KNUST

KWAME NKRUMAH UNIVERSITY OF SCIENCE AND TECHNOLOGY

FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST DECEMBER 2023

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CORPORATE INFORMATION

Council Members

Name	Position	Period of Service
Justice Anin Yeboah (Rtd)	Chairman / Government Nominee	Appointed 12/02/2024
Prof. (Mrs) Rita Akosua Dickson	Vice- Chancellor	
Prof. Ellis Owusu-Dabo	Pro Vice-Chancellor	
Justice Dr. Ernest Owusu-Dapaa	Government Nominee	
Mr. K.A. Karikari	Government Nominee	
Dr. A. Oforiwaa Ampomah	Government Nominee	
Prof. S. Asare Nkansah	Professorial Representative	Appointed 12/02/2024
Dr. Daniel Opoku	Non-Professorial Representative	Appointed 12/02/2024
Prof. Eric K.K. Abavare	UTAG Representative	
Mr. Mark Kakraba-Ampeh	GTEC Representative	
Mr. Suleiman Zachariah Yeboah	CHASS Representative	
Miss Yvonne O. Adobea	SRC Representative	Appointed 12/02/2024
Mr. F. Kofi Adusei	GRASAG Representative	Appointed 12/02/2024
Mr. Andrews Kwasi Boateng	Registrar / Secretary to Council	

Past Council Members

Nana Effah Appenteng	Chairman / Government Nominee	Tenure ended 30/09/2023
Prof. Rexford Assasie Oppong	Professorial Representative	Tenure ended 30/09/2023
Dr. Abdul sammed Muntaka	Non-Professorial Representative	Tenure ended 30/09/2023
Dr. Kwaku Agbesi	Global Alumni Representative	Tenure ended 30/09/2023
Mr. Frank Owusu	SRC Representative	Tenure ended 30/09/2023
Mr. Fred Parker	GRASAG Representative	Tenure ended 30/09/2023

Solicitors	KNUST Legal Department
Registered Office	Kwame Nkrumah University of Science And Technology Accra Road, Kumasi
Independent Auditor	Donaldy Associates P.O. Box KS 6608, Kumasi 3rd Floor, House of Excellence Annex, Harper Road, Adum Kumasi
Bankers	Bank of Ghana GCB Bank Ecobank Ghana United Bank of Africa Standard Chartered Bank CAL Bank Consolidated Bank Ghana Stanbic Bank Republik Bank Ghana International Bank ABSA Bank GT Bank

COUNCIL'S REPORT

The Council of Kwame Nkrumah University of Science and Technology ("the University") submits its report together with the audited financial statements of the University for the year ended 31 December 2023.

Statement of the Council's responsibilities

The Council is responsible for the preparation and fair presentation of the financial statements comprising the statements of financial position as at 31 December 2023; the statements of financial performance; the statements of changes in net assets; 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 and other explanatory notes in accordance with International Public Sector Accounting Standards (IPSASs) and the Kwame Nkrumah University of Science and Technology (KNUST) Statute.

The Council's responsibilities include designing, implementing and maintaining internal controls relevant to the preparation and fair presentation of these financial statements that are free from material misstatement, whether due to fraud or error, selecting and applying appropriate accounting policies, and making accounting estimates that are reasonable in the circumstances.

The Council has made an assessment of the University's ability to continue as a going concern and has no reason to believe the University will not be a going concern.

Principal activities

The principal activities of the University are to provide higher education, undertake research, disseminate knowledge and foster relationships with the outside persons and bodies. The strategic mandate of the University is derived from Science and Technology in its name.

Results for the year

	31-Dec-23	31-Dec-22
	GHS	GHS
Surplus for the year	**153,736,262**	92,580,221
Total Assets	**2,854,573,035**	2,646,020,124
Total Liabilities	**457,272,625**	404,559,804

By order of the Council dated: July 2024.

Justice Anin Yeboah (Rtd)
CHAIRMAN OF THE COUNCIL

Prof . (Mrs) Rita Akosua Dickson
VICE CHANCELLOR

INDEPENDENT AUDITOR'S REPORT

DA
Donaldy Associates
Chartered Accountants
House of Excellence Annex
Adum - Kumasi

Opinion

In our opinion, the accompanying financial statements give true and fair view of the financial position of the Kwame Nkrumah University of Science and Technology as at 31 December 2023, and of its Statement of Financial Performance, Statement of Changes in Net Assets and Statement of Cash Flows for the year then ended in accordance with International Public Sector Accounting Standards (IPSASs) and in the manner required by the Kwame Nkrumah University of Science and Technology Act, 1961(Act 80 & 81).

What We Have Audited

We have audited the financial statements of the Kwame Nkrumah University of Science and Technology for the year ended 31 December 2023. The financial statements comprise:

- The Statement of Financial Position as at 31st December 2023;
- Statement of Financial Performance for the year then ended;
- Statement of Changes in Net Assets for the year then ended;
- Statement of Cash Flows for the year then ended;
- Notes to the financial statements including a summary of significant accounting policies.

Basis for Opinion

We conducted our audit in accordance with International Standards of 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 University in accordance with the Code of Ethics for Professional Accountants including International Independence Standards (the code) issued by the International Ethics Standard Board for Accountants that are relevant to our audit of the financial statements. We have fulfilled our other ethical responsibilities in accordance with the Code.

Key Audit Matters

Key audit matters are those matters that, in our professional judgment, were of most significance in our audit of the financial statements of the current period. These matters were addressed in the context of our audit of the University's financial statements as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters.

Key Audit Matter	How the matter was addressed in the audit
Impairment of accounts receivable Gross accounts receivable as at 31 December 2023 amount to GH¢155,102,806 of which no impairment has been recognized. Management assesses at the end of each reporting period whether there is evidence that accounts receivable is impaired. Based on management assessment accounts receivable is not impaired as all amounts are recoverable.	We evaluated management assessment and tested the effectiveness of controls around the accounts receivable. We assessed the appropriateness and adequacy of assumptions and judgement made by management and the related disclosures made in the financial statements.

Other Information

The Council is responsible for the other information. The other information comprises of the General Information, Chairman's statements and Council's Report. The other information does not include the financial statements and our opinion on the financial statements does not cover the other information and we do notexpress any form of assurance thereon.

In connection with our audit of the financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements, or our knowledge obtained in the audit, or otherwise appears to be materially misstated. If, based on the work we have performed on 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 Council for the Financial Statements

The Council is responsible for the preparation of financial statements that give a true and fair view in accordance with International Public Sector Accounting Standards (IPSASs), and legislations, and for such internal controls as the Council determines are necessary to enable the preparation of financial statements that are free from material misstatements, whether due to fraud or error.

In preparing the financial statements, the Council is responsible for assessing the University'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 Council either intends to liquidate the University or to cease operations, or has no realistic alternative but to do so. Those charged with governance are responsible for overseeing the University's financial reporting process.

Auditor's Responsibility 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 misstatements, 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 International Standards of Audit (ISAs) will always detect a misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

As part of an audit in accordance with International Standards of Auditing (ISAs), we exercised professional scepticism throughout the audit. We also:

- Identified and assessed the risks of material misstatements of the financial statements, whether due to fraud or error, designed and performed audit procedures responsive to those risks, and obtained 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 controls.

- Obtained an understanding of internal controls 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 University's internal controls.

- Evaluated the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the Council.

- Concluded on the appropriateness of the Council's use of the going concern basis of accounting and based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the University'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 University to cease to continue as a going concern.

- Evaluated the overall presentation, structure, and content of the financial statements, including the disclosures, and whether the financial statements represented the underlying transactions and events in a manner that achieves fair presentation.

- We communicated with the Council regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal controls that we identified during our audit.

- We also provide the Council 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 bethought to bear on our independence, and where applicable, action is taken to eliminate threats or safeguards applied.

From the matters communicated with the Council, we determine those matters that were of most significance in the audit of the financial statements of the current period and are therefore the key audit matters. We describe these matters in our auditor's report unless law or regulation precludes public disclosure about the matter or when,in extremely rare circumstances, we determine that a matter should not be communicated in our report because the adverse consequences of doing so would reasonably be expected to outweigh the public interest benefits of such communication.

Report on Other Legal and Regulatory Requirements

The KNUST Act, 1961 (Act 80) and the Audit Service Act, 2000 (Act 584) require that in carrying out our audit we consider and report on the following matters.

We confirm that;

We have obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purpose of our audit;

In our opinion, proper books of account have been kept by the University so far as appears from our examination of those books and proper returns adequate for the purpose of our audit have been received,

The University's statement of financial position and the statement of financial performance and statement of changes in net assets are in agreement with the books of account;

The Engagement Partner on the audit resulting in this independent auditor's report is Dr. Robert Donaldy (ICAG/P/1113).

Donaldy Associates (ICAG/F/2024/100)
Chartered Accountants
House of Excellence Annex

Post Office Box KS 6608
Adum, Kumasi, Ghana
July, 2024

STATEMENT OF FINANCIAL PERFORMANCE

(All amounts are in Ghana Cedis unless otherwise stated)

	(NOTES)	2023 GHS	2022 GHS
REVENUE			
Revenue from Non - Exchange Transactions			
Government Subvention and Grants	(6)	455,822,193	363,931,225
		455,822,193	**363,931,225**
Revenue from Exchange Transactions			
Academic Fees and Other Charges	(7)	617,881,123	430,874,362
Revenue from Subsidiary	(8)	1,756,824	-
Miscellaneous Income	(9)	105,079,240	105,749,430
		724,717,187	**536,623,792**
Total Revenue		**1,180,539,380**	**900,555,017**
EXPENDITURE			
Employees Compensation	(10)	529,532,628	424,413,810
Direct Teaching and Research Expenses	(11)	171,859,941	135,722,770
General Education Expenses	(12)	46,609,886	39,180,204
Municipal Services Costs	(13)	76,615,756	64,011,730
Production Costs	(14)	27,814,917	14,471,205
Operating Costs of Subsidiary	(15)	2,245,256	-
General Administration Expenses	(16)	98,787,658	70,116,206
Library Expenses	(17)	4,925,161	2,150,033
Depreciation and Amortization	(18)	66,364,125	52,267,431
Miscellaneous Expenses	(19)	1,656,093	5,620,617
Total Expenditure		**1,026,411,421**	**807,954,006**
Surplus from Operations		**154,127,959**	**92,601,011**
Fair value loss on Invesments	(22)	391,697	20,790
SURPLUS FOR THE YEAR		**153,736,262**	**92,580,221**

STATEMENT OF FINANCIAL POSITION

AS AT 31 DECEMBER 2023 (All amounts are in Ghana Cedis unless otherwise stated)

	(NOTES)	2023 GH¢	2022 GH¢
NONCURRENT ASSETS			
Intangible Assets	**(20)**	1,274,541	-
Property, Plant & Equipment	**(21)**	2,344,536,624	2,187,504,459
Long Term Investments	**(22)**	7,281,874	3,169,580
		2,353,093,039	**2,190,674,039**
CURRENT ASSETS			
Inventories	**(23)**	33,379,066	22,687,488
Accounts Receivable	**(24)**	155,102,806	105,017,596
Short Term Investments	**(25)**	171,684,193	242,507,082
Cash and Bank Balances	**(26)**	141,313,931	85,133,920
		501,479,996	**455,346,086**
TOTAL ASSETS		**2,854,573,035**	**2,646,020,125**
NONCURRENT LIABILITIES			
Employee Benefit Obligation (GUSSS)	**(27)**	112,923,107	112,923,107
Provision for Ex-Gratia	**(28)**	154,940,751	121,811,518
		267,863,858	**234,734,625**
CURRENT LIABILITIES			
Accrued Expenses	**(29)**	3,566,715	7,312,684
Sundry Deposits	**(30)**	44,092,546	69,112,817
Accounts Payable	**(31)**	141,749,506	93,399,678
		189,408,767	**169,825,179**
TOTAL LIABILITIES		**457,272,625**	**404,559,804**
NET ASSETS		**2,397,300,410**	**2,241,460,321**
FUNDED BY			
Accumulated Fund	**(32)**	940,958,523	787,222,261
Capital Reserves	**(33)**	1,456,341,887	1,454,238,060
		2,397,300,410	**2,241,460,321**

