



***ANNUAL REPORTS AND FINANCIAL STATEMENTS
FOR THE YEAR ENDED DECEMBER 31, 2021***

**EGNL Chartered Accountants
P.O. Box MD 1803
Madina – Accra**

INSTITUTE OF DIRECTORS-GHANA
Financial Statements
For The Year Ended December 31, 2021

ANNUAL REPORT AND FINANCIAL STATEMENTS

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INSTITUTE OF DIRECTORS-GHANA

Financial Statements

For The Year Ended December 31, 2021

Council Members, Officials, and Registered Office

Council Members

Mr. Rockson Kwesi Dogbegah	President
Rev. (Mrs.) Angela Carmen Appiah	Vice-President
Prof. John Bright Kobla Aheto	Member
Prof. Albert Puni	Member
Mrs. Mary Asare-Yebaoh	Member
Mr. Enoch Larbi Aboagye, Esq.	Member
Mr. Kwame Amoako, Esq.	Member
Ing. Ben Richard Aniagyei	Member
Mrs. Belinda Dede Tandoh	Member
Mr. Frederick Emmanuel Aryeetey	Member/C.E.O
Dr. Frank Boateng	Member
Ms. Stephannie Cofie	Secretary

Registered Office

No. 5 Teinor Street
Dzorwulu, Accra

Auditors

EGNL Chartered Accountants
P.O. Box MD 1803
Madina – Accra

Bankers

Standard Chartered Bank Ghana Ltd.
Liberia Road, Accra
National Investment Bank Ltd.
Spintex Road; Accra
Fidelity Bank Ghana Ltd.
Dzorwulu, Accra

INSTITUTE OF DIRECTORS-GHANA

Financial Statements

For The Year Ended December 31, 2021

Report of the Council

To The Members Of

Institute of Directors-Ghana

The Council in submitting to the Members their report and financial statements of the Institute for the year ended 31 December 2021 report as follows:

Statement of Council's Responsibilities

The Companies Act, 2019 (Act 992) requires the Council to prepare financial statements for each financial period which gives a true and fair view of the state of the affairs of the Institute and of its surplus or deficit for that period. In preparing those financial statements the Council is required to:

- Select suitable accounting policies and apply them consistently;
- Make judgments and estimates that are reasonable and prudent;
- State whether applicable accounting standards have been followed, subject to any material departures disclosed and explained in the financial statements; and
- Prepare the financial statements on the going concern basis unless it is inappropriate to presume that the Institute will continue in business.

The Council is responsible for keeping proper accounting records which disclose with reasonable accuracy at any time the financial position of the Institute which enables them to ensure that the financial statements comply with the Companies Act, 2019 (Act 992). The Members are also responsible for safeguarding the assets of the Institute and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

The above statements, which should be read in conjunction with the statement of the Auditors' responsibilities set out on pages 4-7, are made with a view to distinguishing for Members the respective responsibilities of the Members and the Auditors in relation to the financial statements.

Going Concern

The Members have made an assessment of the ability of the Institute to continue as a going concern and have no reason to believe that the business will not be going concern in the year ahead.

INSTITUTE OF DIRECTORS-GHANA

Financial Statements

For The Year Ended December 31, 2021

Nature of Business

There was no change in the nature of business of the Institute during the year.

The Members consider the state of affairs of the Institute to be satisfactory, so long as this remains within their control.

Financial Results

The financial results for the year ended December 31, 2021 are set out below:

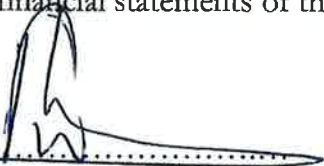
	2021	2020
	GH¢	GH¢
Total Revenue amounted to	1,179,494	705,300
Total Expenses amounted to	<u>(1,103,277)</u>	<u>(612,633)</u>
Giving Income for the year		
Transferred to Accumulated Fund Account	<u>76,217</u>	<u>92,667</u>

Auditors

EGNL Chartered Accountants have indicated their willingness to continue in office as auditors of the Institute and in accordance with section 139(5) of the Companies Act, 2019 (Act 992) they so continue.

Other Matters

The Council confirm that no matters have arisen since December 31, 2021 which materially affect the financial statements of the Institute for the year ended on that date.

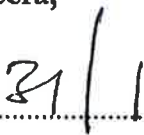


.....
President



.....
Chief Executive Officer

Accra,



..... 2022



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Madina - Accra or MP 777, Mamprobi - Accra

Office Address: House NO. 212
Behind Mediclinic, SDA Junction,
Adenta - Accra

Tel: 0242 621 152
0242 202 076
0267 599 333
Email: egnl2020@yahoo.com

TIN C0002427729
Our ref:
Contact:

REPORT OF THE AUDITOR'S TO THE MEMBERS OF INSTITUTE OF DIRECTORS-GHANA

Report on the Financial Statements

We have audited the financial statements of the Institute of Directors-Ghana (the Institute), which comprise the statement of comprehensive income, statement of changes in accumulated fund and statement of financial position as at December 31, 2021, and the statement of cash flows, for the year then ended, and Notes to the financial statements, including a summary of significant accounting policies and other explanatory notes as set out on pages 12 to 26.

