

THE DESTINY TRUST CHILDREN FOUNDATION

**ANNUAL REPORTS AND
FINANCIAL STATEMENTS
FOR THE YEAR ENDED
31 DECEMBER, 2018**

THE DESTINY TRUST CHILDREN FOUNDATION
AUDITED FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31ST DECEMBER, 2018

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THE DESTINY TRUST CHILDREN FOUNDATION

Corporate Information

REGISTRATION NUMBER: IT: 58124

REGISTERED OFFICE: House 2A, Road,
Oba Oyekan Estate,
Lekki Phase 1
Lagos
Nigeria

BUSINESS ADDRESS: The Destiny Trust Centre
No 6, Brila FM Street
Off Bola Tinubu Road
Bogije Ibeju-Lekki
Lagos
Nigeria

LEGAL ADVISERS AES Triplex LP
(Legal Practitioners)
61, Marina Street
Lagos

AUDITORS Taiwo Bamiteko & Co
(Chartered Accountant)
No 5A, Shogunle Street
Abule Onigbagbo Estate
Off Mobolaji Bank Anthony Way
Ikeja, Lagos

PRINCIPAL BANKERS: Guaranty Trust Bank

THE DESTINY TRUST CHILDREN FOUNDATION

Report of the Coordinator

The Management of the Foundation is pleased to submit to the Trustees, the Audited Financial Statement for the year ended 31st December, 2018

1 PRINCIPAL ACTIVITIES

The Foundation is to educate, empower and provide care to the street children and other less privileged young people.

2 OPERATING RESULTS

	2018 ₦	2017 ₦
Income	<u>17,024,558</u>	<u>9,435,089</u>
Excess of Income over Expenditure	5,741,675	(491,700)
Excess of Income over Expenditure b/f	<u>(276,657)</u>	<u>215,043</u>
Excess of Income over Expenditure carried forward	<u>5,465,018</u>	<u>(276,657)</u>

3 EMPLOYMENT AND EMPLOYEE

a) Employment of Disabled Persons

It is the policy of the Foundation that there should be no discrimination in considering applications for employment including those for disabled persons. As at 31st December, 2018 there was no disabled person in the employment of the Foundation.

b) Health, Safety and Welfare

Health and safety regulations are in force within the Foundation's premises and employees are aware of existing regulations. The Foundation provides subsidy to all levels of employees for medical, transportation, housing, etc.

4 FIXED ASSETS

Information relating to Fixed Assets of the Foundation is contained in notes to the Financial Statements

5 INCORPORATED TRUSTEES

The Trustees who served during the year was:

Professor Yemi Osinbajo SAN

Mrs Mabel Irukera

Mrs Ngozi Ken-Udochukwu

YEAR 2018 IN REVIEW

It's that time when we look back on what we have accomplished with our Partners' great support. 2018 was a productive year for us with significant improvement in our care programme, increased school enrolment and back-to-school drive; and the birth of the Kids Innovation Hub, a new initiative to empower underrepresented children with computer programming skills. Looking back at our 2018 goals, we see many targets that could not be attained. These include initiatives aimed at improving the quality of learning in public schools where we work. There was also a 14% shortfall in our school enrollment target for the year but we achieved a 41.8% growth on the number in the preceding year.

In our yearly review, our primary interest has always been to demonstrate the difference our partners make by working with us. We also re-evaluate missed opportunities and failed outcomes to learn new ways-what we can do differently to serve the children better. This sets the basis for what we are doing next and opens a meaningful communication with our partners on how we can collaborate to further highlight their commitment in promoting the best interest of children.

We recognize the immense potential of our work to do more for children in areas of our current priority: care, education and empowerment. We no longer have the ease to hold back on pursuing initiatives that complement our current efforts in these key areas because they are also measures necessary for sustainability. The reality of scarce resources is not enough reason for failing to act. Instead, this challenge is inspiring new thinking about how we can work with good people and organizations in our community who also desire to bring about the change we seek.

We are grateful to you for an amazing 2018. The credit is yours for every child rescued from the destitution of the streets into a loving home, every child taken from the slums to classrooms and every child taught even a line of code and empowered with technology skills to innovate the solutions of the future. You inspire us to do more with your support and we greatly value your trust in us to apply your resources for the purposes for which you gave them. We look forward to an even greater 2019 working with you.

