
**AFRICAN HEALTH ECONOMICS AND POLICY
ASSOCIATION (AfHEA)**



ANNUAL FINANCIAL REPORT

YEAR ENDED 30TH JUNE, 2021



Chartered Accountants

**AFRICAN HEALTH ECONOMICS AND POLICY ASSOCIATION (AfHEA)
CORPORATE INFORMATION**

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AFRICAN HEALTH ECONOMICS AND POLICY ASSOCIATION (AfHEA)

CORPORATE INFORMATION

Executive Members

Dr Chris Atim
Ms. Grace Njeri Muriithi
Ms. Aida Zerbo
Mr. Pascal Ndiaye
Prof. John Ataguba
Dr. Naomi Setshegetso
Mr. Pascal Birindabagabo

Principal Place of Business

Pelican Building
No. 8 Blohum Street
Dzorwulu

Auditors:

BNA Chartered Accountants
C720/3 Korle Obuade Crescent, 1st Crescent Link
Off Okukuseku Street, Asylum Down
P.O. Box AN 10673,
Accra – North
Web: www.bnagh.com
E-mail: info@bnagh.com

Solicitor

Mr Etornam Adoboe
Keystone Solicitors,
Pelican Building,
Dzorwulu, Accra

Bankers:

Ecobank Ghana Limited

**REPORT OF THE EXECUTIVE COMMITTEE
TO THE MEMBERS OF
AFRICAN HEALTH ECONOMICS AND POLICY ASSOCIATION (AfHEA)**

The Executive Committee of African Health Economics and Policy Association (AfHEA) have the pleasure of submitting their Annual Report together with the Audited Financial Statements for the year ended 30th June, 2021 in accordance with the Companies Act, 2019 (Act 992).

STATEMENT OF EXECUTIVE COMMITTEE RESPONSIBILITIES FOR THE FINANCIAL REPORT

Company law requires the executive committee to prepare a financial report for each financial year which gives a true and fair view of the state of affairs of the Association. The executive committee took into consideration the following requirements in preparing these financial statements:

- Selection of suitable accounting policies and their consistent application throughout the report
- Preparation of the financial statements on the basis of a going concern unless it is inappropriate to presume that the Association will continue in business.

The executive committee is responsible for keeping proper accounting records that disclose with reasonable accuracy and at any time, the financial position of the Association and that ensure all financial statements comply with the Companies Act, 2019 (Act 992). They are also responsible for safeguarding the assets of the Association and hence taking reasonable steps for the prevention and detection of fraud and other irregularities.

PRINCIPAL ACTIVITIES OR NATURE OF OPERATIONS

African Health Economics and Policy Association (AfHEA) is a Non-Profit Making Organization under the Ghanaian Companies Act, 2019 (Act 992). Its overall mission is to contribute to the promotion and strengthening of the use of health economics and health policy analysis in achieving equitable and efficient African health systems and improved health outcomes for Africans, especially the most vulnerable populations.

There was no change in the nature of operations of African Health Economics and Policy Association (AfHEA) during the year under review.

STATEMENT OF EXECUTIVE COMMITTEE RESPONSIBILITIES FOR THE FINANCIAL REPORT

The Association's Executives are responsible for the preparation and fair presentation of this Financial Report in a manner required by the Companies Act, 2019 (Act 992) and for such internal control as the Executives determine is necessary to enable the preparation of Financial Reports that are free from material misstatement, whether due to fraud or error.

**REPORT OF THE EXECUTIVE COMMITTEE
TO THE MEMBERS OF
AFRICAN HEALTH ECONOMICS AND POLICY ASSOCIATION (AfHEA)**

INTEREST IN OTHER ENTITIES

The Association did not have any interest or equity interest in any other Company during the year under review.

FINANCIAL STATEMENTS HIGHLIGHTS

The Association's financial results for the year are set out in the attached Financial Report, highlights of which are as follows:

- Income for the current year exceeded the current year's expenditure by GH¢ 1,711,442 (surplus). This was financed by grants received in the year under review as compared to a deficit of GH¢573,252 resulting from expenditure exceeding income in the previous year (June 2020); which was financed by balance brought forward in the year 2019.

FUTURE PROSPECTS

The Directors have assessed the situation and the financial position of the Association and reasonably believe that the Association will be able to settle its expenditures as and when they are incurred. This is based on measures the Directors have taken to improve the financial performance of the Association through the support of their donors. Accordingly, the Financial Statements are prepared on the basis of the accounting policies applicable to a going concern.

The Directors believe that the prospects of the Association beyond 30th June, 2021 remain positive.

