AFRICAN WOMEN'S DEVELOPMENT FUND (AWDF)

FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2017

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CORPORATE INFORMATION

Executive Board	Ms. Ndeye Sow *(Board Chair)* Ms. Theodosia Sowa *(Chief Executive Officer)* Ms. Arielle Enninful *(Treasurer – Appointed May 2017)* Dr. Hilda Mary Tadria Ms. Bisi Adeleye-Fayemi Ms. Taaka Awori Ms. Agnes Utunga Phiri *(Appointed November 2017)* Ms. Abena Amoah *(Retired May 2017)*
Registered office	AWDF House Plot 78 Ambassadorial Enclave East Legon Accra, Ghana
Independent auditor	PricewaterhouseCoopers Chartered Accountants No. 12 Airport City Una Home 3rd Floor PMB CT42 Cantonments Accra
Solicitor	Ghartey and Ghartey P. O. Box OS 1003 Osu, Accra
Bankers	Barclays Bank Ghana Limited Ecobank Ghana Limited

REPORT OF THE EXECUTIVE BOARD OF DIRECTORS

The directors have the pleasure in submitting their report and audited financial statements of the African Women's Development Fund (AWDF) for the financial year ended 31 December 2017.

Statement of Directors' responsibilities

The directors are responsible for the preparation of financial statements for each financial year, which give a true and fair view of the state of affairs of the Organisation and of the surplus or deficit and cash flows for that period. In preparing these financial statements, the directors have selected suitable accounting policies and then applied them consistently, made judgements and estimates that are reasonable and prudent, followed International Public Sector Accounting Standards (IPSAS) and complied with the requirements of the Companies Act, 1963 (Act 179).

The directors are responsible for ensuring that the Organisation keeps proper accounting records that disclose with reasonable accuracy at any time the financial position of the Organisation. The directors are also responsible for safeguarding the assets of the Organisation and for taking reasonable steps for the prevention and detection of fraud and other irregularities.

Principal activities

The African Women's Development Fund (AWDF) is a grant-making organisation that supports local, national and regional women's organisations working towards the empowerment of African women and the promotion and realisation of their rights. AWDF supports African women's activist organisations and individuals through, grant making, institutional capacity building, advocacy, and knowledge generation. Since January 2017, six countries in the Middle East have been added to our grant making geography specifically as part of the Leading from the South initiative.

Results

The statement of financial performance on page 7 shows a surplus for the year of US$410,302 (2016: US$253,297). The result has increased the fund balance from US$4,206,470 as at 31 December 2016 to US$4,955,533 as at 31 December 2017.

Auditor

The Organisation's auditor, PricewaterhouseCoopers has expressed willingness to continue in office in accordance with Section 134 (5) of the Companies Act, 1963 (Act 179).

BY ORDER OF THE BOARD

Board Member: Arielle Enninful

Chief Executive Officer: THEO SOWA

8 June 2018

8 June 2018

INDEPENDENT AUDITOR'S REPORT
TO THE DIRECTORS OF AFRICAN WOMEN'S DEVELOPMENT FUND

REPORT ON THE AUDIT OF THE FINANCIAL STATEMENTS

Our Opinion

In our opinion, the accompanying financial statements give a true and fair view of the financial position of the African Women's Development Fund (AWDF) as at 31 December 2017, and of its financial performance and its cash flows for the year then ended in accordance with International Public Sector Accounting Standards (IPSAS) and in a manner required by the requirements of the Companies Act, 1963 (Act 179).

What we have audited

We have audited the financial statements of the African Women's Development Fund for the year ended 31 December 2017.

The financial statements on pages 6 to 31 comprise:
- the statement of financial position as at 31 December 2017;
- the statement of financial performance for the year then ended;
- the statement of changes in net assets/equity for the year then ended;
- the statement of cash flows for the year then ended; and
- the notes to the financial statements, which include a summary of significant accounting policies.

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

Independence

We are independent of the African Women's Development Fund (AWDF) in accordance with the International Ethics Standards Board for Accountants' Code of Ethics for Professional Accountants (IESBA Code). We have fulfilled our other ethical responsibilities in accordance with the IESBA Code.

Other information

The Board of Directors is responsible for the other information. The other information comprises the Report of Executive Board of Directors 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 identified above and, in doing so, consider whether the other information is materially inconsistent with

Other information (continued)

the financial statements or our knowledge obtained in the audit, or otherwise appears to be materially misstated.

If, based on the work we have performed on the other information, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.

Responsibilities of the directors for the financial statements

The directors are responsible for the preparation of financial statements that give a true and fair view in accordance with International Public Sector Accounting Standards (IPSAS) and the requirements of the Companies Act, 1963 (Act 179) and for such internal control as the directors 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 directors are responsible for assessing the Organisation'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 directors either intend to liquidate the Organisation or to cease operations, or have no realistic alternative but to do so.

The directors are responsible for overseeing the 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 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 judgement 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 internal control.

INDEPENDENT AUDITOR'S REPORT TO THE DIRECTORS OF AFRICAN WOMEN'S DEVELOPMENT FUND

REPORT ON THE AUDIT OF THE FINANCIAL STATEMENTS (CONTINUED)

Auditor's responsibilities for the audit of the financial statements (continued)

- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the Directors.
- Conclude on the appropriateness of the Directors' 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 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.

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

REPORT ON OTHER LEGAL AND REGULATORY REQUIREMENTS

The Companies Act, 1963 (Act 179) requires that in carrying out our audit we consider and report on the following matters. We confirm that:

i) 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;
ii) in our opinion proper books of account have been kept by the Organisation, so far as appears from our examination of those books; and
iii) the Organisation's statement of financial position and Organisation's statement of financial performance are in agreement with the books of account.

The engagement partner on the audit resulting in this independent auditor's report is Maxwell Darkwa (ICAG/P/1143).

