

**AFRICA CENTRES OF EXCELLENCE PROJECT ON  
REGIONAL TRANSPORT RESEARCH AND EDUCATION  
CENTRE KUMASI (TRECK-KNUST)**

**FINANCIAL STATEMENTS**

**31 DECEMBER 2022**

**AFRICA CENTRES OF EXCELLENCE PROJECT ON  
REGIONAL TRANSPORT RESEARCH AND EDUCATION CENTRE  
KUMASI (TRECK- KNUST)**

**TABLE OF CONTENTS**  
**YEAR ENDED 31 DECEMBER, 2022**

<b>CONTENTS</b>	<b>PAGE</b>
Project Information .....	2
Independent Auditor's Report .....	3 - 5
Statement of Financial Performance. ....	6
Statement of Financial Position. ....	7
Statement of Changes in Accumulated Fund. ....	8
Statement of Cash Flows. ....	9
Notes to the Financial Statements. ....	10 - 21

**AFRICA CENTRES OF EXCELLENCE PROJECT ON  
REGIONAL TRANSPORT RESEARCH AND EDUCATION CENTRE  
KUMASI (TRECK- KNUST)**

PROJECT INFORMATION

<b>Project Financier</b>	International Development Association (IDA)
<b>Participating University/ Implementer</b>	Kwame Nkrumah University of Science and Technology (KNUST)
<b>Address</b>	PMB University Post Office Kumasi - Ashanti
<b>Project Name</b>	Africa Centres of Excellence Project on Regional Transport Research and Education Centre Kumasi (TRECK- KNUST)
<b>Auditors</b>	Donaldy Associates Chartered Accountants P.O. Box KS 6608 Kumasi, Ghana
<b>Bankers</b>	Consolidated Bank Ghana Limited

REPORT OF THE INDEPENDENT AUDITOR'S TO THE MEMBERS OF THE  
AFRICA CENTRES OF EXCELLENCE PROJECT ON REGIONAL TRANSPORT RESEARCH  
AND EDUCATION CENTRE KUMASI (TRECK - KNUST)  
ON THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER, 2022

**Opinion**

In our opinion, the financial statements give a true and fair view of the financial position of the project as at 31 December, 2022 and of its financial performance, changes in accumulated fund and its cash flows for the year ended in accordance with International Public Sector Accounting Standards (IPSAS) and in the manner required by the Project Agreement.

**What we have Audited**

We have audited the financial statements of Africa Centres of Excellence Project on Transport Research and Education Centre Kumasi (TRECK-KNUST) for the year ended 31 December, 2022.

The financial statements comprise:

- Statement of Financial Position as at 31 December, 2022;
- Statement of Financial Performance for the year then ended;
- Statement of Changes in Accumulated Fund for the year then ended;
- Statement of Cash flows for the year then ended; and
- Notes to the Financial Statements, which include a summary of significant accounting policies.

**Basis for Opinion**

We conducted our audit in accordance with the 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 project in accordance with the International Code of Ethics for Professional Accountants (including International Independence Standards) (the code) issued by the International Ethics Standards Board for Accountants (IESBA) and we have fulfilled our other ethical responsibilities in accordance with the Code.

**Other Information**

The Participating University, KNUST is responsible for the other information. The other information comprises report of the Project Implementation Team but does not include the project's 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.

### **Responsibilities of the Participating University**

The Participating University is responsible for the preparation of the financial statements that give a true and fair view in accordance with International Public Sector Accounting Standards (IPSAS) and in the manner required by the Project Agreement and for such internal controls as the Participating University, KNUST determine are necessary to enable the preparation of financial statements that are free from material misstatements, due to fraud or error. In preparing the financial statements, the Participating University, KNUST is responsible for assessing the project's ability to continue as a going concern, disclosing as applicable, matters related to going concern and using the going concern basis of accounting unless the Participating University, KNUST either intends to stop the project or to cease operations, or have no alternative but to do so. The Participating University, KNUST is responsible for overseeing the project's financial reporting process.

### **Auditors Responsibility 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 misstatements, 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 it 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. As part of the audit in accordance with ISAs, we exercise professional judgement and maintain professional skepticism throughout the audit. We also:

- Identify and assess the risks of material misstatements 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 controls.
- Obtain an understanding of internal controls 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 controls.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the Participating University, KNUST.
- Conclude on the appropriateness of the Participating University'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.
- Evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

We communicated with the Project Management regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal controls that we identify during our audit.

