



DEC

ANNUAL REPORT 2020



Acronyms/abbreviations

ANC	Antenatal Care
BfdW	Brot fur die Welt (Bread for the World), Berlin, Germany
BoD	Board of Directors
BoT	Board of Trustees
CLTS	Community-Led Total Sanitation
D&P	Development & Peace, Canada
DEC	Development Exchange Centre
DCG	DEC Conference & Guest House
DLPH	Decentralize Local Project Holder
ED	Executive Director
EU	European Union
FCT	Federal Capital Territory (Abuja)
FM	Finance Manager
KMC	Knowledge Management & Communication
LGA	Local Government Area
MDA	Ministries, Departments & Agencies
MEF	Micro Enterprise Fundamental
MIS	Management Information System
PRO-ACT	Pro-Resilience Action
PROSELL	Produce and Sell
REFLECT	Regenerated Freirean Literacy through Empowering Community Techniques
SBMC	School Based Management Committee
SDG	Sustainable Development Goals
TBA	Traditional Birth Attendant
UK	United Kingdom

VSLA	Village Savings & Loans Association
WASH	Water, Sanitation and Hygiene
WASHCOM	Water, Sanitation and Hygiene Committee

CHAIRMAN DEC BOARD OF DIRECTOR'S REMARKS

The year began in tumult with 559,000,000 corona virus cases and over 1,582,000 deaths globally, the world continues to battle the COVID-19 Pandemic. Even before the outbreak, the outlook for the World Economy and especially developing countries like Nigeria was fragile, as Global GDP Growth was estimated to be only 2.5 percent in 2020. While many developing countries have recorded relatively fewer progress cases of which Nigeria has 88, 429 confirmed cases and 1,885 deaths as at December 31, 2020. The weak capacity of the health systems in these countries is likely to exacerbate the pandemic and its impacts on their economies.

The year 2020 has seen a great decline in investment; uncertainty has discouraged forward looking decisions and poor expectations of future profitability of investment spending. There has been an increase in government expenditure especially in health expenditure and expansionary fiscal policy. The lockdown and social distancing has caused a major setback in all sectors and this has spanned to poor expectation of future income for the economy and informal sector not forgetting the erosion of wealth due to a fall in the value of assets such as stocks and home equity.

Poverty has never been as physically potent as it is due to the pandemic. Global extreme poverty has risen in 2020 for the first time in over 20 years as the disruption of the COVID-19 pandemic compounds the forces of conflict and climate change. Extreme poverty has affected between 9.1 % and 9.4% of the world's population.

In Nigeria, it is estimated that over 82.9 million Nigerians are poor, this is revealed in the latest Poverty and Inequality report released by the National Bureau of Statistics. Urban poverty rate stood at 18.04 percent, while the rural poverty rate is 52.1 percent and women are more affected than men. This report has called for actions being taken by governments all over the world to make efforts to confront poverty caused by the pandemic.

Thankfully despite all this DEC has been above water. It is not only jumping far and above the benchmark that is difficult, but also preparing the foundation for a safe landing that matters. Yes, it's common knowledge that 2020 was a difficult year for all but we had a good run despite the fallback at the beginning of the year. Many have been impacted both in the micro credit sector and the social services.

All this wouldn't have been possible without the management team who made sure all things were in place and the new Executive Director Mr. Iliya Gidado Sambo who took over the reins of the organization from Titi Yakubu earlier this year. I want to use this medium to appreciate all staff and partners that have kept it together all this difficult period. Kudos to you all and I urge you to keep being hardworking and giving your best to make sure that we contribute and make an impact in the lives of all we can reach out to. May this coming year be better than the last and make sure you adhere to the Covid -19 guidelines.

DEC GOVERNANCE AND MANAGEMENT STRUCTURE

DEC Board of Trustees

Mrs. Anthonia Kundera	Chairperson
Mr. Ado Solomon	Vice Chair
Alh. Inusa Kida	Member
Mr. Henry Osadolor	Member
Haj. Larai Hamadu	Member
Dr. Musa Moda	Member

DEC Board of Directors

Bulus Gwashi	Chairman
Francis Ademola Olaitan	Vice Chair
Sarah Drambi Kefas	Member
Lazarus Ruben Yerima	Member
Kefas Solomon Akundo	Member
HannatuRwangUnanam.	Member
Muhammed Lawal Bello	Member
Mercy K. Wodung	Member
Fidelia N. Yaji	Member
Rabi Ibrahim	Member
Iliya Gidado Sambo	Secretary

DEC Management

Mr. Iliya G. Sambo	Executive Director
Mr. Timothy B. Bulus	Finance Manager (FM)
Mrs. Helen Abah	Micro-credit Manager (McM)
Mrs. Hannatu D. Shehu	Human Resource Manager (HRM)
Mr. Samuel B. Yelmison	Head of Programmes (HoP)
Mrs. Edna P. Gopep	Head Internal Control (HIC)
Mr. Atiku V. Usman	Head of Knowledge Management & Communication (HKMC)

DEC BACKGROUND

DEC is a Non-Governmental Organisation, non-partisan, not-faith-based and not-for-profit. DEC was established in 1987 as a forum to exchange development ideas. It soon evolved into a multi-sector mission designed to deliver both social and economic services to her identified target. DEC has implemented several social enhancement programmes that touch the basic fabric of its target beneficiaries which include provision of functional adult education, vocational skills development, sexual & reproductive health education, water & sustainable environment, good governance & peace building as well as microcredit which DEC is most identified with. The microcredit component has served over 8,000 women groups with a total client base of over 200,000 in 22 states (FCT inclusive) through 120 business units.

