian Economic Summit advocated for improved monitoring and evaluation of donor-funded projects to ensure that they achieve the desired outcomes and that targeted social investments should be sustained to bridge the income inequality gap.

NES #25 participants were resolute in concluding that the government and private sector should drive an agenda of shared prosperity for all Nigerians from 2020 to 2050.



INSTITUTIONAL COLLABORATIONS / MOUs

In line with the Group's mandate to be an intervener and connector, NESG consolidated on a wide range of Institutional Collaborations and MoUs aimed at producing significant impact at organizational, state, national and international levels. Some of these engagements are captured below:

Fiscal Policy Roundtable with Bill and Melinda Gates Foundation

Through the Fiscal Policy Roundtable, the NESG launched the Better Tax initiative and advocacy campaign. Better Tax is an evidence-based advocacy initiative that brings together the Nigerian Government and its citizens to make the process of taxation more effective for Nigeria's socio-economic development. The overarching objective is to set a tax reform agenda that is all-encompassing and engages all stakeholders in a way that drives mutual collaboration.

The following were the activities of the Roundtable for the year under review:

- After the Better Tax launch event on Wednesday 15th May 2019, the advocacy campaign on Better Tax was sustained for 11 weeks. During this time, interviews were conducted with Dr (Mrs.) Sarah Alade on CNBC, Mr. Taiwo Oyedele on Channels TV and Dr Neil McCulloch on NTA, on topics that were centered on Fiscal Policy reforms in Nigeria.
- In the second quarter of 2019, engagements with the IMF, World Bank and Development Partners resulted in the release of status reports by the World Bank and IMF to the Fiscal Roundtable. In addition, the Roundtable undertook the completion of the consolidated report on Taxpayer Perception.
- A Stakeholder engagement session kicked off on 22nd August, 2019 with Dr. Babatunde Fowler, Executive Chairman of Federal Inland Revenue Service who also doubles as the Chairman of the Joint Tax Board.
- Engagement with the Honourable Minister of Finance and the Chairman, Revenue Mobilization Allocation and Fiscal Commission took place on 27th August, 2019, while engagements with Nigeria Governors Forum (NGF) and Nigerian

Investment Promotion Commission (NIPC) were completed in September 2019.

- Copies of Citizen's Taxpayer Perception Report were disseminated to the thirty-six (36) State Governors' Offices, Joint Tax Board, thirty-seven (37) State Inland Revenue Service offices, ALGON Office for LGAs and Tax Research Network.
- The Fiscal Policy Roundtable White Paper which addresses tax administration, tax policies, and tax legislation was finalized.

Policy Innovation Unit

To improve the NESG's value proposition to its host of public sector and private sector stakeholders, a special Policy Innovation Unit was created to embark on an aggressive advocacy and socialization campaign aimed at getting priority stakeholders to understand and appreciate the role that a nudge unit could play in policy formulation/implementation. The PIU worked closely with the Policy Commissions and the Research Unit towards improving public policy design and implementation processes of the government, with the aim of optimizing desired socio-economic impacts.

These are the activities of the Unit in 2019:

- Following the successful completion of the four pilots of the NSIO programmes (N-Power, GEEP, Trader Money and Home-Grown School Feeding Programme), the NESG was saddled with the task of socializing the scalable recommendations of PIU and completed the PIU Impact Assessment Report in the third quarter.
- The PIU convened a meeting with the NSIO programme owners in the government to present full results of the four programmes and made recommendations for scaling. Further engagements took place with the private and public market demand side in Lagos and Abuja on the 23rd and 26th of July, 2019, respectively. The objective of these meetings was to provide information to the general public and show how behavioural interventions had been applied to the NSIO programmes.

- The PIU met with Vice President - Yemi Osinbajo and the Special Advisor to the President on Social Investments - Mrs. Maryam Uwais on 5th August, 2019 to show behavioral engagement results and emphasize on recommendations and potential for scaling up. The last stakeholder group engaged was the Governors' Forum and the National Assembly Lawmakers, with the objective to show them how behavioral interventions have been successfully applied to the NSIPs (with results) and to advocate for the adoption and application of behavioral science to form and shape policies within the states as well as in the legislative process.
- As part of the efforts to institutionalize PIU and the capacity for behavioral science engagements in the NESG, a collaboration was initiated with the Bill and Melinda Gates Foundation to consult with stakeholders and develop a business case for the institutionalization of Policy Innovation Unit in the NESG. The Board approved the institutionalization of the PIU as the business case showed that it was necessary to have a behavioural science team that supports a more efficient and effective Nigerian government through behavioural work. In addition, the unit complements and enhances the work of the NESG.

Open Government Partnership

The NESG became the Co-Chair of the Open Government Partnership (OGP), an international multi-stakeholder initiative focused on improving transparency, accountability, citizen participation and responsiveness to citizens through technology and innovation, held a stakeholder's validation retreat on the 5th and 6th of September, 2019 to finalize the 2nd Nigeria Open Government Partnership (OGP) National Action Plan (NAP). The National Action Plan II reinforces the commitment of the Nigerian Government, NESG and other stakeholders to eliminating all forms of corruption prone systems. It is also the product of co-creation which will be dependent on the collaboration of the public, private and civil society sectors for effectiveness.

Breakfast Meeting with Development Partners and Multilateral Agencies

NESG held its first convening of development partners and multilateral agencies on Wednesday 9th October, 2019, with the objective of securing resource commitment and institutional support for the Group's initiatives, along its four strategic roles. Participants emphasized that the meeting was essential to help the international development community optimize revenue mobilization and reduce duplication of efforts.

International Monetary Fund (IMF)

The NESG and the International Monetary Fund (IMF) organized a public presentation of the 2019 Issue of the IMF Regional Economic Outlook (REO) with the theme 'Navigating Uncertainty' on 27th November 2019 at Four Points by Sheraton, Lagos, Nigeria.

Alliance for Green Revolution for Africa (AGRA)

The regional sensitization meetings championed by AGRA-NESG was officially completed on 1st February, 2019. The meetings were conducted to sensitize farmers about the three agri-business bills (Seed Council, Fertilizer Quality Control Bill and Warehouse Receipt System) being pushed by AGRA on the NASSBER platform of the NESG. A total of three hundred and fifteen (315) farmers were reached with the advocacy campaign.

A Public-Private Dialogue titled "Strengthening the Policy Environment for Seed System, Fertilizer System & Warehouse Receipt System in Nigeria" took place on 14th May, 2019, as part of the key milestone deliverables. The Dialogue was well attended by critical private sector stakeholders of the Agricultural sector, development partners, MDAs and media partners. The factbooks on the three Agribusiness Bills were finalized and put up on the NESG website as well as disseminated to stakeholders.

The Seed Bill was passed by the House of Representatives on 11th December, 2018 and by the Senate on 17th April, 2019. The President assented to the National Agricultural Seeds Council Bill and it was signed into law on 24th June 2019. Following the passage and Presidential assent of the National Agricultural Seeds Council Bill, the AGRA-funded agribusiness advocacy project continued to sustain social media campaigns and advocacy on the passage of the three agribusiness Bills.

The Warehouse Receipt System Bill was rejected by the President at the close of the 8th National Assembly, while the Fertilizer Quality Control Bill was passed by the Senate and House of Representatives and was transmitted to the Presidency at the end of the 8th National Assembly.

The NESG has submitted a concept paper for a 12-month grant extension, particularly to advocate for the passage and assent of the Nigerian Independent Warehouse Receipt System Bill that was rejected.

Federal Ministry of Youth and Sports Development (FMYS D)

On Tuesday 17th December 2019, the NESG and the Federal Ministry of Youth and Sports Development (FMYS D) signed an MoU towards the development of a Private Sector Led Sports Industry. This is the first-ever MoU in the history of Nigeria on sports industry development between the FMYS D and the Organized Private Sector. The MoU signing was preceded by a number of milestones including: the first inter-ministerial technical session (involving ten ministries and several departments and agencies of the Federal Government); the establishment of a sports industry working group between the FMYS D and the NESG; a business roundtable session on Sports Industry development; and the establishment of the Eminent Focal Group (EFG) as the resource arm to drive the work of the Thematic Group in the development of the sports industry.



POLICY COMMISSION ACTIVITIES

Tourism Hospitality Entertainment Creatives and Sports (THECS) Policy Commission

THECSPC actively engaged the public sector during the period under review and the following were achieved:

The Sports Industry Thematic Group's Eminent Focal Group (EFG) was inaugurated in April 2019.

- The Sports Industry Thematic Group conducted several meetings from the 5th to 19th August, 2019 to complete the TETFUND Research Grant Application/Concept Note.
- The Thematic Group met with the Federal Ministry of Information and Culture on Thursday 22nd August to discuss strategic collaborations to drive the growth and development of the Creative and Entertainment Sectors.
- The Sports Industry Thematic Group, in collaboration with the Ministry of Youths and Sports Development, held the Inter-Ministerial Technical Session on Sports Industry Development with the theme 'Positioning Sports as an Industry: from Concept to Action' at the NESG liaison office, Unity Bank Towers, Abuja, FCT on 21st and 22nd November, 2019. The Inter-Ministerial Technical Session brought together for the first time, six key Ministries: Federal Ministry of Education, Federal Ministry of Information & Culture, Federal Ministry of Industry, Trade & Investment, Federal Ministry Women Affairs, Federal Ministry of Finance, Budget & National Planning, and the Federal Ministry of Youth and Sports Development (FMYSD) that serves as the coordinating Ministry in partnership with the NESG. The inter-ministerial session aimed to achieve two core objectives including providing structural reforms and generating new sources of revenue for development.

Infrastructure Policy Commission (IPC)

During the period under review, the Policy Commission undertook the following activities:

- In the first half of the year, the Policy Commission had continuous engagement and dialogue with the Executives and the

8th National Assembly on the Infrastructure Reform Bill. The engagement was carried on with the 9th National Assembly after the transition had been made.

- There was an inaugural meeting with the Infrastructure Concession Regulatory Commission (ICRC) to operationalize the MoU with the NESG. The objective of the MoU is for both institutions to work towards promoting PPP and related research works in Nigeria.

Sustainability Policy Commission (SPC)

The Policy Commission remained very active in 2019 with a series of engagements;

- Members of SPC participated in the Plastics Policy Review Workshop on the invitation of the Ministry of Environment.
- The Policy Commission also hosted a workshop titled "De-risking of Green Finance and Development of NDC Key Performance Indicators". The workshop took place from the 25th to 27th March at the Chartered Institute of Bankers House in Victoria Island. This workshop was designed to actualise immediate project finance based on assessments of commercially viable and socially responsible pipeline projects for the NDCs. This workshop was also a follow up on activities from 2018 in which the Policy Commission was expected to respond to the Climate Finance Accelerator (CFA) programme call out from the United Kingdom.
- The Policy Commission had a meeting in Abuja with the new DG of National Oil Spill Detection and Response Agency (NOSDRA). The team also visited the offices of Coca-Cola to discuss the pledge they made at the NES #24 to contribute their resources to the proper disposal of plastics.
- The Sustainability Policy Commission partnered with Lafarge to host its first Sustainability Forum on Tuesday 16th July and held several meetings with the Climate Finance Accelerator (CFA) UK, CFA NG teams and members of the financial community (Private Equity firms, Commercial Banks and Micro-finance banks) to discuss the mapping of available climate finance.