GOING CONCERN CONSIDERATIONS

The Executives have made an assessment of the ability of the Association to continue as a going concern and have no reason to believe the Association will not be a going concern in the year ahead.

EXECUTIVE COMMITTEE & INTEREST REGISTER

The following were the Executive Committee members during the year under review.

- Dr. Chris Atim
- Ms. Grace Njeri Muriithi
- Ms. Aida Zerbo
- Mr. Pascal Ndiaye
- Prof. John Ataguba
- Dr. Naomi Setshegetso
- Mr. Pascal Birindabagabo

The Association maintained Interest Register for its Directors as required by the Companies Act 2019 (Act 992).

**REPORT OF THE EXECUTIVE COMMITTEE
TO THE MEMBERS OF
AFRICAN HEALTH ECONOMICS AND POLICY ASSOCIATION (AfHEA)**

CAPACITY BUILDING OF EXECUTIVE COMMITTEE

As a measure to advance the technical capacity and knowhow of the executive committee, periodic training, seminars and conferences organized by the Association or by external persons were undertaken to equip the executive committee with the requisite skills and knowledge to discharge the duties imposed on them by law.

REMUNERATION OF AUDITORS

The auditor's remuneration for the year ended 30th June, 2021 is disclosed in Note 5 of the Audited Financial Report.

STATEMENT OF DISCLOSURE TO AUDITORS

So far as the Executive Committee is aware, there is no relevant information of which the Association's Auditors are unaware. Additionally, the Executive Committee has taken all necessary steps that ought to have been taken in order to ensure awareness of all relevant audit information and to establish that the Association's auditors are aware of that information.

OTHER MATTERS

The Executive Committee confirms that no matters have arisen since 30th June, 2021 which materially affects the Financial Report of the Association for the year ended on that date.

APPROVAL OF THE FINANCIAL REPORT

The Financial Report of African Health Economics and Policy Association (AfHEA) for the year 30th June, 2021 was approved by the Executive Committee and signed on its behalf by:


.....
DR. CHRIS ATIM
(EXECUTIVE DIRECTOR)

Date: 24 Nov 2021
.....

Accra


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HONEYCHILD ACQUAYE
(ACCOUNTING & ADMINISTRATIVE OFFICER)

Date: 24th November, 2021.
.....

Accra

**INDEPENDENT AUDITORS' REPORT
TO THE MEMBERS OF
AFRICAN HEALTH ECONOMICS AND POLICY ASSOCIATION (AfHEA)**

Report on the Audited Financial Report

We have audited the Financial Report of African Health Economics and Policy Association (AfHEA) for the year ended 30th June, 2021. The audited financial report comprises:

- Income and Expenditure Account for the year then ended;
- Reconciliation of Receipt and Payment Summary and Income and Expenditure Account
- Receipt and Payment Summary for the year then ended;
- Notes to the Financial Report, including a summary of significant accounting policies.

Opinion

In our opinion, the accompanying Financial Report presents fairly, in all material respects the Statement of Income and Expenditure of the Association as at 30th June, 2021, and its Statement of Receipt for the year then ended.

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 Report* section of our report. We are independent of the Association in accordance with the International Ethics Standards Board for Accountants' *Code of Ethics for Professional Accountants (IESBA Code)* together with the ethical requirements that are relevant to our audit of the Financial Report, and we have fulfilled our other ethical responsibilities in accordance with these requirements and the IESBA Code. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Key Audit Matters

Key audit matters are those matters that, in our professional judgment, were of most significance in our audit of the Financial Report of the current year. These matters were addressed in the context of our audit of the Financial Report as a whole, and in forming our opinion thereon, and we do not provide separate evidence to support such transactions. There are no key audit matters to report on.

Responsibilities of the Executives

The Executives of the Association are responsible for the preparation and fair presentation of the Financial Report in a manner required by the Companies Act, 2019 (Act 992) and for such internal control as the Executives determine is necessary to enable the preparation of Financial Reports that are free from material misstatement, whether due to fraud or error.

In preparing the Financial Report, the Executives are responsible for assessing the Association'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 management either intends to liquidate the Association or to cease operations, or has no realistic alternative but to do so.

The Executives are responsible for overseeing the Association's financial reporting process.

**INDEPENDENT AUDITORS' REPORT
TO THE MEMBERS OF
AFRICAN HEALTH ECONOMICS AND POLICY ASSOCIATION (AfHEA)**

Auditors' Responsibilities for the Audit of the Financial Report

Our objectives are to obtain reasonable assurance about whether the Financial Report as a whole is 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 this Financial Report.

