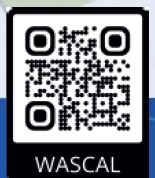




ANNUAL REPORT AND FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 DECEMBER 2021



OUR MISSION & VISION

OUR MISSION

WASCAL seeks to provide information and knowledge at the local, national and regional levels to its West African member countries to cope with the adverse impacts of climate change. We do this through Capacity Building support to young West African Scholars in fields of natural and social sciences and by strengthening West African universities and climate service departments in WASCAL member countries.

OUR VISION

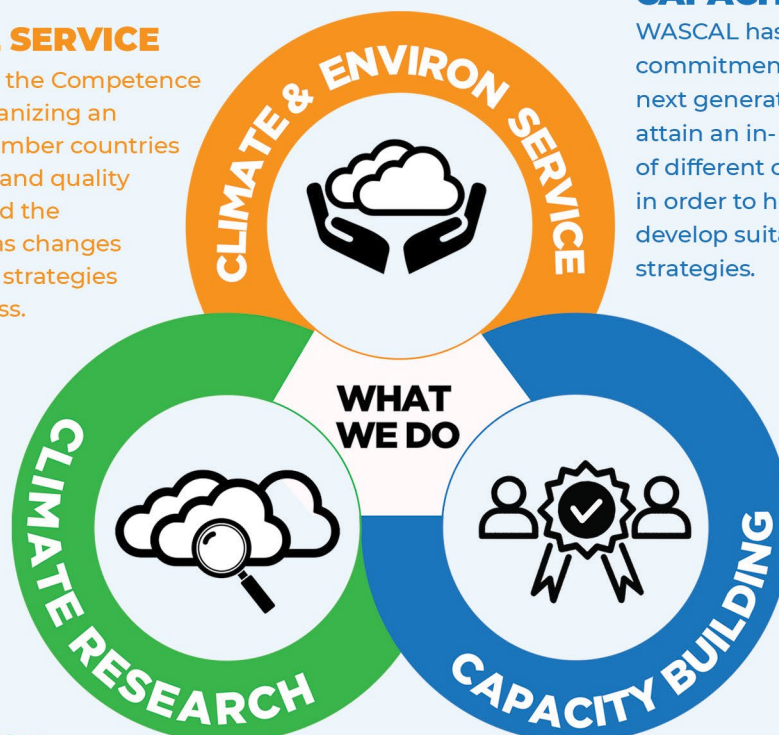
WASCAL seeks to become one of Africa's leading institutions in the provision of climate services in and for West Africa.

CLIMATE & ENVIRONMENTAL SERVICE

The Climate Service unit at the Competence Centre is charged with organizing an observation network in member countries that will lead to consistent and quality information on weather and the hydrological cycle, as well as changes in land use, human coping strategies and biodiversity shifts or loss.

CAPACITY BUILDING

WASCAL has a strong commitment to help educate the next generation of scientists to attain an in- depth knowledge of different climate related issues in order to help the region develop suitable management strategies.



CLIMATE RESEARCH

The research programme represents the scientific activities of the Competence Centre, and is implemented by the scientific staff of WASCAL in collaboration with West African and German research institutes. The WASCAL research programme brings together a German research consortium and an equivalent consortium on the West African side that together have designed a joint research program on adapted land use and management of land under changing climatic conditions.

TABLE OF CONTENT

CORPORATE INFORMATION	4
REPORT OF THE GOVERNING BOARD	5-7
INDEPENDENT AUDITOR'S REPORT	8-10
STATEMENT OF FINANCIAL POSITION	11
STATEMENT OF COMPREHENSIVE INCOME AND ACCUMULATED FUND	12
STATEMENT OF CASH FLOWS	13
NOTES FORMING PART OF THE FINANCIAL STATEMENTS	14-28

CORPORATE INFORMATION

WEST AFRICAN SCIENCE SERVICE CENTER ON CLIMATE CHANGE AND ADAPTED LAND USE (WASCAL)

GOVERNING BOARD

Prof. Mouhamadou Hassirou - (Chairman)

Dr. (Mrs.) Akosiwa Quashie -
(1st Vice Chairwoman)

Dr. Francis Boateng Agyenim - (2nd Vice
Chairman, Appointed January 2021)

Dr. Karsten Hess (BMBF)- (Member, Appointed
March 2021)

Hon. Dr. Fatou Faye- (Member, Appointed
January 2021)

Prof. Vafi Doumbia- (Member, Appointed
January 2021)

Dr. Flora Chadare- (Member, Appointed
January 2021)

Prof. Nicolas Barro- (Member, Appointed
January 2021)

Prof. Chinedum Uzoma Nwajiuba-
(Member, Appointed January 2021)

