



*ANNUAL REPORTS AND FINANCIAL STATEMENTS FOR THE YEAR ENDED  
31 DECEMBER 2023*

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**EGNL Chartered Accountants**  
**P.O. Box MD 1803 Madina – Accra**  
**Office Address: House NO. 212 Behind Mediclinic,**  
**SDA Junction, Adenta – Accra**

# INSTITUTE OF DIRECTORS-GHANA

Financial Statements

For The Year Ended December 31, 2023

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## ANNUAL REPORT AND FINANCIAL STATEMENTS

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## **INSTITUTE OF DIRECTORS-GHANA**

Financial Statements

For The Year Ended December 31, 2023

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### **Council Members, Officials and Registered Office**

Rev. (Mrs.) Angela Carmen Appiah FIoD	President
Mrs. Mary Asare-Yeboah, FIoD	Vice-President
Rockson K. Dogbegah, FIoD	Immediate Past President
Prof. John Bright Kobla Aheto, FIoD	Member
Ing. Ben Richard Aniagyei, FIoD	Member
Peterson Ekow Afedzie, FIoD	Member
Michael Justice Ashong, FIoD	Member
Kofi Asumadu-Apenteng, MIOD	Member
Dr. Rejoice Wodomdedzi Foli, MIOD	Member
Herbert Lawson, MIOD	Member
Dr. Lord Emmanuel Yamoah, MIOD	Member
Robert O. Mensah, MIOD	Member
Emma Nancy Mullen-Essien	Member
Clement Wiredu, MIOD	Member/C.E.O

### **Registered Office**

Third Floor, SSNIT Emporium  
Airport City Enclave  
Accra  
GPS Address: GL-126-5038

### **Auditors**

EGNL Chartered Accountants  
P.O. Box MD 1803 Madina – Accra  
Office Address: House No. 212 Behind  
Mediclinic, SDA Junction, Adenta – Accra

### **Bankers**

Standard Chartered Bank Ghana Ltd  
National Investment Bank Limited  
Fidelity Bank Ghana Limited

## **INSTITUTE OF DIRECTORS-GHANA**

Financial Statements

For The Year Ended December 31, 2023

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### **Report of the Council to the Members of Institute of Directors-Ghana**

The Council is submitting to the Members their Report and Financial Statements of the Institute for the year ended 31 December 2023 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 a 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 that 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) and the Professional Bodies Registration Act 1973 (NRCD 143). The Council is 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 Council Members and the Auditors in relation to the Financial Statements.

#### **Going Concern**

The Council have assessed the ability of the Institute to continue as a going concern and has no reason to believe that the institute will not be a going concern in the year ahead.

**INSTITUTE OF DIRECTORS-GHANA**

Financial Statements

For The Year Ended December 31, 2023

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**Nature of Business**

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

The Council 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 31 December 2023 are set out below:

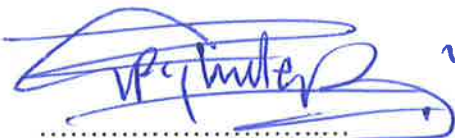
	2023	2022
	GH¢	GH¢
Total Revenue amounted to	1,922,661	1,693,713
Total Expenses amounted to	<u>(1,932,923)</u>	<u>(1,427,562)</u>
<b>Giving Income for the year</b>		
<b>Transferred to Accumulated Fund Account</b>	<u><b>(10,262)</b></u>	<u><b>266,174</b></u>

**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 confirms that no matters have arisen since 31 December 2023 which materially affect the Financial Statements of the Institute for the year ended on that date.



.....  
**President**



.....  
**Chief Executive Officer**

Accra,  
7<sup>th</sup> AUGUST 2024  
.....



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[Email: egnl2020@yahoo.com](mailto:egnl2020@yahoo.com)

## **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 Funds and Statement of Financial Position as at 31 December 2023, 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 29.

