KNUST

KWAME NKRUMAH UNIVERSITY OF SCIENCE AND TECHNOLOGY

Faculty of Art, KNUST

A 10-LEVEL LECTURE HALL AND OFFICES COMPLEX, COLLEGE OF ART AND BUILT ENVIRONMENT

2024 ANNUAL REPORT

CONTENTS

CORPORATE INFORMATION

Current council memabers

Name	Position	Remarks
Justice Anin Yeboah (Rtd)	Chairman / Government Nominee	
Prof. (Mrs.) Rita Akosua Dickson	Vice- Chancellor	
Prof. David Asamoah	Pro Vice -Chancellor	Appointed 01/10/2024
Justice Dr. E . Owusu-Dapaa	Government Nominee	
Mr. K.A. Karikari	Government Nominee	
Dr. A. Oforiwaa Ampomah	Government Nominee	
Prof. S amule Asare -Nkansah	Professorial Representative	
Dr. Daniel Opoku	Non-Professorial Representative	
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	
Mr. F. Kofi Adusei	GRASAG Representative	
Mr. Andrews Kwasi Boateng	Registrar / Secretary to Council	

Past council members

Name	Position	Remarks
Prof. Ellis Owusu -Dabo	Pro Vice -Chancellor	Tenure ended 30/09/2024

Solicitors

KNUST Legal Department

Registered office

Kwame Nkrumah University of Science and Technology,
Accra Road, Kumasi

Independent auditor

Donaldy Associates
Chartered Accountants
P. O Box KS 6608
3rd Floor, House of Excellence Annex
Harper Road, Adum, Kumasi

Bankers

Bank of Ghana
GCB Bank PLC
Ecobank Ghana PLC
United Bank of Africa Ghana PLC
Standard Chartered Bank Ghana PLC
Consolidated Bank Ghana PLC
Stanbic Bank Ghana PLC
Republic Bank Ghana PLC
Ghana International Bank
Absa Bank Ghana PLC
GT Bank Ghana PLC
Fidelity Bank Ghana PLC
Zenith Bank Ghana PLC
Prudential Bank Ghana PLC

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 2024.

Statement of 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 2024; the statements of financial performance; the statements of changes in net assets; 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 (IPSAS) 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. There was no change during the year.

Financial results

	2024	2023
	GH¢	GH¢
Surplus for the year	6,702,387	153,736,262
Total assets	3,001,830,824	2,854,573,035
Total liabilities	577,828,027	457,272,625

By order of the Council dated 31st July, 2025

Akyamfoɔ Asafo Boakye Agyemang-Bonsu
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 2024, 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 Kwame Nkrumah University of Science and Technology for the year ended 31 December, 2024. The financial statements comprise:

- Statement of financial position as at 31 December 2024;
- 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 2024 amount to GH¢193,992,522 of which no impairment has been recognized. Management assesses at the end of each reporting periodwhether 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 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 not express 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 the 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 be thought 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).

31st July 2025

Donaldy Associates (ICAG/F/2025/100)
Chartered Accountants
House of Excellence Annex
Adum, Kumasi, Ghana

STATEMENT OF FINANCIAL PERFORMANCE

REVENUE	Notes	2024 GH¢	2023 GH¢
Revenue from non-exchange transactions			
Government subvention and grants	6	587,646,555	455,822,193
		587,646,555	**455,822,193**
Revenue from exchange transactions			
Academic fees and other charges	7	618,185,502	617,881,123
Revenue from other exchange transactions	8	2,666,433	1,756,824
Miscellaneous income	9	123,764,829	105,079,240
		744,616,764	**724,717,187**
Total revenue		**1,332,263,319**	**1,180,539,380**
EXPENDITURE			
Employees compensation	10	687,028,339	529,532,628
Direct teaching and research expenses	11	190,044,534	171,859,941
General education expenses	12	63,718,709	46,609,886
Municipal services costs	13	107,464,916	76,615,756
Production costs	14	37,837,175	27,814,917
Operating costs of subsidiary	15	2,636,092	2,245,256
General administration expenses	16	126,542,004	98,787,658
Library expenses	17	4,895,380	4,925,161
Depreciation and amortization	18	83,665,602	66,364,125
Miscellaneous expenses	19	2,537,506	1,656,093
Total expenditure		**1,306,370,257**	**1,026,411,421**
Surplus from operations		25,893,062	154,127,959
Fair value gain/(loss) on investments	22	809,325	(391,697)
Surplus for the year		**26,702,387**	**153,736,262**