PricewaterhouseCoopers

PricewaterhouseCoopers (ICAG/F/2018/028)
Chartered Accountants
Accra, Ghana
8 June 2018

pwc

STATEMENT OF FINANCIAL POSITION

(All amounts are expressed in US dollars unless otherwise stated)

	Notes	As at 31 December 2017	2016
Assets			
Non-current assets			
Property and equipment	3	**1,077,176**	747,008
Intangible assets	4	**80,823**	87,638
Investment property	5	**933,700**	681,359
Investments	6	**1,000,000**	100,000
		3,091,699	1,616,005
Current assets			
Recoverable from non-exchange transactions	7	**6,088**	110,172
Receivables from exchange transactions	8	**121,509**	126,253
Fixed deposits	9	**2,812,834**	2,072,115
Cash and cash equivalents	10b	**4,417,564**	7,584,876
		7,357,995	9,893,416
Total assets		**10,449,694**	11,509,421
Liabilities			
Current liabilities			
Payables under non-exchange transactions	11	**3,712,605**	341,255
Accounts payable	12	**260,813**	178,835
Temporary restricted funds	13	**1,520,743**	6,782,861
		5,494,161	7,302,951
Total liabilities		**5,494,161**	7,302,951
Total assets less total liabilities		**4,955,533**	4,206,470
Net assets			
Endowment fund	14	**3,938,348**	3,592,744
Unrestricted funds	15	**678,424**	613,726
Revaluation reserves	16	**338,761**	-
Total net assets		**4,955,533**	4,206,470

The notes on pages 10 to 31 are an integral part of these financial statements.

The financial statements on pages 6 to 31 were approved by the Executive Board on 8 June 2018 and signed on their behalf by:

Board Member: Arielle Enninful

Chief Executive Officer: THEO SOWA

STATEMENT OF FINANCIAL PERFORMANCE

(All amounts are expressed in US dollars unless otherwise stated)

	Notes	Year ended 31 December 2017	2016
Revenue			
Revenue from non-exchange transactions			
Public foundations	17	**1,595,764**	1,164,656
Private foundations	18	**532,689**	1,886,254
Bilaterals and multilaterals	19	**5,536,805**	-
Individuals and corporations	20	**25,453**	19,314
		7,690,711	3,070,224
Revenue from exchange transactions			
Other income	21	**441,710**	293,566
Total revenue		**8,132,421**	3,363,790
Expenditure			
Grants and other programmes			
Grants awarded	22	**5,608,530**	989,600
Capacity building workshops	23	**325,686**	188,525
Other programmes	24	**315,634**	644,218
Programme management expenses	25	**806,655**	694,426
Fundraising and institutional costs			
Management and institutional development	26	**301,545**	259,500
Fundraising and communication	27	**425,439**	418,306
Total expenditure		**7,783,489**	3,194,575
Surplus before finance income		**348,932**	169,215
Finance income	28	**61,370**	84,082
Surplus for the year		**410,302**	253,297

The notes on pages 10 to 31 are an integral part of these financial statements.

STATEMENT OF CASH FLOWS

(All amounts are expressed in US dollars unless otherwise stated)

	Notes	Year ended 31 December 2017	2016
Cash flows from operating activities			
Cash generated from/(used in) operations	10a	**(1,482,277)**	3,835,670
Net cash generated from/(used in) operating activities		**(1,482,277)**	3,835,670
Cash flows from investing activities			
Purchase of property and equipment	3	**(35,040)**	(5,025)
Purchase of intangible asset	4	**(10,851)**	(15,827)
Interest reinvested/purchases	29	**(1,640,719)**	(75,570)
Proceeds on disposal		**1,575**	-
Net cash used in investing activities		**(1,685,035)**	(96,422)
Net increase/(decrease) in cash and cash equivalents		**(3,167,312)**	3,739,248
Movement in cash and cash equivalents			
At start of the year	10b	**7,584,876**	3,845,628
Increase/(decrease) during the year		**(3,167,312)**	3,739,248
Cash and cash equivalents at the end of the year	10b	**4,417,564**	7,584,876

The notes on pages 10 to 31 are an integral part of these financial statements.

STATEMENT OF CHANGES IN NET ASSETS/EQUITY

(All amounts are expressed in US dollars unless otherwise stated)

	Notes	Revaluation reserve	Endowment fund	Unrestricted funds	Total
2017					
Balance at 1 January		-	3,592,744	613,726	4,206,470
Changes in net assets for the year					
Surplus for the year	14, 15 & 16	338,761	345,604	64,698	749,063
Balance as 31 December		338,761	3,938,348	678,424	4,955,533
2016					
Balance at 1 January			3,482,846	470,327	3,953,173
Changes in net assets for the year					
Surplus for the year		-	109,898	143,399	253,297
Balance at 31 December		-	3,592,744	613,726	4,206,470

The notes on pages 10 to 31 are an integral part of these financial statements.

NOTES

1. General information

The African Women's Development Fund (AWDF) is a grant-making foundation that supports local, national and regional women's organizations working towards the empowerment of African women and the promotion and realization of their right. AWDF is a not-for-profit organisation in accordance with international public law and is incorporated under the Laws of Ghana. By specialising in grant-making and focused, tailored capacity-building programmes, they work to strengthen and support the work of African women's organisations. By amplifying and celebrating African women's voices and achievements, the AWDF supports efforts that combat harmful stereotypes, and promote African women as active agents of change. Since January 2017 six countries in the Middle East have been added to our grant making geography specifically as part of the Leading from the South initiative. Additionally, at the beginning of 2017, AWDF's grant thematic areas was reviewed in line with the new strategic plan.

2. Summary of significant accounting policies

The principal accounting policies adopted in the preparation of these financial statements are set out below. These policies have been consistently applied to all years presented, unless otherwise stated.

