

ANNUAL REPORTS & AUDITED FINANCIAL STATEMENTS FOR THE YEAR ENDED

31 DECEMBER 2023



TABLE OF CONTENT

CORPORATE INFORMATION	1
REPORT OF THE GOVERNING BOARD	2
INDEPENDENT AUDITORS' REPORT	6
STATEMENT OF FINANCIAL POSITION	10
STATEMENT OF COMPREHENSIVE INCOME AND ACCUMULATED FUND	11
STATEMENT OF CASH FLOWS	12
NOTES FORMING PART OF THE AUDITED FINANCIAL STATEMENTS	13-29



CORPORATE INFORMATION



Governing Board

Prof. Chinedum Nwajiuba Chairman
Prof. Nicolas Barro
Dr. Francis Agyenim Boateng
Dr. Moussa Djire
Prof. Flora Chadare
Hon. Dr. Fatou Faye
Prof. Vafi Doumbia
Dr. Karsten Hess
Dr. El Haj Ramadan Diallo
Prof. Mouhamadou Hassirou
Prof. Issaka Youm
Prof. Marie Luce Akossiwa Quashie
Prof. Eng Brice Sinsin
Alain Sy Traore
Dr. Ângela Maria Barreto Da Veiga Resigned on 04/10/2023
Moreno

Registered Office

WASCAL Headquarters
CSIR Office Complex Agostino Neto Road
Airport Residential Area
PMB CT 504, Cantonments, Accra.

Board Secretary

Mrs. Harriet Baffoe
F 19, Manet Palms Estate,
Ogbojo, Accra.

Senior Finance Manager

Mr. Daniel Ofori

Auditors

Forvis Mazars
Chartered Accountants and Business Advisors
3rd Floor, One Airport Square, Airport
Nos. 7/9 Nyame Adom Courts,
Adonai Lane, Adjiringanor, East Legon DTD LG 20014
P.O. Box GP 2957
GD 165-5957, Accra.
TIN: C0003831337

Bankers

Ecobank PLC
Ecobank Burkina Faso
Stanbic Bank

Company Registration

CG097602014

Company TIN

C0003425320

The members of the Governing Board present their report and the audited financial statements of West African Science Service Center on Climate Change and Adapted Land Use (WASCAL) (the “Company”) for the year ended 31 December 2023 which disclose the state of the affairs of the Company.

Statement of Governing Board’s Responsibilities

The Governing Board are responsible for the preparation and fair presentation of the financial statements, comprising the statement of financial position as at 31 December 2023, the statement of comprehensive income and accumulated fund for the year ended December 2023, and the statement of cash flows for the year then ended, and other explanatory notes in accordance with International Financial Reporting Standards for Small and Medium-sized Entities (IFRS for SMEs) as issued by the International Accounting Standards Board (IASB) and adopted by the Institute of Chartered Accountants Ghana (ICAG), and in a manner required by the Companies Act, 2019 (Act 992).

In preparing these financial statements, the Governing Board confirm that suitable accounting policies have been used and consistently applied; and that judgements and estimates made, are reasonable and prudent and followed IFRS for SMEs and complied with the requirements of the Companies Act, 2019 (Act 992).

The Governing Board are responsible for ensuring that the Company keeps accounting records that disclose with reasonable accuracy the financial position of the Company. They are also responsible for taking such steps as are reasonably open to them to safeguard the assets of the Company and to prevent and detect fraud and other irregularities.

The Governing Board are responsible for ensuring that the Company complies with the laws and regulations applicable to its activities and for establishing arrangements designed to prevent any non-compliance with laws and regulations and to detect any that may occur.

The above statements which should be read in conjunction with the auditor’s report set out on pages 6 to 8 are made with a view to distinguishing for Members the respective responsibilities of the Executive Council and the auditors in relation to these financial statements.

Nature of Business

WASCAL is a not-for-profit making organization registered under the Companies Act, 2019 (Act 992) as a company limited by guarantee. WASCAL is a largescale research-focused Climate Service Center mandated to help tackle the challenges of climate change in West Africa.

CONT'D REPORT OF THE GOVERNING BOARD



The overall aim of WASCAL is to identify resilient and adaptive land use systems and develop measures to conserve or restore functional ecosystems that support sustainable human development, while preserving the natural resource base for future generations. WASCAL brings together scientists from the fields of climate, hydrology, biodiversity, land use, economics and social sciences. It serves as a hub to connect regional partners and facilitates research and computational infrastructure to support climate change research within West Africa.