Opinion

In our opinion, the accompanying financial statements give a true and fair view of the financial position of the Institute as at December 31, 2021, of its financial performance and its cash flows for the year then ended in accordance with International Financial Reporting Standards (IFRSs) for SMEs and in the manner required by the Companies Act, 2019 (Act 992)

Basis for Opinion

We conducted our audit in accordance with International Standards on Auditing (ISAs). Our responsibilities under those standards are further described in the Auditor's Responsibilities for the audit of the financial statements section of our report. We are independent of the Institute in accordance with the International Ethics Standards Board for Accountants' Code of Ethics for Professional Accountants (IESBA Code), and we have fulfilled our other ethical responsibilities in accordance with the IESBA Code. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

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 year. These matters were addressed in the context of our audit of the financial statements as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters.

We have determined that there are no key audit matters to communicate in our Report.

Other Information

The Members are responsible for the other information. The other information comprises the Members report and corporate governance but does not include the financial statements and auditor's report thereon.

Our opinion on the financial statements does not cover the other information and we do not express any form of assurance conclusion thereon. In connection with our audit of the financial statements, our responsibility is to read the other information identified above and, in doing so, consider whether the other information is materially inconsistent with the financial statement or our knowledge obtained in the audit, or otherwise appears to be materially misstated.

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

Responsibilities of the Council Members for the Financial Statements

The Council Members are responsible for the preparation and fair presentation of the financial statement in accordance with IFRSs and in the manner required by the Companies Act, 2019 (Act 992) and any other relevant local legislation, and for such internal control as the Council Members determines is necessary to enable the preparation of financial statement that are free from material misstatement, whether due to fraud or error. In preparing the financial statement, The Council Members are responsible for assessing the Institute's ability to continue as a going concern, disclosing, as applicable, matters related to the going concern and using the going concern basis of accounting unless the Council either intends to liquidate the Institute or to cease operations or has no realistic alternative but to do so. The Council is responsible for overseeing the Institute's financial reporting process.

Auditor's Responsibilities for the Audit of the Financial Statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance but is not a guarantee that an audit conducted in accordance with ISAs will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

As part of an audit in accordance with ISAs, we exercise professional judgment and maintain professional skepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve

collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.

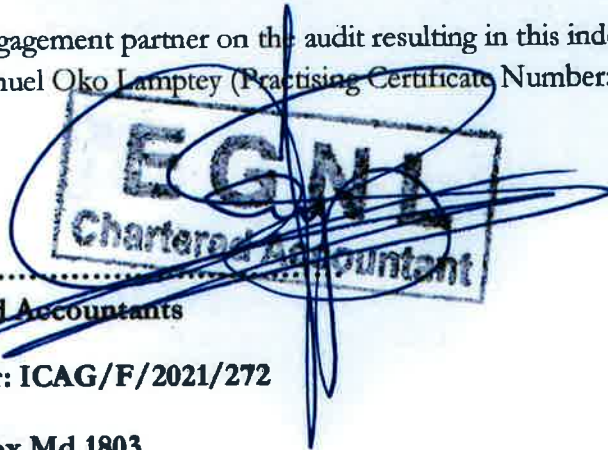
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Institute's internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the Council.
- Conclude 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 Institute'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 Institute to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation. We communicate with the Council Members regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

Report on Other Legal and Regulatory Requirements

The Ghana Companies Act, 2019 (Act 992) requires that in carrying out audit work, we consider and report on the following matters. We confirm that:

- i. We have obtained all the information and explanations which, to the best of our knowledge and belief, were necessary for the purpose of our audit.
- ii. In our opinion proper books of accounts have been kept by the Institute, so far as appears from our examination of those books; and
- iii. The statement of financial position, the statement of comprehensive income, statement of cash flows, and the statement of changes in accumulated fund of the Institute are in agreement with the books of account.

