



THE CHARTERED INSTITUTE OF TAXATION OF NIGERIA

Chartered by Act No. 76 of 1992

Minutes of the 20th Annual General Meeting of the Institute

Held at

The Conference Hall, LCCI Building, Plot 10, Nurudeen Olowopopo Drive,

Beside M.K.O Gardens, Central Business District,

Alausa-Ikeja, Lagos State

Thursday, 7th June, 2012

THE CHARTERED INSTITUTE OF TAXATION OF NIGERIA

Minutes of the 20th Annual General Meeting of The Institute held at the Conference Hall, LCCI Building, Plot 10, Nurudeen Olowopopo Drive, Beside M.K.O. Gardens, Central Business District, Alausa-Ikeja, Lagos, on Thursday, June 7, 2012

ATTENDANCE

1.1 Present

- | | |
|--------------------------------|---------------------------------|
| 1. Mr. J. F. S. Jegede, FCTI | - President/Chairman of Council |
| 2. Mr. M.A.C. Dike, FCTI | - Vice President |
| 3. Dr. (Mrs.) T. Somorin, FCTI | - Deputy Vice President |
| 4. Mr. A.I. Adedayo, FCTI | - Honorary Treasurer |
| 5. Prince R.A. Quadri, FCTI | - Immediate Past President |
| 6. Chief D.A. Olorunleke, FCTI | - Past President |
| 7. Mr. G.F. Fasoto, FCTI | - Past President |
| 8. Mr. K.A. Adigun, FCTI | - Past President |
| 9. Chief A.O.Otitoju, FCTI | - Council Member |
| 10. Chief C.I. Ede, FCTI | - Council Member |
| 11. Mr. G.A. Da-Silva, FCTI | -Council Member |
| 12. Mrs. E.Ebilah, FCTI | - Council Member |
| 13. Ms. G.O. Simplice, FCTI | - Council Member |
| 14. Alhaji A.M. Gwaram, FCTI | - Council Member |
| 15. Barr. C , Eze, ACTI | - Council Member |
| 16. Mrs. R.A.Olumegebon, FCTI | - Council Member |
| 17. Mr. A. Jayeoba, FCTI | - Registrar/Chief Executive |

And 280 other members.

2.0 COMMENCEMENT

The meeting commenced at 12.10 pm with an opening prayer led by **Alhaji A.M. Gwaram (M/No. 7880)**, after which the Chairman of Social & Members Welfare Committee, **Ms. G.S. Simplice (M/No. 672)** introduced members on the high table. To reflect the mood of the nation, she enjoined members present to observe one minute's silence in honour of the victims of the Dana air mishap. **Dr. (Mrs.) O.A. Somorin (M/No. 87)** prayed for the souls of the departed.

The **President, Mr. J.F.S. Jegede (M/No. 643)** welcomed members to the 20th Annual General Meeting (AGM) of the Institute and in particular gave recognition to Council Members, Committee Members, Past Presidents, the External Auditors and Chairmen of District Societies. He also acknowledged the presence of **Chief D.A. Olorunleke (M/No. 1)**, the first President of the Institute..

He thereafter called on the **Registrar/Chief Executive, Mr A. Jayeoba (M/No. 2030)**, to confirm if a quorum had been formed for the commencement of the **20th Annual General Meeting of the Chartered Institute of Taxation of Nigeria (CITN)**. The Registrar/Chief Executive answered in the affirmative.

2.1 Reading and Adoption of the Minutes and Agenda of the 20th Annual General Meeting

The President called on Mr. A. Jayeoba to present the agenda of the meeting for adoption. Mr. A. Jayeoba presented the agenda of the meeting as follows:

ORDINARY BUSINESS

1. To adopt the Minutes of the 19th Annual General Meeting held on Wednesday, 1st June, 2011;
2. To lay the Report of Council before the Meeting;
3. To receive and adopt the Financial Statements for the year ended 31st December, 2011 and the Report of the Auditors thereon;
4. To appoint the Auditors;
5. To authorize Council to fix the remuneration of the Auditors;
6. To elect members of Council; and
7. To consider any other business.

On accepting the Agenda as prepared, the motion for its adoption was moved by **Alhaji A.M. Gwaram (M/No. 7880)** and seconded by **Mr. M.A. Aliyu (M/No. 6048)**.

3.0 Adoption of the Minutes of the 19th Annual General Meeting (AGM)

The minutes of the 19th AGM were taken as read having been placed on the website for quite a while so that members could have access to it earlier.