The financial statements were authorised for issue by the Council on July, 2024 and were signed on their behalf by:

Prof. (Mrs) Rita Akosua Dickson
ViceChancellor

Dr. Charles Nsiah
Finance Officer

STATEMENT OF CHANGES IN NET ASSETS

(All amounts are in Ghana Cedis unless otherwise stated)

2023	(NOTES)	Accumulated Fund GHS	Capital Reserves GHS	Total Net Assets GHS
Balance at 1 January		787,222,261	1,454,238,060	2,241,460,321
Surplus for the year		153,736,262	-	153,736,262
Revaluation surplus	(33)	-	2,103,827	2,103,827
Balance at 31 December		**940,958,523**	**1,456,341,887**	**2,397,300,410**

2022		Accumulated Fund GHS	Capital Reserves GHS	Total Net Assets GHS
Balance at 1 January		694,642,040	1,454,238,060	2,148,880,100
Surplus for the year		92,580,221	-	92,580,221
Balance at 31 December		787,222,261	1,454,238,060	**2,241,460,321**

STATEMENT OF CASH FLOWS

(All amounts are in Ghana Cedis unless otherwise stated)

	(NOTES)	2023 GHS	2022 GHS
OPERATING ACTIVITIES			
Net Cash flows from Operating Activities	**(34)**	209,614,675	204,471,711
INVESTING ACTIVITIES			
Additions to property, plant and equipment		(218,888,028)	(188,381,909)
Additions to intangible assets		(1,593,176)	-
Proceeds from sale of assets		317,919	586,900
Investment in KNUST Bottling Limited Company		(4,503,991)	-
Decrease in short term investment		16,477,165	528,703
Fair value loss/(surplus) on equity shares		409,722	(572,433)
Net Cash flows used in Investing Activities		**(207,780,389)**	**(187,838,738)**
Net Increase in Cash and Cash Equivalents		**1,834,287**	**16,632,974**
Cash and cash equivalents at 1 January		271,233,855	254,600,881
Cash and cash equivalents at 31 December		**273,068,142**	**271,233,855**
Analysis of Cash and Cash Equivalents			
Cash balance		45,916	2,162
Bank balance		141,268,015	85,131,758
91 Day fixed deposit		131,754,211	186,099,935
		273,068,142	**271,233,855**

1. General information

The University of Science and Technology succeeded the Kumasi College of Technology which was established by a Government Ordinance on 6th October 1951. It was, however, opened officially on 22nd January 1952 with 200 Teacher Training students transferred from Achimota, to form the nucleus of the new College. In December 1960, the Government of Ghana appointed a University Commission to advise it on the future development of University Education in Ghana, in connection with the proposal to transform the University College of Ghana and the Kumasi College of Technology into an independent University. The Kumasi College of Technology was thus transformed into a full-fledged University and renamed Kwame Nkrumah University of Science and Technology by an Act of Parliament on 22nd August 1961.

2. Summary of significant accounting policies

The principal accounting policies used for the preparation of these financial statements are set out below:

2.1 Basis of preparation

The financial statements have been prepared in compliance with International Public Sector Accounting Standards (IPSASs) issued by the International Public Sector Accounting Standards Board (IPSASB) in line with the accrual basis spelt out by IPSAS 33. The financial statements have been prepared under the historical cost convention except for certain financial instruments measured at fair value.

2.2 Use of estimates and Judgments

In the absence of an IPSAS 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 of the University's financial statements.

The preparation of financial statements in conformity with IPSAS 3 require the use of certain critical accounting estimates. It also requires the Council to exercise its judgement in the process of applying the University's accounting policies. All estimates and underlying assumptions are based on historical experience and various other factors that Council believes are reasonable under the circumstances. The results of these estimates form the basis of judgements about the carrying value of assets and liabilities that are not readily apparent from other sources. Actual results may differ from these estimates. The estimates and underlying assumptions are reviewed on an on-going basis. Revisions to accounting estimates are recognized in the period in which the estimates are revised and any affected future periods.

Areas involving a higher degree of judgement or complexity, or areas where assumptions and estimations are significant to the financial statements are:

The useful life of Property plant and equipment (Note 2.7)

Net realizable value of inventories (Note 2.12)

Recoverability of receivables (Note 2.13)
Classification of financial assets (Note 2.19)

2.3 Foreign currency translation

a. Functional and presentation currency

Items included in the financial statements of the University are measured using the currency of the primary economic environment in which the University operates ('the functional currency'). The financial statements are presented in Ghana Cedis which is the University's functional and presentation currency.

b. Transactions and balances

Foreign currency transactions are translated into the functional currency using the exchange rate prevailing at the date of the transactions. Foreign exchange gains and losses resulting from the settlements of such transactions and from the translation at year-end exchange rates of monetary assets and liabilities denominated in foreign currencies are recognised in the statement of financial performance.

Foreign exchange gains and losses that relate to borrowings are presented in the statement of financial performance within finance costs. All other foreign exchange gains and losses are presented in the statement of financial performance on a net basis within other income or other expenditure.

Changes in the fair value of monetary securities denominated in foreign currency classified as available for-sale are analysed between translation differences resulting from changes In the amortised cost of the security and other changes in the carrying amount of the security. Translation differences related to changes in amortised cost are recognised in the statement of financial performance.

Non-monetary items that are measured at fair value in a foreign currency are translated using the exchange rates at the date when the fair value was determined. Translation differences on assets and liabilities carried at fair value are reported as part of the fair value gain or loss. Translation differences on non-monetary financial assets such as equities classified as available-for-sale are included in the statement of financial performance.

2.4 Revenue recognition

The University's revenue consists of both revenue from exchange and non-exchange transactions. The University recognises revenue when the amount of revenue can be measured reliably; it is probable that the economic benefits associated with the transaction will flow to the University; and specific criteria have been met for each of the University's activities. Revenue is measured at the fair value of the consideration received or receivable. Revenue is recognised on an accrual basis in the period in which it accrues.

Non-exchange transactions mainly comprise government subvention and grants, research grants, donations and other revenues from non-exchange transactions.

(a) Revenue from non-exchange transactions

Revenue from non-exchange transactions are transactions in which the University receives assets or services or has liabilities extinguished and provides no equal value or consideration directly in return. The University's revenue from non-exchange transactions mainly comprises government subvention and grants, research grants, donations and other revenues from non-exchange transactions.

(i) Government subvention and grants

The Kwame Nkrumah University of Science and Technology, Kumasi is classified as a subvented institution by the Government of Ghana.

Government subvention to the University is made up of emolument, administrative and service subventions and is recognized as revenue from non-exchange transactions in the financial year in which they accrue to the University. Emolument subvention refers to funds received to cover personnel costs. Administrative subvention refers to funds received to pay for budgeted operational expenditure, while service subvention refers to funds received to pay for costs in relation to the core activities of the University and are recognised when incurred.

Grants from the government are recognized at their fair value where there is a reasonable assurance that the grant will be received, and the University will comply with all attached conditions. To the extent that there is a related condition attached that would give rise to a liability to repay the amount, deferred income is recognised instead of revenue. Non-monetary grants such as land or other resources are accounted for at fair value by the University. Government grants may include compensation of employees, goods and services, fixed assets.

Government grants for specific research purposes are recognized as revenue from non-exchange transaction in the financial period in which they accrue to the University and in accordance with the relevant grant agreements. Government grants relating to specific expenses are not to be offset against the expense but are included in the disclosure for government grants.

(ii) Donations

Revenue from other non-exchange transactions comprises donations to the University in cash or in-kind by organisations and individuals. Cash donations are recognised when received into the University's bank account while in-kind donations are recognised as revenue and assets when it is probable that future economic benefits or service potential associated with the donation will flow to the University and the fair value can be measured reliably. Donations in-kind are recognized as assets when the goods are received, or there is a binding arrangement to receive the goods. If donations in-kind are received without conditions attached, revenue is recognized immediately. If conditions are attached, a liability is recognized, which is reduced by the revenue recognized as the conditions are satisfied. The University recognised the fair value of a maternity ward donated by a philanthropist in the sum of GHS1,565,820.00. The fair value was determined by a professional valuer at the date of acquisition.

KNUST does not recognise services in kind. Where services in kind to the University include any of the following, disclosure is made in the financial statements:

- Technical assistance from other governments or international organizations;
- Persons convicted of offences who may be required to perform community service for the University;
- Services from volunteers; and
- Services received from parents as teachers' aides or as board members.

(b) Revenue from exchange transactions

Revenue received from exchange transactions are recognized in the statement of financial performance in the financial period in which it accrues to the University. Revenue from rendering of services is recognized to the extent that, the service has been provided (i.e. in accordance with the stage of completion at the reporting date), and the amount of revenue can be reliably measured. Where the outcome of the transaction cannot be estimated reliably, revenue is recognized only to the extent that expenses incurred are eligible to be recovered

(i) Academic fees and other charges

Fees and charges are recognized equally for the two (2) semesters in an academic year.
Due to the Covid-19 pandemic, the academic year was restructured to coincide with the calendar year therefore academic fees were recognised as such.

(ii) Revenue from other exchange transactions

(a) Sale ofgoods

Revenue from sale of goods are recognized when goods are sold and delivered to the customer.

(b) Interest and rent income

Interest and rent income are accrued on a time proportion basis using the effective yield method.

(c) Dividends

Dividends or similar distributions are recognised when the University's right to receive payment is established. The University did not receive dividends on Standard Chartered Bank Ghana equity shares for the financial year ended 31st December 2023.

(d) Miscellaneous income

Internally generated income is recognized when the University receives assets or services or has liabilities extinguished and gives approximately equal value to another entity in exchange.

2.5 Expenditure

Expenditures are decreases in economic benefits or service potential during the year in the form of outflows or consumption of assets or in currences of liabilities that result in decreases in net assets/equity, other than those relating to distribution to owners. Expenditure is recognised when incurred. The University's expenditure consists of employee benefits costs, operating expenditure (Employee Compensation, direct teaching and research, general education expenses, municipal services, production cost, general administration, library expenses), and depreciation and amortisation.

(a) Employee benefits

(i) Short-term employee benefits

Short-term employee benefits are consideration given by the University in exchange for service rendered by employees or for the termination of employment. Short-term employee benefit obligations are measured on an undiscounted basis and are expensed as the related service is provided.

(ii) Post-employmentbenefits

KNUST post-employment benefits comprise a defined contribution plan, defined benefit plan and ex-gratia.

Defined contribution plan

The defined contribution plan is a pension plan under which the University pays fixed contributions to a scheme. The University's defined contribution plan is administered by Social Security and National Insurance Trust (SSNIT) and GUSSS. The University has no legal or constructive obligations to pay further contributions if the fund does not hold sufficient assets to pay all employees the benefits relating to employee service in the current and prior periods. The defined contribution scheme is operated for all staff except for senior members. Obligations for contributions to defined contribution plans are recognised as an expense in the statement of financial performance when they are incurred.