The engagement partner on the audit resulting in this independent auditor's report is Emmanuel Oko Lamptey (Practising Certificate Number: ICAG/P/1190)



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EGNL Chartered Accountants

Licence Number: ICAG/F/2021/272

**Address: P.O. Box Md 1803
Madina – Accra**

31 JANUARY 2022

INSTITUTE OF DIRECTORS-GHANA

Statement of Financial Position

As at December 31, 2021

	Notes	2021 GH¢	2020 GH¢
Assets			
Non-Current Assets			
Property, Plant & Equipment	7	<u>23,015</u>	<u>2,936</u>
		<u>23,015</u>	<u>2,936</u>
Current Assets:			
Accounts Receivable	8	80,346	18,150
Cash & Cash Equivalents	9	<u>359,522</u>	<u>392,167</u>
Total Current Assets		<u>439,958</u>	<u>410,317</u>
Total Assets		<u>462,973</u>	<u>413,253</u>
Reserves & Other Funds			
Accumulated Fund		<u>112,566</u>	<u>36,349</u>
		<u>112,566</u>	<u>36,349</u>
Current Liabilities:			
Accounts Payable	10 (a)	96,908	32,420
Advance Payments	10 (b)	<u>253,500</u>	<u>344,484</u>
Total Current Liabilities		<u>350,408</u>	<u>376,904</u>
Accumulated Fund & Other Funds and Liabilities		<u>462,973</u>	<u>413,253</u>

Approved by the Council on 27th January 2022 and signed on its behalf by:
.....
President
.....
Chief Executive Officer

The notes on pages 12 - 26 form an integral part of the financial statements

INSTITUTE OF DIRECTORS-GHANA

Statement of Comprehensive Income

For the Year Ended December 31, 2021

	Notes	2021 GH¢	2020 GH¢
Income	11	1,168,008	705,300
Direct Program Expenses	12	(560,164)	(214,796)
General Administrative Expenses	13	<u>(543,113)</u> 64,731	<u>(397,837)</u> 92,667
Interest Income		<u>11,487</u>	<u>-</u>
Income for the year			
Transferred to Accumulated			
Fund		<u>76,217</u>	<u>92,667</u>

INSTITUTE OF DIRECTORS-GHANA
Statement of Changes in Accumulated Fund
For the Year Ended December 31, 2021

	2021 GH¢	2020 GH¢
Balance as at January 01	36,349	(56,318)
Income for the year	<u>76,217</u>	<u>92,667</u>
Balance as at December 31	<u>112,566</u>	<u>36,349</u>

The notes on pages 12 - 26 form an integral part of the financial statements

INSTITUTE OF DIRECTORS-GHANA

Statement of Cash Flows

For the Year Ended December 31, 2021

	2021	2020
	GH¢	GH¢
Cash flows from Operating Activities		
(Deficit)/Income for the year Adjusted for;	76,217	92,667
Depreciation	<u>8,291</u>	<u>7,886</u>
Changes in:	84,509	100,553
Accounts Receivable	<u>(62,286)</u>	(18,150)
Accounts Payable	<u>(26,496)</u>	<u>306,004</u>
Net Cash flows from Operating Activities	<u>(4,274)</u>	<u>388,407</u>
Cash Flows from Investing Activities		
Short Term Investment	(200,000)	-
Acquisition of Non Current Assets	<u>(28,370)</u>	<u>(2,320)</u>
Net cash used in Investing Activities	<u>(228,370)</u>	<u>(2,320)</u>
Cash Flow from Financing Activities		
Loan	-	<u>(4,815)</u>
	-	<u>(4,815)</u>
Net Increase/decrease in Cash & Cash Equivalent	(232,644)	381,272
Cash & Cash Equivalent at January 01	<u>392,167</u>	<u>10,895</u>
Cash & Cash Equivalent at December 31	<u>159,522</u>	<u>392,167</u>
Analysis of Cash and Cash Equivalent as shown in the Statement of Financial Position		
Cash Balances	9,702	5,167
Bank Balances	<u>149,820</u>	<u>387,000</u>
	<u>159,522</u>	<u>392,167</u>

INSTITUTE OF DIRECTORS-GHANA

Notes to the Financial Statements

For The Year Ended December 31, 2021

Note 1 General information

Institute of Directors-Ghana is an Institute limited by guarantee and was incorporated and domiciled in Ghana under the Companies Act, 2019 (Act 992). Its registered office and principal place of business is Teinor Street, Dzorwulu, Accra. The Institute is authorised to carry on the activities of the following:

- i. Promote the Practice of Good Corporate Governance.
- ii. Encourage members to improve upon their professional development.
- iii. Promote and safeguard the interest or directors of Companies who carry out their duties competently fearlessly and in good faith.
- iv. Engender Investor Confidence in the Management of Corporate Bodies.
- v. Provide Guidelines for Appropriate Conduct to Directors to enable them to Strive for the Highest Standard in Ethical Behaviour.