As per the mandate given by the West Africa Council of Ministers in February 2012, WASCAL shall assist the West African States and the International Community to achieve operational cooperation in the pursuit of the following objectives;

- Assessment of climate change and climate variability and its impact on society and the socioecological systems in the area of the West-African Member States;
- Analysis of options to mitigate or cope with climate change, in particular through adaptation in land use;
- Improvement in early warning systems to minimize losses of lives and livelihoods;
- Consistent collection of essential data to assess climate change and improve climate change impact models;
- Exploration, introduction and extension of rational land use systems adapted to the conditions prevailing in the Member States.
- Promotion and implementation of policies and measures to effectively deal with climate change;
- Strengthening of human capacity related to climate change, its economic impact, land use adaptation, and the conservation of water and biotic resources; and
- Development of models of best practice.

Corporate Social Responsibility

There were no corporate social responsibility activities in the year 2023 (2022: Nil)

Particulars of Entries in the Interest Register

The members of the Governing Board have no interest in the Interest Register during the year.

CONT'D REPORT OF THE GOVERNING BOARD

Capacity Building of the Governing Board

The Governing Board are continuously trained internally on leadership and corporate governance principles.

Governing Board in Office

The Governing Board in office at the time of signing the accounts are

Prof. Chinedum Nwajiuba	
Prof. Flora Chadare	
Prof. Nicolas Barro	
Dr. Francis Agyenim Boateng	
Dr. Moussa Djire	
Hon. Dr. Fatou Faye	
Dr. Sónia Vaz Semedo	Appointed on 07/03/2024
Prof. Arona Diedhiou	Appointed on 07/03/2024
Mrs. Pia Seidel	Appointed on 07/03/2024
Dr. El Haj Ramadan Diallo	Appointed on 07/03/2024
Prof. Ali Mahamane	Appointed on 07/03/2024
Prof. Awa Niang Fall	Appointed on 07/03/2024
Prof. Aboudou Raoufou Pierre Radji	Appointed on 07/03/2024
Prof. Eng Brice Sinsin	Appointed on 07/03/2024

Financial Results

The results for the year ended 31 December 2023 are as set out below.

	2023	2022
	€	€
Surplus for the year	1,086,335	1,052,989
Prior year adjustment (Note 21)	340,250	-
To which is added balance on Accumulated	2,592,504	1,539,515
Fund Account brought forward of	-----	-----
Leaving a balance to be carried on the	4,019,089	2,592,504
Accumulated Account of	=====	=====

CONT'D REPORT OF THE GOVERNING BOARD



Events after the Reporting period

The Governing Board is not aware of any adjusting events after the reporting period.

Going Concern

The financial statements have been prepared on a going concern basis, which assumes that the Company will continue in operational existence for the foreseeable future. This means in particular that the statement of income and expenditure, and the statement of financial position assume no intention or necessity to either liquidate the Company or curtail significantly the scale of its operations.

The ability of the Company to continue as a going concern is dependent on a number of factors; the most significant of which is the Governing Board ability to continue to procure funding for its operations.


External Auditor

Forvis Mazars, the External Auditors are responsible for independently reviewing and reporting on the Company's financial statements for the year. The financial statements have been examined by the Company's External Auditors and their report is presented on pages 6 to 8.

Forvis Mazars will continue in office in accordance with the provisions of section 134 (5) of the Companies Act, 2019 (Act 992). The amount payable as audit fees is €9,844 (2022: €10,769)

Approval of Financial Statements

The financial statements for the year set out on pages 9 to 25, which have been prepared on the going concern basis, were approved by the Governing Board on ~~7th May~~ 2024 and are signed on their behalf by:


EXECUTIVE DIRECTOR


BOARD CHAIRMAN

Opinion

We have audited the financial statements of West African Science Service Center on Climate Change and Adapted Land Use, which comprise the statement of financial position as at 31 December 2023, the statement of comprehensive income and accumulated fund, and statement of cash flows for the year then ended, and notes to the financial statements, including a summary of significant accounting policies.

The financial statements for the year ended 31 December 2023 was audited by the predecessor auditor, KPMG for which an unmodified audit opinion was issued.

In our opinion, the accompanying financial statements present fairly, in all material respects, the financial position of West African Science Service Center on Climate Change and Adapted Land Use as at 31 December 2023, and its financial performance and its cash flows for the year then ended in accordance with International Financial Reporting Standards for Small and Medium-sized Entities (IFRS for SMEs) and in the manner required by the Companies Act, 2019 (Act 992).

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 are independent of the Organisation in accordance with the International Code of Ethics for Professional Accountants (including international independence standards) (IESBA Code), Foris Mazars Code of Conduct for Objectivity and Independence (CCOI) together with the ethical requirements that are relevant to our audit of the financial statements in Ghana, 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.

Other Information

The Governing Board is responsible for the other information. The other information comprises the information included in the 25-page document titled "West African Science Service Centre on Climate Change and Adapted Land Use (WASCAL); Annual Reports and Financial Statements for the year ended 31 December 2023", other than the financial statements and our Auditor's report thereon.

In connection with our audit of the financial statements, our responsibility is to read the other information 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.