(a) Basis of accounting

The financial statements have been prepared under the historical cost convention and in accordance with International Public Sector Accounting Standards (IPSAS). In the absence of an International Public Sector Accounting Standard that specifically applies to a transaction, other event or condition, management uses its judgement in developing and applying an accounting policy that results in information that is relevant to the decision-making needs of users so that the financial statements:

- represent faithfully the financial position, financial performance and cash flows of the entity;
- reflect the economic substance of transactions, other events and conditions and not merely the legal form;
- are neutral, i.e. free from bias;
- are prudent; and
- are complete in all material respects.

(b) Changes in accounting policy and disclosures

(i) Change in accounting policy

During the year, the Organization changed its accounting policy with respect to the measurement of its office buildings from the cost model to the revaluation model and its investment property from the cost model to the fair value model. The fair value is the price at which the property could be exchanged between knowledgeable, willing parties in an arm's length transaction.

NOTES (continued)

2. Summary of significant accounting policies (continued)

(b) Changes in accounting policy and disclosures (continued)

(i) Change in accounting policy (continued)

Office building

Paragraph 44 of IPSAS 17 states that after recognition as an asset, an item of property, plant, and equipment whose fair value can be measured reliably shall be carried at a revalued amount, being its fair value at the date of the revaluation, less any subsequent accumulated depreciation, and subsequent accumulated impairment losses. Revaluations shall be made with sufficient regularity to ensure that the carrying amount does not differ materially from that which would be determined using fair value at the reporting date.

If the carrying amount of a class of assets is increased as a result of a revaluation, the increase shall be credited directly to revaluation surplus. However, the increase shall be recognized in surplus or deficit to the extent that it reverses a revaluation decrease of the same class of assets previously recognized in surplus or deficit.

If the carrying amount of a class of assets is decreased as a result of a revaluation, the decrease shall be recognized in surplus or deficit. However, the decrease shall be debited directly to revaluation surplus to the extent of any credit balance existing in the revaluation surplus in respect of that class of assets.

Revaluation increases and decreases relating to individual assets within a class of property, plant, and equipment must be offset against one another within that class but must not be offset in respect of assets in different classes.

Investment property

A gain or loss arising from a change in the fair value of investment property shall be recognized in surplus or deficit for the period in which it arises. Fair value specifically excludes an estimated price inflated or deflated by special terms or circumstances such as atypical financing, sale and leaseback arrangements, special considerations or concessions granted by anyone associated with the sale. The fair value of investment property shall reflect market conditions at the reporting date.

Paragraphs 42 and 44 of IPSAS 17 stat that after initial recognition, an entity that chooses the fair value model shall measure all of its investment property at fair value, except in the cases described in paragraph 62. A gain or loss arising from a change in the fair value of investment property shall be recognized in surplus or deficit for the period in which it arises.

NOTES (continued)

2. Summary of significant accounting policies (continued)

(b) Changes in accounting policy and disclosures (continued)

(ii) New and amended standards adopted by the organization

In the current year, the organisation applied all relevant IPSASs issued by the International Public Sector Accounting Standards Board (IPSASB) that are mandatorily effective for accounting periods that begin on or after 1 January 2017.

There are no standards and interpretations that are effective for the first time for the financial year beginning on or after the 1 January 2017 that would have material impact on the organisation.

(iii) New standards that are not yet effective and have not been early adopted

The International Public Sector Accounting Standards Board (IPSASB) in July 2016 and January 2017 issued IPSAS 39 'Employee Benefits' to replace IPSAS 25 and IPSAS 40 'Public Sector Combinations', the effective date is 1 January 2019. Early adoption of IPSAS 40 is however encouraged.

(c) Use of estimates and judgement

The preparation of financial statements in conformity with IPSAS 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.

The key estimates management has made in preparing the financial statements concerns accruals, the useful lives of investment property, property and equipment and intangible assets. The estimated useful lives of these assets are set out in the relevant notes.

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.

(d) Property and equipment

Property

Property, which in this case relates to the Organisation's office premises, is recognised when it is probable that future economic benefits or service potential will flow to the Organisation. In previous years, the organisation measured it office premises at cost less accumulated depreciation. Office premises was depreciate over the remaining useful life of the lease not exceeding 86 years. In the year under review, the Organisation decided to change its method of measurement of its office premise from the cost model to the revaluation model. Details of the requirements of this model are presented in Note 2(b)(i).

NOTES (continued)

2. Summary of significant accounting policies (continued)

(d) Property and equipment (continued)

Equipment

Equipment is recognised when it is probable that future economic benefits or service potential will flow to the Organisation. Items of equipment are stated at cost less accumulated depreciation and any accumulated impairment losses. Costs include expenditure that is directly attributable to bringing the asset to the location and condition necessary for it to be capable of operating in the manner intended by management.

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 item will flow to the organisation and the cost of the item can be measured reliably. The carrying amount of a replaced part is derecognised. The costs of day-to-day maintenance, repair and servicing expenditures incurred on property and equipment is charged to the statement of financial performance during the financial period in which they are incurred.

Depreciation is charged so as to allocate the cost of assets less their residual values over their estimated useful lives, using the straight-line method. The estimated useful lives for the current and comparative periods are as follows:

Motor vehicles	-	5 years
Computer equipment	-	3 years
Office equipment	-	4 years
Furniture and fittings	-	5 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.

Gains and losses on disposal of property and equipment are determined by comparing proceeds from disposal with the carrying amounts of property and equipment and are recognised in statement of financial performance.

(e) Intangible assets

Intangible assets are purchased or internally generated computer software and website designs. Intangible assets are recognised when it is probable that future economic benefits or service potential will flow to the Organisation. Intangible assets are stated at cost less accumulated amortisation and any impairment losses. Intangible costs include expenditure that is directly attributable the acquisition of items.

Subsequent expenditure on software assets are capitalised only when it increases the future economic benefits embodied in the specific asset to which it relates. All other expenditure is expensed as incurred.