***Report on other legal and regulatory requirements***

In carrying out our audit we consider and report on the following matters. We confirm that:

- a) We have obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purpose of our audit;
- b) In our opinion, proper books of account have been kept by the Participating University, KNUST insofar as appears from our examination of those books;
- c) The statements of financial position and performance are in agreement with the books of accounts. .
- d) The transactions were within the project agreement.

The engagement partner on the audit resulting in this independent auditors report is Dr. Robert Donaldy (ICAG/P/1113).

22nd May, 2023



Donaldy Associates (ICAG/F/2023/100)  
Chartered Accountants  
House of Excellence Annex  
Adum, Kumasi - Ghana

**AFRICA CENTRES OF EXCELLENCE PROJECT ON  
REGIONAL TRANSPORT RESEARCH AND EDUCATION CENTRE  
KUMASI (TRECK- KNUST)**

**STATEMENT OF FINANCIAL PERFORMANCE  
YEAR ENDED 31 DECEMBER, 2022**


	(NOTES)	2022 US\$	2021 US\$
<b>Revenue</b>			
Project Income	(5)	803,500	563,774
Other Income	(6)	2,570	-
<b>Total Revenue</b>		<b>806,070</b>	<b>563,774</b>
<b>Expenditure</b>			
Regional Capacity Training	(8a)	(513,205)	(442,839)
Learning and Teaching Environment	(8b)	(513,925)	(15,641)
Academic Partnership	(8c)	(8,551)	(2,916)
Governance and Administration	(8d)	(173,385)	(189,534)
Centre Visibility	(8e)	(668)	(525)
Industrial Partnership	(8f)	(22,756)	(24,625)
<b>Total Expenditure</b>		<b>(1,232,490)</b>	<b>(676,081)</b>
<b>Deficit for the Year Before Other Comprehensive Loss</b>		<b>(426,420)</b>	<b>(112,307)</b>
<b>Other Comprehensive Loss</b>			
Loss on Exchange Variations	(7)	(23,006)	(42,560)
<b>Deficit for the Year</b>		<b>(449,426)</b>	<b>(154,867)</b>


The annexed notes form an integral part of these financial statements.

**AFRICA CENTRES OF EXCELLENCE PROJECT ON  
REGIONAL TRANSPORT RESEARCH AND EDUCATION CENTRE  
KUMASI (TRECK- KNUST)**  
STATEMENT OF FINANCIAL POSITION  
AS AT 31 DECEMBER, 2022

	(NOTES)	2022 US\$	2021 US\$
<b>ASSETS</b>			
<b>Current Assets</b>			
Cash and Cash Equivalents	(9)	1,387,114	1,870,831
Receivables	(10)	216,718	118,767
<b>Total Current Assets</b>		<b>1,603,832</b>	<b>1,989,598</b>
<b>Total Assets</b>		<b>1,603,832</b>	<b>1,989,598</b>
<b>LIABILITIES AND ACCUMULATED FUND</b>			
<b>Current Liabilities</b>			
Payables	(11)	73,660	10,000
<b>Total Current Liabilities</b>		<b>73,660</b>	<b>10,000</b>
<b>Accumulated Fund</b>			
Accumulated Surplus		1,530,172	1,979,598
<b>Total Accumulated Fund</b>		<b>1,530,172</b>	<b>1,979,598</b>
<b>Total Liabilities &amp; Accumulated Fund</b>		<b>1,603,832</b>	<b>1,989,598</b>

The financial statements were approved by the Project Management-KNUST on 22nd May, 2023 and were signed on its behalf by:

  
 .....  
**PROF. HELEN M. K. ESSANDOH**  
 CENTRE LEADER

  
 .....  
**MR. NIMO BAFFOUR**  
 FINANCE OFFICER

The annexed notes form an integral part of these financial statements.



**AFRICA CENTRES OF EXCELLENCE PROJECT ON  
REGIONAL TRANSPORT RESEARCH AND EDUCATION CENTRE  
KUMASI (TRECK- KNUST)**

**STATEMENT OF CHANGES IN ACCUMULATED FUND  
YEAR ENDED 31 DECEMBER, 2022**

	Accumulated Surplus	Accumulated Fund
2022	US\$	US\$
Balance at 1st January 2022	1,979,598	1,979,598
Deficit for the year	(449,426)	(449,426)
<b>Balance at 31 December 2022</b>	<b>1,530,172</b>	<b>1,530,172</b>

	Accumulated Surplus	Accumulated Fund
2021	US\$	US\$
Balance at 1st January 2021	2,134,465	2,134,465
Deficit for the year	(154,867)	(154,867)
<b>Balance at 31 December 2021</b>	<b>1,979,598</b>	<b>1,979,598</b>

The annexed notes form an integral part of these financial statements.