The Council Members do not have the power to amend the financial statements after issue

Note 2. Basis of Preparation

2.1 Statement of compliance

The Financial Statements of the Institute have been prepared in accordance with International Financial Reporting Standards (IFRS), including International Accounting Standards and interpretation as issued by the International Accounting Standards Board (IASB) and its committees as required by the Institute of Chartered Accountant (Ghana). The financial statement has been prepared in a manner required by the Companies Act, 2019 (Act 992)

2.2 Basis of Measurement

The financial statements have been prepared on a historical cost basis except for the following assets and liabilities that are stated at their fair values: financial instruments that are at fair value through profit or loss; financial instruments classified as available-for-sale;

Historical cost is generally based on the fair value of the consideration given in exchange for goods and services.

Fair value is the price that will be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date, regardless of whether that price is directly observable or estimated using another valuation technique. In estimating the fair value of an asset or liability, the Institute takes into account the characteristics of the asset or liability if market participants will take those characteristics into account when pricing the asset or liability at the measurement date.

Under the liquidation basis of accounting, the Institute's assets and liability have been measured at the net realisable values and settlement amount respectively.

2.3 Functional and presentation currency

The financial statements are presented in Ghana Cedis which is the Institute's presentation currency. Except otherwise indicated, the financial information presented has been rounded off to the nearest one Ghana Cedis.

INSTITUTE OF DIRECTORS-GHANA

Notes to the Financial Statements

For The Year Ended December 31, 2021

2.4 Preparation of the Financial Statements

The preparation of financial statements in conformity with IFRS requires the use of certain critical accounting estimates. It also requires management to exercise its judgment in the process of applying the Institute's accounting policies. Changes in assumptions may have a significant impact on the financial statements in the period the assumptions changed. Management believes that the underlying assumptions are appropriate. The areas involving a higher degree of judgment or complexity, or areas where assumptions and estimates are significant to the financial statements are disclosed in Note 4.

Note 3 Summary of Significant Accounting Policies

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

3.1 Revenue recognition

Revenue is recognised to the extent that it is probable that the economic benefits associated with the transaction will flow to the Institute and the revenue can be reasonably measured, regardless of when the payment is being made. In some cases, this may not be probable until the consideration is received or until the uncertainty is removed. However, when an uncertainty arises about the collectability of an amount already included in revenue, the uncollectible amount or the amount in respect of which recovery has ceased to be probable is recognised as an expense, rather than as an adjustment of the amount of revenue originally recognised.

Revenue is measured at the fair value of the consideration received or receivable, taking into account contractually defined terms of payment and excluding taxes or duties

3.2 Foreign currency translation

Foreign currency transactions are translated into the functional currency using the exchange rates prevailing at the dates of the transactions or valuation where items are re-measured. Foreign exchange gains and losses resulting from the settlement of such transactions and from the translation at year-end exchange rates of monetary assets and liabilities denominated in foreign currencies are recognised in the profit or loss for the year.

Foreign exchange gains and losses that relate to borrowings and cash and cash equivalents, unless they are capitalised, are presented in profit or loss within "finance income or costs". All other foreign exchange gains and losses are presented in profit or loss within "other income or expenses".

3.3 Direct Expenses

When expenses are incurred in relation to generating income, the fair value of such expenses shall be recognised as an expense in the period in which the related income is recognised.

INSTITUTE OF DIRECTORS-GHANA

Notes to the Financial Statements

For The Year Ended December 31, 2021

3.4 General and administrative expenses

Expenses include legal, auditing and others. They are recognised in the comprehensive income statement in the period in which they are incurred (on an accruals basis).

3.5 Employee Benefits

(a) Long-term benefits

The Institute operates a defined contribution plan. Payments to defined contribution retirement benefit plans are recognised as an expense when employees have rendered service entitling them to the contribution.

Under the National Pension Scheme, the Institute contributes 13% of employees' total emolument to the Social Security and National Insurance Trust (SSNIT) for the employee pension. The Institute obligation is limited to the relevant contribution, which were settled on due dates. The pension liabilities and obligation therefore rest with SSNIT

(b) Short-term benefits

The cost of short-term employee benefits, (those payable within 12 months after the service is rendered, such as wages, salaries, paid annual leave and sick leave, bonuses and non-monetary benefits such as medical and dental, transportation and housing), are recognised in the period in which the service is rendered are not discounted.

The expected cost of accrued leave is recognised as an expense as the employees render service that increase their entitlement or, in the case of non-accumulating leave, when the absence occurs. Accrued leave is measured as the amount that the Institute expects to pay as a result of unused entitlement that has accumulated to the employee at the balance sheet date.

The expected cost of bonus payments is recognised as an expense when there is a legal or constructive obligation to make such payment as a result of past performance.

3.6 Provisions

Provisions for legal claims are recognised when:

- The Institute has a present legal or constructive obligation as a result of past events.
- It is probable that an outflow of resources will be required to settle the obligation.
- The amount can be reliably estimated.

Provisions are measured at the present value of the expenditures expected to be required to settle the obligation using a pre-tax rate that reflects current market assessments of the time value of money and the risks specific to the obligation. The increase in the provision due to passage of time is recognised as finance cost.