STATEMENT OF FINANCIAL POSITION

	Notes	2024	2023
Non-current assets		GH¢	GH¢
Intangible assets	20	955,906	1,274,541
Property, plant and equipment	21	2,475,664,386	2,344,536,624
Long term investments	22	9,659,844	7,281,874
		2,486,280,136	**2,353,093,039**
Current assets			
Inventories	23	25,892,233	33,379,066
Accounts receivable	24	193,992,522	155,102,806
Short term investments	25	122,180,181	171,684,193
Cash, Bank and Call balances	26	173,485,752	141,313,931
		515,550,688	**501,479,996**
Total assets		**3,001,830,824**	**2,854,573,035**
Non-current liabilities			
Employee benefits obligation	27	116,652,999	112,923,017
Provision for ex-gratia	28	213,345,785	154,940,751
		329,998,784	**267,863,768**
Current liabilities			
Accrued expenses	29	4,385,411	3,566,715
Sundry deposits	30	15,277,124	44,092,546
Accounts payable	31	228,166,708	141,749,506
		247,829,243	**189,408,767**
Total liabilities		**577,828,027**	**457,272,625**
Net assets		**2,424,002,797**	**2,397,300,410**
Funded by			
Accumulated fund	32	967,660,910	940,958,523
Capital reserves	33	1,456,341,887	1,456,341,887
		2,424,002,797	**2,397,300,410**

The financial statements were authorised for issue by the Council on 31st July, 2025 and were signed on their behalf by:

Prof. (Mrs) Rita Akosua Dickson
Vice-Chancellor

Dr. Charles Nsiah
Finance Officer

STATEMENT OF CHANGES IN NET ASSETS

	Notes	Accumulated fund GH¢	Capital reserves GH¢	Total net assets GH¢
2024				
Balance at 1 January		940,958,523	1,456,341,887	2,397,300,410
Surplus for the year		26,702,387	-	26,702,387
Balance at 31 December		**967,660,910**	**1,456,341,887**	**2,424,002,797**
2023				
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**

STATEMENT OF CASH FLOWS

	Notes	2024	2023
Operating activities		GH¢	GH¢
Net cash flows from operating activities	**34**	**201,430,709**	**209,614,675**
Investing activities			
Additions to property, plant and equipment		(216,384,932)	(218,888,028)
Additions to intangible assets		-	(1,593,176)
Proceeds from sale of assets		-	317,919
Investment in KNUST Bottling Limited Company		(1,568,645)	(4,503,991)
Change in short term investment		24,541,323	16,477,165
Fair value (gain)/loss on equity shares		(809,325)	409,722
Net cash flows used in operating activities		**194,221,578)**	**(207,780,389)**
Net (decrease)/increase in cash and cash equivalents		**7,209,131**	**1,834,287**
Cash and cash equivalents at 1 January		273,068,142	271,233,855
Cash and cash equivalents at 31 December		**280,277,273**	**273,068,142**
Analysis of cash and cash equivalents			
Cash balance		95,511	45,916
Bank and Call balances		173,390,241	141,268,015
91day fixed deposit		106,791,521	131,754,211
		280,277,273	**273,068,142**

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.

2.0 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 transaction 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 donation 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.

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 offenses 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 of goods
Revenue from sale of goods is 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.

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

2.5 Expenditure
Expenditures are decrease in economic benefits or service potential during the year in the form of outflows or consumption of assets or incurrences 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-employment benefits
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 Superannuation 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.

(b) 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, 2024.

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 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:

<table>
<tr><th>Asset type</th><th>Dep reciation rate</th><th>Useful lives (years)</th></tr>
<tr><td>Buildings & structures</td><td>2%</td><td>50</td></tr>
<tr><td>Production equipment</td><td>10%</td><td>10</td></tr>
<tr><td>Equipment</td><td>20%</td><td>5</td></tr>
<tr><td>Furniture and fittings</td><td>25%</td><td>4</td></tr>
<tr><td>Land improvement</td><td>10%</td><td>10</td></tr>
<tr><td>Computers & related equipment</td><td>20%</td><td>5</td></tr>
<tr><td>Motor vehicles</td><td>20%</td><td>5</td></tr>
<tr><td rowspan="3">Intangible assets</td><td>Software 20%</td><td>5</td></tr>
<tr><td>Website 20%</td><td>5</td></tr>
<tr><td>Patent / copyright</td><td>As per contract</td></tr>
<tr><td>Infrastructure</td><td>10%</td><td>10</td></tr>
</table>

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 renovation	50,000
Infrastructure	50,000
Production Equipment	20,000
Purchased Equipment	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 reserve 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 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.