**AFRICA CENTRES OF EXCELLENCE PROJECT ON  
REGIONAL TRANSPORT RESEARCH AND EDUCATION CENTRE  
KUMASI (TRECK- KNUST)  
STATEMENT OF CASH FLOWS  
YEAR ENDED 31 DECEMBER, 2022**

	(NOTES)	2022 US\$	2021 US\$
<b>Cash Flows from Operating Activities</b>			
Deficit for the Year		(449,426)	(154,867)
<b>Operating Deficit before changes in working capital</b>		<b>(449,426)</b>	<b>(154,867)</b>
<b>Changes in Operating Activities</b>			
Change in Receivables		(97,951)	1,254,241
Change in Payables		63,660	(25,147)
<b>Net Cash Flows (used in)/from Operating Activities</b>		<b>(483,716)</b>	<b>1,074,227</b>
Change in Cash and Cash Equivalents		(483,717)	1,074,227
Cash and Cash Equivalents at Beginning of Year		1,870,831	796,604
<b>Cash and Cash Equivalents at End of Year</b>	<b>(9)</b>	<b>1,387,114</b>	<b>1,870,831</b>

The annexed notes form an integral part of these financial statements.

**AFRICA CENTRES OF EXCELLENCE PROJECT ON  
REGIONAL TRANSPORT RESEARCH AND EDUCATION CENTRE  
KUMASI (TRECK- KNUST)  
NOTES TO THE FINANCIAL STATEMENTS  
YEAR ENDED 31 DECEMBER, 2022**

**1. REPORTING ENTITY**

The Regional Transport Research and Education Centre Kumasi (TRECK-KNUST) is a center under Kwame Nkrumah University of Science and Technology (KNUST), a University registered and domiciled in Ghana. The University is located at Bomso, Kumasi - Ghana. The Centre provides research into science, technology and training in related disciplines.

**2. THE PROJECT**

An agreement was signed between Ministry of Finance (MOF) and the International Development Association (IDA) of the World Bank for the implementation of this project through Kwame Nkrumah University of Science and Technology (KNUST) herein referred to as the "Participating University (ACE)". The Project is to support Republic of Ghana to promote regional specialization among African Participating Universities in areas that address regional challenges and strengthen the capacities of these Universities to deliver quality training and applied research. The Participating University (ACE) is an implementing entity under the Financing Agreement. It is an Institution of higher learning, established on October 6, 1951 "To develop world-class human resource and capabilities to meet national development needs and global challenges through quality teaching, learning, research and knowledge dissemination" and was selected to host one of the Africa Centres of Excellence (ACE) known as the "Regional Transport Research and Education Centre Kumasi". The IDA of the World Bank offered The Participating University (ACE) a grant amounting to SDR4,608,000 (US\$6.4 million equivalent, SDR0.71 = US\$1) to support the Project.

**3. BASIS OF PREPARATION**

**3.1 Statement of Compliance**

The financial statements of the project have been prepared in accordance with International Public Sector Accounting Standards (IPSAS) and in compliance with the Project agreement.

**3.2 Basis of Accounting**

The financial statements are prepared on the historical cost convention unless otherwise stated.

**3.3 Functional and Presentational Currency**

The financial statements are presented in US Dollars (US\$), which is the functional and presentational currency. The Ghana Cedi was also partly used as a functional currency for the project.

**3.4 Use of Estimates and Judgements**

The preparation of financial statements in accordance with IPSAS for public entities requires the Centre to make estimates, assumptions and judgements that affect the application of accounting policies and reported amounts of assets and liabilities, income and expense. Actual results may differ from these estimates. The estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognized in the period in which the estimate is revised and in any future periods affected. In particular, information about significant areas of estimation uncertainty and critical judgements in applying accounting policies that have the most significant effect on the amount recognized in the financial statements are described in the notes.