Prof. Issakha Youm- (Member, Appointed
January 2021)

Mr. Sy Traore- Ex Officio Non-voting Member
representing ECOWAS, Appointed
January 2021)

Dr. Moumini Savadogo - (Executive Director)

Dr. Moussa Djire- (Member)

Dr. Angela Maria P. Barreto da Veiga Moreno
(Member, Appointed April 2021)

Prof. Adeniyi Osuntogun - (Expert)

Prof. Brice Augustin Sinsin (Chairman of the
Scientific Advisory Committee, Appointed
July 2021)

Dr. Arona Diedhiou - (Chairman of the Scientific
Advisory Committee, Resigned June 2021)

Prof. Joao Duarte- (Member, Resigned
February 2021)

Mr. Peter Dery - (Chairman, Resigned
February 2021)

Prof. Yacouba Zerbo - (2nd Vice Chairman,
Resigned February 2021)

Prof. Dr. René Haak (BMBF)- (Member, Resigned
February 2021)

Prof. Brice Augustin Sinsin - (Member, Resigned
February 2021)

Dr. Momodou Njie - (Member, Resigned February
2021)

Dr. Narcisse Komenan - (Member, Resigned
February 2021)

Prof. Aminata Ndiaye - (Member, Resigned
February 2021)

Dr. Johnson Boanuh - Ex Officio Non-voting
Member representing ECOWAS, Resigned
February 2021)

REGISTERED OFFICE

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

AUDITORS

KPMG
Chartered Accountants
13 Yiyiwa Drive, Abelenkpe
P. O. Box GP 242 Accra

BANKERS

CommerzBank
Ecobank Ghana PLC
Ecobank Burkina Faso
Stanbic Bank Ghana Limited

SENIOR FINANCE MANAGER

Mr. Daniel Ofori

REPORT OF THE GOVERNING BOARD

WEST AFRICAN SCIENCE SERVICE CENTER ON CLIMATE CHANGE AND ADAPTED LAND USE (WASCAL)

The Governing Board present their report and the financial statements of the entity for the year ended 31 December 2021.

GOVERNING BOARD'S RESPONSIBILITY STATEMENT

The Governing Board is responsible for the preparation of financial statements that give a true and fair view of West African Science Service Center on Climate Change and Adapted Land Use (WASCAL), comprising the statement of financial position at 31 December 2021, and the statements of comprehensive income and accumulated fund, and cash flows for the year then ended and the notes to the financial statements, which include a summary of significant accounting policies and other explanatory notes in accordance with International Financial Reporting Standard for Small and Mediumsized Entities (IFRS for SMEs) and in the manner required by the Companies Act 2019, (Act 992). In addition, the Governing Board is responsible for the preparation of the report of the Governing Board.

The Governing Board is also responsible for such internal control as the Governing Board determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error, and for maintaining adequate accounting records and an effective system of risk management.

The Governing Board has made an assessment of the entity's ability to continue as a going concern and has no reason to believe that the entity will not be a going concern in the year ahead.

The auditor is responsible for reporting on whether the financial statements give a true and fair view in accordance with the applicable financial reporting framework.

PRINCIPAL ACTIVITIES

The West African Science Service Center on Climate Change and Adapted Land Use (WASCAL) is a largescale research-focused Climate Service Center mandated to help tackle the challenges of climate change in West Africa.

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.

INCORPORATION

West African Science Service Center on Climate Change and Adapted Land Use (WASCAL) was registered with the Register of Companies of Ghana on 8 April 2014 and issued with a certificate to commence business on 9 April 2014 by the Registrar of Companies.

FINANCIAL STATEMENTS

The financial results of WASCAL for the year ended 31 December 2021 are set out in the financial statements, highlights of which are as follows:

	EUR
Surplus	69,226
Total Assets	13,263,152
Total Liabilities	11,723,637
Accumulated Fund	1,539,515
	=====

The Governing Board considers the state of the entity's affairs to be satisfactory.

PARTICULARS OF ENTRIES IN THE INTERESTS REGISTER DURING THE FINANCIAL YEAR

No Director had any interest in contracts and proposed contracts with the entity during the year under review, hence there were no entries recorded in the Interests Register as required by 194(6),195(1)(a) and 196 of the Companies Act 2019, (Act 992).

CORPORATE SOCIAL RESPONSIBILITY

The nature of WASCAL's operations year on year constitutes Corporate Social Responsibility (CSR) as it involves providing scholarship to selected students to carry out their Masters and Doctorate studies in selected universities in the member countries of the organization.

WASCAL also conduct research activities and organizes workshops aimed at making relevant contributions towards climate change across the West African sub-region.

