



**TRANSFORMING TEACHING, EDUCATION AND LEARNING
(LIMITED BY GUARANTEE)**

**ANNUAL REPORT AND FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2022**

**A.D. & ASSOCIATES
(CHARTERED ACCOUNTANTS)**

Transforming Teaching, Education and Learning
Annual report and financial statements
for the year ended 31 December 2022

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Transforming Teaching, Education and Learning

Annual report and financial statements

for the year ended 31 December 2022

Corporate information

Board of Directors:

Prof. Jophus Anamuah-Mensah - Board Chair
Prof. Albert Kwame Akyeampong - Member
Sr. Elizabeth Akua Amoako - Member
Prof. George Kwaku-Toku Oduro - Member
Mr. John Leslie Martin - Member
Dr. Michael Boakye-Yiadom - Member
Prof. Mohammed Salifu - Member
Prof. Rita Akosua Dickson - Member
Mrs. Aso Wusu Asante - Member

Company Secretary:

Ms. Priscilla Anima Akyeampong

Registered office:

9 Dzarkwei Close
East Legon - Accra
PMB L 47
Legon, Accra

Auditor:

A.D. & Associates
No. 60. Mango Tree Avenue
Asylum Down
Accra

Banker:

Stanbic Bank Ghana Limited

Transforming Teaching, Education and Learning

Report of the Board of Directors

for the year ended 31 December 2022

The Board of Directors present herewith the annual report together with the audited financial statements of Transforming Teaching, Education & Learning (T-TEL) for the year ended 31 December 2022.

Statement of the Board of Directors' responsibilities

The Board of Directors are responsible for the preparation of financial statements for each financial year, which gives a true and fair view of the state of affairs of the Organisation and of the surplus or deficit and cash flows for that period. In preparing these financial statements, the Board of Directors have selected suitable accounting policies and applied them consistently, made judgements and estimates that are reasonable and prudent and followed International Public Sector Accounting Standards (IPSAS) and complied with the requirements of the Companies Act, 2019 (Act 992).

The Board of Directors are responsible for ensuring that the Organisation keeps proper accounting records that disclose with reasonable accuracy at any time, the financial position of the Organisation. The Board of Directors are also responsible for safeguarding the assets of the Organisation and taking reasonable steps for the prevention and detection of fraud and other irregularities.

Going concern

The Board of Directors have made an assessment of the Organisation's ability to continue as a going concern and have no reason to believe the Organisation will not be able to continue as a going concern.

Principal activities

The principal activity of the Organisation is to transform education for development by providing high quality technical advice, project management, research, and implementation support services to enable Ghana's education system to reach new heights.

Results for the year

The statement of financial performance on page 9 shows a surplus for the year of GH¢4,181,852 (2021: surplus GH¢ 297,815) whilst the statement of financial position on page 8 shows accumulated surplus of GH¢ 4,479,667 (2021: GHS 297,815) at the end of the year.

Corporate social initiatives

Transforming Teaching, Education & Learning (T-TEL) is a non-profit organisation registered in Ghana to provide education technical assistance to transform teaching and improve learning

Transforming Teaching, Education and Learning

Report of the Board of Directors

for the year ended 31 December 2022

outcomes. The expenses incurred during the year were funded by partners for activities to enhance the quality of teaching and learning across Ghana's education system, including primary, secondary and tertiary education institutions.

Capacity building of the Board of Directors

The Board of Directors undertook training and capacity building programs and were also kept abreast of applicable legislation and regulation, changes to rules, standards and codes, as well as relevant sector developments that could affect the Organisation and its operations.

Board of Directors' interest

Some members of the board are key advisors (consultants) of T-TEL. During the year ended 31 December 2022, services provided by board members as key advisors amounted to GH¢ 1,439,676 and have been disclosed as part of related party transactions in notes to the financial statements.

Auditor

The Organisation's auditor, A.D. & Associates, has expressed willingness to continue in office in accordance with Section 139 (5) of the Companies Act, 2019 (Act 992).

Auditor's Remuneration

The independent auditors' remuneration for the year ended 31 December 2022 was GH¢ 112,500.

BY ORDER OF THE BOARD OF DIRECTORS



Prof. Jophus Anamuah-Mensah
Director

5 May 2023



Prof. Albert Kwame Akyeampong
Director

5 May 2023

Independent Auditor's Report

Issued to the Members of Transforming Teaching, Education and Learning for the year ended 31 December 2022

Opinion

We have audited the accompanying financial statements of Transforming Teaching, Education and Learning (T-TEL) which comprises the statement of financial position as at 31 December 2022, the statement of financial performance, the statement of changes in net assets, , the statement of cash flows for the year then ended, and the notes to the financial statements including a summary of significant accounting policies and other disclosures to the financial statements.

