

UNIVERSITY OF CAPE COAST
DIRECTORATE OF INTERNAL AUDIT

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UNIVERSITY POST OFFICE
CAPE COAST, GHANA

22nd July 2024.

In case of reply please quote:

Our Ref: IA/AR-ACECOR/V-1/7

Your Ref:

Vice-Chancellor
University of Cape Coast
Cape Coast

**DIRECTORATE OF INTERNAL AUDIT REPORT ON THE FINANCIAL STATEMENTS OF AFRICA
CENTRE OF EXCELLENCE IN COASTAL RESILIENCE (ACECoR) FOR THE PERIOD OF 1ST JANUARY,
2023 TO 31ST DECEMBER, 2023**

1.0 OPINION

We have audited the attached Financial Statements (Statements of Financial Position and Financial Performance and accompanying Notes) of the Africa Centre of Excellence in Coastal Resilience (ACECoR) for the period of 1st January, 2023 to 31st December, 2023.

In our opinion, the Financial Statements agree with the books kept by the Management of the Africa Centre of Excellence in Coastal Resilience (ACECoR) for the period 1st January, 2023 to 31st December, 2023.

2.0 BASIS OF THE AUDIT OPINION

We conducted our audit in accordance with the Generally Accepted Auditing Standards. These standards require that we perform our audit to obtain explanations and reasonable assurance that the financial statements are free from material misstatements whether caused by fraud or error.

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

3.0 RESPONSIBILITY OF MANAGEMENT

The preparation of the Financial Statements and necessary Notes thereto are the responsibility of the Management of ACFCoR.

4.0 RESPONSIBILITY OF AUDITORS

Our responsibility is to obtain reasonable assurance that the financial statements are free from material misstatements, whether due to fraud or error, express an independent opinion on the financial statements and report thereon to ACECoR.



Samuel Kwame Anyan

Ag. Deputy Director of Internal Audit

FOR: DIRECTOR

Africa Centre of Excellence In Coastal Resilience (ACECoR)			
Statement of Financial Position as at 31st December, 2023			
		2023	2022
	Notes	US\$	US\$
Assets			
Current Assets			
Cash and Cash Equivalents	3	241,526.01	322,396.37
Trade and Other Receivables	4	33,950.66	169,048.70
Total Current Assets		275,476.67	491,445.07
Total Assets		275,476.67	491,445.07
Liabilities And Reserves			
Current Liabilities			
Trade and Other Payables	5	203,532.51	71,493.67
Total Current Liabilities		203,532.51	71,493.67
Reserves			
Accumulated Fund	6	71,944.16	419,951.40
Reserves		71,944.16	419,951.40
Total Liabilities and Reserves		275,476.67	491,445.07

Africa Centre of Excellence In Coastal Resilience (ACECoR)						
Statement of Performance for the Year Ended 31st December, 2023						
	2023			2022		
Project	Income	Expenditure	Surplus/Deficit	Income	Expenditure	Surplus/Deficit
	US\$	US\$	US\$	US\$	US\$	US\$
ACE IMPACT Project	1,541,545.50	2,007,850.37	(466,304.86)	1,387,687.77	1,685,911.59	(298,223.82)
Women Shell Fishers and Food Security Project	178,592.00	205,711.46	(27,119.46)	251,563.00	86,903.27	164,659.73
AU-IBAR Project	38,960.00	30,311.78	8,648.22	72,950.00	81,757.58	(8,807.58)
Malnet Project	-	47,279.27	(47,279.27)	-	33,451.91	(33,451.91)
Danida HOTSPOT 2 Project	133,236.62	89,300.08	43,936.54	83,524.08	65,245.07	18,279.01
AVU Lagoon project	146,155.95	108,626.27	37,529.68			
Other Project	444,133.50	341,551.58	102,581.92	130,199.46	142,100.85	(11,901.39)
Total	2,482,623.57	2,830,630.81	(348,007.23)	1,925,924.31	2,095,370.27	(169,445.96)

Africa Centre of Excellence In Coastal Resilience (ACECoR)		
Statement of Cash Flows as at 31st December, 2023		
	2023	2022
	US\$	US\$
Cash Flows from Operating Activities		
Deficit	(348,007.23)	(169,445.97)
Changes in Working Capital		
Change in Trade & Other Receivables	135,098.04	(169,048.70)
Change in Trade & Other Payables	132,038.84	59,845.71
Net Cash Flows from Operating Activities	(80,870.36)	(278,648.96)
Changes in Cash & Cash Equivalents	(80,870.36)	(278,648.96)
Cash & Cash Equivalent at the Beginning of the Year	322,396.37	601,045.33
Cash & Cash Equivalent at Close of Year	241,526.01	322,396.37