CONT'D INDEPENDENT AUDITORS' REPORT



If, based on the work we have performed, 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 Governing Board for the Financial Statements

The Governing Board is responsible for the preparation and fair presentation of the financial statements in accordance with IFRS for SMEs and the Companies Act, 2019 (Act 992), and for such internal control as the Governing Board 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, the Governing Board are responsible for assessing the Company'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 Governing Board either intends to liquidate the Company or to cease operations, or has no realistic alternative but to do so. The Governing Board are responsible for overseeing the Organisation'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.

As part of an audit in accordance with ISAs, we exercise professional judgment 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 organisation's internal control;
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management;

CONT'D INDEPENDENT AUDITORS' REPORT



- 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 Organisation'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 Organisation 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 and

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.

Report on Other Legal and Regulatory Requirements

Compliance with the requirements of Section 137 and seventh schedule of the Companies Act 2019, (Act 992).

The Companies Act 2019 (Act 992) requires that in carrying out our audit we consider and report on the following matters. We confirm that:

- i. We have obtained all information and explanations which to the best of our knowledge and belief were necessary for the purpose of the audit;
- ii. In our opinion, proper books of account have been kept by the company, so far as appears from our examination of those books and
- iii. The statements of financial position and comprehensive income and accumulated fund are in agreement with the books of account.
- iv. In our opinion and to the best of our information and according to explanations given to us, the accounts give the information required by the Companies Act, 2019 (Act 992) in the manner so required and give a true and fair view,
 - In the case of the statement of financial position, of the state of affairs of the Organisation at the end of the financial year, and
 - In the case of the income and expenditure subject to the non-disclosure of any matters to be indicated in the report, which by virtue of Part Four of the Sixth Schedule of the Companies Act, 2019 (Act 992) are not required to be disclosed; and
- v. We are independent of the Organisation pursuant to section 143 of the Companies Act, 2019 (Act 992)

CONT'D INDEPENDENT AUDITORS' REPORT



We also confirm that, as far as our audit is concerned, the Organisation's transactions were within its powers and complied with the Companies Act, 2019 (Act 992).

The engagement partner on the audit resulting in this independent auditors' report is Ernest Toah Akonor JnR. (ICAG/P/1220).

forvis Mazars

For and on behalf of:
Forvis Mazars (ICAG/F/2024/079)
Chartered Accountants and Business Advisors
3rd Floor, One Airport Square, Airport
7/9 Nyame Adom Courts Adonai Lane,
Adjiringanor, East Legon, Accra
GD-165-5957
PMB LG DTD 20014
Accra

J. N. Noy. 2024


STATEMENT OF FINANCIAL POSITION AS AT 31 DECEMBER 2023

(All amounts are expressed in Euro unless otherwise stated)



	Notes	2023	2022
ASSETS			
Non-Current Assets			
Property, Plant and Equipment	13	1,055,474	1,006,067
		-----	-----
		1,055,474	1,006,067
		-----	-----
Current Assets			
Accounts Receivable	15	8,911,414	7,255,279
Cash and Cash Equivalent	14	9,357,215	13,745,637
		-----	-----
		18,268,629	21,000,916
		-----	-----
Total Assets		19,324,103	22,006,983
		=====	=====
EQUITY AND LIABILITIES EQUITY			
Accumulated Fund		4,019,089	2,592,504
		-----	-----
		4,019,089	2,592,504
		-----	-----
LIABILITIES			
Non-Current Liabilities			
Deferred member country contribution income	17	4,033,670	3,550,979
Long Term Employee Benefit Obligation	18	89,896	101,889
		-----	-----
		4,123,566	3,652,868
		-----	-----
Current Liabilities			
Accounts Payable	16	35,876	12,636
Deferred project income	19	11,145,572	15,748,975
		-----	-----
		11,181,448	15,761,611
		-----	-----
Total Liabilities		15,305,014	19,414,479
		-----	-----
Total Equity and Liabilities		19,324,103	22,006,983
		=====	=====

These Financial Statements were approved on behalf of the Board on 7th Nov., 2024 and signed on their behalf by:


 EXECUTIVE DIRECTOR


 BOARD CHAIRMAN



STATEMENT OF COMPREHENSIVE INCOME AND ACCUMULATED FUND FOR THE YEAR ENDED 31 DECEMBER 2023

(All amounts are expressed in Euro unless otherwise stated)

	Notes	2023	2022
Income			
Income	5	7,384,216	6,013,015
Other Income	6	1,041,590	2,005,684
Project Income	7	5,852,805	7,119,028
Deferred member contributions	8	637,412	-
		-----	-----
Total Income		14,916,023	15,137,727
		-----	-----
Expenditure			
Salaries and Benefits	9	(1,615,871)	(1,584,533)
Depreciation		(80,706)	(61,710)
General & Administrative Expenses	10	(1,551,085)	(1,377,314)
Graduate Studies Program Operations	11	(6,306,577)	(5,504,741)
Project Expenses	12	(4,275,449)	(5,556,440)
		-----	-----
Total Expenditure		(13,829,688)	(14,048,738)
		-----	-----
Surplus for the year		1,086,335	1,052,989
Accumulated fund at 1 January		2,592,504	1,539,515
Prior year adjustment		340,250	-
		-----	-----
Accumulated fund at 31 December		4,019,089	2,592,504
		=====	=====

The notes and appendixes on pages 13 to 29 are integral part of these audited financial statements.