Where the Institute, as lessee, is contractually required to restore a leased property to an agreed condition prior to release by a lessor, provision is made for such costs as they are identified.

INSTITUTE OF DIRECTORS-GHANA

Notes to the Financial Statements

For The Year Ended December 31, 2021

3.7 Inventories

Inventories are stated at the lower of cost and net realisable value. Cost of inventories are determined on a first-in-first-out basis. Net realisable value represents the estimated selling price for inventories less all estimated cost of completion and cost necessary to make sale

3.8 Cash and cash equivalents

Cash and cash equivalents includes cash in hand, deposits held at call with banks, other short-term highly liquid investments with original maturities of three months or less, and bank overdrafts. Cash and cash equivalents are carried in the financial statement at cost.

3.9 Property, plant and equipment

All property, plant and equipment (PPE) is stated at historical cost less depreciation. Historical cost includes expenditure that is directly attributable to the acquisition of the items and where applicable borrowing costs.

Cost of an item of PPE includes its purchase price and any direct attributable costs. Cost includes the cost of replacing part of an existing PPE at the time that cost is incurred if the recognition criteria are met; and excludes the costs of day-to-day servicing of an item of PPE.

Subsequent costs are included in the asset's carrying amount or recognised as a separate asset, as appropriate, only when it is probable that future economic benefits associated with the item will flow to the Institute and the cost of the item can be measured reliably. The carrying amount of those parts that are replaced is derecognised. All other repairs and maintenance are charged to the statement of profit or loss during the financial period in which they are incurred.

Depreciation, based on a component approach, is calculated using the straight-line proportionate method to allocate the cost over the assets' estimated useful lives, as follows:

Furniture	20%
Equipment	20%
Office Printer & Computer	33 1/3%

If there is an indication that there has been a significant change in the depreciation rate, useful life or residual value of an asset, the depreciation rate of that asset is revised prospectively to reflect the new expectations. It is treated as a change in estimates. The assets are given GH¢1.00 residual value.

The assets' residual values and useful lives are reviewed, and adjusted if appropriate, at least at each financial year end.

An asset's carrying amount is written down immediately to its recoverable amount if its carrying amount is greater than its estimated recoverable amount.

Gains and losses on disposals are determined by comparing proceeds with carrying amount and are included in the statement of comprehensive income statement.

INSTITUTE OF DIRECTORS-GHANA

Notes to the Financial Statements

For The Year Ended December 31, 2021

3.10 Accounts Payables

Accounts payables 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 initially at fair value and subsequently measured at amortised cost using the effective interest method.

3.11 Taxation

The tax expense for the year comprises current and deferred income tax. Tax is recognised in the profit or loss, except to the extent that it relates to items recognised in the comprehensive income or directly in equity. In this case, the tax is also recognised in other comprehensive income or directly in equity respectively.

(a) Current income Tax

Current income tax is the amount of income tax payable on the taxable profit for the year determined in accordance with relevant legislation. The Income tax charge is calculated on the basis of the tax enacted or substantively enacted at the reporting date. The Council Members periodically evaluate positions taken in tax returns with respect to situations in which applicable tax regulation is subject to interpretation. It establishes provisions where appropriate on the basis of amounts expected to be paid to the tax authorities.

(b) Deferred Income Tax

Deferred income tax is accounted for using the liability method in respect of temporary differences arising from differences between the carrying amount of assets and liabilities in the Financial Statements and the corresponding tax base of those items.

In principle, deferred income tax liabilities are recognised for all taxable temporary differences. Deferred income tax assets are recognised to the extent that it is possible that sufficient taxable amounts will be available against which deductible temporary differences or unused tax losses can be utilised. However, deferred income tax is not accounted for if the temporary differences giving rise to them arise from the initial recognition of assets and liabilities (other than as a result of a business combination) which affects either taxable nor accounting profit or loss.

Deferred income tax assets and liabilities are offset when they relate to income taxes levied by the same taxation authority and the Institute intends to settle its current tax assets and liabilities are recognised for all temporary differences that are expected to reduce taxable profit in future, and any unused tax losses or tax credits. Deferred tax assets are measured at the highest amount that, on the basis of current or estimated future taxable profit on a net basis.

INSTITUTE OF DIRECTORS-GHANA

Notes to the Financial Statements

For The Year Ended December 31, 2021

3.12 Events after reporting date

Events after reporting dates are reflected in the financial statement only to the extent that they relate to the year under consideration and effect is material.

3.13 Impairment of non-financial assets

Assets 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).