Amortisation is recognised in the income statement on a straight-line basis over the estimated useful life of 3 years of the organisation's intangible assets, from the date that it is available for use.

NOTES (continued)

2. Summary of significant accounting policies (continued)

(e) Intangible assets (continued)

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

(f) Investment property

Property that is held for long-term rental yields or for capital appreciation or both, and that is not occupied by the fund, is classified as investment property. Investment property are recognised as an asset when it is probable that the future economic benefits that are associated with the property will flow to the Organisation, and the cost of the property can be reliably measured. Investment property shall be measured initially at its cost (transaction costs shall be included in this initial measurement).

During the year, the Organisation changed it the method of measurement of its investment property from the cost model to the fair value model. Details of the requirements of this model are presented in Note 2(b)(i).

The Organisation at the end of each reporting period assesses whether there is objective evidence that an investment property is impaired. An investment property is impaired and impairment losses recognised only if there is objective evidence of impairment as a result of one or more events ('loss event') that occurred after the initial recognition of the investment property and that loss event has an impact on the estimated future cash flows of the Investment property that can be reliably estimated.

If, in a subsequent period, the amount of the impairment loss decreases and the decrease can be related objectively to an event occurring after the impairment was recognised, the reversal of the previously recognised impairment loss is recognised in the statement of financial performance.

Investment properties are derecognised either when they have been disposed of or when the investment property is permanently withdrawn from use and no future economic benefit or service potential is expected from its disposal. The difference between the net disposal proceeds and the carrying amount of the asset is recognised in the surplus or deficit in the period of derecognition. Transfers are made to or from investment property only when there is a change in use.

(f) Recoverables from non-exchange transactions

Recoverable from non-exchange transactions comprise receivables from partners and donors for which it is possible that the inflow will occur and future economic benefits or service potential will flow to the entity and the fair value of the assets can be measured reliably.

Recoverables from non-exchange transactions are recorded at their estimated realisable value after providing for doubtful and uncollectible debts. A provision for impairment of recoverables from non-exchange transaction is established when there is objective evidence that the organisation will not be able to collect all amounts due according to the original terms of the receivables.

NOTES (continued)

2. Summary of significant accounting policies (continued)

(g) Receivables from exchange transactions

Receivables from exchange transactions comprise prepayments, advances to staff and sundry debtors excluding recoverables from partners and donors. Salary advances/staff loans outstanding as at the end of the reporting period are treated as receivables in the statement of financial position. Receivables are recognised when they arise and cancelled when payment is made. Receivables from exchange transactions are recognised initially at fair value and subsequently measured at amortised cost using the effective interest method, less provision for impairment. A provision for impairment of receivables is established when there is objective evidence that the organisation will not be able to collect all amounts due according to the original terms of the receivables.

(h) Cash and cash equivalents

Cash and cash equivalents includes cash in hand, deposits held at call with banks and other short term highly liquid investments with original maturities of three months or less, which are readily convertible to known amounts of cash and are subject to insignificant risk of changes in value.

(i) Financial instruments

Non-derivative financial instruments

Non-derivative financial instruments are fixed deposit investment, other receivables, cash and cash equivalents and accounts payable.

Non-derivative financial instruments are recognised initially at fair value plus, for instrument not at fair value through surplus or deficit, any directly attributable transaction cost. Subsequent to initial recognition non-derivative financial instruments are measured at amortised cost using the effective interest rate method, less any impairment losses, if any.

Non-derivative financial instruments are categorised as follows:

- Loans and receivables - these are non-derivative financial assets with fixed or determinable payments that are not quoted in an active market. These assets are measured at amortised cost using the effective interest rate method, less any impairment losses;
- Held to maturity investments - these are investments with fixed determinable maturity dates; and
- Financial liabilities measured at amortised cost - this relates to all other liabilities that are not designated at fair value through surplus or deficit.

Off setting

Financial assets and liabilities are set off and the net amount presented in the statement of financial position when, and only when, the organisation has a legal right to set off the amounts and intends either to settle on a net basis or to realise the asset and settle the liability simultaneously.

NOTES (continued)

2. Summary of significant accounting policies (continued)

(i) Financial instruments (continued)

Income and expenses are presented on a net basis when permitted by the accounting standards, or for gains and losses arising from a group of similar transactions.

Amortised cost measurement

The amortised cost of a financial asset or liability is the amount at which the financial asset or liability is measured at initial recognition, minus principal repayments, plus or minus the cumulative amortisation using the effective interest method of any difference between the initial amount recognised and the maturity amount, minus any reduction for impairment.

(j) Payables under non-exchange transactions and accounts payable

Payables under non-exchange transactions represent grants awarded but not disbursed as at the end of the year.

Accounts payable is made up of sundry creditors and accruals and these represent amounts due for support, services and/or materials received prior to year-end, but not paid for as at the statement of financial position date and liabilities to pay for goods or services that have been received or supplied but have not been paid, invoiced or formally agreed with the supplier respectively.

They are recognised initially at fair value and subsequently measured at amortised cost using the effective interest method.

(k) Temporary restricted funds

Temporary restricted funds are funds used for specific purposes and are mainly from institutional donors such as private foundations, public foundations and multilateral and bilateral donors. The grant agreements with the donors explicitly state the purpose for which the grants are awarded. Such grant agreements also specify the circumstances under which unspent grants are returned to the donors.

They are recognised initially at fair value and subsequently measured at amortised cost using the effective interest method.

(l) Accumulated fund

Accumulated fund is arrived at after accounting for surplus or deficit for the year.

NOTES (continued)

2. Summary of significant accounting policies (continued)

(m) Revenue

Revenue from non-exchange transactions

Revenue arises from non-exchange transactions such as grants from various donors. Grants represent cash remittances from institutional donors, corporate institutions and individuals.

