

**AFRICA HIGHER EDUCATION CENTERS OF EXCELLENCE PROJECT
WEST AFRICAN CENTRE FOR CROP IMPROVEMENT (WACCI)
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. Eric Y. Danquah	- Centre Leader
	Dr Daniel Dzidzienyo	- Deputy Centre Leader
	Dr Agyemang Danquah	- Project Collaborator
	Dr John Eleblu	- Project Collaborator
	Prof. Pangirayi Tongoona	- Project Collaborator
	Dr. Beatrice Elohor Ifie	- Project Collaborator
	Mrs Jennifer Saint-Acquaye	- Programme Manager
	Mr Kwadwo Owusu Afrifa	- Finance Officer
	Mr. Sampson Addo	- Monitoring and Evaluation Officer
Mr Razak Mohammed	- Procurement Officer	

Registered office

West Africa Centre for Crop Improvement
College of Basic and Applied Sciences
University of Ghana
PMB LG 30
Legon, Accra
Ghana

Auditor

PricewaterhouseCoopers
Chartered Accountants
No. 12 Airport City
UNA Home 3rd Floor
PMB CT 42
Cantonments, Accra
Ghana

Bankers

Stanbic Bank Ghana Limited

PROJECT BACKGROUND

The Africa Higher Education Centers of Excellence Project is a research Project run by the West Africa Centre for Crop Improvement (WACCI) of the University of Ghana. The Project is funded with a research grant from the World Bank. The grant is administered by the International Development Association (IDA).

The Project seeks to transform WACCI into a sustainable world class platform for the training of plant breeders and seed scientists and technologists. This will enhance the regional food security through the development, multiplication and supply of superior crop varieties and hybrids that meet the needs of farmers.

Working with about 20 National Agricultural Research Institutions (NARIs) and other advanced research institutions globally, private sector and farmers, the Project aims to:

- admit and train 65 PhD students in Plant breeding and 60 MPhil students in Seed Science and Technology between 2015 and 2018;
- expand, modernize and strengthen WACCI breeding programme;
- review and introduce new curricula and equip the Biotechnology Centre for cutting edge research and training;
- host world-class visiting faculty including Africans in the diaspora;
- grant short-term external fellowships in advanced laboratories to WACCI PhD students;
- arrange three months internships for seed science and technology students for hands-on training with seed companies;
- strengthen research collaboration with advanced institutions; and
- open up for mentoring of WACCI PhD and MPhil students by scientists in advanced laboratories.

The Project spans a period of four years (4) from 1 January 2015 to 31 December 2018.

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

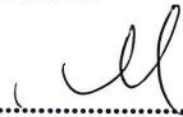
The Project Management Team is responsible for the presentation of the financial statements for the period which presents in all material respects funds received and expenditure incurred for the year. In preparing the financial statements, the Project Management Team has selected suitable accounting policies and applied them consistently and followed the cash basis of accounting as described 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 deficit for the year of US\$**211,796** (2016: surplus of US\$457,598).

Director:


.....

23
..... April 2018

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

REPORT ON THE AUDIT OF THE 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 policies 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 West Africa Centre for Crop Improvement (WACCI) of 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 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.

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

REPORT ON THE AUDIT OF THE FINANCIAL STATEMENTS (continued)

Other information (continued)

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.

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 Centres 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 Centres 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 Centres 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 agreement, 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 by 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 BOARD OF AFRICA HIGHER EDUCATION CENTERS OF EXCELLENCE
PROJECT (continued)**

REPORT ON THE AUDIT OF THE 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;
- 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



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	1,400,000	1,303,923
Exchange gain		<u>-</u>	<u>462</u>
Total		<u>1,400,000</u>	<u>1,304,385</u>
Payments			
Setting-up institutional framework for commencement of ACE	3	1,685	72,022
Strengthening education capacity	4	355,631	177,481
Strengthening education capacity and development impact	5	280,264	17,798
Strengthening research capacity (excellence)	6	950,142	570,454
Strengthening education and research capacity	7	2,009	214
Adhering to best financial management practices	8	15,464	4,700
Undertake best procurement practices	9	3,440	-
Contingency	10	<u>3,161</u>	<u>4,118</u>
Total		<u>1,611,796</u>	<u>846,787</u>
(Deficit)/surplus for the year		<u>(211,796)</u>	<u>457,598</u>
Balance at 1 January		1,002,233	544,635
(Deficit)/surplus for the year		<u>(211,796)</u>	<u>457,598</u>
Fund Balance at 31 December	11	<u>790,437</u>	<u>1,002,233</u>