The impairment test also can be performed on a single asset when the fair value less cost to sell or the value in use can be determined reliably. Non-financial assets

3.14 Financial Instruments

Financial assets and liabilities are recognised when the Institute becomes a party to the contractual provisions of the instrument. Financial assets are derecognised when the rights to receive cash flows from the assets have expired or have been transferred and the Institute has transferred substantially all risks and rewards of ownership. Financial liabilities are derecognised when the obligation specified in the contract is discharged, cancelled or expires.

(i) Classification

At initial recognition, the Institute classifies its financial instruments in the following categories:

a) Financial assets at amortised cost: The Institute classifies its financial instruments as financial assets at amortised cost when both criteria set out below are met:

- The asset is held within a business model whose objective is to collect the contractual cash flows; and
- The contractual terms give rise to cash flows that are solely payments of principal and interest.

b) Financial liabilities at amortised cost: Accounts payables are initially recognised at fair value and subsequently measured at amortised cost using the effective interest method. These are classified as current liabilities in the statement of financial position if payment is due within twelve months. Otherwise, they are presented as non-current liabilities.

INSTITUTE OF DIRECTORS-GHANA

Notes to the Financial Statements

For The Year Ended December 31, 2021

(ii) Offsetting financial instruments

Financial assets and liabilities are offset and the net amount reported in the statement of financial position when there is a legally enforceable right to offset the recognised amounts and there is an intention to settle on a net basis or realise the asset and settle the liability simultaneously.

(iii) Impairment of financial assets

From January 01, 2018, the Institute assesses on a forward-looking basis the expected credit losses associated with its debt instruments carried at amortised cost and Fair Value through other Comprehensive Income (FVOCI). The impairment methodology applied depends on whether there has been a significant increase in credit risk.

For trade receivables, the Institute applies the simplified approach permitted by IFRS 9, which requires expected lifetime losses to be recognised from initial recognition of the receivables.

Note 4 Critical accounting judgements and key sources of estimation uncertainties

Estimates and judgements are continually evaluated and are based on historical experience as adjusted for current market conditions and other factors. Estimates and assumptions are recognised in the period in which the estimate is revised if the revision affects only that period or in the period of the revision and future periods if the revision affects both current and future periods.

4.1 Critical Accounting Estimates and Assumptions

Estimates and judgements are continually evaluated and are based on historical experience and other factors, including experience of future events that are believed to be reasonable under the circumstances.

Management make estimates and assumptions concerning the future. The resulting accounting estimates will, by definition, seldom equal the related actual results. The estimates, assumptions and management judgements that have a significant risk of causing a material adjustment to the carrying amounts of exploration and evaluation of assets.

Income taxes

Significant judgement is required in determining the provision for income taxes, there are many transactions and calculations for which the ultimate tax determination is uncertain during the course of the business. The Institute recognises liabilities for anticipated tax audit issues based on estimates of whether additional taxes will be due. Where the final outcome of these matters are different from the amount that were initially recorded, such differences will impact the current income tax and deferred income tax provisions in the period in which such determination is made.

INSTITUTE OF DIRECTORS-GHANA

Notes to the Financial Statements

For The Year Ended December 31, 2021

Note 5 Financial Risk Management

The Institute's activities expose it to a variety of financial risks: market risk, credit risk and liquidity risk. The Institute's overall risk management programme focuses on the unpredictability of financial markets and seeks to minimise potential adverse effects on its financial performance. The Institute does not hedge any of its risk exposures.

Financial risk management is carried out by the finance department under policies approved by the Council Members of **Institute of Directors-Ghana**.

The Institute's risk management policies are established to identify and analyse the risks faced by the Institute, to set appropriate risk limits and controls and is to monitor risk and adherence to limits. Risk management policies and risk management are reviewed regularly to reflect changes in market conditions.

5.1 Market Risk

Market risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in market prices. The Institute's market risks arise from open positions in foreign currencies, to the extent that these are exposed to general and specific market movements. Management sets limits on the exposure to currency risk that may be accepted, which are monitored on a monthly basis. However, the use of this approach does not prevent losses outside of these limits in the event of more significant market movements.

Sensitivities to market risks included below are based on a change in one factor while holding all other factors constant. In practice, this is likely to occur, and changes in some of the factors may be correlated- for example, changes in foreign currency rate.

5.2 Foreign Exchange Risk

Foreign currency risk arises on financial instrument that are dominated in a currency other than the functional currency in which they are measured. Transaction related risks are therefore not included in the assessment of the Institute's exposure to currency risk.

INSTITUTE OF DIRECTORS-GHANA

Notes to the Financial Statements

For The Year Ended December 31, 2021

5.3 Credit Risk

Management is responsible for managing and analysing the credit risk for each of the firm's new client before standard payment and delivery terms and conditions are offered. Credit risk arises from cash and cash equivalents, deposits with banks and financial institutions, as well as credit exposures to customers in respect of outstanding receivables and committed transactions. Credit risk is the risk that a counterparty will default on its contractual obligations resulting in financial loss to the firm.