Motion for the adoption of the minutes was moved by Pastor **B. A. Omonayajo (M/No. 2455)** and seconded by **Mr. M. O. Afolayan (M/No. 7017)** subject to the following amendments:

Page 2, Section 1.1 no. 11, change “Mrs. E. Elemanya” to “Mrs. E. Ebilah”

Page 2, Section 1.1 no. 13, change “Alhaji A. Gwaram” to “Alhaji A.M. Gwaram”

Page 4, Section 4.0, Line 25, change “professional taxation institute” to “Professional Taxation Institute”

Page 4, Section 4.0, Line 32, change “national”to “National”

Page 5, Section 4.0, Line 53, the clause “to be used by tertiary institutions intend that to commence” to be corrected to read “to be used by tertiary institutions that intends to commence”

3.2 Matters Arising

1. Backlog of Subscription

The President explained that efforts were being made to recover the backlogs through collaboration with the District Societies. With respect to backlog from Government organizations such as the Federal Inland Revenue Service and the State Internal Revenue Service, efforts were also in top gear to recover the outstanding sums.

2. Low Revenue from Sales of CITN Nigerian Tax Guide and Statutes

It was explained that a revised edition of the CITN Tax Guide and Statutes was in the offing and would soon be on sale for all members.

3. Revenue from Presidential Investiture

It was also explained that traditionally, such events do not generally generate revenue unless there were donations and subventions towards the ceremony.

4. Upward Review of Staff Salary

This was well noted.

4.0 President's Statement

The President welcomed all members on behalf of Council to the 2012 AGM. He apologized that the AGM had to be re-scheduled because of the 3 days public holiday declared by the Federal Government in honour of the people who lost their lives in the Dana air crash.

He noted that though the year under review was confronted with several daunting challenges but through the help of God and with the unrelenting cooperation of Council, the Institute was able to weather the storm. He also mentioned the unwavering commitment of members of the various committees which enabled the Institute to surmount all the hurdles that were encountered in the preceding year.

He acknowledged the robust synergy that existed between the CITN and all organizations partnering with it in ensuring a viable tax system was enshrined for the nation. He also noted that the Institute's foresight and laudable initiatives directed towards the operation of its Charter, had not only endeared it as a preferred professional body but had also clearly positioned it as the beautiful bride being courted by the generality of the public.

He also expressed his pleasure over the numerical strength of the Institute which had continued to increase in leaps and bounds, noting that this was due to several applications for membership which were received before the final closure of the direct membership window in the year under review. He said the applications were scrutinized and processed in batches along with those of the ever-increasing graduate students.

The President reported with pleasure, the Institute's leadership influence beyond the West African regional borders having successfully inaugurated the West African Union of Tax Institutes (WAUTI) during the year. Also worthy of note as an achievement, was the creation of Association of African Tax Institutes (AATI) and his unanimous election as the pioneer President of the continental body. No doubt, these were worthy attainments indicative of the CITN's giant leaps at the international scene. Apart from these consolidating efforts being carried out by the CITN, the President also reported that the Institute creditably advanced its membership of other International bodies like the International Tax Directors Forum (ITDF), The South African Institute of Tax Practitioners (SAIT), the Chartered Institute of Taxation, Ghana (CITG) and the Chartered Institute of Taxation (CIOT), United Kingdom.

While giving an overview of the operating environment, he noted that Nigeria's problems in the oil and gas sector were well publicised. Though the sector, essential to the country's economy, was responsible for 97.5 per cent of export revenues and 81 per cent of the government's budgetary revenues achieved only 17 per cent of Nigeria's gross domestic product (GDP). As a result of the global financial crisis and a sharp drop in oil prices, Nigeria's GDP growth was projected to rise to a mere 5.5 per cent in 2011. However, what remained critical, according to the President, was what use Government would put the money into, as taxpayers expectedly would grow weary of paying taxes when they cannot see improved service delivery.

The President, while commenting on the issue of security in Nigeria in view of the happenings in the Northern part of the country, called on the Government to address the issue squarely in order to guarantee the safety of lives and property thereby instilling confidence in the minds of prospective investors.

Members were also informed of the introduction of new syllabi for both categories of the Institute's examinations. New subjects introduced, especially on Indirect Taxation, were intended to increase the knowledge of tax practitioners and administrators alike on the variegated nature of our tax system so as to put them in a better position to perform their duties professionally. According to the President, the old syllabi would cease to be in operation by October 2013. Equally, exemptions applicable to holders of requisite first degrees, higher and professional qualifications were reviewed accordingly.

