AFRICAN WOMEN'S DEVELOPMENT FUND (AWDF)

FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2018

CONTENTS

CORPORATE INFORMATION

Executive Board	Ms. Ndeye Sow *(Board Chair)* Ms. Theodosia Sowa *(Chief Executive Officer)* Ms. Arielle Enninful *(Treasurer)* Dr. Hilda Mary Tadria Ms. Bisi Adeleye-Fayemi Ms. Taaka Awori Ms. Agnes Utunga Phiri
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 2018.

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$296,944** (2017: US$410,302). The result has increased the fund balance from US$4,955,533 as at 31 December 2017 to **US$5,252,477** as at 31 December 2018.

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:	**Chief Executive Officer:**
28 **May 2019**	28 **May 2019**

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 2018, 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 2018.

The financial statements on pages 6 to 30 comprise:

- the statement of financial position as at 31 December 2018;
- 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

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

REPORT ON THE AUDIT OF THE FINANCIAL STATEMENTS (CONTINUED)

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;
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the directors;

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

REPORT ON THE AUDIT OF THE FINANCIAL STATEMENTS (CONTINUED)

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

- 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 organisation's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the organisation to cease to continue as a going concern; and

- 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 Hayfron Aboagye (ICAG/P/1502).

PricewaterhouseCoopers

PricewaterhouseCoopers (ICAG/F/2019/028)
Chartered Accountants
Accra, Ghana
28 May 2019

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STATEMENT OF FINANCIAL POSITION

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

	Notes	As at 31 December 2018	2017
Assets			
Non-current assets			
Property and equipment	3	**1,104,167**	1,077,176
Intangible assets	4	**75,726**	80,823
Investment property	5	**925,732**	933,700
Investments	6	**1,840,000**	1,000,000
		3,945,625	3,091,699
Current assets			
Recoverable from non-exchange transactions	7	**56,141**	6,088
Receivables from exchange transactions	8	**144,275**	121,509
Fixed deposits	9	**600,000**	2,812,834
Cash and cash equivalents	10	**11,174,016**	4,417,564
		11,974,432	7,357,995
Total assets		**15,920,057**	10,449,694
Liabilities			
Current liabilities			
Payables under non-exchange transactions	11	**5,939,104**	3,712,605
Accounts payable	12	**294,084**	260,813
Temporary restricted funds	13	**4,434,392**	1,520,743
		10,667,580	5,494,161
Total liabilities		**10,667,580**	5,494,161
Total assets less total liabilities		**5,252,477**	4,955,533
Net assets			
Endowment fund	14	**4,058,239**	3,938,348
Unrestricted funds	15	**864,392**	678,424
Revaluation reserves	16	**329,846**	338,761
Total net assets		**5,252,477**	4,955,533

The notes on pages 10 to 30 are an integral part of these financial statements.

The financial statements on pages 6 to 30 were approved by the Executive Board on ..28.. **May 2019 and signed on their behalf by:**

Board Member: **Chief Executive Officer:**

STATEMENT OF FINANCIAL PERFORMANCE

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

	Notes	Year ended 31 December 2018	2017
Revenue			
Revenue from non-exchange transactions			
Public foundations	17	**1,117,390**	1,595,764
Private foundations	18	**836,794**	532,689
Bilaterals and multilaterals	19	**6,956,020**	5,536,805
Individuals and corporations	20	**29,032**	25,453
		8,939,236	7,690,711
Revenue from exchange transactions			
Other income	21	**215,660**	441,710
Total revenue		**9,154,896**	8,132,421
Expenditure			
Grants and other programmes			
Grants awarded	22	**6,877,370**	5,608,530
Capacity building workshops	23	**271,032**	325,686
Other programmes	24	**195,869**	315,634
Programme management expenses	25	**863,094**	806,655
Fundraising and institutional costs			
Management and institutional development	26	**389,899**	301,545
Fundraising and communication	27	**419,286**	425,439
Total expenditure		**9,016,550**	7,783,489
Surplus before finance income		**138,346**	348,932
Finance income	28	**158,598**	61,370
Surplus for the year		**296,944**	410,302