AUDIT FEES

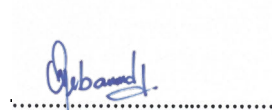
The audit fee for the year ended 31 December 2021 is EUR 10,256.

APPROVAL OF THE REPORT OF THE GOVERNING BOARD

The report of the Governing Board of the West African Science Service Center on Climate Change and Adapted Land Use were approved by the Governing Board on 15 December, 2022, and signed on their behalf by:



DR. MOUMINI SAVADOGO
EXECUTIVE DIRECTOR (WASCAL)



PROF. MOUHAMADOU HASSIROU
BOARD CHAIRMAN

INDEPENDENT AUDITOR'S REPORT

WEST AFRICAN SCIENCE SERVICE CENTER ON CLIMATE CHANGE AND ADAPTED LAND USE (WASCAL)

REPORT ON THE AUDIT OF THE FINANCIAL STATEMENTS

Opinion

We have audited the financial statements of the West African Science Service Center on Climate Change and Adapted Land Use (WASCAL) which comprise the statement of financial position at 31 December 2021, and the statements of comprehensive income and accumulated fund, and cash flows for the year then ended, and the notes to the financial statements, which include a summary of significant accounting policies and other explanatory notes, as set out on pages 9 to 25.

In our opinion, the accompanying financial statements give a true and fair view of the financial position of the West African Science Service Center on Climate Change and Adapted Land Use (WASCAL) at 31 December 2021, and of its financial performance and cash flows for the year then ended in accordance with International Financial Reporting Standard 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 WASCAL in accordance with the International Ethics Standards Board for Accountants' International Code of Ethics for Professional Accountants (including International Independence Standards) (IESBA Code), 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 Report of the Governing Board as required by the Companies Act, 2019 (Act 992) and corporate information but does not include the financial statements and our auditor's report thereon.

Our opinion on the financial statements does not cover the other information and we do not express any form of assurance conclusion thereon.

In connection with our audit of the financial statements, our responsibility is to read the other information 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, 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 Governing Board for the Financial Statements

The Governing Board is responsible for the preparation of financial statements that give a true and fair view in accordance with International Financial Reporting Standard for Small and Medium-sized Entities and in the manner required by the Companies Act, 2019 (Act 992), and for such internal control as the Governing Board determine 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 is responsible for assessing the entity'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 intend to liquidate the entity or to cease operations, or have no realistic alternative but to do so.

The Governing Board is responsible for overseeing the entity'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 entity's internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the Governing Board.

- Conclude on the appropriateness of the Governing Boards' 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 entity'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 entity 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 communicate with the Governing Board 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 of the Companies Act, 2019 (Act 992)

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.

In our opinion, proper books of account have been kept, so far as appears from our examination of those books.

The statements of financial position and comprehensive income and accumulated fund are in agreement with the accounting records and returns.

We are independent of WASCAL under audit pursuant to Section 143 of the Companies Act, 2019 (Act 992).

The engagement partner on the audit resulting in this independent auditor's report is Nathaniel D. Harley (ICAG/P/1056).

KPMG

For and on behalf of:

KPMG: ICAG/F/2022/038

CHARTERED ACCOUNTANTS

13 YIYIWA DRIVE, ABELENKPE

P O BOX GP 242

ACCRA

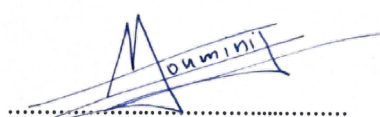
15 December, 2022

STATEMENT OF FINANCIAL POSITION AT 31 DECEMBER 2021

WEST AFRICAN SCIENCE SERVICE CENTER ON CLIMATE CHANGE AND ADAPTED LAND USE (WASCAL)

	Note	2021 EUR	2020 EUR
ASSETS			
Current assets			
Cash and cash equivalents	12	7,147,156	3,854,161
Accounts receivable	13	5,188,051	2,660,952
		-----	-----
		12,335,207	6,515,113
		-----	-----
Non-current assets			
Property and equipment	10(a)	927,945	988,078
		-----	-----
Total assets		13,263,152	7,503,191
		=====	=====
LIABILITIES			
Current liabilities			
Accounts payable	15	10,542	34,122
		-----	-----
Non-current liabilities			
Deferred member country contribution income	14	3,011,259	2,501,262
Long-term employee benefit obligation	16	89,885	73,721
Deferred project income	17	8,611,951	3,423,797
		-----	-----
		11,713,095	5,998,780
		-----	-----
Total liabilities		11,723,637	6,032,902
		-----	-----
EQUITY			
Accumulated fund		1,539,515	1,470,289
		-----	-----
Total liabilities and equity		13,263,152	7,503,191
		=====	=====

These financial statements were approved by the Governing Board on 15 December, 2022.