- The de-risking of Green Projects to improve access to finance was another initiative carried out by the Policy Commission. A Green Finance training was organized in collaboration with CIBN and with support from the Heinrich Boll Foundation, Rural Electrification Agency, Climate Finance Advisory Limited and the Climate Bonds Initiative UK. A total of 10 MSMEs out of 30 scaled the criteria for bankability, but only two were shortlisted to access finance by the end of June 2019.
 - The Climate department of the UK government is exploring strategic approaches to sustainably tackle deforestation and desertification, especially where the clean cook-stoves (which use firewood more efficiently) have not met the target. It was agreed that LPG was the strategic approach. This approach is being driven through the LPG Adoption Program of the Office of the Vice President.
 - The Policy Commission also made milestones in their 2019 work plan that covered areas in Climate Change and Green Economy, Marine Ecosystem and Blue Economy, Circular Economy and Natural Ecosystem Management.
- engage with the government from a unified position.
 - The NESG HCDPC met with the officials of the Federal Ministry of Labour and Employment (FML&E) on the sidelines of the 24th Nigerian Economic Summit in 2018 to seek for a collaboration on the Memorandum of Understanding (MoU) between the NESG and the FML&E, to promote initiatives for employment creation and capacity strengthening of the FML&E to deliver on its mandate on job creation.
 - An interactive session with Directors of Research of Nigerian Universities was conducted on Wednesday 24th April with the theme, "Bolstering Research Impact and Relevance through Systemic Research Governance in Nigerian Universities. The objectives of the session were: to discuss actionable solutions that will revive the culture of rigorous problem-oriented and relevant research; to improve the unsavoury situation of poor research governance; to intensely deliberate on the necessary steps required to achieve a direct link between research activities in Nigerian Universities and the nation's socio-economic and technological development.

Human Capital Development Policy Commission (HCDPC)

The HCDPC undertook the following engagements in 2019:

- The Policy Commission and the National Universities Commission (NUC) hosted a Policy Dialogue on the Revitalisation of Higher Education in Nigeria on Thursday 4th April. The aim of the Policy Dialogue was to build consensus on the need for partnership between academia and industry; and adopting the Triple Helix Model, in order to reform tertiary education outcomes in Nigeria.
- The second leg of the Policy Dialogue was a closed retreat session between the private sector and NUC, which took place from 4th to 5th April, 2019. With the NUC embarking on a comprehensive reform agenda for the Nigerian University System (NUS), the retreat created ample opportunity for the private sector to contribute to the reform agenda, and develop a mechanism to facilitate ongoing dialogue and sustained collaboration between academia and industry, in order to align perspectives and

Trade, Investment and Competitiveness Policy Commission (TICPC)

The following are the TICPC's engagements in the year under review:

- The Facilitator and Anchor of the Policy Commission were members of the Committee that worked on the Readiness Report of Africa Continental Free Trade Agreement (AfCFTA), which was used for the extensive engagement with the Federal Government before the AfCFTA was signed.
- The Policy Commission currently serves as the Private Sector Co-chair in the development of the National Scorecard Implementation Committee for the World Bank Project on ECOWAS Investment Climate Scorecard. The Policy Commission also serves as the Private Sector Co-Chair of the EU-World Bank-ECOWAS Investment Climate Scorecard Implementation Committee for Nigeria.
- The Policy Commission supports the GIZ Project Team of the Global Alliance for Nigeria's WTO/Trade Facilitation commitments and fostered the collaboration

with PDF II in the development of a Computable General Equilibrium Model for evidence-based trade impact assessment.

- The Policy Commission was appointed by the Honourable Minister of the Federal Ministry of Industry, Trade, and Investment (FMITI) to sit as a Member of the National Action Committee (NAC) for the implementation of the recommendations of the AFCFTA Readiness and Impact Assessment Study. The TICPC serves as the private sector representative for the FMITI regional sensitization across the six geopolitical zones on how private businesses can take advantage of the ECOWAS Common Investment Code.
- The NESG on this platform has delivered presentations on “ECOWAS Common Investment Code – Identifying the Winning Strategy for Nigerian Enterprises” in Lagos, Cross River and Enugu.

Agriculture and Food Security Policy Commission (AFSPC)

The AFSPC undertook the following engagements in 2019

- The Market Access Thematic Group meeting held on 20th August, 2019 and the Post-Harvest Management Thematic Group meeting held on 15th August, 2019.
- The following action plans are ongoing:
 1. Information gathering silo concessions
 2. Information gathering on Staple Crop Processing Zones
 3. Collaboration with AFDB on Staple Crop Processing Zones
 4. Work with Developmental Finance Institutes.
 5. Research on activities of other Stakeholders in the Agricultural space to ensure synergy.

Governance & Institutions Policy Commission (GIPC)

The Policy Commission was constituted in 2019 and much effort was put into setting up the governance structure, creating a mandate and aligning with institutions. Following the inauguration of its Steering Committee in July 2019, the GIPC commenced work on its main objective to support the reform of public institutions (including the civil service), measure performance and strengthen partnerships and collaborations between the public and private

sectors in order to fast track the growth and the development of the Nigerian economy.

The following were achieved:

- Re-constitution of the Steering Committee
- Appointment of a new Facilitator
- Post-Transition Engagement
- Interactive sessions with Heads of relevant MDAs
- Multi-Stakeholder meetings on Thematic issues

In December 2019, the first General Assembly (G.A) was held and the Co-Chairs reiterated the commitment of the policy commission to support reforms in both the public and the private sector.

Manufacturing and Mining Policy Commission (MMPC) Engagements

The MMPC held a one-day mining Stakeholder Dialogue Session with the Ministry of Mines and Steel Development (MMSD) to harmonize ideas and interest in “Mineral Reporting and Mineral Processing Initiatives”. This is in line with the “Roadmap for the Growth and Development of the Nigerian Mining Industry”.

Energy Policy Commission (EPC)

During the period under review, the Policy Commission undertook the following engagements:

- The EPC hosted a two-day Expert Forum on Nigeria’s Power Sector from 27th to 28th March, 2019. The aim of the Forum was for knowledgeable stakeholders to re-evaluate, re-strategize and develop various strategies and interventions to tackle the multi-faceted challenges currently plaguing the sector. The Forum was also designed to collate divergent views, while considering the several factors that affect market performance.

Science and Technology Policy Commission (STPC)

The STPC undertook the following engagements in 2019:

- It constituted the ICT Thematic Group consisting of thought leaders from the public and private sectors.

- The Policy Commission also had a number of collaborations with the FMoC to update and review the current e-Government Masterplan (abridged), launched in Transcorp Hilton by the Secretary to the Government of the Federation (SGF) and the

Minister of Science and Technology in May 2019. This was followed by the collaboration with Galaxy Backbone to develop citizen and participatory government strategies for the development of e-Governance solutions.



COMMUNITIES OF PRACTICE

Community of Practice on Gender Inaugural Session

The NESG held a meeting on Wednesday, 4th December, 2019, to initiate the NESG Community of Practice (CoP) on Gender. The Gender CoP will allow key stakeholders/ individuals across private and public sector groups to collectively own and champion the issues around women through the NESG's structured approach of deliberating, agreeing and advocating on policy focal points. More so, the CoP will act as a facilitating block for addressing policy areas regarding women and interactions with the Policy Commissions. The CoP will ensure that a deliberate focus is paid on the key issues affecting women. The Gender CoP meeting brought together leading women, across public, private and developmental organisations, who were split into thematic groups to discuss Equity in Law, Education & Skills, Financial Literacy & Empowerment and Gender Parity in business.

Community of Practice on Micro Small and Medium Enterprise (MSME)

In collaboration with Fate Foundation, the NESG held an inaugural meeting to officially launch the MSME Community of Practice on Monday 10th July, 2019. The meeting brought together stakeholders in the private and public sectors to discuss the peculiar issues and challenges that limit the growth of MSMEs. With the understanding of the important role that MSMEs play in the economy, the MSME Community of Practice was created to provide a platform that will give room for MSMEs to have a community and a united voice to contribute to the policy advocacy process and be effectively represented where issues of taxation, access to finance, enabling business environment, amongst other critical issues, are discussed. During the meeting, participants had Breakout Sessions on the four thematic groups: Access to Market, Improving Business Environment and Regulations, Access to Financing and Capacity Building, Education and Business Support, to discuss the problems and proffer solutions for implementation.



Corporate information

Directors	Mr. Asue Ighodalo Mr. Olaniyi Yusuf Mrs Onyeche Tifase Mr. Laoye Jaiyeola Mr. Foluso Phillips Mr. Udeme Ufot Mr. Frank Aigbogun Mrs. Wonu Adetayo Mr. Christos Giannopoulos Dr. Adedoyin Salami Mr. Osagie Okunbor Mr. Segun Ogunsanya Mr. Tony Attah Mr. Kennedy Uzoka Mr. Adekunle Elebute Mr. Adesola Adeduntan Mr. Paul Gbededo Mrs Juliet Ehimuan-Chiazor Mr. Yinka Sanni Mr. Abubakar Suleiman Mr. Mauricio Alarcon	- Chairman - Vice-chairman - Vice-chairman - Chief Executive Officer
Company secretary	Olaniwun Ajayi LP	
Registered office	6, Oba Elegushi Street Ikoyi - Lagos	
Principal place of business	6, Oba Elegushi Street Ikoyi - Lagos	
Independent auditors	Crowe Dafinone (Formerly Horwath Dafinone) Chartered Accountants Ceddi Towers 16, Wharf Road Apapa - Lagos	
Bankers	Access Bank Plc Fidelity Bank Plc First Bank of Nigeria Limited Stanbic IBTC Bank Plc Sterling Bank Plc United Bank for Africa Plc	
RC No.	303317	

Report of the directors

The directors present their annual report together with the audited financial statements for the year ended 31st December, 2019.

Principal activities

The Nigerian Economic Summit Group is an independent non-partisan not for profit organisation limited by guarantee, committed to fostering open and continuous dialogue on Nigeria's economic development and growth.

Results for the year

The results for the year are shown on page 35.

Future developments

The Company intends to continue fulfilling the objectives stated in its Memorandum of Association.

Dividend

The nature of the company's legal structure does not permit the distribution of any of the surplus of income over expenditure to the guarantors.

Property, plant and equipment

The property, plant and equipment values are shown in note 12 to these financial statements.