### **Opinion**

In our opinion, the accompanying Financial Statements give a true and fair view of the Financial Position of the Institute as at 31 December 2023, 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 the 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 that, in our professional judgment, were of the most significance in our audit of the current year's Financial Statements. These matters were addressed in the context of our audit of the Financial Statements, 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 Council 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.



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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 the Professional Bodies Registration Act 1973 (NRCD 143), and for such internal control as the Council Members determined is necessary to enable the preparation of Financial Statements that are free from material misstatement, whether due to fraud or error. In preparing the Financial 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 are free from material misstatement, whether due to fraud or error, and to issue an Auditor's Report that includes our opinion. Reasonable Assurance is a high level of assurance but is not a guarantee that an audit conducted in accordance with ISAs will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in aggregate, they could reasonably be expected to influence the economic decisions of users taken based on these Financial Statements.

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

- Identify and assess the risks of material misstatement of the Financial Statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide the 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



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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.





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### 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, the Statement of Cash Flows, and the Statement of Changes in the Accumulated Funds of the Institute are in agreement with the books of account.
- iv. The Institute has generally complied with the provision of the Professional Bodies Registration Act 1973 (NRCD 143).

The Engagement Partner on the audit resulting in this independent Auditor's Report is Emmanuel Oko Lamptey (Practicing Certificate Number: ICAG/P/1190)



EGNL Chartered Accountants License Number: ICAG/F/2023/272 Address: P.O. Box Md 1803  
Medina - Accra  
Office Address: House No. 212 Behind Mediclinic, SDA Junction, Adenta - Accra


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2/08/2024

**INSTITUTE OF DIRECTORS-GHANA**

## Statement of Financial Position

As at 31 December, 2023

	Notes	2023 GH¢	2022 GH¢
<b>Assets</b>			
<b>Non-Current Assets</b>			
Property, Plant & Equipment	7(a)	225,380	246,872
Intangible Asset	7(b)	2,430	2,700
Deferred Expenses	7(c)	<u>47,435</u>	<u>36,041</u>
		<u>275,245</u>	<u>285,613</u>
<b>Current Assets</b>			
Stocks	8	64,565	34,840
Accounts Receivable	9	9,680	137,662
Cash & Cash Equivalents	10	<u>65,151</u>	<u>114,262</u>
Total Current Assets		<u>139,396</u>	<u>286,764</u>
Total Assets		<u>414,641</u>	<u>572,377</u>
<b>Reserves &amp; Other Funds</b>			
Accumulated Fund		<u>284,842</u>	<u>295,105</u>
		<u>284,842</u>	<u>295,105</u>
<b>Current Liabilities</b>			
Payables & Accruals	11 (a)	119,225	89,882
Advance Payment	11 (b)	<u>10,574</u>	<u>187,390</u>
Total Current Liabilities		<u>129,799</u>	<u>277,272</u>
Accumulated Fund & Other Funds and Liabilities		<u>414,641</u>	<u>572,377</u>

Approved by the Council on 7<sup>th</sup> AUGUST, 2024 and signed on its behalf by:  
.....  
President  
.....  
Chief Executive Officer

The notes on pages 12 - 27 form an integral part of the Financial Statements

**INSTITUTE OF DIRECTORS-GHANA**

Statement of Comprehensive Income

For the Year Ended 31 December, 2023

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	Notes	2023 GH¢	2022 GH¢
<b>Income</b>	12a	1,521,161	798,701
<b>Sponsorship Income</b>	12b	401,500	892,380
<b>Direct Program Expenses</b>	13	(695,179)	(717,372)
<b>General Administrative Expenses</b>	14	<u>(1,237,744)</u>	<u>(710,167)</u>
		(10,262)	263,542
<b>Investment Income</b>		<u>-</u>	<u>2,632</u>
<b>Income/(Deficit) for the year transferred to Accumulated Fund</b>		<u><u>(10,262)</u></u>	<u><u>266,174</u></u>