On the issue of the nation's fiscal policy drives, the President reported that CITN made insightful inputs into several major policy statements of government. Worthy of note was the Institute's representation at the Public Hearing of the Personal Income Tax (Amendment) Bill 2011 which was not only publicly applauded but also had most of the opinions of the Institute featuring prominently in the final Act. Equally, in line with the Institute's statutory objective, a general cursory review of previous budgets of the State, the pitfalls and deficiencies as regards tax administration and regulation in Nigeria was taken and a proposal on how to increase internally-generated revenue while also improving the tax administration in each State of the Federation was made available to each State Government.

The President also reported the unfortunate event which occurred on October 26, 2011 when the building housing the Secretariat of the Institute collapsed. He gave glory to God that, though,

majority of the Institute's properties got damaged, no single life was lost. He thereafter appreciated the unflinching support of all his predecessors, Council and members of the Institute, sister professional bodies and indeed members of staff who ensured that it was the building, not the Institute, that went down. He reported that despite the setback, the Special Training and Induction programme scheduled around that period was held and the feedback received from all inductees indicated that the programme, which perhaps recorded the highest number of inductees in the history of the Institute, was indeed a huge success.

Arising from the above, the President reiterated the need to ensure quick completion of the proposed "Tax Professionals House" and therefore appealed to all members, who were yet to pay the construction levy of N20,000.00 (Twenty thousand naira only) as agreed at the last AGM, to do so without further delay. He assured members that its completion would surely be a pride to all tax professionals.

Finally, the President expressed satisfaction with the tremendous successes achieved in the year under review and further solicited for the cooperation of all stakeholders not only in ensuring the attainment of targets set for the Institute in the coming year, but also in ensuring that the successes that were being celebrated were exceeded.

4.2 Presentation of Reports of Council and Committees of Council

The President drew the attention of members to the various Committees' reports highlighted in the Annual Report. He recalled that the reports were earlier placed on the website to enable members have access to them and therefore should be assumed to have been read.

4.3 Presentation of Auditors' Report

The External Auditors' Report on the Financial Statements for the year ended December 31, 2011 was presented by **Mr. Ighehon** on behalf of **Mr. M.O. Ajala (M/N. 638)**, the Managing Partner of Ola Ajala & Co. (Chartered Accountants).

4.4 Presentation of Financial Statements

The Honorary Treasurer, **Mr. A. I. Adedayo (M/No.1704)** presented the Financial Statements of the Institute for the year ended 31st December, 2011 as highlighted below:

- The total income base grew from N304,553,239 in 2010 to N495,377,297 in the year under review representing a growth of 63%.

- The total expenditure (inclusive of depreciation) for the year grew from N127,545,115 recorded in 2010 to N182,517,848 in the year 2011, representing an increase of 43% due generally to increase in cost based on the geographical spread of Committees and Council members, and an increase in the level of the Institute's Activities and Establishment costs.
- The surplus for the year under focus before provision was N312,859,449 representing 77% increase when compared with N177,008,124 of 2010.
- The Institute's Investment portfolio on fixed deposits increased from N125,782,503 in 2010 to N437,360,318 in 2011 representing 248% increase.
- The effect of the capital market led to provision for diminution in value of investments by N2,883,041 in 2011.

However, he made reference to a sum of N4,135,943 as "Extraordinary item" being amount of Assets written off as a result of the collapse of the building formerly housing the Secretariat of the Institute.

4.8 Motion to adopt the Reports presented for discussion

The motion for the adoption of all reports presented for discussion was moved by **Mr. A. S. Fagbulu (M/No. 9785)** and seconded by **Mrs. M. R. Mudasir (M/No.2807)**. This was unanimously supported by all members present.

5.0 Comments and Responses

5.1 Mr. G. Oyeniyi (M/No. 1410) drew attention to the Auditors' Report on which the exact date the report was signed was omitted.

5.2 Mr. A. S. Fagbulu (M/No. 9785) raised concerns on the "unidentified receipts" recorded in the accounts and advised that the Institute should put in more efforts to get them drastically reduced.

5.3 Mr. P. A. Soares (M/No. 9445) asked for the status of the construction of the Tax Professionals House. He also noted that based on the statistics shown on page 37 of the report, little or nothing was coming into the Institute's account through "Government Subvention". He was of the opinion that the Institute should work on this area.

5.4 Mrs. T.E. Oyekan (M/No.1829) wondered why under the “Members’ Income”, the Annual subscription for graduates reduced from ₦ 16,000 in 2010 to ₦ 10,000 in 2011.