Africa Centre of Excellence In Coastal Resilience (ACECoR)						
Statement of Performance and Changes in Equity for the Year Ended December 31, 2023						
	2023			2022		
Project	Bal as at 1 Jan 2023	Surplus/ Deficit	Bal as at 31 Dec 2023	Bal as at 1 Jan 2022	Surplus/ Deficit	Bal as at 31 Dec 2022
	US\$	US\$	US\$	US\$	US\$	US\$
ACE IMPACT Project	110,031.21	(466,304.86)	(356,273.65)	408,255.03	(298,223.82)	110,031.21
Women Shell Fishers and Food Security Project	180,427.72	(27,119.46)	153,308.26	15,767.99	164,659.73	180,427.72
AU-IBAR Project	(8,807.58)	8,648.22	(159.37)	-	(8,807.58)	(8,807.58)
Malnet Project	66,010.09	(47,279.27)	18,730.82	99,462.00	(33,451.91)	66,010.09
Danida HOTSPOT 2 Project	31,058.20	43,936.54	74,994.74	12,779.19	18,279.01	31,058.20
AVU Lagoon project	-	37,529.68	37,529.68	-	-	-
Other Project Income	41,231.77	102,581.92	143,813.69	53,133.16	(11,901.39)	41,231.77
Sub Total	419,951.40	(348,007.23)	71,944.16	589,397.37	(169,445.97)	419,951.40

SUMMARY OF STATEMENT OF ACCOUNTING POLICIES

1. Basis of Accounting

The Financial Statements have been prepared under the historical cost convention, and modified to include items at fair values per the applicable Accounting Standards in International Public Sector Accounting Standards (IPSASs).

The Centre also took into consideration in preparing the Financial Statement, ACECoR Financial Management Manual, 2020, the University of Cape Coast Statute, 2016, the Public Financial Management Act, 2016 (Act 921), the Public Financial Management Regulation, 2019, L.I 2378 and other financial regulations regulating the use of public funds.

The functional currency of the Centre is the Ghana Cedi, the currency of Ghana, the primary economic environment the Centre operates. The Financial Statements are prepared in United States Dollars (US\$). Currency translations are done per the policies set out in Policy 3.

2. Going Concern

The Centre assesses annually whether the project is a going concern and if it would continue in operation for the next project period. Having conducted the assessment, the Management of the Centre have a reasonable expectation that the Centre has adequate resources to continue in operational existence for the foreseeable future. The Centre prepares budgets and forecasts on an annual basis and operates an ongoing five-year strategic implementation plan. Management is not aware of any material uncertainties, which would prevent the Centre from continuing as a going concern.

For these reasons, the Centre will continue to adopt the going concern basis in preparing the Financial Statements.

3. Foreign Currencies

Transactions are translated into the reporting currency using the Bank of Ghana exchange rates prevailing at the date of the transactions. Foreign exchange differences arising in transactions are recognized in the Statement of Financial Performance.

Non-monetary assets and liabilities are translated at historical cost or exchange at the date that fair value was determined if held at fair value and the resulting foreign exchange gains and losses are recognized in the statement of income. The closing rate was US\$ 1.00 to GH¢ 11.88.

4. Income

The Centre's income falls into four (5) main materials categories:

- a. Project Grants from the World Bank.
- b. Fees & Charges for Professional Short Courses.
- c. Externally Generated Revenue from other Research & Consultancy Projects.
- d. Provision for Other Goods & Services (IGF).
- e. Other Miscellaneous Income.

Income recognition is determined by the nature of the transaction, income source, and whether or not the transaction has commercial substance:

a. Transactional Income with Commercial Substance

Where a transaction has commercial substance, it is accounted for as a revenue transaction. Income is recognized in line with the provision of the associated goods and services.

i. Provision for Other Goods & Services (IGF)

Income from the sale of goods or services is credited to the Statement of Financial Performance when the goods or services are supplied to the external customer.

ii. Other Miscellaneous Income

Other miscellaneous income includes gain on foreign exchange transactions, interest on bank deposits, etc. The income is credited to the Statement of Financial Performance when earned.

b. Transactions without Commercial Substance

Where the Centre receives income on a basis that is without commercial substance, it accounts for this on a Non-Exchange Transaction basis. A non-exchange transaction is defined as when: "An Entity receives value from another Entity without directly giving approximately equal value in exchange".

i. Project Grant

Project grants are in the form of recurrent and development. The recurrent grants are recognized within the Statement of Financial Performance in full at the time they are received. Project development grants are also recognized as income on a cash basis in the Statement of Financial Performance.

