

AFRICA HIGHER EDUCATION CENTERS OF EXCELLENCE PROJECT
FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2017

Africa Higher Education Centers of Excellence Project
Year ended 31 December 2017

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PROJECT MANAGEMENT INFORMATION

Project Management Team	Prof. Gordon Awandare- Director Prof Kwadwo Koram- Deputy Director Prof. Diakite Mahamadou- Collaborator, MRTC Dr. Alfred Amambua Ngwa- Collaborator, MRC Dr. Cisse Mamoudou- Collaborator, Centre Muraz Dr. Sodiomon B. Sirima- Collaborator, CNRFP Prof. Bassirou Bonfoh- Collaborator, CSRS Dr. Olukemi K. Amodu- Collaborator, CoM-UI Dr. Bismarck Dinko- Collaborator, UHAS Dr. Kwaku Poku Asante- Collaborator, KHRC Dr. Lucas Amenga-Etego- Collaborator, NHRC Dr. Paul A. Lartey- Collaborator, LaGray Dr. Mohamed Mutocheluh- Collaborator, KNUST Dr. Gideon Helegbe- Collaborator, UDS Dr. Juliana Ameh- Collaborator, LEKMA Dr. Patrick Arthur- Head of Research And Training Dr. Osbourne Quaye- Head of Monitoring & Evaluation Mr. Emmanuel O. Ghartey- Administrator Mr. Collins Amofah- Finance Manager Dr. Lydia Mosi- Logistics Coordinator Dr. Theresa Manful- Graduate Admissions & Examinations Coordinator Mr. Barfi Adomako- Co-Head ICT – Electronic Resources Ms. Ama Gyakyewaa Dadson- Co-Head ICT – Physical Resources Ms. Constance Cocke- Procurement Officer
Registered office	West African Centre for Cell Biology of Infectious Pathogens (WACCBIP) Dept. of Biochemistry, Cell and Molecular Biology College of Basic and Applied Sciences University of Ghana P.O. Box LG 54 Legon, Accra
Auditor	PricewaterhouseCoopers Chartered Accountants No. 12 Airport City UNA Home 3 rd Floor PMB CT 42 Cantonments, Accra
Bankers	Standard Chartered Bank Ghana Ltd

REPORT OF THE PROJECT MANAGEMENT TEAM

The Project Management Team has the pleasure in submitting their report and the audited financial statements of the Project for the year ended 31 December 2017.

Statement of responsibility by the Project Management Team

The Project Management Team is responsible for the presentation of the financial statements for the period which presents in all material respects funds received and expenditure incurred for the year. In preparing the financial statements, the Project Management Team has selected suitable accounting policies and applied them consistently and followed the cash basis of accounting as indicated on page 8.

The Project Management Team is responsible for ensuring that the Project keeps proper accounting records that disclose with reasonable accuracy at any time the cash position of the Project. The Project Management Team is also responsible for safeguarding the assets of the Project and taking reasonable steps for the prevention and detection of fraud and other irregularities.

Results for the year

The Statement of Receipts and Payments on page 7 shows a surplus for the year of **US\$633,655** (2016: US\$1,462,620).

Director:

GORDON AWANBARA


30 April 2018

PROJECT BACKGROUND

The Africa Higher Education Centers of Excellence Project is sponsored by International Development Association. The Project is implemented by the West African Center for Cell Biology of Infectious Pathogens (WACCBIP) at the University of Ghana and seeks to improve diagnosis, prevention and control of infectious diseases in sub-Saharan Africa by providing advanced level training and research excellence on the cell and molecular biology of infectious pathogens.

The objectives of the Project are:

- to develop and run short-term projects (2-4 week long workshops/courses) targeting professionals in the health delivery sector, including physicians, pharmacists, and senior laboratory personnel, to improve their knowledge of disease pathogenesis and modern methods of diagnosis and treatment;
- to run 3-6 month long research internships projects for trainee biomedical scientists and hospital laboratory technologists, to provide experiential training on research design, specialized techniques, and team building skills; and
- to develop and run new Masters and PhD projects in Molecular Cell Biology, targeting career biomedical scientists in Universities and Health research institutions. This is in addition to the already existing programs at BCMB (MSc/MPhil Biochemistry, MPhil Molecular Biology and PhD Biochemistry).

The project spans a period from 10 April 2015 to 31 December 2018.

**INDEPENDENT AUDITOR'S REPORT
TO THE BOARD OF AFRICA HIGHER EDUCATION CENTERS OF EXCELLENCE PROJECT**
REPORT ON THE AUDIT OF FINANCIAL STATEMENTS

Our opinion

In our opinion, the accompanying financial statements of the Africa Higher Education Centers of Excellence Project for the year ended 31 December 2017 are prepared, in all material respects, in accordance with the financial reporting provisions of the project as described in note 1 to the financial statements.