5.5 Alhaji R. A. Anafi (M/No. 9153) pointed out that “see note 17a” on page 37 should have read “see note 16a”.

5.6 Mr. O. J. Fabunmi (M/No. 11742) noted that “September 12, 2012” on page 22 should be changed to “September 12, 2011”

5.7 Mr. A. M. Adewole (M/No. 6476) observed that no mention was made about the Insurance on the Institute’s asset that got destroyed in the collapsed office building in 2011. He requested to know if the Institute’s assets were insured or not.

5.8 Mr. I. I. Thompson (M/No.8571) commended the Institute for the good results recorded in all the self-financing programmes, particularly noting that the income generated from Members’ Incomes increased from ₦ 93,050,853 in 2010 to ₦ 124,165,878 in 2011. He suggested that the Institute should consider doing business online. According to him, if payment of subscriptions could be done online, the issue of unidentified receipts would be greatly reduced if not eradicated totally. Finally, he requested to know the efforts being put in place by the Institute to comply with the International Financial Reporting Standard (IFRS) in view of its adoption by Nigeria.

5.9 Mr. C.I. Akanibo (M/No.5363) commended the Institute on the manner in which the crisis of the collapsed building was managed. He also suggested that Council should allow aged /retired members of the Institute to pay half of the subscription levy since they were no longer in active service.

5.10 Mr. I. A. T Olufowobi (M/No.14161) observed that money spent on CITN journals and newsletters in 2010 was ₦ 997,500 but no amount was stated for 2011. He asked if the Institute did not print journals and newsletters in 2011.

5.11 Mr. A.O. Rojugbokan (M/No.4288) commended Council of the Institute’s performance in the year under review. He advised however that the Institute should look into the issue of declining attendance at “Self Financing Programmes” to know if members of the Institute were being overcharged for these programmes. Council, according to him, should look at both the

rates being charged and also improve on the quality of the contents of the programmes all together.

6.0 PRESIDENT'S RESPONSE

The President/Chairman of Council responded that though the date on the Auditors' report was not mentioned, it was an oversight. The date it was signed had already been stated on top of the signatories' signatures. He however enjoined the auditors to take adequate note of this in order to forestall future recurrence.

On unidentified receipts, the President explained that members who often asked their drivers and messengers to pay their subscriptions on their behalf were the cause of such problems. Most of the time, it was the names of these drivers/messengers that were written as depositors on the tellers, thereby making reconciliation difficult for the members of staff of the Finance Department. He promised that the Institute would continue to work closely with its bankers with a view to ensuring proper capturing of figures and payers' information.

On Government's Subvention, the President informed the meeting that the Institute was working with the District Societies to follow up their respective State Governments on the payment of Government subventions and Members' Annual subscription appropriately and as at when due.

The President implored members to regularly visit the Institute's website to get updated reports of the activities of the Institute.

Responding to the comments made on the decrease in the Annual subscription of Graduate members, the President pointed out that it could be due to the fact that graduate members who became Associate members after their induction, would subsequently pay the Associate members' Subscription.

On the issue of Insurance claims, the President stated that several meetings had been held with the Insurance Company to which a conclusion had not been reached on the amount the Insurance Company would pay to the Institute.

Commenting on the issue of Staff Training, the President explained that three members of staff of the Finance Department were undergoing training on International Financial Reporting Standard (IFRS) in readiness for full compliance by the Institute.

The President said that as soon as the construction of the new Institute's portal was completed, the use of e-payment and e-election would be fully implemented.

Finally on the CITN journals and newsletters, the President informed members that most of the published journals and newsletters could not be retrieved from the collapsed office building.

7.0 HONORARY TREASURER'S RESPONSE

The Honorary Treasurer, **Mr Adesina Adedayo (M/No. 1704)**, in his response, noted that the President had responded to almost all the issues raised by members. He however added that the mobilization fees which were paid in January 2012 to the Contractors handling the Tax Professionals' House would reflect in the 2012 Annual Report.

He also added that the claim that would be eventually paid by the Institute's Insurance Company in respect of the lost assets in the collapsed building would also be reflected in the 2012 Annual Report.

8.0 Motion for Adoption of the Reports

Having exhaustively discussed all reports, **Mr. S. Fagbulu (M/No. 9785)** and **Mrs. M. Mudashiru (M/No.2807)** respectively moved and seconded the motion for the adoption of all the reports. The motion was unanimously adopted by members.