STATEMENT OF CASH FLOW FOR THE YEAR ENDED 31ST DECEMBER 2023

(All amounts are expressed in Euro unless otherwise stated)



	2023	2022
Operating Activities:		
Surplus for the year	1,086,335	1,052,989
Add/(Less):		
Depreciation	80,706	61,710
Gain on Asset Disposal	(5,967)	(1,400)
	-----	-----
	1,161,074	1,113,299
Change in Accounts Receivable	(1,394,507)	(2,067,228)
Change in Deferred member country contribution	482,691	539,720
Change in Long-term employee benefit	(11,993)	12,004
Change in Deferred project income	(4,603,403)	7,137,024
Change in Accounts Payable	23,240	2,094
	-----	-----
Net Cash (Outflow) / Inflows from Operating Activities	(4,342,898)	6,736,913
	-----	-----
Investing Activities:		
Purchase of Property, Plant and Equipment	(51,491)	(139,832)
Proceeds from assets disposal	5,967	1,400
	-----	-----
Net Cash Outflow from Investing Activities	(45,524)	(138,432)
	-----	-----
Net (decrease)/increase in cash and cash equivalent	(4,388,422)	6,598,481
Cash and cash equivalent at 1 January	13,745,637	7,147,156
	-----	-----
Cash and cash equivalent at 31 December	9,357,215	13,745,637
	=====	=====



NOTES FORMING PART OF THE AUDITED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2023



1. Reporting Entity

WASCAL is a registered non-governmental organization domiciled in Ghana. The address of its registered office and principal place of business can be found on page 2 of the financial statements. The West African Science Service Center on Climate Change and Adapted Land Use (WASCAL) is a large-scale research-focused Climate Service Center mandated to help tackle the challenges of climate change in West Africa. The principal activity of WASCAL is to identify resilient and adaptive land use systems and develop measures to conserve or restore functional ecosystems that support sustainable human development, while preserving the natural resource base for future generations. WASCAL brings together scientists from the fields of climate, hydrology, biodiversity, land use, economics, and social sciences. It serves as a hub to connect regional partners and facilitates research and computational infrastructure to support climate change research within West Africa. These financial statements are of an individual entity.

2. Basis of Preparation

a. Statement of Compliance

The financial statements have been prepared in accordance with International Financial Reporting Standards for SMEs and its interpretations adopted by the International Accounting Standards Board (IASB) and in the manner required by the Companies Act, 2019 (Act 992) and other national regulations where appropriate.

b. Functional and Presentational Currency

The financial statements are presented in Euro (EUR), which is the entity's functional and presentation currency. Except otherwise indicated, the financial information presented has been rounded off to the nearest euro.

c. Basis of Measurement

The financial statements have been prepared under the historical cost convention, except as disclosed in accounting policies below.

d. Use of Estimates and Judgements

The preparation of financial statements requires management to make judgements, estimates and assumptions that affect the application of accounting policies and the reported amounts of assets, liabilities, incomes and expenses. Actual results may differ from these estimates.

CONT'D NOTES FORMING PART OF THE AUDITED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2023



Estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognised in the period in which the estimate is revised and in any future periods affected. Information about significant areas of estimated uncertainty and critical judgements in applying accounting policies that have the most significant effect on the amounts recognised in the financial statements are described in Note 3.

3. Summary of Significant Accounting Policies

The following accounting policies have been used consistently in dealing with items which are considered material in relation to the Company's financial statements.

a. Income Recognition

Income represents grants, which are remittances from the German Federal Ministry of Education and Research (BMBF) to WASCAL, through partner organisations; University of Wurzburg and Project Management Agency at the German Aerospace Center (PTL-DR), as well as income released from deferred member country contributions.

WASCAL also receives funds from other donors, to carry out specific project activities as per the donor requirements. Where funds received were not used in a period, the unused amount is deferred.

b. Property, Plant and Equipment

Recognition and Measurement

Property, Plant and Equipment are measured at cost less any impairment losses and accumulated depreciation. Cost includes expenditure that is directly attributable to the acquisition of or cost incurred to internally construct the asset.

Subsequent Costs

Subsequent costs are included in the asset's carrying amount or recognised as a separate asset, as appropriate, only when it is probable that future economic benefits associated with the items will flow to the Company and the cost of the item can be measured reliably.