Revenue is recognised when funds are transmitted and received except for specific grant income which may be recognised on accrual basis due to the terms and conditions of the grant agreement. Such grants are reviewed on a case by case basis and revenue recognised based on their terms and conditions.

Revenue from exchange transactions

Revenue arises from exchange transactions such as interest and investment income. Interest and investment income is recognised on a time proportion basis, taking account of the principal outstanding and the effective rate over the period to maturity, when it is determined that such income will accrue to the organisation.

(o) Revenue (continued)

Revenue from exchange transactions (continued)

Other income includes earned income, registration fees, income from rent and foreign exchange gains and losses. Earned income relates to revenue earned by the organisation from the provision of services such as grant making services provided to its partners. Earned revenue is recognised when earned, that is, when the service has been provided by the Organisation in the course of the year. Registration fees relate to fees paid by participants for regional convenings. They are recognised on a cash basis during the year.

(p) Expenditure

The organisation's expenditure is recognised on an accrual basis. Expenditure comprises costs incurred directly for the activities of the African Women's Development Fund. Grant expenses are also recognised on an accrual basis when they are awarded.

(q) Foreign currency translation

Functional and presentation currency

The financial statements are presented in United States Dollars, which is the organisation's functional and presentational currency.

NOTES (continued)

2. Summary of significant accounting policies (continued)

(q) Foreign currency translation (continued)

Transactions and balances

Transactions in foreign currencies are translated to United States dollars at the approximate rates of exchange prevailing at the date of the transactions. Monetary assets and liabilities denominated in currencies other than US dollars at the reporting date are translated into US Dollars at the rates of exchange ruling as at that date. The resulting gains or losses are recognised in the statement of financial performance.

(r) Financial risk management

The Organisation seeks to minimise its exposure to financial risk. It uses only non-derivative financial instruments as part of its normal operations. These financial instruments include bank accounts, certificates of deposit, accounts receivable and accounts payable.

Market risk

Market risk is the risk that changes in market prices, such as foreign exchange rates and interest rates will affect the organisation's income or the value of its holdings of financial instruments. The objective of market risk management is to manage and control market risk exposures within acceptable parameters, while optimising the return.

Credit risk

In the normal course of business, AWDF incurs credit risk from accounts receivable and transactions with banking institutions. AWDF manages its exposure to credit risk by:

- Holding bank balances and short-term deposits (demand deposits) with Ghanaian registered banks; and
- Maintaining credit control procedures over accounts receivable.

As at 31 December 2017, the total amount of cash and cash equivalents was US$4,417,564 (2016: U$7,584,876) held with Barclays Bank of Ghana Limited and Ecobank Ghana Limited in the form of demand deposits. Recoverables from non-exchange transactions and receivables from exchange transactions excluding prepayments as at 31 December 2017 totalled US$93,609 (2016: US$229,465).

The maximum exposure as at 31 December 2017 was equal to the total amount of bank balances, short-term deposits, long-term investments and receivables disclosed in the statement of financial position.

AWDF does not require any collateral or security to support financial instruments and other receivables it holds due to low risk associated with the realization of these instruments.

NOTES (continued)

2. Summary of significant accounting policies (continued)

(r) Financial risk management (continued)

Liquidity risk

Liquidity risk is the risk that the organisation will not be able to meet its financial obligations as they fall due. Prudent liquidity risk management includes maintaining sufficient cash balances. Management performs cash flow forecasting and monitors rolling forecasts of the organisation's liquidity requirements to ensure it has sufficient cash to meet its operational needs.

Maturity analysis of financial liabilities

The table below analyses the organisation's financial liabilities that will be settled on a net basis into relevant maturity groupings based on the remaining period at the reporting date to the contractual maturity date.

Liquidity risk (continued)

The amounts disclosed in the table below are the contractual undiscounted cash flows.

	Due within one year US$	Due after one year US$
At 31 December 2017:		
Accounts payable	260,813	-
At 31 December 2016:		
Accounts payable	178,835	-

Foreign currency exchange risk

The organisation's exposure to currency risk on purchases other than the functional currency is not significant. The currency in which these transactions primarily are denominated is Ghana cedis. Foreign exchange gains and losses resulting from settlement, or translation of year end monetary balances denominated in foreign currencies are recognised in the statement of financial performance.

AWDF operates separate bank accounts in Ghana Cedi. AWDF incurs currency risk as a result of the conversion of foreign currency balances held in these bank accounts to United States dollars at period end. The currency risk associated with this balance is considered minimal and therefore AWDF does not hedge its foreign currency exposure.

Foreign currency transactions are translated to United States dollars at exchange rates at the dates of the transactions.

NOTES (continued)

2. Summary of significant accounting policies (continued)

(r) Financial risk management (continued)

Interest rate risk

Interest rate risk arises from possible impact of changes in the interest rates on the value of financial instruments. The organisation's exposure to the risk of changes in market interest rates relates primarily to its fixed deposit with floating interest rates. All financial instruments are recognised in the statement of financial position at their fair values.

Capital management

The organisation's primary objective of managing capital is to ensure that there is sufficient capital available to support the funding requirements of the organisation in a way that will ensure that the organisation remains in a sound financial position. The donors and members continues to provide financial support through grants, donations and members' contributions.

Fair values

As at 31 December 2017, the carrying amounts approximate the fair values for all financial instruments held.