DEC Bauchi was registered in 1997 as a trustee incorporated organization with a Board of Trustees (BoT), and a Board of Directors (BoD) to best position it for service delivery. The registered women groups across the states where DEC operates form part of the apex decision making body of the organization (BoD) through representation.

Due to its credibility and capacity to actualise its objectives, DEC has continued to receive support (financial, material and technical) from several partners – local and international – including government and other development agencies for its activities. These activities that will be presented subsequently have made tremendous impact among beneficiaries of services of DEC and even beyond. In line with its mission, the major beneficiaries of DEC services are women who are considered among vulnerable groups in the society.

OUR VISION

A society with equitable opportunities for sustainable development

OUR MISSION

"Empowering women to improve their living conditions and status through integrated development services and initiatives"

CORE VALUES

Accountability: Willing and ready to perform in a manner that makes us accountable, responsible and answerable to all stakeholders both internal and external.

Inclusion: Ensuring a gender social inclusion and respect for human dignity and creating an environment where everyone counts.

Integrity: Ensuring credibility, trustworthiness and projecting positive image of individual and organization at all times and in all things.

Partnership: DEC values relationships, rights, responsibilities and mutual sharing of resources for the achievement of common goals.

Teamwork: complimenting each other's ideas and expertise towards achieving both individual as well as organizational goals.

Transparency: Ensuring we are open and accountable in the use of resource and in the ways decisions are made on matters of interest which are laid bare to the organization and its stakeholders.

Innovation/Creativity: Valuing and encouraging the ability to bring out new and great ideas that bring unique insights into DEC's work, giving it competitive advantage or resulting in lowering the cost of operations for the organization.

Our coverage in Nigeria



Our Strategic Role

DEC ultimate goal is to improve lives of women and families and ensure that communities are living in peace and harmony. In order to achieve this goal, six (6) major outcomes have to be achieved, these are:

1. Economic Empowerment: *Poverty reduction amongst vulnerable households and improved living standards.*
2. Health: *Improved Health and Wellbeing*
3. Education: *Improved Access to Quality Education and reading outcome*
4. Governance: *Improved Access to Justice, Accountable Institutions, Peaceful and Inclusive Societies*
5. Environment: *Sustainable Management of Energy, Water and Sanitation*
6. Institutional Strengthening: *Effective, Efficient and Sustainable Organisation*

The Report

DEC have integrated activities aimed at strengthening community resilience and enhancing the ownership and sustainability of the social development interventions, initiated by the organisation.

There are however, combination of activities supported by partners which includes; ‘Socio-economic Empowerment for Communities in Northern Nigeria’ and ‘Small-Scale Project funded by Bread for the World (BftW), Germany’; ‘Accountability and Citizens’ Participation (ACP)’ funded by Development and Peace (D&P), Canada. Also, other partnerships’ projects that are ongoing include – ‘Pro-Resilience Action (PRO-ACT)’ and ‘Produce and Sell (PROSELL)’– funded by Oxfam (UK/EU). These partnerships combined with the DEC core programme have continued to contribute toward achieving the vision and mission of DEC and international development basic indices as per the SDGs through interventions as highlighted in DEC Strategic Plan. DEC’s microcredit services spans across 22 states (FCT inclusive), while social projects are limited to vulnerable communities in selected locations that have been rated as needful and required support based on assessments/surveys report.

The one-year report gives assessment of activities carried out by DEC in 2020, through its partners’ support and DEC internally generated funds. The ongoing Strategic Plan which became effective in 2019 serves as our Indices for measurement with specifics on targeted and achieved activities.

Economic Empowerment Unit

Pass on the gift is an approach to sustainable development programme. 50 most vulnerable female-headed household have benefitted. The households have received a pair of livestock (goat) for husbandry. At the end of a cycle-when the goat reproduces-young pairs are collated and issued to next set of most vulnerable set of households. This has boosted nutrition and income base of the households.

DEC has trained beneficiaries on Village Saving and Loan Association (VSLA) methodology, which is aimed at bringing about financial inclusion for the rural dwellers that are mostly excluded from the “complex” modern financial institutions and also inculcating to the habit of savings in them. One person who appreciates the value of being part of a VSLA is **RUKAYYA DAN MASU** (Female, Age 35), Married with 4 Children held from Jandutsi community of Jega LGA, Kebbi state, who benefitted from Village loan and saving Association (VSLA).