DR. MOUMINI SAVADOGO
EXECUTIVE DIRECTOR (WASCAL)



PROF. MOUHAMADOU HASSIROU
BOARD CHAIRMAN

STATEMENT OF COMPREHENSIVE INCOME AND ACCUMULATED FUND FOR THE YEAR ENDED 31 DECEMBER 2021

WEST AFRICAN SCIENCE SERVICE CENTER ON CLIMATE CHANGE AND ADAPTED LAND USE (WASCAL)

	Note	2021 EUR	2020 EUR
Income	3	4,956,260	4,425,015
Other income	4	110,028	73,542
Project income	5	3,090,383	1,536,413
Deferred member country contribution released to income	6	-	368,416
		-----	-----
Total income		8,156,671	6,403,386
		-----	-----
Salaries and benefits	7	(1,599,535)	(1,462,093)
Depreciation	10(a)	(63,407)	(48,708)
General and administrative expenses	8	(749,245)	(885,204)
Graduate studies programme operations	9	(3,322,563)	(2,443,828)
Project expenses	11	(2,352,695)	(1,323,055)
		-----	-----
Total expenses		(8,087,445)	(6,162,888)
		-----	-----
Surplus for the year		69,226	240,498
Accumulated fund at start of year		1,470,289	1,229,791
		-----	-----
Accumulated fund at end of year		1,539,515	1,470,289
		=====	=====

The notes on pages 12 to 25 form an integral part of these financial statements.

STATEMENT OF CASH FLOWS FOR THE YEAR ENDED 31 DECEMBER 2021

WEST AFRICAN SCIENCE SERVICE CENTER ON CLIMATE CHANGE AND ADAPTED LAND USE (WASCAL)

	Note	2021 EUR	2020 EUR
Cash flows from operating activities			
Surplus for the year		69,226	240,498
<i>Adjustments for:</i>			
Depreciation	10(a)	63,407	48,708
Gain on asset disposal	10(b)	(2,762)	-
		-----	-----
		129,871	289,206
Changes in:			
Accounts receivable	13	(2,527,099)	(219,488)
Project receivable		-	4,402
Deferred member country contribution income	14	509,997	141,566
Long-term employee benefit obligation	16	16,164	(39,947)
Deferred project income	17	5,188,154	2,190,431
Accounts payable	15	(23,580)	(88,069)
		-----	-----
Net cash from operating activities		3,293,507	2,278,101
		-----	-----
Cash flow from investing activities			
Purchase of property and equipment	10(a)	(3,274)	(101,419)
Proceeds from assets disposal	10(b)	2,762	-
		-----	-----
Net cash used in investing activities		(512)	(101,419)
		-----	-----
Net increase in cash and cash equivalents		3,292,995	2,176,682
		-----	-----
Cash and cash equivalents at 1 January		3,854,161	1,677,479
		-----	-----
Cash and cash equivalents at 31 December	12	7,147,156	3,854,161
		=====	=====

INDEPENDENT AUDITOR'S REPORT

WEST AFRICAN SCIENCE SERVICE CENTER ON CLIMATE CHANGE AND ADAPTED LAND USE (WASCAL)

1. GENERAL INFORMATION

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 AND ACCOUNTING POLICIES

(a) Statement of compliance

These financial statements have been prepared in accordance with the International Financial Reporting Standard for Small and Medium-sized Entities (IFRS for SMEs) as issued by the International Accounting Standards Board.

The principal accounting policies applied in the preparation of these financial statements are set out below.

(b) Basis of measurement

These financial statements have been prepared on the historical cost basis.

(c) 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.

(d) Use of estimates and judgement

The preparation of financial statements in conformity with IFRS for SMEs requires management to make judgements, estimates and assumptions that affect the application of policies and reported amounts of assets and liabilities, income and expenses. Actual results may differ from these estimates.

Estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognised in the period in which the estimates are revised and in any future periods affected.

(e) Foreign currency

Foreign currency transactions are translated into the functional currency, Euro, using an appropriate average exchange rate prevailing at the dates of the 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 recognised in profit or loss under general and administrative expenses or other income depending on whether it is a net loss or gain.

Non-monetary assets and liabilities are translated at historical exchange rate, if held at historical cost.

(f) Financial instruments

Financial instruments comprise accounts receivable which are usually prepaid expenses, cash and cash equivalents and accounts payable.

WASCAL initially recognises financial assets and liabilities at the transaction price. Subsequent to initial recognition, debt instruments (accounts payable and receivable) are measured at amortised cost using the effective interest method. Debt instruments that are classified as current assets and current liabilities are measured at the undiscounted amount of cash expected to be paid or received.

