



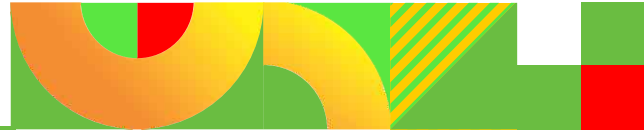
WEST AFRICAN TAX | FORUM DES ADMINISTRATIONS
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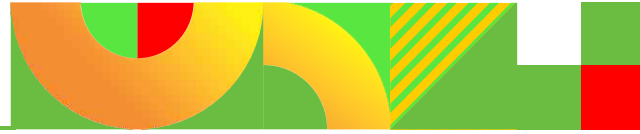
ANNUAL REPORTS

2017- 2019



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MESSAGE FROM THE CHAIRMAN



Greetings!

I am pleased to bring you this report on the achievements of WATAF during the operating years 2017-2019. Although our association continues to grapple with the challenges of providing the needed support to enable the Secretariat to discharge its key mandate of serving as the linkage for members' access to technical assistance in key practice areas of tax administration and other capacity development assistance. I am proud to say that the Secretariat serviced our collective vision creditably well within the limits of the support we have hitherto provided in past years being reported.

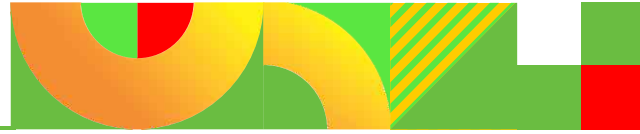
I am equally delighted to witness the transformation of our dear WATAF as a vibrant platform for West African countries to collaborate on information and experience-sharing for purposes of improving the quality of tax administrations in member countries. This we demonstrated through the volume of engagements among members and other international players in the tax arena within these years. However, for us to get to the expected destination all hands must be on deck to support our collective aspiration of making taxation the pivot of our economic development and prosperity in West Africa.

As we round off the reporting years, I look forward to having a more productive engagement with all partners and stakeholders.

Thank you and best wishes in the coming year.

Sincerely,

Philippe Kokou Tchodie
WATAF Chairman



MESSAGE FROM THE EXECUTIVE SECRETARY



With pride and a deep sense of responsibility, I report that WATAF continues to discharge her primary responsibility as the organisation that provides the desired platform and opportunities for West African tax administrations to collaborate effectively on information and knowledge sharing. Our success at being the voice of tax administrations in West Africa globally is due to the unwavering assistance received from our member countries and several supporting organisations. For this, we are extremely grateful to our member countries, host country and financial contributors for their active partnership in assisting the Forum to achieve its mission, vision and objectives.

Although funding has been a major challenge, through innovative approaches to meeting our objectives, the Secretariat has been able to deliver several capacity-building programmes alongside facilitating peer learning sessions between members on key practice areas in tax administration. Within the period, we were able to finalise and sign off the Host Country Agreement with Nigeria, which has opened the door for financial assistance and other benefits-in-kind from the country. Additionally, the Open Society Initiative for West Africa (OSIWA), Ford Foundation and other member countries rendered in-kind and financial assistance to support the implementation of WATAF's annual plans within the period under review.

Also, the Secretariat succeeded in improving the visibility of WATAF continentally and globally by participating in key tax events organised by other tax organisations. It is to our credit that WATAF contributed to the establishment of the Network of Tax Organisations (NTO), a global body of tax organisations with similar mandates to WATAF and became a pioneer Council member of the NTO. This development opened a new vista of collaboration across several tax jurisdictions hitherto unexplored and inaccessible.

This report provides a summary of the key activities undertaken by WATAF during the years 2017-2019 while providing key summaries of projects/programmes and the engagements we had with member countries.

We thank you for your partnership as we look forward to a more fruitful collaboration in the years ahead.

Babatunde Oladapo
Executive Secretary

EXECUTIVE SUMMARY

This report is a summary of activities undertaken by WATAF in pursuit of its mission, vision and objectives. The report covers the administrative, financial and operational activities of WATAF, including the sources and uses of funds, training and other programmes undertaken between 2017- 2019.

Within the reporting years, WATAF amongst other things accomplished the following:

- The signing of a Memorandum of Cooperation (MOC) between the Federal Inland Revenue Service (FIRS) and the Liberian Revenue Authority (LRA) in 2017.
- The signing of a Host Country Agreement with Nigeria and a Memorandum of Cooperation with the Federal Inland Revenue Service (FIRS) that permits secondment of staff to WATAF, and the receipt of annual grants by the Secretariat.
- Launching of WATAF in 2018 as an International Organisation after the submission of ratification agreements by member states by six (6) member states - Burkina Faso, Cote d'Ivoire, Guinea Bissau, Liberia, Niger and Nigeria.
- Collaboration with the African Tax Administration Forum (ATAF) on a capacity-building workshop, which led to the publication of the African Tax Outlook in 2018.
- In 2019, WATAF in collaboration with The Gambia Revenue Authority organised the first-ever High-Level Policy Dialogue (HLPD) held in The Gambia. The event's theme, "Domestic Revenue Mobilisation in West Africa", was the first of its kind and was attended by Parliamentarians, Civil Society Organisations (CSOs), Tax Administrators and others.
- Developed the following Policy documents to strengthen the capacity of the Secretariat:
 - Code of Ethics Policy
 - Donor Coordination and Partnership Strategy Policy
 - Communications Policy and Strategy
 - Performance Management Policy
 - Document and Record Management Policy
- Organised/participated in the following training/workshops:
 - Computer Assisted Audit Technique training for member countries from March 26-28, 2019 in Lome, Togo.
 - Risk Management in Tax Administration training from June 25-27, 2019 in Bamako, Mali.
 - ATAF Intermediate Tax Audit course held in Abuja, Nigeria from 17-21 June 2019
 - The International Conference and Capacity Building Workshop on the use of Beneficial Ownership Information and the Recovery of Assets in Africa from April 26-28, 2017 in Abuja, Nigeria.

- Network of Tax Organisations (NTO) Strategic Workshop: The Executive Secretary alongside seven (7) Heads of Tax Organisations participated in a 3-day workshop to draft the founding documents of the NTO in New York, USA from February 10-13, 2018. Etc.
- Held all Institutional meetings in the period covered - General Assembly Meetings, Council Meetings and Committee Meetings.

MISSION, VISION & OBJECTIVES

WATAF's vision is to promote effective and efficient tax administration in member states in West Africa, while the mission statement is to provide a platform to encourage strong collaboration amongst all ECOWAS Member States towards the improvement of the quality of tax administration in the respective states. The objectives of WATAF are to:

1. Encourage strong collaboration and sharing of information amongst all ECOWAS Member States towards improving the quality of tax administration
2. Ensure all West African Member States speak with one cohesive voice on tax policy and administration matters in the African Tax Administration Forum (ATAF) and other international tax organizations;
3. Work towards ensuring that the needs and experiences of the West African Member States are reflected in decisions taken by tax administration bodies at the international and multilateral levels;
4. Work with ECOWAS to have a functional structure dedicated to taxation under the auspices of the ECOWAS Secretariat; and
5. Encourage all West African Member States to be members of ATAF.

A BRIEF HISTORY OF WATAF

WATAF was established through an adoption of Agreement by the General Assembly of Member States, to contribute to the efficacy of tax administration and improved public service delivery in support of the development of countries in West Africa. Its inaugural meeting was held in Abuja, Nigeria, on September 12, 2011. Membership of WATAF is open to all countries of the Economic Community of West African States (ECOWAS).

Article 10 of the WATAF Agreement establishes the General Assembly, Council and Secretariat as its key organs. The General Assembly is the highest decision-making body of WATAF and consists of all heads of tax administrations of member states or their authorised representatives. A Council of six (6) members is elected by the General Assembly to convene meetings of the General Assembly, accept applications of new members, prepare and submit strategic plan and work plans of WATAF to the General Assembly and have an oversight of the Secretariat. The Secretariat is headed by an Executive Secretary who reports to the Chairperson of the Council. The Secretariat is responsible for the day-to-day administration of WATAF and for reporting on those operations to the Council on a regular basis.

Mr. Babatunde Oladapo is the administrative head of the WATAF Secretariat and was appointed as Executive Secretary on June 2, 2016 for a tenure of four (4) years. He was reappointed on a final four-year term in 2020. Mr. Oladapo is assisted by five employees of the Federal Inland Revenue Service (FIRS), Nigeria to perform finance/administrative, liaison, communication, WATAF members' capacity building and research duties. Additionally, the WATAF Secretariat receives staff from member countries on short-term engagements to provide expert support services when needed.

PHILOSOPHY AND CORE VALUES

WATAF's goal is to strengthen the capacity of tax administrations in West Africa through effective information and experience sharing as well as become the unified voice on tax matters in the West African sub-region. In pursuit of its goals and objectives, WATAF has defined and adopted key values as guiding principles in the conduct of its business and interaction with stakeholders and the public. The core values are as follows:

Integrity – honest and straightforward in all business and professional relationships and promoting accountability and transparency through an appropriate and sound system of controls, good governance and adequate financial risk management.

Loyalty – loyal to WATAF and its member countries in demonstrating a commitment to the cause and interest of the organisation.

Dedication and selflessness – devote time and effort to the work and activities of WATAF in the pursuit of its goals and mandate.

Teamwork – work together and cooperate on common goals and objectives.

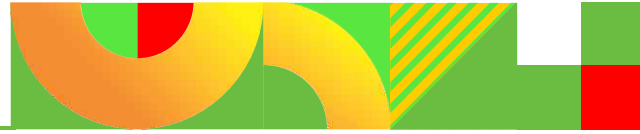
Decency and discipline – politeness, self-control and show courtesy and respect to stakeholders and those outside WATAF.

Confidentiality – respect the confidentiality of information acquired in the course of business and professional associations, and not disclosing such information without direct authority to do so.

Diversity, mutual respect and inclusiveness – ensure that equity, mutual respect and inclusion of persons of diverse backgrounds when undertaking WATAF's activities are observed as a guiding rule.

Professional behaviour – refrain from any act that brings discredit upon oneself or WATAF.

Political neutrality – engage in no political activity in the official capacity of WATAF.