Rukayya is a full-time house wife and solely dependent on her husband to provide for the needs of the family. According to her,

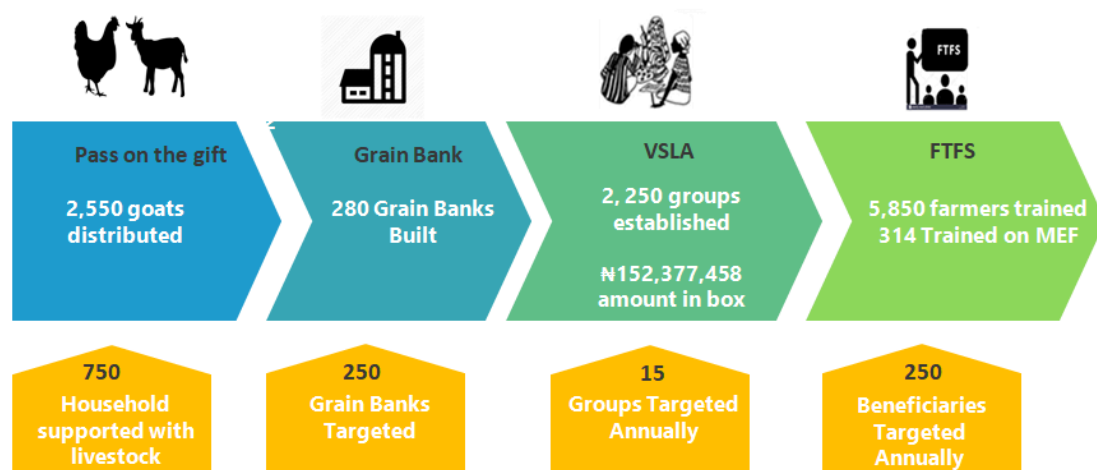
“In fact, my believe is that a woman should not involve herself in any activity other than her domestic responsibilities as they are thought by their parents”.

Through the VSLA she was trained on income generating activities where she acquired skills on soap making, Vaseline, car wash, to mention but few. Rukayya produces Liquid soap (car wash), body cream (Vaseline) for sale and make an average of about ₦1,000 incomes daily.

With the profit generated she can now support her family. Rukayya testifies that *“I have earned my husband’s love and trust and more respect from my entire family which has granted the opportunity to contribute to decisions taken at household and group level. Today I am economically empowered and can now stand with my head held high amongst my peers”.*



Rukayya Dan-Masu during production of Hair Relaxer



Education Unit

DEC has continued to raise awareness campaign on Girl Child Education to communities, this is important in promoting girl enrolment, retention and completion with the aim of unlocking equal access to education and ensuring quality reading outcome. As a result of the campaign communities such as Magalam, Din, Targal, Gwammadaji and Mbutbin of Tafawa Balewa LGA, Bauchi State have realized the significance of girl child education. Parents have begun enrolling their daughters in the school as well. The campaign has succeeded to a great extent in changing the mindset of the communities towards Girl Child Education.

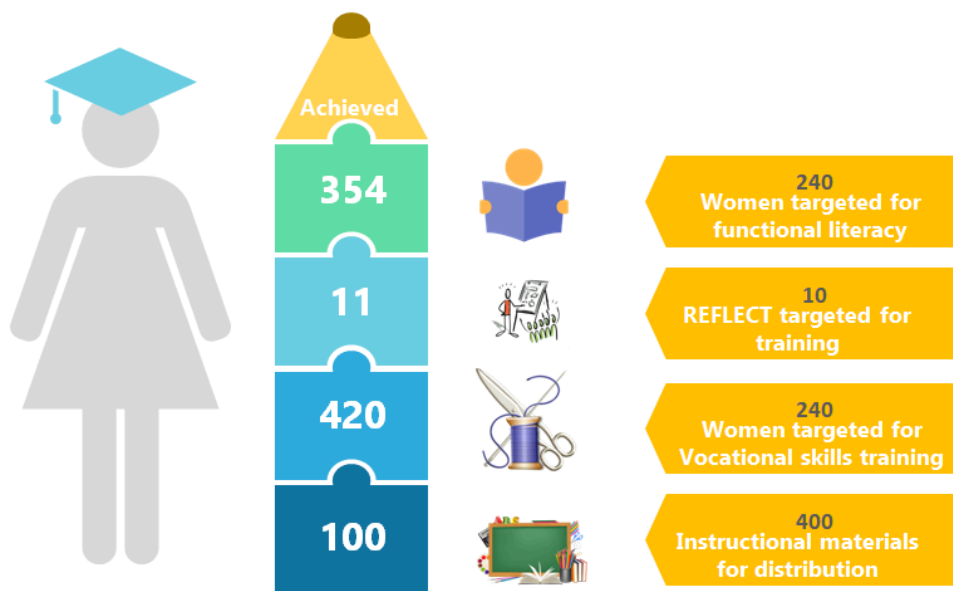
Again, REFLECT methodology has proven to be one of the effective tool for learning to adolescent girls and adult women, from a baseline of 354 that were illiterate (who could not read and write), 254 (77%) of beneficiaries could write a short paragraph.