The notes on pages 10 to 30 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 2018	2017
Cash flows from operating activities			
Cash generated from/(used in) operations	29	**5,281,057**	(1,543,647)
Net cash generated from/(used in) operating activities		**5,281,057**	(1,543,647)
Cash flows from investing activities			
Purchase of property and equipment	3	**(54,568)**	(35,040)
Purchase of intangible asset	4	**(1,470)**	(10,851)
Interest reinvested/purchases/disposals	30	**1,372,834**	(1,640,719)
Interest received		**158,599**	61,370
Proceeds on disposal		**-**	1,575
Net cash used in investing activities		**1,475,395**	(1,623,665)
Net increase/(decrease) in cash and cash equivalents		**6,756,452**	(3,167,312)
Movement in cash and cash equivalents			
At start of the year	10	**4,417,564**	7,584,876
Increase/(decrease) during the year		**6,756,452**	(3,167,312)
Cash and cash equivalents at the end of the year	10	**11,174,016**	4,417,564

The notes on pages 10 to 30 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
2018					
Balance at 1 January		338,761	3,938,348	678,424	4,955,533
Changes in net assets for the year					
Surplus for the year	14, 15 & 16	(8,915)	119,891	185,968	296,944
Balance as 31 December		329,846	4,058,239	864,392	5,252,477
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 at 31 December		338,761	3,938,348	678,424	4,955,533

The notes on pages 10 to 30 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 organisations working towards the empowerment of African women and the promotion and realisation of their rights. 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, that is, free from bias;
- Are prudent; and
- Are complete in all material respects.

(b) Changes in accounting policy and disclosures

(i) New and amended standards adopted by the organisation

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 2018.

There are no standards and interpretations that are effective for the first time for the financial year beginning on or after the 1 January 2018 that would have material impact on the organisation.

NOTES (continued)

2. Summary of significant accounting policies (continued)

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

IPSAS 40, Public Sector Combinations

IPSAS 40, 'Public Sector Combinations' was issued by the International Public Sector Accounting Standards Board (IPSASB) in January 2017. The objective of the standard is to improve the relevance, faithful representation and comparability of the information that a reporting entity provides in its financial statements about a public sector combination and its effects. This standard is effective for financial statements beginning on or after 1 January 2019.

IPSAS 41, Financial Instruments

IPSAS 41, 'Financial Instruments' was issued by the International Public Sector Accounting Standards Board (IPSASB) in August 2018. The objective of the standard is to establish principles for the financial reporting of financial assets and financial liabilities that will present relevant and useful information to users of financial statements for their assessment of the amounts, timing and uncertainty of an entity's future cash flows. This standard is effective for financial statements beginning on or after 1 January 2022 with an option for earlier adoption.

IPSAS 42, Social Benefits

IPSAS 42, 'Social Benefits' was issued by the International Public Sector Accounting Standards Board (IPSASB) in January 2019. The objective of the standard is to improve the relevance, faithful representativeness and comparability of the information that a reporting entity provides in its financial statements about social benefits as defines in this standard. The information provided should help users of the financial statements and general purpose financial reports to access the nature of such social benefits provided by the entity; the key features of the operation of those social benefit schemes; and the impact of such social benefits provided on the entity's financial performance, financial position and cash flows. This standard is effective for financial statements beginning on or after 1 January 2022 with an option for earlier adoption.

(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.

NOTES (continued)

2. Summary of significant accounting policies (continued)

(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 and the cost or fair value can be reliably measured. Initial recognition is at cost unless the asset is acquired through a non-exchange transactions, then its cost shall be measured at its fair value as at the date of acquisition. Land and buildings are subsequently recognised at fair value based on periodic, but at least quinquennial, valuations by external independent valuers, less subsequent depreciation for buildings. A revaluation surplus is credited to other reserves in net assets.

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:

Property		80 years
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.

NOTES (continued)

2. Summary of significant accounting policies (continued)

(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.

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). Where the investment property is acquired through a non-exchange transaction, its cost shall be measured at its fair value as at the date of acquisition. Investment property is carried at fair value. Changes in fair values are presented in profit or loss as part of other income.

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.

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.

NOTES (continued)

2. Summary of significant accounting policies (continued)

(f) Investment property (continued)

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.

(g) 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.

(h) 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.

(i) 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.

(j) Leases

Assets leased to or from third parties under agreements, which do not transfer substantially all the risks and rewards of ownership, are classified as operating leases. The Organisation is only involved in operating lease arrangements where it leases its assets to third parties or leases assets from third parties.