3. Property and Equipment

2017	Motor vehicles	Computers	Office equipment	Furniture and fittings	Office premises	Total
Cost						
Balance at 1 January	128,879	187,569	163,336	29,542	772,078	**1,281,404**
Additions	-	19,960	5,671	9,409	-	**35,040**
Disposals	(10,862)	(51,609)	(6,124)	(2,234)	-	**(70,829)**
Revaluation surplus	-	-	-	-	256,622	**256,622**
Balance at 31 December	118,017	155,920	162,883	36,717	1,028,700	**1,502,237**
Depreciation						
At 1 January	128,879	153,005	151,114	28,842	72,556	**534,396**
Charge for the year	-	20,878	9,023	1,290	9,582	**40,773**
Transfer on revaluation	-	-	-	-	(82,138)	**(82,138)**
Disposal	(10,862)	(48,749)	(6,124)	(2,235)	-	**(67,970)**
Balance at 31 December	118,017	125,134	154,013	27,897	-	**425,061**
Net book value						
At 31 December 2017	-	**30,786**	**8,870**	**8,820**	**1,028,700**	**1,077,176**

NOTES (continued)
(All amounts in the notes are expressed in US dollars unless otherwise stated)

3. Property and Equipment (continued)

2016	Motor vehicles	Computers	Office equipment	Furniture and fittings	Office premises	Total
Cost						
Balance at 1 January	128,879	182,544	163,336	29,542	772,078	**1,276,379**
Additions	-	5,025	-	-	-	**5,025**
Balance at 31 December	128,879	187,569	163,336	29,542	772,078	**1,281,404**
Depreciation						
At 1 January	128,879	130,893	141,453	27,578	62,974	**491,777**
Charge for the year	-	22,112	9,661	1,264	9,582	**42,619**
Balance at 31 December	128,879	153,005	151,114	28,842	72,556	**534,396**
Net book value						
At 31 December 2016	-	**34,564**	**12,222**	**700**	**699,522**	**747,008**

The fair value of property (office building) amounted to US$1,028,700 (made up of land of US$386,800 and buildings of US$641,900). The fair value were determined based on valuations performed by Assenta Property Consulting, an independent valuer, as at 31 December 2017. Assenta Property Consulting is an industry specialist in valuing these types of properties. The fair values of the properties have been determined on observable prices in the market.

4. Intangible assets

2017	SunSystems Accounting Software	AWDF Information Management System*	Website Redesign	SPSS Statistics Software	Total
Cost					
Balance at 1 January	33,698	64,735	23,557	-	**121,990**
Additions	-	8,007	-	2,844	**10,851**
Balance at 31 December	33,698	72,742	23,557	2,844	**132,841**
Amortisation					
At 1 January	20,218	-	14,134	-	**34,352**
Charge for the year	10,109	-	7,067	490	**17,666**
Balance at 31 December	30,327	-	21,201	490	**52,018**
Net book value					
At 31 December 2017	3,371	72,742	2,356	2,354	**80,823**

NOTES (continued)
(All amounts in the notes are expressed in US dollars unless otherwise stated)

4. Intangible assets (continued)

2016	SunSystems Accounting Software	AWDF Information Management System*	Website Redesign	Total
Cost				
Balance at 1 January	33,698	48,908	23,557	106,163
Additions	-	15,827	-	15,827
Balance at 31 December	33,698	64,735	23,557	121,990
Amortisation				
At 1 January	10,109	-	7,067	17,176
Charge for the year	10,109	-	7,067	17,176
Balance at 31 December	20,218	-	14,134	34,352
Net book value				
At 31 December 2016	13,480	64,735	9,423	87,638

*The development of the AWDF information management system was still ongoing as at year end and due to be available for use from 2018. There was therefore no amortisation charge for the year under review as the asset was classified as work-in-progress.

5. Investment property

	2017	2016
Cost		
As at 1 January	**751,347**	751,347
Fair valuation gain	**261,675**	-
	1,013,022	751,347
Accumulated depreciation		
Balance at 1 January	**69,988**	60,654
Charge for the year	**9,334**	9,334
Balance at 31 December	**79,322**	69,988
Net book value		
At 31 December	**933,700**	681,359

The fair value of investment property amounted to US$933,700 (made up of land of US$360,000 and buildings of US$573,700). The fair value were determined based on valuations performed by Assenta Property Consulting, an independent valuer, as at 31 December 2017. Assenta Property Consulting is an industry specialist in valuing these types of investment properties. The fair values of the properties have been determined on observable prices in the market.

NOTES (continued)
(All amounts in the notes are expressed in US dollars unless otherwise stated)

6. Investments

Long-term investment is made up of a three-year bond of US$1,000,000 with Stanbic Bank Ghana Limited purchased in 2017, due to mature in November 2020.

7. Recoverables from non-exchange transactions

	2017	2016
African Capacity Building Foundation (ACBF)	**6,088**	82,172
Novo Foundation	-	28,000
	6,088	110,172

8. Receivables from exchange transactions

	2017	2016
Prepayments and sundry debtors	**119,839**	122,760
Staff advances	**1,670**	3,493
	121,509	126,253

9. Fixed deposits

Fixed deposits comprise short-term deposits with Ghana Commercial Bank (GCB) which matured in February and March 2018; a 1-year bond with Barclays Bank Ghana Ltd due to mature in October 2018; and a 3-year bond with HFC Bank in its final year purchased in March 2016 and due to mature in September 2018.

	2017	2016
GCB	**762,834**	
Barclays	**2,000,000**	-
HFC	**50,000**	1,157
UT Bank	-	738,440
UT Bank	-	751,922
FBN Bank	-	580,596
	2,812,834	2,072,115

NOTES (continued)
(All amounts in the notes are expressed in US dollars unless otherwise stated)

10a. Cash generated (used in)/ from operations

	As at 31 December	
	2017	2016
Cash flows from operating activities		
Surplus for the year	**410,302**	253,297
Adjustments for non-cash movements		
Depreciation – Property and Equipment	**40,773**	42,619
Depreciation – Investment Property	**9,334**	9,334
Amortisation – Intangible assets	**17,666**	17,176
Loss on disposal of assets	**1,284**	-
Fair valuation gain – Investment Property	**(261,675)**	-
Decrease/(Increase) in recoverables from non-exchange transactions	**104,084**	(110,172)
Decrease/(Increase) in receivables from exchange transactions	**4,745**	(22,215)
Increase/ (Decrease) in accrued interest on fixed deposit investments	-	(1,790)
Increase/(Decrease) in payables from non-exchange transactions	**3,371,350**	(939,550)
Increase/(Decrease) in accounts payable	**81,978**	(41,876)
(Decrease)/Increase in temporary restricted funds	**(5,262,118)**	4,628,847
	(1,482,277)	3,835,670

10b. Cash and cash equivalents

	2017	2016
Cash at bank	**4,414,224**	7,580,952
Cash in hand	**3,340**	3,924
	4,417,564	7,584,876

11. Payables under non-exchange transactions

As at 31 December 2017, an amount of US$3,712,605 (2016: US$341,255) of grants awarded had not been disbursed to grantees.