Directors

The directors who served the company during the year under review and up to the date of signing of the financial statements are as stated on page 30.

Mr. Maurico Alarcon – (Appointed, April 24, 2019)

Mr. Mohammed J. Yinusa – (Deceased, June 3, 2019)

Mr. Lazarus Angbazo – (Resigned, December 11, 2019)

Responsibilities of the directors

The Companies and Allied Matters Act, CAP C 20, LFN 2004 requires, where the Company is registered under the Act, that the directors prepare financial statements, in respect of each financial year, so as to give a true and fair view of the state of affairs of the Company at the end of the year and of the surplus or deficit generated by the Company for the year.

In preparing these financial statements, the directors:

-selected suitable significant accounting policies which were consistently applied;

-made judgments and estimates that were reasonable and prudent;

-ensured that the applicable International Financial Reporting Standards have been followed, and in the case of any material departures, that it has been fully disclosed and explained in the financial statements; and

-prepared the financial statements on a going concern basis, since it was appropriate to assume that the company will continue to exist.

-The directors are responsible for keeping proper accounting records which disclose with reasonable accuracy, at any point in time, the financial position of the company, and enable them to ensure that the financial statements comply with the Companies and Allied Matters Act, CAP C20, LFN 2004.

Report of the directors (continued)

Responsibilities of the directors (continued)

The directors are also responsible for ensuring that the financial statements so prepared comply with the relevant International Financial Reporting Standards as adopted by the Financial Reporting Council of Nigeria. The directors are also responsible for the safeguarding of the assets of the company, and therefore, for taking all and any reasonable steps for the prevention and detection of fraud and other irregularities.

Employment of physically challenged persons

It is the company's policy to give equal consideration to all applications for employment, including those that are physically challenged, after taking cognisance of their special aptitudes or disabilities. Employees who become physically challenged during the course of their employment are given reasonable alternatives, having regard to their disability. There were no physically challenged people in the employment of the organisation throughout the year under review.

Health and safety at work for employees

Health and safety regulations are in force within the company and are displayed on various notice boards for the employees' benefit. The company has engaged the services of medical practitioners to treat the illness or accidents, which may arise in respect of any employee, from the operations of the company. The cost incurred on this for the year amounted to N= 9.26 million (2018: N= 10.24 million).

Employee involvement and training

The company encourages its employees to improve on their performance and development through on-the-job training and where necessary, by attending both internal and external courses. The cost incurred on staff training during the year under review amounted to N= 21.52 million (2018: N= 18.16 million).

Donations

The company did not make any charitable donations during the year under review (2018: nil).

Research and development activities

The company contributes towards research and development activities in the industry by creating a forum for members in the industry to discuss and exchange ideas.

Independent auditors

Messrs Crowe Dafinone (formerly Horwath Dafinone), Chartered Accountants, having indicated their willingness to continue in office, shall do so, in accordance with Section 357(2) of the Companies and Allied Matters Act, CAP C20, LFN 2004.

By order of the Board



Olaniwun Ajayi LP
Company Secretary
FRC/2013/0000000001615
Lagos, Nigeria
18th February, 2020

Opinion

We have audited the financial statements of Nigerian Economic Summit Group (Limited by Guarantee) which comprise, , statement of profit or loss and other comprehensive income, statement of financial position as at 31st December, 2019, statement of changes in equity, statement of cash flows for the year then ended, other explanatory notes, statement of value added and the five year financial summary. These financial statements are set out on pages 35 to 67 and have been prepared using the significant accounting policies set out on pages 42 - 49.

In our opinion, the financial statements give a true and fair view of the financial position of the company as at 31st December, 2019 and of its financial performance and its cash flows for the year ended on that date, and comply with the applicable International Financial Reporting Standards in the manner required by the Financial Reporting Council of Nigeria Act No. 6, 2011.

Basis of our opinion

We conducted our audit in accordance with International Standards on Auditing (ISAs) in the manner required by the Nigerian Standards on Auditing (NSAs). Our responsibilities under those standards are further described in the Auditors responsibilities for the financial statements.

We believe that the audit evidence we obtained is sufficient and appropriate so as to provide a reasonable basis for our audit opinion.

Independence

We are independent of the company in accordance with the International Ethics Standards Board for Accountants Code of Ethics for professional Accountants (IESBA) code. We have fulfilled our other ethical responsibilities in accordance with the IESBA code.

Information other than the financial statements and auditors' report

The directors' report and other information contained therein are the responsibility of management. Our opinion does not cover these reports and accordingly we do not express any form of assurance conclusion thereon. It is our

responsibility to read the other information and in doing so, consider whether the information is materially inconsistent with the financial statements or with the knowledge obtained in the audit, or otherwise appears to be materially misstated. If based on our work we conclude that there is material misstatement of the other information, we are required to report that fact. We have nothing to report in this regard.

Responsibilities of directors and management for the financial statements

The directors and the management are responsible for the preparation and fair presentation of these financial statements in accordance with the International Financial Reporting Standards in the manner required by the Financial Reporting Council of Nigeria Act, No.6 2011. These responsibilities includes: designing, implementing and maintaining internal control relevant to the preparation and fair presentation of financial statements that are free from material misstatement, whether due to fraud or error; selecting and applying appropriate significant accounting policies and making accounting estimates that are reasonable in the circumstances.

In preparing the financial statements, management and the directors are responsible for assessing the company'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 liquidate the company or to cease operations, or has no realistic alternative but to do so.

Auditors' responsibilities for the financial statements

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

Auditors' responsibilities for the financial statements (continued)

As part of an audit in accordance with ISAs, we exercise professional judgment and maintain professional scepticism throughout the audit. We also:-

- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks and obtain audit evidence that is sufficient and appropriate so as 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 the internal controls 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 company's internal control.
- Evaluate the appropriateness of the significant accounting policies used and the reasonableness of the accounting estimates and related disclosures made by management.
- 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 company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditors' report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the company to cease to continue as a going concern.

- Evaluate the overall presentation, structure and content of the financial statements, including the disclosures and whether the financial statements represent the underlying transactions and events in the manner that achieves fair presentation.

We communicate with those charged with governance regarding, amongst other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in the internal controls that we identify during our audit.

Report on other legal and regulatory requirements

In accordance with Section 360 (1) and (2) of the Companies and Allied Matters Act, CAP C20, LFN 2004 we confirm that the financial statements are in agreement with the accounting records, which have been properly kept.

In accordance with Section 359(2) of the Companies and Allied Matters Act, CAP C20, LFN 2004, we confirm that we received all of the information and explanations that were required for the purpose of the audit.

Lagos, Nigeria
18th February, 2020


Omolola Samuel
Engagement partner
FRC/2012/ICAN/0000000358
For: Crowe Dafinone
(Formerly Horwath Dafinone)
Chartered Accountants



Statement of profit or loss and other comprehensive income for the year ended 31st December, 2019

	Note	2019 ₪	2018 ₪
Revenue	7	330,014,001	309,006,074
Other operating income	8	2,650,369	131,616
Administrative expenses	9	(397,315,057)	(324,906,776)
Finance income	10	92,196,912	79,214,405
		_____	_____
Surplus before tax		27,546,225	63,445,319
Income tax expense	11	-	-
		_____	_____
Surplus for the year	23	27,546,225	63,445,319
Items that will not be reclassified to income and expenditure:			
Other comprehensive income:			
Fair value loss on financial assets at fair value through other comprehensive income	13.1	(8,550,819)	(8,131,690)
		_____	_____
Total comprehensive income for the year		18,995,406	55,313,629
		=====	=====

The general information, the significant accounting policies and the notes on pages 39 -62 form an integral part of these financial statements.

Statement of financial position as at 31st December, 2019

	Note	2019 N	2018 N
Assets			
Non-current assets			
Property, plant and equipment	12	470,255,773	469,785,512
Financial assets at fair value through other comprehensive income	13	27,162,208	35,713,027
Total non-current assets		497,417,981	505,498,539
Current assets			
Financial assets at amortised cost	14	713,245,920	554,719,738
Prepayments	15	19,960,732	2,000,000
Trade and other receivables	16	41,636,248	67,415,068
Cash and cash equivalents	17	311,967,666	315,248,265
Total current assets		1,086,810,566	939,383,071
Total assets		1,584,228,547	1,444,881,610
Equity and liabilities			
Equity			
Accumulated fund		1,000,477,565	972,931,340
Capital development fund		485,101,418	352,376,418
Fair value reserve	13.1	(1,078,291)	7,472,528
Total equity		1,484,500,692	1,332,780,286
Current liabilities			
Deferred income	18	73,869,657	89,919,640
Trade and other payables	19	23,758,198	15,934,738
Accruals	20	2,100,000	6,246,946
Total current liabilities		99,727,855	112,101,324
Total liabilities		99,727,855	112,101,324
Total equity and liabilities		1,584,228,547	1,444,881,610

The financial statements were approved and authorised for issue by the board of directors on 18th February, 2020 and were signed on its behalf by:



Mr. Asue Ighodalo
Chairman
FRC/2015/NBA/00000010680



Mr. Yinka Sanni
Chairman Board Finance Committee
FRC/2013/CISN/00000001072



Mr. Laoye Jaiyeola
Chief Executive Officer
FRC/2013/MULTI/00000001579

The general information, the significant accounting policies and the notes on pages 39 -62 form an integral part of these financial statements.

Statement of changes in equity for the year ended 31st December, 2019

	Accumulated fund N	Capital development fund N	Fair value reserve N	Total equity N
As at 1 st January, 2018	909,486,021	234,176,418	15,604,218	1,159,266,657
Income and expenditure:				
Surplus for the year	63,445,319	-	-	63,445,319
Other comprehensive income:				
Fair value changes	-	-	(8,131,690)	(8,131,690)
*Capital development fund	-	118,200,000	-	118,200,000
As at 31st December, 2018	972,931,340 =====	352,376,418 =====	7,472,528 =====	1,332,780,286 =====
As at 1 st January, 2019	972,931,340	352,376,418	7,472,528	1,332,780,286
Income and expenditure:				
Surplus for the year	27,546,225	-	-	27,546,225
Other comprehensive income:				
*Capital development fund	-	132,725,000	-	132,725,000
Fair value changes	-	-	(8,550,819)	(8,550,819)
As at 31st December, 2019	1,000,477,565 =====	485,101,418 =====	(1,078,291) =====	1,484,500,692 =====

* With effect from 1st January, 2015 not less than 50% of the membership subscription is accounted for as capital development fund.

The general information, the significant accounting policies and the notes on pages 39 -62 form an integral part of these financial statements.