NOTES (continued)

2. Summary of significant accounting policies (continued)

(j) Leases (continued)

Operating lease

AWDF as a lessor

Leased assets are included within investment property on the statement of financial position and depreciation is provided on the depreciable amount of these assets on a systematic basis over their estimated useful lives. Rent received from operating lease is recognised as income on a straight-line basis over the period of the lease.

AWDF as a lessee

Rental expense from leased assets of third parties are recognised in the statement of financial performance on a straight-line basis over the period of the lease.

(k) 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.

Offsetting

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.

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.

NOTES (continued)

2. Summary of significant accounting policies (continued)

(k) Financial instruments (continued)

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.

(l) 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.

(m) 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.

(n) 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.

NOTES (continued)

2. Summary of significant accounting policies (continued)

(n) Revenue (continued)

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.

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.

(o) 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.

(p) 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.

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.

(q) 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.

NOTES (continued)

2. Summary of significant accounting policies (continued)

(q) Financial risk management (continued)

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 2018, the total amount of cash and cash equivalents was **US$11,174,016** (2017: U$4,417,564) 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 2018 totalled **US$144,275** (2017: US$93,609).

The maximum exposure as at 31 December 2018 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 realisation of these instruments.

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.

NOTES (continued)

2. Summary of significant accounting policies (continued)

(q) Financial risk management (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 2018:		
Accounts payable	294,084	-
At 31 December 2017:		
Accounts payable	260,813	-

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.

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 2018, the carrying amounts approximate the fair values for all financial instruments held.

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

3. Property and Equipment

2018	Motor vehicles	Computers	Office equipment	Furniture and fittings	Buildings	Total
Fair value						
Balance at 1 January	118,017	155,920	162,883	36,717	1,028,700	**1,502,237**
Additions	34,127	13,635	3,793	3,013	-	**54,568**
Disposals	-	(14,720)	(5,689)	-	-	**(20,409)**
Balance at 31 December	152,144	154,835	160,987	39,730	1,028,700	**1,536,396**
Depreciation						
At 1 January	118,017	125,134	154,013	27,897	-	**425,061**
Charge for the year	569	19,567	5,181	2,260	-	**27,577**
Disposal	-	(14,720)	(5,689)	-	-	**(20,409)**
Balance at 31 December	118,586	129,981	153,505	30,157	-	**432,229**
Net book value						
At 31 December 2018	**33,558**	**24,854**	**7,482**	**9,573**	**1,028,700**	**1,104,167**

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)

4. Intangible assets

2018	**SunSystems Accounting Software**	**AWDF Information Management System***	**Website Redesign**	**Award Force**	**SPSS Statistics Software**	**Total**
Cost						
Balance at 1 January	33,698	72,742	23,557	-	2,844	**132,841**
Additions	-	-	-	1,470	-	**1,470**
Balance at 31 December	33,698	72,742	23,557	1,470	2,844	**134,311**
Amortisation						
At 1 January	30,328	-	21,201	-	490	**52,019**
Charge for the year	3,370	-	2,356	-	840	**6,566**
Balance at 31 December	33,698	-	23,557	-	1,330	**58,585**
Net book value						
At 31 December 2018	-	**72,742**	-	**1,470**	**1,514**	**75,726**

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**

*The development of the AWDF information management system was still ongoing as at year end and due to be available for use from 2020. There was therefore no amortisation charge for the year under review as the asset was classified as work-in-progress.

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

5. Investment property

	2018	2017
Fair value		
As at 1 January	**1,013,022**	751,347
Fair valuation gain	**-**	261,675
	1,013,022	1,013,022
Accumulated depreciation		
Balance at 1 January	**79,322**	69,988
Charge for the year	**7,968**	9,334
Balance at 31 December	**87,290**	79,322
Net book value		
At 31 December	**925,732**	933,700

6. Investments

Long-term investment is made up of three-year bonds with Stanbic Bank Ghana Limited of US$1,000,000 and US$840,000 purchased in 2017 and 2018 respectively, due to mature in November 2020.

7. Recoverables from non-exchange transactions

	2018	2017
African Capacity Building Foundation (ACBF)	-	6,088
Comic Relief	**56,141**	-
	56,141	6,088

8. Receivables from exchange transactions

Prepayments and sundry debtors	142,356	119,839
Staff advances	1,919	1,670
	144,275	**121,509**

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

9. Fixed deposits

Fixed deposits comprise fixed deposits with Barclays Bank Ghana Limited of US$600,000 purchased in December 2018 and due to mature in June 2019.