Defined benefit plans

A defined benefit plan is a post-employment benefit plan other than a defined contribution plan. Only senior members of the University are eligible to contribute to the defined benefit plan-Ghana Universities Staff Super annuation Scheme (GUSSS). Both the University and employees contribute 13% and 25% respectively on employee's basic salary on a monthly basis. The level of benefits provided depends of members' length of service and their basic salary in the final years leading up to retirement. The defined benefit funds are actuarially valued annually on the basis of the projected unit credit method. Deficits identified are recovered through lump sum payments or increased future contributions on proportional basis to all participating employees. The contributions and lump sum payments reduce the post- employment benefit obligation. Actuarial gains or losses are fully accounted for in the statement of financial performance in the year that they occur.

Ex-gratia

Ex-gratia award is paid for every successful year of service per the Unified Conditions of Service for Unionised Staff. An employee qualifies only after a minimum service of ten (10) years with the University and on attaining voluntary or compulsory retiring age or dying in service. The basic salary is the basis for the calculation of the ex-gratia liability.

(iii) Termination benefits

Termination benefits are recognised as an expense when the University is demonstrably committed, without realistic possibility of withdrawal, to a formal detailed plan to terminate employment before the normal retirement date. Termination benefits for voluntary redundancies are recognised if the University has made an offer encouraging voluntary redundancy, it is probable that the offer will be accepted, and the number of acceptances can be estimated reliably.

(a) Operating expenditure

Expenditure from exchange transactions account for the majority of the University's expenditure. Expenditure from exchange transactions arising from the purchase of goods and services are recognised when the supplies are delivered and accepted by the University. All other expenditures are recognised when the transaction or event causing the expense occurs.

(a) Borrowing costs
Borrowing costs of the University include interest and other expenditure incurred in connection with the borrowing of funds. Specifically, it comprises interest on overdraft facilities or short- term and long-term borrowings, amortisation of discounts or premiums relating to borrowings, amortisation of ancillary costs incurred in connection with the arrangement of borrowings and exchange differences arising from foreign currency borrowings to the extent that they qualify as an adjustment to interest costs. Borrowing costs that are directly attributable to the acquisition, construction, or production of a qualifying asset shall be capitalized as part of the cost of that asset. All other borrowing costs that do not satisfy the conditions for capitalization are to be expensed in the financial period in which they are incurred. The University had no borrowing as of 31 December, 2023.

2.6 Taxation
The University, as a public funded educational institution, is exempt from the payment of income taxes

2.7 Property, plant and equipment
Property, Plant and Equipment are initially recognized at cost. The cost of an item of property, plant and equipment comprises the purchase price (including taxes and excluding discounts and rebates) and any costs directly attributable to bringing the asset to the location and condition necessary for it to operate as intended by management. For items of property, plant and equipment acquired through non-exchange transactions (e.g. donations), the cost shall be their fair value at the date of the acquisition.

After initial recognition, all property, plant and equipment except land, are carried at historical cost less accumulated depreciation and impairment losses. 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 or service potential associated with the item will flow to the University and its cost can be measured reliably. Repairs and Maintenance cost of an item of property, plant and equipment, which do not meet the recognition criteria as an addition to assets, are charged to the statement of financial performance as expenses.

After initial recognition, land, land improvements and buildings (whose fair value can be measured reliably) are carried at its revalued amount, being its fair value at the date of the revaluation, less any subsequent accumulated depreciation, and subsequent accumulated impairment loss. Assets in the course of construction (work in progress) are accounted for as cost, based on the value of the architect's certificates and other direct costs incurred to the end of the year. Assets are not depreciated until they are brought to use.

Depreciation on assets is charged on a straight-line basis estimated to write each asset down to its estimated residual value over the estimated useful life of the asset. Freehold land is not depreciated as it is deemed to have an indefinite useful life. The asset's residual value and useful life shall be reviewed and adjusted when appropriate, at each statement of financial position date. The depreciation charge for each year is recognised in the statement of financial performance. The estimated useful lives and depreciation rates to be applied to each category for the current and corresponding periods are as follows:

Asset type	Depreciation rate	Useful lives (years)
Buildings & structures	2%	50
Production equipment	10%	10
Equipment	20%	5
Furniture and fittings	25%	4
Land improvement	10%	10
Computers & related Equipt.	20 %	5
Motor vehicles	20%	5
Infrastructure	10%	10

The assets' residual values and useful lives are reviewed and adjusted when appropriate, at the end of each annual reporting date. An asset's carrying amount is written down immediately to its recoverable amount, or recoverable service amount if the asset's carrying amount is greater than its estimated recoverable amount or recoverable service amount.

Assets that have an indefinite useful life are not subject to depreciation or amortisation and are tested annually for impairment. Assets that are subject to amortisation or depreciation are reviewed for impairment whenever events or changes in circumstances indicate that the carrying amount may not be recoverable. An impairment loss is recognised for the amount by which the asset's carrying amount exceeds its recoverable amount. The recoverable amount is the higher of an asset's fair value less costs to sell and value-in-use. For the purposes of assessing impairment, assets are grouped at the lowest levels for which there are separately identifiable cash flows (cash-generating units).

Gains and losses on disposals are determined by comparing the proceeds with the carrying amount and are recognised in the statement of financial performance.

The following table displays the capitalisation threshold applied to the various asset categories.

Asset type	**Threshold in Ghana Cedis**
Land	Full Capitalisation
Land improvement	20,000
Buildings	Full Capitalisation
Building renov ation	50,000
Infrastructure	50,000
Production equipment	20,000
Purchased E quipment	5,000
Constructed Equipment	10,000
Motor vehicles	Full Capitalisation
Furniture and fittings	2,000
Computer hardware, software and IT equipment	3,000
Donated assets	To be capitalized based on the specific asset type
Software	100,000

The University derecognises items of property, plant and equipment and/or any significant part of an asset upon disposal or when no future economic benefits or service potential is expected from its continuing use.

Any gain or loss arising on derecognition of the asset is included in the statement of financial performance.

2.8 Heritage assets

Heritage assets include historical buildings and monuments, archaeological sites, conservation areas and nature reserves and works of art. Certain characteristics, including the following, are often displayed by heritage assets:

- Their value in cultural, environmental, educational and historical terms is unlikely to be fully reflected in a financial value based purely on a market price;
- Legal and/or statutory obligations may impose prohibitions or severe restrictions on disposal by sale;
- They are often irreplaceable, and their value may increase over time even if their physical condition deteriorates; and
- It may be difficult to estimate their useful lives, which in some cases could be several hundred years.
- The University discloses but does not recognise heritage assets that would otherwise meet the definition and recognition criteria for property, plant and equipment.
- The University has disclosed its heritage assets for the first time in these financial statements.

2.9 Investment properties

Investment properties are measured initially at its cost and cost includes transaction costs associated with acquiring the property. Where an investment property is acquired through a non-exchange transaction, it is measured at its fair value at the date of receipt. Subsequent to initial recognition, investment properties are measured at fair value at each reporting date. A gain or loss arising from a change in the fair value of investment property is recognised in statement of financial performance for the year in which it arises.

Transfers are made to or from investment property by the University only when there is a change in use evidenced by:

(i) Commencement of owner-occupation, for a transfer from investment property to owner-occupied property;

(ii) Commencement of development with a view to sell, for a transfer from investment property to inventories;

(iii) End of owner-occupation, for a transfer from owner-occupied property to investment property;

(iv) Commencement of an operating lease (on a commercial basis) to another party, for a transfer from inventories to investment property; or

(v) End of construction or development, for a transfer from property in the course of construction or development (covered by IPSAS 17) to the investment property.

When the University completes construction or development of a self-constructed investment property that will be carried at fair value, any difference between the fair value of the property at that date and its previous carrying cost is recognised in the statement of financial performance. An investment property is derecognised (eliminated from the statement of financial position) on disposal or when the investment property is permanently withdrawn from use and no future economic benefits or service potential are expected from its disposal. Gains or losses arising from the retirement or disposal of investment property is determined as the difference between the net disposal proceeds and the carrying amount of the asset and is recognised in the statement of financial performance in the period of the retirement or disposal.

2.10 Intangible assets

(a) Acquisition of intangible assets

Intangible asset acquired separately is initially recognised at cost. The cost of a separately acquired intangible asset comprises the purchase price including import duties and non-refundable purchase taxes excluding trade discounts and rebates. The cost of intangible asset acquired in a non-exchange transaction is the fair value at the date of receipt. Following initial recognition, intangible asset is carried at cost less any accumulated amortisation and impairment losses.

The useful life of the intangible asset is assessed as either finite or indefinite. An intangible asset with a finite life is amortised over its useful life. Intangible asset with finite useful life are amortised over a period of 5 years on a straight-line basis. Intangible assets shall not be amortised in the year of acquisition. Intangible assets with a finite useful life are assessed for impairment whenever there is an indication that the asset may be impaired. The amortisation period and the amortisation method for an intangible asset with a finite useful life is reviewed at the end of each reporting period.

Changes in the expected useful life or the expected pattern of consumption of future economic benefits embodied in the asset are considered to modify the amortisation period or method, as appropriate, and are treated as changes in accounting estimates. The amortisation expense on an intangible asset with a finite life is recognised in the statement of financial performance.

Intangible assets with indefinite useful lives are not amortised. The useful lives of intangible assets with indefinite useful lives are reviewed at each reporting period to determine whether events and circumstances continue to support their indefinite useful life assessment. Where they do not, the change in the useful life assessment from indefinite to finite are treated as changes in accounting estimates.

Gains or losses arising from the derecognition of an intangible asset are measured as the difference between the net disposal proceeds and the carrying amount of the asset and are recognised in the statement of financial performance when the asset is derecognised.

(b) Research and development costs

Intangible assets arising from development will be recognized as assets if and only if all the following can be demonstrated:

- the technical feasibility of completing the asset so that the asset will be available for use or sale;
- its intention to complete and its ability to use or sell the asset;
- how the asset will generate future economic benefits or service potential;
- the availability of resources to complete the asset; and
  the ability to measure reliably the expenditure during development

Following initial recognition of an asset, intangible assets are carried at cost less any accumulated amortisation and accumulated impairment losses. Amortisation of the asset begins when development is complete, and the asset is available for use. It is amortised over the period of expected future benefit. During the period of development, the asset is tested for impairment annually with any impairment losses recognised immediately in the statement of financial performance.

(c) Internally generated goodwill

Internally generated goodwill, including internally generated brands, mastheads, publishing titles, lists of users of a service and items similar in substance are not recognised as an asset because they are not an identifiable resource controlled by the University that can be measured reliably at cost.

Asset type	Depreciation rate	Useful lives (years)
Intangible assets	Software 20%	5
	Website 20%	5
	Patent / copyright	As per contract

2.11 Related parties

The related parties of the University include key management personnel such as the Council Members and Principal Officers. The nature of the related party relationships, balances and transactions are disclosed in the notes to the financial statements, if any.

2.12 Inventories

Inventory is recognised when it is probable that future economic benefits will flow to the University and the asset has a cost or value that can be measured reliably. Where the inventories are not for trading, they shall be valued at the lower of cost and replacement cost. Where inventory is acquired through non-exchange transactions (at no cost or at a nominal cost), the cost of the inventory is its fair value at the date of receipt.

Cost includes all direct expenses incurred in bringing the inventories to their current state under normal operating conditions. The cost of inventories (that are similar or interchangeable in nature) are calculated using the weighted average cost formula.