(b)I nternally 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	Amortisation 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 with related parties 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.

2.13 Accounts receivable

Receivables broadly include student fee receivables, subvention receivables, staff debtors, and other receivables. Receivables generally represent outstanding moneys 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 comprises government subvention and grants as well as social benefit receivables that do not arise out of a contract. These recoverable 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. Income 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

(i) 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.

(iii) 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.

(a) 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.

(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.

(d) 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 result in the related assets and liabilities being presented gross in the statement of financial position.

(e) 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.

(e) Impairment of financial assets

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 of the University 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 interna l 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 bythe 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 affects 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:

	2024 GH¢	2023 GH¢
Cash and cash equivalent (excluding bank overdrafts)	173,485,752	141,313,931
Short term investment	122,180,181	171,684,193
Accounts receivable	193,992,522	155,102,806
	489,658,455	**468,100,930**

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

At 31 December 2024, 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 accounts receivable category have been analysed below:

	2024	2023
	GH¢	GH¢
Neither past due nor impaired	193, 992,522	155,102,806
Past due but not impaired	-	-
Individually impaired	-	-
Gross	193,992,522	155,102,806
Less allowance for impairment	-	-
Net amount	193, 992,522	155,102,806

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 2024

	0-3 Months GH¢	4-6 Months GH¢	7-12 Months GH¢	over 12 Months GH¢	Total GH¢
Liabilities					
Accrued expenses	4,385,411	-	-	-	4,385,411
Sundry deposits	15,277,124	-	-	-	15,277,124
Accounts payable	228,166,708	-	-	-	228,166,708
Total liabilities	**247,829,243**	**-**	**-**	**-**	**247,829,243**
Assets					
Cash and bank	173,485,752	-	-	-	173,485,752
Short term investment	106,791,521	15,388,660	-	-	122,180,181
Total assets	280,277,273	15,388,660	-	-	295,665,933
Net position	**32,448,030**	**15,388,660**	-	-	**47,836,690**

At 31 December 2023

	0-3 Months GH¢	4-6 Months GH¢	7-12 Months GH¢	over 12 Months GH¢	Total GH¢
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		1,600,000	-	312,998,124
Net position	**83,659,375**	**38,329,982**	**1,600,000**	**-**	**123,589,357**

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).

(iii) Market risk
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 2024					
Transaction currency	USD	GBP	EUR	GH¢	Total
Reporting currency	GH¢	GH¢	GH¢	GH¢	GH¢
Assets					
Cash and cash equivalents	25,342,436	1,711,263	7,521,099	138,910,954	173,485,752
Investments	-	-	-	122,180,181	122,180,181
Accounts receivable	-	-	-	193,992,522	193,992,522
Inventories	-	-	-	25,892,233	25,892,233
Long term investments	-	-	-	9,659,844	9,659,844
Property, plant and equipment	-	-	-	2,475,664,386	2,475,664,386
Intangible asset	-	-	-	955,906	955,906
Total assets	**25,342,436**	**1,711,263**	**7,521,099**	**2,967,256,026**	**3,001,830,824**
Liabilities					
Accrued expenses	-	-	-	4,385,411	4,385,411
Sundry deposits	-	-	-	15,277,124	15,277,124
Accounts payable	-	-	-	228,166,708	228,166,708
Provision for ex-gratia	-	-	-	213,345,785	213,345,785
Employee benefits obligation	-	-	-	116,652,999	116,652,999
Total liabilities	-	-	-	577,828,027	577,828,027
Net assets	**25,342,436**	**1,711,263**	**7,521,099**	**2,389,427,999**	**2,424,002,797**

At 31 December 2023

Transaction currency	**USD**	**GBP**	**EUR**	**GH¢**	**Total**
Reporting currency	**GH¢**	**GH¢**	**GH¢**	**GH¢**	**GH¢**
Assets					
Cash and cash equivalents	75,230,861	1,648,393	7,907,880	56,526,797	141,313,931
Investments	16,190,966	-	-	155,493,227	171,684,193
Accounts receivable	-	-	-	155,102,806	155,102,806
Inventories	-	-	-	33,379,066	33,379,066
Long term investments	-	-	-	7,281,874	7,281,874
Property, plant and equipment	-	-	-	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**	**2,753,594,935**	**2,854,573,035**
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 ex-gratia	-	-	-	154,940,751	154,940,751
Employee benefits obligation	-	-	-	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**	**2,296,322,310**	**2,397,300,410**

(iv) Interest rate risk
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 investments 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 about these factors could affect the reported fair value of financial instruments.