What we have audited

We have audited the financial statements of the Africa Higher Education Centers of Excellence Project (the "Project") for the year ended 31 December 2017.

The financial statements on pages 7 to 10 comprise:

- the Statement of Receipts and Payments for the year ended 31 December 2017; and
- the notes to the financial statements, which include a summary of significant accounting policies.

Basis for opinion

We conducted our audit in accordance with International Standards on Auditing (ISAs). Our responsibilities under those standards are further described in the Auditor's responsibilities for the audit of the financial statements section of our report.

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

Independence

We are independent of the Africa Higher Education Centers of Excellence Project, Office of Research and Development (ORID) of the University of Ghana and its donors in accordance with the International Ethics Standards Board for Accountants' Code of Ethics for Professional Accountants (IESBA Code). We have fulfilled our other ethical responsibilities in accordance with the IESBA Code.

Other information

The Project Management Team is responsible for the other information. The other information comprises the Report of the Project Management Team but does not include the financial statements and our auditor's report thereon.

Our opinion on the financial statements does not cover the other information and we do not express any form of assurance conclusion thereon.

In connection with our audit of the financial statements, our responsibility is to read the other information identified above and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the audit, or otherwise appears to be materially misstated.

If, based on the work we have performed on the other information, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.

**INDEPENDENT AUDITOR'S REPORT
TO THE BOARD OF AFRICA HIGHER EDUCATION CENTERS OF EXCELLENCE PROJECT
(continued)**

REPORT ON THE AUDIT OF FINANCIAL STATEMENTS (continued)

Emphasis of Matter - Basis of Accounting and Restriction on Distribution and Use

We draw attention to note 1 to the financial statements which describes the basis of accounting. The financial statements are prepared to assist the Project Management Team to report to the board of Africa Higher Education Centers of Excellence Project. As a result, the financial statements may not be suitable for another purpose. Our report is intended solely for the use of the Project Management Team and the Board of Africa Higher Education Centers of Excellence Project and should not be distributed to or used by parties other than the Project Management Team and the Board of Africa Higher Education Centers of Excellence Project. Our opinion is not modified in respect of this matter.

Responsibilities of management and those charged with governance for the financial statements

Management is responsible for the preparation of the financial statements in accordance with the financial reporting provisions of the Project, and for such internal control as management determines is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, management is responsible for assessing the Project's ability to continue as a going concern. Under the terms of the grant agreement, the project will end on 31 December 2018.

Those charged with governance are responsible for overseeing the project's financial reporting process.

Auditor's responsibilities for the audit of the financial statements

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

**INDEPENDENT AUDITOR'S REPORT
TO THE PROJECT MANAGEMENT TEAM OF AFRICA HIGHER EDUCATION CENTERS OF
EXCELLENCE PROJECT (continued)**

REPORT ON THE AUDIT OF FINANCIAL STATEMENTS (continued)

Auditor's responsibilities for the audit of the financial statements (continued)

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

- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control;
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Project's internal control;
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management; and
- Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the project's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Project to cease to continue as a going concern.

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

The engagement partner on the audit resulting in this independent auditor's report is Michael Asiedu-Antwi (ICAG/P/1138).



PricewaterhouseCoopers (ICAG/F/2018/028)
Chartered Accountants
Accra, Ghana
30 April 2018

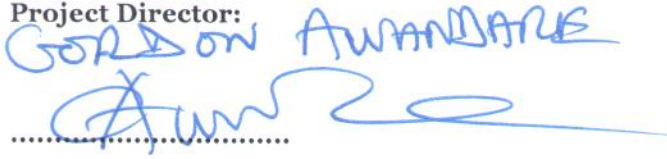


Africa Higher Education Centers of Excellence Project
 Financial statements
 Year ended 31 December 2017

STATEMENT OF RECEIPTS AND PAYMENTS
 (All amounts are expressed in US Dollars)

	Note	Year ended 31 December	
		2017	2016
Receipts			
Transfers from International Development Association	2	2,614,432	2,435,000
Other receipts	3	<u>75,470</u>	-
Total		<u>2,689,902</u>	<u>2,435,000</u>
Payments			
Achieving excellence in training	4	449,390	443,904
Improving learning experience	5	1,234,354	310,584
Develop regional partnerships and programs	6	22,022	38,705
Promote applied research	7	119,059	30,101
Management and governance establishment	8	153,760	113,385
Project management	9	74,553	31,871
Contingency	10	<u>3,109</u>	<u>3,830</u>
Total		<u>2,056,247</u>	<u>972,380</u>
Surplus for the year		<u>633,655</u>	<u>1,462,620</u>
Balance at 1 January		1,541,397	78,777
Surplus for the year		<u>633,655</u>	<u>1,462,620</u>
Fund Balance at 31 December	11	<u>2,175,052</u>	<u>1,541,397</u>

The Statement of Receipts and Payments and accompanying notes on pages 8 to 10 were approved by the Project Management Team on 30 April 2018 and signed on its behalf by:

Project Director:
 GORDON AWANDARE


 Name and Signature

Finance Manager:
 COLLINS AWOBAH


 Name and Signature

NOTES

1. Accounting policies

The principal accounting policies adopted in the preparation of the financial statements are set out below:

(a) Basis of accounting

The financial statements have been prepared using the cash basis of accounting.