OUR IMPACT IN 2018

Education

Our Education Programme caters to two categories of children. First is the class of rehabilitated street children who are now under continuing care in our shelter and other who have been resettled. The children attend affordable private schools in the environment of the home or in a boarding house. With the support of our partners, we provided 26 scholarships to resident children and those already resettled into families. The second category of beneficiaries of our education initiatives are children who are not in our home but live in slums and communities. Our expansive school enrolment and back-to-school programme is for this category of children. 258 children from Aboki Estate were enrolled in school for the first time or supported to go back to school. Newly enrolled children were admitted into Lagos Model Nursery and Primary School, Marwa.

Because homelessness is a challenge to school attendance for this category of children, our programme is aimed at giving them access to education wherever they are. The impact of this project is not measured merely by the percentage of children retained in school per time. We also see the relevance of this initiative in terms of our capacity to reintegrate children into school in new environments they relocate to after losing their temporary shelter in slums and informal settlements. We recognize the urgent need to expand the capacity of adopted public schools to support this category of children. Our intervention in the education of children who still live on the streets must also be complemented with well-coordinated Afterschool centres that provide assistance beyond the classroom and also help us to conduct more effective monitoring.

Rehabilitation and Care

We provide shelter, daily feeding, healthcare and child protection to homeless children. In 2018, we strengthened the care programme, increased the capacity of the home to accommodate more homeless children. We also completely renovated the Home with the support of our partner, Pistis Foundation of Elevation Church. Pistis Foundation also paid the annual rent of the accommodation and provided a new generator to power the centre.

22 children lived in the home in the course of the year. We served 34,745 meals to children who live in the centre and other less-privileged children who come in daily for food. We also have 6 new children who joined us in addition to existing children. In May, we accommodated a child referred for Care and Supervision by the Family court, Lagos Island. The child was reunited with his family on 31st October, 2018. His supervision order was vacated the same day by the court. Two children left the home this year, one with a foster family and the other child now with his biological family. Six resident kids were also admitted into boarding house. This begins the process for their transition from the home and reintegration into the society.

Hands of Care Health Outreach

Through a Medical Outreach tagged “Hands of Care”, the Destiny Trust under a partnership with health intervention initiative, Dr. Funmi Alakija Foundation, provided free healthcare to 218 homeless children at a slum on the Elegushi beachfront, Lekki, Lagos. 1,000 packs of personal hygiene materials were also distributed to hundreds of homeless children and families that turned up at the temporary Point of Care set up in the area on Saturday, 24th November, 2018. The initiative was supported by Wellahealth, a health technology solutions company, Doctoora Health, short-term healthcare facility provider and Sanitary Aid NG, non-profit providing free sanitary materials to disadvantaged young people.

The Hands of Care outreach is our intervention to promote the health of homeless children who can hardly access healthcare services. The wellbeing of these children is at the heart of our work of educating, empowering and caring for them. We believe that no child should be held back in life by the scourge of disease. While recognizing the urgency for a broad-based approach to address the healthcare challenges of the urban poor children, short-term health

interventions only bring a respite to those who desperately and immediately need healthcare and help us to understand the problem more so we have the right information for planning for the underserved people. Homeless children who live in squalor on the streets and slums would require a more integrated and sustained intervention. This should include addressing the challenges of homelessness and empowering poor households to take care of the children. In the short term, we are expanding the capacity of our in-centre care programmes for homeless children and lending our voice to the development of inclusive communities where the children of the urban poor can live, thrive and participate in the social and economic system of their country”.

Empowerment

Kids Innovation Hub was the anchor programme for our empowerment intervention in 2018. KIH was set up with initial target of reaching 500 kids by end of 2019. We have so far reached 173 children. These participants were profiled from public schools, low-income communities and rehabilitated street children at our center.

The Kids Innovation Hub was launched on 26th May, 2018 at our centre in Bogije. 43 participants graduated in the first set of 6-weeks long training. This was followed by our Tech Summer Bootcamp where a total number of 138 children (inclusive of the initial beneficiaries) were certified to have successfully undergone another 6 weeks of intensive and extensive training in digital skills.