	2018	2017
GCB	-	762,834
Barclays	600,000	2,000,000
HFC	-	50,000
	600,000	2,812,834

10. Cash and cash equivalents

Cash at bank	5,770,765	4,414,224
Cash in hand	3,251	3,340
Short term investments	5,400,000	-
	11,174,016	4,417,564

Short term investments comprise fixed deposits with Barclays Bank Ghana Limited purchased in December 2018 and due to mature in March 2019.

11. Payables under non-exchange transactions

As at 31 December 2018, an amount of **US$5,939,104** (2017: US$3,712,605) of grants awarded had not been disbursed to grantees.

12. Accounts payable

	2018	2017
Sundry creditors	121,193	108,583
Accruals	172,891	152,230
	294,084	260,813

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$4,434,392** (2017: US$1,520,743).

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

13. Temporary restricted funds (continued)

Donor

	2018	2017
Ford Foundation	**591,109**	412,907
Foundation for a Just Society	**160,713**	160,434
Global Fund For Women	-	20,896
Stephen Lewis Foundation	**106,339**	48,324
Comic Relief (Maanda Project)	-	233,453
Comic Relief (Women and Girls Project)	-	143,507
Safe Abortion Action Fund (SAAF)	-	11,293
Women's Foundation of Minnesota	**15,385**	34,806
Open Society Initiative for West Africa (OSIWA)	**135,094**	-
Novo Foundation Fund of Tides Foundation	**303,479**	-
Mama Cash	**84,687**	34,402
Anonymous Institutional Donor	**250,045**	-
Both Ends	**8,058**	-
Ministry of Foreign Affairs (Netherlands) LFS Project	**2,141,885**	211,195
Hewlett Foundation	**637,598**	209,526
Total	**4,434,392**	1,520,743

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 2018 was **US$4,058,239** (2017: $3,938,348).

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 2018 was **US$864,392** (2017: US$678,424).

16. Revaluation reserve

The movement in the revaluation reserve account during the year relates to the depreciation of the office building that was revalued in the prior period. The balance on the revaluation reserve account as at 31 December 2018 was **US$329,846** (2017: US$338,761).

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

17. Public foundations

	2018	2017
Africa Capacity Building Foundation (ACBF)	-	212,956
Comic Relief	646,165	989,562
Global Fund for Women	-	10,000
Safe Abortion Action Fund	11,306	-
Prospera - International Network of Women's Funds	2,500	-
Both Ends	8,058	-
Women's Foundation of Minnesota	10,890	24,965
Mama Cash	68,244	100,917
	747,163	1,338,400
Add net change in unutilised grant	370,227	257,364
	1,117,390	1,595,764

18. Private foundations

	2018	2017
Ford Foundation	600,000	500,000
Foundation for a Just Society	150,000	150,000
Stephen Lewis Foundation	61,619	66,678
Novo Foundation Fund of Tides Foundation	328,365	-
Open Society Initiative for West Africa (OSIWA)	149,952	-
Anonymous Institutional Donor	250,045	-
Hewlett Foundation	650,000	350,000
	2,189,981	1,066,678
Add net change in unutilised grant	(1,353,187)	(533,989)
	836,794	532,689

19. Bilaterals and multilaterals

	2018	2017
Ministry of Foreign Affairs (Netherlands)	8,886,710	-
(Less)/add net change in unutilised grant	(1,930,690)	5,536,805
	6,956,020	5,536,805

20. Individuals and corporations

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

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

21. Other income

	2018	2017
Earned income	156,597	127,760
Foreign exchange gains	5,385	3,750
Income from rentals	48,686	47,334
Fair valuation gain	-	261,675
Gain on disposal of property and equipment	292	-
Sundry income	4,700	1,191
	215,660	441,710

22. Grants awarded

	2018	2017
Body and Health Rights	2,626,870	2,238,683
Economic Security and Justice	3,223,100	2,595,078
Leadership, Participation and Peace	1,027,400	774,769
	6,877,370	5,608,530

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.