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

- Identify and assess the risks of material misstatement of the Financial Report, 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 Association's internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the Executives.
- Conclude on the appropriateness of Executives' 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 Association's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our Auditors' Report to the related disclosures in the Financial Report 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 Auditors' Report. However, future events or conditions may cause the Association to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the Financial Report, including the disclosures, and whether the Financial Report represent the underlying transactions and events in a manner that achieves fair presentation.

We communicate with the Executives and other persons 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.

We also provide the Executives and other persons charged with governance with a statement that we have complied with relevant ethical requirements regarding independence, and to communicate with them all relationships and other matters that may reasonably be thought to bear on our independence, and where applicable, related safeguards.

**INDEPENDENT AUDITORS' REPORT
TO THE MEMBERS OF
AFRICAN HEALTH ECONOMICS AND POLICY ASSOCIATION (AHEA)**

From the matters communicated with the Executives and other persons charged with governance, we determined those matters that were of most significance in the audit of the Financial Report of the current year and are therefore the key audit matters. We describe these matters in our Auditors' Report unless law or regulation precludes public disclosure about the matter or when, in extremely rare circumstances, we determine that a matter should not be communicated in our report because the adverse consequences of doing so would reasonably be expected to outweigh the public interest benefits of such communication.


Report on Other Legal and Regulatory Requirements

The Companies Act, 2019 (Act 1992, Section 137 and the seventh schedule) requires that in carrying out our audit, we consider and report on the matters stated in the said section and schedule. We confirm compliance in that:

- We have obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purposes of our audit
- In our opinion, proper books of account have been kept by the Association, so far as appears from our examination of those books; and
- The Association's Income and Expenditure Account and Receipts and Payment Summary of the Association are in agreement with the books of account.

We were independent of the Association we audited pursuant to section 143 of the Companies Act, 2019 (Act 992).

The engagement partner on the audit resulting in this Independent Auditors' Report is EBENEZER BATSA-NAKOTY - ICAG/P/1361


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EBENEZER BATSA-NAKOTY - ICAG/P/1361
FOR AND ON BEHALF OF
BNA CHARTERED ACCOUNTANTS - ICAG/F/2021/027
P.O.BOX AN 10673
ACCRA-NORTH

DATE: 
.....

**AFRICAN HEALTH ECONOMICS AND POLICY ASSOCIATION (AfHEA)
INCOME AND EXPENDITURE ACCOUNT
FOR THE YEAR ENDED 30TH JUNE, 2021**

	NOTES	2021		2020	
	4	USD	GH¢	USD	GH¢
INCOME :					
SOURCE OF FUNDS					
GRANT RECEIVED:					
Bill and Melinda Gates Foundation (BMGF)		299,980	1,712,886	-	-
International Development Research Centre (IDRC)		154,488	875,949	59,796	333,492
African Economic Research Consortium (AERC)		-	-	2,990	17,081
World Health Organization (WHO)		54,300	307,395	-	-
United Nations Population Fund (UNFPA)		9,998	56,990	-	-
MEMBERSHIP & PARTICIPATION FEE		701	4,012	879	5,004
OTHER RECEIPTS & REFUNDS		4,523	89,586	-	109,933
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TOTAL INCOME		523,990	3,046,818	63,665	465,510
		-----	-----	-----	-----
EXPENDITURE :					
AfHEA Activities		9,166	53,394	9,108	50,793
Africa Economic Research Consortium (AERC)		-	-	3,089	17,227
PHCF Project		161,582	941,215	150,142	837,355
ASRH Project		56,454	328,842	22,222	123,937
Exchange Loss		-	-	5,185	-
Audit Fees		2,047	11,925	1,632	9,450
		-----	-----	-----	-----
TOTAL EXPENDITURE		229,249	1,335,376	191,378	1,038,762
		-----	-----	-----	-----
SURPLUS/(DEFICIT)		294,741	1,711,442	(127,713)	(573,252)
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**AFRICAN HEALTH ECONOMICS AND POLICY ASSOCIATION (AfHEA)
RECEIPTS AND PAYMENTS SUMMARY
FOR THE YEAR ENDED 30TH JUNE, 2021**