This was hosted between July 23 - September 1, 2018. Participants were introduced to general computer appreciation, Python, Scratch, Animation, and various Personal Development sessions. The last training cycle benefitted 45 participants from 8th October to 8th December, 2018.

Kids who show interest in advanced learning have been incorporated into a club called Codetribes. Here, we are growing a community of young coders who can learn together, collaborate and access the resources of the Kids Innovation Hub even after passing out of the initial training.

Our Goals for 2019

We have great hopes for 2019. Our focus would be on strengthening our current initiatives, increasing our investment in initiatives to enhance the quality of learning for non-resident children and increasing the capacity of our Kids Innovation Hub to meet our pilot phase targets.

We will continue to pursue our vision of providing adequate care, empowerment and education to children who depend on us and our interventions. Increased focus on the quality of care would further take precedence as we re-evaluate our processes in view of rising running costs. Resident children will be admitted at the maximum capacity of 22.

We hope to consolidate on our education initiatives and programmes by enhancing visibility and the measurable impacts in our coverage of our Afterschool Programme and Back2Basics campaign.

With renewed targets, working to set up new Afterschool centers outside the Bogije home will be part of the immediate focus for 2019.

We would also expand the target base for the Kids Innovation Hub programme. This would require immediate investment in additional computer hardware. We would increase internship opportunities for Kids at major technology firms and hubs, plan an improved bootcamp for 150 kids or more, painstakingly work towards training 325 kids in different streams and through in-school training through 2019.

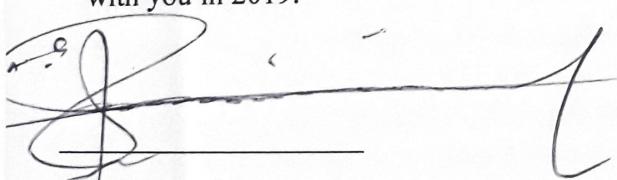
We are spurred by the success of this year's health outreach and look to making this a routine periodic activity with specific focus on medical care of homeless children, health education and distribution of medical and sanitary materials in slums and poor communities.

As we proffer improvements to ensure that our initiatives meet with success, we would make it an immediate future priority to extend our interventions to another Nigerian city with high prevalence of street children. From our work, a significant number of street children in Lagos are from outside Lagos. Our intervention in the first year would be limited to operating a day centre for street children in the new city while designing more effective ways to address their needs within their peculiar social and economic circumstances.

Lastly, we are working with partners to deploy a technology solution that addresses some of the resource challenges commonly experienced by non-profits like ours directly engaged in provision of basic needs to children on a day-to-day basis. We are hoping that this can help us and other non-profits to reduce home running cost and provide a convenient method of giving to donors.

We will continue on this journey with the constant support of partners and volunteers who share in the vision of the organisation.

Once more, we thank you for an amazing 2018 and we look forward to touching more lives with you in 2019.



Abimbola Ojenike (Mr.)

(Coordinator)



REPORT OF THE AUDITORS

To the Board of Trustees of THE DESTINY TRUST CHILDREN FOUNDATION

We have audited the accompanying financial statements of The Destiny Trust Children Foundation which was prepared on the basis of the accounting policies set out on page 9.

Management's Responsibility for the Financial Statements

Management is responsible for the preparation of these financial statements that give a true and fair view of the financial position, financial performance and cash flows of the Foundation in accordance with the generally accepted accounting principles; this includes the design, implementation and maintenance of internal control relevant to the preparation and presentation of the financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error.

Auditors' Responsibility

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

An audit includes examination, on a test basis, of evidence relevant to the amount and disclosures in the financial statements. It also includes evaluating the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management as well as evaluating the overall presentation of the financial statements. The audit evidence we obtained is sufficient and appropriate to provide a basis for our opinion.

Opinion

In our opinion and to the best of information and according to the explanation given to us, the financial statements give a true and fair view of the state of the financial affairs of the Foundation as at 31st December, 2018 and of their financial performance and cash flow for the year ended on that day and comply with the requirements of Companies and Allied Matters Act, CAP C20 LFN 2004.