5.3 Held-to-maturity instruments

In accordance with IPSAS 29, the University classifies some non-derivative financial assets with fixed or determinable payments and fixed maturity as held-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 outflows 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 2024.

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 2024.

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 University in preparing its financial statements for the year ended 31 December 2024.

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 Exchange Transactions, 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 2024.

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 University in preparing its financial statements for the year ended 31 December 2024.

	2024 GH¢	2023 GH¢
6 Government subvention and grants		
Subvention - emoluments	543,240,699	414,280,253
Book and research allowance	44,405,856	41,541,940
	587,646,555	**455,822,193**
7 Academic fees and other charges		
Academic facility user fees	388,800,210	420,183,116
Residential facility user fees	27,079,508	14,849,538
Other academic charges	36,084,083	39,730,741
Sale of admission forms	19,943,083	22,111,815
Revenue from other exchange transactions	146,278,618	121,005,914
	618,185,502	**617,881,123**
8 Revenue from other exchange transactions		
Operating income - Nyansapo Eco -Resort	2,666,433	1,756,824
	2,666,433	**1,756,824**
9 Miscellaneous income		
Affiliation fees	11,809,502	5,053,108
Donations	7,193,597	6,079,087
Farm income	1,270,127	598,081
Hire of university facilities & equipment	3,078,050	2,219,780
Interest income	50,087,552	47,023,429
Medical services revenue	1,412,536	2,191,797
Rental income	3,571,488	4,863,756
Other income	45,358,431	37,050,202
Graduation fees	1,893,747	-
Disposal of assets	(1,910,201)	-
	123,764,829	**105,079,240**

	2024 GH¢	2023 GH¢
10 Employees compensation		
Emoluments	547,436,863	473,259,385
Employer contributions (GUSSS & SSNIT)	27,458,683	14,731,303
Book and research allowance	44,405,856	41,541,940
Employee benefit obligation	67,726,937	-
	687,028,339	**529,532,628**
11 Direct teaching and research expenses		
Direct academic expenses	92,033,475	77,546,796
General administration expenses	25,725,577	24,038,346
General education expenses	39,367,447	38,579,701
Municipal services	28,660,248	28,619,885
Library expenses	185,819	176,948
Production cost	2,963,970	2,783,915
Miscellaneous expenses	1,107,998	114,350
	190,044,534	**171,859,941**
12 General education expenses		
Accreditation	1,357,517	1,440,520
Admission, examination and graduation	43,156,824	34,457,568
Affiliation	4,141,851	2,000,448
Printing and stationery	14,095,805	7,635,568
Students feeding cost	511,956	584,994
Student grant	422,360	433,088
Other teaching & learning materials	32,396	57,700
	63,718,709	**46,609,886**
13 Municipal services costs		
Cleaning and sanitation	3,768,430	3,839,642
Electricity	53,600,615	40,687,069
Fire prevention	93,953	76,657
Fuel and lubricants	9,927,864	10,210,454
Protective clothing	26,818	384,858
Repairs and maintenance	36,531,306	19,011,420
Security services	1,720,707	560,098
Sports expenses	1,787,287	1,700,648
Water charges	7,936	144,910
	107,464,916	**76,615,756**

		2024 GH¢	2023 GH¢
14 Production costs			
Bar and canteen purchases		17,963,834	12,570,776
Factory expenses		18,827,792	14,278,047
Fuel and lubricants		207,205	97,737
Repairs and maintenance		838,344	868,357
		37,837,175	**27,814,917**
15 Operating costs of subsidiary			
Nyansapo Eco-Resort		2,636,092	2,245,256
		2,636,092	**2,245,256**
16 General administration expenses			
Audit expenses		65,349	99,100
Audit fees		530,000	485,000
Bank charges		570,971	361,974
Allowances and conference costs		7,089,561	4,746,257
Staff related expenses		33,655,641	26,528,037
Travel and subsistence		5,308,525	5,751,085
Internet and other ICT charges		12,779,430	11,418,166
Medical expenses		27,902,464	19,543,517
Other administration expenses		38,640,063	29,854,521
		126,542,004	98,787,658
17 Library expenses			
E-books and other library resources		4,895,380	4,925,161
		4,895,380	**4,925,161**
18 Depreciation and amortization			
Depreciation	(Note 21)	83,346,967	66,045,490
Amortization	(Note 20)	318,635	318,635
		83,665,602	**66,364,125**
19 Miscellaneous expenses			
GUSA games and related expenditure		2,162,895	356,595
Legal charges		119,990	11,625
Official entertainment		29,000	17,422
Hall cloth expenses		175,000	83,160
Periodicals, magazines and journals		8,347	22,521
Printing of certificate holders		-	818,129
Other expenses		42,274	346,642
		2,537,506	**1,656,093**