**INSTITUTE OF DIRECTORS-GHANA**  
**Statement of Changes in Accumulated Fund**  
**For the Year Ended 31 December, 2023**

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	<b>2023</b>	<b>2022</b>
	<b>GH¢</b>	<b>GH¢</b>
<b>Balance as at 01 January Prior</b>	295,104	112,566
<b>Year Adjustment</b>	-	(83,636)
<b>Deficit/Income for the year</b>	<u>(10,262)</u>	<u>266,174</u>
<b>Balance as at 31 December</b>	<u><u>284,842</u></u>	<u><u>295,104</u></u>

The notes on pages 12 - 31 form an integral part of the Financial Statements

**INSTITUTE OF DIRECTORS-GHANA**

## Statement of Cash Flows

For the Year Ended December 31, 2023

	2023	2022
	GH¢	GH¢
<b>Cash flows from Operating Activities</b>		
<b>(Deficit)/Income for the year</b>	(10,262)	266,174
<b>Adjusted for;</b>		
Prior Year adjustment	-	(83,636)
Depreciation & Amortised cost	<u>56,646</u>	<u>47,829</u>
	46,384	230,368
<b>Changes in:</b>		
Stocks	(29,725)	(34,840)
Accounts Receivable	127,982	(57,225)
Accounts Payable	<u>(147,473)</u>	<u>(73,137)</u>
<b>Net Cash flows from Operating Activities</b>	<u><b>(2,832)</b></u>	<u><b>65,166</b></u>
<b>Cash Flows from Investing Activities</b>		
Acquisition of Intangible Assets	-	(3,000)
Acquisition of Non-Current Assets	<u>(34,884)</u>	<u>(271,385)</u>
<b>Net cash used in Investing Activities</b>	<u><b>(34,884)</b></u>	<u><b>(274,385)</b></u>
<b>Cash Flow from Financing Activities</b>		
Deferred Expenses	<u>(11,394)</u>	<u>(36,041)</u>
	<u><b>(11,394)</b></u>	<u><b>(36,041)</b></u>
<b>Net Increase/decrease in Cash &amp; Cash Equivalent</b>	<b>(49,111)</b>	<b>(245,260)</b>
<b>Cash &amp; Cash Equivalent at January 01</b>	<u><b>114,262</b></u>	<u><b>359,522</b></u>
<b>Cash &amp; Cash Equivalent at December 31</b>	<u><u><b>65,151</b></u></u>	<u><u><b>114,262</b></u></u>
<b>Analysis of Cash and Cash Equivalent</b>		
<b>as shown in the Statement of Financial Position</b>		
<b>Cash Balances</b>	17,751	4,790
<b>Bank Balances</b>	<u>47,399</u>	<u>109,472</u>
	<u><u><b>65,151</b></u></u>	<u><u><b>114,262</b></u></u>

The notes on pages 12 - 31 form an integral part of the Financial Statements

## **INSTITUTE OF DIRECTORS-GHANA**

Notes to the Financial Statements

For The Year Ended 31 December 2023

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### **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 The Third floor, SSNIT Emporium, Airport City Enclave, Accra, GPS Code GL-126-5038. The Institute is authorized 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 of the 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 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 Accountants (Ghana). The Financial Statement has been prepared in a manner required by the Companies Act, 2019 (Act 992) and the Professional Bodies Registration Act 1973 (NRCD 143).

#### **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 Realizable Values and Settlement Amount respectively.

## **INSTITUTE OF DIRECTORS-GHANA**

Notes to the Financial Statements

For The Year Ended 31 December 2023

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### **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.

### **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 recognized on an accrual basis 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 recognized as an expense, rather than as an adjustment of the amount of revenue originally recognized.

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 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 recognized in the Profit or Loss for the year.

## **INSTITUTE OF DIRECTORS-GHANA**

Notes to the Financial Statements

For The Year Ended 31 December 2023

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Foreign exchange gains and losses that relate to Borrowings and Cash and Cash Equivalents, unless they are capitalized, 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 recognized as an Expense in the period in which the related Income is recognized.