ACKNOWLEDGEMENT

WATAF is pleased to acknowledge the following individuals and organizations who have been key partners in supporting the organisation to achieve its mission and vision. WATAF first and foremost appreciates its member countries for their continued contributions and participation in its activities – capacity building, information and experience sharing and technical assistance programme. The importance of member countries' contributions cannot be overemphasized because as the saying goes, 'if you want others to help you, you must first help yourself.' As West African countries, we must first rise to the occasion to prioritize domestic resource mobilization through investment in human and technical capacities. We must support common efforts aimed at enhancing the quality of tax administrations in all member countries.

WATAF acknowledges and appreciates the Nigerian Government and the Federal Inland Revenue Service for their continued support, through annual contributions as well as human resource and material support in keeping with the host country agreement.

WATAF also appreciates OSIWA, ATAF, GIZ and other donors for their partnership and support in fostering its agenda and vision.



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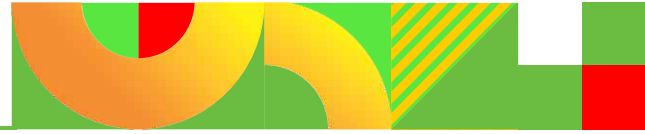


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SUCCESS STORIES

KEY ACCOMPLISHMENTS

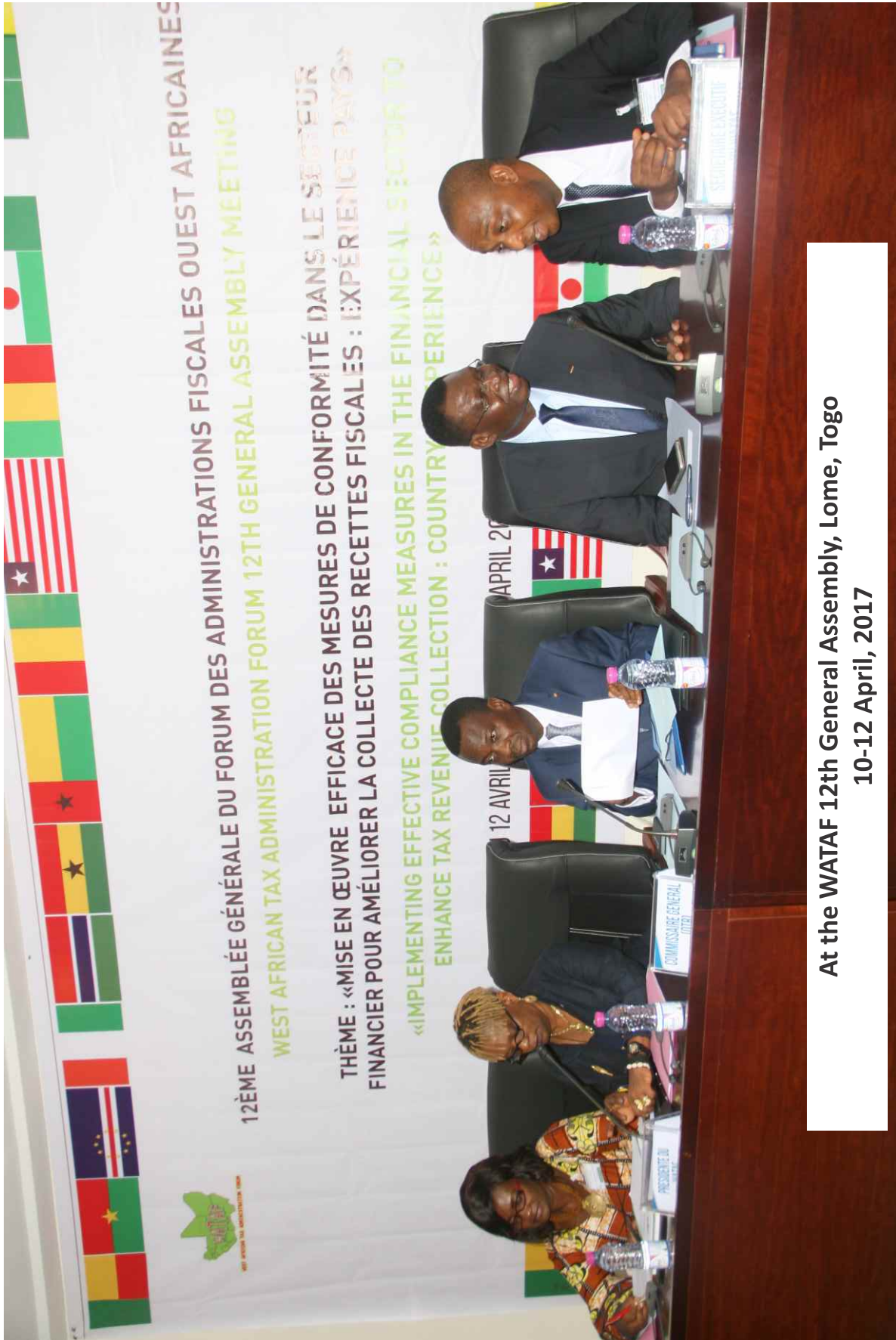
Following the successful outcome of the 12th WATAF General Assembly meeting of April 11-12, 2017, the Secretariat achieved the following:

1.0 Administrative duties

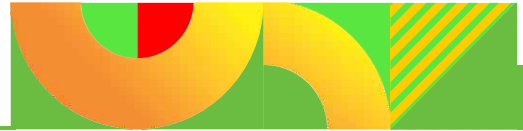
- I. **Preparation of the Report of the 12th WATAF General Assembly meeting:** The report has been prepared and presented for adoption by the General Assembly.
- ii. **Membership subscription:** The Secretariat dispatched demand notices to member countries as mandated by the General Assembly for the current year and arrears being owed.
- iii. **Members' Ratification of the WATAF Agreement:** Currently, Burkina Faso, Cote d'Ivoire, Guinea Bissau, Liberia, Niger and Nigeria have deposited their instruments of ratification of the WATAF Agreement with the Secretariat thereby enabling the WATAF Agreement to come into force as specified by Article 23 Sections 3 and 4 of the WATAF Agreement.

This accomplishment has helped WATAF to become a legal entity with an international status while other members can then accede to the WATAF Agreement.

- iv. **Implementation of the WATAF 2017 Calendar of Events:** The Secretariat has successfully organized some of the events listed on the calendar as follows:
 - i. WATAF Secretariat's study tour of the ATAF Secretariat on January 25-27, 2017
 - ii. 1 General Assembly meeting on April 10, 2017.



At the WATAF 12th General Assembly, Lome, Togo
10-12 April, 2017



PROJECTS AND PROGRAMMES

During the period under review, WATAF had undertaken the following projects and programmes.

- i. **Development of Secretariat staff secondment guidelines:** Following Council's directive, the Secretariat has employed the services of a human resources management consultant on modalities for the conduct of a staff gap analysis of the Secretariat alongside a realignment of Secretariat functions. This is aimed at providing useful information to guide the request for staff secondment from member countries.
- ii. **The Signing of a Host Country Agreement with Nigeria and Memorandum of Cooperation with FIRS:** Consequent to the ratification of the WATAF Agreement by Nigeria, the Secretariat in collaboration with the Legal Department of the Federal Inland Revenue Service, Nigeria, drew up the texts of the two agreements and after series of negotiations was able to accomplish the signing of the Memorandum of Cooperation (MOC) with the Federal Inland Revenue Service (FIRS), Nigeria, while the Host Country Agreement (HCA) has been submitted to the host country for further action.

INSTITUTIONAL CAPACITY DEVELOPMENT

The Secretariat was involved in the institutional capacity development of its members of staff, which includes the following:

- i. **Tax and Good Tax Governance in Africa Project** - The Secretariat participated in the International Conference and Capacity Building Workshop on the use of Beneficial Ownership Information and the Recovery of Assets in Africa from April 26-28, 2017 in Abuja, Nigeria.
- ii. **Presidential Advisory Committee Against Corruption, Nigeria-** WATAF was represented at the conference on *Combating Illicit Financial Flows (IFFS) and Enhancing Asset Recovery to Foster Sustainable Development* held in Abuja, Nigeria from June 5-7, 2017.
- iii. **World Bank Group** - The Executive Secretary participated in a partners' consultation meeting organized by the WBG on the Transfer Pricing regional programme for ECOWAS on September 11-12, 2017.
- iv. **ECOWAS Commission** - The Secretariat participated in the *Regional Experts' meeting to validate the draft Directive on Tobacco traceability and review of the draft Supplementary Act on the Taxation of Income, Capital and Inheritance in the ECOWAS Member States*.
- v. **NTO Strategic Workshop:** The Executive Secretary alongside seven (7) other Heads of Tax Organisations participated in a 3-day workshop to draft the founding documents of the Network of Tax Organisations in New York, USA from February 10-13, 2018.
- ii. **Others**
 1. Technical Assistance Received by the Secretariat: The Commissioner-General of the Liberia Revenue Authority and the previous WATAF Chairman at the request of the Executive Secretary graciously approved the release of senior management staff to assist the Secretariat in the

internal audit of its accounting processes and operations.

It is expected that other members will take their cue from the LRA's gesture and provide the necessary support to enable the Secretariat to deliver on its mandate.

These capacity development programmes are expected to enhance the capacity of staff to serve member countries.

ENGAGEMENTS WITH MEMBER COUNTRIES

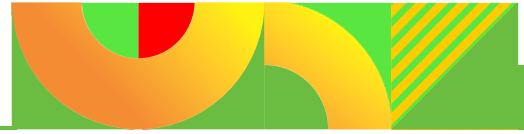
We engaged member countries on issues relating to information and experience sharing, capacity building and other matters. We developed and operationalized a technical assistance request for member countries to identify and request areas of needs and also identify and provide areas of proficiency to assist others with weaknesses in those areas.