Taiwo Bamiteko
FRC/ICAN/2018/00002343
For: Taiwo Bamiteko & Co
(Chartered Accountants)
Lagos, Nigeria
APRIL, 2019



THE DESTINY TRUST CHILDREN FOUNDATION

Statement of the Accounting Policies

For the year ended 31st December, 2018

The following are the significant accounting policies which have been adopted by the Foundation in the preparation of the accounts:

a Basis of Accounting

The Financial Statements for the year ended 31st December, 2018 have been prepared under the historical cost convention, including the use of going concern assumption.

b Income

Income for the Foundation's activities are the donations from the founding members and the volunteers who support the cause of the Foundation. There are also donations from an individual and corporate organization for specific aspects of the Foundation's project need.

c Fixed Assets

Fixed Assets are stated at cost less accumulated depreciation.

d Depreciation

Depreciation of Fixed Assets is calculated on cost on a straight line basis to write off the cost of each asset over its estimated useful life at the following rates:

Furniture, Fittings, etc	20%
Office Equipment	20%
Plant and Machinery	15%
Computer Equipment	15%

No depreciation is provided on Fixed Assets until they are brought into use.

e Cash and Cash Equivalents

For the purpose of reporting cash flow, cash and cash equivalents includes cash on hand and cash balances with the banks.

THE DESTINY TRUST CHILDREN FOUNDATION
STATEMENT OF FINANCIAL POSITION

As at 31st December, 2018

<u>ASSETS EMPLOYED</u>	Note	2018	2017
		₦	₦
Fixed Assets	1	3,059,607	74,745
		<hr/> <u>3,059,607</u>	<hr/> <u>74,745</u>
Current Assets			
Bank and Cash Balances	2	2,885,411	148,598
		<hr/> <u>2,885,411</u>	<hr/> <u>148,598</u>
CURRENT LIABILITIES			
Short Term Loan	3	(480,000)	(500,000)
		<hr/> <u>5,465,018</u>	<hr/> <u>(276,657)</u>
TOTAL ASSETS			
Accumulated Fund	4	5,465,018	(276,657)
		<hr/> <u>5,465,018</u>	<hr/> <u>(276,657)</u>

FINANCED BY:

Accumulated Fund

4 5,465,018 (276,657)

5,465,018

(276,657)

THE DESTINY TRUST CHILDREN FOUNDATION

Income and Expenditure Account

For the year ended 31st December, 2018

	Note	2018 N	2017 N
Income	5	17,024,558	9,435,089
Other Income		4,857,000	
Gross Income		21,881,558	9,435,089
Less operating expenses			
Care & Education Program	6	9,366,730	6,725,185
Empowerment Program	7	1,605,500	-
Administrative Expenses	8	4,588,100	2,816,200
Other Expenses	9	232,925	300,920
Depreciation	10	346,628	84,484
		16,139,883	9,926,789
Excess of income over expenditure		5,741,675	(491,700)
Appropriation			
Transfer to Reserves		5,741,675	(491,700)

The attached notes form part of these accounts

THE DESTINY TRUST CHILDREN FOUNDATION

Statement of Cash flow

For the year ended 31st December, 2018

	2018 ₦	2017 ₦
Cash flow from operating activities:		
Excess of income over expenditure	5,741,675	(491,700)
<i>Adjustment for:</i>		
Depreciation of fixed assets	9 346,628	<u>84,484</u>
Income before working capital changes	6,088,303	(407,216)
Working capital changes		
Current liabilities	(20,000)	-
Net cash flow from operating activities	6,068,303	(407,216)
Purchases of fixed assets	(3,331,490)	-
Net cash flow from investing activities	2,736,813	(407,216)
Cash flow from financing activities:		
Net increase in cash and cash equivalents during the year	2,736,813	(407,216)
Cash and cash equivalents at the beginning of the year:	148,598	555,814
Cash and cash equivalents at the end of the year	2,885,411	148,598
Represented by:		
Cash and bank balances	2,885,411	148,598
	2,885,411	148,598