### **3.4 General and Administrative Expenses**

Expenses include Legal, Auditing and others. They are recognized in the Comprehensive Income Statement in the period in which they are incurred (on an accrual basis).

### **3.5 Employee Benefits**

#### **(a) Long-term benefits**

The Institute operates a Defined Contribution Plan. Payments to Defined Contribution Retirement Benefit Plans are recognized 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's obligation is limited to the relevant contribution, which was settled on due dates. The Pension Liabilities and Obligations, 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 recognized in the period in which the service is rendered and are not discounted. The expected cost of Accrued Leave is recognized as an expense as the employees render services 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 the unused entitlement that has accumulated to the employee at the Balance Sheet date.

The expected cost of Bonus Payments is recognized as an expense when there is a Legal or Constructive Obligation to make such payment as a result of past performance.



## **INSTITUTE OF DIRECTORS-GHANA**

Notes to the Financial Statements

For The Year Ended 31 December 2023

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### **3.6 Provisions**

Provisions for Legal Claims are recognized 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 the passage of time is recognized as a 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.

### **3.7 Inventories**

Inventories are stated at the lower of Cost and Net Realizable Value. The cost of Inventory is determined on a first-in-first-out basis. The Net Realizable Value represents the estimated selling price for Inventories less all estimated costs of completion cost necessary to make a sale.

### **3.8 Cash and Cash Equivalents**

Cash and Cash Equivalents include 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) are 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.

The cost of an item of PPE includes its purchase price and any directly 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 recognized 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 derecognized. All other Repairs and Maintenance costs are charged to the Statement of Profit or Loss

## **INSTITUTE OF DIRECTORS-GHANA**

Notes to the Financial Statements

For The Year Ended 31 December 2023

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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 Asset's estimated useful lives, as follows:

Fixtures & Fittings	20%
Office Equipment	20%
Computer & Accessories	33.3%
Plant & Machinery	15%
Motor Vehicle	10%

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 the Carrying Amount and are included in the Statement of Comprehensive Income Statement.

### **3.10 Accounts Payable**

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 recognized initially at fair value and subsequently measured at amortized cost using the effective interest method.

### **3.11 Taxation**

The Tax Expense for the year comprises Current and Deferred Income Tax. Tax is recognized in the Profit or Loss, except to the extent that it relates to items recognized in the Comprehensive Income or directly in Equity. In this case, the tax is also recognized 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

## **INSTITUTE OF DIRECTORS-GHANA**

Notes to the Financial Statements

For The Year Ended 31 December 2023

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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 recognized for all taxable temporary differences. Deferred Income Tax Assets are recognized 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 utilized. 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 or 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 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.

### **3.12 Events after the 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 the 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 recognized 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

## **INSTITUTE OF DIRECTORS-GHANA**

Notes to the Financial Statements

For The Year Ended 31 December 2023

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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.

### **3.14 Financial Instruments**

Financial Assets and Liabilities are recognized when the Institute becomes a party to the contractual provisions of the Instrument. Financial Assets are derecognized 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 derecognized 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 amortized cost: The Institute classifies its Financial Instruments as Financial Assets at amortized 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 amortized cost: Accounts payable are initially recognized at fair value and subsequently measured at amortized 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.

#### **(ii) Offsetting Financial Instruments**

Financial Assets and Liabilities are offset, and the net amount is reported in the Statement of Financial Position when there is a legally enforceable right to offset the recognized amounts and there is an intention to settle on a net basis or realize 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 amortized 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 recognized from initial recognition of the

## **INSTITUTE OF DIRECTORS-GHANA**

Notes to the Financial Statements

For The Year Ended 31 December 2023

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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 recognized 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 makes 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 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 recognizes Liabilities for anticipated Tax Audit issues based on estimates of whether additional taxes will be due. Where the final outcome of these matters is different from the amount that was initially recorded, such differences will impact the current Income Tax and Deferred Income Tax provisions in the period in which such determination is made.