- The programme has improved women’s knowledge of key health issues such as maternal health, prevention of disease, sanitation and hygiene. They are also able to read and understand basic medical instructions such as how to take or administer drugs to their children.

- Many beneficiaries have formed and are running profitable income generation activities and because of this, their social status and families' living standards have improved.
- Furthermore, beneficiaries are now more aware of their rights and in particular how to handle challenges that arise from a lack of basic services. In one case, for example, Hakka Hengu from Dega community Rogo LGA, Kano State after realizing the importance of education regretted why her parents refused her formal education from an early stage. But she promised to ensure all her children are enrolled into formal school from an early stage.



Girl-Child during the campaign exercise in Mbutbin



Health Unit

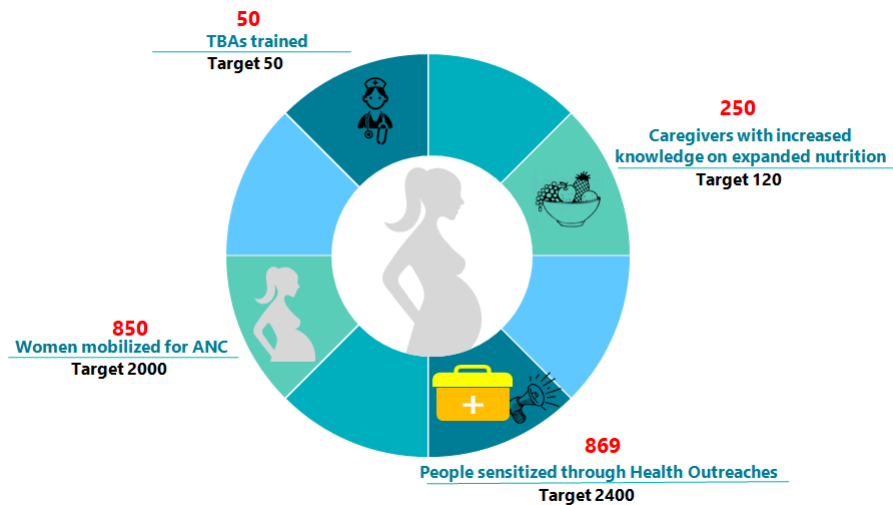
DEC has continued to provide Community Health Outreach in its project region and this has provided educational, preventative as well as urgent care services directly in the remote areas with unmet healthcare needs. The communities reached have continued to utilize the knowledge gained in the promotion of immunization, exclusive breastfeeding, ANC, PNC, STIs and reduction in maternal and infant mortality.



Health personal dispensing drug at Magalam Community Tafawa Balewa L.G.A Bauchi State 2020



Health Personal measuring blood pressure of Head of household at Targal Community Tawafa Balewa L.G.A Bauchi State 2020.



Environment Unit

DEC works to support SDG 6, by ensuring the proportion of population practicing open defecation is reduced. We have supported the initiative by sensitizing 822 persons in communities. The community's interest was ignited on ending open defecation, by accepting to build simple toilet in their homes. So

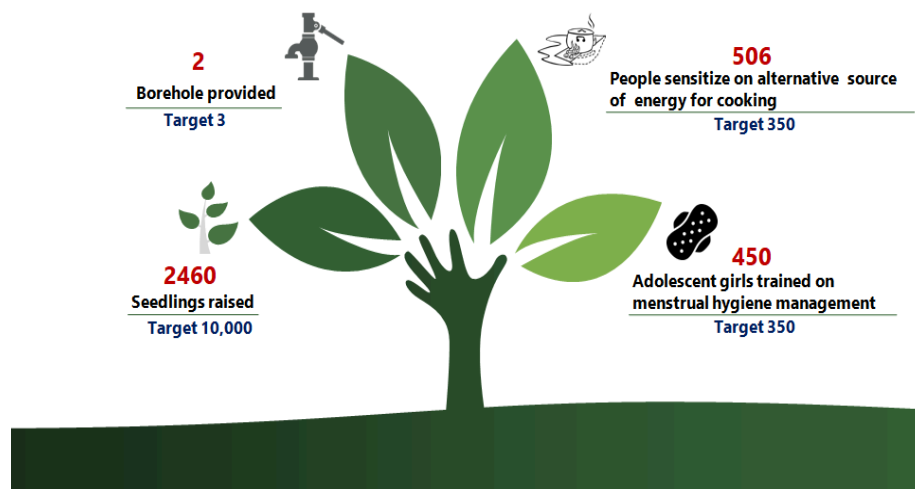
far, 144 toilets have been constructed, and are making sure members of the households make proper use of the facilities.

In Targal Community women were very excited as they can now fetch clean vegetables from their farms because it is free from human defecation. They also said the offensive smell that normally emanates from these surroundings is no longer being perceived and thereby giving them fresh air. They really appreciate DEC for giving them insight on hygiene.