5.4 Liquidity Risk

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

The Institute's approach when managing liquidity is to ensure, as far as possible, that it will always have sufficient liquidity to meet its liabilities when due, without incurring unacceptable losses or risking damage to the Institute's reputation.

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

At December 31, 2021

Contractual undiscounted cash flows

Accounts payable

GH¢ 96,908

At December 31, 2020

Contractual undiscounted cash flows

Accounts payable

GH¢ 32,420

5.5 Fair Value Estimation

The Council Members consider that the carrying amount of the Institute's financial assets and financial liabilities in the Financial Statements approximate their fair values.

5.6 Capital risk management

The Institute's objectives when managing capital are to safeguard the Institute's ability to continue as a going concern in order to provide returns for Members and to maintain an optimal capital structure to reduce the cost of capital.

INSTITUTE OF DIRECTORS-GHANA

Notes to the Financial Statements

For The Year Ended December 31, 2021

Note 6 Summary of Standards and Interpretations not yet effective for December 31, 2019

The relevant Standards and Interpretations which are not yet effective and which should be disclosed for December 31, 2019 year-ends are identified in the table below, together with the dates on which these were issued by the IASB:

Entities are required to disclose the standards and interpretations issued but not yet effective from the date these are issued by the IASB.

Standard/Interpretation		Date issued by IASB	Effective date Periods beginning on or after
Conceptual Framework Amendments	Amendments to References to Conceptual Framework in IFRS Standards	March 2018	1 January 2019
IFRS 3 amendment	Definition of a Business	October 2018	1 January 2019
IAS 1 and 8	Amendments to the definition of Material	October 2018	1 January 2019
IFRS 9, IAS 39 and IFRS 7	Amendments to interest rate benchmark reform	August 2019	1 January 2019
IFRS 17	Insurance Contracts	May 2017	1 January 2021

INSTITUTE OF DIRECTORS-GHANA

Notes to the Financial Statements

For the Year Ended December 31, 2021

Note 7	Property, Plant & Equipment 2021				
	Fixtures & Fittings GH¢	Office Equipment GH¢	Computers & Accessories GH¢	Plant & Machinery GH¢	Total GH¢
<u>Cost</u>					
As at 01/01/2021	8,462	7,995	17,070	2,320	35,847
	<u>16,714</u>	<u>1,827</u>	<u>9,829</u>	<u>-</u>	<u>28,370</u>
As at 31/12/2021	<u>25,176</u>	<u>9,822</u>	<u>26,899</u>	<u>2,320</u>	<u>64,217</u>
	20%	20%	33%	15%	
<u>Depreciation</u>					
As at 01/01/2021	8,461	7,033	17,069	348	32,911
Charge During the Year	<u>3,343</u>	<u>1,327</u>	<u>3,273</u>	<u>348</u>	<u>8,291</u>
As at 31/12/2021	<u>11,804</u>	<u>8,360</u>	<u>20,342</u>	<u>696</u>	<u>41,202</u>
<u>Carrying Amount</u>					
As at 31/12/2021	<u><u>13,372</u></u>	<u><u>1,462</u></u>	<u><u>6,557</u></u>	<u><u>1,624</u></u>	<u><u>23,015</u></u>
 Property, Plant & Equipment 2020					
	Fixtures & Fittings GH¢	Office Equipment GH¢	Computers & Accessories GH¢	Plant & Machinery GH¢	Total GH¢
<u>Cost</u>					
As at 01/01/2020	8,462	7,995	17,070	-	33,527
Addition	<u>-</u>	<u>-</u>	<u>-</u>	<u>2,320</u>	<u>2,320</u>
As at 31/12/2020	<u>8,462</u>	<u>7,995</u>	<u>17,070</u>	<u>2,320</u>	<u>35,847</u>
	20%	20%	33%	15%	
<u>Depreciation</u>					
As at 01/01/2020	7,822	5,434	11,769	-	25,025
Charge During the Year	<u>639</u>	<u>1,599</u>	<u>5,300</u>	<u>348</u>	<u>7,886</u>
As at 31/12/2020	<u>8,461</u>	<u>7,033</u>	<u>17,069</u>	<u>348</u>	<u>32,911</u>
<u>Carrying Amount</u>					
As at 31/12/2020	<u><u>1</u></u>	<u><u>962</u></u>	<u><u>1</u></u>	<u><u>1,972</u></u>	<u><u>2,936</u></u>