Statement of cashflows for the year ended 31st December, 2019

	Note	2019 N	2018 N
Cash flow from operating activities			
Surplus for the year		27,546,225	63,445,319
Adjustments for non-cash items:			
Depreciation	12	28,962,677	27,661,154
Cash inflows before working capital changes		56,508,902	91,106,473
Working capital changes:			
(Increase)/decrease in prepayments		(17,960,732)	4,446,333
Decrease/(increase) in trade and other receivables		25,778,820	(49,601,033)
Increase in trade and other payables		7,823,460	10,252,822
Decrease in accruals		(4,146,946)	(293,564)
Net cash inflows from operating activities		68,003,504	55,911,031
Cash flow from investing activities:			
Purchase of property, plant and equipment	12	(29,432,938)	(9,765,102)
Financial assets at amortised cost	14	(158,526,182)	(148,407,011)
Net cash outflows from investing activities		(187,959,120)	(158,172,113)
Cash flow from financing activities:			
Deferred income		(16,049,983)	(61,292)
Members' contribution to capital development fund		132,725,000	118,200,000
Net cash inflows from financing activities		116,675,017	118,138,708
Net (decrease)/increase in cash and cash equivalents		(3,280,599)	15,877,626
Cash and cash equivalents as at 1 st January		315,248,265	299,370,639
Cash and cash equivalents as at 31st December	17	311,967,666	315,248,265
Represented by:			
Cash in hand		1,036	24,770
Bank balances		311,966,630	315,223,495
		311,967,666	315,248,265

The general information, the significant accounting policies and the notes on pages 39 -62 form an integral part of these financial statements.

1.0 General information

1.1 Reporting entity

The Nigerian Economic Summit Group was incorporated as a private limited company by guarantee on 8th November 1996, as an independent, non-partisan, not-for-profit organization with a mandate to promote and champion the reform of the Nigerian economy into an open, private sector-led globally competitive economy through its advocacy efforts. It commenced business immediately on the same date.

1.2 Principal activities

The Nigerian Economic Summit Group is an independent non-partisan organisation, committed to fostering open and continuous dialogue on Nigeria's economic development and growth.

1.3 Basis of preparation

The financial statements have been prepared on the historical cost basis except for the following material items in the statement of financial position:

- Financial assets at fair value through other comprehensive income are measured at fair value through other comprehensive income.

Historical cost is generally based on the fair value of the consideration given in exchange of goods and services.

Fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction in the principal market at the measurement date under current market condition, regardless of whether that price is directly observable or estimated using another valuation technique.

1.4 Composition of financial statements

The financial statements have been prepared in accordance with International Financial Reporting Standards (IFRS). Issued by International Accounting Standard Board in the manner required by the Financial Reporting Council Act No.6 of 2011. The financial statements comprise:

- Statement of comprehensive income
- Statement of financial position
- Statement of changes in equity
- Statement of cash flows
- Notes to the financial statements.

It also includes statements required by local legislation but not prohibited by IFRS. These are:

- Statement of value added
- Five year financial summary

1.0 General information (continued)

1.5 Financial period

These financial statements cover the financial year ended 31st December 2019, with comparative amounts for the financial year ended 31st December 2018.

1.5.1 Frequency of reporting

The company had maintained a 31st December year end (i.e. 12 months) as there was no change in accounting date for the periods covered by these IFRS financial statements.

1.6 Statement of compliance

The financial statements have been prepared in accordance with International Financial Reporting Standards ("IFRSs") as issued by the International Accounting Standards Board ("IASB") in the manner required by Financial Reporting Council of Nigeria Act No. 6, 2011.

1.7 Functional and presentation currency

These financial statements are presented in Nigerian Naira which is the company's functional currency. Except otherwise indicated, financial information presented in Naira have been stated in absolute figures.

1.8 Use of estimates and judgments

The preparation of the financial statements in conformity with IFRSs requires management to make judgments, estimates and assumptions that affect the application of accounting policies and the reported amounts of assets, liabilities, income and expenses. Actual results may differ from these estimates.

Estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognized in the period in which the estimates are revised and in any future periods affected. Areas where critical estimates are made are referred to in note 4.

2.0 New standards, interpretations and amendments

2.1 New and revised IFRSs in issue but not yet effective

A number of new standards, interpretations and amendments were issued for the first time for periods beginning on (or after) 1st January, 2021. The company has elected not to adopt them in these financial statements. The nature and effect of each new standard, interpretation and amendment yet to be adopted by the company are as detailed below.

Pronouncement	Nature of change	Effective date
IFRS 17 Insurance contracts	<p>IFRS 17 was issued in May 2017 as replacement for IFRS 4 <i>Insurance Contracts</i>. It requires a current measurement model where estimates are re-measured each reporting period. Contracts are measured using the building blocks of:</p> <ul style="list-style-type: none"> • discounted probability-weighted cash flows • an explicit risk adjustment, and • a contractual service margin (“CSM”) representing the unearned profit of the contract which is recognised as revenue over the coverage period. <p>The standard allows a choice between recognising changes in discount rates either in the statement of profit or loss or directly in other comprehensive income. The choice is likely to reflect how insurers account for their financial assets under IFRS 9. An optional, simplified premium allocation approach is permitted for the liability for the remaining coverage for short duration contracts, which are often written by non-life insurers.</p> <p>There is a modification of the general measurement model called the ‘variable fee approach’ for certain contracts written by life insurers where policy holders share in the returns from underlying items. When applying the variable fee approach the entity’s share of the fair value changes of the underlying items is included in the contractual service margin. The results of insurers using this model are therefore likely to be less volatile than under the general model.</p> <p>The new rules will affect the financial statements and key performance indicators of all entities that issue insurance contracts or investment contracts with discretionary participation features.</p>	<p>Annual periods beginning on or after 1 January 2021.</p>

3.0 Significant accounting policies

3.1 Financial instruments

Financial assets and liabilities are recognized when the company becomes a party to the contractual provisions of the instrument. Financial assets are derecognized when the rights to receive cash flows from the assets have expired or have been transferred and the company has transferred substantially all risks and rewards of ownership. Financial liabilities are derecognized when the obligation specified in the contract is discharged, cancelled or expires.

3.1.1 Classification

The classification is based on both the company's business model for managing the financial assets and the characteristics of the financial assets contractual cash flow. Management determines the classification of its financial instruments at initial recognition.

The company classifies its financial assets in the following categories: fair value through profit, fair value through comprehensive income and amortised cost.

Non-derivative financial assets

(a) *Financial assets at fair value through profit or loss*

Financial assets at fair value through profit or loss are financial assets or liabilities held for trading. A financial asset or liability is classified in this category if acquired principally for the purpose of selling in the short term. Assets in this category are classified as current assets if expected to be settled within 12 months; otherwise, they are classified as non-current.

(b) *Financial assets at fair value through other comprehensive income*

Fair value through other comprehensive income is the classification for instruments for which an entity has a dual business model i.e. the business model is achieved by both holding the financial assets to collect the contractual cash flows and through the sale of the financial assets. The characteristics of the contractual cash flows of instruments in this category must still be solely payments of principal and interest.

The changes in fair value of FVOCI debt instruments are recognised in other comprehensive income (OCI). Any interest income, foreign exchange gains/losses and impairments are recognised immediately in profit or loss. Fair value changes that have been recognised in OCI are recycled to profit or loss upon disposal of the debt instruments.

Amortised cost

Amortised cost applies to instruments for which an entity has a business model to hold the financial asset to collect the contractual cash flows. The characteristics of the contractual cash flows are that of solely payments of the principal amount and the interest.

3.0 Significant accounting policies (continued)

3.1 Financial instruments (continued)

3.1.2 Recognition and measurement

(a) Financial assets at fair value through profit or loss

Financial instruments in this category are recognized initially and subsequently at fair value. Transaction costs are expensed in the consolidated statement of income. Gains and losses arising from changes in fair value are presented in the consolidated statement of income within "other gains and losses (net)" in the period in which they arise. Non-derivative financial assets and liabilities at fair value through profit or loss are classified as current except for the portion expected to be realized or paid beyond twelve months of the balance sheet date, which are classified as long-term. Interest swaps and warrants are classified as current.

(b) Financial assets at fair value through other comprehensive income

A financial asset is classified as subsequent measured at FVOCI if it:

- meet the SPPI criterion; and
- is held in a business model in which assets are managed both in order to collect contractual cash flow and for sale.

(c) Financial assets measured at amortised cost

Financial assets are measured at amortised cost if they are held within a business model whose objective is to hold for collection of contractual cash flow where those cash flow represent solely payments of principal and interest. After initial measurement, debts instruments in this category are carried at amortised cost using the effective interest rate method. Amortised cost is calculated taking into account any discount or premium on acquisition, transactions costs and fees that are an integral part of the effective interest rate. Impairment on financial assets measured at amortised costs is calculated using the expected credit loss approach.

Trade and other receivables

Trade and other receivables are recognized initially at fair value and subsequently measured at amortised cost using the effective interest method less provision for impairment. A provision for impairment for trade receivables is established when there is objective evidence that the company will not be able to collect all the amounts due according to the original terms of the receivables. Significant financial difficulties of the debtor, probability that the debtor will enter bankruptcy or financial reorganization, and default or delinquency in payments (more than 365 days overdue) are considered indicators that the trade receivable is impaired.

The amount of the provision is the difference between the assets' carrying amount and the recoverable amount net of any costs that may be incurred in recovering the debt. The recoverable amount, if the receivable is more than one year is equal to the present value of expected cash flows, discounted at the market rate of interest applicable to similar borrowers. The amount of the provision is recognized as an expense in profit or loss.

3.0 Significant accounting policies (continued)

3.1 Financial instruments (continued)

3.1.2 Recognition and measurement (continued)

Trade and other receivables (continued)

Bad accounts shall be written off when there is no possibility of recovery.

Subsequent recoveries of amounts previously written off are credited against administrative expenses in profit or loss.

Cash, cash equivalents and bank overdrafts

Cash and cash equivalents shall comprise cash, bank current accounts, and bank deposits free of encumbrance with a maturity date of three months or less from the date of deposit and highly liquid investments with a maturity date of three months or less from the date of investment. Bank overdrafts are included within borrowings in current liabilities on the statement of financial position.

For the purpose of the Statement of cash flows, cash and cash equivalents comprise of: cash in hand, cash at bank, short term bank deposits, domiciliary account balance and bank overdraft.

(d) Amortised cost

Non-derivative financial liabilities

Financial liabilities at amortized cost include trade and other payables, bank overdraft, short and long term borrowings.

Trade payables are initially recognized at the amount required to be paid, less, when material, a discount to reduce the payables to fair value. Subsequently, trade payables are measured at amortized cost using the effective interest method.

Bank debt and long-term debt are recognized initially at fair value, net of any transaction costs incurred, and subsequently at amortized cost using the effective interest method. These are classified as current liabilities if payment is due within twelve months. Otherwise, they are presented as non-current liabilities.

3.0 Significant accounting policies (continued)

3.1 Financial instruments (continued)

3.1.2 Recognition and measurement (continued)

(d) Amortised cost (continued)

Trade and other payables

Trade and other payables are obligations to pay for goods or services that have been acquired in the ordinary course of business from suppliers. Accounts payables are classified as current liabilities if payment is due within one year or less. If not, they are presented as non-current liabilities.