More than 500 persons have access to clean water as 2 boreholes are constructed. o have a sustainable access VLOM were trained and supported with tools to carry repair/maintenance when the need arises.



Collection of nursery plants ready for distribution

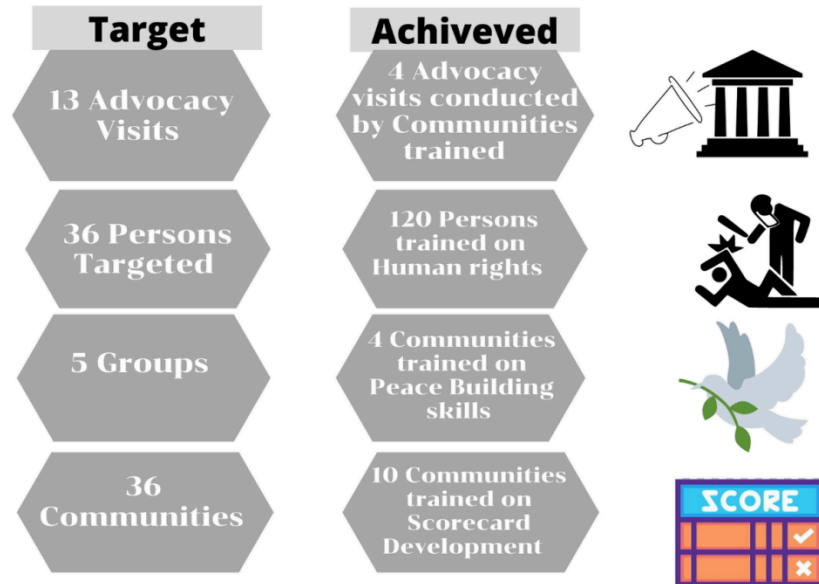


Governance Unit

The presence of DEC activities on Good Governance and Peace Building is being felt in 5 states and 19 benefiting communities. Some of the trainings and mentoring conducted were on Advocacy and Lobbying Skills, Scorecard Development, Leadership, Human Rights, Peace Building and Trauma Healing.

Some of the amazing outcomes of our engagements includes the increase in impact of DEC radio programs hosted in Community Radio, Bununu of Tafawa Balewa LGA, Bauchi State, Option Radio

(Akwanga LGA, Nasarawa state) and Ashi Waves FM Katsina Ala of Benue State that has continued to generate followership because of the contemporary governance issues and topics discussed. An advocacy visit conducted by a community member of Bandaraga in Zuru LGA (Kebbi State) led to the provision of Telecommunication Service Mast by a private company (MTN) and they now enjoy MTN Telecommunication Network, which is the only network in the vicinity serving other six neighbouring communities. The rest of the communities continue to consolidate on their efforts in raising funds to mitigate community needs such as fixing broken down boreholes, provision of scholastic materials, and conducting community self-help efforts like clearing roads, organized by their Community Quality Improvement Teams (CQIT), which were established and strengthened in the 19 benefitting communities by DEC.



Small-Scale Project Fund

Engagement of CBOs and signing of MoUs: 13 of 16 CBOs that were selected as Discentralized Local Project Holder (DLPH) entered into a cooperation agreement with DEC and signed MoUs to implement their proposed projects in June 2020. The remaining 3 DLPH projects were designed to work in formal public schools with school pupils as beneficiaries (schools had remained closed due to the COVID 19 crisis). 6 of the 13 DLPH were implementing education projects targeting 300 women and 450 girls in non-formal learning centres with added vocational skills acquisition for wholistic development. 7 DLPH with economic empowerment-base projects had taken off.

The 13 DLPH had been disbursed the total sum of NGN14,463,690.98 by September 30th, 2020, with a balance of NGN12,102,658.02 awaiting further disbursement in subsequent tranches for DLPH in year 1. Three (3) DLPH whose projects were based in formal schools were yet to receive any funding.

Impact:

- 7 DLPH with economic empowerment-base projects had taken off with 986 women and youth as beneficiaries. The strategies and categorization were as follow:
 - 32 Village Savings & Loans Associations groups functional
 - 70 women rice farmers in 10 farming groups practicing modern techniques.
 - 41 women & youth mentored on sewing and knitting.

- 25 women with access to “acha” (fonio) processing technology
- 30 women trained on modern agronomic practices and business fundamentals
- 20 women with access to groundnut processing technology
- Overall, DLPH have had a capacity building at organizational level through the review and development of several policy documents.
- Registration - 3 DLPH have now acquired registration status;
- Constitution – 14 DLPH have reviewed their constitution
- Bank Account – 5DLPH now have corporate current bank accounts;
- Email – 5 organisations now have official email addresses
- Financial Policies – 2 new policies developed and 14 reviewed
- Books of account – 8 organizations had nothing, 8 adopted what they were not practicing before partnership
- Business Premises – 7 organisations now have a business premises
- Past projects/partnerships – 12 organisations have partnership for the first time



Project beneficiaries at a vocational skills acquisition centre at Zango, Bauchi administered by a DLPH



A non-formal learning centre at Zango community, Bauchi administered by a DLPH

Micro-Credit

DEC Micro-credit has continued providing for the economically active poor and low-income households with financial services such as credit or loan to help them engage in income generating activities or help them to expand their small business. It has also provided services such as regular savings, voluntary savings, micro loan weekly, micro loan monthly, agricultural loan e.t.c. the

microcredit unit while striving to be productive and sustainable, is more committed to the positive socio-economic transformation of its beneficiaries.