Depreciation

Depreciation is provided for on a straight-line basis, at rates calculated to write off the cost of each item of Property, Plant and Equipment over its estimated useful life. The annual rates generally in use are: -

CONT'D NOTES FORMING PART OF THE AUDITED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2023



Land & Building	-	over the shorter of lease period and 50 years
Equipment and machinery	-	5 years
Furniture & Fittings	-	5 years
Motor Vehicles	-	5 years
Motorbikes	-	3 years
Office Equipment	-	3 years

Derecognition

An item of property, plant and equipment is derecognised upon disposal or when no further future economic benefits are expected from its use or disposal. Any gain or loss arising on derecognition of the asset (calculated as the difference between the net disposal proceeds and the carrying amount of the asset) is included in the statement of income and expenditure in the year the asset is derecognised.

c. Accounts Receivable

Account receivables are stated at the amortised costs, less impairment losses. Specific allowances for doubtful debts are made for receivables of which recovery is doubtful, general allowances for doubtful debt are recorded for the remaining receivables taking into account past experience.

d. Currency Translations

Transactions denominated in Ghana Cedi and other foreign currencies are recorded at the rate of exchange ruling at the date of transaction. Monetary assets and liabilities denominated in Ghana Cedi and other foreign currencies are translated at the rate of exchange ruling at the financial position date. Foreign exchange differences arising on translation are recognised in the statement of income and expenditure.

e. Accounts Payable

These are stated at their nominal value. Exchange gains and losses arising in respect of liabilities in foreign currency is added to the carrying amounts.

f. Deferred Income

This relates to actual cash received from donors but not yet spent on the project under the year of Review.

g. Foreign Exchange

The organisation’s foreign currency transactions are translated into the functional currency using the exchange rates prevailing at the date of transactions. 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.

CONT'D NOTES FORMING PART OF THE AUDITED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2023

h. Employee Benefits

i. Short term employee benefits

Short term employee benefits are expensed as the related service is provided. A liability is recognized for the amount expected to be paid if the entity has a present legal or constructive obligation to pay this amount as a result of past service provided by the employee and the obligation can be estimated reliably. Short term employee benefits include items such as wages, salaries and social security contributions.

ii. Defined contribution plans

Defined contribution plans are post-employment benefit plans under which an entity pays fixed contributions into a separate entity (a fund) and will have no legal or constructive obligation to pay further contributions if the fund does not hold sufficient assets to pay all employee benefits relating to employee service in the current and prior periods.

Social Security and National Insurance Trust

Under the national pension scheme, the entity contributes 13% of employees' basic salary to the Social Security and National Insurance Trust (SSNIT) for employee pensions. Obligations for contributions under the Social Security and National Insurance Trust are expensed in profit or loss as the related service is provided.

Provident Fund

WASCAL has a provident fund scheme for staff under which the entity contributes 5% of staff basic salary into a separate entity. Contributions to the defined contribution pension plans are recognised as an expense in profit or loss in the periods during which services are rendered by employees and WASCAL's obligations under the plan is limited to the relevant contributions.

iii. Defined benefit plans

A defined benefit plan is a post-employment benefit plan other than a defined contribution plan. The fund is kept with the Company and the obligation for the relevant contributions on retirement rests with the Company. At the end of every year, the liability is reassessed based on employee compensation, the current staff levels and their period of service and any change in provisions is charged to profit or loss. The Company does not use the projected unit credit method to measure its obligation and cost under this plan.

CONT'D NOTES FORMING PART OF THE AUDITED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2023



Gratuity

The Organisation has a policy that awards benefits to staff who have served the entity and are leaving either on retirement, resignation or termination of appointment. The benefit is to Staff members, both international and national, who have served the organization for three (3) years or more and shall be entitled to 10% of last annual salary. The basic salary shall be the salary at the time of separation. The plan is not funded.

i. Cash and Cash Equivalents

Cash and cash equivalent includes cash in hand, deposit held at call with bank, other short term highly liquid investments with original maturity of three months or less and bank overdraft and are subject to an insignificant risk of changes in value. These are initially and subsequently recorded at fair value. Bank overdrafts are stated under Current Liabilities in the Statement of Financial Position.

j. Impairment of Assets

The carrying amounts of the Company's assets are reviewed at each statement of financial position date to determine whether there is an indication of impairment. If any such indication exists, the assets' recoverable amounts are estimated. An impairment loss is recognised whenever the carrying amount of an asset or its cash generation unit exceeds its recoverable amount. Impairment loss is recognised in the statement of income and expenditure.

k. Leases

A lease is an agreement whereby the lessor conveys to the lessee in return for a payment or series of payments the right to use an asset for an agreed period of time. A lease is classified as a finance lease if it transfers substantially all the risks and rewards incidental to ownership. All other leases are classified as operating leases.