Trade payables are recognised initially at fair value and subsequently measured at amortised cost using the effective interest method.

3.1.3 Impairment of financial assets

The company assesses at each reporting date whether there is objective evidence that a financial asset or a group of financial assets is impaired. A financial asset or a group of financial assets is impaired and impairment losses are incurred only if there is objective evidence of impairment as a result an event that occurred after the initial recognition of the asset and that loss event has an impact n the estimated future cash flows of the financial asset or group of financial assets that can be reliably estimated.

Evidence of impairment may include indications that the debtor is experiencing financial difficulty, default in interest or principal payments, or the probability that they will enter bankruptcy and where there is an indication of a decrease in the estimated future cash flows.

For loans and receivables, the amount of the loss is measured as the difference between the carrying amount and the present value of the estimated future cash flows. The carrying amount is reduced and the loss is recognised in profit or loss.

If, in a subsequent period, the amount of the impairment loss decreases and the decrease can be related objectively to an event occurring after the impairment was recognised (such as an improvement in the debtor's credit rating), the reversal of the previously recognised impairment loss is recognised in profit or loss.

3.1.4 Offsetting financial instruments

Financial assets and liabilities are offset and the net amount reported in the statement of financial position when there is a legally enforceable right to offset the recognised amounts and there is an intention to settle on a net basis or realise the asset and settle the liability simultaneously.

Borrowings are recognised initially at fair value, net of transaction costs incurred. Borrowings are subsequently carried at amortised cost; any difference between the proceeds (net of transaction costs) and the redemption value is recognised in the income statement over the period of the borrowings using the effective interest method.

3.0 Significant accounting policies (continued)

3.2 Fair value hierarchy

Fair values are determined according to the following hierarchy:

Level 1: Quoted market prices- financial assets and liabilities with quoted prices for identical instruments in active markets.

Level 2: Valuation techniques using observable inputs- quoted prices for similar instruments in active markets or quoted prices for identical or similar instruments in inactive 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 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.

3.3 Property, plant and equipment

Property, plant and equipment and other tangible assets are stated at historical cost except for building at revalued amount, less accumulated depreciation and accumulated impairment losses. Historical cost includes expenditure that is directly attributable to the acquisition of the items.

Subsequent costs are included in the asset's carrying amount or recognised as a separate asset, as appropriate, only when it is probable that future economic benefits associated with the item will flow to the company and the cost of the item can be measured reliably. All other repairs and maintenance are charged to the income statement during the financial period in which they are incurred.

Depreciation on assets is calculated using the straight-line method to allocate their cost to their residual values on a systematic basis over their estimated useful lives. The average useful lives are expressed in years as follows:

Assets	Estimated Useful Lives (Yrs)
Land	Over the lease period (99 years)
Buildings	40
Library books	4
Office furniture, fittings and fixtures	5
Office equipment	5
Motor vehicle	4
Plant and machinery	5

The company's land is part of the Government's 99 year initiative and is depreciated over the remaining period of the lease.

Each part of an item of office equipment, furniture and other property, plant and equipment with a cost that is significant in relation to the total cost of the item is depreciated separately.

3.0 Significant accounting policies (continued)

3.3 Property, plant and equipment (continued)

The asset's residual values, useful lives and depreciation method are reviewed on an annual basis, and are adjusted if appropriate. 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.

Gains and losses on disposals are determined by comparing proceeds with the carrying amount. These are included in the income statement.

3.4 Employee benefits

3.4.1 Pension fund obligations

A defined contribution plan is a pension plan under which the company pays fixed contributions into a separate entity. The company has no legal or constructive obligations to pay further contributions if the fund does not hold sufficient assets to pay all employees the benefits relating to employee service in the current year and prior periods.

For defined contribution plans, the company pays 10% while employees pay 8% of annual gross salary as contributions to an administered pension plans in accordance with the Pension Reform Act, 2014. However, additional voluntary contributions are allowed. The company has no further payment obligations once the contributions have been paid. The contributions are recognized as employee benefit expense when they are due.

3.4.2 Short-term employee benefits

The cost of short-term employee benefits (those payable within 12 months after service is rendered) such as paid vacation, leave pay, sick leave and bonuses are recognised in the period in which the service is rendered and is not discounted. The expected cost of short-term accumulating compensated absences is recognised as an expense as the employees render service that increases their entitlement or, in the case of non-accumulating absences, when the absences occur. The expected cost of bonus payments is recognised as an expense when there is a legal or constructive obligation to make such payments as a result of past performance.

Provisions for leave pay and bonuses are recognised as a liability in the financial statements.

3.5 Taxation

The company is exempted from income tax in accordance with the Companies Income Tax Act as amended. It however has obligation to deduct and remit withholding tax at source from suppliers and contractors payments.

3.6 Provisions

Provisions are liabilities of uncertain timing or amount, and are recognised when the company has a present obligation as a result of a past event, and it is probable that the company will be required to settle that obligation.

3.0 Significant accounting policies (continued)

3.6 Provisions (continued)

Provisions are measured at the directors' estimate of the expenditure required to settle that obligation at the end of each reporting period, and are discounted (at a pre-tax rate that reflects current market assessments of the time value of money and the risks specific to the liability) to present value where the effect is material.

Provisions are not recognised for future operating losses. Where there are a number of similar obligations, the likelihood that an outflow will be required in settlement is determined by considering the class of obligations as a whole. A provision is recognised even if the likelihood of an outflow with respect to any one item included in the same class of obligations may be small.

3.7 Revenue recognition

Revenue is measured at the fair value of the consideration received or receivable and represents amounts receivable for goods and services provided in the normal course of business net of VAT and other related sales taxes.

3.7.1 Membership subscription and summit income

Subscriptions are due on the first day of January of each year; summit income is reported in the year when the summit takes place. Other income is recognized on accrual basis.

With effect from 1st January, 2015, membership subscriptions are split into two, not less than 50% of sum collected is recognised as capital development fund.

3.7.2 Interest and dividend income

Interest income and expense are 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 company has a right to receive such dividend which is usually when the dividend is approved by the investing company.

3.8 Cash and cash equivalents

Cash and cash equivalents comprise cash in hand, bank balances 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 company unless otherwise stated.

3.9 Foreign currency transactions

In preparing the financial statements of the company, transactions in currencies other than the entity's presentation currency (foreign currencies) are recognised at the rates of exchange prevailing at the dates of the transactions.

At the end of each reporting period, monetary items denominated in foreign currencies are retranslated at the rates prevailing at that date.

3.0 Significant accounting policies (continued)

3.10 Grants

Grants are not recognized until there is reasonable assurance that the company will comply with the conditions attached to them and that the grants will be received.

They are recognized in comprehensive income on a systematic basis over the periods in which the company recognized as expenses the related costs for which the grants are intended to compensate. Specifically, grants whose primary condition is that the company should purchase, construct or acquire non-current assets are recognized as deferred revenue in the statement of financial position and transferred to comprehensive income on a systematic and rational basis over the useful lives of the related assets.

Grants that are receivable as compensation for expenses or losses already incurred or for the purpose of giving immediate financial support to the company with no future related costs are recognized in comprehensive income in the period in which they become receivable.

The benefit of a government loan at a below-market rate of interest is treated as a government grant, measured as the difference between proceeds received and the fair value of the loan based on prevailing market interest rates.

3.11 Related party transactions

Related parties include the related companies, the directors, their close family members and any employee who is able to exert significant influence on the operating policies of the company.

Key management personnel are also considered related parties. Key management personnel are those persons having authority and responsibility for planning, directing and controlling the activities of the entity, directly or indirectly, including any director (whether executive or otherwise) of that entity. The company considers two parties to be related if, directly or indirectly one party has the ability to control the other party or exercise significant influence over the other party in making financial or operating decisions. Where there is a related party transaction with the company, the transactions are disclosed separately as to the type of relationship that exists with the company and the outstanding balances necessary to understand their effects on the financial position and the mode of settlement.

4.0 Critical accounting estimates and judgements

The company makes certain estimates and assumptions regarding the future. Estimates and judgments are continually evaluated based on historical experience as other factors, including expectations of future events that are believed to be reasonable under the circumstances. In the future, actual experience may differ from these estimates and assumptions. The estimates and assumptions that have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities within the next financial year are:

4.1 Allocation of land cost

At the date of adoption, the company separate the cost of the land from the building. The amount allocated to land was based on the best estimate of fair value of land within Ikoyi environment of Lagos State, Nigeria.

4.0 Critical accounting estimates and judgments (continued)

4.2 Annual estimation of useful lives and residual values

The estimates of useful lives and residual values of property, plant and equipment impact on the annual depreciation charge. The useful lives and residual values are based on management experience and the condition of the assets. Consideration is given to management's intended usage policy for the assets in the future and potential market prices of similar assets.

5.0 Financial risk management

5.1 The company is exposed through its operations to the following financial risks:

- Liquidity risk
- Reputation risk
- Credit risk
- Equity price risk

In common with all other businesses, the company is exposed to risks that arise from its use of financial instruments. This note describes the company's objectives, policies and processes for managing those risks and the methods used to measure them. There have been no substantive changes in the company's exposure to financial instrument risks, its objectives, policies and processes for managing those risks or the methods used to measure them from previous years unless otherwise stated in this note.

5.2 Principal financial instruments

The principal financial instruments used by the company, from which financial instrument risk arises, as well as their carrying amounts are as follows:

	2019	2018
	N	N
Financial assets		
Trade and other receivables	41,636,248	67,415,068
Cash and cash equivalents	311,967,666	315,248,265
	<u>353,603,914</u>	<u>382,663,333</u>
	=====	=====
Financial liabilities		
Trade and other payables	23,758,198	15,934,738
	=====	=====

5.3 General objectives, policies and processes

The Board has overall responsibility for the determination of the company's risk management objectives, policies and processes. Whilst retaining ultimate responsibility for them, it has delegated the authority for designing and operating processes that ensure the effective implementation of the objectives and policies to the company's Operating Function. The Board receives monthly reports from the company Chief Executive Officer (CEO) through which it reviews the effectiveness of the processes put in place and the appropriateness of the objectives and policies it sets.

The company's Chief Executive Officer also reviews the risk management policies and processes and reports their findings to the Board.

The overall objective of the Board is to set policies that seek to reduce risk as far as possible without unduly affecting the company's competitiveness and flexibility.

5.0 Financial risk management (continued)

5.4 Credit risk

Credit risk is the risk of financial loss to the company if a customer or counterparty to a financial instrument fails to meet its contractual obligations. The company is mainly exposed to credit risk from cash and cash equivalents held with banks and financial institutions. Banks with good reputation are accepted by the company for business transactions.