COLLABORATION WITH DONORS & OTHER STAKEHOLDERS

The Secretariat was engaged in various stakeholder activities in various ways during the period under review. These include the following:

- i. **Collaboration with ECOWAS/GIZ/EU:** The support received from the trio has impacted significantly on attendance at WATAF events.
It is expected that this relationship will be sustained and nurtured to produce the desired benefits such as the creation of a Tax Department in ECOWAS; increased funding of WATAF's capacity building initiatives and the harmonization of tax policies/practices in West Africa.
- ii. **Collaboration with ATAF:** This has been sustained and the Secretariat has helped with the invitation of members to ATAF events.
The Executive Secretary was in attendance at the 3rd International Conference on Tax in Africa in Abuja, Nigeria from September 26-29, 2017.
Also, the Secretariat was able to facilitate a discussion on technical assistance between ATAF and Guinea Bissau which is expected to lead to the conduct of a scoping mission to the country.
- iii. **Addis Tax Initiative** – Consequent to WATAF's admission as a partner of the Addis Tax Initiative (ATI), which is a body established to promote better mobilization of domestic resources among member countries and better coordination of donor assistance, the Executive Secretary represented the Forum at the ITC/ATI Tax and Development Conference hosted in Berlin, Germany, from June 14-16, 2017 and the third meeting of the ATI on February 13, 2018, in New York.
It is worth noting that WATAF featured in the ATI Monitoring Report 2015 alongside other international organisations. WATAF member countries are encouraged to join the ATI given the potential benefits accruable to members.

Also, the Executive Secretary signed a letter of intent to join the Network of Tax Organisations (NTO) which is a network of regional and international organisations of revenue administrations created to provide a forum for cooperation and coordination between member organisations and to strengthen tax administrations through peer learning and the sharing of experiences as well as



through the provision of services, products and information.

- iv. **IMF/AFRITAC West 2 Mission** – Maintained the interaction with the erstwhile Programme Manager Anglophone, Faith Mazani, on areas of collaborative capacity building events and technical assistance to member countries.

Also, the Secretariat was part of the regional workshop on *Tools for Successful Revenue Reform Strategy Implementation* held in Accra from September 11-15, 2017. A major outcome of the workshop is the need for tax administrations in West Africa to focus more on research and sustainable long-term planning.

- v. **Ford Foundation:** The Secretariat worked with the Foundation to fund part of WATAF's 2018 capacity building initiatives.

- vi. **Open Society Initiative for West Africa (OSIWA)** – The Secretariat has submitted an elaborate eighteen (18) months project proposal to the organization and is currently in discussion with OSIWA to streamline areas of assistance.

- vii. **OECD** – WATAF was represented at a two-day course on *Automatic Exchange of Information (AEOI)* organized by the Global Forum on Transparency and Exchange of Information in Lagos, Nigeria from June 29-30, 2017.

Also, further collaboration between the Secretariat and ECOWAS has made it possible for the Global Forum team to be part of the technical session of this meeting.

- viii. **International Bureau of Fiscal Documentation (IBFD)** – The Secretariat is in discussion with the Director of Knowledge Center at IBFD on the Tax dividend project funded by the Netherlands government to facilitate in-country technical assistance aid to member countries and training/capacity building events.

As part of the dividend of this discussion, IBFD is willing to facilitate the placement of at least one candidate from a WATAF member country annually on the Master's programme offered by IBFD in collaboration with the University of the Netherlands.

Also, the Executive Secretary made a presentation on behalf of the Forum at the 2nd *African Tax Symposium: Trends in International Taxation and African Taxation* in May 2017 in Accra, Ghana while the Secretariat has also been invited to contribute to the planning of the 4th edition of the Symposium in Mombasa, Kenya, from May 9-11, 2018.

IBFD through its Center for the Study of African Taxation (CSAT) has commenced discussion with the Secretariat on possible areas of collaboration such as capacity building and research-based initiatives. It is expected that this partnership when consummated will positively enhance the performance of our staff and help the Forum attain greater visibility globally.

FINANCIAL REPORTS

The following summary of financial reports relates to the financial activities of WATAF for the year 2017.

STATEMENT OF INCOME AND EXPENDITURE

The below statement of income and expenditure shows the number of funds received and expended during the operating year 2017.

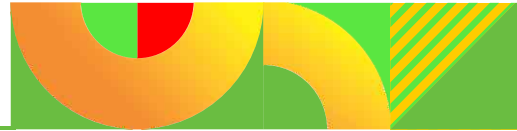
WEST AFRICAN TAX ADMINISTRATION FORUM (WATAF)					
STATEMENT OF INCOME & EXPENDITURE					
FOR THE YEAR ENDED 31ST DECEMBER, 2017					
				2017	2016
	Notes	US\$	US\$	US\$	US\$
Income	6			57,015	329,919
Direct Costs	7	(11,434)			(50,551)
Operating Expenses	8	(8,212)			(93,735)
				(19,646)	(144,286)
Surplus for the year				37,369	185,633



STATEMENT OF FINANCIAL POSITION

The below statement of financial position shows the financial resources of WATAF as at the end of the operating year 2017.

WEST AFRICAN TAX ADMINISTRATION FORUM (WATAF)					
STATEMENT OF FINANCIAL POSITION					
FOR THE YEAR ENDED 31ST DECEMBER, 2017					
				2017	2016
ASSETS	NOTES			US\$	US\$
CURRENT ASSETS					
Account Receivables	2			93,298	89,613
Cash and Cash equivalents	3			137,110	100,689
TOTAL ASSETS				230,408	190,302
FUNDS, RESERVES & LIABILITIES					
Accumulated Fund	4			223,002	185,633
CURRENT LIABILITIES					
Account payables	5			7,406	4,669
TOTAL FUNDS & LIABILITIES				230,408	190,302
The Financial statements on pages 8 to 11 were approved by the Council and signed on its behalf by:					
.....				
CHAIRMAN			EXECUTIVE SECRETARY		
..... 2019		 2019		
The Accounting Policies and Explanatory notes on pages 12 to 16 form an integral part of these financial statements.					



NOTES TO THE FINANCIAL STATEMENTS

WEST AFRICAN TAX ADMINISTRATION FORUM (WATAF) EXPLANATORY NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST DECEMBER, 2017

1. SIGNIFICANT ACCOUNTING POLICIES

The accounting policies set out below are the principal accounting policies adopted by the Forum and have been consistently applied in preparing these Financial Statements.

(a) Basis of Preparation

The financial statements of the Forum have been prepared in accordance with International Financial Reporting Standards (IFRS) as issued by the International Accounting Standard Boards (IASB), in accordance with the requirement of the Financial Reporting Council of Nigeria and the provision of Companies and Allied Matters Act, CAP C20, Laws of the Federation of Nigeria 2004.

(b) Objective of WATAF

WATAF is established to contribute to the efficacy of tax administration and improved public service delivery in support of the development of countries in West Africa.

(c) Principal Activities of the Forum

The Forum's activities include:

- (i) to promote efficient and effective tax administration in Member States in West Africa.
- (ii) to ensure that all African Member States speak with one cohesive voice on tax policy and administration matters in African Tax Administration Forum (ATAF) and other International Tax Organizations, e.t.c

(d) Functional and Presentation Currency

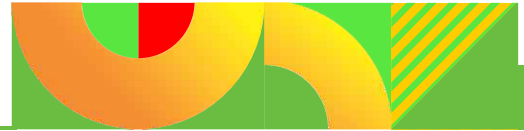
The Financial Statements are presented in US Dollars which is the agreed currency for transactions between member nations

(e) Use of Estimates and Judgments

The preparation of Financial Statements requires management to make judgements, estimates and assumptions that affects the application of accounting policies and the reported amounts of assets, liabilities, income and expenses. Actual results may differ from the estimates and the assumption so made. Estimates and the underlying assumptions are reviewed periodically. Revisions to accounting estimates are recognized in the year in which the estimate is revised if the revision affects only that year or in the year of the revision.

(f) Foreign Currency Translation

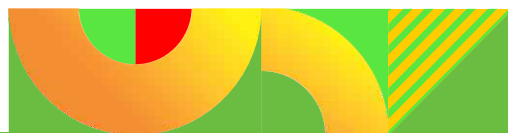
Transactions in other currencies are translated at the exchange rate ruling at the date of each transaction. (i.e. the Forum's foreign currency transactions are translated into the functional currency using the exchange rates prevailing at the dates of the transactions).



(g) Cash and Cash Equivalents

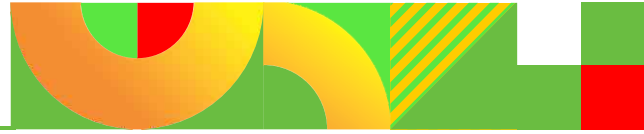
For the purpose of the Statement of Cash Flows, Cash and Cash Equivalents comprise cash at hand, deposits held at the bank and short term investments in money market instruments and bank overdraft.

				2017		2016
2. ACCOUNT RECEIVABLES				US\$		US\$
Members Subscriptions				93,298		88,113
Cash Advance				-		1,500
				93,298		89,613
3. CASH AND CASH EQUIVALENTS						
Stanbic IBTC Bank				66,654		93,405
Eco Bank				30,637		-
Cash in Hand				39,819		7,284
				137,110		100,689
4. ACCUMULATED FUND						
Balance B/Forward				185,633		-
Surplus for the year				37,369		185,633
				223,002		185,633
5. ACCOUNT PAYABLES						
Accrued Audit fees				5,524		2,762
Advance Subscription				1,882		1,907
				7,406		4,669



				2017		2016	
6. INCOME				US\$		US\$	
Subscriptions from Member Bodies			6a	57,000		220,500	
Grant from Ford Foundation				-		25,000	
Contribution to Events-FIRS				-		84,419	
Other Income				15		-	
				57,015		329,919	
6 a. SUBSCRIPTIONS							
	BALANCE	ADVANCE	CURRENT	TOTAL DUES	PAYMENTS	BALANCE	ADVANCE
MEMBER BODIES	B/FWD	PAYMENT B/F	YEAR DUES	TO DATE	MADE	C/FWD	PAYMENT
	US\$	US\$	US\$	US\$	US\$	US\$	US\$
Nigeria	128		10,000	10,128	9,943	185	
Ghana	7		6,000	6,007	5,990	17	
Cote D'Ivoire	12,000		6,000	18,000	-	18,000	
Senegal	16,000		4,000	20,000	11,409	8,591	
Burkina Faso	12,009		4,000	16,010	-	16,010	
Guinea	16,000		4,000	20,000	-	20,000	
Mali	580		4,000	4,580	-	4,580	
Liberia	-	1,907	2,000	93	1,975	-	1,882
Benin	10,000		2,500	12,500	-	12,500	
Niger	375		2,500	2,875	2,480	395	
Togo	5,000		2,500	7,500	7,500	-	
Sierre Leone	7,500		2,500	10,000	10,000	-	
Cabo Verde	2,500		2,500	5,000	-	5,000	
The Gambia	14		2,500	2,514	2,494	20	
Guinea Bissau	6,000		2,000	8,000	-	8,000	
Total	88,113	1,907	57,000	143,207	51,791	93,298	1,882

				2017		2016
				US\$		US\$
7. DIRECT COSTS						
Meetings and Conferences				5,088		20,390
Translation Expenses				4,346		28,161
Honorarium				2,000		2,000
				11,434		50,551
8. OPERATING EXPENSES						
Transport, Travelling & Accommodation				182		44,157
Telephone, Internet & Postages				1,421		3,800
Printing & Stationeries				1,448		6,831
Support Staff Welfare				-		16,935
Entertainment				2,361		15,812
Security Expenses				-		2,290
Fuel & Lubricants				-		820
Finance Charges	8a.			38		329
Audit Fees				2,762		2,762
				8,212		93,735
8a. FINANCE CHARGES						
Account Maintenance Charges						152
Other Charges				38		177
				38		329
9. CONTINGENT LIABILITIES						
There were no contingent liabilities that had not been provided for as at the						
Statement of Financial Position date.						