(b) Receipts

Transfers are recognized as receipt when received in the bank accounts of WACCBIP of the University of Ghana.

(c) Payments

Expenditure is recognized when payment is made.

(d) Foreign currencies

Functional and presentation currency

The financial statements are presented in United States Dollars which is the presentation currency of the Project. The functional currency is Ghana Cedis.

Transactions denominated in currencies other than US Dollars are translated into US Dollars and recorded at the exchange rate prevailing at the date of the transaction. Foreign exchange gains and losses arising from the translation of year end balances of monetary assets and liabilities denominated in currencies other than the presentation currency are recognised in the statement of receipts and payments.

(e) Capital Expenditure

Capital expenditure is expensed on acquisition.

(f) Cash and Bank balance

Cash and bank balance consist of cash in hand and deposits held with Standard Chartered Bank Ghana Limited.

Africa Higher Education Centers of Excellence Project

Financial statements

Year ended 31 December 2017

NOTES (continued)

(All amounts are expressed in US Dollars unless otherwise stated)

	Year ended 31 December	
	2017	2016
2. Transfers from International Development Association		
First tranche	2,300,000	1,000,000
Second tranche	<u>314,432</u>	<u>1,435,000</u>
	<u>2,614,432</u>	<u>2,435,000</u>
3 Other receipts		
Interest on investment*	74,193	-
Bus hire	<u>1,277</u>	<u>-</u>
	<u>75,470</u>	<u>-</u>
<p>*The Project Management invested an amount of US\$1,000,000 (GHS4,070,000) in fixed deposit with IDEAL Capital Partners in January 2017. The annual interest on the investment is US\$135,473 out of which US\$74,193 was received on 20 July 2017.</p>		
4. Achieving excellence in training		
Obtain international accreditation for `new curricula	4,487	15,819
Enrol new students and support training of existing students in Mphil	148,480	130,411
Enrol new students and support training of existing students in PhD	271,878	267,398
Outreach event targeting women and minority groups	3,166	1,737
Develop and run curricula for existing and new short courses	<u>21,379</u>	<u>28,539</u>
	<u>449,390</u>	<u>443,904</u>
5. Improving learning experience		
Refurbish and upgrade ICT infrastructure, purchase software	312,899	146
Provision of new lecture and seminar rooms, conference room and offices	334,626	817
Upgrade cell biology core facility	416,685	238,020
Upgrade research laboratories	156,647	67,485
Faculty Exchange programs with regional and national institutions	-	1,175
Engagement of international faculty for teaching courses, workshops and co-supervision of students	<u>13,497</u>	<u>2,941</u>
	<u>1,234,354</u>	<u>310,584</u>
6. Develop regional and national partnerships and programs		
Maintain active website for showcasing centre's activities and available opportunities	7,175	157
Engagement of regional faculty for teaching and co-supervision of student research	1,201	-
Conduct outreach programs and seminar/lecture tours regionally	428	-
Provide travel awards for regional students and faculty for short research visits	<u>13,218</u>	<u>38,548</u>
	<u>22,022</u>	<u>38,705</u>

Africa Higher Education Centers of Excellence Project

Financial statements

Year ended 31 December 2017

NOTES (continued)

(All amounts are expressed in US Dollars unless otherwise stated)

	Year ended 31 December	
	2017	2016
7. Promote applied research		
Support centre projects across partner institutions that provide students high quality experience in research	47,978	5,891
Support short training and research visits for faculty and students outside the ACE	26,333	24,210
Support incubator projects at the centre	17,701	-
Investigating the aetiology of febrile illness in Ghana	27,047	-
	<u>119,059</u>	<u>30,101</u>
8. Management and governance establishment		
Ensure regular meetings of international advisory board, steering committee and the two subcommittees	13,575	15,220
Maintain administrative support team for the centre	136,668	89,204
Purchase equipment, furniture and office supplies for administrative team	<u>3,517</u>	<u>8,961</u>
	<u>153,760</u>	<u>113,385</u>
9. Project management		
This represents expenditure made on administrative aspects of the project, including audit fees and insurance.		
10. Contingency		
This represents bank charges for the year.		
11. Fund balance		
This represents cash balance of the project at year end held in the pool bank accounts of WACCBIP of University of Ghana and investment in fixed deposit with IDEAL Capital Partners.		
12. Commitments		
There were no commitments as at the report signing date.		
13. Unretired advances		
Included in the payments for the year are advances to Partners and PhD students amounting to US\$22,885 which are yet to be retired at the reporting date.		