5. Receivables

Receivables are shown in the financial statements at their book values. No provisions for bad and doubtful debts are made.

6. Cash and Cash Equivalent

Cash includes cash in hand, cash at bank, deposits repayable and on demand, and overdrafts. Cash equivalents are short-term, highly liquid investments that are readily convertible to a known amount of cash with insignificant risk in a change in value. These include term deposits and other instruments held as part of the Centre's treasury management activities.

7. Trade & Other Payables

These are financial liabilities measured at fair value.

8. Events After The Year End

Events after the financial position are reflected only to the extent that they relate directly to the financial statements and the effect is material.

NOTES TO THE ACCOUNTS

	2023	2022
1. Funding and Other Income	US\$	US\$
a. World Bank Funding		
ACE IMPACT	1,541,545.50	1,387,687.77
	1,541,545.50	1,387,687.77
	2023	2022
b. Externally Generated Funds	US\$	US\$
Women Shell Fishers and Food Security Project	178,592.00	251,563.00
AU-IBAR Project	38,960.00	72,950.00
Danida HOTSPOT 2 Project	133,236.62	83,524.08
AVU Lagoon project	146,155.95	8,499.10
Other Income	444,133.50	99,432.23
	941,078.07	515,968.41
	2023	2022
c. Other Income	US\$	US\$
Student Grant	-	380.00
Short Courses	-	2,000.00
WACA VAR Project	-	8,440.00
Drone Service	-	281.35

Bond Security	-	2,191.23
UNESCO	-	9,800.01
Coast Under Control Project	11,254.95	21,652.00
WACA Mangrove Project	-	12,944.00
COMADRIP	2,146.00	8,751.20
Marine Litter Pollution Project	-	10,012.44
Biodiversity and Livelihood Project	-	22,980.00
Profish Adapt Project	66,130.00	-
V2V Project	15,140.06	-
CEFAS	60,489.00	-
GFRA	49,049.41	-
OCCP	71,535.64	-
ALDFG	75,061.42	-
University of Liberia	15,977.96	-
AU-IBAR FISHGOV2 Database Development Project	33,480.00	22,268.13
AVU Lagoon Project		8,499.10
Coastal Resilience Project	12,756.54	-
Coastal Resilience Project	31,112.52	
Total	444,133.50	130,199.46

2. Expenditure		
a. Regional Capacity Training	2023	2022
	US\$	US\$
Admission and Outreach Expenses	15,974.63	249.97
Postgraduate Students' Fees	201,482.48	209,549.74
Curriculum Development	1,063.09	14,246.63
Research & Teaching Expenses	80,974.80	18,460.90
Professional Short Courses	2,297.78	72,097.59
Research Grant	30,696.52	209,859.23
Residence Permit	2,432.17	2,447.58
Stipends	58,776.25	116,167.48
Internship and Capacity Building Expenses	165,879.12	22,071.16
Accreditation Expenses	46,381.82	32,902.66
Accommodation	-	15,118.64
	605,958.66	713,171.59

b. Learning & Teaching Environment	2023	2022
	US\$	US\$
Computer Hardware, Software & Accessories	5,705.59	2,634.17
ACECoR Building	772,327.27	410,947.74
Laboratory Chemicals	-	1,193.31
Maintenance of Buildings	66.1	51.22
Maintenance of Equipment	647.69	700.86
	778,746.65	415,527.30
c. Academic & Industrial Partnerships	2023	2022
	US\$	US\$
Meeting with Partners	1,291.43	1,113.52
	1,291.43	1,113.52
d. Governance & Administration	2023	2022
	US\$	US\$
Advertisement & Publicity	2,504.34	161.09
Bank Charges	6,330.75	8,173.99
Contract Staff Salaries	120,772.65	104,053.77
Materials & Consumables	300.72	85.89
Printing & Stationery	3,141.12	5,815.58
Postages & Telephone Charges	532.09	-
Fuel & Lubricants	14,588.36	16,246.54
Maintenance of Vehicles	23,292.73	15,062.31
Administrative & Professional Subscription	231.31	225.08
Subsistence & Hospitality	46,782.49	23,194.81
Administrative & Professional Development	-	143,075.15
Telephone Installation & Communication	3,252.91	-
Freight & Handling Charges	2,621.45	979.9
Vehicle Insurance	8,228.63	18,705.96
Licencing/Registration & Roadworthy	756.73	179.93
Travelling & Transport Expenses	166.17	4,713.08
Participation in ACE Impact Workshops	61,494.57	57,401.63
DLI 7 Expenses	23,959.45	50,062.21
Office Equipment	40,486.41	31,278.07
Workshop and Seminars	81,091.62	144,348.04
ISAB & Sectoral Board Meeting Expenses	11,520.73	9,079.18