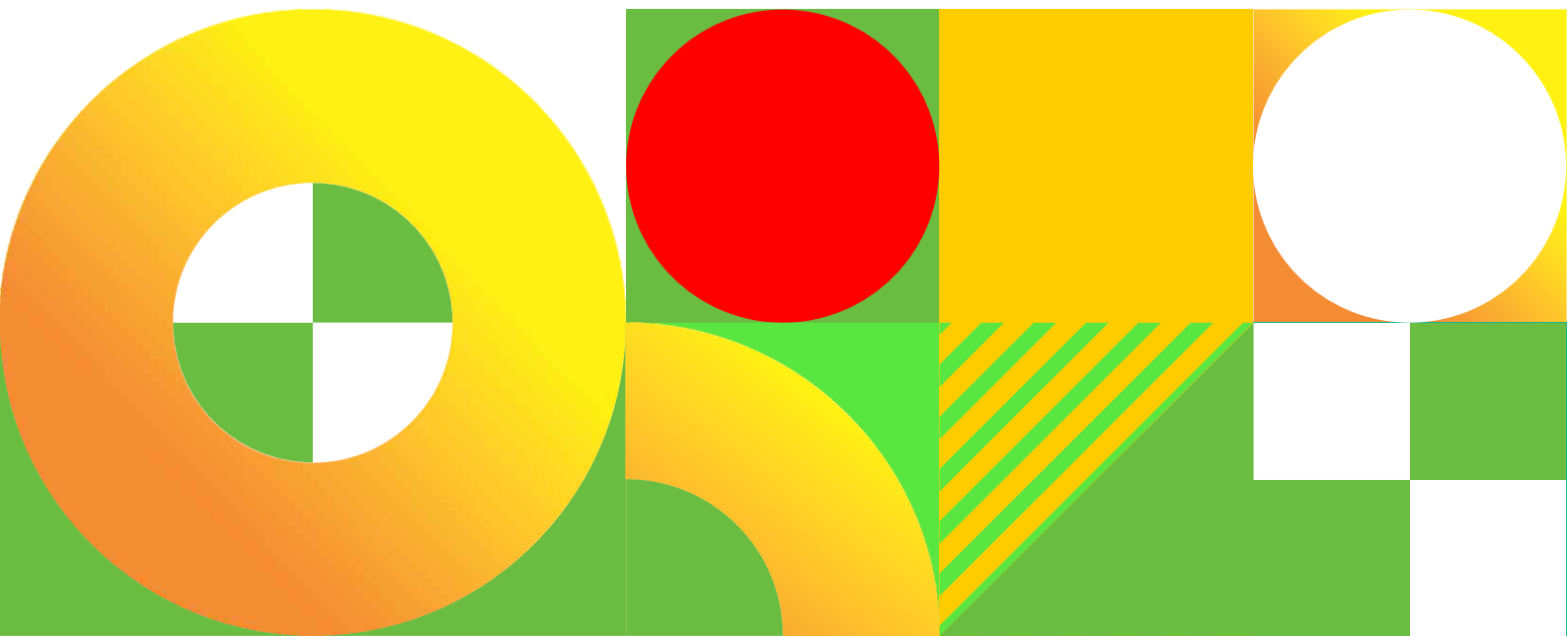
AWARDS, DONATIONS AND GRANTS

Awards, donations and grants are funds received from third parties for purposes of undertaking specific programmes and projects. During this reporting period, WATAF did not receive any awards, donations and grants in cash. However, member countries continued to host events.



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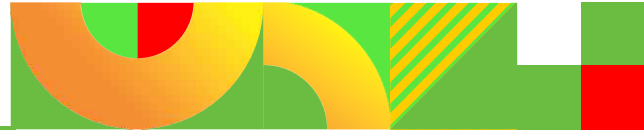


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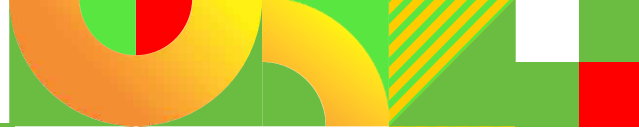
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SUCCESS STORIES

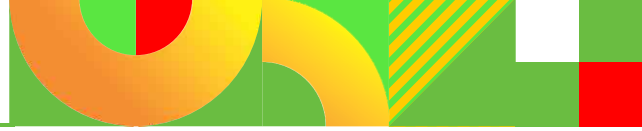
KEY ACCOMPLISHMENTS

WATAF Secretariat had carried out the following activities during the year under review:

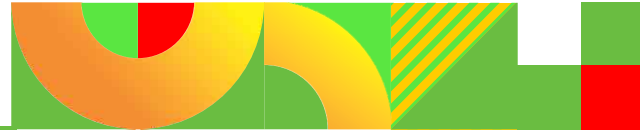
1. **Institutional Meetings:**
 - i. Two General Assembly meetings from March 21-22, 2018 and from 27-28 September 2018 in Abuja, Nigeria and Abidjan, Cote d'Ivoire respectively.
 - ii. Two Council meetings on 20 March 2018, and 26 September in Abuja, Nigeria and Abidjan, Cote d'Ivoire respectively.
 - iii. Three WATAF Committees meetings from June 12-13 and 24-25 September, 2018 in Abuja, Nigeria and Abidjan, Cote d'Ivoire respectively.
2. **The signing of the Host Country Agreement with Nigeria:** The Host Country Agreement (HCA) was submitted to the host country for further action.
3. **A Memorandum of Cooperation between the Federal Inland Revenue Service (FIRS), Nigeria and the Liberia Revenue Service (LRA)** - Under the auspices of the MOC between the Federal Inland Revenue Service and Liberia Revenue Authority, the Secretariat facilitated the implementation of two requests on behalf of the LRA to FIRS on collaboration to deploy ICT enabled tax payment solutions and assistance to audit certain multinationals in Liberia.
4. **WATAF Secretariat staff secondment/sharing:** Within the period reported, the Secretariat benefitted from a short-term mission (two weeks) executed with the Liberia Revenue Authority (LRA) specific secondments of staff from member countries to bolster recognised skills gaps at the Secretariat.
5. **Presidential Advisory Committee against Corruption, Nigeria-WATAF** was represented at the conference on promoting international cooperation to combat illicit financial flows and enhance asset recovery held in Abuja, Nigeria from 11-12 September, 2018.



WATAF Council visit to African Development Bank, Abidjan, Cote d'Ivoire
26th September, 2018



**INAUGURAL MEETING OF THE WEST AFRICAN TAX ADMINISTRATION FORUM (WATAF) GOVERNANCE COMMITTEES
12-14 JUNE, 2018, AT GRAND PELA HOTEL-ABUJA, NIGERIA**



PROJECTS AND PROGRAMMES

During the period under review, WATAF had undertaken the following projects and programmes.

INSTITUTIONAL CAPACITY DEVELOPMENT

- a. Transfer Pricing Training (Intermediate and Advanced Stage) in Ouagadougou, Burkina Faso on 29–31 May, 2018.
- b. Taxpayer Service Workshop for Heads of Function and Managers in Monrovia, Liberia on 28–30 August, 2018.
- c. Conducted training in collaboration with ATAF on Data Gathering for seven WATAF member countries, 13–18 December, 2018.

ENGAGEMENTS WITH MEMBER COUNTRIES

Technical Assistance received by the Secretariat: The Commissioner-General of the Liberia Revenue Authority at the request of the Executive Secretary graciously approved the release of senior management staff to assist the Secretariat on the development of financial and other policies to guide WATAF Secretariat operations. Also, a Manager from the LRA was seconded on a one-week mission to help develop the capacity for the domestic resource mobilization project's implementation roadmap and a short-term WATAF strategic plan.

It is expected that other members will take their cue from the LRA's gesture and provide the necessary support to enable the Secretariat to deliver on its mandate.

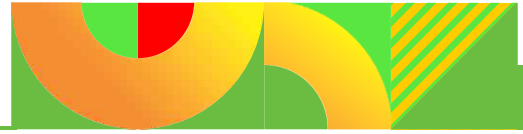
We engaged member countries on issues relating to information and experience sharing, capacity building, among others. We developed and operationalized a technical assistance request for member countries to identify and request areas of needs and also identify and provide areas of proficiency to assist others with weaknesses in those areas.

The Secretariat would continue to facilitate requests from members for technical assistance either to the Global Forum or other identified competent authorities in this area of tax administration.

COLLABORATION WITH DONORS & OTHER STAKEHOLDERS

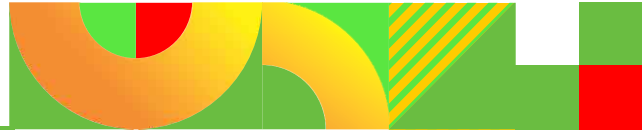
The Secretariat was engaged in various stakeholder activities in various ways during the period under review. These include the following:

- I. **Collaboration with ECOWAS/GIZ/EU:** The support received from the trio impacted significantly on attendance at WATAF events.
It is expected that this relationship will be sustained and nurtured to produce desired benefits such as the creation of a Tax Department in ECOWAS; increased funding of WATAF's capacity-building initiatives; harmonization of tax policies/practices in West Africa etc.
Also, the Secretariat is working with the ECOWAS Commission on the development and implementation of the draft directive on EOI for West Africa.
- II. **Collaboration with ATAF:** This has been sustained and the Secretariat has helped with the invitation of members to ATAF events.