20 Intangible assets

2024	Balance at 1 January	Additions	Disposal/ Transfer	Balance at 31 December
Cost	GH¢	GH¢	GH¢	GH¢
Computer software	1,593,176	-	-	1,593,176
	1,593,176	-	-	1,593,176

Accumulated amortization	Balance at 1 January	Charge for the year	Disposal/ Transfer	Balance at 31 December
	GH¢	GH¢	GH¢	GH¢
Computer software	318,635	318,635	-	637,270
	318,635	**318,635**	-	**637,270**
Net book value	1,274,541	-	-	955,906

2023	Balance at 1 January	Additions	Disposal/ Transfer	Balance at 31 December
Cost	GH¢	GH¢	GH¢	GH¢
Computer software	-	1,593,176	-	1,593,176
	-	**1,593,176**	**-**	**1,593,176**

Accumulated amortization	Balance at 1 January	Charge for the year	Disposal/ Transfer	Balance at 31 December
	GH¢	GH¢	GH¢	GH¢
Computer software	-	318,635	-	318,635
	-	**318,635**	**-**	**318,635**
Net book value	**-**	**1,274,541**	**-**	**1,274,541**

21 Property, plant and equipment

2024 Cost	Balance at 1 January GH¢	Additions GH¢	Disposal/ Transfer GH¢	Balance at 31 December GH¢
Land	593,930,000	-	-	593,930,000
Buildings and structures	1,448,971,399	20,274,479	86,675,816	1,555,921,694
Infrastructure	1,810,215	1,478,880	61,779	3,350,874
Land improvement	7,979,997	-	-	7,979,997
Capital work in progress	313,671,998	110,408,856	(88,856,576)	335,224,278
Office equipment	70,645,344	16,093,781	-	86,739,125
Computer equipment	64,773,537	7,619,814	-	72,393,351
Production equipment	7,776,819	10,380,440	-	18,157,259
Furniture, fixtures and fittings	41,248,826	40,029,064	-	81,277,890
Motor vehicles	40,319,131	10,099,619	-	50,418,750
	2,591,127,267	**216,384,932**	**(2,118,981)**	**2,805,393,217**

Accumulated depreciation	Balance at 1 January GH¢	Charge for the year GH¢	Disposal/ Transfer GH¢	Balance at 31 December GH¢
Buildings and structures	116,141,361	29,509,513	(208,780)	145,442,095
Infrastructure	561,813	330,145	-	891,958
Land improvement	3,900,688	798,000	-	4,698,688
Office equipment	41,749,216	13,332,481	-	55,081,696
Computer equipment	31,916,496	13,149,399	-	45,065,895
Production equipment	4,634,668	1,346,732	-	5,981,400
Furniture, fixtures and fittings	24,216,532	17,729,480	-	41,946,012
Motor vehicles	23,469,869	7,151,218	-	30,621,087
	246,590,643	**83,346,967**	**(208,780)**	**329,728,831**
Net book value	**2,344,536,624**	-	-	**2,475,664,386**

Included in the property, plant and equipment is the net book value of Nyansapo Eco-Resort of GH¢30,934,082

21 Property, plant and equipment

2023 Cost	Balance at 1 January GH¢	Additions GH¢	Disposal/ Transfer GH¢	Balance at 31 December GH¢
Land	593,930,000	-	-	593,930,000
Buildings and structures	1,230,012,588	4,079,619	214,879,192	1,448,971,399
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	-	64,773,537
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	-	40,319,131
	2,368,065,618	**220,991,855**	**2,069,795**	**2,591,127,267**

Accumulated depreciation	Balance at 1 January GH¢	Charge for the year GH¢	Disposal/ Transfer GH¢	Balance at 31 December GH¢
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 of GH¢ 31,936,883

22 Long term investments	**2024 GH¢**	**2023 GH¢**
Investment in traded equity shares	3,415,500	2,606,175
Investment in Fruit Processing Company	171,708	171,708
Investment in KNUST Bottling Ltd Company	6,072,636	4,503,991
	9,659,844	**7,281,874**

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.