	NOTES	2021	2020	
SOURCE OF FUNDS		USD	USD	GH¢
Opening Balance		288,661	414,742	2,234,838
GRANT RECEIVED:				
Bill and Melinda Gates Foundation (BMGF)		299,980	-	-
International Development Research Centre (IDRC)	4	154,488	59,796	333,492
African Economic Research Consortium (AERC)	4	-	2,990	17,081
World Health Organization (WHO)		54,300	-	-
United Nations Population Fund (UNFPA)		9,998	-	-
MEMBERSHIP & PARTICIPATION FEE		701	879	5,004
OTHER RECEIPTS & REFUNDS	6	4,523	-	109,933
TOTAL AMOUNT RECEIVED		<u>523,990</u>	<u>63,665</u>	<u>465,510</u>
TOTAL FUNDS AVAILABLE		<u>812,651</u>	<u>478,407</u>	<u>2,700,348</u>
PAYMENTS:				
AfHEA Activities		9,166	9,108	50,793
Africa Economic Research Consortium (AERC)		-	3,089	17,227
PHCF Project		161,582	150,142	837,355
ASRH Project		56,454	22,222	123,937
Exchange Loss		-	5,185	-
TOTAL PAYMENTS		<u>227,202</u>	<u>189,746</u>	<u>1,029,312</u>
BALANCE CARRIED FORWARD		<u>585,449</u>	<u>288,661</u>	<u>1,671,036</u>
BALANCE IS MADE UP OF:				
Bank Balance		584,264	287,460	1,664,084
Ecobank Visa Credit Card		1,051	1,120	6,485
Petty Cash		134	81	467
		<u>585,449</u>	<u>288,661</u>	<u>1,671,036</u>

AFRICAN HEALTH ECONOMICS AND POLICY ASSOCIATION
RECONCILIATION OF RECEIPTS AND PAYMENTS SUMMARY TO
INCOME AND EXPENDITURE ACCOUNT

	2021		2020	
	USD	GH¢	USD	GH¢
Opening Bank Balance	288,661	1,671,036	414,742	2,234,838
Balance per Income Statement Account	294,741	1,711,442	(127,713)	(573,252)
Unpaid item: Audit Fees	5	2,047	1,632	9,450
	<u>585,449</u>	<u>3,394,403</u>	<u>288,661</u>	<u>1,671,036</u>

**AFRICAN HEALTH ECONOMICS AND POLICY ASSOCIATION (AfHEA)
FINANCIAL REPORT FOR THE YEAR ENDED 30TH JUNE, 2021
NOTES TO THE FINANCIAL REPORT**

1. REPORTING ENTITY

African Health Economics and Policy Association (AfHEA) is a Non-Profit Making Organization incorporated under the Ghanaian Companies Act. Its overall mission is to contribute to the promotion and strengthening of the use of health economics and health policy analysis in achieving equitable and efficient African health systems and improved health outcomes for Africans, especially the most vulnerable populations.

2. BASIS OF PREPARATION OF FINANCIAL REPORT

i. Statement of Compliance

The Financial Report has been prepared in a manner required by the Companies Act, 2019 (Act 992). The Financial Report has also been prepared under the historical cost convention.

ii. Basis of Measurement

The Financial Report has been prepared under the historical cost convention and therefore does not take into consideration changing monetary values.

iii. Presentation and Functional Currency

The Financial Report is presented in the United States Dollar (USD) and Ghana Cedi (GH¢) which is the Association's functional currency. All figures are rounded up to the nearest currency.

iv. Use of estimates and judgment

The preparation of this Financial Report requires management to make judgments, estimates and assumptions that affect the application of accounting policies and the reported amounts of assets, liabilities, income and expenses. Actual results may differ from the estimates and the assumptions so made. Estimates and the underlying assumptions are reviewed periodically. Revisions to accounting estimates are recognized in the period in which the estimate is revised if the revision affects only that period or in the period of the revision and the future periods if the revision affects both current and future periods.

3. SIGNIFICANT ACCOUNTING POLICIES

The accounting policies set out below are the principal accounting policies adopted by the Association and have been consistently applied in preparing this Financial Report:

Basis of Accounting

i. Grant Income

This represents grants and subsidies from Donor partners, transferred to the bank account for the various Projects and is recorded when actual transfer is received. These were received in United States Dollars.

ii. Expenses

Cash basis of accounting has been used. Unpaid expense (Audit Fee) has been indicated in the notes to the Financial Report.

iii. Foreign Currency Transactions

Foreign currency transactions are translated in the Association's functional and presentational currency using the exchange rate of Ecobank Ghana Limited. 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 income and expenditure account.