### **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 minimize 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 of the **Institute of Directors-Ghana**.

The Institute's Risk Management Policies are established to identify and analyze the risks faced by the Institute, to set appropriate risk limits and controls and to monitor risk and

## **INSTITUTE OF DIRECTORS-GHANA**

Notes to the Financial Statements

For The Year Ended 31 December 2023

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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 monthly. 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 rates.

### **5.2 Foreign Exchange Risk**

Foreign Currency Risk arises with Financial Instruments 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.

### **5.3**

#### **Credit Risk**

Management is responsible for managing and analyzing the credit risk for each of the Institute's new clients 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 exposure to customers in respect of outstanding Receivables and Committed Transactions. Credit Risk is the risk that a counter party will default on its contractual obligations resulting in financial loss to the Institute.

### **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 analyze the Institute's Financial Liabilities that will be settled on a net

## INSTITUTE OF DIRECTORS-GHANA

Notes to the Financial Statements

For The Year Ended 31 December 2023

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basis into relevant maturity groupings based on the remaining period at the reporting date to the contractual maturity date:

### At 31 December 2023

### Contractual undiscounted cash flows

Payable and Accruals

GH¢ 119,225

### At 31 December 2022

### Contractual undiscounted cash flows

Payables and Accruals

GH¢ 89,882

### 5.5 Fair Value Estimation

The Council considers 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.

**INSTITUTE OF DIRECTORS-GHANA**

Notes to the Financial Statements

For the Year Ended 31 December, 2023

**Note 7(a) Property, Plant & Equipment 2023**

	<b>Fixtures &amp; Fittings GH¢</b>	<b>Office Equipment GH¢</b>	<b>Computers &amp; Accessories GH¢</b>	<b>Plant &amp; Machinery GH¢</b>	<b>Motor Vehicle GH¢</b>	<b>Total GH¢</b>
<b><u>Cost</u></b>						
As at 01/01/2023	31,426	10,491	41,412	2,320	249,953	335,602
Addition	<u>13,170</u>	<u>7,690</u>	<u>14,024</u>	<u>-</u>	<u>-</u>	<u>34,884</u>
<b>As at 31/12/2023</b>	<b><u>44,596</u></b>	<b><u>18,181</u></b>	<b><u>55,436</u></b>	<b><u>2,320</u></b>	<b><u>249,953</u></b>	<b><u>370,486</u></b>
	20%	20%	33%	15%	10%	
<b><u>Depreciation</u></b>						
As at 01/01/2023	18,089	10,458	34,144	1,044	24,995	88,730
Charge During the Year	<u>8,919</u>	<u>3,636</u>	<u>18,294</u>	<u>348</u>	<u>24,995</u>	<u>56,376</u>
<b>As at 31/12/2023</b>	<b><u>27,008</u></b>	<b><u>14,094</u></b>	<b><u>52,438</u></b>	<b><u>1,392</u></b>	<b><u>49,991</u></b>	<b><u>145,106</u></b>
<b><u>Carrying Amount</u></b>						
<b>As at 31/12/2023</b>	<b><u>17,588</u></b>	<b><u>4,087</u></b>	<b><u>2,998</u></b>	<b><u>928</u></b>	<b><u>199,962</u></b>	<b><u>225,380</u></b>