Rentals payable under operating leases are charged to profit or loss on a straight-line basis over the term of the relevant lease.

4. Critical Accounting Estimates and Judgements

Estimates and judgements are continually evaluated and are based on historical experience and other factors, including expectations of future events that are believed to be reasonable under the circumstances.

CONT'D NOTES FORMING PART OF THE AUDITED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2023

(All amounts are expressed in Euro unless otherwise stated)

a. Critical Accounting Estimates and Assumptions

The Company makes estimates and assumptions concerning the future. The resulting accounting estimates will by definition seldom equal the related actual results. The estimates and assumptions that have a significant risk of causing material adjustment to the carrying amounts of assets and liabilities within the next financial year is discussed below:

1. Taxation

Per Article II (Subsection 9) of the signed host country agreement between the Government of the Republic of Ghana and WASCAL, WASCAL and its staff, its assets, income and other property shall enjoy tax, duty and other related exemptions and privileges in accordance with Article 4 of the General Convention.

5. Income

	2023	2022
Income	7,384,216	6,013,015
	-----	-----
	7,384,216	6,013,015
	=====	=====

Income relates to income earned during the year based on funds received from the German Federal Ministry of Education and Research (BMBF), disbursed through PT-DLR. This also includes funds received from PT-Julich to support the general operations of WASCAL.

6. Other Income

Overheads Recovered	1,000,000	1,958,717
Fees from AGRA	27,635	40,675
VAT refund received	7,988	4,892
Gain on disposal of motor vehicle	5,967	1,400
	-----	-----
	1,041,590	2,005,684
	=====	=====

CONT'D NOTES FORMING PART OF THE AUDITED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2023

(All amounts are expressed in Euro unless otherwise stated)

7. Project Income

RENEWABLE ENERGY	3,520,417	2,533,515
WABES	-	4,220
CIREG	22,580	13,423
WRAP2	89,479	1,137,464
UICN	-	4,339
WORLD BANK	-	8,985
UPSCALERS	7,822	218,482
PAUWES	10,023	2,190
HMP-HYDROGEN-GSP	-	2,149,493
iCHANGE	534,518	83,792
IDRC	245,663	325,142
CABES	69,405	221,483
CICLES	14,542	-
DECLARE	92,164	-
OTHER PROJECT INCOME	1,246,192	416,500
	-----	-----
	5,852,805	7,119,028
	=====	=====

The other project income relates to funds received from various donors and partners to carry out short-term project activities such as workshops and short-term research activities.

8. Deferred member country contribution income released to income

	2023	2022
Deferred member country contribution released	637,412	-
	-----	---
	637,412	-
	=====	===

As per Article 6 (1a) of the WASCAL Cooperation agreement, the West African member states are to provide annual contributions which shall serve as reserves for WASCAL.

CONT'D NOTES FORMING PART OF THE AUDITED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2023

(All amounts are expressed in Euro unless otherwise stated)

9. Salaries & Benefits

Management staff	73,096	95,049
Administrative staff	518,356	476,043
Observation network staff	343,607	383,288
Competence center staff	292,149	226,567
Research station staff	86,964	66,337
Capacity building staff cost	114,171	113,820
International health insurance	129,862	128,699
Payment of Severance	52,793	75,724
Employee benefit expense	4,873	19,006
	-----	-----
	1,615,871	1,584,533
	=====	=====

10. General & Administrative Expenses

Rent	82,357	54,817
Consumables	146,823	148,163
Office supply & Communication	21,585	67,109
Workshops & Meetings	306,666	168,786
Travel Costs	332,646	167,005
Internet / Telephone / Computers	50,443	62,723
Bank Charges	40,722	19,991
Competence Center Research Support	225,320	204,990
Consultancy Fees	-	6,992
Legal & Professional Fees	81,692	25,431
VAT Expenses	69,865	26,826
Exchange loss	77,003	38,390
Withholding Tax	-	9,037
Audit fees	12,240	10,769
Ministerial Expenses	87,156	-
Other Expenses	11,819	213,912
Science Symp	4,748	152,373
	-----	-----
	1,551,085	1,377,314
	=====	=====

CONT'D NOTES FORMING PART OF THE AUDITED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2023

(All amounts are expressed in Euro unless otherwise stated)



11. Graduate Studies Programme Operations

	2023	2022
Student Stipends	1,101,778	1,269,278
Student Research	551,003	650,438
Student Tuition	235,125	205,677
Lecturers and Honorarium	242,445	206,745
Staff Cost	649,888	614,686
Operation Costs	760,856	1,239,877
Travel & insurance	132,771	106,499
Investment in assets for schools	1,804,248	733,009
Advisory Board meetings	18,299	31,922
Graduation	69,895	13,023
Student Scientific Visits	370,652	392,143
Language Course	369,617	41,444
	-----	-----
	6,306,577	5,504,741
	=====	=====

WASCAL runs a graduate school programme in 12 selected universities in the various member countries.