Monitoring and Evaluation Expenses	5,563.43	1,809.25
Other Equipment	17,626.87	-
Drugs & Medicals	-	34.73
Data Management System	72,297.04	-
Audit Incidentals	4,791.50	-
Exchange Difference	69,519.59	-78,587.00
	621,853.63	556,099.18
Total Expenditure for ACE IMPACT Project	2,007,850.37	1,685,911.59
e. Other Project Expenses	2023	2022
	US\$	US\$
Women Shell Fishers Project Expenses Phase	205,711.46	86,903.27
AU-IBAR Project	30,311.78	81,757.58
MALNET	47,279.27	33,451.91
Danida HOTSPOT 2 Project	89,300.08	65,245.07
AVU Lagoon project	108,626.27	-
Other Expenses	341,551.58	142,100.85
	822,780.44	409,458.69
f. Other Expenses		
Student Grant	-	380
WACA VAR	2,476.85	4,080.67
Marine Litter Pollution Project	-	14,183.43
V2V Project	2,523.00	5,084.14
Biodiversity and Livelihood Project	2,857.46	28,774.73
AU-IBAR FISHGOV2 Database Development Project	32,942.87	28,315.09
Avu Lagoon Consultancy		8,144.63
UNESCO	-	9,767.60
Coast Under Control Project	9,626.45	27,041.68
WACA Mangrove Project	-69.88	-
COMADRIP	2,101.57	16,328.88
ALDFG	17,734.33	-
ProfishAdapt	53,972.01	-
Power to the Fishers	13,193.41	-
Coast Resilience Project	12,146.93	-

GFRA	383.05	-
Wachiau Consultancy	5,833.71	-
Blue Economy Conference	185,829.81	-
Total	341,551.58	142,100.85
3. Bank Balances	2023	2022
	US\$	US\$
Zenith Bank Cedi A/c	13,659.81	581.4
Zenith Foreign Dollar A/c	1,328.15	268,223.47
Zenith Bank Forex Dollar A/c	226,538.05	53,591.50
	241,526.01	322,396.37
4. Trade & Other Receivables		
	2023	2022
	US\$	US\$
Fuel Coupon Stock	6,557.24	1,563.28
Sundry Debtors	11,536.96	167,485.41
Vehicle Insurance Prepayment	7,185.59	-
Special Advance-ACECoR	4,238.80	-
Special Advance-Wachiua Consultancy	120.03	-
Special Advance-Avu Lagoon	4,312.04	-
	33,950.66	169,048.70
5. Trade and Other Payables		
	2023	2022
	US\$	US\$
Accrued Expenses	152,763.87	34,618.59
U.C.C Current A/C - ACECOR	(22.04)	312.48
Ghana Revenue Authority	-	24.5
Contract Retention	50,790.67	36,538.10
	203,532.51	71,493.67

6. Accumulated Fund						
	2023			2022		
Project	Bal as at 1 Jan 2023	Surplus/ Deficit	Bal as at 31 Dec 2023	Bal as at 1 Jan 2022	Surplus/ Deficit	Bal as at 31 Dec 2022
	US\$	US\$	US\$	US\$	US\$	US\$
ACE IMPACT Project	110,031.21	(466,304.86)	(356,273.65)	408,255.03	(298,223.82)	110,031.21
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AU-IBAR Project	(8,807.58)	8,648.22	(159.37)	-	(8,807.58)	(8,807.58)
Malnet Project	66,010.09	(47,279.27)	18,730.82	99,462.00	(33,451.91)	66,010.09
Danida HOTSPOT 2 Project	31,058.20	43,936.54	74,994.74	12,779.19	18,279.01	31,058.20
AVU Lagoon project	-	37,529.68	37,529.68	-	-	-
Other Project Income	41,231.77	102,581.92	143,813.69	53,133.16	(11,901.39)	41,231.77
Sub Total	419,951.40	(348,007.23)	71,944.16	589,397.37	(169,445.97)	419,951.40