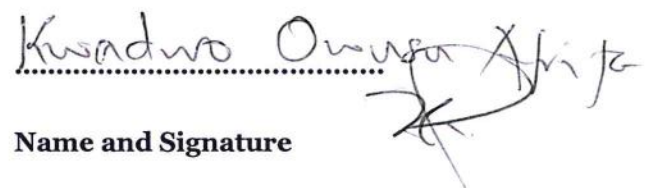
The Statement of Receipts and Payments and accompanying notes on pages 8 to 10 were approved by the Project Management Team on ²³April 2018 and signed on its behalf by:

Director:



Name and Signature

Finance Officer:



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 from International Development Association are recognized as receipt when received into the Project bank accounts.

(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 receipts and payments statement.

(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 Stanbic Bank Ghana Limited.

NOTES (continued)

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

		Year ended 31 December	
		2017	2016
2.	Transfers from International Development Association		
	Description		
	Details		
	1 st disbursement	1,400,000	1,000,000
	2 nd disbursement	<u>-</u>	<u>303,923</u>
		<u>1,400,000</u>	<u>1,303,923</u>
3.	Setting-up institutional framework for commencement of ACE		
	Schedule and hold ACE M&E meetings	1,685	72,022
4.	Strengthening education capacity		
	Obtain programme accreditation	37,860	-
	Admit quality students into PhD programme	135,534	100,455
	Admit quality students into MPhil programme	127,519	45,056
	Offer required taught courses to first year PhD and MPhil students	20,054	28,586
	Attract, retain and retool faculty in ACE relevant areas	7,064	3,384
	Students stipends	24,000	-
	Students laptops and external drives	3,000	-
	Students book allowance	<u>600</u>	<u>-</u>
		<u>355,631</u>	<u>177,481</u>
5.	Strengthening education capacity and development impact		
	Broaden students' knowledge through exposure to advanced institutions	923	4,556
	Establish new partnerships and strengthen existing ones	41,142	-
	ACE Workshops and Management/Staff Travel	51,644	13,242
	Workshops/Seminars - Short Courses	<u>186,555</u>	<u>-</u>
		<u>280,264</u>	<u>17,798</u>

NOTES (continued)

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

		Year ended 31 December	
		2017	2016
6.	Strengthening Research Capacity (Excellence)		
	Upgrade WACCI model farm	33,807	41,090
	Procure network equipment & accessories	1,194	3,434
	Procure computers and accessories	227	333
	Procure general office consumables	16,909	12,181
	Vehicle running costs	13,810	8,816
	Build lecture rooms, seed science laboratory and bioinformatics platform	479,578	209,360
	Procure 4 X 4 cross country SUV for research supervision	-	111,000
	Accounting database and maintenance	4,824	-
	Students undertake research in home institutions	143,107	85,537
	Bioinformatics equipment and accessories	108,507	-
	Procure seed science laboratory equipment	23,418	98,703
	Peer-reviewed journals and publication	540	-
	Lecture room equipment and accessories	4,853	-
	Office furniture and fittings	44,429	-
	Students' accommodation	70,986	-
	Medical insurance and aid	3,953	-
		<u>950,142</u>	<u>570,454</u>
7.	Strengthening education and research capacity		
	Provide and maintain academic infrastructure	<u>2,009</u>	<u>214</u>
8.	Adhering to best financial management practices		
	Ensure internal and external audit oversight	<u>15,464</u>	<u>4,700</u>
9.	Undertake best procurement practices		
	Undertake third-party procurement processes verification	<u>3,440</u>	<u>-</u>
10.	Contingency		
	The contingency is made up of bank charges, other meeting and student expenses.		
11.	Fund balance		
	This represents cash and bank balance of the Project as at 31 December, 2017.		