The maximum exposure of financial assets giving rise to credit risk is as follows:

	2019	2018
	₦	₦
Trade receivables	38,871,962	50,257,099
Other receivables	2,764,286	17,157,969
Cash and cash equivalents	311,967,666	315,248,265
	<u>353,603,914</u>	<u>382,663,333</u>
	=====	=====

The credit quality of trade receivables that are neither past due nor impaired is assessed by management with reference to customer credit reports and the historic payment track records of the customer and majority of it being owed by donors.

The age analysis of trade receivables at reporting date is as follows:

	2019	2018
	₦	₦
Below 30 days	38,871,962	50,257,099
	=====	=====

As at 31st December, 2019 there were no impairment losses recognized in the financial statements as there was no objective evidence that any of the receivables have been impaired (2018:nil). The trade receivable balance of ₦ 38.8m as at 31st December, 2019 was fully settled in January, 2020.

5.5 Liquidity risk

Liquidity risk arises from the company's management of working capital. It is the risk that the company will encounter difficulty in meeting its financial obligations as they fall due. The company's policy is to ensure that it will always have sufficient cash to allow it to meet its liabilities when they become due. To achieve this aim, it ensures that commitments are made according to cash inflow, excessive borrowing from financial institutions are avoided, low level of liabilities are maintained and keeps enough cash balance in bank to meet expected requirements. The liquidity risk of the company is managed centrally by the company's Chief Financial Officer.

5.0 Financial risk management (continued)

5.5 Liquidity risk (continued)

The table below summarises the maturity profile of the company's financial liabilities based on contractual undiscounted payments:

	Carrying amounts N	Contractual cash flows N	Less than 1 year N	1-2 years N	Above 2 years N
2019					
Trade and other payables	23,758,198	23,758,198	23,758,198	-	-
2018					
Trade and other payables	15,934,738	15,934,738	15,934,738	-	-

5.6 Reputational risk

Reputational risk is the risk of loss caused by a decline in the reputation of the company or any of its specific business units from the perspective of its stakeholders - shareholders, staff, business partners or the general public. Reputational risk can both cause and result from losses in all risk categories such as market or credit risk.

5.7 Equity price risk

The company has portfolio investments managed by Stanbic IBTC Stockbrokers Limited and mutual funds managed by ARM Investment Limited. These investments are held in quoted equities which are exposed market price changed. The investments are regularly monitored through a properly diversified equity-mix for risk-return strategy.

5.8 Capital management

The company manages its capital to ensure that it will be able to continue as a going concern while maximizing the return to stakeholder through optimization of an ideal mix of capital structure. The capital structure of the company consists of accumulated funds and reserves as detailed in statement of changes in equity.

The company is not subject to any externally imposed capital restrictions.

6.0 Determination of fair values

6.1 Fair value hierarchy

A number of the company's accounting policies and disclosures require the determination of fair value, for both financial and non-financial assets and liabilities. For financial reporting purposes, fair value measurements are categorized into Levels 1, 2 or 3 based on the degree to which the inputs to fair value measurements observable and the significant of the inputs to the fair value measurement in its entirety, which are described as follows:

6.0 Determination of fair values (continued)

6.1 Fair value hierarchy (continued)

- Level 1 inputs are unadjusted quoted prices in active markets for identical assets or liabilities that the entity can access at the measurement date;
- Level 2 inputs are inputs, other than quoted prices included within Level 1, that are observable for the asset or liability, either directly or indirectly; and
- Level 3 inputs are unobservable for the asset or liability.

When applicable, further information about the assumptions made in determining fair values is disclosed in the notes specific to that asset or liability.

Fair values have been determined for measurement and/or disclosure purposes by the company based on the following methods.

6.2 Trade and other receivables/payables

The fair value of trade and other receivables and trade and other payables approximates to the carrying values due to the short-term maturity of these instruments.

6.3 Financial assets through other comprehensive income

The fair values of equity and debt securities are determined by reference to their quoted closing bid price at the reporting date. The financial assets through other comprehensive income financial instruments are quoted equities on the Nigeria Stock Exchange with readily available market price.

6.4 Cash and cash equivalents

The fair value of bank balances and cash and bank overdrafts approximates to the carrying value due to the short-term maturity of these instruments.

The table below analyses financial instruments measured at fair value at the end of the reporting period, by the level in the fair value hierarchy into which the fair value measurement is categorized:

	Level 1 N	Level 2 N	Level 3 N
31st December, 2019			
Assets			
Cash and cash equivalents	311,967,666	-	-
	=====	=====	=====
31st December, 2018			
Assets			
Cash and cash equivalents	315,248,265	-	-
	=====	=====	=====

Notes to the financial statements for the year ended 31st December, 2019 (continued)

	2019	2018
	₹	₹
7. Revenue		
Membership fees (note 7.1)*	132,725,000	118,200,000
Net summit income (note 7.2)	147,368,731	233,527,085
Net project income (note 7.3)	49,920,270	(42,721,011)
	<u>330,014,001</u>	<u>309,006,074</u>
	=====	=====
7.1 Membership fees		
Corporate elite	111,925,000	98,000,000
Corporate enhanced	15,750,000	15,250,000
Corporate standard	4,500,000	4,250,000
Individual members	550,000	700,000
	<u>132,725,000</u>	<u>118,200,000</u>
	=====	=====
* With effect from 1 st January 2015, not less than 50% of the membership subscription is accounted for as capital development fund.		
7.2 Summit income		
Income		
Participation fee (note (a))	29,348,004	68,091,259
Sponsorship	440,829,860	361,140,500
Summit income	<u>470,177,864</u>	<u>429,231,759</u>
	-----	-----
Expenditure		
Hotel and other related expenses	185,323,575	86,069,625
Courier, travelling and other expenses	10,535,026	56,742,836
Publicity and publication expenses	126,950,532	52,892,213
Summit expenses	<u>322,809,133</u>	<u>195,704,674</u>
	-----	-----
Net summit income	<u>147,368,731</u>	<u>233,527,085</u>
	=====	=====
(a)	To mark the 25 th year anniversary, participation fee was waived for all corporate members, founding members, and some volunteers. Few additional invited persons were made to pay a fee as the summit was strictly by invitation.	
7.3 Project income		
Income	365,965,316	252,332,937
Expenditure	(316,045,046)	(295,053,948)
	<u>49,920,270</u>	<u>(42,721,011)</u>
	=====	=====
Net project income/(deficit)	<u>49,920,270</u>	<u>(42,721,011)</u>
	=====	=====

Notes to the financial statements for the year ended 31st December, 2019 (continued)

	2019 ₦	2018 ₦
8. Other operating income		
Exchange gain	3,264,668	857,627
NESG fellowship fund (note 8.1)	(9,890,519)	(16,665,135)
Service charge *	9,176,220	12,539,124
Income from advertisement placement on the economic publication	-	3,400,000
Other income	100,000	-
	<u>2,650,369</u>	<u>131,616</u>
	=====	=====

*This represents a 5% administrative fee charged from the total grant of ₦ 183,524,400 (\$ 509,790) (2018: ₦ 250,782,480 (\$ 698,618)) received from Bill and Melinda Gates Foundation in respect of the roundtable on Nigerian Fiscal Policy for Revenue Growth Project.

	2019 ₦	2018 ₦
8.1 NESG fellowship fund		
Income		
KPMG	16,499,959	32,999,919
Flour mills	10,000,000	26,000,000
UAC Nigeria Plc	-	3,000,000
Unilever	-	3,000,000
	<u>26,499,959</u>	<u>64,999,919</u>
	=====	=====
Expenditure		
Salaries and wages	33,609,440	76,333,252
Accommodation	2,775,000	5,300,000
Bank charges	6,038	31,802
	<u>36,390,478</u>	<u>81,665,054</u>
	=====	=====
Deficit	(9,890,519)	(16,665,135)
	=====	=====

At the Board meeting of the Nigerian Economic Summit Group Ltd/Gte held on 8th December 2015, the company was authorised to develop and commence an Internship and Fellowship programme. This is a platform where professionals are employed and seconded by NESG to work with Federal Government parastatals in order to support Nigeria Economy.

In furtherance of the programme a dedicated account was opened with Zenith Bank for the purpose of lodging funds to be utilised in connection with the programme. An initial fund of ₦25 million was appropriated from the company's reserve into NESG fellowship fund account. This account warehouses the funds received from sponsors and expenses incurred in connection with the programme. As at the end of the year, the fund had a deficit of income over expenditure of ₦9.89 million (2018: ₦16.67 million) which was funded from the operating income of the group.

Notes to the financial statements for the year ended 31st December, 2019 (continued)

	2019	2018
	N	N
9. Administrative expenses		
Directors' remuneration	34,977,521	33,728,967
Salaries and wages	133,659,843	91,521,397
Repairs and maintenance	7,090,457	7,439,805
Printing and stationeries	5,056,466	5,273,340
Transport and travelling	26,104,644	19,933,870
Postage and telephone	19,331,387	14,264,938
Utilities	4,328,750	3,976,305
Entertainment	13,801,083	10,956,880
Insurance	6,103,336	4,944,768
Staff recruitment and training	21,517,071	18,155,487
Donations and gifts	3,491,700	4,508,630
Professional fees	1,460,000	4,477,155
Medical	9,261,171	10,241,344
Depreciation	28,962,677	27,661,154
Audit fees	2,000,000	2,000,000
Pension contribution	15,030,834	11,063,225
Electricity	11,109,385	11,303,660
Rent and rates	11,557,377	8,170,361
AGM expenses	778,180	761,420
Newspapers and periodicals	393,100	2,830,860
Security expenses	4,603,357	4,413,480
Office expenses	13,148,472	9,157,917
Bank charges	889,295	828,451
Research and development	13,527,972	10,112,917
Information technology	1,600,000	-
Exchange loss	7,530,979	7,180,445
	-----	-----
	397,315,057	324,906,776
	=====	=====
10. Finance income		
Interest income	91,387,063	78,050,575
Investment income	809,849	1,163,830
	-----	-----
	92,196,912	79,214,405
	=====	=====
11. Income tax expense		

The company's income received from ordinary activities is exempted from companies income tax and this is in accordance to Companies Income Tax Act 2007 Section 23.