12. Accounts payable

	2017	2016
Sundry creditors	**108,583**	69,303
Accruals	**152,230**	109,532
	260,813	178,835

NOTES (continued)
(All amounts in the notes are expressed in US dollars unless otherwise stated)

13. Temporary restricted funds

Temporarily restricted funds are deferred income from donors for specific purposes and are mainly from institutional donors such as private foundations, public foundations and multilateral and bilateral donors. The grant agreements with the donors explicitly state the purpose for which the grants are awarded. Such grant agreements also specify the circumstances under which unspent grants are returned to the donors. At the balance sheet date, unspent temporarily restricted funds amounted to US$1,520,743 (2016: US$6,782,861).

Donor	2017	2016
Bill and Melinda Gates Foundation	-	86,123
Ford Foundation	**412,907**	-
Foundation for a Just Society	**160,434**	127,000
Global Fund For Women	**20,896**	10,896
Levi Strauss Foundation	-	18,578
Stephen Lewis Foundation	**48,324**	650
African Capacity Building Foundation (ACBF)	-	30,268
Comic Relief (Maanda Project)	**233,453**	378,567
Comic Relief (Women and Girls Project)	**143,507**	204,466
Safe Abortion Action Fund (SAAF)	**11,293**	77,740
Women's Foundation of Minnesota	**34,806**	-
John Hopkins University-SPH	-	16,114
Open Society Foundation	-	43,213
Novo Foundation	-	28,000
Mama Cash	**34,402**	8,246
Ministry of Foreign Affairs (Netherlands) LFS Project	**211,195**	5,753,000
Hewlett Foundation	**209,526**	-
Total	**1,520,743**	6,782,861

14. Endowment fund

The endowment fund was set up in 2006 to broaden and stabilise the financial base of the organisation. Over the coming years, AWDF will continue with the endowment campaign through the support of donor agencies, corporations and friends of AWDF within and outside Africa to meet the target of US$10 million for the restricted fund. The endowment fund is made up of contributions from donors, interest generated from the funds invested in fixed deposits, and the rental income from the Investment Property. All expenses relating to investment property are charged to this account. The balance on the endowment fund as at 31 December 2017 was US$3,938,348 (2016: $3,592,744).

NOTES (continued)
(All amounts in the notes are expressed in US dollars unless otherwise stated)

15. Unrestricted funds

These are funds which are available to be used for business purposes at the discretion of the Executive Board. The balance on the unrestricted fund as at 31 December 2017 was US$678,424 (2016: US$613,726).

16. Revaluation reserve

The Organisation employed consultants to perform a revaluation of its office premises. A gain of US$338,761 realised on the revaluation has been recognised in the revaluation reserve.

17. Public foundations

	2017	2016
Africa Capacity Building Foundation (ACBF)	212,956	135,880
Comic Relief	989,562	1,199,843
Global Fund for Women	10,000	30,200
Safe Abortion Action Fund	-	99,700
Urgent Action Fund	-	19,940
Women's Foundation of Minnesota	24,965	15,190
Mama Cash	100,917	8,246
Catapult Foundation	-	3,607
Fonds De Mujero/FMS	-	3,600
	1,338,400	1,516,206
(Less)/add net change in unutilised grant	257,364	(351,550)
	1,595,764	1,164,656

18. Private foundations

	2017	2016
Ford Foundation	500,000	-
Foundation for a Just Society	150,000	127,000
Levi Strauss Foundation	-	23,750
MacArthur Foundation	-	50,000
Stephen Lewis Foundation	66,678	74,725
Novo Foundation	-	28,000
Open Society Foundation	-	72,151
Open Society Initiative for East Africa	-	34,925
Hewlett Foundation	350,000	-
	1,066,678	410,551
Add net change in unutilised grant	(533,989)	1,475,703
	532,689	1,886,254

NOTES (continued)

(All amounts in the notes are expressed in US dollars unless otherwise stated)

19. Bilaterals and multilaterals

	2017	2016
Ministry of Foreign Affairs (Netherlands)	-	5,753,000
(Less)/add net change in unutilised grant	5,536,805	(5,753,000)
	5,536,805	-

20. Individuals and corporations

These represent funds received from individuals and corporations towards the furtherance of the objectives of the Organisation.

21. Other income

	2017	2016
Earned income	127,760	233,948
Foreign exchange gains	3,750	119
Income from rentals	47,334	45,080
Fair valuation gain	261,675	
Registration fees	-	6,950
Sundry income	1,191	7,469
	441,710	293,566

22. Grants awarded

	2017	2016
Body and Health Rights	2,238,683	-
Economic Security and Justice	2,595,078	-
Leadership, Participation and Peace	774,769	-
Economic Empowerment and Livelihood	-	375,600
Women's Human Rights	-	446,000
Health and Reproductive Rights	-	5,000
Governance, Peace and Security	-	65,000
HIV/AIDS	-	98,000
	5,608,530	989,600

NOTES (continued)
(All amounts in the notes are expressed in US dollars unless otherwise stated)

23. Capacity building workshops

This includes costs associated with capacity building activities undertaken for partners of the organisation. These include activities such as the leadership and governance convening and coaching, thematic convening, results based programming workshop, financial management training, and resource mobilisation boot camp.