9.0 Appointment of External Auditors

Having successfully audited the Institute's 2011 accounts, **Chief C.I. Ede (M/No. 446)** moved the vote of thanks for the External Auditors, Messrs Ola Ajala & Co. (Chartered Accountants). **Mrs. E. Ebilah (M/No. 8223)** thereafter moved the motion for the continuation in office of Messrs. Ola Ajala & Co (Chartered Accountants) as the External Auditors of the Institute for the next one year effective from January 2012 financial year while **Mr. E. T. Shorunke (M/No. 4414)** seconded the motion. The motion was unanimously adopted by members.

10.0 Remuneration of External Auditors

The motion that Council should fix the remuneration of the External Auditors was moved by **Mr. P.A. Soares (M/No. 9445)** and was seconded by **Mr. A.M. Kotoye (M/No. 8655)**.

11.0 Result of Election into Council

The Chairman of Scrutineers, **Alhaji K.A. Adigun (M/No. 1097)** presented the results of the election into Council as follows:

▪ Number of ballot papers received	-	1860
▪ Valid votes recorded	-	879
▪ Non - financial members	-	597
▪ Bulk voting (Sealed in the 7 big Envelopes)	-	180
▪ Wrong membership number	-	164
▪ Multiple voting	-	40

The analysis of votes cast was presented as follows:

S/N	NAMES	No. of Votes
1.	Adeola, Adekunle Olusola	418
2.	Agbeluyi, Samuel Olusola	439
3.	Akanibo, Clement	151
4.	Bako, Daniel	201
5.	Ede, Cyril I.	314
6.	Jat, Rauta	122
7.	Okoror, Justina	341
8.	Omonayajo, Benjamin	241
9.	Otitoju, Ayodele O.	532
10.	Oyegoke, Gbolahan Idowu	212

The following members were declared as duly elected into the Council for a 3 -year tenure based on the votes cast:

1.	Otitoju, Ayodele O.	532
2.	Agbeluyi, Samuel Olusola	439
3.	Adeola, Adekunle Olusola	418
4.	Okoror, Justina (Mrs.)	341
5.	Ede, Cyril I.	314

The President, having commended the scrutineers for a job well done also congratulated members who were newly elected or re-elected to Council and wished those who lost out better luck next time.

12.0 CHIEF D.A. OLORUNLEKE'S SPEECH

The doyen of Taxation and the first President of the Institute, **Chief D.A. Olorunleke (M/No. 1)** appreciated members present at the 20th Annual General Meeting of the Institute. He commended Council and members of staff for their efforts in salvaging some of the properties of the Institute after the building housing the secretariat collapsed. He thanked God that no life was lost in the incidence and prayed that the CITN would never experience a recurrence.

He was of the opinion that since the Institute's membership had been growing appreciably, there should be a corresponding increase also in its revenue. He therefore encouraged members to pay their subscriptions regularly and as at when due.

He was also particularly impressed that the syllabi of the Institute's examinations had been reviewed and that the training of members of the Institute was being upgraded regularly. He commended Council on the progress made so far on the construction of the Tax Professionals House and projected that in the next one or two years, the AGM would be held at the Tax Professionals' House.

Finally, the doyen encouraged members to always make themselves available at the various activities of the Institute.

13.0 Vote of thanks

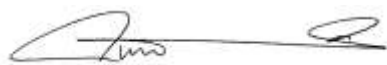
The Vice President, **Mr. M.A.C. Dike (M/No. 941)**, noted that the year had been quite challenging and commended the efforts of the President in shepherding the Institute thus far. He thanked members of the EXCO and Council for standing firmly behind the President through the period under review. He commended the efforts of members of the scrutineers for a job well done and finally gave kudos to External Auditors, Messrs. Ola Ajala & Co. (Chartered Accountants), for accurately auditing the accounts of the Institute.

14.0 Adjournment

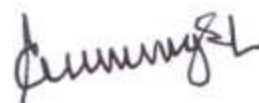
The motion for the adjournment of the 20th AGM till 2013 was moved by **Mr. T. O. Anuoye (M/No.13788)** and seconded by **Mr. Anyanwu G. C. (M/No. 6093)**. This motion was unanimously adopted by members present.

15.0 Closing Prayer

Mr. G.F. Fasoto (M/No. 442) said the closing prayer at 2:43p.m.



Mr. J. F. S. Jegede, FCTI
President/Chairman of Council



Abayomi Jayeoba, FCTI
Registrar/Chief Executive