AFRICAN HEALTH ECONOMICS AND POLICY ASSOCIATION (AfHEA)
NOTES TO THE FINANCIAL REPORT
FOR THE YEAR ENDED 30TH JUNE, 2021

	2021		2020	
	USD	GH¢	USD	GH¢
4. GRANT RECEIVED:				
Bill and Melinda Gates Foundation (BMGF)	299,980	1,712,886	-	-
International Development Research Centre (IDRC)	154,488	875,949	59,796	333,492
Africa Economic Research Consortium (AERC)	-	-	2,990	17,081
World Health Organization (WHO)	54,300	307,395	-	-
United Nations Population Fund (UNFPA)	9,998	56,990	-	-
Total Grants Received	518,766	2,953,220	62,786	350,573
OTHER RECEIPTS & REFUNDS	4,523	89,586	-	109,933
MEMBERSHIP & PARTICIPATION FEE	701	4,012	879	5,004
TOTAL	1,042,756	6,000,038	126,451	816,083
5. UNPAID EXPENSES				
Audit Fees	2,047	11,925	1,632	9,450
6. OTHER RECEIPTS				
Exchange Gain	3,389	83,051	-	-
TOTAL	3,389	83,051	-	-

**AFRICAN HEALTH ECONOMICS AND POLICY
ASSOCIATION (AfHEA)**



**OTHER SUPPLEMENTARY INFORMATION TO THE
FINANCIAL REPORT**

YEAR ENDED 30TH JUNE, 2021

AFRICAN HEALTH ECONOMICS AND POLICY ASSOCIATION
OTHER SUPPLEMENTARY INFORMATION TO THE FINANCIAL REPORT
FOR THE YEAR ENDED 30TH JUNE, 2021

	2021		2020	
	USD	GH¢	USD	GH¢
OTHER RECEIPTS & REFUND				
Documentation Refund	100	550	-	-
Income: Visa Credit Card	1,034	5,985	-	-
Exchange Gain	3,389	83,051	-	109,933
	<u>4,523</u>	<u>89,586</u>	<u>-</u>	<u>109,933</u>
	<u>=====</u>	<u>=====</u>	<u>=====</u>	<u>=====</u>
MEMBERSHIP & PARTICIPATION FEE				
Participation Fees	-	-		
Individual Dues	701	4,012	879	5,004
	<u>701</u>	<u>4,012</u>	<u>879</u>	<u>5,004</u>
	<u>=====</u>	<u>=====</u>	<u>=====</u>	<u>=====</u>

**AFRICAN HEALTH ECONOMICS AND POLICY ASSOCIATION
OTHER EXPLANATORY NOTES TO THE FINANCIAL REPORT
FOR THE YEAR ENDED 30TH JUNE, 2021**

	AfHEA GH¢	BMGF GH¢	IDRC GH¢	TOTALS GH¢
5001 Personnel Costs				
5001.1 Personnel Salaries	7,329	773,096	31,070	811,495
5001.2 Personnel Benefits	-	52,173	3,639	55,812
	<u>7,329</u>	<u>825,269</u>	<u>34,709</u>	<u>867,307</u>
5003 Consultants	-	46,121	150,901	197,022
	<u>-</u>	<u>46,121</u>	<u>150,901</u>	<u>197,022</u>
5006 Research Costs	-	-	30,868	30,868
	<u>-</u>	<u>-</u>	<u>30,868</u>	<u>30,868</u>
5030 Event Costs				
5030.10 Interpretation & Translation	3,390	160	-	3,550
	<u>3,390</u>	<u>160</u>	<u>-</u>	<u>3,550</u>
5500 Indirect Costs				
5500.01 Rent	-	-	69,687	69,687
5500.02 Utilities	3,850	6,600	-	10,450
5500.03 Office Supplies & Software	50	9,974	96	10,120
5500.04 QuickBooks License	-	9,378	-	9,378
5500.05 Computer, Maintenance & IT Services	5,075	12,360	3,499	20,934
5500.06 Courier	125	130	-	255
5500.07 Bank Charges & Fees	2,080	5,947	701	8,728
5500.08 Legal & Professional Services	1,814	2,420	3,904	8,138
5500.09 Advertising & Marketing	-	101	-	101
5500.10 Annual Fees	-	190	-	190
5500.11 Business Development Subscription	5,022	-	-	5,022
5500.12 Transportation	204	5,769	1,070	7,043
5500.13 Internet & Communication	-	10,500	800	11,300
5500.14 Admin, Accounting and Finance	-	-	30,407	30,407
5500.15 Office Furnishing Expenses	-	-	2,200	2,200
5500.16 Zoom subscription	938	5,996	-	6,934
	<u>19,158</u>	<u>69,365</u>	<u>112,364</u>	<u>200,887</u>
6000 External Support services				
6000 External services	12,827	300	-	13,127
6000.01 Stipends	10,690	-	-	10,690
	<u>23,517</u>	<u>300.00</u>	<u>-</u>	<u>23,817</u>
TOTAL EXPENSES	<u>53,394</u>	<u>941,215</u>	<u>328,842</u>	<u>1,323,451</u>