At the end of each reporting period, the entity assesses whether there is objective evidence of impairment of any financial assets that are measured at cost or amortised cost. If there is objective evidence of impairment, the entity recognises an impairment loss in profit or loss immediately.

The entity derecognises a financial asset when the contractual rights to the cashflows from the asset expire, or it transfers the rights to receive the contractual cashflows in a transaction in which substantially all the risks and rewards of ownership of the financial assets are transferred.

The entity derecognises a financial liability when the contractual obligations are discharged, cancelled or expire.

(g) Property and equipment

Items of property and equipment are initially recognised at cost. Subsequent to initial recognition, items of property and equipment are measured at cost less accumulated depreciation and any impairment losses.

Cost includes expenditure that is directly attributable to the acquisition of the asset. The costs of the day-to-day servicing of property and equipment are recognised in the statement of profit or loss as incurred.

The cost of replacing part of an item of property and equipment is recognised in the carrying amount of the item if it is probable that the future economic benefits embodied within the part will flow to the entity and its cost can be measured reliably.

Depreciation is recognised in the profit or loss on a straight-line basis over the estimated useful lives of each item of property and equipment. The following useful lives are used for the depreciation of property and equipment:

Land and building	-	over the shorter of lease period and 50 years.
Equipment and machinery	-	5 years
Furniture and fittings	-	5 years
Motor Vehicles	-	5 years
Motorbikes	-	3 years

If there is an indication that there has been a significant change in depreciation rate, useful life or residual value of an asset, the depreciation of that asset is revised prospectively to reflect the new expectations.

Property and equipment are derecognised upon disposal or when no future economic benefits are expected to flow to the entity from either their use or disposal.

(h) Impairment of assets

At each reporting date, property and equipment are reviewed to determine whether there is any indication that those assets have suffered an impairment loss. If there is an indication of possible impairment, the recoverable amount of any affected asset (or group of related assets) is estimated and compared with its carrying amount. If estimated recoverable amount is lower, the carrying amount is reduced to its estimated recoverable amount, and an impairment loss is recognised immediately in profit or loss.

If an impairment loss subsequently reverses, the carrying amount of the asset (or group of related assets) is increased to the revised estimate, but not in excess of the amount that would have been determined had no impairment loss been recognised for the asset (group of related assets) in prior years. A reversal of an impairment loss is recognised immediately in profit or loss.

(i) Income

Receipts represent grants, which are remittances from the German Federal Ministry of Education and Research (BMBF) to WASCAL, through partner organizations; University of Würzburg 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.

(j) 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.

(k) Cash and cash equivalents

Cash and cash equivalents comprise cash on hand and bank balances, and these are recognized at amortised cost in the statement of financial position.

(l) 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.

(m) 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.

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.

3. INCOME

	2021 EUR	2020 EUR
Income *	4,956,260	4,425,015
	-----	-----
	4,956,260	4,425,015
	=====	=====

* 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.

4. OTHER INCOME

	2021 EUR	2020 EUR
Overheads Recovered		-39,666
Fees from AGRA	53,720	8,073
VAT refund Received	7,307	19,191
Gain on disposal of motor vehicle	2,762	-
Exchange gain	45,960	-
Miscellaneous	279	-
Income from Guest House	-	6,612
	-----	-----
	110,028	73,542
	=====	=====

5. PROJECT INCOME

	2021 EUR	2020 EUR
RENEWABLE ENERGY	1,931,129	732,775
WABES	49,245	43,981
CIREG	50,570	90,271
WRAP2	613,914	-
UICN	78,015	-
ECOWAS	77,370	-
WORLD BANK	159,214	108,763
START INTERNATIONAL	-	9,463
GREEN BUILDERS	-	5,439
UPSCALERS	33,426	196,847
PAUWES	24,202	46,250
SMHI	24,362	-
Other project income *	48,936	302,624
	----- 3,090,383 =====	----- 1,536,413 =====

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

6. DEFERRED MEMBER COUNTRY CONTRIBUTION INCOME RELEASED TO INCOME

	2021 EUR	2020 EUR
Deferred member country contribution released to income *	-	368,416
	----- - ===	----- 368,416 =====

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.

The member country contribution income in 2020 relates to deferred member country contributions approved by the governing board to be used to finance operational activities.