INSTITUTE OF DIRECTORS-GHANA

Notes to the Financial Statements

For the Year Ended December 31, 2021

		2021	2020
		GH¢	GH¢
	Accounts Receivable		
Note 8	Insurance Prepaid	2,813	-
	Rent Prepaid	<u>77,624</u>	<u>18,150</u>
	Total	<u>80,436</u>	<u>18,150</u>
	Cash and Cash Equivalents		
Note 9	Cash Balances	9,702	5,167
	Bank Balances	149,820	387,000
	Short Term Investment	<u>200,000</u>	<u>-</u>
	Total	<u>359,522</u>	<u>392,167</u>
	Accounts Payable		
Note 10 (a)	Best Premier Hotel	3,283	-
	Sunlodge Hotel	5,598	-
	Tomrick Hotel	3,659	-
	Arteffect and Tradinding Ent	-	3,000
	Springboard Roadshow Legacy	10,700	6,500
	Frederick Aryeetey	40,000	-
	Accruals: Audit Fee	6,000	6,500
	Accountancy	4,500	4,000
	PAYE	7,201	2,939
	SSNIT(Tier 1& 2)	2,089	1,984
	Withholding Taxes	13,876	2,377
	Accrued office expenses	<u>-</u>	<u>5,120</u>
	Total	<u>96,908</u>	<u>32,420</u>
	Advance Payment		
Note 10 (b)	Sponsorship for IOD Bill	250,000	200,000
	Mastercard Training	-	144,484
	Deposits-Subscription 2021	<u>3,500</u>	<u>-</u>
	Total	<u>253,500</u>	<u>344,484</u>

INSTITUTE OF DIRECTORS-GHANA

Notes to the Financial Statements

For the Year Ended December 31, 2021

	2021	2020
	GH¢	GH¢
Note 11		
Income		
Admission fees	138,500	126,400
Subscription	162,297	102,390
Book Sale	1,300	300
Sponsorship Excellence Awards	170,000	59,625
Sponsorship-Busac Training	-	31,696
Mastercard Training	208,575	-
Sponsorship & Donation	-	48,900
Seminars & Training	<u>487,335</u>	<u>335,989</u>
Total	<u>1,168,008</u>	<u>705,300</u>
Note 12		
Direct Program		
Resources Persons	202,367	99,215
ACGN Programme	14,545	-
Advertisement and Publicity	28,458	13,447
Seminars, Training & Outreach	132,945	58,456
Excellence Awards	159,131	43,678
Directors Week Expenses	<u>22,718</u>	<u>-</u>
Total	<u>560,164</u>	<u>214,796</u>

INSTITUTE OF DIRECTORS-GHANA

Notes to the Financial Statements

For the Year Ended December 31, 2021

	2021	2020
	GH¢	GH¢
Note 13		
General & Administration Expenses		
Communication	39,747	21,658
Utilities	1,759	957
Postage and Courier	15,297	7,199
Rent	71,250	69,660
Staff Cost	264,018	190,509
13% Employer SSF	23,620	21,560
Performance bonus	40,000	-
Audit fees	6,000	4,000
Donation	12,280	33,500
Repairs and Maintenance	3,457	1,234
Bank charges	4,565	3,024
Accountancy Fees	4,000	4,000
Cleaning and Sanitation	6,701	7,897
Depreciation	8,291	7,886
Recruitment Expenses	763	-
Travelling and Transport	4,588	9,497
Printing and Stationery	9,393	4,192
Insurance	938	3,750
Legal & Professional Fees	5,000	-
Hiring of Chairs & Tables	78	238
Charter Status Expenses	6,000	-
Registration & License	6,648	2,522
Penalty	4,970	-
General Expenses	<u>3,751</u>	<u>4,556</u>
Total	<u>543,113</u>	<u>397,837</u>

INSTITUTE OF DIRECTORS-GHANA

Notes to the Financial Statements

For the Year Ended December 31, 2021

Note 14 Related Parties Transactions

a There was no payment to any trustee or past trustee in respect of compensation for any past event.

b Compensation of Key Management Personnel

Key Management Personnel are those persons having authority and responsibility for planning, directing and controlling the activities of the Institute, directly or indirectly, including any director or trustee of that entity.

Key management compensation which includes salaries, allowances and other benefits

paid during the year under review was GH¢ 235,283 (2020: GH¢ 122,675).

c Members' Remuneration

During the year, no sitting allowances were paid to the Council members of the Institute.

Note 15 Contingent Liabilities

There were no contingent liabilities at the end of the period under review, (2020: Nil)

Note 16 Capital Commitments

There were no outstanding commitments for capital expenditure not provided for in the Financial Statements.

Note 17 Events After Reporting Period

No significant event occurred after the reporting date which is likely to affect these Financial Statements.

Note 18 Going Concern

These Financial Statements have been prepared on a going concern basis which assumes that Institute of Directors - Ghana will continue its normal operations. There is no indication that the Council Members will liquidate or wind up the activities of Institute of Directors - Ghana within the foreseeable future.