

**AFRICAN CENTRE OF EXCELLENCE
FOR DRUG RESEARCH, HERBAL
MEDICINE DEVELOPMENT AND
REGULATORY SCIENCE
(ACEDHARS)
UNIVERSITY OF LAGOS, LAGOS NIGERIA
WORLD BANK IDA CREDIT NUMBER 6510-NG
15 MONTHS AUDITED FINANCIAL STATEMENTS**



Olakanmi Adedayo & Co.

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(ACEDHARS)**

**UNIVERSITY OF LAGOS,
LAGOS NIGERIA**

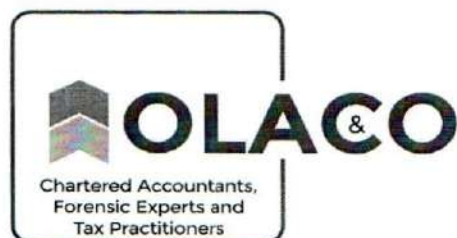
**WORLD BANK IDA CREDIT NUMBER 6510-NG
15 MONTHS AUDITED FINANCIAL STATEMENTS**

FOR PERIOD TO 31ST DECEMBER, 2022.

WITH

SUSTAINABILITY STATEMENT OF

INCOME & EXPENDITURE



**AFRICAN CENTRE OF EXCELLENCE FOR DRUG RESEARCH, HERBAL
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(ACEDHARS)**

**AUDITED FINANCIAL STATEMENTS
FOR PERIOD TO DECEMBER 31, 2022**

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**AFRICAN CENTRE OF EXCELLENCE FOR DRUG RESEARCH, HERBAL
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CORPORATE INFORMATION

MANAGEMENT TEAM

Dr. Omobolanle Ade-Ademilua	Centre Leader
Dr. Moshood Akinyele	Deputy Centre Leader
Mrs. Ibifunke Alfred	Project Manager
Mrs. Bimpe Oroleke	Project Accountant
Mr. Alabi Taiwo	Finance Officer
Mrs. Abosede Alao-Williams	Internal Auditor
Mr. Adebayo Salau	Communication Officer
Mrs. Lateefat Adekola	Monitoring & Evaluation Officer
Dr. Olayinka Agunloye	Env. & Social Safeguards Office
Mr. Solomon Olusegun	Procurement Officer
Dr. Ifeoma Orabueze	Start-Up Company Manager
Pro. Sunday Adebisi	Entrepreneurship/Comm. Adviser
Mr. Bolarinwa Ajigboye	Institutional Impact Officer

PROJECT OFFICE

Faculty of Science
University of Lagos
Akoka
Lagos, Nigeria

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FINANCIERS

The World Bank,
International Development Association (IDA)
1818 H Street, N. W
Washington DC 20433
United States of America.

AUDITORS

Olakanmi Adedayo & Co.
(Chartered Accountants)
85, Iju-Agege Road,
Agege, Lagos.
Phone No: 07033698401,08028352637
Email:Olacoprofessionals@gmail.com
olakanmiea@gmail.com

BANKER

CENTRAL BANK OF NIGERIA



REPORT OF THE AUDITORS TO THE MANAGEMENT OF THE CENTRE

We have audited the accompanying Financial Statements on page 7 to 11 comprising Statement of receipts and payments, and additional disclosure notes of the African Centre of Excellence for Drug Research, Herbal Medicine Development and Regulatory Science (ACEDHARS) for the year ended December 31, 2022. Attention was particular with reference to key audit matters (KAM), going concern of the project (GC) and other information (OI).

Respective Responsibilities of the Management and Auditors

The preparation of the financial statements and the maintenance of adequate books of accounts are the responsibility of ACEDHARS Management. Our responsibility is to express an opinion thereon based on our audit.

Basis of Opinion

We conducted our audit in accordance with International Standards on Auditing (ISAs) issued by the International Auditing and Assurance Standards Board of the International Federation of Accountants. These standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free of material misstatement. An audit includes examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements. An audit also includes assessing the accounting principles used and significant estimates made by management as well as evaluating the overall statement presentation. We believe our audit provides a reasonable basis for our opinion. We took into cognizance of key audit matters (KAM).