**AFRICA CENTRES OF EXCELLENCE PROJECT ON  
REGIONAL TRANSPORT RESEARCH AND EDUCATION CENTRE  
KUMASI (TRECK- KNUST)  
NOTES TO THE FINANCIAL STATEMENTS  
YEAR ENDED 31 DECEMBER, 2022**

**4. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES**

**4.1 Project Income**

The Project Income (Project Grant) is measured at the fair value of consideration received. It is recognized when the fund is earned from the International Development Association of the World Bank based on Disbursement Link Indicators (DLI's) achieved by the Centre and verified by the World Bank.

**4.2 Foreign Currency Translations**

Foreign currency transactions are translated into the functional currency using the exchange rates prevailing at the date of the transaction. Foreign exchange gains and losses resulting from the settlement of such transactions, and from the translation at year-end exchange rates of monetary assets and liabilities denominated in foreign currencies, are recognized in the statement of financial performance. Non-monetary assets and liabilities are translated at historical cost or exchange rates 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 financial performance. The closing rate used was US\$1.00 to GH¢11.40.

**4.3 Financial Instruments**

**Initial Recognition and Subsequent Measurement**

Financial assets are classified as financial assets at fair value through statement of financial performance, receivables, held-to-maturity financial assets and available-for-sale financial assets, as appropriate. The Participating University determines the classification of its financial assets at initial recognition. When financial assets are recognized initially, they are measured at fair value, plus, in the case of investments at fair value through the statement of financial performance, plus directly attributable transaction costs. Financial assets are derecognized only when the contractual rights to the cash flows from the financial asset expires or the centre transfers substantially all risks and rewards of ownership.

The centre's financial assets consist of cash and bank balances and receivables. They are recognized initially at fair value and subsequently measured at amortized cost less provision for impairment. Cash and Cash Equivalents are also classified as financial assets. They are subsequently measured at amortized cost. Cash and Cash Equivalents include cash on hand, and deposits held at call with banks. The centre assesses each financial position date whether there is objective evidence (such) as significant financial difficulty of the obligor, breach of contract, or it becomes probable that the debtor will enter bankruptcy, the asset is tested for impairment. The amount of loss is measured as the difference between the asset's carrying amount and the present value of the estimated future cash flows (excluding future expected credit losses that have not been incurred) discounted at the financial asset's original effective interest rate (that is, the effective interest rate computed at initial recognition).

The carrying amount of the asset is reduced through use of an allowance account. The amount of the loss is recognized in the statement of financial performance. In relation to receivables, a provision for impairment is made when there is objective evidence (such as the probability of

**AFRICA CENTRES OF EXCELLENCE PROJECT ON  
REGIONAL TRANSPORT RESEARCH AND EDUCATION CENTRE  
KUMASI (TRECK- KNUST)  
NOTES TO THE FINANCIAL STATEMENTS  
YEAR ENDED 31 DECEMBER, 2022**

insolvency or significant financial difficulties of the debtor) that the centre will not be able to collect all the amounts due under the original terms of the invoice. Impaired debts are derecognized when they are assessed as collectible.

If in subsequent period, the amount of the impairment loss decreases and the decrease can be related objectively to an event occurring after the impairment was recognized, the previously recognized impairment loss is reversed, to the extent that the carrying value of the asset does not exceed its amortized cost at the reversal date. Any subsequent reversal of an impairment loss is recognized in the statement of financial performance.

**Financial liabilities**

Liabilities within the scope of IPSAS are classified as financial liabilities at fair value through statement of financial performance or other liabilities, as appropriate. A financial liability is derecognized when the obligation under the liability is discharged or cancelled or expires. All debts are classified as other liabilities. Initial recognition is at fair value less directly attributable transaction costs. After initial recognition, interest bearing loans and borrowings are subsequently measured at amortized cost using the effective interest method. Financial liabilities include payables and are recognized initially at fair value and subsequently amortized cost.

**4.4 Receivables**

Receivables are stated at amortised costs, less impairment losses. Specific allowances for doubtful debts are made for receivables of which recovery is doubtful.

**4.5 Cash and Cash Equivalents**

Cash and cash equivalents comprise cash on hand and bank balances and are carried at amortised cost. Bank overdrafts that are repayable on demand, and which form an integral part of the Participating University, KNUST cash management are included as a component of cash and cash equivalents for the purpose of the statement of cashflows.

**4.6 Employee Benefits**

The Participating University, KNUST contributes to a defined statutory contribution scheme, Social Security and National Insurance Trust on behalf of its staff.