Impact

Safiya Bashiru is a 50-year-old woman who resides in Gwadabawa, Sokoto State, married and with 4 children. When she was introduced to DEC in 2014, her first loan collected was ₦20,000 to start a business, by her dedication and work, she has advanced in the system and currently collecting ₦120,000. She engages in dealership of furniture and all sorts of clothe items. She owns a car that is use for shuttle and also use in transporting purchased goods for her business. When ask on what she does with the proceeds of her business, she said *“I sponsored my children to school, ‘Alhamdulillah’ today all my children are school graduates and I have trained them in the business. I have acquired land, and I am grateful to DEC, the organization has made me who I am today”*.



Mrs Safiya Bashiru with some of her furniture.

DEC GUEST HOUSE AND CONFERENCE CENTRE

The DEC GUEST HOUSE with 16 single room, 13 double rooms, 4 standard rooms and 1 duplex double room making the total of 34 rooms and 5 conference halls of various capacities provided shelter to over 4206 guests and hosted 20 event shaving 2250 participants in 2020. The DCG has thus met its obligation of providing alternative resources reaching the gross of N22.8 million for the organizational goal. However, in the year 2020 18 rooms toilets were renovated, 19 orthopaedic Mattresses were purchased, 34 bed linens were purchased, and 34 rooms were repainted.

INSTITUTIONAL STRENGTHENING/DEVELOPMENT

Institutional strengthening is key to organisational growth, alignment and sustainability. The organisational focus is in areas such as resource mobilisation; effective management system; and networking and partnership that will enable DEC deliver its services effectively contributing significantly, in its own way, to the achievement of key national, regional and international development objectives. . It comprises of the Internal Control (IC), Finance & Administration, Knowledge Management & Communication (KMC) and Human Resource. The Internal Control responds to mitigate organizational risks and audits finances of the organization, enforcing compliance to especially financial operation policies and adherence to approved budgets. This ensures prudent use of resources and prevention resource misappropriation.

Finance & Administration ensures financial management and liquidity for DEC’s entire operational plan. It ensures responsible financial investments and resource mobilization. All DEC finances are controlled at the Head Office with funding after due process from the programme staff to the Finance

Manager (FM), to the Executive Director (ED), all being vetted by the IC. All advances are retired by programme officers upon completion of activities. Staff remuneration is paid into benefitting accounts electronically. In addition, the IC has reduced financial losses by detecting and preventing fraud. It has recovered.

Finance key achievements include;

Activity	Indicator	Target	Achieved
Develop and submit project proposals	Number of project proposals developed in 2020	10 proposals to be submitted	15 Proposals developed and Submitted Four (4) proposals funded
Annual budget preparation	Number of budget prepared	One annual consolidated budget to be prepared	One Consolidated budget prepared
Prepare monthly, Quarterly/half-year and annual financial report	Numbers of reports Prepared	<ul style="list-style-type: none"> • 12 Monthly financial reports to be prepared • Four quarterly financial reports to be prepared • 2 Half year financial reports to be prepared • One annual financial report to be prepared 	<ul style="list-style-type: none"> • 6 monthly financial reports prepared • Two quarterly financial reports prepared • One Half year financial report prepared • Draft Consolidated Annual financial reports prepared.

The KMC serves the role of information management, organizational learning, growth and visibility. It is responsible for communications, MIS, information technology, monitoring & evaluation and reporting. Organizational information is shared via DEC website, social media accounts, newsletters, organizational profiles, calendars, reports, jingles and documentaries. DEC is gaining more visibility and attracting partnerships. The MIS has provided a robust monitoring tool that has continued to evolve and adapt to current realities including reduced operational cost.

KMC key achievements include;

Activity	Indicator	Target	Achieved
Provide IT help desk services and support to staff	Number of services /support rendered	1968 maintenance carried out on 164 Laptops	<ul style="list-style-type: none"> • 1968 Maintenance exercises carried out • Coordinated repairs of 10 faulty laptops. • Coordinated replacement of 5 generators & 4 generator engines and 5 printers.

			<ul style="list-style-type: none"> Support provided to staff to resolve MIS issues.
Implement Human Resource System	Number of operational human resource system	1 human resource system	1 operational human resource system acquired and installed. 3 IT staff, 4 Human Resource Officers and 7 Account Officers were trained.
Monitoring & Evaluation	Number of monitoring	4 monitoring visits	4 monitoring visits conducted

The Human Resource manages the human capital at DEC by recruiting, appointing and deploying staff as needed through staff audit exercises and staff appraisals. Staff capacity is also of high importance and catered by organizing in-house trainings, identifying external trainings - local, national and international and assigning staff to attend based on identified need.