After initial recognition, inventories are measured at the lower of cost and net realisable value except where they are held for distribution or consumption in the production process of goods to be distributed at no charge or for a nominal charge. In this instance, the University measures inventory at the lower of cost and current replacement cost. Inventories are recognised as an expense when consumed in the ordinary course of operations of the University.
Damaged and obsolete inventories are written off. Provision for inventory losses during the year is charged to the statement of financial performance. The cost of library books is recognized as an expense in the year of purchase, rather than inventories.

2.13 Accounts receivable

Receivables broadly include student fee receivables, subvention receivables, staff debtors, and other receivables. Receivables generally represent outstanding sums of money due for services provided. Management makes an estimate of the amount of total outstanding. In addition, management estimates the amounts that it expects to recover from the outstanding balances. A provision for impairment is raised based on these estimates. A provision for impairment of receivables is established when there is objective evidence that the University will not be able to collect all amounts due according to the original terms of the receivables.

Recoverables from non-exchange transactions comprise government subvention and grants as well as social benefit receivables that do not arise out of a contract. These recoverables are initially assessed at nominal amount or face value; that is, the receivable reflects the amount owed. These receivables are subsequently tested for impairment.

2.14 Cash and cash equivalents

Cash and cash equivalents include cash in hand, deposits held at call with banks and other short-term highly liquid investments with original maturities of three months or less from the acquisition date that are subject to an insignificant risk of changes in their fair value and are used by the University in the management of its short-term commitments.

2.15 Borrowings

Borrowings are recognised initially at fair value, net of transaction costs incurred. Borrowings are subsequently carried at amortised cost; any difference between the proceeds (net of transaction costs) and the redemption value is recognised in the statement of financial performance over the period of the borrowings using the effective interest method. Fees paid on the establishment of loan facilities are recognised as transaction costs of the loan to the extent that it is probable that some or all of the facility will be drawn down. In this case, the fee is deferred until the draw-down occurs. To the extent that there is no evidence that it is probable that some or all of the facility will be drawn down, the fee is capitalised as a pre-payment for liquidity services and amortised over the period of the facility to which it relates.

2.16 Sundry deposits

This is made up of project research funds, development funds and infrastructure project funds. They relate to amounts received from individuals and organisations purposely to support the University's research, scholarship schemes, physical projects and awards and for specific purposes mandated by the University. Contributions to the funds are recognised separately in Sundry Deposits when received. Expenses incurred are charged to the statement of financial performance in the year that the cost is paid.

In each reporting period, an amount equal to the total costs incurred in respect of each item supported by sundry deposits is transferred from the relevant reserve to match the costs in the statement of financial performance. Incomes earned from investing sundry deposits are credited to the related deposit account.

2.17 Accounts payable and accrued liabilities

Accounts payable are obligations to pay for goods or services that have been acquired in the ordinary course of business from suppliers. Accounts payable are classified as current liabilities if payment is due within one year or less. If not, they are presented as non-current liabilities. Accounts payable are recognised at fair value.

2.18 Provisions, contingent liabilities and contingent assets

(a) Provisions

Provisions are recognised when the University has a present obligation (legal or constructive) as a result of a past event, it is probable that an outflow of resources embodying economic benefits or service potential will be required to settle the obligation and a reliable estimate can be made of the amount of the obligation. The amount recognised as provision is the best estimate of the expenditure required to settle the obligation at the statement of financial position date.

(b) Contingent liabilities

The University does not recognise a contingent liability but discloses details of any contingencies in the notes to the financial statements, unless the possibility of an outflow of resources embodying economic benefits or service potential is remote.

(c) Contingent assets

The University does not recognize a contingent asset but discloses details of a possible asset whose existence is contingent on the occurrence or non-occurrence of one or more uncertain future events not wholly within the control of the University in the notes to the financial statements. Contingent assets are assessed continually to ensure that developments are appropriately reflected in the financial statements. If it has become virtually certain that an inflow of economic benefits or service potential will arise and the asset's value can be measured reliably, the asset and the related revenue are recognised in the financial statements of the period in which the change occurs.

2.19 Financial instruments

(a) Financial assets

(ii) Initial recognition and measurement

Financial assets within the scope of IPSAS 29 Financial Instruments: Recognition and Measurement are recognised at fair value and subsequently classified as loans and receivables, held-to-maturity investments, available-for-sale financial assets or financial assets at fair value through surplus or deficit.

(ii) Subsequent measurement of financial assets

The classification of financial instruments at initial recognition depends on the purpose for which the financial instruments were acquired and their characteristics.

Loans and receivables

Loans and receivables are non-derivative financial assets with fixed or determinable payments that are not quoted in an active market. The University's loans and receivables comprise sundry receivables, receivables from staff loans, student fees, government subventions and interest on investments. Loans and receivables are initially recognised at fair value including any direct transaction costs. They are subsequently measured at amortised cost using the effective interest method less provision for impairment. The accounts receivables or recoverable and cash and cash equivalents of the University are classified as loans and receivables.

Held-to-maturity investments

These are non-derivative financial assets with fixed or determinable payments and fixed maturity that the University has the positive intention and ability to hold to maturity. The University classifies investment in fixed deposits as held-to-maturity investments. They are initially recognised at fair value plus direct transaction costs and subsequently measured at amortised cost using the effective interest rate method.

Available-for-sale financial assets

They are non-derivative financial assets that are designated as available-for-sale or are not classified as loans and receivables, held-to-maturity investments or financial assets at fair value through surplus or deficit. Available-for-sale financial assets comprise of investment in shares and other quoted securities. They are initially measured at fair value including any direct transaction costs and subsequently measured at fair value. Fair value of available for sale investments are determined with reference to quoted prices in an active stock market. The University recognises changes in the fair value of available-for-sale financial assets in the statement of changes in net assets/equity.

(ii) Financial assets at fair value through surplus or deficit

These are financial assets held for the purpose of selling in the short term. Financial assets at fair value through surplus or deficit are initially recognised at fair value and changes are recognised in the statement of financial performance.

(iv) Derecognition

The University derecognises a financial asset or, where applicable, a part of a financial asset or part of a group of similar financial assets when: the rights to receive cash flows from the asset have expired or is waived or the University has transferred its rights to receive cash flows from the asset or has assumed an obligation to pay the received cash flows in full without material delay to a third party; and either: (a) the University has transferred substantially all the risks and rewards of the asset; or (b) the University has neither transferred nor retained substantially all the risks and rewards of the asset, but has transferred control of the asset.

(b) Financial liabilities

(i) Initial recognition and measurement
All financial liabilities are recognised initially at fair value. Financial liabilities within the scope of IPSAS 29 are classified as financial liabilities at fair value through surplus or deficit or other financial liabilities at amortised cost.

(i) Initial recognition and measurement
All financial liabilities are recognised initially at fair value. Financial liabilities within the scope of IPSAS 2 are classified as financial liabilities at fair value through surplus or deficit or other financial liabilities at amortised cost.

(ii) Subsequent measurement of financial liabilities

Financial liabilities at fair value through surplus or deficit
Financial liabilities at fair value through surplus or deficit include financial liabilities held for trading and financial liabilities designated upon initial recognition at fair value through surplus or deficit. Financial liabilities are classified as held for trading if they are acquired for the purpose of selling in the near term. This category includes derivative financial instruments entered into by the University that are not designated as hedging instruments in hedge relationships as defined by IPSAS 29. Gains or losses on liabilities held for trading are recognised in the statement of financial performance.

Other financial liabilities at amortised cost
After initial recognition, other financial liabilities at amortised cost are subsequently measured at amortised cost using the effective interest method. Gains and losses are recognised in the statement of financial performance when the liabilities are derecognised as well as through the effective interest method amortisation process. Amortised cost is calculated by considering any discount or premium on acquisition and fees or costs that are an integral part of the effective interest rate.

(iii) Derecognition
A financial liability is derecognised when the obligation under the liability is discharged or cancelled or expires. When an existing financial liability is replaced by another from the same lender on substantially different terms, or the terms of an existing liability are substantially modified, such an exchange or modification is treated as a derecognition of the original liability and the recognition of a new liability, and the difference in the respective carrying amounts is recognized in statement of financial performance.

(b) Determination of fair value
For financial instruments traded in active markets, the determination of fair values of financial instruments is based on quoted market prices or dealer price quotations. This includes listed equity securities and quoted debt instruments on major exchanges.

A financial instrument is regarded as quoted in an active market if quoted prices are readily and regularly available from an exchange, dealer, broker, industry group, pricing service or regulatory agency, and those prices represent actual and regularly occurring market transactions on an arm's length basis. If the above criteria are not met, the market is regarded as being inactive. Indicators that a market is inactive are when there is a wide bid-offer spread or significant increase in the bid-offer spread or there are few recent transactions.

For all other financial instruments, fair value is determined using valuation techniques. In these techniques, fair values are estimated from observable data in respect of similar financial instruments, using models to estimate the present value of expected future cash flows or other valuation techniques, using inputs existing at the reporting dates.

The University uses widely recognised valuation models for determining fair values of non- standardised financial instruments of lower complexity, such as options or interest rate and currency swaps. For these financial instruments, inputs into models are generally market- observable.

The output of a model is always an estimate or approximation of a value that cannot be determined with certainty, and valuation techniques employed may not fully reflect all factors relevant to the positions the University holds. Valuations are therefore adjusted, where appropriate, to allow for additional factors including model risks, liquidity risk and counterparty credit risk. Based on the established fair value model governance policies, related controls and procedures applied, the Council believes that these valuation adjustments are necessary and appropriate to fairly state the values of financial instruments carried at fair value. Price data and parameters used in the measurement procedures applied are generally reviewed carefully and adjusted, if necessary – particularly in view of the current market developments.

In cases when the fair value of unlisted equity instruments cannot be determined reliably, the instruments are carried at cost less impairment. The fair values of contingent liabilities and irrevocable loan commitments correspond to their carrying amounts.

(c) Offsetting financial instruments

Netting, where financial assets and liabilities are offset and the net amount reported in the statement of financial position, occurs if, and only if, there is a legally enforceable right to set off the recognized amounts and there is an intention to settle on a net basis, or to realize an asset and settle the liability simultaneously. In many cases, even though master netting agreements are in place, the lack of an intention to settle on a net basis results in the related assets and liabilities being presented gross in the statement of financial position.

(d) Impairment of financial assets

Assets carried at amortised cost

The University assesses at the end of each reporting period whether there is objective evidence that a financial asset or group of financial assets are impaired. A financial asset or a group of financial assets is impaired and impairment losses are incurred only if there is objective evidence of impairment as a result of one or more events that occurred after the initial recognition of the asset (a 'loss event') and that loss event (or events) have an impact on the estimated future cash flows of the financial asset or group of financial assets that can be reliably estimated.

Where there is objective evidence that an impairment loss on loans and receivables or held- to-maturity investments carried at amortised cost has been incurred, the amount of the loss is measured as the difference between the asset's carrying amount and the present value of estimated future cash flows (excluding future credit losses that has (have) not been incurred) discounted at the financial asset's original effective interest rate. The carrying amount of the asset is reduced and the amount of the loss is recognised in the statement of financial performance.

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 (such as an improvement in the debtor's credit rating), the previously recognised impairment loss is reversed and the amount of the reversal is recognised in the statement of financial performance.

Available-for-sale financial instruments
For available-for-sale financial instruments, the University assesses at each reporting date whether there is objective evidence that an investment or a group of investments is impaired. In the case of equity instruments classified as available-for-sale, a significant or prolonged decline in the fair value of the security below its cost is considered objective evidence in determining whether impairment exists. Where such evidence exists, the cumulative net loss that has been previously recognised directly in equity is removed from equity and recognised in the statement of financial performance. Reversals of impairment of equity shares are not recognised in the statement of financial performance. Increases in the fair value of equity shares after impairment are recognised directly in equity.