7. SALARIES AND BENEFITS

	2021 EUR	2020 EUR
Management staff	86,398	91,117
Administrative staff	560,645	588,875
Observation network staff	388,145	432,184
Competence center staff	240,648	141,477
Research station staff	75,110	66,511
Capacity building staff cost	113,114	78,438
International Health Insurance	119,311	55,673
Payment of severance	-	252
Employee benefit expense	16,164	7,566
	-----	-----
	1,599,535	1,462,093
	=====	=====

8. GENERAL AND ADMINISTRATIVE EXPENSES

	2021 EUR	2020 EUR
Rent	67,487	66,049
Consumables	134,969	167,494
Office supply and communications	21,834	29,025
Workshops and meetings	84,314	181,757
Travel costs	33,986	81,322
Internet/Telephone/Computers	52,718	110,647
Bank charges	37,643	25,245
Competence Center Research Support	201,402	135,750
Consultancy fees	22,650	45,461
Legal and professional fees	3,477	9,730
VAT Expenses	11,033	12,189
Exchange loss	-	10,569
Withholding Tax	-	278
Audit fees	10,256	9,688
Ministerial expenses	65,133	-
Other expenses	2,343	-
	-----	-----
	749,245	885,204
	=====	=====

9. GRADUATE STUDIES PROGRAMME OPERATIONS

WASCAL runs a graduate school programme in 12 select 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.

	2021 EUR	2020 EUR
Student stipends	711,439	508,621
Student research	447,579	439,856
Student tuition	184,483	65,504
Lecturers and honorarium	98,805	157,658
Staff cost	484,107	352,373
Operations costs	457,203	469,256
Travel and insurance	104,737	25,478
Investment	143,720	131,408
Advisory board meetings	26,842	5,062
Graduation	7,795	3,168
Student scientific visits	251,393	163,605
Language course	404,460	121,839
	-----	-----
	3,322,563	2,443,828
	=====	=====

10(a). PROPERTY AND EQUIPMENT

	Land & Building EUR	Equipment & Machinery EUR	Furniture & Fittings EUR	Motor Vehicles EUR	Total EUR
2021					
Cost					
At 1 January 2021	1,006,842	1,005,900	186,633	522,493	2,721,868
Additions	-	1,243	2,031	-	3,274
Disposal	-----	-----	-----	(55,083)	(55,083)
At 31 December 2021	1,006,842	1,007,143	188,664	467,410	2,670,059
	=====	=====	=====	=====	=====
Accumulated Depreciation					
At 1 January 2021	146,564	925,338	178,499	483,389	1,733,790
Charge for the year	20,137	32,755	2,283	8,232	63,407
Disposal	-----	-----	-----	(55,083)	(55,083)
At 31 December 2021	166,701	958,093	180,782	436,538	1,742,114
	=====	=====	=====	=====	=====
Carrying Amount					
At 31 December 2021	840,141	49,050	7,882	30,872	927,945
	=====	=====	=====	=====	=====
At 31 December 2020	860,278	80,562	8,134	39,104	988,078
	=====	=====	=====	=====	=====

2020

	Land & Building EUR	Equipment & Machinery EUR	Furniture & Fittings EUR	Motor Vehicles EUR	Total EUR
Cost					
At 1 January 2020	1,006,842	951,178	181,098	481,331	2,620,449
Additions	-	54,722	5,535	41,162	101,419
At 31 December 2020	1,006,842	1,005,900	186,633	522,493	2,721,868
Accumulated Depreciation					
At 1 January 2020	126,427	900,502	176,822	481,331	1,685,082
Charge for the year	20,137	24,836	1,677	2,058	48,708
At 31 December 2020	146,564	925,338	178,499	483,389	1,733,790
Carrying Amount					
At 31 December 2020	860,278	80,562	8,134	39,104	988,078
At 31 December 2019	880,415	50,676	4,276	-	935,367

10(b). DISPOSAL OF PROPERTY AND EQUIPMENT

	2021 EUR	2020 EUR
Cost	55,083	-
Accumulated depreciation	(55,083)	-
	-----	-----
Net book value	-	-
Sales proceeds	2,762	-
	-----	-----
Profit on disposal	2,762	-
	=====	=====

11. PROJECT EXPENSES

	2021 EUR	2020 EUR
Research activities	1,584,522	928,223
Travel and transport	104,152	6,410
Salaries and benefits	302,704	131,570
Accommodation	19,809	5,181
Bank charges	9,105	9,326
Workshop expenses	53,127	85,972
Communication	58,679	7,662
Consultancy	135,838	114,408
Office supplies and consumables	49,488	11,928
Overheads/Indirect costs	35,271	22,375
	-----	-----
	2,352,695*	1,323,055
	=====	=====