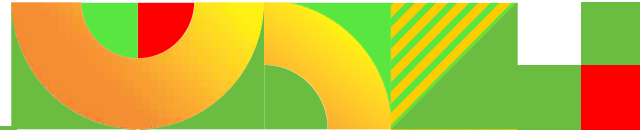


Currently, there is an ongoing discussion with ATAF on the publication of the West African Tax Outlook (WATO).

- III. **Addis Tax Initiative** – The Secretariat receives frequent updates on the activities and is a party to its initiatives targeted at promoting better mobilization of domestic resources among member countries alongside better coordination of donor assistance. WATAF member countries are encouraged to join the ATI given the potential benefits accruable to members. Also, the Executive Secretary has signed the MoU establishing the Network of Tax Organisations (NTO) on the sidelines of the CIAT General Assembly meeting in May 2018 in Ottawa, Canada. The NTO is a network of regional and international organisations of revenue administrations created to provide a forum for cooperation and coordination between member organisations and to strengthen tax administrations through peer learning and the sharing of experiences as well as through the provision of services, products and information.
- IV. **IMF/AFRITAC West 2 Mission** – Maintained the interaction with the Programme Manager Anglophone, Henri Gaperi, on areas of collaborative capacity-building events and technical assistance to member countries.
- V. **Ford Foundation:** The Secretariat is currently working with the Foundation to source for a grant to fund part of WATAF's 2018/2019 capacity-building initiatives.
- VI. **Open Society Initiative for West Africa (OSIWA)** – Recently, the Secretariat received the first batch of payment for the Capacity for Domestic Resource Mobilisation (C4DRM) project. An effort is in gear towards implementing the first phase of the project. The Liberia Revenue has been of tremendous assistance in this regard.
- VII. **OECD** – WATAF was represented at a two-day progress assessment meeting organised by the Global Forum on Transparency and Exchange of Information, United Nations Economic Commission for Africa (UNECA) in Accra, Ghana from 25 August, 2018. It is interesting to note that our member countries are making good progress in terms of effort made to align with internationally recognized multilateral instruments for the exchange of information for tax purposes both at the regional and global levels. The Secretariat would facilitate requests from members for technical assistance either to the Global Forum or other identified competent authorities in this area of tax administration.
- VIII. **World Bank Group(WBG)** – The Secretariat is in discussion with the WBG regional office in Dakar, Senegal on the provision of technical assistance to the Gambia Revenue Authority on the development of Transfer Pricing regulations and units in the Gambia.



A GROUP PHOTOGRAPH OF PARTICIPANTS AT THE CAPACITY BUILDING WORKSHOP ON THE AFRICAN TAX OUTLOOK FOR ECOWAS COUNTRIES AT GRAND PELA HOTEL, ABUJA FROM 13 - 14 DECEMBER, 2018



FINANCIAL REPORTS

The following is a summary of financial reports related to the financial activities of WATAF for the year 2018:

STATEMENT OF INCOME AND EXPENDITURE

The statement of income and expenditure below shows the number of funds received and expended during the operating year 2018.

WEST AFRICAN TAX ADMINISTRATION FORUM (WATAF)					
STATEMENT OF INCOME & EXPENDITURE					
FOR THE YEAR ENDED 31ST DECEMBER, 2018					
				2018	2017
	Notes		US\$	US\$	US\$
Income	6			210,589	57,015
Direct Costs	7		(40,954)		(11,434)
Operating Expenses	8		(117,882)		(8,212)
				(158,836)	(19,646)
Surplus for the year				51,753	37,369

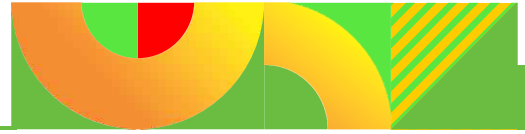


The statement of financial position below:

STATEMENT OF FINANCIAL POSITION

The below statement of financial position shows the financial resources of WATAF as at the end of the operating year 2018.

WEST AFRICAN TAX ADMINISTRATION FORUM (WATAF)					
STATEMENT OF FINANCIAL POSITION					
FOR THE YEAR ENDED 31ST DECEMBER, 2018					
				2018	2017
ASSETS	NOTES			US\$	US\$
CURRENT ASSETS					
Account Receivables	2			99,495	93,298
Cash and Cash equivalents	3			183,545	137,110
TOTAL ASSETS				283,040	230,408
FUNDS, RESERVES & LIABILITIES					
Accumulated Fund	4			274,755	223,002
CURRENT LIABILITIES					
Account payables	5			8,285	7,406
TOTAL FUNDS & LIABILITIES				283,040	230,408
The financial statements on pages 8 to 11 were approved by the Council and signed on its behalf by:					
.....				
CHAIRMAN			EXECUTIVE SECRETARY		
..... 2019		 2019		
The Accounting Policies and Explanatory notes on pages 12 to 16 form an integral part of these financial statements.					



NOTES TO THE FINANCIAL STATEMENTS

WEST AFRICAN TAX ADMINISTRATION FORUM (WATAF) EXPLANATORY NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST DECEMBER, 2018

1. SIGNIFICANT ACCOUNTING POLICIES

The accounting policies set out below are the principal accounting policies adopted by the Forum and have been consistently applied in preparing these Financial Statements

(a) Basis of Preparation

The financial statements of the Forum have been prepared in accordance with International Financial Reporting Standards (IFRS) as issued by the International Accounting Standard Boards (IASB), in accordance with the requirement of the Financial Reporting Council of Nigeria and the provision of Companies and Allied Matters Act, CAP C20, Laws of the Federation of Nigeria 2004.

(b) Objective of WATAF

WATAF is established to contribute to the efficacy of tax administration and improved public service delivery in support of the development of countries in West Africa.

(c) Principal Activities of the Forum

The Forum's activities include:

- (i) to promote efficient and effective tax administration in Member States in West Africa.
- (ii) to ensure that all African Member States speak with one cohesive voice on tax policy and administration matters in African Tax Administration Forum (ATAF) and other International Tax Organizations, e.t.c

(d) Functional and Presentation Currency

The Financial Statements are presented in US Dollars which is the agreed currency for transactions between member nations

(e) Use of Estimates and Judgments

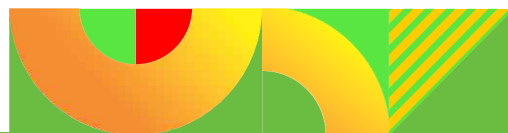
The preparation of Financial Statements requires management to make judgements, estimates and assumptions that affects the application of accounting policies and the reported amounts of assets, liabilities, income and expenses. Actual results may differ from the estimates and the assumption so made. Estimates and the underlying assumptions are reviewed periodically. Revisions to accounting estimates are recognized in the year in which the estimate is revised if the revision affects only that year or in the year of the revision.

(f) Foreign Currency Translation

Transactions in other currencies are translated at the exchange rate ruling at the date of each transaction. (i.e. the Forum's foreign currency transactions are translated into the functional currency using the exchange rates prevailing at the dates of the transactions).

(g) Cash and Cash Equivalentents

For the purpose of the Statement of Cash Flows, Cash and Cash Equivalentents comprise cash at hand, deposits held at the bank and short term investments in money market instruments and bank overdraft.



(h) Income

The Income is mainly from the total subscriptions by member bodies and grants from other organizations. The income is recognized and accrued when due on the commencement of the accounting year. The principal sources of income to the Forum are as follows;

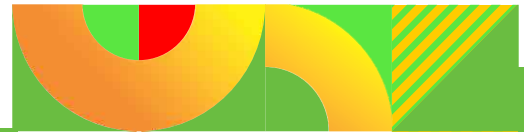
(i) Subscriptions by member bodies

Subscriptions include annual membership fees.

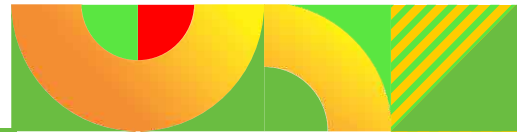
(j) Grants

Grants include gifts and donations that are voluntary transfers of economic resources by individuals/entities public or private, without any compensation.

				2018	2017
2. ACCOUNT RECEIVABLES				US\$	US\$
Members Subscriptions				98,801	93,298
Cash Advance				694	-
				99,495	93,298
3. CASH AND CASH EQUIVALENTS					
Stanbic IBTC Bank				11,845	66,654
Eco Bank 1 3563060738				113,864	30,637
Eco Bank 2 3330000240				214	-
Eco Bank 3 3333067187				164	-
Eco Bank 4 3333066194				53,942	-
Cash in Hand				3,516	39,819
				183,545	137,110
4. ACCUMULATED FUND					
Balance B/Forward				223,002	185,633
Surplus for the year				51,753	37,369
				274,755	223,002
5. ACCOUNT PAYABLES					
Accrued Audit fees				8,285	5,524
Advance Subscription				-	1,882
				8,285	7,406



				2018		2017
6. INCOME				US\$		US\$
Subscriptions from Member Bodies			6a	59,000		57,000
Financial Commitment from FIRS				84,057		
Grant from Open Society Initiative				67,446		-
Other income				86		15
				210,589		57,015
6 a. SUBSCRIPTIONS						
	BALANCE	ADVANCE	CURRENT	TOTAL DUES	PAYMENTS	BALANCE
MEMBER BODIES	B/FWD	PAYMENT B/F	YEAR DUES	TO DATE	MADE	C/FWD
	US\$	US\$	US\$	US\$	US\$	US\$
Nigeria	185		10,000	10,185	10,175	10
Ghana	17		6,000	6,017	6,007	10
Cote D'Ivoire	18,000		6,000	24,000	-	24,000
Senegal	8,591		4,000	12,591	-	12,591
Burkina Faso	16,010		4,000	20,010	19,870	140
Guinea	20,000		4,000	24,000	-	24,000
Mali	4,580		4,000	8,580	8,085	495
Liberia	-	1,882	4,000	2,118	2,093	25
Benin	12,500		2,500	15,000	-	15,000
Niger	395		2,500	2,895	2,875	20
Togo	-		2,500	2,500	-	2,500
Sierra Leone	-		2,500	2,500	-	2,500
Cabo Verde	5,000		2,500	7,500	-	7,500
The Gambia	20		2,500	2,520	2,510	10
Guinea Bissau	8,000		2,000	10,000	-	10,000
Total	93,298	1,882	59,000	150,416	51,615	98,801



			2018	2017
7. DIRECT COSTS			us\$	us\$
Meetings and Conferences			9,387	5,088
Translation Expenses			29,567	4,346
Honorarium			2,000	2,000
			40,954	11,434
8a. OPERATING EXPENSES				
Transport, Travelling & Accommodation			95,259	182
Telephone, Internet & Postages			3,950	1,421
Printing & Stationeries			12,570	1,448
Entertainment			3,119	2,361
Finance Charges	8a.		225	38
Audit Fees			2,761	2,762
			117,882	8,212
8a. FINANCE CHARGES				
Account Maintenance Charges			154	-
Vat			5	-
Other Charges			66	38
			225	38
9. CONTINGENT LIABILITIES				
There were no contingent liabilities that had not been provided for as at the Statement of Financial Position date.				