This represents the funds transferred from the Head Office to the various graduate school centers and utilized within the period. Also include expenditure incurred directly at the Head Office for the graduate study programme operations.

12. a. Project Expenses

Research activities	1,653,256	2,088,884
Travel & Transport	196,101	124,575
Salaries & Benefits	663,503	529,178
Accommodation	105,258	38,027
Bank Charges	22,067	9,845
Workshop Expenses	223,675	384,873
Communication	33,441	35,299

CONT'D NOTES FORMING PART OF THE AUDITED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2023

(All amounts are expressed in Euro unless otherwise stated)



Consultancy	174,142	286,760
Office supplies & consumables	139,638	61,386
Overheads / Indirect Costs	1,064,368	1,997,613
	-----	-----
	4,275,449	5,556,440
	=====	=====

12. b. Breakdown of Project Expenses by Project name

	2023	2022
HMP-GSP	119,397	645,891
RENEWABLE ENERGY	476,323	2,533,515
WORLD BANK	-	8,985
UPSCALERS	7,822	218,482
CIREG	22,580	13,422
PAUWES	10,023	2,190
WABES	-	4,220
CABES	69,405	221,483
WRAP2	568,077	1,137,464
UICN	-	4,339
iCHANGE	89,479	83,792
IDRC	245,550	325,142
SEACRIFOG	-	2,107
CICLES	9,542	-
DECLARE	85,155	-
OTHER SMALL PROJECTS	2,572,096	355,408
	-----	-----
	4,275,449	5,556,440
	=====	=====

Other small projects relate to expenses incurred on income received from various other donors and partners to carry out short term project activities such as workshops and short-term research activities.

CONT'D NOTES FORMING PART OF THE AUDITED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2023

(All amounts are expressed in Euro unless otherwise stated)

13. Property, Plant and Equipment

2023	Land & Building	Equipment & Machinery	Furniture & Fittings	Motor Vehicles	Total
Cost					
Balance at 01/01	1,006,842	1,065,801	192,851	509,784	2,775,278
Additions	-	5,903	1,835	43,753	51,491
Disposal	-	-	-	(69,242)	(69,242)
Balance at 31/12	1,006,842	1,071,704	194,686	484,295	2,757,527
Depreciation					
Balance at 01/01	186,838	984,852	185,356	412,165	1,769,211
Charge for the year	20,136	26,446	4,660	29,464	80,706
Disposal	-	-	-	(69,242)	(69,242)
Prior year adjustment	(19,306)	(56,329)	(2,987)	-	(78,622)
Balance at 31/12	187,668	954,969	187,029	372,387	1,702,053
Carrying Amount					
	819,174	116,735	7,657	111,908	1,055,474

CONT'D NOTES FORMING PART OF THE AUDITED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2023

(All amounts are expressed in Euro unless otherwise stated)

2022	Land & Building	Equipment & Machinery	Furniture & Fittings	Motor Vehicles	Total
Cost					
Balance at 01/01	1,006,842	1,007,143	188,664	467,410	2,670,059
Additions	-	58,658	4,187	76,987	139,832
Disposal	-	-	-	(34,613)	(34,613)
Balance at 31/12	1,006,842	1,065,801	192,851	509,784	2,775,278
Depreciation					
Balance at 01/01	166,701	958,093	180,782	436,538	1,742,114
Charge for the year	20,137	26,759	4,574	10,240	61,710
Release on disposal	-	-	-	(34,613)	(34,613)
Balance at 31/12	186,838	984,852	185,356	412,165	1,769,211
Carrying Amount	820,004	80,949	7,495	97,619	1,006,067

CONT'D NOTES FORMING PART OF THE AUDITED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2023

(All amounts are expressed in Euro unless otherwise stated)

13. b. Disposal of property & Equipment

	2023	2022
Cost	69,242	34,613
Accumulated depreciation	(69,242)	(34,613)
	-----	-----
Net book value	-	-
Sales proceeds	5,967	1,400
	-----	-----
Profit on Disposal	5,967	1,400
	=====	=====

14. Cash & Cash Equivalent

Bank balances	9,349,014	13,740,821
Cash Balances	8,201	4,816
	-----	-----
	9,357,215	13,745,637
	=====	=====

15. a. Accounts Receivables

Member Countries Contribution Receivable	3,599,623	3,043,263
Prepayment	161,041	164,729
Receivable from GSP & HMP (15a.)	2,522,714	2,539,625
Project advances receivable	2,625,320	1,494,729
Other receivable	2,716	12,933
	-----	-----
	8,911,414	7,255,279
	=====	=====

CONT'D NOTES FORMING PART OF THE AUDITED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2023

(All amounts are expressed in Euro unless otherwise stated)

15. b. Receivable from GSP & HMP

Balance at 1 January	2,539,625	1,324,878
Operational advances to GSP schools	5,339,881	6,043,932
Expenses retired by GSP schools	(5,356,792)	(4,829,185)
	-----	-----
	2,522,714	2,539,625
	=====	=====

WASCAL runs the Graduate School Programme (GSP) and the Hydrogen Master Programme (HMP) in 12 selected universities in the various member countries. This represents the balance due from the various graduate school centers for operational advances transferred during the period.