12. Property, plant and equipment

	Land N	Building N	Motor vehicle N	furniture fittings & fixtures N	Office equipment N	Library books N	Plant & machinery N	Total N
Cost								
As at 1 st January, 2018	220,469,170	260,471,211	13,320,250	47,094,612 630,945	30,848,441 9,134,157	1,010,599	4,308,000	577,522,283 9,765,102
As at 31 st December, 2018	220,469,170	260,471,211	13,320,250	47,725,557	39,982,598	1,010,599	4,308,000	587,287,385
Additions	6,232,988	-	-	11,742,000	11,457,950	-	-	29,432,938
As at 31 st December, 2019	226,702,158	260,471,211	13,320,250	59,467,557	51,440,548	1,010,599	4,308,000	616,720,323
Depreciation								
As at 1 st January, 2018	13,132,640	32,233,312	3,123,761	20,811,588	15,631,886	1,010,599	3,896,933	89,840,719
Charge for the year	2,226,961	6,511,780	3,330,062	8,917,819	6,532,932	-	141,600	27,661,154
As at 31 st December, 2018	15,359,601	38,745,092	6,453,823	29,729,407	22,164,818	1,010,599	4,038,533	117,501,873
Charge for the year	2,725,391	6,511,780	2,645,063	8,876,097	8,062,746	-	141,600	28,962,677
As at 31 st December, 2019	18,084,992	45,256,872	9,098,886	38,605,504	30,227,564	1,010,599	4,180,133	146,464,550
Carrying amount								
As at 31 st December, 2019	208,617,166	215,214,339	4,221,364	20,862,053	21,212,984	-	127,867	470,255,773
As at 31 st December, 2018	205,109,569	221,726,119	6,866,427	17,996,150	17,817,780	-	269,467	469,785,512

Impairment of property, plant and equipment

There are no indications of impairment at the end of the reporting period, thus, the directors are of the opinion that allowance for impairment is not required, and as such, no impairment is recognised during the year.

Notes to the financial statements for the year ended 31st December, 2019 (continued)

	2019 N	2018 N
13. Financial assets at fair value through other comprehensive income		
Equity at cost	30,443,894	30,443,894
Fair value reserve (13.1)	(1,078,291)	7,472,528
Provision for BGL investment	(2,203,395)	(2,203,395)
	<u>27,162,208</u>	<u>35,713,027</u>
	=====	=====
13.1 Fair value reserve		
As at 1 st January,	7,472,528	15,604,218
Fair value adjustment	(8,550,819)	(8,131,690)
	<u>(1,078,291)</u>	<u>7,472,528</u>
	=====	=====
14. Financial assets at amortised cost	713,245,920	554,719,738
	=====	=====
Investments in treasury bills whose maturity are over 3 months are designated as financial assets at amortised cost. Included in these treasury bills is an amount of N 467,793,133 (2018: N356,918,722) which represents monies set aside for the purpose of endowment fund together with accumulated interests thereon.		
	2019 N	2018 N
15. Prepayments		
Prepaid rent	11,085,376	-
Prepaid expenses	8,875,356	2,000,000
	<u>19,960,732</u>	<u>2,000,000</u>
	=====	=====
16. Trade and other receivables		
Trade receivables (16.1)	38,871,962	50,257,099
Staff advances	2,764,286	8,484,619
Other receivables	-	8,673,350
	<u>41,636,248</u>	<u>67,415,068</u>
	=====	=====
16.1 Trade receivables		
As at 1 st January,	50,257,099	13,600,000
Additions during the year	38,871,962	50,257,099
Receipt during the year	(50,257,099)	(13,600,000)
	<u>38,871,962</u>	<u>50,257,099</u>
	=====	=====
17. Cash and cash equivalents		
Cash in hand	1,036	24,770
Local currencies	15,506,887	54,053,671
Foreign currencies	76,871,202	153,169,824
Fixed deposit*	219,588,541	108,000,000
	<u>311,967,666</u>	<u>315,248,265</u>
	=====	=====

*This represents fixed deposit held with Sterling Bank Plc as at year end with interest rate ranging from 2.00% to 2.50%.

Notes to the financial statements for the year ended 31st December, 2019 (continued)

	2019 ₦	2018 ₦
18. Deferred income		
Shell Petroleum Development Company (18.1)	-	5,000,000
Bill & Melinda Gate Foundation (18.2)	31,763,880	67,949,640
Facility for Oil Sector Transformation (FOSTER) (18.3)	-	7,670,000
Membership fee received in advance (18.4)	29,100,000	9,300,000
Alliance for Green Revolution in Africa (AGRA)(18.5)	13,005,777	-
	<u>73,869,657</u>	<u>89,919,640</u>
	=====	=====

18.1 Shell Petroleum Development Company

This represents sponsorship for a programme “suitability policy commission” executed in 2019.

18.2 Bill and Melinda Gate Foundation

This represents balance from the 2nd tranche grant received from Bill and Melinda Gate Foundation during the year amounting to ₦ 183,524,400 (\$509,790). A total grant fund of ₦ 524,355,480 (\$1,456,543) is to be received in three tranches over a period of three years based on a set milestone. The first tranche amounting to ₦ 183,524,400(\$509,790) was received in 2018.

The purpose of the grant is to support an independent roundtable focused on revenue generation towards development in Nigeria. To influence fiscal policy and strategy through research driven engagement, evidence based advocacy, polling and public framing interventions to improve tax revenue and domestic resource mobilisation to drive Nigeria’s development agenda.

18.3 Facility for Oil Sector Transformation (FOSTER)

This grant was received from Oxford Policy Management Limited. This grant is to fund the implementation of the project titled Advocacy on Petroleum Industry Bills passage and Asset. The grant is for a period of 7 months commencing from November 2018 to May 2019. This project is in two phases and was approved as part of the implementation in Nigeria, to strengthen how Nigeria’s key extractive sector is managed; to help Nigeria prevent revenue losses and to minimize negative impact of the industry on local communities. The fund for the first phase, ₦ 7,670,000, was received in 2018 but deferred as the project was not executed. In 2019 the first phase was executed however, the fund for the second phase was not received, hence project was on hold.

	2019 ₦	2018 ₦
18.4 Membership fee received in advance		
Banwo & Ighodalo	750,000	-
Capital Alliance	3,000,000	-
Citibank Nigeria Limited	1,500,000	-
Corona	750,000	-
C & I Leasing	750,000	-
Daraju Industries	300,000	300,000
Flour Mills	3,000,000	-
ICAN	1,500,000	-
Julius Berger	3,000,000	-
KPMG Professional Service	3,000,000	-
Mediterranean Shipping	300,000	-
Nestle Nigeria	-	3,000,000
North South Power	-	3,000,000
Polaris Bank	1,500,000	-
Prime Atlantic	3,000,000	3,000,000
Seven-up	3,000,000	-
Standard Chartered Bank	3,000,000	-
Total Health Trust	750,000	-
	<u>29,100,000</u>	<u>9,300,000</u>
	=====	=====

18. Deferred income (continued)

18.5 Alliance for Green Revolution in Africa (AGRA)

This represents balance from the ₦ 73,355,400 (\$203,765) grant received during the year out of a total grant fund of ₦ 86,249,520 (\$239,582); ₦ 12,894,120 (\$25,817) was received and used up in 2018.

The purpose of this grant is to advocate for the passage of the Fertiliser Quality Control bill, the Nigeria Independent Warehouse Regulatory Agency bill and Presidential Assent of the Nigeria Seed Council bill and its implementation.

	2019	2018
	₦	₦
19. Trade and other payables		
Trade payables	11,396,000	12,714,982
Lagos State Internal Revenue	3,189,375	3,189,375
Other payable (19.1)	9,172,823	30,381
	<u>23,758,198</u>	<u>15,934,738</u>
	=====	=====
19.1 Value added tax	13,700	-
Withholding tax	8,904,397	-
Pension payable	254,726	30,381
	<u>9,172,823</u>	<u>30,381</u>
	=====	=====
20. Accruals		
Accrued expenses	2,100,000	6,246,946
	=====	=====
21. Related party transactions		

Parties are considered to be related if one party has the ability to control the other party or exercises significant influence over the other party in making financial or operational decisions.

The entity made transactions to/from its related parties during the year 2019. These transactions were conducted on an arm's length basis in the ordinary course of business. The transactions made during the year were:

- Endowment fund: This fund is set aside by the company in a short term investment. The fund is generated from income received during the year. The balance in the short term investment as at 31st December 2019 was ₦ 467.79 million (note 14).

- Capital development fund: The company set aside 50% of membership contribution with effect from 1st January 2015 as capital development fund. This fund is to be used for capital development project. The balance as at 31st December 2019 was ₦ 485.10 million.

- Nigerian Economic Summit Group Fellowship Fund: This fund is set aside for internship and fellowship programme and separate bank account is maintained. This is to support government and the economy. The initial fund of ₦ 25 million was provided by the company while subsequent funds were generated from various sponsors. Details of the fund has been explained in note 8.1.

22. Transactions with key management personnel

- Key management staff are those persons who have authority and responsibility for planning, directing and controlling the activities of the company. Key management includes directors (executive and non-executive).

The compensation paid to key management for employee services is shown below:

	2019	2018
	N	N
Salaries and other short term benefits	34,977,521 =====	33,728,967 =====
23. Surplus for the year	27,546,225 =====	63,445,319 =====
This is stated after charging/(crediting)		
Depreciation	28,962,677	27,661,154
Auditor's remuneration	2,000,000	2,000,000
Director's emoluments	34,977,521	33,728,967
Exchange gain	(3,264,668)	(857,862)
Exchange loss	7,530,979	7,180,445
Employee costs (24.1)	179,468,919 =====	130,981,453 =====

24. Information regarding employees

24.1 Employee costs

Salaries and wages	133,659,843	91,521,397
Medical	9,261,171	10,241,344
Pension costs	15,030,834	11,063,225
Staff recruitment and training	21,517,071	18,155,487
	179,468,919 =====	130,981,453 =====

24.2 Employees remunerated at higher rates

	Number	Number
₦ 900,001 - ₦ 1,000,000	2	3
₦ 1,100,001 - ₦ 1,600,000	10	8
₦ 1,700,001 - ₦ 1,800,000	2	7
₦ 2,100,001 - ₦ 2,200,000	4	2
₦ 2,200,001 - ₦ 3,500,000	4	5
₦ 3,600,001 - ₦ 4,000,000	6	3
₦ 5,000,001 - ₦ 7,500,000	8	6
₦ 7,500,001 - ₦ 10,000,000	2	2
	—	—
	38	36
	==	==

24.3 Average number of employees during the year

Administration	16	16
Research	4	7
Programmes	12	7
Publications & IT	6	6
	—	—
	38	36
	==	==

25. Events after the reporting period

There has been no material event after the reporting year that has not been taken into account in the preparation of these financial statements.

26. Contingent liabilities

As at the year end, there were no known contingent liabilities that have not been provided for in these financial statements (2018: nil).

27. Capital commitments

There were no capital commitments as at the date of these financial statements (2018: nil).