AWARDS, DONATIONS AND GRANTS

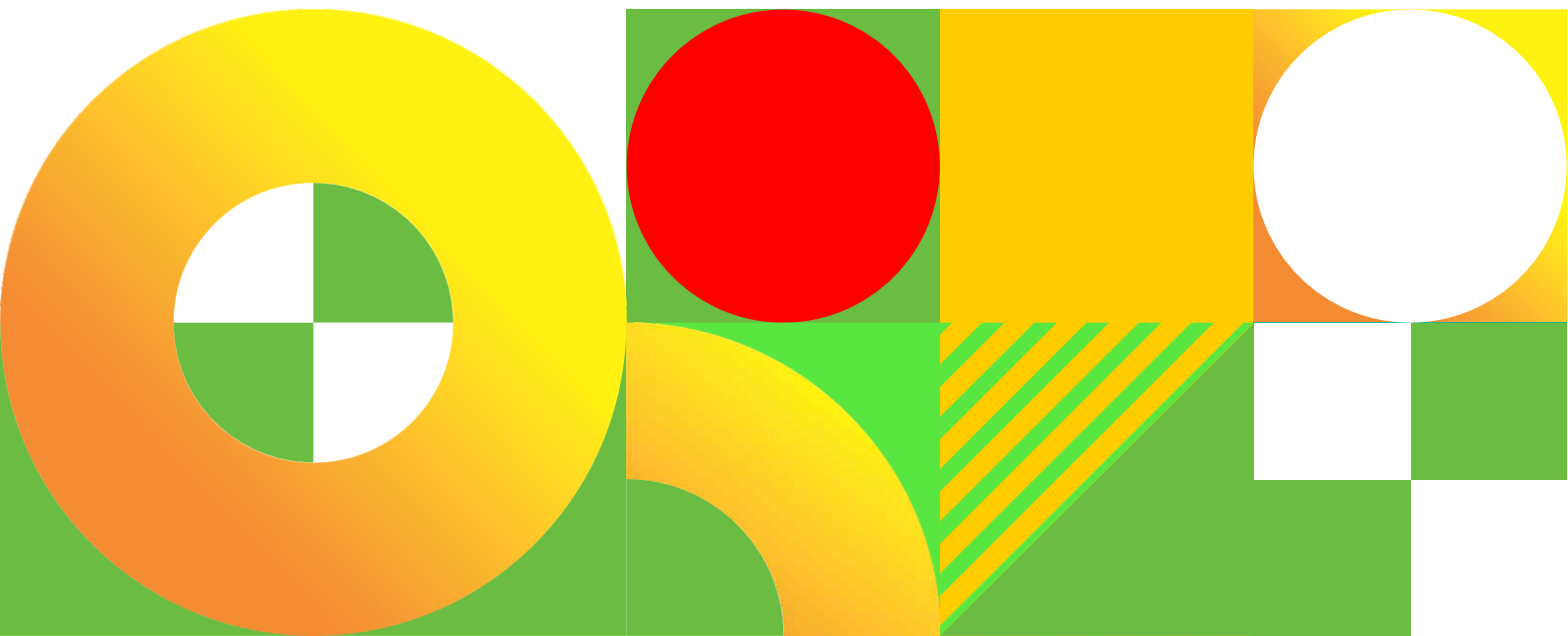
Awards, donations and grants are funds received from third parties for purposes of undertaking specific programmes and projects. During this reporting period, WATAF received **US\$67,446** grants from the Open Society Initiative of West Africa for the development of a domestic resource mobilization strategy and a compliance risk management framework and toolkit for tax administrations in West Africa.

WATAF also received an award of **US\$84,057 out of the US\$100,000** as part of the Host Country Agreement between the Nigerian Government and WATAF. This amount is intended to cover the costs of running the Secretariat in providing services to member countries.



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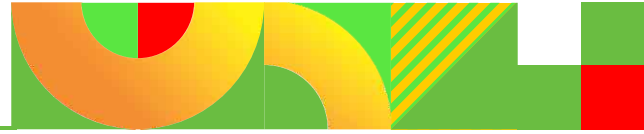


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SUCCESS STORIES

KEY ACCOMPLISHMENTS

WATAF Secretariat carried out the following activities during the year under review:

- i. **Preparation of the Report of the 16th WATAF General Assembly meeting:** The report has been prepared and presented to the Council members.
- ii. **Membership subscription:** The Secretariat dispatched demand notices to member countries as mandated by the General Assembly for the current year and arrears being owed.
- iii. **Members' Ratification of the WATAF Agreement:** Currently, Burkina Faso, Cote d'Ivoire, Guinea Bissau, Liberia, Niger and Nigeria have deposited their instruments of ratification of the WATAF Agreement with the Secretariat thereby enabling the WATAF Agreement to come into force as specified by Article 23 Sections 3 and 4 of the WATAF Agreement.
- iv. **Implementation of the WATAF 2018/2019 Calendar of Events:** The Secretariat successfully organised some of the events listed on the calendar as follows:

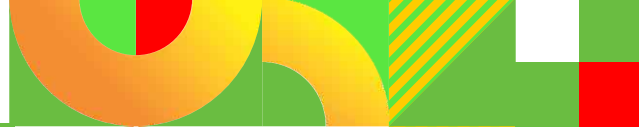
Institutional Meetings:

- i. Two Council meetings from 26-27 March, 2019, in Lome, Togo, and 17 September 2019 in Banjul, in the Gambia
- ii. One General Assembly meeting from 18-20 September, 2019, in Banjul, the Gambia.
- iii. Launched the High-Level Policy Dialogue series from 18-19 September 2019, in Banjul, the Gambia

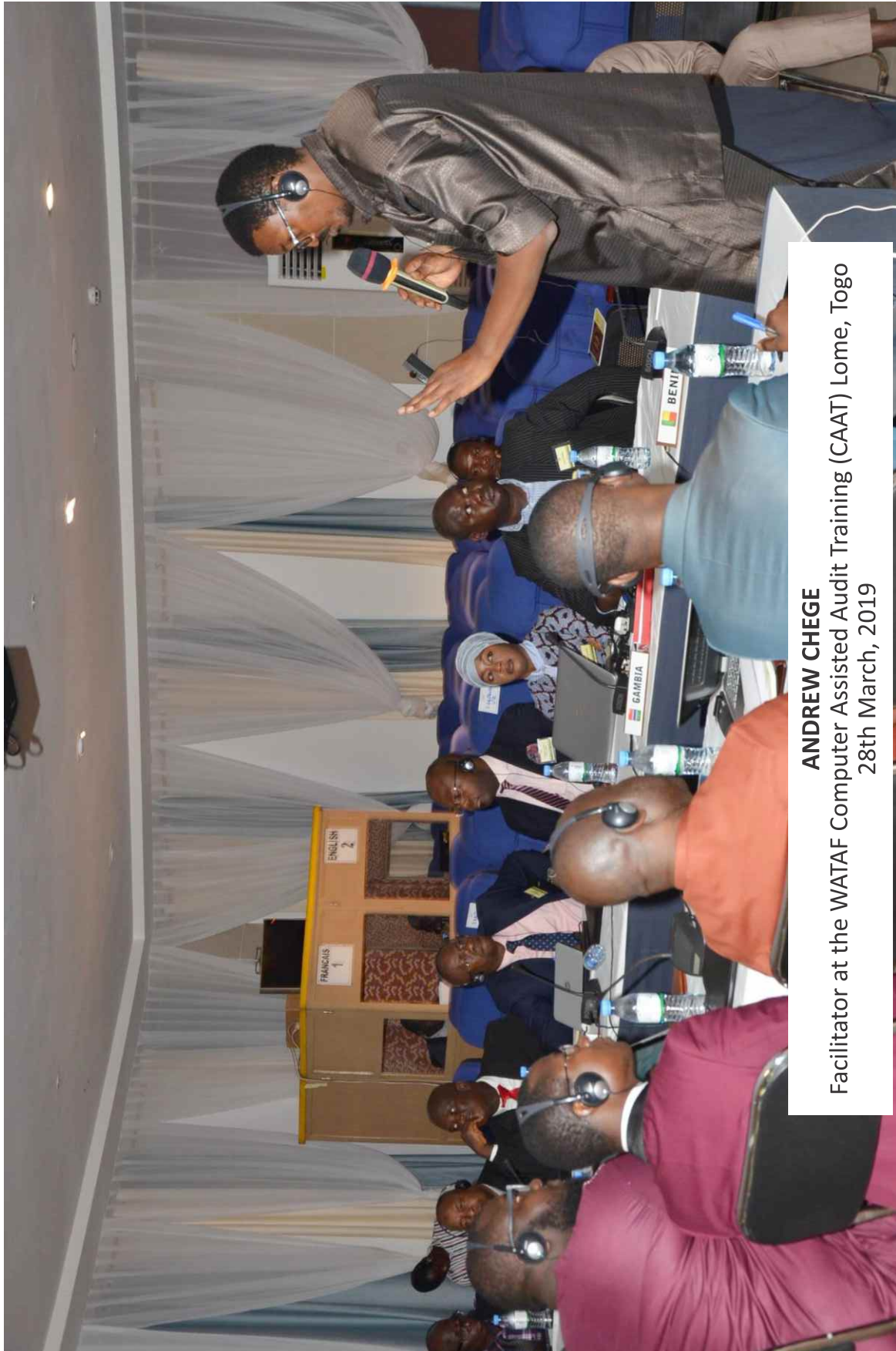
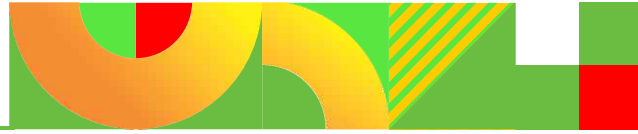
Training and Capacity Building/Technical Assistance

WATAF Secretariat conducted the following training:

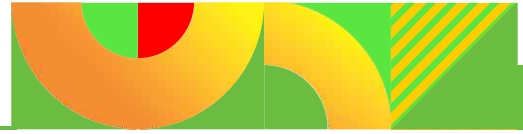
- a. Computer-Assisted Audit Technique training for member countries from March 26-28, 2019 in Lome, Togo.
- b. Risk Management in Tax Administration training from June 25-27, 2019 in Bamako, Mali



At the WATAF Training on Risk Management in Tax Administration Bamako, Mali
25th - 27th June, 2019



ANDREW CHEGE
Facilitator at the WATAF Computer Assisted Audit Training (CAAT) Lome, Togo
28th March, 2019



PROJECTS AND PROGRAMMES

During the period under review, WATAF had undertaken the following projects and programmes.