	2017	2016
Capacity building workshops	**325,686**	188,525

24. Other programmes

	2017	2016
Advance Family Planning (AFP) Project	-	4,572
African Feminist Forum (AFF)	-	304,464
African Institute for Integrated Response to Violence Against Women (AIR)	**3,700**	-
Africa Philanthropy Network (APN) Biennial Conference	-	37,740
Convening of Women's Funds	**17,483**	-
DRC Research Study	-	165,633
Education and Information	**23,068**	11,460
GDC Research and Dissemination	**66,325**	27,970
Programme Outreach and Partnership	**112,077**	36,647
Publications and Resource Materials	**92,981**	55,732
	315,634	644,218

25. Programme management expenses

Data Collection	**7,059**	9,221
Board expenses/meetings	**4,935**	7,472
Depreciation and amortization	**33,887**	34,564
End of service benefit	**30,672**	27,545
Futures focused strategic planning	-	24,588
Mid-term evaluation	-	1,375
Operational expenses	**123,506**	106,191
Scenario and strategic planning	**34,331**	-
Site visit and grantee outreach	**76,695**	44,618
Staff remuneration	**495,570**	438,852
	806,655	694,426

NOTES (continued)
(All amounts in the notes are expressed in US dollars unless otherwise stated)

25. Programme management expenses (continued)

Programme management expenses are expenses that are directly related to the administration of grants and other non-grant making programme activities. These include programme staff salaries, executive board expenses, programme staff travel, monitoring, evaluation and outreach expenses as they relate to promoting grant making and non-grant making programme activities plus a share of pooled expenses.

26. Management and institutional development

	2017	2016
Audit fees and related expenses	**39,294**	22,426
Board expenses/meetings	**6,580**	9,962
Depreciation and amortization	**13,555**	13,826
End of Service Benefit	**12,269**	11,018
Legal fees	**238**	210
Operational expenses	**49,402**	42,476
Staff remuneration	**180,207**	159,582
	301,545	259,500

27. Fundraising and communication

	2017	2016
Board expenses/meetings	**4,935**	7,472
Communications Consultant	**15,500**	28,504
Depreciation and amortization	**20,332**	20,739
End of service benefit	**18,403**	16,527
Fundraising and Donor Relations	**37,275**	47,344
Operational expenses	**74,104**	63,714
Outreach Promotions and Partnerships	**21,328**	29,823
Staff remuneration	**225,259**	199,478
Website Maintenance	**8,303**	4,705
	425,439	418,306

Board expenses/meetings, depreciation and amortisation, staff remuneration, operational expenses and end of service benefit costs are charged to the three main functional areas on the basis of expenditure incurred under each.

NOTES (continued)
(All amounts in the notes are expressed in US dollars unless otherwise stated)

28. Finance income

	2017	2016
Interest income	**61,370**	84,082

Finance income represents interest earned on the organisation's endowment fund.

29. Purchase of Investments

2017

	GCB	**GCB**	**FBN Bank**	**HFC**	**Barclays**	**Stanbic**	**Total**
Balance b/f	728,592	741,838	574,847	100,000	-	-	**2,145,277**
Accrued interest as at 1 January 2017	9,849	10,084	5,749	1,156	-	-	**26,838**
	738,441	751,922	580,596	101,156	-	-	**2,172,115**
Interest reinvested/ Purchases	24,393	(751,922)	(580,596)	(51,156)	2,000,000	1,000,000	**1,640,719**
Total	**762,834**	-	-	**50,000**	**2,000,000**	**1,000,000**	**3,812,834**

2016

	UT Bank	**UT Bank**	**FBN Bank**	**HFC**	**Barclays**	**Stanbic**	**Total**
Invested amount	700,195	712,925	556,587	100,000	-	-	**2,069,707**
Interest reinvested/ Purchases	28,397	28,913	18,260	-	-	-	**75,570**
Total	**728,592**	**741,838**	**574,847**	**100,000**	-	-	**2,145,277**

30. Related party transactions

AWDF is governed by the Executive Board whose members are entitled to payment of travel related expenses when participating in AWDF meetings or any other AWDF business. The list of Executive Board members during the year under review is shown on page 1 of this report.

There are other organisations founded by members of the board or for which members of AWDF as part of their board. No grants were awarded to these organisations during the year under review. Except for the Chief Executive Officer, who is remunerated by the organisation, no other board member received any remuneration or loans other than the entitlements indicated above during the year under review.

NOTES (continued)

Key management staff

Key management personnel are those persons who have authority and responsibility for planning, directing and controlling the activities of the organisation directly or indirectly including any Director (whether executive or otherwise) of the organisation.

31. Employee benefits

Staff costs

The total staff costs for the period under review amounted to US$901,036 (2016: US$853,002). This cost has been allocated under the following expenditure lines: Programme Management, Management and Institutional Development and Fundraising and Communications expenses.

32. Employee benefits (continued)

Defined Contribution Plans

i. Social Security Contribution

Under the National Pensions Scheme the organisation contributes 13% of employee's basic salary to the Social Security and National Insurance Trust (SSNIT) for employee pensions. The organisation's obligation is limited to the relevant contributions, which were settled on due dates. The pension liabilities and obligations, however, rest with SSNIT.

ii. End of Service Benefits

The organisation has a policy that awards benefits to staff who have served the organisation and are leaving either on retirement, resignation or termination of appointment. The beneficiary staff is entitled to one month's salary for each year of service spent in the organisation. The computation of the benefit on retirement is based on each year's salary level of the employee and not purely on the last drawn salary.

The organisation's obligation on retirement is limited to the relevant contribution. The fund is kept with GCB and invested in short term fixed deposits.

33. Contingent liabilities

There were no contingent liabilities at the reporting date and at 31 December 2017.

34. Capital commitments

There were no commitments for capital expenditure in the financial statements at the reporting date and at 31 December 2017.