The Eligibility Expenditure Program Statement report for the period of January-December 2022 were incurred under the agreed budget lines and the Centre Finance management's policy is to prepare the accompanying statements on the cash receipts and payments basis in conformity with International Public Sector Accounting Standards issued by the Public Sector Committee of the International Federation of

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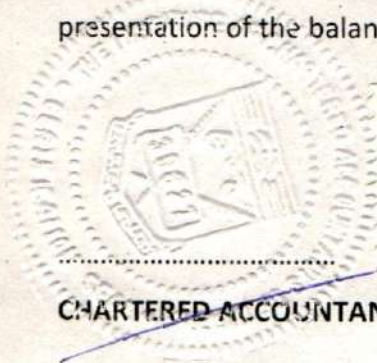
Accountants/International Accounting Standards issued by the International Accounting Standards Board. On this basis, cash receipts are recognized when received and cash expenditures are recognized when paid rather than when incurred

Opinion

In our opinion, the financial statements have been prepared in accordance with International Public Sector Accounting Standards issued by the Public Sector Committee of the International Federation of Accountants / International Accounting Standards issued by the International Accounting Standards Board, present a true and fair view of the cash receipts and payments of the Centre during the year ended December 31, 2022 and of the closing balances as at that date, in all material respects, expenditures have been applied to the purposes intended.

The Statement of Cash Receipts and Payments are in agreement with the books of account and adequate supporting documentation have been maintained to support claims to World Bank for reimbursements of disbursements made and which expenditures are eligible for financing under the project.

The Statement of Designated Accounts of the project on page 8 has been operated in accordance with the guidelines and provisions of the project and provides a true and fair presentation of the balances at 31st December, 2022.



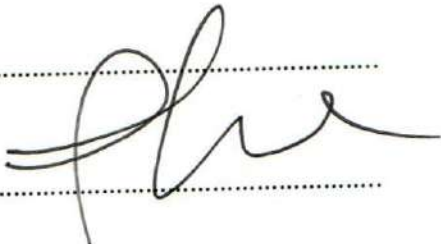
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CHARTERED ACCOUNTANTS

**AFRICAN CENTRE OF EXCELLENCE FOR DRUG RESEARCH, HERBAL
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(ACEDHARS)**

**STATEMENT OF RECEIPTS AND PAYMENTS
FOR PERIOD TO DECEMBER 31, 2022**

	Notes	2022 (Naira)
Project Receipts:		
IDA Credit:		
Grant Received	3	509,924,843.85
		<u>509,924,843.85</u>
Other Income		0
		<u>509,924,843.85</u>
 Project Disbursements :		
Category 1: Lines of Credits to PFIs		
Lines of Credit to PFIs		-
		<u>-</u>
 Category 2: Goods, Non-Consulting Services, Consulting Services, Operating Costs and Training		
Operating /Project Management	6	290,848,471.15
Technical Assistance and Capacity Building	7	65,004,191.22
		<u>355,852,662.37</u>
		<u>154,072,181.48</u>
 Cash surplus/(Decrease in Cash)		
Designated account with NUC		118,297,822.44
Foreign Exchange Difference		(5,697,519.98)
Cash at the end of the year		41,471,879.02
		<u>154,072,181.48</u>

.....


} Centre Leaders

**AFRICAN CENTRE OF EXCELLENCE FOR DRUG RESEARCH, HERBAL
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**STATEMENT OF DESIGNATED ACCOUNT
FOR PERIOD TO DECEMBER 31, 2022**

Depository Bank	Central Bank OF Nigeria Plot Abubakar Tafawa Balewa Way
Address	Central Business District, Cadastral Zone Abuja, FCT Nigeria

Currency US\$	US \$
Grant (October 15, 2021) WB DL 1	301,920.49
Grant (October 15, 2021) AFD DL 1	309,662.04
Grant (October 15, 2021) WB DL 2	165,894.97
Grant (October 15, 2021) AFD DL2	170,148.69
Additional :	
DL 3 FROM WORLD BANK	9,082.06
DL 3 FROM AFD	9,314.94
DL 4 FROM WORLD BANK	142,116.00
DL 4 FROM AFD	148,130.00
Total Interest Earnings (Deposited in the accounts)	-
	1,256,269.19
Deduct:	
Draw Down	(970,691.21)
Bank Charges	(0)
Closing Balance December 31, 2022	285,577.98

**AFRICAN CENTRE OF EXCELLENCE FOR DRUG RESEARCH, HERBAL
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**SIGNIFICANT ACCOUNTING POLICIES AND
EXPLANATORY NOTES FOR PERIOD TO DECEMBER 31, 2022**

1. Organization and operations

The significant accounting policies, operations and preparations of this Audited Financial statement is as stated in the Financing Agreement of the Second Africa Higher Education Centers of Excellence for Development Impact Project between Federal Republic of Nigeria and International Development Association.

2. Significant Accounting Policies

The following are the significant accounting policies adopted by the Project management in the preparation of its financial statements.

a. Basis of Preparation

The financial statements have been prepared in accordance with Cash Basis IPSAS Financial Reporting Under the Cash Basis of Accounting.