* BREAKDOWN OF PROJECT EXPENSES BY PROJECT NAME

	2021 EUR	2020 EUR
RENEWABLE ENERGY	1,503,888	732,775
WORLD BANK	159,214	108,763
UPSCALERS	33,426	196,847
CIREG	50,570	90,271
PAUWES	24,202	46,250
WABES	49,245	43,981
WRAP2	231,446	-
ECOWAS	77,370	-
UICN	78,015	-
SMHI	24,583	-
GREEN BUILDERS	-	5,439
START INTERNATIONAL	-	9,463
Other project expense *	120,736	89,266
	-----	-----
	2,352,695	1,323,055
	=====	=====

12. CASH AND CASH EQUIVALENTS

	2021 EUR	2020 EUR
Bank balances	7,138,785	3,847,981
Cash balance	8,371	6,180
	-----	-----
	7,147,156	3,854,161
	=====	=====

13. ACCOUNTS RECEIVABLE

	2021 EUR	2020 EUR
Member Countries Contribution Receivable	2,503,543	2,149,147
Prepayment	151,370	133,702
Receivable from GSP Schools *	1,324,878	197,258
Project advances receivable	1,008,005	180,845
Receivable from AGRA	187,322	-
Other receivable	12,933	-
	-----	-----
	5,188,051	2,660,952
	=====	=====

* WASCAL runs the Graduate School Programme (GSP) and the Hydrogen Master Programme 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. Balance Details shown below:

	2021 EUR	2020 EUR
Balance at 1 January	197,258	292,669
Operational advances to GSP schools	3,480,338	2,350,417
Expenses retired by GSP schools	(2,352,718)	(2,445,828)
	-----	-----
Balance at 31 December	1,324,878	197,258
	=====	=====

14. DEFERRED MEMBER COUNTRY CONTRIBUTION INCOME

	2021 EUR	2020 EUR
Balance at 1 January	2,501,262	2,359,696
Member country contribution income receivable	509,997	509,982
Deferred member country contribution released to income	-	(368,416)
	-----	-----
Balance at 31 December	3,011,259*	2,501,262
	=====	=====

* 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.

15. ACCOUNT PAYABLE

	2021 EUR	2020 EUR
Accrued expenses	-	19,875
Other payables	10,542	14,247
	-----	-----
	10,542	34,122
	=====	=====

16. LONG-TERM EMPLOYEE BENEFIT OBLIGATION

	2021 EUR	2020 EUR
Obligation at 1 January	73,721	113,668
Additional provisions during the year	16,164	7,566
	-----	-----
	89,885	121,234
Payments during the year	-	(47,513)
	-----	-----
Obligation at 31 December	73,721	89,885
	=====	=====

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 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 funded by the Organisation and held with 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.

17. DEFERRED PROJECT INCOME

	Balance at January 2021	Funds received during the year	Amount utilized in 2021	Balance at 31 December 2021
PROJECTS	EUR	EUR	EUR	EUR
PT-DLR-GSP	1,598,352	5,234,947	(2,819,796)	4,013,503
HMP-HYDROGEN- GSP	-	1,451,306	(646,464)	804,842
RENEWABLE ENERGY	1,554,358	3,292,970	(1,931,129)	2,916,199
WABES	1,090	61,448	(49,245)	13,293
CIREG	61,123	20,564	(50,570)	31,117
iCHANGE	-	98,951	-	98,951
WRAP2	-	1,187,627	(613,914)	573,713
UICN	-	80,590	(78,015)	2,575
ECOWAS	-	77,930	(77,370)	560
WORLD BANK-DRR	48,767	165,166	(159,214)	54,719
UPSCALERS	60,610	-	(33,426)	27,184
GREEN BUILDERS	25,031	-	-	25,031
START INTERNATIONAL	-	-	-	6,696
PAUWES	67,770	-	(24,202)	43,568
	-----	-----	-----	-----
	3,423,797	11,671,499	(6,483,345)	8,611,951
	=====	=====	=====	=====

18. OPERATING LEASES

All items under operating leases are recognised as expense on straight line basis. Any outstanding balance on leases is recognized as either prepayment or accruals.

19. RELATED PARTY

The compensation of key management personnel in total as at the year-end was EUR 86,398 (2020: EUR 91,117).

20. CAPITAL COMMITMENTS

There were no commitments for capital expenditure not provided for in the financial statements at the reporting date and at 31 December 2020.

21. CONTINGENT LIABILITIES

As at 31 December 2021, there was a pending labour suit initiated by the former Director of Capacity building of WASCAL, claiming damages for unlawful dismissal. The case is being arbitrated at the National Labour Commission of Ghana and has awarded the former director, eleven (11) months' salary amounting to EUR68,200 only.