**INSTITUTE OF DIRECTORS-GHANA**

Notes to the Financial Statements

For the Year Ended 31 December, 2023

**Property, Plant & Equipment 2022**

	<b>Fixtures &amp; Fittings</b>	<b>Office Equipment</b>	<b>Computers &amp; Accessories</b>	<b>Plant &amp; Machinery</b>	<b>Motor Vehicle</b>	<b>Total</b>
	GH¢	GH¢	GH¢	GH¢	GH¢	GH¢
<b><u>Cost</u></b>						
As at 01/01/2022	25,176	9,822	26,899	2,320	-	64,217
Addition	<u>6,250</u>	<u>669</u>	<u>14,513</u>	<u>-</u>	<u>249,953</u>	<u>271,385</u>
<b>As at 31/12/2022</b>	<b><u>31,426</u></b>	<b><u>10,491</u></b>	<b><u>41,412</u></b>	<b><u>2,320</u></b>	<b><u>249,953</u></b>	<b><u>335,602</u></b>
	20%	20%	33%	15%		
<b><u>Depreciation</u></b>						
As at 01/01/2022	11,804	8,360	20,342	696	-	41,202
Charge During the Year	<u>6,285</u>	<u>2,098</u>	<u>13,802</u>	<u>348</u>	<u>24,995</u>	<u>47,528</u>
<b>As at 31/12/2022</b>	<b><u>18,089</u></b>	<b><u>10,458</u></b>	<b><u>34,144</u></b>	<b><u>1,044</u></b>	<b><u>24,995</u></b>	<b><u>88,730</u></b>
<b><u>Carrying Amount</u></b>						
As at 31/12/2022	<u>13,337</u>	<u>33</u>	<u>7,268</u>	<u>1,276</u>	<u>224,958</u>	<u>246,872</u>

**INSTITUTE OF DIRECTORS-GHANA**

Notes to the Financial Statements

For the Year Ended 31 December, 2023

<b>Note 7 (b)</b>	<b>Intangible Asset 2023</b>	<b>Software GH¢</b>
	As at 01.01.2023	3,000.00
	Addition	<u>-</u>
	As at 31.12.2023	<u><b>3,000.00</b></u>
	<b><u>Amortization</u></b>	
	As at 01.01.2023	300.00
	Charge During the Year	<u>270.00</u>
	<b>As at 31.12.2023</b>	<u>570.00</u>
	<b><u>Carrying Amount</u></b>	<u><b>2,430.00</b></u>
<b>Note 7(c)</b>	<b>Deferred Expenditure</b>	
	Balance 1/01/23 Addition	36,041
	Airport City Office Partition	<u>23,253</u>
	Spread over 5 years	59,294
	<b>Balance 31/12/23</b>	<u>11,859</u>
		<u><b>47,435</b></u>

**INSTITUTE OF DIRECTORS-GHANA**

Notes to the Financial Statements

For the Year Ended 31 December, 2023

	<b>2023</b>	<b>2022</b>
	<b>GH¢</b>	<b>GH¢</b>
<b>Note 8</b>		
<b>Stocks</b>		
Directors Handbook	<u>64,565</u>	<u>34,840</u>
<b>Note 9</b>		
<b>Accounts Receivable</b>		
Insurance Prepaid	9,680	132,870
Rent Prepaid	<u>-</u>	<u>4,792</u>
	<u>9,680</u>	<u>137,662</u>
<b>Note 10</b>		
<b>Cash and Cash Equivalents</b>		
Cash Balances	17,751	4,790
Bank Balances	<u>47,399</u>	<u>109,472</u>
	<u>65,151</u>	<u>114,262</u>
<b>Note 11 (a)</b>		
<b>Accounts Payable:</b>		
Sundry Payable	<u>88,075</u>	<u>48,744</u>
	<u>88,075</u>	<u>48,744</u>
<b>Accruals:</b>		
Audit Fee	12,000	10,800
Accountancy	5,000	7,000
PAYE	7,324	11,320
SSNIT (Tier 1& 2)	5,744	7,906
Withholding Taxes	<u>1,082</u>	<u>4,112</u>
	<u>31,150</u>	<u>41,138</u>
<b>Total Payable and Accruals</b>	<u>119,225</u>	<u>89,882</u>

**INSTITUTE OF DIRECTORS-GHANA**

Notes to the Financial Statements

For the Year Ended 31 December, 2023

**Note 11 (b) Advance Payment**

	<b>2023</b>	<b>2022</b>
	<b>GH¢</b>	<b>GH¢</b>
Sponsorship for IOD Bill	-	150,000
Deposits-Subscriptions	500	-
ORC	10,074	-
Deposits-Training Fees	-	37,390
	<u><b>10,574</b></u>	<u><b>187,390</b></u>