The accounting policies have been applied consistently throughout the period.

b. Reporting Period

The Reporting period is October 2021 to December 2022. The Centre financial activities from 2021 to December, 2022 and this is the coverage of this report.

- c. **Cash** :Cash comprises of the University money held in the University designated account with Central Bank of Nigeria as well as Nigeria University Commission (NUC) designated Account with CBN

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Cash included in the statement of cash receipts and payments comprise the following:

Balances with Banks:

	2022 (Naira)
Designated account with NUC \$ 285,577.98 @414.24	118,297,822.44
Cash with University Designated Account at CBN as at December,2022	<u>41,471,879.02</u>
	<u>159,769,701.46</u>

Cash held with NUC:

	2022 (USD-\$)
Receipts Via NUC from CBN	1,256,269.19
Drawdown Account till date	<u>970,691.21</u>
	<u>\$285,577.98</u>

d. Exchange Rate

Transactions are converted to Naira at the Central Bank (CBN) rate of exchange ruling on the dates of the transactions. Foreign currencies losses of N 5,697,519.98 was reported and weighted average of the last two inflows N414.24 was used as conversion rate as at December 31st, 2022.

3. This represents sum received from both World Bank and AFD totaling N509,924,843.85 .

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Details of US Dollars Received				Fx Rate	Naira Equivalent
1	15/10/2021	DL 1 From World Bank	301,920.49	403.27	121,755,476.00
2	15/10/2021	DL 1 From AFD	309,662.04	403.27	124,877,410.87
3	15/10/2021	DL 2 From World Bank	165,894.97	403.27	66,900,464.55
4	15/10/2021	DL 2 From AFD	170,148.69	403.27	68,615,862.22
5	08/11/2021	DL 3 From World Bank	9,082.06	408.17	3,707,024.43
6	08/11/2021	DL 3 From AFD	9,314.94	408.17	3,802,079.06
7	06/07/2022	DL 4 From World Bank	142,116.00	408.17	58,007,487.72
8	05/08/2022	DL 4 From AFD	148,130.00	420.30	62,259,039.00
			1,256,269.19		509,924,843.85

4. SOE Procedure

This is not applicable here.

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5. **Other Income:** There are no other income:

	2022 (Naira)
Other Income	
Interest on Bank Balances	0
Bidding Fees	0
	0
Project Management:	
6 Research & Development Expenses	16,481,700.00
Trainings(Local & International)	28,455,615.18
Laboratory Equipment	91,751,990.30
Student Costs	72,546,225.15
Accreditation Expenses	26,904,640.26
Projectors, Broadband& Comm. Equipment	1,524,087.00
	237,664,257.89
Consultancies/Reagents	
Software License renewal/Internet Access Charges	52,252,213.26
Laboratory Consumables/reagents	932,000.00
	290,848,471.15
Operating Expenses	
7 Maintenance of office building/Residential qtrs.	22,354,752.88
Office Running Expenses	1,304,025.00
International Travels	28,401,974.00
Service meetings	12,822,735.59
Bank Charges	47,173.75
Subscription to Professional bodies	73,530.00
	65,004,191.22

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**SUSTAINABILITY STATEMENT OF INCOME
AND EXPENDITURE FOR THE YEAR ENDED 31ST
DECEMBER, 2022.**

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SUSTAINABILITY STATEMENT OF INCOME AND EXPENDITURES FOR THE YEAR ENDED 31ST DECEMBER 2022		
		2022
		N
1	Income	69,987,718.00
	Note 1	
2	Expenditures	27,906,274.25
	Note 2	
	Sustatinabilty Surplus as at the year Ended 31st Decemebr 2022	42,081,443.75
3	Cash Balance Held with CBN in the name of Unilag ACEDHARS as at December 31st 2022	42,081,443.75
Note 1:Income	Short Course	3,890,000.00
	LASRIC Grant	3,000,000.00
	RECHAN Grant	2,900,000.00
	Counterpart Fund from Unilag	5,000,000.00
	2022 JEIVEN/MEDAFRICA Grant	26,701,960.00
	Student Research Grant Income	28,495,758.00
		69,987,718.00
Note 2:Expenditure	Advertisement	628,069.25
	Grant Expenses	22,240,000.00
	Service Meeting	597,265.00
	Printing	65,000.00
	Workshop on Regional Strategy	1,242,450.00
	Internet Connectivity	450,000.00
	Student Research Grant	2,570,460.00
	Local transport	24,000.00
	Webinar E-facilitator and sundry expenses	80,000.00
	Bank Charges	9,030.00
		27,906,274.25