In the case of debt instruments classified as available-for-sale, impairment is assessed based on the same criteria as all other financial assets. Interest continues to be accrued at the original effective interest rate on the reduced carrying amount of the asset and is recorded as part of interest replace. Reversals of impairment of debt securities are recognised in the statement of financial performance if in a subsequent year, the fair value of the debt instrument increases, and the increase can be objectively related to an event occurring after the impairment loss was recognised in the statement of financial performance.

3 Financial risk management

(a) Overview of KNUST risk management
The University's activities involve taking on risks in a targeted manner and managing them professionally. The core functions of the University's risk management are to identify all key risks, measure these risks, manage the risk positions and determine capital allocations. The University's Audit Committee evaluates its risk management policies and governance process and contribute to the improvement of that risk management and governance process. The University's aim is to achieve an appropriate balance between risk and return and minimise potential adverse effects on its financial performance.
The specific risk areas covering financial management which have been identified as requiring adequate monitoring and assessment include:

Specific risk areas

FINANCIAL SUSTAINABILITY	ICT INFRASTRUCTURE & SYSTEMS
Constraints in implementing accounting policies	Inadequate IT systems to support University Business
Irregular review of internal controls	Limited CCTV installation and recording capacity
Inadequate monitoring and supervision of compliance with financial reporting guidelines	Increased susceptibility for cyber attack
Weak internal controls in management of pension funds	Limited Library IT infrastructure
Inadequate budgetary control systems leading to budget overrun	Underutilization of reading list management system
Non adherence to laid down procurement regulations.	Weak system for management and protection of collected data by the University
Student debtors	

RECRUITMENT, PROMOTIONS, STAFF DEVELOPMENT & RESEARCH	HEALTH AND SAFETY
Low postgraduate research quality and inadequate postgraduate research funding	Delays in procurement process for medical drugs and non-drug consumables
Limited staff commitment to research and grant seeking	Inadequate funding for health needs
Recruitment constraints imposed by government financial clearance system	Weak inventory management systems
Delays in promotion assessment and promotion waiting time	Inadequate laboratory equipment
ASSET MANAGEMENT	**OPERATIONS**
lack of integrated accounting system to capture assets of the University	Continuous inclusion of resigned and retired staff on payroll
Improper documentation, identification and monitoring of resources	Improper contract management practices
	Cumbersome procurement processes and procedures and inadequate funds

(b) Risk management structure

The Council of the University has overall responsibility for the establishment and oversight of the University's risk management. The University's Audit Committee is responsible for risk management and reports to the Council. The University's risk management policies are established to identify and analyse the risks faced by the University, to set appropriate risk limits and controls, and to monitor risks and adherence to limits. The University aims to develop a disciplined and constructive control environment, in which all employees understand their roles and obligations.

Through its risk management structure, the University seeks to manage efficiently the core risks which affect its operations as an educational institution.

(i) Credit risk management

Credit risk is the risk of financial loss, should any student or market counterparties fail to fulfil their contractual obligations to the University. Credit risk arises from cash and cash equivalents and deposits with banks and financial institutions as well as credit exposures to customers (students), including outstanding receivables and committed transactions. The University manages its credit risk by ensuring that it only transacts with reputable well- established financial institutions and constantly follows up on its receivables for payments to be made.

The University's maximum exposure to credit risk at the end of the reporting date is as follows:

	2023 GH¢	2022 GH¢
Cash and Cash Equivalent (Excluding Bank Overdrafts)	141,313,931	85,133,920
Short Term Investment	171,684,193	242,507,082
Accounts Receivable	155,102,806	105,017,596
	468,100,930	**432,658,598**

The University has no credit risk exposures relating to off - balance sheet items.

At 31 December 2023, the University's credit exposures on accounts receivable were categorised as follows:

- Exposures that are neither past due nor impaired.
- Exposures that are past due but not impaired; and
- Individually impaired.

The balances for the accounts receivable category have been analysed below:

No accounts receivable was impaired at the reporting date.

Other receivables do not contain impaired assets and are not past due. Based on the credit history of these other classes, it is expected that these amounts will be received when due.

(ii) Liquidity risk

Liquidity risk is the risk that the University will not be able to meet its financial liabilities as they fall due. The University manages liquidity risk by maintaining adequate cash reserves and utilising short-term borrowing when necessary and approved by the Council.

Prudent liquidity risk management includes maintaining sufficient cash balances for the payment of obligations as they fall due. Management performs cash flow forecasting for the University's liquidity requirements on a monthly basis as required by the Public Financial Management Act, 2016 (Act 921) to ensure it has sufficient cash to meet its operational needs. In addition, the University's liquidity management policy involves projecting cash flows in major currencies and considering the level of liquid assets required to meet these obligations, monitoring balance sheet liquidity ratios against best practice, internal and external regulatory requirements and maintaining debt financing plans.

The table below presents the amounts payable by the University under non-derivative financial liabilities and assets held for managing liquidity risk. The amounts disclosed in the table are the contractual undiscounted cash flows.

At 31 December 2023

	0-3 Months GHS	4-6 Months GHS	7-12 Months GHS	over 12 Months GHS	Total GHS
Liabilities					
Accrued Expenses	3,566,715	-	-	-	3,566,715
Sundry Deposits	44,092,546	-	-	-	44,092,546
Accounts Payable	141,749,506	-	-	-	141,749,506
Total Liabilities	189,408,767				189,408,767
Assets:					
Cash and Bank	141,313,931	-	-	-	141,313,931
Short Term Investment	131,754,211	38,329,982	1,600,000	-	171,684,193
Total Assets	273,068,142	38,329,982	1,600,000	-	312,998,124
Net Position	**83,659,375**	**38,329,982**	**1,600,000**	**-**	**123,589,357**

At 31 December 2022

	0-3 Months GHS	4-6 Months GHS	7-12 Months GHS	over 12 Months GHS	Total GHS
Liabilities					
Accrued Expenses	7,312,684	-	-	-	7,312,684
Sundry Deposits	69,112,817	-	-	-	69,112,817
Accounts Payable	93,399,678	-	-	-	93,399,678
Total Liabilities	169,825,179	-	-	-	169,825,179
Assets:					
Cash and Bank	85,133,919	-	-	-	85,133,919
Short Term Investment	186,099,935	54,151,831	2,255,316	-	242,507,082
Total Assets	271,233,854	54,151,831	2,255,316	-	327,641,001
Net Position	**101,408,675**	**54,151,831**	**2,255,316**	**-**	**157,815,822**

Assets held for managing liquidity risk
The University holds a diversified portfolio of cash and highly liquid investment securities to support payment obligations and contingent funding in a stressed market environment. The University's assets held for managing liquidity risk comprise cash and investments (treasury bills and fixed deposits).

(ii) Marketrisk
The University takes on exposure to market risk, which is the risk that the fair value of future cash flows of a financial instrument will fluctuate because of changes in market prices. Market risk arises from open positions in interest rate, currency and equity products, all of which are exposed to general and specific market movements and changes in the level of volatility of market rates or prices such as interest rates, foreign exchange rates and equity prices. The objective of market risk measurement is to manage and control market risk exposures within acceptable limits while optimising the return on risk. The Audit Committee is responsible for the development of detailed risk management policies and the Director of Internal Audit is responsible for the day-to-day implementation of those policies.

(iv) Foreign exchange risk
Currency risk is the risk that the value of a financial instrument will fluctuate due to changes in foreign exchange rates. The positions of currencies held are monitored on a daily basis. The objective of monitoring the position in foreign currency is to manage foreign exchange risk due to movements in rates as well as changes in liquidity positions. The University's policy to manage foreign exchange risk is to hold foreign currency bank accounts for foreign denominated transactions. The University's foreign exchange exposure results from three (3) major currencies namely the Euro, Pound Sterling and United States Dollar.

At 31 December 2023					
Transaction Currency	USD	GBP	EUR	GHS	Total
Reporting Currency	GHS	GHS	GHS	GHS	GHS
Assets					
Cash	75,230,861	1,648,393	7,907,880	56,526,797	141,313,931
Short Term Investments	16,190,966	-	-	155,493,227	171,684,193
Accounts Receivables	-	-	-	155,102,806	155,102,806
Inventories	-	-	-	33,379,066	33,379,066
Long Term Invest.	-	-	-	7,281,874	7,281,874
Property,Plant,Equip.	-	-	-	2,344,536,624	2,344,536,624
Intangible Assets	-	-	-	1,274,541	1,274,541
Total Assets	**91,421,827**	**1,648,393**	**7,907,880**	**2,753,594,934**	**2,854,573,034**
Liabilities					
Accrued Expenses	-	-	-	3,566,715	3,566,715
Sundry Deposits	-	-	-	44,092,546	44,092,546
Accounts payable	-	-	-	141,749,506	141,749,506
Provision for ExGratia	-	-	-	154,940,751	154,940,751
Employee benefits	-	-	-	112,923,107	112,923,107
Total Liabilities	-	-	-	457,272,625	457,272,625
Net Assets	**91,421,827**	**1,648,393**	**7,907,880**	**2,296,322,309**	**2,397,300,409**

At 31 December 2022					
Transaction Currency	USD	GBP	EUR	GHS	Total
Reporting Currency	GHS	GHS	GHS	GHS	GHS
Assets					
Cash and Bank	27,420,743	997,701	3,609,675	53,105,800	85,133,920
Short Term Investment	11,570,680	-	-	230,936,402	242,507,082
Accounts Receivables	-	-	-	105,017,596	105,017,596
Inventories	-	-	-	22,687,488	22,687,488
Long Term Investment	-	-	-	3,169,580	3,169,580
Property,Plant,Equip.	-	-	-	2,187,504,459	2,187,504,459
Total Assets	**38,991,423**	**997,701**	**3,609,675**	**2,602,421,325**	**2,646,020,125**
Liabilities					
Accrued Expenses	-	-	-	7,312,684	7,312,684
Sundry Deposits	-	-	-	69,112,817	69,112,817
Accounts Payable	-	-	-	93,399,678	93,399,678
Provision for Ex-Gratia	-	-	-	121,811,518	121,811,518
Employee Benefits	-	-	-	112,923,107	112,923,107
Total Liabilities	**-**	**-**	**-**	**404,559,804**	**404,559,804**
Net Assets	**38,991,423**	**997,701**	**3,609,675**	**2,197,861,522**	**2,241,460,321**

(v) Interest raterisk

Interest rate risk is the exposure of current and future earnings to adverse changes in the level of interest rates. Interest rate risk is managed by borrowing in fixed rate and also using the large size of the University to negotiate for better rates. The University does not have any outstanding borrowings.

(4) Fair value hierarchy

IPSAS 29 specifies a hierarchy of valuation techniques based on whether the inputs to those valuation techniques are observable or unobservable. Observable inputs reflect market data obtained from independent sources; unobservable inputs reflect the University's market assumptions. These two types of inputs have created the following fair value hierarchy:

- **Level 1** – Quoted prices (unadjusted) in active markets for identical assets or liabilities. This level includes listed equity securities (for example, Ghana Stock Exchange). All the University's shares were valued using level 1 fair value hierarchy.
    -

- **Level 2** – Inputs are quoted prices for the asset or liability, (other than those included in Level 1) that are observable either directly (that is, as prices) or indirectly (that is, derived from prices). Short term investments of the University were valued using level 2 fair value hierarchy.