Statement of value added for the year ended 31st December, 2019

	2019		2018	
	N	%	N	%
Revenue	330,014,001		309,006,074	
Operating income	2,650,369		131,616	
Finance income	92,196,912		79,214,405	
	—————		—————	
Bought in goods and services – local	424,861,282 (153,905,940)		388,352,095 (132,535,202)	
	—————	—	—————	—
Value added	270,955,342	100	255,816,893	100
	=====	===	=====	===
Applied in the following ways:				
To pay employees:				
salaries, wages and other benefits, including directors' emoluments	214,446,440	79	164,710,420	64
To provide for the maintenance of assets and expansion of operations:				
Depreciation	28,962,677	11	27,661,154	11
Surplus for the year	27,546,225	10	63,445,319	25
	—————	—	—————	—
	270,955,342	100	255,816,893	100
	=====	===	=====	===

Five year financial summary

Year ended 31 st December	2019	2018	2017	2016	2015
	N	N	N	N	N
Statement of financial position					
Non-current assets	497,417,981	505,498,539	531,526,282	526,743,460	520,404,140
Current assets	1,086,810,566	939,383,071	729,943,734	554,469,942	480,564,450
Non-current liabilities	-	-	-	-	(684,410)
Current liabilities	(99,727,855)	(112,101,324)	(102,203,359)	(35,930,714)	(49,333,911)
	<u> </u>				
Net assets	1,484,500,692	1,332,780,286	1,159,266,657	1,045,282,688	950,950,269
	<u> </u>				
Capital employed					
Accumulated fund	1,010,368,084	989,596,475	935,242,956	879,834,678	879,325,680
Capital fund	485,101,418	352,376,418	234,176,418	147,538,918	67,283,793
Fair value reserve	(1,078,291)	7,472,528	15,604,218	4,591,096	4,340,796
Fellowship fund	(9,890,519)	(16,665,135)	(25,756,935)	13,317,996	-
	<u> </u>				
Total equity	1,484,500,692	1,332,780,286	1,159,266,657	1,045,282,688	950,950,269
	<u> </u>				
Profit or loss					
Revenue	330,014,001	309,006,074	241,148,122	138,474,725	274,731,747
	<u> </u>				
Surplus before income tax	27,546,225	63,445,319	29,705,343	38,826,994	176,390,106
Income tax	-	-	-	-	-
	<u> </u>				
Surplus for the year	27,546,225	63,445,319	29,705,343	38,826,994	176,390,106
Other comprehensive income:					
Fair value (loss)/gain on available for sale financial asset	(8,550,819)	(8,131,690)	16,410,238	250,300	(12,085,581)
	<u> </u>				
Total comprehensive income	18,995,406	55,313,629	46,115,581	39,077,294	164,304,525
	<u> </u>				

Schedules to the financial statements for the year ended 31st December, 2019

	2019 N	2018 N
Membership contribution		
(i) Corporate Elite		
Accenture Nigeria	-	3,000,000
Aiteo Group	4,000,000	-
Axa Mansard Insurance Plc	3,000,000	3,000,000
BUA group	3,000,000	3,000,000
Capital Alliance Nigeria Limited	3,000,000	3,000,000
Central Securities Clearing Systems	3,000,000	3,000,000
Chevron Nigeria Limited	3,000,000	3,000,000
Coca Cola Nigeria Ltd	3,000,000	3,000,000
Coronation Merchant Bank	3,000,000	3,000,000
Crusader Sterling Pension Ltd	-	3,000,000
Dangote Group Nigeria Ltd	3,000,000	3,000,000
Deloitte	3,000,000	3,000,000
Diamond Bank Plc	-	3,000,000
Ecobank Plc	3,000,000	3,000,000
Exxon Mobil (Mobil Producing Nigeria Unlimited)	3,000,000	3,000,000
FBN Quest Merchant Bank	3,000,000	3,000,000
Fidelity Bank Plc.	3,000,000	3,000,000
First Bank of Nig. Limited	3,000,000	6,000,000
First City Monument Bank	3,000,000	3,000,000
Flour Mills Limited	3,000,000	3,000,000
FMDQ OTC Plc	3,000,000	3,000,000
Friesland Campina WAMCO Nig PLC	3,000,000	3,000,000
Fsdh Merchant Bank Limited	3,000,000	3,000,000
GE International Operations (Nigeria)	3,000,000	3,000,000
GIG Group of companies	4,000,000	-
Google	1,500,000	-
Habanera Ltd	4,000,000	-
Heritage Bank	3,000,000	3,000,000
HP	-	2,000,000
IBM West African Ltd	3,000,000	-
Investment One Fin. Service Ltd.	3,000,000	5,000,000
Julius Berger Plc	3,000,000	4,000,000
Keystone Bank	4,000,000	-
KPMG Professional Services	3,000,000	3,000,000
Lafarge Africa Plc	3,000,000	3,000,000
Lagos free trade zone	4,000,000	-
Mitsubishi Limited	-	3,000,000
MTN Communications Nigeria Limited	3,000,000	3,000,000
Nestle Nigeria Plc	3,000,000	3,000,000
Nig. Inter bank Settlement System	3,000,000	3,000,000
Nigeria NLG	3,000,000	3,000,000
Nigeria Breweries Plc	-	3,000,000
NIRSAL	3,000,000	3,000,000
North South Power Coy. Limited	3,000,000	3,000,000
Oando	4,000,000	-
Olam Nigeria Limited	3,000,000	2,000,000
Ports & Terminal Multisery Ltd	4,000,000	-
Pricewater House Coopers	3,000,000	3,000,000
Prime Atlantic Limited	3,000,000	3,000,000
Procter & Gamble Nigeria Ltd	3,000,000	3,000,000
Promasidor Nigeria Ltd	-	3,000,000
PZ Cussons Nigeria Plc	3,000,000	3,000,000
Rand Merchant Bank Nig. Limited	3,000,000	3,000,000
Securied Nigeria Ltd	4,000,000	-
Seplat Petroleum Development Company Plc	3,000,000	3,000,000
Seven-Up Bottling Co. Plc	3,000,000	3,000,000
Shell Petroleum Development Company Limited	3,000,000	3,000,000
Siemens	3,000,000	3,000,000
Stanbic IBTC Bank Plc	3,000,000	3,000,000
Standard Chartered Bank	3,000,000	3,000,000
Ster MC/Nig ECN Summit 1794870	3,000,000	-
Sterling Bank Plc	3,000,000	3,000,000
Suntrust Bank Limited	-	3,000,000
Sunray Ventures	-	4,000,000
Total E & Nigeria Limited 2017	2,000,000	-
Total E & Nigeria Limited 2018	3,000,000	-

Schedules to the financial statements for the year ended 31st December, 2019 (continued)

	2019 N	2018 N
Membership contribution		
(i) Corporate Elite (continued)		
Total E & P Nigeria Limited 2019	3,000,000	-
Toyota Nigeria Ltd	4,500,000	-
Transnational Corporation Plc	3,000,000	3,000,000
UBA Plc group finance	2,850,000	-
Unified Payment Services	3,000,000	3,000,000
Union Bank of Nigeria Plc	3,000,000	3,000,000
United Bank for Africa Plc	3,000,000	3,000,000
Unity Bank Plc	3,000,000	3,000,000
Unilever Nigeria Plc	3,000,000	5,000,000
Venture Garden	4,000,000	-
VEROD Capital Management	3,000,000	3,000,000
Walter Smith Petroman Oil Ltd	3,000,000	3,000,000
Wema Bank Plc	3,000,000	3,000,000
Zenith Bank Plc	3,000,000	3,000,000
Transf IFO ecn summit	3,000,000	-
	<hr/>	<hr/>
Grand total	223,850,000	196,000,000
	=====	=====
Analysed as follows:		
Membership fees (50%)	111,925,000	98,000,000
Capital development fund (50%)	111,925,000	98,000,000
	<hr/>	<hr/>
	223,850,000	196,000,000
	=====	=====
(ii) Corporate enhanced		
Airtel Networks Limited	1,500,000	1,500,000
British America Tobacco	1,500,000	1,500,000
CIBN	1,500,000	1,500,000
Citibank Nigeria Limited	1,500,000	1,500,000
CRC Credit Bureau Limited	1,500,000	2,500,000
De United Foods Industry Limited	2,500,000	-
Ernst & Young	1,500,000	1,500,000
Google Global Service	-	1,000,000
ICAN	1,500,000	1,500,000
Kusamotu & Kusamotu	-	1,500,000
Monaccrep (Chartered Institute of Mgt. Accountants)	1,500,000	-
Moni Pulo Ltd	-	1,500,000
National Ass. of Govt approved freight forward	-	2,000,000
NBC	2,500,000	-
Next Cash and Carry	1,500,000	-
Next International	-	1,500,000
Page Credit Limited	1,500,000	2,500,000
Philips Consulting	1,500,000	1,500,000
Polaris Bank	1,500,000	-
Repton	2,500,000	-
S. O & U Ltd	1,500,000	-
Saro Africa Int'l Ltd	1,500,000	1,500,000
Techno Oil Limited	-	1,500,000
The Nigeria Stock Exchange	1,500,000	1,500,000
Toyota Nigeria Limited	-	1,500,000
Tropical General Investment (Nig.) Limited	1,500,000	1,500,000
	<hr/>	<hr/>
	31,500,000	30,500,000
	=====	=====
Analysed as follows:		
Membership fees (50%)	15,750,000	15,250,000
Capital development fund (50%)	15,750,000	15,250,000
	<hr/>	<hr/>
	31,500,000	30,500,000
	=====	=====

Schedules to the financial statements for the year ended 31st December, 2019 (continued)

	2019	2018
	N	N
(iii) Corporate standard		
Accion Microfinance Bank Ltd	750,000	750,000
Aluko & Oyebode	750,000	750,000
Banwo & Ighodalo	750,000	750,000
C & I Leasing	750,000	750,000
Corona Schools Trust Council	750,000	750,000
Dubri Oil Company Limited	-	1,000,000
Jaiz Bank Plc	750,000	750,000
JMG Limited	750,000	-
Olaniwun Ajayi	750,000	750,000
Promasidor Nigeria	750,000	-
S. O & U Ltd	-	750,000
Total Health Trust	750,000	-
Trustbond Mortgage Bank Plc	750,000	750,000
Udo Udoma	750,000	750,000
	-----	-----
	9,000,000	8,500,000
	=====	=====
Analysed as follows:		
Membership fees (50%)	4,500,000	4,250,000
Capital development fund (50%)	4,500,000	4,250,000
	-----	-----
	9,000,000	8,500,000
	=====	=====
(iv) Individual members		
Daraju Industries Limited	300,000	300,000
Nwankwo Chuma Anthony	300,000	300,000
Senantra	300,000	300,000
Sola Oyetayo & Co.	200,000	200,000
Wonuola Adetayo	-	300,000
	-----	-----
	1,100,000	1,400,000
	=====	=====



📍 **THE SUMMIT HOUSE**

6 Oba Elegushi Street,
Off Oba Adeyinka Oyekan Avenue,
Ikoyi, Lagos.
P.M.B 71347, Victorial Island, Lagos.

📍 **ABUJA LIAISON OFFICE:**

4th Floor, Unity Bank Tower,
Beside Reinsurance building
Plot 785, Herbert Macaulay Way,
Central Business District, Abuja

🌐 www.nesgroup.org

✉ Email: info@nesgroup.org

☎ +234 1 2952849



OfficialNESG