**Social Security and National Insurance Trust (SSNIT)**

Under a National Deferred Benefit Pension Scheme, the Participating University, KNUST contributes 13% of employees' basic salary in addition to 5.5% deduction from employees basic salary to SSNIT for employee pension. The University's obligation is limited to the relevant contributions, which were settled on due dates. The pension liabilities and obligations, however, rest with SSNIT and United Smart Pension Fund Scheme.

**AFRICA CENTRES OF EXCELLENCE PROJECT ON  
REGIONAL TRANSPORT RESEARCH AND EDUCATION CENTRE  
KUMASI (TRECK- KNUST)  
NOTES TO THE FINANCIAL STATEMENTS  
YEAR ENDED 31 DECEMBER, 2022**

**4.7 Events after the year end**

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

**4.8 Property, Plant & Equipment**

All non-current assets acquired during the period are treated as revenue expenditures and are treated in the statement of financial performance in line with the project agreement.

**4.9 Going Concern**

The Participating University, KNUST assesses annually whether the project is a going concern and if it would continue in operation for the project period. In assessing going concern, the Participating University, KNUST considers if there is any intention to liquidate or curtail materially the scale of operations or if it is aware of any material uncertainties that may cast significant doubt on the project's ability to continue as a going concern. Also, the Participating University, KNUST takes into consideration if the Centre would have access to resources to continue the project up to its completion. There is the assurance that the project will be continued in the subsequent year.

	(NOTES)	2022 US\$	2021 US\$
<b>5. PROJECT INCOME</b>			
Funding from World Bank - IDA	(12a)	803,500	563,774
		803,500	563,774
<b>6. OTHER INCOME</b>			
Bus Hiring		2,570	-
		2,570	-
<b>7. EXCHANGE GAIN/(LOSS)</b>			
(Loss) / Gain - Project Income	(12a)	(23,006)	5,126
Gain - Expenditure		-	120,578
Loss - Accumulated Fund		-	(168,264)
		(23,006)	(42,560)

**AFRICA CENTRES OF EXCELLENCE PROJECT ON  
REGIONAL TRANSPORT RESEARCH AND EDUCATION CENTRE  
KUMASI (TRECK- KNUST)**

**NOTES TO THE FINANCIAL STATEMENTS  
YEAR ENDED 31 DECEMBER, 2022**

	(NOTES)	2022 US\$	2021 US\$
<b>8. EXPENDITURE</b>			
<b>(a) REGIONAL CAPACITY TRAINING</b>			
Conference & Seminars		52,696	72,939
Hotel Accommodation		12,967	713
Student Stipend		102,282	73,161
Student Fees		228,988	194,366
Membership Subscription		9,971	1,842
Other Teaching & Learning Materials		7,700	14,909
Programme Development		6,956	-
Students Drugs Expenses		1,064	641
Admission /Student Recruitment Expenses		-	1,830
Consultancy and Related Expenditure		6,840	4,268
Other reserch & Publication Expenditure		33,795	57,502
Accreditation Expenses		-	1,920
Direct Post Graduate Training Cost		49,251	16,280
Internet and Other ICT charges		695	2,469
		513,205	442,839
<b>(b) LEARNING AND TEACHING ENVIRONMENT</b>			
Materials & Consumables		2,764	929
Cleaning & Sanitation		510	1,428
Maintenance of Building - RTEP Building		3,172	9,949
Electrical Works & Repairs - RTEP Building		287	1,935
Clearing Charges		-	1,401
Maintenance of Equipment		4,886	-
Purchase of Computers		5,080	-
Vehicles Purchase & Insurance		159,779	-
Laboratory Expenses		3,959	-
Centre Building		333,489	-
		513,925	15,641
<b>(c) ACADEMIC PARTNERSHIP</b>			
Workshops Seminars & Training on Research		5,973	724
Other Affiliated Bodies		2,577	2,192
		8,551	2,916