- **Level 3** – Inputs for the asset or liability that are not based on observable market data (unobservable inputs). This level includes equity investments and debt instruments with significant unobservable components.

Property, plant and equipment and investment properties of the University were valued using the level 3 fair value hierarchy.

This hierarchy requires the use of observable market data when available. The University considers relevant and observable market prices in its valuations where possible.

5. Critical accounting judgments, estimates and assumptions

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, liabilities and expenditure. The estimates and associated assumptions are based on historical experience and various factors that are believed to be reasonable under the circumstances, the results of which form the basis for making the judgement about carrying values of assets and liabilities that are not readily apparent from other sources. Actual results may differ from these estimates.

The key assumptions concerning the future and other key sources of estimation uncertainty at the reporting date, that have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities within the next financial year are disclosed below.

5.1 Impairment of non-financial assets (cash-generating assets)

The recoverable amounts of cash-generating units and individual assets have been determined based on the higher of value-in-use calculations and fair values less costs to sell. These calculations require the use of estimates and assumptions. It is reasonably possible that the assumptions may change, which may then impact management's estimations and require a material adjustment to the carrying value of tangible assets. The University reviews and tests the carrying value of assets when events or changes in circumstances suggest that the carrying amount may not be recoverable. Cash-generating assets are grouped at the lowest level for which identifiable cash flows are largely independent of cash flows of other assets and liabilities.

If there are indications that impairment may have occurred, estimates of expected future cash flows are prepared for each group of assets. Expected future cash flows used to determine the value-in-use of tangible assets are inherently uncertain and could materially change over time.

The University reviews and tests the carrying value of non-cash-generating assets when events or changes in circumstances suggest that there may be a reduction in the future service potential that can reasonably be expected to be derived from the asset.

Where indicators of possible impairment are present, the University undertakes impairment tests, which require the determination of the fair value of the asset and its recoverable service amount. The estimation of these inputs into the calculation relies on the use of estimates and assumptions. Any subsequent changes to the factors supporting these estimates and assumptions may have an impact on the reported carrying amount of the related asset.

5.2 Fair value of financial instruments

Where the fair value of financial assets and financial liabilities recorded in the statement of financial position cannot be derived from active markets, their fair value is determined using valuation techniques including the discounted cash flow model. The inputs to these models are taken from observable markets where possible, but where this is not feasible, judgment is required in establishing fair values. Judgment includes the consideration of inputs such as liquidity risk, credit risk and volatility. Changes in assumptions a bout these factors could affect the reported fair value of financial instruments.

5.2 Held-to-maturityinstruments

In accordance with IPSAS 29, the University classifies some non-derivative financial assets with fixed or determinable payments and fixed maturity a sheld-to-maturity. This classification requires significant judgement. In making this judgement, the University evaluates its intention and ability to hold such investments to maturity. If the University were to fail to keep these investments to maturity other than for the specific circumstances – for example, selling an insignificant amount close to maturity–the University is required to reclassify the entire category as available-for-sale. Accordingly, the investments would be measured at fair value instead of amortised cost.

5.4 Employee benefit obligations

The present value of the employee benefit obligations depends on a number of factors that are determined on an actuarial basis using a number of assumptions. The assumptions used in determining the net cost include the discount rate, future salary increases and mortality rates. Any changes in these assumptions will impact the carrying amount of employee benefit obligations. The University determines the appropriate discount rate at the end of each year. This is the interest rate that should be used to determine the present value of estimated future cash out flows expected to be required to settle the employee benefit obligations. In determining the appropriate discount rate, the University considers the interest rates of government bonds that are denominated in the currency in which the benefits will be paid, and that have terms to maturity approximating the terms of the related pension obligation. Other key assumptions for pension obligations are based in part on current market conditions.

5.5 Newly published standards and interpretations yet to be adopted by the University.

IPSAS 43, Leases

IPSAS 43, 'Leases' was issued by the International Public Sector Accounting Standards Board (IPSASB) in January 2022. The risks and rewards incidental to ownership model in IPSAS 13 required lessees and lessors to classify leases as either finance leases or operating leases.

Operating leases did not require leases to recognize assets and liabilities, while finance leases did. For lessees, IPSAS 43 introduces a right-of-use model that replaces the risks and rewards incidental to ownership model in IPSAS 13, Leases and for lessors, IPSAS 43 substantially carries forward the risks and rewards incidental to ownership model in IPSAS 13. IPSAS 43 enhances the accounting for leases by lessees because the standard no longer requires the classification of leases as either finance leases or operating leases. The standard requires the recognition of assets and liabilities related to the rights and obligations created by leases. This standard is effective for financial statements beginning on or after 1 January 2025. Early adoption is permitted. This has not been applied by the University in preparing its financial statements for the year ended 31 December 2023

IPSAS 45, Property, Plant and Equipment

IPSAS 45, Property, Plant and Equipment was approved by the International Public Sector Accounting Standards Board (IPSASB) in December 2022 and issued in May 2023. The standard replaces IPSAS 17, Property, Plant and Equipment by adding current operational value as a measurement basis in the updated current value model for assets within its scope, identifying the characteristics of heritage and infrastructure assets and adding new guidance on how these important types of public sector assets should be recognized and measured. This standard is effective for financial statements beginning on or after 1 January 2025. This has not been applied by the University in preparing its financial statements for the year ended 31 December 2023.

IPSAS 46, Measurement

IPSAS 46, Measurement was approved by the International Public Sector Accounting Standards Board(IPSASB) in March 2023 and issued in May 2023. The standard provides new guidance in a single standard addressing how commonly used measurement bases should be applied in practice. This standard is effective for financial statements beginning on or after 1 January 2025 and have not been applied by the Institute in preparing its financial statements for the year ended 31 December 2023.

IPSAS 47, Revenue

IPSAS 47, Revenue was approved by the International Public Sector Accounting Standards Board (IPSASB) in March 2023 and issued in May 2023. The standard replaces IPSAS 9, Revenue from ExchangeTransactions, IPSAS 11, Construction Contracts, and IPSAS 23, Revenue from Non-Exchange Transactions (Taxes and Transfers). IPSAS 47 is a single source for revenue accounting guidance in the public sector, which presents two accounting models based on the existence of a binding arrangement. The standard includes a comprehensive guidance for an entity to determine which accounting model to apply. This standard is effective for financial statements beginning on or after 1 January 2026 and have not been applied by the University in preparing its financial statements for the year ended 31 December 2023.

IPSAS 48, Transfer Expenses

IPSAS 48, Transfer Expenses was approved by the International Public Sector Accounting Standards Board (IPSASB) in March 2023 and issued in May 2023. A transfer expense is an expense arising from a transaction, other than taxes, in which an entity provides a good, service, or other asset to another entity, without directly receiving any good, service, or other asset in return. IPSAS 48 presents two accounting models based on the existence of a binding arrangement. This standard is effective for financial statements beginning on or after 1 January 2026 and has not been applied by the Institute in preparing its financial statements for the year ended 31 December 2023.

	2023 GHS	2022 GHS
6. Government subvention received		
Subvention- emoluments	414,280,253	341,430,994
Book and research allowance	41,541,940	22,500,231
	455,822,193	**363,931,225**
7. Academic fees and other charges		
Academic facility user fees	420,183,116	318,750,971
Residential facility user fees	14,849,538	10,914,171
Other academic charges	39,730,741	22,106,613
Sale of admission forms	22,111,815	15,569,037
Revenue from other exchange transactions	121,005,914	63,533,571
	617,881,123	**430,874,362**
8. Revenue from subsidiary		
Operating income Nyansapo Eco-Resort	1,756,824	-
	1,756,824	**-**
9. Miscellaneous income		
Affiliation fees	5,053,108	3,100,695
Donations	6,079,087	7,101,461
Farm income	598,081	536,154
Hire of university facilities & equipment	2,219,780	3,161,462
Interest income	47,023,429	45,374,032
Medical services revenue	2,191,797	1,118,879
Rental income	4,863,756	2,829,572
Dividend received	-	293,278
Other income	37,050,202	42,233,897
	105,079,240	**105,749,430**
10. Employees compensation		
Emoluments	473,259,385	390,324,095
Employer contributions (GUSSS & SSNIT)	14,731,303	11,589,484
Book and research allowance	41,541,940	22,500,231
	529,532,628	**424,413,810**
11. Direct teaching and research expenses		
Direct academic expenses	77,546,796	64,976,387
General administration expenses	24,038,346	22,829,780
General education expenses	38,579,701	26,772,969
Municipal services	28,619,885	18,166,409
Library expenses	176,948	20,968
Production costs	2,783,915	2,696,581
Miscellaneous expenses	114,350	259,676
	171,859,941	**135,722,770**

	2023 GHS	2022 GHS
12. General education expenses		
Accreditation	1,440,520	20,050
Admission, examination and graduation	34,457,568	23,586,603
Affiliation	2,000,448	89,470
Printing and stationery	7,635,568	14,228,926
Students feeding cost	584,994	341,055
Student grant	433,088	876,537
Other teaching & learning materials	57,700	37,563
	46,609,886	**39,180,204**
13. Municipal services costs		
Cleaning and sanitation	3,839,642	3,090,746
Electricity	40,687,069	28,770,661
Fire prevention	76,657	35,114
Fuel and lubricants	10,210,454	9,287,595
Protective clothing	384,858	389,931
Repairs and maintenance	19,011,420	16,445,194
Security services	560,098	783,941
Sports expenses	1,700,649	933,628
Water charges	144,910	4,274,919
	76,615,756	**64,011,730**
14. Production costs		
Bar and canteen purchases	12,570,776	6,477,850
Factory expenses	14,278,047	6,728,409
Fuel and lubricants	97,737	69,131
Repairs and maintenance	868,357	1,195,815
	27,814,917	**14,471,205**
15. Operating costs of subsidiary		
Nyansapo Eco-Resort	2,245,256	-
	2,245,256	**-**
16. General administration expenses		
Audit expenses	99,100	228,757
Audit fees	485,000	360,800
Bank charges	361,974	258,636
Allowances and conference costs	4,746,257	4,238,283
Staff related expenses	26,528,037	15,545,209
Travel and subsistence	5,751,085	6,844,109
Internet and other ICT charges	11,418,166	11,096,058
Medical expenses	19,543,517	14,892,553
Other administration expenses	29,854,521	16,651,800
	98,787,658	**70,116,206**

	NOTES	2023 GHS	2022 GHS
17 Library expenses			
E-books and other library resources		4,925,161	2,150,033
		4,925,161	**2,150,033**
18 Depreciation and amortization			
Depreciation	**(21)**	66,045,490	52,267,431
Amortization	**(20)**	318,635	-
		66,364,125	**52,267,431**
19 Miscellaneous expenses			
GUSA games and related expenditure		356,595	3,835,164
Legal charges		11,625	60,935
Official entertainment		17,422	25,487
Hall cloth expenses		83,160	86,805
Periodicals, magazines and journals		22,521	39,825
Printing of certificate holders		818,129	57,208
Other expenses		346,642	1,515,193
		1,656,093	**5,620,617**

20 Intangible assets

at 31 December 2023 Cost	**Balance at 1st January** GHS	**Additions** GHS	**Disposal/ Transfer** GHS	**Balance at 31st December** GHS
Computer software	-	1,593,176	-	1,593,176
	-	**1,593,176**	**-**	**1,593,176**
Accumulated amortization	**Balance at 1st January GH¢**	**Charge for Year GH¢**	**Disposal/ Transfer GH¢**	**Balance at 31st December** GH¢
Computer software	-	318,635	-	318,635
	-	**318,635**	**-**	**318,635**
Net book value	**-**	**1,274,541**	**-**	**1,274,541**

This relates to hospital management software acquired during the year.