KNUST Fruits Processing Company Limited is 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 gain/loss on investments		
Balance at 1 January	7,281,874	3,169,580
Addition	1,568,645	4,503,991
	8,850,519	7,673,571
Remeasured gain/(loss) (Traded Equity Shares)	809,325	(391,697)
Balance at 31 December	**9,659,844**	**7,281,874**

23 Inventories		
Printing and stationery items	3,186,294	3,200,973
Academic gowns	9,642,085	11,569,765
Cleaning and sanitation consumables	483,443	492,609
Computers & general ICT accessories	66,644	500,924
Drugs and medical consumables	5,454,237	3,759,797
Food and drinks	519,359	156,833
Furniture and fittings	19,440	52,330
General maintenance consumables	5,149,926	12,839,540
Live animals	689,025	322,823
Laboratory consumables	681,779	483,471
	25,892,233	**33,379,066**

24 Accounts receivable		
Subvention receivable	138,631,549	93,795,140
GUSSS loan receivable	6,118,717	14,113,883
University hospital receivable	3,139,982	3,172,470
Interest receivable	4,558,665	4,544,028
Rent receivable	100,252	60,907
Staff debtors	7,463,349	4,650,674
Student receivables	25,481,180	22,588,395
University of Ghana Overseas Office	2,433,600	1,966,276
General trade receivable	5,812,999	9,958,764
Other receivable	252,229	252,270
	193,992,522	**155,102,806**

	2024	2023
25 Short term investments	**GH¢**	**GH¢**
Fixed deposits with commercial banks	122,180,181	171,684,193
	122,180,181	**171,684,193**

Fixed deposits with commercial banks includes GHS9.1 million endowment Funds.

	2024	2023
Analysis of investments according to maturity period :		
0-3 months	106,791,521	131,754,211
4-6 months	15,388,660	38,329,982
7-12 months	-	1,600,000
	122,180,181	**171,684,193**
26 Cash and cash equivalents		
Cash / Call at bank	173,390,241	141,268,015
Cash in hand	95,511	45,916
	173,485,752	**141,313,931**
27 Employee benefits obligation		
Employee benefits schedule		
Defined Benefit Obligation		
Balance at 1 January	444,650,465	188,625,706
Current Service Cost (excluding expenditure)	20,328,006	15,054,216
Net interest cost	91,498,239	39,889,237
Actuarial (gains)/losses from change in financial assumptions	45,539,183	8,160,987
Experience actuarial gains	(60,471,455)	1,110,158
Return on Plan Assets excluding amounts in interest expense / (income)	-	-
Contributions paid by employer	-	-
Contributions paid by members and other parties	21,499,173	10,958,517
Benefits paid	(40,328,947)	(18,635,960)
	522,714,664	**245,162,861**
Fair Value of Planned Assets		
Balance at 1 January	396,605,041	114,093,881
Current service cost (excluding expenditure)	-	-
Net interest cost	80,822,838	24,147,783
Actuarial (gains)/ losses from change in financial assumptions	-	-
Experience actuarial gains	(81,394,481)	(1,364,931)
Return on Plan Assets excluding amounts in interest expense / (income)	17,406,182	(2,657,953)
Contributions paid by employer	11,451,859	5,698,417
Contributions paid by members and other parties	21,499,173	10,958,517
Benefits paid	40,328,947)	(18,635,960)
	406,061,665	**132,239,754**

Net Defined Benefit Liability	2024 GH¢	2023 GH¢
Balance at 1 January	48,045,424	74,531,825
Current service cost (excluding expenditure)	20,328,006	15,054,216
Net interest cost	10,675,401	15,741,454
Actuarial gains/(losses)	45,539,183	8,160,987
Experience actuarial gains	20,923,026	2,475,089
Return on plan assets excluding amounts in interest expense/ (income)	(17,406,182)	2,657,953
Contributions paid by employer	(11,451,859)	(5,698,417)
Net defined benefit liability	**116,652,999**	**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 for old- 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 age of 55 (voluntary retirement); 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 for 2019 by Stallions Consultants Limited on going concern basis and per the requirements of IPSAS 39, Employee Benefits. 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

Discount rate	24.63% per annum
Rate of salary increases	20% per annum
Mortality rate	10% 1983 Unisex Group Annuity Mortality
Post retirement indexation	20% per annum
Contribution rate	13% per annum

Demographic assumptions

Mortality	1983 Unisex Group Annuity Mortality
Retirement age	All members retire at age 60
Others	
Valuation date31 December 2022	