24. Other programmes

	2018	2017
African Institute of Integrated Response to Violence Against Women (AIR)	-	3,700
Arts and Culture – The Create Initiative	8,100	-
Convening of Women's Funds	9,626	17,483
Economics Futures Convening	40,868	-
Education and Information	11,355	23,068
GDC Research and Dissemination	5,272	66,325
Programme Outreach and Partnership	94,071	112,077
Publications and Resource Materials	26,577	92,981
	195,869	315,634

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

25. Programme management expenses

	2018	2017
Data Collection	6,277	7,059
Development of AWDF RMF	19,553	-
Board expenses/meetings	15,275	4,935
Depreciation and amortisation	21,056	33,887
End of service benefit	34,425	30,672
Operational expenses	126,344	123,506
Scenario and strategic planning	-	34,331
Site visit and grantee outreach	82,056	76,695
Staff remuneration	558,108	495,570
	863,094	806,655

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

	2018	2017
Audit fees and related expenses	31,896	39,294
Board expenses/meetings	20,366	6,580
Depreciation and amortisation	8,422	13,555
End of Service Benefit	13,770	12,269
Institutional Strengthening Audit	61,692	-
Legal fees	267	238
Operational expenses	50,538	49,402
Staff remuneration	202,948	180,207
	389,899	301,545

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

27. Fundraising and communication

	2018	2017
Board expenses/meetings	**15,275**	4,935
Communications Consultant	-	15,500
Depreciation and amortisation	**12,633**	20,332
End of service benefit	**20,655**	18,403
Fundraising and Donor Relations	**12,731**	37,275
Operational expenses	**75,806**	74,104
Outreach Promotions and Partnerships	**26,947**	21,328
Staff remuneration	**253,685**	225,259
Website Maintenance	**1,554**	8,303
	419,286	425,439

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.

28. Finance income

Finance income represents interest earned on the organisation's bank balance, endowment fund and investments purchased.

29. Cash generated (used in)/ from operations

	As at 31 December	
	2018	2017
Cash flows from operating activities		
Surplus before finance income	**138,346**	348,932
Adjustments for non-cash movements		
Depreciation – Property and Equipment	**27,577**	40,773
Depreciation – Investment Property	**7,968**	9,334
Amortisation – Intangible assets	**6,566**	17,666
Loss on disposal of assets	-	1,284
Fair valuation gain – Investment Property	-	(261,675)
(Increase)/ Decrease in recoverables from non-exchange transactions	**(50,053)**	104,084
(Increase)/ Decrease in receivables from exchange transactions	**(22,766)**	4,745
Increase in payables from non-exchange transactions	**2,226,499**	3,371,350
Increase in accounts payable	**33,271**	81,978
Increase/ (Decrease) in temporary restricted funds	**2,913,649**	(5,262,118)
	5,281,057	(1,543,647)

NOTES (continued)

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

30. Purchase of Investments

2018

	GCB	HFC	Barclays	Stanbic	Total
Balance b/f	738,441	50,000	2,000,000	1,000,000	**3,788,441**
Accrued interest as at 1 January 2018	24,393	-	-	-	**24,393**
	762,834	50,000	2,000,000	1,000,000	**3,812,834**
Interest accrued during the year	-	-	85,780	72,808	**158,588**
Interest received	-	-	(85,780)	(72,808)	**(158,588)**
Interest reinvested/ purchases	-	-	600,000	840,000	**1,440,000**
Disposals	(762,834)	(50,000)	(2,000,000)	-	**(2,812,834)**
	(762,834)	(50,000)	(1,400,000)	840,000	**(1,372,834)**
Total	-	-	**600,000**	**1,840,000**	**2,440,000**

2017

	GCB	FBN Bank	HFC	Barclays	Stanbic	Total
Balance b/f	1,470,430	574,847	100,000	-	-	2,145,277
Accrued interest as at 1 January 2017	19,933	5,749	1,156	-	-	26,838
	1,490,363	580,596	101,156	-	-	2,172,115
Interest reinvested/purchases	(727,529)	(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

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

31. 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 in notes 25, 26 and 27 during the year under review.

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.

32. Employee benefits

Defined Contribution Plans

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.

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.

Staff costs

The total staff costs for the period under review amounted to **US$1,133,993** (2017: US$1,010,177). This cost has been allocated under the following expenditure lines: Programme Management, Management and Institutional Development and Fundraising and Communications expenses.

33. Contingent liabilities

There were no contingent liabilities at 31 December 2018 (2017: Nil).

34. Capital commitments

There were no commitments for capital expenditure at 31 December 2018 (2017: Nil).