21 Property, plant and equipment AT 31ST December 2023

Cost	Balance at 1st January GHS	Additions GHS	Disposal/ Transfer GHS	Balance at 31st December GHS
Land	593,930,000	-	-	593,930,000
Buildings and structures	1,230,012,588	4,079,619	214,879,192	1,448,971,400
Infrastructure	1,102,571	-	707,644	1,810,215
Land improvement	5,866,153	2,113,844	-	7,979,997
Capital work in progress	375,002,335	152,186,705	(213,517,042)	313,671,998
Office equipment	53,903,279	17,500,708	(758,643)	70,645,344
Computer equipment	49,980,220	14,793,316	-	64,773,536
Production equipment	6,339,200	678,976	758,643	7,776,819
Furniture, fixtures and fittings	28,324,179	12,924,647	-	41,248,826
Motor vehicles	23,605,092	16,714,040	-	40,319,132
	2,368,065,618	**220,991,855**	**2,069,795**	**2,591,127,267**

Accumulated depreciation	Balance at 1st January GHS	Charge for Year GHS	Disposal/ Transfer GHS	Balance at 31st December GHS
Buildings and structures	88,569,161	27,588,205	(16,005)	116,141,361
Infrastructure	380,791	181,022	-	561,813
Land improvement	3,102,688	798,000	-	3,900,688
Office equipment	33,249,849	8,499,367	-	41,749,216
Computer equipment	22,297,564	9,618,932	-	31,916,496
Production equipment	2,158,208	2,476,460	-	4,634,668
Furniture, fixtures and fittings	15,486,340	8,730,192	-	24,216,532
Motor vehicles	15,316,557	8,153,312	-	23,469,869
	180,561,159	**66,045,490**	**(16,005)**	**246,590,643**
Net book value	**2,187,504,459**	**-**	**-**	**2,344,536,624**

Included in the property, plant and equipment is the net book value of Nyansapo Eco-Resort.

21 Property, plant and equipment at 31st December 2022

Cost	Balance at 1st January GHS	Additions GHS	Disposal/ Transfer GHS	Balance at 31st December GHS
Land	593,930,000	-	-	593,930,000
Buildings and structures	1,142,127,707	19,508,835	68,376,047	1,230,012,588
Infrastructure	901,780	48,421	152,370	1,102,571
Land improvement	5,866,153	-	-	5,866,153
Capital work in progress	333,235,193	128,387,710	(86,620,568)	375,002,335
Office equipment	37,223,038	16,680,241	-	53,903,279
Computer equipment	21,987,572	9,886,583	18,106,064	49,980,220
Production equipment	6,066,160	273,040	-	6,339,200
Furniture, fixtures and fittings	17,614,572	10,709,607	-	28,324,179
Motor vehicles	20,731,535	3,468,328	(594,770)	23,605,092
	2,179,683,709	**188,962,766**	**(580,857)**	**2,368,065,618**

Accumulated depreciation	Balance at 1st January GHS	Charge for Year GHS	Transfer GHS	Balance at 31st December GHS
Buildings and structures	65,575,386	22,993,775	-	88,569,161
Infrastructure	270,534	110,257	-	380,791
Land improvement	2,516,073	586,615	-	3,102,688
Office equipment	26,683,384	6,566,465	-	33,249,849
Computer equipment	11,487,277	10,810,287	-	22,297,564
Production equipment	1,301,073	857,135	-	2,158,208
Furniture, fixtures and fittings	9,932,289	5,554,051	-	15,486,340
Motor vehicles	10,884,572	4,788,847	(356,862)	15,316,557
	128,650,589	**52,267,431**	**(356,862)**	**180,561,159**
Net book value	**2,051,033,119**	**-**	**-**	**2,187,504,459**

	2023 GHS	2022 GHS
22 Long term investments		
Investment in traded equity shares	2,606,175	2,997,872
Investment in Fruit Processing Company **	171,708	171,708
KNUST Bottling Limited Company	4,503,991	-
	7,281,874	**3,169,580**

The investment in traded equity shares represents the University's holding in equity shares in Standard Chartered Bank Ghana PLC. Number of shares is 148,500.

**This is a long term investment in KNUST Fruits Processing Company Limited located at Mantukwa in the Bono region.

KNUST Bottling Limited Company is a limited liability company incorporated for the processing of water. It is a joint venture between the University and Ghana Universities Staff Superannuation Scheme (GUSSS).

b. Fair value loss on investments		
Balance at 1 January	3,169,580	3,190,370
Addition	4,503,991	-
	7,673,571	**3,190,370**
Remeasured loss (Traded Equity Shares)	(391,697)	(20,790)
Balance at 31 December	**7,281,874**	**3,169,580**

23 Inventories		
Printing and stationery items	3,200,973	2,665,333
Academic gowns	11,569,765	3,413,058
Cleaning and sanitation consumables	492,609	606,852
Computers & general ICT accessories	500,924	3,634,356
Drugs and medical consumables	3,759,797	2,018,800
Food and drinks	156,833	129,420
Furniture and fittings	52,330	4,375,690
General maintenance consumables	12,839,540	5,201,550
Live animals	322,823	254,548
Laboratory consumables	483,471	387,882
	33,379,066	**22,687,488**

24 Accounts receivable		
Subvention receivable	93,795,140	51,504,114
GUSSS loan receivable	14,113,883	15,722,472
University hospital receivable	3,172,470	3,812,749
Interest receivable	4,544,028	7,958,238
Rent receivable	60,907	366,450
Staff debtors	4,650,674	4,756,355
Student receivables	22,588,395	16,099,181
University of Ghana Overseas Office	1,966,276	1,339,754
General trade receivable	9,958,764	850,160
Other receivable	252,270	2,608,123
	155,102,806	**105,017,596**

	2023 GHS	2022 GHS
25 Short term investments		
Fixed deposits with commercial banks	171,684,193	242,507,082
	171,684,193	**242,507,082**
Analysis of investments according to maturity period:		
0-3 months	131,754,211	186,099,935
4-6 months	38,329,982	54,151,831
7-12 months	1,600,000	2,255,316
	171,684,193	**242,507,082**
26 Cash and bank balances		
Cash at bank	141,268,015	85,131,758
Cash in hand	45,916	2,162
	141,313,931	**85,133,920**
27 Employee benefits obligation		
Employee benefits schedule		
Defined Benefit Obligation		
Balance at 1 January	188,625,706	188,625,706
Current Service Cost (excluding expenditure)	15,054,216	15,054,216
Net interest cost	39,889,237	39,889,237
Actuarial (gains)/losses from change in financial assumptions	8,160,987	8,160,987
Experience actuarial gains	1,110,158	1,110,158
Return on Plan Assets excluding amounts in interest expense / (income)	-	-
Contributions paid by employer	-	-
Contributions paid by members and other parties	10,958,517	10,958,517
Benefits paid	(18,635,960)	(18,635,960)
	245,162,861	**245,162,861**
Fair Value of Planned Assets		
Balance at 1 January	114,093,881	114,093,881
Current service cost (excluding expenditure)	-	-
Net interest cost	24,147,783	24,147,783
Actuarial (gains)/ losses from change in financial assumptions	-	-
Experience actuarial gains	(1,364,931)	(1,364,931)
Return on Plan Assets excluding amounts in interest expense / (income)	(2,657,953)	(2,657,953)
Contributions paid by employer	5,698,417	5,698,417
Contributions paid by members and other parties	10,958,517	10,958,517
Benefits paid	(18,635,960)	(18,635,960)
	132,239,754	**132,239,754**
Net Defined Benefit Liability		
Balance at 1 January	74,531,825	74,531,825
Current service cost (excluding expenditure)	15,054,216	15,054,216
Net interest cost	15,741,454	15,741,454
Actuarial gains/(losses)	8,160,987	8,160,987
Experience actuarial gains	2,475,089	2,475,089
Return on plan assets excluding amounts in interest expense/(income)	2,657,953	2,657,953
Contributions paid by employer	(5,698,417)	(5,698,417)
Net defined benefit liability	**112,923,107**	**112,923,107**

Ghana Universities Staff Superannuation Scheme (GUSSS)

The Ghana Universities Staff Superannuation Scheme (GUSSS) of the University covers teachers (lecturers and professors), research fellows, administrative, library and professional staff of the public universities. The GUSSS scheme was first revised and re-established on January 1, 1976 and since then has undergone several reforms. At the reporting date each public university operated its own version of the GUSSS. The GUSSS scheme provides forold- age pension, death benefits and benefits on dismissal or vacation of post.

Under the enhanced GUSSS, members are eligible for old-age pension benefits if they have attained a minimum ageof55(voluntaryretirement);however,there is a compulsory retirement at age 60,provided they have contributed into the scheme for a minimum period of 15 years (180 months). Members contribute into the GUSSS monthly at a rate of 25% of basic salary whereas the Employer contributes 13% in respect of each member.

All retirements are currently effected on December 31 of the year of retirement. The GUSSS provides for an optional lump sum gratuity settlement plus a residual pension; the lump sum gratuity is equal to a quarter (¼) of the full pension multiplied by twenty. The residual pension of three forth(¾) of the full pension is paid for the life of the member, with a twenty (20) year guaranteed period. The full pension is calculated as one fortieth (1/40) for each year of contribution, subject to a maximum of 40 years times the terminal salary. Currently, the scheme has One Thousand and Sixty-Three(1,063) members and is managed by the Finance Office at the KNUST under the control of a Management Board.

Valuation and significant assumptions

This valuation exercise for GUSSS was performed in 2019 by Stallions Consultants Limited ongoing concern basis and per the requirements of IPSAS39,EmployeeBenefits.The actuarial basis specifies the actuarial methodology and the assumptions used in performing the actuarial valuation. To estimate the liabilities under the scheme, there is the need to estimate the future payments from the scheme which in turn requires assumptions to be established about the future evolution of the membership and the rate of return at which the benefits will be discounted. Then, an actuarial method is used to establish the liabilities of the various members under the scheme.

The Projected Unit Credit Method (PUCM) method was used to estimate the GUSSS liability. The PUC method sees each period of service earned during eligible service as giving rise to an additional unit of benefit entitlement and measures each unit separately to build up the

final obligation. The PUCM involves projecting – using salary escalation assumptions – each unit of benefit, up to future dates of leaving service, retirement, death or other future employment exit states, allowing for the probabilities of reaching those states, and then discounting those benefits back to the valuation date. In determining the aggregate actuarial liability, liability for each scheme member were first calculated and then aggregated to arrive at the liability for the scheme.

The significant assumptions used in the valuation are as follows:

Economic assumptions

Base interest rate	22% per annum
Rate of salary increases	13% per annum
Mortality rate	10% 1983 Unisex Group Annuity Mortality
Post retirement indexation	13% per annum
Contribution rate	13% per annum

Demographic assumptions

Mortality	1983 Unisex Group AnnuityMortality
Retirement age	All members retire at age 60

Others

Valuation date	31 December 2019

GUSSS did not perform actuarial valuation for the scheme as at 31st December 2023 as per their practice. Therefore, the valuation in 2019 has been used in 2023. It is expected that the liabilities for 2023 will not exceed that of 2019.

Sensitivity analysis

The sensitivity analyses below are based on a change in an assumption while holding all other assumptions constant. In practice, this is unlikely to occur, and changes in some of the assumptions may be correlated. The idea of this analysis is to ascertain the assumptions that have the most and least impact on the obligations of the scheme.