However, as at June 2022, the former Director is laying claim to an additional amount of EUR94,283.42. In 2018, the above lawsuit was pending against WASCAL before the ECOWAS Court of Justice, Abuja. In 2019, the ECOWAS Court of Justice dismissed the suit on the basis of lack of jurisdiction and awarded costs in favour of WASCAL (but same was to be assessed by the Chief Registrar of the Court on a deferred date). Costs awarded in favour of WASCAL is currently being assessed at the ECOWAS Court of Justice and the outcome will determine the entity's financial obligation (if any) in this labour suit.

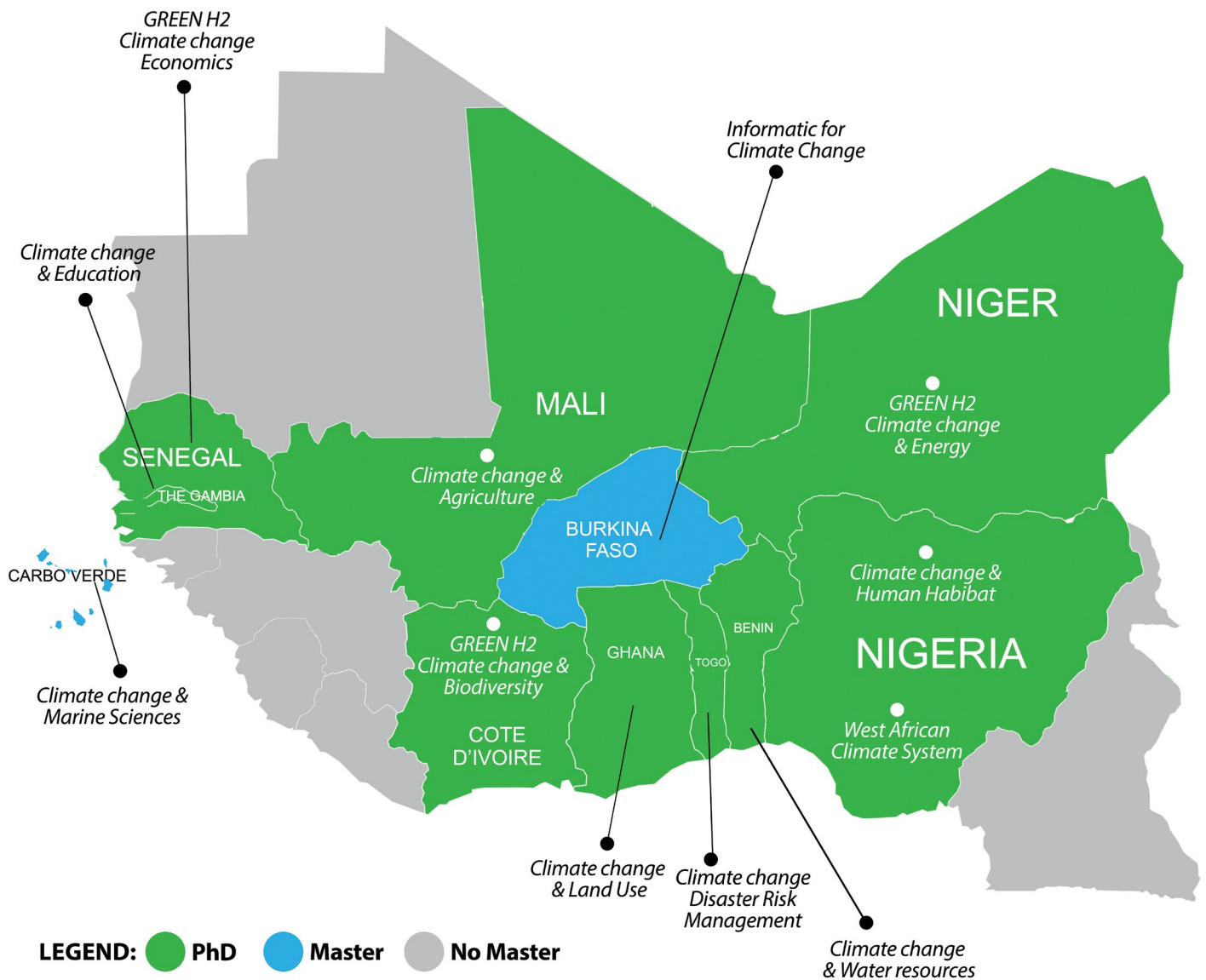
22. SUBSEQUENT EVENTS

There were no events after 31 December 2021 that require disclosure in the financial statements.

EDUCATION AND RESEARCH IN WASCAL GRADUATE SCHOOLS

Educate the next generation of climate experts for Africa in different climate related issues for more resilience of the communities using suitable and sustainable management strategies.

Strengthen in relevant areas the existing human capacity of member countries to allow them to participate in the on-going global discourse on climate change and respond to current and future adaptation /mitigation challenges.



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Programme (GSP)**

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