**Note 12 Income**

Admission fees	295,750	229,000
Subscription	262,225	253,350
Book Sale	63,020	53,000
Sponsorship Excellence Awards	151,000	507,380
SBU Consultancy	196,570	-
Sponsorship for IOD Bill	150,000	100,000
Sponsorship-National Governance Code	30,000	285,000
Corporate Sponsorship	70,500	-
Seminars & Training	446,096	263,351
Investiture Event	257,500	-
	<u><b>1,922,661</b></u>	<u><b>1,691,081</b></u>

**INSTITUTE OF DIRECTORS-GHANA**

Notes to the Financial Statements

For the Year Ended 31 December, 2023

	<b>2023</b>	<b>2022</b>
	<b>GH¢</b>	<b>GH¢</b>
<b>Note 13 Direct Program Expenses</b>		
IOD Charter Bill	-	80,665
ACGN Programme	-	420
Excellence Awards	11,568	399,664
National Governance Code	5,017	37,692
Directors Handbook	-	24,920
Annual General Meeting	47,157	5,640
Induction	14,201	-
Investiture	317,367	-
Regional Engagement	7,750	-
Stakeholders Engagement	37,168	-
Retreat& Council Meeting	29,338	-
Pink October	3,300	-
Affiliate Fees	-	11,000
External Board Evaluation	43,244	-
	<u><b>695,179</b></u>	<u><b>717,372</b></u>

**INSTITUTE OF DIRECTORS-GHANA**

Notes to the Financial Statements

For the Year Ended 31 December, 2023

	<b>2023</b>	<b>2022</b>
	<b>GH¢</b>	<b>GH¢</b>
<b>Note 14 General &amp; Administration Expenses</b>		
Communication	52,014	51,517
Utilities	31,133	12,432
Postage and Courier	6,868	10,735
Rent	244,348	78,499
Staff Cost	445,203	277,529
13% Employer SSF	52,249	28,602
Performance Bonus	-	13,561
Audit fees	12,000	10,800
Donation	6,500	4,020
Repairs and Maintenance	19,447	6,759
Bank charges	8,045	6,763
Accountancy Fees	31,108	17,257
Cleaning and Sanitation	6,629	5,296
Depreciation	56,376	47,529
Amortization	270	300
Recruitment Expenses	10,815	25,877
Travelling and Transport	25,328	13,160
Printing and Stationery	17,174	15,139
Insurance	16,907	9,896
Support Services	55,487	19,758
Registration & License	9,741	12,614
Penalty	2,768	-
Fuel and lubricant	72,067	11,847
Vehicle Maintenance	10,189	-
Relocation Expenses	-	5,000
Office Partitioning	11,859	-
Internet	2,061	5,615
Medical Expenses	2,380	813
Commission	7,500	8,000
Genset Fuel	864	-
Entertainment	-	1,349
General Expenses	<u>20,416</u>	<u>9,500</u>
	<u>1,237,744</u>	<u>710,167</u>

## **INSTITUTE OF DIRECTORS-GHANA**

Notes to the Financial Statements

For the Year Ended 31 December, 2023

### **Note 15 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¢ 240,000.00, (2022: GH¢ 143,843.72).

### **c Council Members' Remuneration**

During the year, no Sitting Allowances were paid to the Council Members of the Institute.

### **Note 16 Contingent Liabilities**

There were no Contingent Liabilities at the end of the period under review, (2022: Nil)

### **Note 17 Capital Commitments**

There were no outstanding commitments for Capital Expenditure not provided for in the Financial Statements.

### **Note 18 Events After Reporting Period**

No Significant Event occurred after the Reporting Date which is likely to affect these Financial Statements.

### **Note 19 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 foreseeable future