- i. **Memorandum of Cooperation between the Federal Inland Revenue Service (FIRS), Nigeria and the Liberia Revenue Service (LRA)** – Under the auspices of the MoC between the Federal Inland Revenue Service and Liberia Revenue Authority, the Secretariat is facilitating the implementation of two requests on behalf of the LRA to FIRS on collaboration to deploy ICT enabled tax payment solutions and assistance to audit certain multinationals in Liberia.
- ii. **Development of Secretariat staff secondment guidelines:** Following Council’s directive, the Secretariat employed the services of a human resources management consultant on modalities for the conduct of a staff gap analysis of the Secretariat alongside a realignment of Secretariat functions. This is aimed at providing useful information to guide the request for staff secondment from member countries.
- iii. **The Signing of Host Country Agreement with Nigeria and Memorandum of Cooperation with the FIRS:** Consequent to the ratification of the WATAF Agreement by Nigeria, the Secretariat, in collaboration with the Legal Department of the Federal Inland Revenue Service, Nigeria, drew up the texts of the two agreements and after series of negotiations was able to accomplish the signing of the Memorandum of Cooperation (MOC) with the Federal Inland Revenue Service (FIRS), Nigeria, while the Host Country Agreement (HCA) has been submitted to the host country for further action.

INSTITUTIONAL CAPACITY DEVELOPMENT

The Secretariat was involved in various institutional capacity development programmes of its members of staff, which include the following:

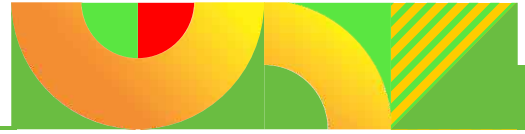
- Exchange of Information for Tax Purposes of the OECD – 23-25 October, 2019.
- Risk Management in Tax Administration training from 25-27 June, 2019 in Bamako, Mali.

ENGAGEMENTS WITH MEMBER COUNTRIES

We engaged member countries on issues relating to information and experience sharing, capacity building, among others. We developed and operationalized a technical assistance request for member countries to identify and request areas of needs and also identify and provide areas of proficiency to assist others with weaknesses in those areas.

A training on Exchange of Information for Tax Purposes was conducted in collaboration with the Secretariat of the Global Forum for Transparency and Exchange of Information for Tax Purposes of the Organisation for Economic Development (OECD) from 23-25 October, 2019 in Abuja, Nigeria.

The Secretariat would facilitate requests from members for technical assistance either to the Global Forum or to other identified competent authorities in this area of tax administration.



COLLABORATION WITH DONORS & OTHER STAKEHOLDERS

The Secretariat was engaged in various stakeholder activities in various ways during the period under review. These include the following:

i. **OXFAM:** Following the success of WATAF's collaboration with OXFAM on the 2018 Commitment to Reducing Inequality Index (CRII) regional report and participation in WATAF's donor/partner meeting held from 18 September, 2019, the Secretariat is exploring areas of potential collaboration.

ii. **Collaboration with ECOWAS/GIZ/EU:** The support received from the trio has impacted significantly on attendance at WATAF events. This relationship will be sustained and nurtured to produce the desired benefits.

Already, the collaboration has led to the creation of a Tax Department in ECOWAS and hopefully increased funding of WATAF's capacity building initiatives; harmonization of tax policies/practice in West Africa etc.

Also, the WATAF Chairman, Mr Adoyi Wavana, alongside the Executive Chairman, Federal Inland Revenue Service, Nigeria, Mr Tunde Fowler, paid a courtesy call on the ECOWAS President to discuss areas of future collaborations.

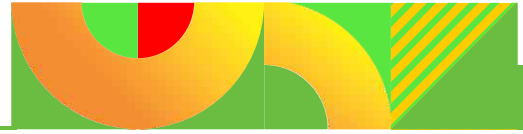
iii. **Collaboration with ATAF:** This has been sustained and the Secretariat has helped with the invitation of members to ATAF events. The Executive Secretary of WATAF was in attendance at the 4th International Conference on Tax in Africa (ICTA) on 18-22 November 2019 in Kampala, Uganda, and recently, the Secretariat concluded training with ATAF on the taxation of the mining sector. Currently, there is ongoing collaboration with ATAF on the publication of the West African Tax Outlook (WATO).

iv. **Addis Tax Initiative** – The Secretariat receives frequent updates on the activities of the ATI and is a party to its initiatives targeted at promoting better mobilization of domestic resources among member countries alongside better coordination of donor assistance. WATAF member countries are encouraged to join the ATI given the potential benefits accruable to members. Also, the Executive Secretary was in attendance at an ATI consultative meeting with donors on domestic resource mobilization coordination in Africa held in Paris from 27-28 November, 2019.

v. **International Center for Tax and Development (ICTD):** At the ICTD Annual meeting 2019 held in Kigali, Rwanda from 5-7 February, 2019, the Executive Secretary was in attendance to provide insights into WATAF activities and forge new alliances with other organisations.

vi. **OXFAM and AFDB:** Currently, the Secretariat is collaborating with OXFAM, AFDB and other international organisations as a Steering Committee member on the West African Governments' Commitment to Reducing Inequality Index (CRII). The inaugural meeting was held in Accra, Ghana on 20 February, 2019

vii. **Network of Tax Organisations:** After the signing of the MoU establishing the Network of



Tax Organisations (NTO) and WATAF's election as a pioneer member of the NTO Council, the Forum's Assembly and Council was hosted by the Italian Guardia di Finanza from March 5-7, 2019 in Rome with WATAF duly represented.

- viii. **Ford Foundation:** The Secretariat has secured an \$80000 grant to finance the Computer-Assisted Audit Technique (CAAT) and other administrative initiatives from the Ford Foundation.
- ix. **Open Society Initiative for West Africa (OSIWA)** – Recently, the Secretariat received the first-batch payment for the Capacity for Domestic Resource Mobilisation (C4DRM) project. An effort is in top gear towards implementing the first phase of the project. The Liberia Revenue has been of tremendous assistance in this regard.
- x. **OECD** – WATAF was invited to participate at the just concluded 6th Africa Initiative Meeting in Kigali, Rwanda from 28 February – 1 March 2019. Although the Secretariat was not able to participate in the event, the Secretariat with the Global Forum's Secretariat organised a seminar on “Exchange of Information as a Tool to Combat Offshore Tax Evasion” from 23-25 October 2019, in Abuja, Nigeria.
- xi. **International Bureau of Fiscal Documentation (IBFD)** – The Secretariat is in discussion with the Director of Knowledge Center at IBFD on the Tax dividend project funded by the Netherlands government to facilitate in-country technical assistance aid to member countries and training/capacity building events.

As part of the dividend of this discussion, IBFD is willing to facilitate the placement of at least one candidate from a WATAF member country annually on the Master's programme offered by IBFD in collaboration with the University of the Netherlands.

Also, the Executive Secretary was a panelist at the *5th African Tax Symposium: Trends in International Taxation and African Taxation* from 29-30 May, 2019 in Stellenbosch, South Africa.

IBFD through its Center for the Study of African Taxation (CSAT) has commenced discussion with the Secretariat on possible areas of collaboration such as capacity-building and research-based initiatives. This partnership has been consummated through the signing of an MOC.

- xii. **Attendance at Other Technical Events:**
Belt and Road Initiative Tax Administration Cooperation Mechanisms: The Secretariat attended the first BRITACOM Conference in China from 18-20 April, 2019. Participation in the conference could open up funding and other opportunities for WATAF member countries.

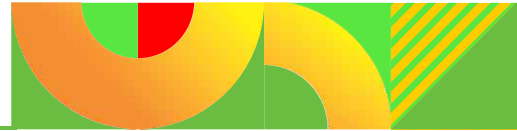
FINANCIAL REPORTS

The following summary of financial reports related to the financial activities of WATAF for the year 2019.

STATEMENT OF INCOME AND EXPENDITURE

The below statement of income and expenditure shows the number of funds received and expended during the operating year 2019.

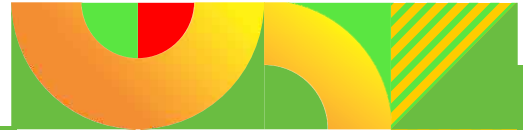
WEST AFRICAN TAX ADMINISTRATION FORUM (WATAF)						
STATEMENT OF INCOME & EXPENDITURE						
FOR THE YEAR ENDED 31ST DECEMBER, 2019						
				2019		2018
		Notes	US\$	US\$		US\$
Income		7		225,078		210,589
Direct Costs		8		(152,986)		(40,954)
Gross Income				72,092		169,635
Operating Expenses		9		(82,053)		(117,882)
Surplus/(Deficit) for the year				(9,961)		51,753



STATEMENT OF FINANCIAL POSITION

The below statement of financial position shows the financial resources of WATAF as of the end of the operating year 2019.