HR key achievement includes;

Activity	Indicators	Target	Achieved
Conduct staff performance appraisals	No. of staff appraised	939 staff Head office = 51 Field staff = 754 Guest House = 12 Prosell = 91 Pro-act = 31	840 number of staff appraised. <ul style="list-style-type: none"> 707 DEC's permanent staff appraised. 33 DEC's Pro-Act project staff appraised 91 DEC's Prosell project staff appraised 9 G/House staff appraised
Conduit recruitment	No. of recruitment exercise conducted	<ul style="list-style-type: none"> 3 recruitment exercise 65 suitable candidates 	One (1) recruitment conducted successfully. 24 locals Credit officers were recruited.
Staff redeployment/transfer	No. of staff transferred/redeployed	200 staff	61 staff (35male & 26 female) staff were transferred to replace resigned or terminated staff or have stayed longer in a particular location.

Staff capacity building	Number of staff trained	286 staff	185 (96 male, 89 female) were trained on various capacities.
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Management staff during one of the monthly Management meeting session

CHALLENGES

During the period, DEC has come across numerous challenges that may have in one way or another affected its output and outcome.

- Increase in cost and **unavailability of equipment** in the market due to inflation and COVID-19.
- Restriction on movement due to COVID-19, this has hindered the implementation of some activities.
- **Inadequate structures, skills to help us adapt to the changes caused by the pandemic became a challenge.**
- The problem of newly recruited employees rejecting posting due to distance still exists. Especially postings to the Northeastern part of the country – fear of the insurgency.

Challenges specific to SSPF includes.

- CBO's non-compliance to project policies.
- Unstable price of goods & services due to inflation/devaluation of local currency. This results in large variations in approved CBO budgets.
- Lack of equipment (computer & printers) delays timely and accurate reporting by CBOs. This makes it difficult for CBO to utilize project templates and results in missed chances of learning derived from template utilization.

LEARNING POINT

DEC has gained tremendous experience that has proved helpful assets for its future programming.

These may be summarized thus:

- Increase use of technology in most areas of DEC operations has yielded positive result, which includes reduction in operational cost, up-to-date correct report and has improve staff knowledge.
- An integrated-service intervention in communities yielded holistic, tangible development that can be related directly to that intervention and gives a holistic outcome that is visible and sustainable.
- Innovation, performance and credibility in collaborations has increases the prospects of partnership with other development partners.
- Programme activities targeting beneficiaries' communities have spur other non-beneficiaries to participate having seen benefits of DEC's intervention.
- Communities have taken ownership of the project example includes TBA, WASHCOM, VSLA, VLOM and are willing to continue the project on their own after the withdrawal of DEC because of the benefits derived from and the process adopted by the project.
- There has been an increase of social cohesion in communities because of DEC's intervention.
- Drama presentation in communities serve as the most effective for community sensitization
- The loans accessed by women through DEC have a significant impact on their lives.

Lessons learnt specific to SSPF includes.

- The provision of technical support for CBOs through capacity assessment, capacity building, sustained coaching and mentoring enhances CBOs' chances of sustainability and ability to administer, implement and manage partnerships and projects. Most CBOs need little guidance to achieve growth and maturity.
- CBOs with access to office equipment (computers & printers) function more optimally. Project funding should factor in office equipment and not only activities' costs.
- Most CBOs only have project/donor-specific capacities with regard to programming and reporting. The DEC-SSPF project has provided CBOs the freedom to apply themselves, thereby increasing learning and stimulating growth.
- Most CBOs are fully donor-dependent and have no projects of their own. They rely on donor-designed projects which they only implement. Their engagement on the DEC-SSPF project was their first experience of self-determined project administration.
- DEC has enormous capacity for partnership establishment and management.
- The DEC-SSPF project is a good platform for consortium formation and management.
- The partnership on the DEC-SSPF project with CBOs working in desired thematic areas could be a cost-effective and efficient channel for DEC to deliver on its mandate of reaching communities through CBOs and building the capacities of CBOs in one go.



Chartered Accountants

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**REPORT OF THE AUDITORS TO THE MEMBERS OF DEVELOPMENT EXCHANGE CENTRE
FOR THE YEAR ENDED 31 DECEMBER 2020**

We have audited the accompanying financial statements of **Development Exchange Centre**, as set out on pages 6 to 35 which comprise the statement of financial position as at 31 December 2020, statement of comprehensive income, statement of changes in equity, statements of cash flows, the statement of value added, for the year then ended and summary of significant accounting policies and other explanatory information.