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	Decrease in assumption
Discount rate	2%	15%	21%
Salary increase rate	2%	6%	5%
Mortality rate	0%	0%	3%

	2024 GH¢	2023 GH¢
28 Provision for ex-gratia		
Staff ex-gratia	213,345,785	154,940,751
	213,345,785	**154,940,751**
29 Accrued expenses		
Fees and levies	530,000	491,216
Other expenses	3,855,411	3,075,499
	4,385,411	**3,566,715**

	2024 GH¢	2023 GH¢
30 Sundry deposits		
Project funds	14,601,659	37,824,499
Students' funds	549,554	5,548,788
Other deposits	125,911	719,260
	15,277,124	**44,092,546**
31 Accounts payable		
Contractors and suppliers	128,159,084	88,164,632
Ghana Revenue Authority	4,128,050	2,682,566
Sundry payables	48,204,304	24,157,732
Payroll payables	47,675,270	26,744,576
	228,166,708	**141,749,506**
32 Accumulated fund		
Balance as at 1st January	940,958,523	787,222,261
	940,958,523	787,222,261
Surplus for the year	26,702,387	153,736,262
Balance as at 31st December	**967,660,910**	**940,958,523**
33 Capital reserves		
Balance as at 1st January	1,456,341,887	1,454,238,060
Reversals	-	-
	1,456,341,887	1,454,238,060
Revaluation surplus	-	2,103,827
Balance as at 31st December	**1,456,341,887**	**1,456,341,887**

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

	2024 GH¢	2023 GH¢
34 Cash flows generated from operating activities		
Surplus for the year	26,702,387	153,736,262
Adjustments for:		
Depreciation and amortization	83,665,602	66,364,125
Revaluation surplus	-	(2,103,827)
Loss /(Profit) on disposal of assets	1,910,201	(317,919)
	112,278,190	**217,678,641**
Changes in:		
Change in inventories	7,486,833	(10,691,578)
Change in accounts receivable	(38,889,716)	(50,085,210)
Change in sundry deposits	(28,815,422)	(25,020,271)
Change in accrued expenses	818,696	(3,745,969)
Change in accounts payable	86,417,202	48,349,828
Change in ex-gratia provision	58,405,034	33,129,233
Change in employee benefit obligation	3,729,892	-
Net cash flows from operating activities	**201,430,709**	**209,614,675**

35 Related 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:

	2024 GH¢	2023 GH¢
Council sitting allowance	1,459,756	884,068
Salaries and other employee benefits	1,448,877	1,295,687
GUSSS employer contribution	78,828	64,239
	2,987,461	**2,243,994**

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 31 December, 2024	Academic GH¢	Non-Academic GH¢	Total GH¢
Segment revenue			
Revenue from non - exchange transactions			
Government subvention and grants	373,307,774	214,338,781	587,646,555
	373,307,774	**214,338,781**	**587,646,555**
Revenue from exchange transact ions			
Academic fees and other charges	274,580,9,189	343,605,178	618,185,502
Revenue from other exchange transactions	-	2,666,433	2,666,433
Miscellaneous income	33,683,898	90,080,931	123,764,829
	308,264,222	**436,352,542**	**744,616,764**
Total revenue	**681,571,996**	**650,691,323**	**1,332,263,319**
Segment expenditure			
Employees compensation	382,519,529	304,508,810	687,028,339
Direct teaching and research expenses	170,275,981	19,768,553	190,044,534
General education expenses	47,909,417	15,809,292	63,718,709
Municipal services costs	29,055,727	78,409,189	107,464,916
Production costs	290,196	37,546,979	37,837,175
Other operating costs	-	2,636,092	2,636,092
General administration expenses	26,266,113	100,275,891	126,542,004
Library expenses	185,819	4,709,561	4,895,380
Depreciation and amortization	34,391,894	49,273,708	83,665,602
Miscellaneous expenses	1,127,949	1,409,557	2,537,506
Total expenditure	**692,022,625**	**614,347,632**	**1,306,370,257**
Surplus from operations	**(10,450,629)**	**36,343,691**	**25,893,062**
Fair value gain	-	809,325	809,325
Surplus for the year	**(10,450,629)**	**37,153,016**	**26,702,387**
Segment assets			
Total non-current assets	946,308,212	1,539,971,924	2,486,280,136
Total current assets	107 039 792	408,510,896	515,550,688
Total assets	**1,053,348,004**	**1,948,482,820**	**3,001,830,824**
Segment liabilities and funds			
Total non-current liabilities	179,186,120	34,159,664	329,998,784
Total current liabilities	29,909,222	217,920,021	247,829,243
Accumulated fund	587,610,363	380,050,547	967,660,910
Capital reserves	412,737,937	1,043,603,950	1,456,341,887
Total liabilities and funds	**1,209,443,642**	**1,675,734,182**	**3,001,830,824**
Additions to property, plant and equipment	**91,719,740**	**124 665,192**	**216,384,932**