**AFRICA CENTRES OF EXCELLENCE PROJECT ON  
REGIONAL TRANSPORT RESEARCH AND EDUCATION CENTRE  
KUMASI (TRECK- KNUST)**

**NOTES TO THE FINANCIAL STATEMENTS  
YEAR ENDED 31 DECEMBER, 2022**

	(NOTES)	2022 US\$	2021 US\$
<b>(d) GOVERNANCE AND ADMINISTRATION</b>			
Salaries		35,410	40,271
Staff Training & Refresher Courses-Local		2,363	4,423
Foreign Travel & Subsistence		89,335	32,372
Monitoring Expenses		-	488
Sectorial Advisory Board Meetings		3,553	12,958
Payment to KNUST DLI-7.2		-	50,000
Centre Management Meeting		3,387	8,631
Printing & Stationery		524	1,658
Fuel & Lubricants for Vehicles		5,689	1,981
Telephone Expenses		3,749	6,112
Local Travel and Subsistence		10,629	8,305
Office Expenses		679	1,469
Audit Fees and Statutory Charges		10,000	10,000
Courier & Postal Charges		35	46
Vehicles Repairs and Maintenance		4,726	7,870
Official Ceremony		-	131
Bank Charges		3,308	2,819
		<b>173,385</b>	<b>189,534</b>
<b>(e) CENTRE VISIBILITY</b>			
ID Card Materials & Printing		668	525
		<b>668</b>	<b>525</b>
<b>(f) INDUSTRIAL PARTNERSHIP</b>			
Students Internship Allowances		22,756	24,625
		<b>22,756</b>	<b>24,625</b>
<b>9. CASH AND CASH EQUIVALENTS</b>			
Bank Balance - US Dollar		1,263,817	1,862,761
Bank Balance - Ghana Cedi		120,727	8,070
Bank Balance - IGF (Ghana Cedi)		2,570	-
		<b>1,387,114</b>	<b>1,870,831</b>
<b>10. RECEIVABLES</b>			
Project Debtors - IDA		216,718	118,767
		<b>216,718</b>	<b>118,767</b>

This represents project income receivable from World Bank (IDA) as at the year end for achieving DLI 6.1, 6.2, 6.3, and 7.4.



**AFRICA CENTRES OF EXCELLENCE PROJECT ON  
REGIONAL TRANSPORT RESEARCH AND EDUCATION CENTRE  
KUMASI (TRECK- KNUST)  
NOTES TO THE FINANCIAL STATEMENTS  
YEAR ENDED 31 DECEMBER, 2022**

		2022 US\$	2021 US\$
<b>11. PAYABLES</b>			
Transport and Logistics in Sustainable Cities Network Project		57,699	-
College of Engineering		5,962	-
Audit Fees & Statutory Charges		10,000	10,000
		<u>73,660</u>	<u>10,000</u>
<b>12. (a) FUNDING FROM WORLD BANK (IDA) - 2022</b>		<b>2022</b>	<b>2022</b>
	Results	SDR	US\$
<b>DLI 2: Development Impact of ACE</b>	Verified	Equivalent	
2.1 Progress to impact	4	86,280	121,521
<b>DLI 3 - Quantity of students</b>			
<b>3.1 New PhD Students</b>			
National and men	3	21,570	30,380
National and women	1	8,990	12,662
Regional and men	5	44,950	63,310
Regional and women	3	33,645	47,387
<b>3.2 New Master Students</b>			
National and men	24	34,560	48,676
National and women	1	1,800	2,535
Regional and men	14	40,250	56,690
Regional and women	2	7,190	10,127
<b>3.3 Professional Short Courses</b>			
National and men	1	290	408
Regional and men	97	55,775	78,556
Regional and women	30	21,600	30,423
<b>4.2: Research Publications</b>			
Regional Co-authored	1	10,785	15,190
National/Student/Faculty Co-authored	13	93,470	131,648
<b>5.2: Internships</b>			
National	24	17,280	24,338
Regional	8	8,640	12,169
<b>DLI 6 - Timeliness and quality of fiduciary management</b>			
6.1: Timely Fiduciary Reporting	1	15,820	22,282
6.2: Functioning Internal Audit Unit & Committee	1	15,820	22,282
6.3 Financial Online Transparency	1	15,820	22,282
<b>DLI 7: Institutional Impact</b>			
7.4: PASET Regional Benchmarking Participation - Year 1	1	35,950	50,634
		<u>570,485</u>	<u>803,500</u>
SDR Exchange Loss		-	(23,006)
		<u>570,485</u>	<u>780,494</u>

The Centre earned US\$803,500 been equivalent of SDR 570,485 during the year. However, the Centre received US\$780,494 with an exchange loss difference of US\$23,006.