16. Accounts Payable

	2023	2022
Other Payables	35,876	12,636
	-----	-----
	35,876	12,636
	=====	=====

17. Deferred Member Country Contribution Income

Balance at 1 January	3,550,979	3,011,259
Member country contribution income receivable	556,360	539,720
Payments during the year	(73,669)	-
	-----	-----
Balance at 31 December	4,033,670	3,550,979
	=====	=====

Deferred member country contribution income includes member country contribution earned as at the reporting date, receivable from the WASCAL member countries and member country contributions received not spent at the end of the period.

CONT'D NOTES FORMING PART OF THE AUDITED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2023

(All amounts are expressed in Euro unless otherwise stated)



18. Long-term Employee Benefit Obligation

Obligation at 1 January	101,889	89,885
Additional provisions during the year	21,738	12,004
	-----	-----
	123,627	101,889
Payments during the year	(33,731)	-
	-----	-----
Obligation at 31 December	89,896	101,889
	=====	=====

The Organisation operates a defined benefit plan based on remuneration and length of service. The benefit is to Staff members, both international and national, who have served the organisation for 3 years or more and shall be entitled to 10% of last annual salary. The basic salary shall be the salary at the time of separation. The plan is funded by the Organisation and held within the Organisation.

The Organisation has determined that it is not able, without undue cost or effort, to use the projected unit credit method to measure its defined benefits obligations.

The following assumptions were, therefore, made in measuring its defined benefit obligation with respect to current employees:

- a. Current salaries continue until current employees are expected to begin receiving the benefits.
- b. Closure of the plan for existing as well as any new employees.
- c. All current employees will receive the benefits.

The most recent valuation based on the assumptions above coincided with the year-end reporting date.

CONT'D NOTES FORMING PART OF THE AUDITED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2023

(All amounts are expressed in Euro unless otherwise stated)

19. Deferred Project Income

Projects	Balance at January	Funds received during the year	Amount utilized in 2023	Balance at 31 December
PT-DLR-GSP	4,003,802	1,089,470	(2,878,598)	2,214,674
HMP-HYDROGEN-GSP	4,757,018	-	(3,334,269)	1,422,749
RENEWABLE ENERGY	5,620,367	3,040,699	(3,520,417)	5,140,649
WABES	22,453	-	-	22,453
CIREG	17,694	-	(22,580)	(4,886)
iCHANGE	15,159	75,052	(89,479)	732
WRAP2	968,220	1,500,070	(534,518)	1,933,772
UICN	9,556	-	-	9,556
ECOWAS	560	-	-	560
WORLD BANK-DRR	45,734	-	-	45,734
UPSCALERS	82,982	-	(7,822)	75,160
GREEN BUILDERS	25,031	-	-	25,031
START INTERNATIONAL	6,696	-	-	6,696
PAUWES	41,378	-	(10,023)	31,355
IDRC	93,896	143,991	(245,663)	(7,776)
CABES	38,429	40,653	(69,405)	9,677
CICLES	-	187,245	(14,543)	172,702
DECLARE	-	138,899	(92,165)	46,734
	-----	-----	-----	-----
	15,748,975	6,216,079	(10,819,482)	11,145,572
	=====	=====	=====	=====

20. Capital Commitments

There were no commitments for capital expenditure not provided for in these financial statements at the reporting date and 31 December 2022.

21. Contingent Assets or Liabilities

There were no contingent liabilities as at 31 December 2023 (2022: € 68,200).

22. Prior Year Adjustments

This relates to some operational expenses over the period from 2018 to 2022 and non-current assets totaling EUR340,250. Details are as follows:

No.	Description	Amount (EUR)
1	Double capture of some GSP Operational expenses from 2018-2019, and 2022	59,506
2	Cheque issued for payment of salaries of National Service Personnel, gone stale	2,000
3	Repetition of transactions in relation to Hydrogen Master Program in Niger from 2018-2022	200,122
4	Being correction of accumulated depreciation of fixed asset from 2018-2022 resulting from reclassification of fixed assets.	78,622
		340,250

23. Related Party Transactions

The compensation of key management personnel in total at the year-end was EUR82,696 (2022: EUR95,049)

24. Events after the Reporting period

The Executive Council are not aware of any adjusting events after the reporting period.

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