Directors' Responsibility for the Financial Statements

The Directors are responsible for the preparation of financial statements that give a true and fair view in accordance with International Financial Reporting Standards and in the manner required by the Companies and Allied Matters Act, CAP C20, LFN 2004, and Financial Reporting Council of Nigeria Act, 2011, and for such internal control as the Directors determines are necessary to enable the preparation of financial statements that 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 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 involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditors' judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the entity's preparation and fair presentation of the financial statements 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 entity's internal control. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of accounting estimates made by Directors, as well as evaluating the overall presentation of the financial statements.

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

Opinion

In our opinion, the accompanying financial statements present fairly, in all material respects the financial position of **Development Exchange Centre** as at 31 December 2020, and of its financial performance and cash flows for the year then ended, in the manner required by the Company and Allied Matters Act, CAP C20, LFN 2004 and in accordance with the International Financial Reporting Standards (IFRS) in compliance with the Financial Reporting Council of Nigeria Act, No 6, 2011.

The Company has kept proper books of account, which are in agreement with the statement of financial position and statement of comprehensive income as it appears from our examination of their records.

S. Ochimana, FCA -FRC/2013/ICAN/00000004321

For: Samuel Ibrahim Ochimana & Co
Chartered Accountants
Bauchi, Nigeria.



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Partners: Samuel I. Ochimana, Shaka A. Umoru
Offices In: Bauchi, Abuja, Lokoja.

DEVELOPMENT EXCHANGE CENTRE
STATEMENT OF FINANCIAL POSITION
AS AT 31 DECEMBER, 2020

	NOTE	2020 N	2019 N
ASSETS			
Cash and Short term Funds	2	1,108,439,488	673,081,448
Investment	3	30,000,000	497,722,000
Loans and Advances	4	4,175,911,007	3,911,093,626
Other Assets	5	8,880	2,693,252
Capital Work in Progress	6	23,060,990	23,060,990
Fixed Assets	6	89,248,355	88,944,824
Intangible Assets	6	10	10
TOTAL ASSETS		5,426,668,780	5,196,596,148
LIABILITIES			
Members' Savings & Deposits	7	2,615,746,448	2,667,204,286
Creditors & Accruals	8		44,638
Long Term Loans	9	64,000,000	64,000,000
TOTAL LIABILITIES		2,679,746,448	2,731,248,924
EQUITY			
Accumulated Funds	10	2,546,922,332	2,465,347,224
TOTAL EQUITY AND LOANS		5,426,668,780	5,196,596,148

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DIRECTORS

The Accounting policies on pages 9-22 and notes on pages 23 to 30 form an integral part of these Financial Statements



DEVELOPMENT EXCHANGE CENTRE (DEC)			
INCOME AND EXPENDITURE			
FOR THE YEAR ENDED 31 DEC. 2020			
	NOTE		2019 N
INCOME			
Interest income	12		1,419,609,044
Interest Expenses	13		(87,026,963)
			1,332,582,081
Other Income	14		111,094,723
			1,443,676,804
General & Administrative Expenses	16-18		(1,468,436,294)
Impairment Charge for Credit loss	19		(10,507,280)
Depreciation	20		(26,470,945)
			SURPLUS/(DEFICIT) FOR THE YEAR BEFORE OPERATING GRANTS
			(61,737,715)
ADD: OPERATING GRANTS			
DEC Contribution to Bfdw Project Activity	11		20,500,000
Operating Grants from other Financiers	12		433,532,291
			SURPLUS/(DEFICIT) FOR THE YEAR AFTER OPERATING GRANTS
			392,294,576



DEVELOPMENT EXCHANGE CENTRE (DEC)

**CASH FLOW STATEMENT
FOR THE YEAR ENDED 31 DEC. 2020**

	<u>2019</u> <u>N</u>
CASH FLOW FROM OPERATING ACTIVITIES	
Interest Income, Fees, & other Receipts	1,530,703,767
Adjustment for:	
Other Overhead Charges & Expenses	(1,555,463,257)
Prior Year Adjustment	-
	<u>(24,759,490)</u>
WORKING CAPITAL CHANGES	
(Increase)/ Decrease in clients loan	(578,983,009)
(Increase)/ Decrease in Debtors & Prepayments	20,567,378
(Increase)/ Decrease in Investments	40,278,000
(Increase)/ Decrease in members saving deposit	397,545,126
(Increase)/ Decrease in creditors & accruals	(1,178,962)
Cash Generated from operation	<u>(146,510,957)</u>
CASH FLOW FROM INVESTING ACTIVITIES	
Purchase of fixed assets	(7,022,200)
Acquisition of Capital Work in Progress	(23,060,990)
	<u>(176,594,147)</u>
Cash flow from financing activities	
Grants received from donors	454,032,291
Acc Fund - Small Scale Project Fund	-
1% Risk Premium	<u>38,282,763</u>
Net Increase/ Decrease in Cash & Cash Equivalent	315,720,907
Cash & Cash Equivalent at the beginning of the year	<u>357,360,539</u>
Cash & Cash Equivalent at the end of the year	<u>673,081,446</u>
Represented By:	
Cash & Short Term Fund	<u>673,081,446</u>