**AFRICA CENTRES OF EXCELLENCE PROJECT ON  
REGIONAL TRANSPORT RESEARCH AND EDUCATION CENTRE  
KUMASI (TRECK- KNUST)**

**NOTES TO THE FINANCIAL STATEMENTS  
YEAR ENDED 31 DECEMBER, 2022**

12. (b) FUNDING FROM WORLD BANK-IDA - 2021	Results Verified	2021 SDR Equivalent	2021 US\$
<b>DLI 3 - Quantity of students with focus on gender and regionalization</b>			
<b>3.1 New PhD Students</b>			
National and men	12	86,280	121,521
National and women	2	17,980	25,324
Regional and men	1	11,215	15,796
<b>3.2 New Master Students</b>			
National and men	13	18,720	26,366
National and women	2	3,600	5,070
Regional and men	3	8,625	12,148
Regional and women	2	7,190	10,127
<b>4.2: Research Publications</b>			
Regional Co-authored	3	32,355	45,570
National/Student/Faculty Co-authored	13	93,470	131,648
<b>5.2: Internships</b>			
National	39	28,080	39,549
Regional	5	5,400	7,606
<b>DLI 6 - Timeliness and quality of fiduciary management</b>			
6.1: Timely Fiduciary Reporting	0.5	7,910	11,141
6.2: Functioning Internal Audit Unit & Committee	1	15,820	22,282
6.3 Financial Online Transparency	1	27,685	38,993
<b>DLI 7: Institutional Impact</b>			
7.2: Open & Merit-based Selection of Inst. Leaders: Dean	1	35,950	50,634
		<b>400,280</b>	<b>563,774</b>
SDR Exchange Gain		-	5,126
		<b>400,280</b>	<b>568,900</b>

The Centre earned US\$563,774 been equivalent of SDR400,280 during the year. However, the Centre received US\$568,900 with an exchange gain difference of US\$5,126.

12. (c) TOTAL IDA FUNDS EARNED TO DATE	2022 US\$	2021 US\$
2022	803,500	-
2021	563,774	563,774
2020	1,445,819	1,445,819
2019	1,124,289	1,124,289
	<b>3,937,382</b>	<b>3,133,882</b>

**13. RISK MANAGEMENT FRAMEWORK**

The management team of the Centre has overall responsibility for the establishment and oversight of the Centre's risk management framework. The management team is responsible developing and monitoring the Centre's risk management policies. The Centre's risk management policies are established to identify and analyse the risk faced by the Centre, to

**AFRICA CENTRES OF EXCELLENCE PROJECT ON  
REGIONAL TRANSPORT RESEARCH AND EDUCATION CENTRE  
KUMASI (TRECK- KNUST)**

**NOTES TO THE FINANCIAL STATEMENTS  
YEAR ENDED 31 DECEMBER, 2022**

set appropriate risk limits and controls, and to monitor risk and adherence to limits. Risk management policies and systems are reviewed regularly to reflect changes in market conditions, products and services offered. The Centre, through its training and management standards and procedures, has developed a disciplined and constructive control environment in which all project staff understand their roles and obligations. The Centre has identified the following as areas of risk exposure from its use of financial instruments:

**a) Project Funding Risk**

Project Funding Risk is the risk of financial loss to the Centre if a counter party to the contract fails to meet its contractual obligations and arises principally from the Centre's receivables from its funders. The Centre has clear policies and procedures to control and monitor all such risks.

**b) Liquidity Risk**

Liquidity Risk is the risk that the Centre either does not have sufficient financial resources available to meet all its obligation and commitments as they fall due, or can access them only at excessive cost. The Centre's approach to managing liquidity is to ensure that it will maintain adequate liquidity to meet its liabilities when due. The following are contractual maturities of financial liabilities.

2022	Total	12 Months
Financial Liabilities	Amount	or Less
	US\$	US\$
Payables	73,660	73,660
	73,660	73,660
<b>Financial Assets</b>		
Cash and Cash Equivalents	1,387,114	1,387,114
Receivables	216,718	216,718
	1,603,832	1,603,832
2021	Total	12 Months
Financial Liabilities	Amount	or Less
	US\$	US\$
Payables	10,000	10,000
	10,000	10,000
Financial Assets		
Cash and Cash Equivalents	1,870,831	1,870,831
Receivables	118,767	118,767
	1,989,598	1,989,598

**AFRICA CENTRES OF EXCELLENCE PROJECT ON  
REGIONAL TRANSPORT RESEARCH AND EDUCATION CENTRE  
KUMASI (TRECK- KNUST)**

**NOTES TO THE FINANCIAL STATEMENTS  
YEAR ENDED 31 DECEMBER, 2022**

**c) Market Risk**

Market risk is the risk that changes in market prices such as foreign exchange rates and interest rates will affect the Centre's income. The Centre has clear policies and procedures to manage and control market risk exposures within acceptable parameters while optimising returns.