At 31 December 2023 Segment revenue Revenue from non-exchange transactions	Academic GH¢	Non-Academic GH¢	Total GH¢
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 other exchange transactions	-	1,756,824	1,756,824
Miscellaneous income	30,086,598	74,992,642	105,079,240
	481,948,419	**242,768,768**	**724,717,187**
Total revenue	**775,492,312**	**405,047,068**	**1,180,539,380**
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
Other operating costs	-	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 from operations	**275,266,534**	**(121,138,575)**	**154,127,959**
Fair value loss	-	(391,697)	(391,697)
Surplus for the year	**275,266,534**	**(121,530,272)**	**153,736,262**
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**

37 Heritage assets

At 31st December 2024 the University had the following heritage assets:

S/N	Department	Description	Qty	S/N	Department	Description	Qty
1	Wildlife andRange 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 (Alcelaphus buselaphus)** 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 (Syncerus caffer)** 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 Shark mounted 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 Development	**Surface plainer machine**	1
15	Directorate of Works and Physical Development	**Circular Saw machine**	1	21	Directorate of Works and Physical Development	**Band saw machine**	1
16	Directorate of Works and Physical	**Architectural and Structural drawings of all old and new**	19	22	Directorate of Works and Physical	**Mortice, sanding and**	3

38 Contingent liabilities
Contingent liabilities, in respect of possible claims and lawsuits at the reporting date, amounted to GH¢8,969,281 (2023: GH¢7,974,281). Judgements in respect of the cases had not been determined as at 31st December, 2024. No provision has been made as the outcome of the cases do not indicate significant loss to the University.

39 Capital commitments
There were capital commitments of GH¢108,021,370 in relation to projects being undertaken

40 Comparative information
Comparative information is presented for the year ended 31st December 2023.

41 Subsequent events
After the reporting date of 31 December 2024, the tenure of the following Council members ended in accordance with the University's governance policy:

- Justice Anin Yeboah - Chairman / Government Nominee (tenure ended on 7th January 2025)
- Justice Dr. Ernest Owusu-Dapaa - Government Nominee (tenure ended on 7th January 2025)
- Mr. K. A. Karikari - Government Nominee (tenure ended on 7th January 2025)
- Dr. A. Oforiwaa Ampomah - Government Nominee (tenure ended on 7th January 2025)
- Mr. Mark Kakraba-Ampeh - GTEC Representative (tenure ended on 7th January 2025)
- Miss Yvonne O. Adobea - SRC Representative (tenure ended on 7th January 2025)
- Mr. F. Kofi Adusei - GRASAG Representative (tenure ended on 7th January 2025)

These were replaced by:

- Akyamfo] Asafo Boakye Agyemang-Bonsu - Chairman / Government Nominee (Appointed on 29th April 2025)
- Prof. L. Derkyi-Kwarteng - Government Nominee (Appointed on 29th April 2025)
- Prof. Abdul S. Muntaka - Government Nominee (Appointed on 29th April 2025)
- Ms. Gloria N. A. Appoh - Government Nominee (Appointed on 29th April 2025)
- Dr. Frimpong K. Duku - GTEC Representative (Appointed on 29th April 2025)
- Dr. Herman Y. Addae - Alumni Representative (Appointed on 29th April 2025)
- Mr. Michael Ayuune - TEWU Representative (Appointed on 29th April 2025)
- Mr. Francis Nana Kane - SRC Representative (Appointed on 29th April 2025)
- Mr. Gabriel A. Kpevu - GRASAG Representative ((Appointed on 29th April 2025)
- In addition, the following key management retired:
- Dr. Samuel Kotei Nikoi - University Librarian (retired on 31st October 2025)
- Mr. Andrews Kwasi Boateng - Registrar (retired on 31st July 2025)
- These were replaced by:
- Dr. Richard Bruce Lamptey - University Librarian (Appointment effective 1st August 2025)
- Mr. Benjamin Boampong Owusu - Registrar (Appointment effective 1st August 2025)

These changes occurred in the ordinary course of business and do not relate to conditions existing at the reporting date. Accordingly, no adjustments have been made to the financial statements as of 31 December 2024.