The following sensitivities were tested on the final basis used for this valuation. The results of the sensitivity analysis as at 31 December 2019 are summarised below:

	Change in assumption	Increase in assumption	Decreasein assumption
Discount rate	2%	15%	21%
Salary increase rate	2%	6%	5%
Mortality rate	0%	0%	3%

		2023 GHS	2022 GHS
28	**Provision for ex-gratia**		
	Staff ex-gratia	154,940,751	121,811,518
		154,940,751	**121,811,518**
29	**Accrued expenses**		
	Fees and levies	491,216	360,998
	Other expenses	3,075,499	6,951,686
		3,566,715	**7,312,684**
30	**Sundry deposits**		
	Endowment funds	28,456	28,456
	Project funds	37,796,043	57,944,293
	Students funds	5,548,788	10,585,829
	Other deposits	719,260	554,239
		44,092,546	**69,112,817**

		2023 GHS	2022 GHS
31	**Accounts payable**		
	Contractors and suppliers	88,164,632	53,467,319
	Ghana Revenue Authority	2,682,566	2,262,474
	Sundry payables	24,157,732	19,296,478
	Payroll payables	26,744,576	18,373,407
		141,749,506	**93,399,678**
32	**Accumulated fund**		
	Balance as at 1st January	787,222,261	694,642,040
		787,222,261	**694,642,040**
	Surplus for the year	153,736,262	92,580,221
	Balance as at 31st December	**940,958,523**	**787,222,261**

	2023	2022
	GHS	GHS
33 Capital reserves		
Balance as at 1st January	1,454,238,060	1,454,238,060
Reversals	-	-
	1,454,238,060	**1,454,238,060**
Revaluation surplus	2,103,827	-
Balance as at 31st December	**1,456,341,887**	**1,454,238,060**

This relates to surplus arising from revaluation of property, plant and equipment.

34 Cash flows generated from operating activities		
Surplus for the year	153,736,262	92,580,221
Adjustments for:		
Depreciation and Amortization	66,364,125	52,012,800
Revaluation Surplus	(2,103,827)	-
Profit on Disposal of Assets	(317,919)	(95,908)
	217,678,641	**144,497,113**
Changes in :		
Change in inventories	(10,691,578)	(4,247,984)
Change in accounts receivable	(50,085,210)	(21,399,044)
Change in sundry deposits	(25,020,271)	26,468,035
Change in accrued expenses	(3,745,969)	(16,609,187)
Change in accounts payable	48,349,828	50,076,708
Change in ex-gratia provision	33,129,233	25,686,070
Net Cash flows from Operating Activities	**209,614,675**	**204,471,711**

35Related Parties

Key Management Personnel Remuneration

"Key management personnel" is defined as persons having authority and responsibility for planning, directing and controlling the activities of the University and comprise the Council Members and Principal Officers. No benefits are paid directly or indirectly to close family members of key management personnel. Council Members are not remunerated by the University. Below are benefits of Principal Officers:

	2023	2022
	GH¢	GH¢
Council Sitting Allowance	884,068	687,920
Salaries and other employee benefits	1,295,687	1,168,338
GUSSS Employer Contribution	64,239	49,231
	2,243,994	**1,905,489**

36 Segment Reporting

IPSAS 18: A segment is a distinguishable activity or group of activities of an entity for which it is appropriate to separately report on its financial information for the purpose of;
(a) evaluating the entity's past performance in achieving its objectives, and
(b) making decisions about the future allocation of resources.

For management purposes, the University's activity is divided into the following two (2) distinguishable and reportable segments:

(a) The academic related services segment: The segment performs educational activity, including higher education programmes, entrepreneurship training, professional programs, additional education programmes and general education programmes; fundamental and experimental research and training of research employees. These activities occur at the teaching faculties, the Institute of Distance Learning and research centres.

(b) The non-academic related services segment: The segment provides administrative and professional services to the University community and the outside world. No operating segments have been aggregated to present the above reportable segments.

Management of the University monitors each segment separately to make decisions on the allocation of resources and performance assessment. Segment performance is evaluated based on operating surplus or deficit which in certain respects is measured differently from operating surplus or deficit in the financial statements. Transactions between operating segments are on an arm's length basis in a manner similar to transactions with third parties. Segment information for the year ended 31 December 2023 is presented as follows:

At 31st December 2023	Academic GHS	Non - Academic GHS	Total GHS
Segment Revenue			
Revenue from Non-Exchange Transactions			
Government subvention and grants	293,543,893	162,278,300	455,822,193
	293,543,893	**162,278,300**	**455,822,193**
Revenue from Exchange Transactions			
Academic Fees and Other Charges	451,861,821	166,019,302	617,881,123
Revenue from Subsidiary	-	1,756,824	1,756,824
Miscellaneous Income	30,086,598	74,600,945	104,687,543
	481,948,419	**242,377,071**	**724,325,490**
Total Revenue	**775,492,312**	**404,655,371**	**1,180,147,683**
Segment Expenditure			
Employees Compensation	298,931,256	230,601,372	529,532,628
Direct Teaching and Research Expenses	77,546,796	-	77,546,796
General Education Expenses	38,579,701	46,609,886	85,189,587
Municipal Services Costs	28,619,885	76,615,756	105,235,641
Production Costs	2,783,915	27,814,917	30,598,832
Operating Costs of Subsidiary	-	2,245,256	2,245,256
General Administration Expenses	24,038,346	98,787,658	122,826,004
Library Expenses	176,948	4,925,161	5,102,109
Depreciation and Amortization	29,434,581	36,929,544	66,364,125
Miscellaneous Expenses	114,350	1,656,093	1,770,443
Total Expenditure	**500,225,778**	**526,185,643**	**1,026,411,421**
Surplus for the year	**275,266,534**	**(121,530,272)**	**153,736,262**

	Academic GHS	Non-Academic GHS	Total GHS
Other Segment Information			
Segment assets			
Total non-current assets	888,237,827	1,464,855,212	2,353,093,039
Total current assets	83,729,529	417,750,467	501,479,996
Total assets	**971,967,356**	**1,882,605,679**	**2,854,573,035**
Segment liabilities and funds			
Total non-current liabilities	125,896,013	141,967,845	267,863,858
Total current liabilities	34,338,756	155,070,011	189,408,767
Accumulated fund	491,699,040	449,259,483	940,958,523
Capital reserves	410,367,097	1,045,974,790	1,456,341,887
Total liabilities and funds	**1,062,300,906**	**1,792,272,129**	**2,854,573,035**
Additions to Property, plant and equipment	**103,428,515**	**117,563,340**	**220,991,855**

At 31st December 2022	Academic GHS	Non-Academic GHS	Total GHS
Segment Revenue			
Revenue from Non-Exchange Transactions			
Government subvention and grants	244,637,578	119,293,647	363,931,225
	244,637,578	**119,293,647**	**363,931,225**
Revenue from Exchange Transactions			
Academic Fees and Other Charges	362,279,072	68,595,290	430,874,362
Miscellaneous Income	25,984,170	79,744,470	105,728,640
	388,263,242	**148,339,760**	**536,603,002**
Total Revenue	**632,900,820**	**267,633,407**	**900,534,227**
Segment Expenditure			
Employees Compensation	246,563,573	177,850,237	424,413,810
Direct Teaching and Research	64,976,387	-	64,976,387
General Education Expenses	26,772,969	39,180,204	65,953,173
Municipal Services	18,166,409	64,011,730	82,178,139
Production Cost	2,843,016	14,471,206	17,314,222
General Administration	22,829,780	69,657,465	92,487,245
Library Expenses	20,968	2,150,034	2,171,002
Depreciation	23,313,106	29,266,629	52,579,735
Miscellaneous	259,676	5,620,617	5,880,293
Total Expenditure	405,745,884	402,208,122	807,954,006
Surplus for the year	**227,154,936**	**(134,574,715)**	**92,580,221**
Other Segment Information			
Segment assets			
Total non-current assets	846,411,709	1,344,262,330	2,190,674,039
Total current assets	115,946,293	339,399,793	455,346,086
Total assets	**962,358,002**	**1,683,662,123**	**2,646,020,125**
Segment liabilities and funds			
Total non-current liabilities	110,325,274	124,409,351	234,734,625
Total current liabilities	54,358,936	115,466,243	169,825,179
Accumulated fund	509,147,630	278,074,631	787,222,261
Capital reserves	412,737,937	1,041,500,123	1,454,238,060
Total liabilities and funds	**1,086,569,777**	**1,559,450,348**	**2,646,020,125**
Additions to Property, plant and equipment	**103,513,024**	**85,449,742**	**188,962,766**

37 Heritage assets

At 31st December 2023 the University had the following heritage assets:

S/No	Department	Description	Qty	S/No	Department	Description	Qty
1	Wildlife and Range Management	**Kob (Kobus Kob)** The head of a Kob mounted on a wooden plaque	1	6	Wildlife and Range Management	**Lion (Panthera Leo)** The head of a Lion mounted on a wooden plaque	1
2	Wildlife and Range Management	**Hartebeest (Alcelaphusbuselaphus)** The head of a Hartebeest mounted on a wooden plaque	1	7	Wildlife and Range Management	**Roan Antelope (Hippotragus equinus)** The head of a Roan Antelope mounted on a wooden plaque	1
3	Wildlife and Range Management	**Elephant (Loxodonta africana)** The head of an Elephant mounted on a wooden plaque	1	8	Wildlife and Range Management	**Waterbuck (Kobus ellipsiprymnus)** The head of a Waterbuck mounted on a wooden plaque	2
4	Wildlife and Range Management	**Leopard (Panthera pardus)** The head of a Leopard mounted on a wooden plaque	1	9	Wildlife and Range Management	**Africana Buffalo (Synceruscaffer)** The head of an Africana Buffalo mounted on a wooden plaque	1
5	Wildlife and Range Management	**Olive Baboon (Papio anubis)** The head of Olive Baboon mounted on a wooden plaque	1	10	Wildlife and Range Management	**Elephant foot** The foot of an Elephant mounted on a wooden plaque	1
11	Wildlife and Range Management	**Shark** The head of a Sharkmounted on a wooden plaque	1	17	Directorate of Works and Physical Development	**Site plan of KNUST**	1
12	Wildlife and Range Management	**Tortoise** A Tortoise mounted on a wooden plaque	1	18	Directorate of Works and Physical Development	**Model-KNUST Land use map**	1
13	Wildlife and Range Management	**Monkey** The head of a monkey mounted on a wooden plaque	1	19	Directorate of Works and Physical Development	**Combi plainer machine**	1
14	Wildlife and Range Management	**Hunting Traps** Hunting equipment mounted on a wooden plaque	4	20	Directorate of Works and Physical Devt	**Surface plainer machine**	1
15	Directorate of Works and Physical Devt	**Circular Saw machine**	1	21	Directorate of Works and Physical Devt	Band saw machine	1
16	Directorate of Works and Physical Development	**Architectural and Structural drawings of all old and new buildings**	19	22	Directorate of Works and Physical Devt	Mortice, sanding and plaining machines	3

38 Contingent liabilities

Contingent liabilities, in respect of possible claims and lawsuits at the reporting date, amounted to GH¢7,974,281 (2022:GHS8,324,281). Judgements in respect of the cases had not been determined as at 31st December, 2023. No provision has been made as the outcome of the cases do not indicate significant loss to the University.

39 Capital Commitment

There were capital commitments of GH¢86,143,775 in relation to projects being undertaken.

40 Comparative Information

Comparative information is presented for the year ended 31st December 2022.

41 Subsequent events

The Council is not aware of any material events that have occurred between the date of the statement of financial position and the date of authorization for issue of these financial statements.