THE DESTINY TRUST CHILDREN FOUNDATION

Notes on the Accounts

For the year ended 31st December, 2018

I. FIXED ASSETS

	Furniture and Fittings	Office Equipment	Plant and Machinery	Computer Equipment	Total
COST/VALUATION	N	N	N		N
As at January 1 2018	239,500	111,670	95,000	-	446,170
Additions	529,500	210,000	229,990	2,362,000	3,331,490
As at December 31 2018	769,000	321,670	324,990	2,362,000	3,777,660
DEPRECIATION					
As at January 1 2018	219,042	95,383	57,000	-	371,425
Charge for the year	42,766	26,787	40,875	236,200	346,628
As at December 31 2018	261,808	122,170	97,875	236,200	718,053
NET BOOK VALUE					
As at December 31 2018	507,192	199,500	227,115	2,125,800	3,059,607
As at December 31, 2017	20,458	16,287	38,000	-	74,745

THE DESTINY TRUST CHILDREN FOUNDATION
Notes to the Accounts - (Cont'd)

For the year ended 31st December, 2018

	2018 ₦	2017 ₦
2 CURRENT ASSETS		
<u>Bank and cash balances</u>		
Cash and bank balances	<u>2,885,411</u>	<u>148,598</u>
	<u>2,885,411</u>	<u>148,598</u>
3 CURRENT LIABILITIES		
<i>Amount falling due within one year</i>		
Loan from Member	480,000	500,000
	<u>480,000</u>	<u>500,000</u>
4 ACCUMULATED FUND		
Excess of Income over Expenditure b/f	(276,657)	215,043
Excess of Income over Expenditure for the year	5,741,675	(491,700)
Excess of Income over Expenditure c/f	<u>5,465,018</u>	<u>(276,657)</u>
5 INCOME		
Project Fund	4,857,000	-
Donations	17,024,558	9,435,089
	<u>21,881,558</u>	<u>9,435,089</u>
6 CARE & EDUCATION PROGRAM		
Resident Children Care		
School Fees/Expenses	2,810,150	969,060
Home Supplies	475,560	265,400
Home Repairs and Maintenance	550,800	110,500
Medicals	290,200	371,250
Kids Clothings	73,700	47,710
Home Feeding	2,867,670	2,609,365
Non-Resident Children Care		
Non-Resident children Care	259,100	320,400
Education Outreach	1,053,400	-
Medical Outreach	986,150	2,031,500
	<u>9,366,730</u>	<u>6,725,185</u>
7 EMPOWERMENT PROGRAMS		
Kids Innovation Hub (KIH) Expenses	<u>1,605,500</u>	<u>-</u>
	<u>1,605,500</u>	<u>-</u>

THE DESTINY TRUST CHILDREN FOUNDATION

Notes to the Accounts - (Cont'd)

For the year ended 31st December, 2018

	2018 ₦	2017 ₦
ADMINISTRATIVE EXPENSES		
Home Rent	1,571,400	1,000,000
Publicity & Branding	110,000	-
Staff Salaries	2,772,650	1,485,000
Office Expenses	134,050	331,200
	4,588,100	2,816,200
OTHER EXPENSES		
Training & Skill Acquisition	-	178,250
Bank Charges	48,925	33,570
Other Expenses	184,000	89,100
	232,925	300,920
DEPRECIATION		
Furniture, Fittings, etc	42,766	47,900
Office Equipment	26,787	22,334
Plant and Machinery	40,875	14,250
Computer Equipment	236,200	-
	346,628	84,484

THE DESTINY TRUST CHILDREN FOUNDATION

Statement of Value Added

For the year ended 31st December, 2008

	2008 N	%	2007 N	%
For income	17,024,558		9,435,080	
Administration overheads and payments for other services	(8,114,680)		(8,373,715)	
Value Added	8,909,878	100	1,111,354	100
<i>Applied as follows:</i>				
In payment to employees:				
- Salaries and wages	2,772,650	31.12	1,485,000	133.62
In payment to providers of capital				
Finance charges	48,925	0.55	33,570	3.02
Retained for future replacement of assets and expansion of business				
- Depreciation	346,628	3.89	84,484	7.60
- Accumulated Surplus	5,741,675	64.44	(491,700)	(44.24)
Value Added	8,909,878	100	1,111,354	100

Value added represents the additional wealth which the firm has been able to create by its own and its' employees' efforts. This statement shows the allocation of that wealth between government, employees, providers of capital and that retained for the future creation of more wealth.