**14. (a) REVENUE PERFORMANCE ON DISBURSEMENT LINK INDICATORS (DLIs) - 2022**

INDICATORS	TARGET US\$	ACTUAL US\$	REMARKS
DLI 1 Institutional Readiness	-	-	Achieved in 2019
DLI 2 - Progress towards Development Impact	120,000	121,521	Achieved in 2022
DLI 3 Number of Students with Focus on Gender and Regionalization	229,500	381,155	In Progress
DLI 4 Quality of Education and Research through International Accreditation	420,000	146,838	In Progress
DLI 5 Relevance of Education and Research through External Generated Funds	440,000	36,507	Partly Achieved - No Entrepreneurship Programme
DLI 6 Timeliness and Quality of Fiduciary Management	88,000	66,845	In Progress - Various Audits in Progress
DLI 7 Institutional Impact	300,000	50,634	In Progress
	<b>1,597,500</b>	<b>803,500</b>	

The Centre executed DLI 2, DLI 3, DLI 4, DLI 5, DLI 6 and DLI 7 and earned US\$803,500.

**AFRICA CENTRES OF EXCELLENCE PROJECT ON  
REGIONAL TRANSPORT RESEARCH AND EDUCATION CENTRE  
KUMASI (TRECK- KNUST)**

**NOTES TO THE FINANCIAL STATEMENTS  
YEAR ENDED 31 DECEMBER, 2022**

(a) REVENUE PERFORMANCE ON DISBURSEMENT LINK INDICATORS (DLIs) - 2021

INDICATORS	TARGET US\$	ACTUAL US\$	REMARKS
DLI 1 Institutional Readiness	-	-	Achieved in 2019
DLI 2 - Progress towards Development Impact	120,000	-	Not Achieved - Committee now constituted
DLI 3 Number of Students with Focus on Gender and Regionalization	206,500	216,352	In Progress
DLI 4 Quality of Education and Research through International Accreditation	120,000	177,218	In Progress
DLI 5 Relevance of Education and Research through External Generated Funds	430,000	47,155	Partly Achieved - No Entrepreneurship Programme
DLI 6 Timeliness and Quality of Fiduciary Management	88,000	72,415	In Progress - Various Audits in Progress
DLI 7 Institutional Impact	225,000	50,634	In Progress
	<u>1,189,500</u>	<u>563,774</u>	

The Centre executed DLI 4 and DLI 5 out of the DLIs and earned US\$563,774.

**15. (a) EXPENDITURE BUDGET REVIEW FOR YEAR 2022**

EXPENDITURE	BUDGET US\$	ACTUAL US\$	VARIANCE US\$
Regional Capacity Training	682,720	513,205	169,515
Learning and Teaching Environment	835,100	513,925	321,175
Academic Partnership	9,500	8,551	949
Governance & Administration	180,400	173,385	7,015
Centre Visibility	11,000	668	10,332
Industrial Partnership	90,000	22,756	67,244
	<u>1,808,720</u>	<u>1,232,490</u>	<u>576,230</u>

All actual expenditures of the Centre were within the budget for the year.

**AFRICA CENTRES OF EXCELLENCE PROJECT ON  
REGIONAL TRANSPORT RESEARCH AND EDUCATION CENTRE  
KUMASI (TRECK- KNUST)**

**NOTES TO THE FINANCIAL STATEMENTS**

YEAR ENDED 31 DECEMBER, 2022

**15. (b) EXPENDITURE BUDGET REVIEW FOR YEAR 2021**

EXPENDITURE	BUDGET US\$	ACTUAL US\$	VARIANCE US\$
Regional Capacity Training	609,000	442,839	166,161
Learning and Teaching Environment	917,000	15,641	901,359
Academic Partnership	65,000	2,916	62,084
Governance & Administration	202,000	189,534	12,466
Centre Visibility	3,000	525	2,475
Industrial Partnership	140,000	24,625	115,375
	<u>1,936,000</u>	<u>676,081</u>	<u>1,259,919</u>

All actual expenditures of the Centre were within the budget for the year.

**16. CAPITAL COMMITMENTS**

There were no capital commitments at the end of the year.

**17. CONTINGENT LIABILITIES**

There were no contingent liabilities at the end of the year.