WEST AFRICAN TAX ADMINISTRATION FORUM (WATAF)					
STATEMENT OF FINANCIAL POSITION					
FOR THE YEAR ENDED 31ST DECEMBER, 2019					
			2019		2018
	Notes		US\$		US\$
INTANGIBLE ASSETS					
Computer Software	2		7,572		-
CURRENT ASSETS					
Account Receivables	3		175,882		99,495
Cash and Cash Equivalents	4		89,969		183,545
TOTAL ASSETS			273,423		283,040
FUNDS, RESERVES & LIABILITIES					
Accumulated Fund	5		264,794		274,755
CURRENT LIABILITIES					
Account Payables	6		8,629		8,285
TOTAL FUNDS & LIABILITIES			273,423		283,040
The Financial statements on pages 8 to 11 were approved by the Council and signed on its behalf by:					
.....				
CHAIRMAN			EXECUTIVE SECRETARY		
..... 2020		 2020		
The Accounting Policies and Explanatory notes on pages 12 to 16 form an integral part of these financial statements.					



NOTES TO THE FINANCIAL STATEMENTS

WEST AFRICAN TAX ADMINISTRATION FORUM (WATAF) EXPLANATORY NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST DECEMBER, 2019

1. SIGNIFICANT ACCOUNTING POLICIES

The accounting policies set out below are the principal accounting policies adopted by the Forum and have been consistently applied in preparing these financial statements.

(a) Basis of Preparation

The financial statements of the Forum have been prepared in accordance with International Financial Reporting Standards (IFRS) as issued by the International Accounting Standard Boards (IASB), in accordance with the requirement of the Financial Reporting Council of Nigeria and the provision of Companies and Allied Matters Act, CAP C20, Laws of the Federation of Nigeria 2004.

(b) Objective of WATAF

WATAF is established to contribute to the efficacy of tax administration and improved public service delivery in support of the development of countries in West Africa.

(c) Principal Activities of the Forum

The Forum's activities include:

- (i) to promote efficient and effective tax administration in Member States in West Africa.
- (ii) to ensure that all West African Member States speak with one cohesive voice on tax policy and administration matters in African Tax Administration Forum (ATAF) and other International Tax Organizations, e.t.c

(d) Functional and Presentation Currency

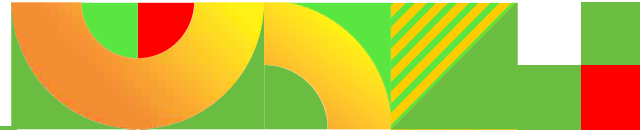
The financial statements are presented in US Dollars which is the agreed currency for transactions between member nations

(e) Use of Estimates and Judgments

The preparation of financial statements requires management to make judgements, estimates and assumptions that affects the application of accounting policies and the reported amounts of assets, liabilities, income and expenses. Actual results may differ from the estimates and the assumption so made. Estimates and the underlying assumptions are reviewed periodically. Revisions to accounting estimates are recognized in the year in which the estimate is revised if the revision affects only that year or in the year of the revision.

(f) Foreign Currency Translation

Transactions in other currencies are translated at the exchange rate ruling at the date of each transaction (i.e. the Forum's foreign currency transactions are translated into the functional currency using the exchange rates prevailing at the dates of the transactions).



(g) Cash and Cash Equivalents

For the purpose of the Statement of Cash Flows, Cash and Cash Equivalents comprise cash at hand, deposits held at the bank and short term investments in money market instruments and bank overdraft.

(h) Income

The income is mainly from the total subscriptions by Member Bodies and grants from other organizations. The income is recognized and accrued when due on the commencement of the accounting year.

(i) Intangible Assets

i. Recognition and measurement

Items of Intangible assets are recognised only when it is probable that the future economic benefits associated with the assets will flow to the entity, and the cost of the assets can be measured reliably. Intangible assets are carried at cost less accumulated amortization and impairment losses. Cost includes cost of purchases, including import duties and non-refundable taxes after deducting trade discounts and rebates. It also includes directly attributable costs of bringing the assets to the location and working condition for its intended use.

ii. Subsequent costs

The cost of replacing part of an item of intangible asset is recognised in the carrying amount of the item if it is probable that the future economic benefits embodied within the part will flow to the organisation and its cost can be measured reliably. The costs of the day-to-day servicing of intangible assets are recognised in profit or loss as incurred.

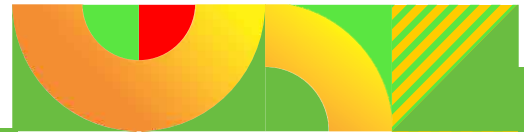
iii. Amortization

Amortization is provided for in the statement of operating activities on a straight line basis over the estimated useful lives of intangible assets. Amortization begins when an asset is available for use and ceases at the earlier of the date that the asset is derecognised or classified as held for sale in accordance with IFRS 5, Intangible Assets Held for Sale and Discontinued Operations.

The estimated amortization rate for the year is as follows:

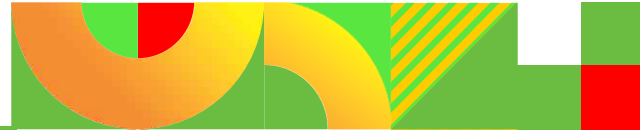
Computer Software 10%

2. SCHEDULE OF INTANGIBLE ASSETS				
			Computer Software	Total
			10%	
			US\$	US\$
Cost:			8,413	8,413
As at 31.12.19			8,413	8,413
Provision for Amortization				
As at 01.01.19			-	-
Charge for the year			841	841
As at 31.12.19			841	841
Carrying Value as at 31.12.19			7,572	7,572
3. ACCOUNT RECEIVABLES				
Members Subscriptions			125,852	98,801
Financial Commitment from FIRS			50,030	-
Cash Advance			-	694
			175,882	99,495
4. CASH AND CASH EQUIVALENTS				
Stanbic IBTC Bank 0005858021			11,845	11,845
Eco Bank 1 3563060738			71,932	113,864
Eco Bank 2 3330000240			2,110	214
Eco Bank 3 3333067187			159	164
Eco Bank 4 3333066194			1,882	53,942
Cash in Hand			2,040	3,516
			89,969	183,545
5. ACCUMULATED FUND				
Balance B/Forward			274,755	223,002
Surplus/(Deficit) for the year			(9,961)	51,753
			264,794	274,755



6. ACCOUNT PAYABLES				2019		2018
				US\$		US\$
Accrued Audit Fees				4,395		8,285
Advance Subscription				2,068		-
Other payables				2,167		-
				8,629		8,285
7. INCOME						
Subscriptions from Member Bodies			7a	59,000		59,000
Financial Commitment from FIRS				115,943		84,057
Grant from Ford Foundation				50,000		-
Grant from Open Society Initiative				-		67,446
Other Income				135		86
				225,078		210,589
7 a. SUBSCRIPTIONS						
	BALANCE	CURRENT	TOTAL DUES	PAYMENTS	BAL. C/F	ADVANCE
MEMBER BODIES	B/FWD	YEAR DUES	TO DATE	MADE		PAYMENT
	US\$	US\$	US\$	US\$	US\$	US\$
Nigeria	10	10,000	10,010	10,000	10	-
Ghana	10	6,000	6,010	6,010	-	-
Cote D'Ivoire	24,000	6,000	30,000	-	30,000	-
Senegal	12,591	4,000	16,591	-	16,591	-
Burkina Faso	140	4,000	4,140	-	4,140	-
Guinea	24,000	4,000	28,000	-	28,000	-
Mali	495	4,000	4,495	4,445	50	-
Liberia	25	4,000	4,025	6,093	-	2,068
Benin	15,000	2,500	17,500	-	17,500	-
Niger	20	2,500	2,520	-	2,520	-
Togo	2,500	2,500	5,000	4,959	41	-
Sierra Leone	2,500	2,500	5,000	-	5,000	-
Cabo Verde	7,500	2,500	10,000	-	10,000	-
The Gambia	10	2,500	2,510	2,510	-	-
Guinea Bissau	10,000	2,000	12,000	-	12,000	-
Total	98,801	59,000	157,801	34,016	125,853	2,068

				2019	2018
				US\$	US\$
8. DIRECT COSTS					
Meetings and Conferences				124,340	9,387
Translation Expenses				23,646	29,567
Honorarium				5,000	2,000
				152,986	40,954
9. OPERATING EXPENSES					
Transport, Travelling & Accomodation				44,818	95,259
Telephone, Internet & Postages				4,348	3,950
Printing & Stationeries				4,111	12,570
Entertainment				1,721	3,119
Secretariat Welfare				21,400	-
Finance Charges		9a.		815	225
Audit Fees				4,000	2,761
Amortization				841	-
				82,053	117,882
9a. FINANCE CHARGES					
Account Maintenance Charges				86	154
VAT				17	5
Other Charges				711	66
				815	225
10. CONTINGENT LIABILITIES					
There were no contingent liabilities that had not been provided for as at the					
Statement of Financial Position date.					



AWARDS, DONATIONS AND GRANTS

Awards, donations and grants are funds received from third parties for purposes of undertaking specific programmes and projects. During this reporting period, WATAF received **US\$50,000 grants from the Ford Foundation for the Computer Assisted Audit Technique Project.**

WATAF also received an award of the 2018 outstanding balance of **US\$15,922.86 and a further US\$49,990.00 of the US\$100,000.00** as part of the Host Country Agreement between the Nigerian Government and WATAF for 2019. This amount is intended to cover the costs of running the Secretariat in providing services to member countries.

FUTURE LOOK

The future looks promising for WATAF and its member countries. WATAF will continue to be a conduit for member countries to collaborate strongly on information exchange, experience sharing and capacity building for purposes of enhancing the quality of tax administration in member countries. There are diverse opportunities for member countries to actively combat aggressive tax practices by multinational companies through tax base erosion and profit shifting from one country to another.

In the coming months and years, WATAF will begin to provide online short-term training courses in tax policies, customer service, audit and compliance and many other areas that are expected to significantly benefit member countries in improving the quality of tax administration.

WATAF will also facilitate technical assistance amongst member countries so that a member country with proficiency in one area can provide technical assistance to other member countries with weakness in that area. This may also take the form of exchange programme amongst member countries where staff of one tax administration can go for a short-term placement in another member country and acquire skills and expertise in a particular programme that can be replicated in another country's tax administration.