In our opinion, the accompanying financial statements present fairly, in all material respects, the financial position of Transforming Teaching, Education and Learning as at 31 December 2022 and the financial performance and cash flows for the period then ended in accordance with the International Public Sector Accounting Standards, 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 organisation in accordance with the International Code of Ethics for Professional Accountants (Including International Independence Standards) (the Code) issued by the International Ethics Standards Board for Accountants (IESBA), and we have fulfilled our other ethical responsibilities in accordance with the 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 period. 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. For the period under review, we have no key audit matters to report on.

Responsibilities of the Directors for the Financial Statements

The directors are responsible for the preparation and fair presentation of the financial statements in accordance with IPSAS, and for such internal controls as management determines is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

Independent Auditor's Report - Cont'd

Issued to the Members of Transforming Teaching, Education and Learning for the year ended 31 December 2022

Auditor's Responsibilities for the Audit of 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 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 a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than the one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal controls.
- Obtain an understanding of internal controls relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of internal controls.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by Directors.
- Conclude on the appropriateness of Director'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 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 organisation 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 Directors regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal controls that we identify during our audit. We also provide the Directors with a statement that we have complied with relevant ethical requirements regarding independence, and to communicate with them all relationships and other matters that may reasonably be thought to bear on our independence, and where applicable, related safeguards.

Independent Auditor's Report - Cont'd

Issued to the Members of Transforming Teaching, Education and Learning for the year ended 31 December 2022

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

Report on Other Legal and Regulatory Requirements

Section 137 of the Companies Act, 2019 (Act 992), requires that in carrying out our audit work, we consider and report on the following matters. We confirm that:

- i) We have obtained all the information and explanation 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 Transforming Teaching, Education and Learning so far as appears from our examination of those books.
- iii) The statement of financial position, statement of income and expenditure, statement of change in net assets and statement of cash flows of Transforming Teaching, Education and Learning are in agreement with the books of account.

The engagement partner responsible for the audit resulting in this independent auditor's report is Alex Kwaku Dey - Practising Certificate Number ICAG/P/1301.



A.D. & Associates (ICAG/F/020/2023)
No. 60 Mango Tree Avenue
Asylum Down, Accra
P.O. Box CT 1506
Cantonment-Accra

SAT May 2023

Transforming Teaching, Education and Learning
Statement of financial position
As at 31 December 2022

ASSETS	Note	2022	2021
		GHS	Restated GHS
Non-current assets			
Property, plant & equipment	4	143,582	-
Current assets			
Cash and cash equivalents	5	34,175,522	15,705,394
Account receivables	6	<u>3,796,326</u>	<u>939,544</u>
Total assets		<u>38,115,430</u>	<u>16,644,938</u>
Current liabilities			
Account payable	7	(6,038,321)	(811,718)
Deferred revenue	8	<u>(27,597,442)</u>	<u>(15,535,405)</u>
Total liabilities		<u>(33,635,763)</u>	<u>(16,347,123)</u>
Net Assets		<u>4,479,667</u>	<u>297,815</u>
Represented by:			
Accumulated fund		<u>4,479,667</u>	<u>297,815</u>

The annual financial statements were approved by the board on 5 May 2023 and were signed on its behalf by:



Prof. Jophus Anamuah-Mensah
Director



Prof. Albert Kwame Akyeampong
Director

The notes set out on pages 12 to 27 form an integral part of these financial statements.

Transforming Teaching, Education and Learning
Statement of financial performance
for the year ended 31 December 2022

	Note	2022	2021 (Restated)
REVENUE		GHS	GHS
Revenue from non-exchange transactions			
Donor grants	9	106,155,502	25,576,771
Donations	10	-	7,858
Revenue from exchange transactions			
Subscription fees	11	7,500	7,500
Support service charges		-	49,218
Exchange gain		-	133,729
Total revenue		106,163,002	25,775,076
EXPENSES			
Program costs	12	(82,194,926)	(15,359,401)
Operating costs	13	(19,455,411)	(10,071,355)
Depreciation	4	(28,716)	-
Finance costs	14	(302,097)	(46,505)
Total expenses		(101,981,150)	(25,477,261)
Surplus for the year		4,181,852	297,815

The notes set out on pages 12 to 27 form an integral part of these financial statements.

Transforming Teaching, Education and Learning
Statement of changes in Net Assets
for the year ended 31 December 2022

	2022	2021 (Restated)
Accumulated fund	GHS	GHS
Balance as at 1 January	297,815	-
Surplus for the year	<u>4,181,852</u>	<u>297,815</u>
Balance as at 31 December	<u>4,479,667</u>	<u>297,815</u>

The notes set out on pages 12 to 27 form an integral part of these financial statements.

Transforming Teaching, Education and Learning
Statement of cash flows
for the year ended 31 December 2022

	2022	2021 (Restated)
	GHS	GHS
Cash flows from operating activities		
Surplus for the year	4,181,852	297,815
Adjusted for:		
Depreciation	28,716	-
Changes in working capital		
Change in Accounts receivable	(2,856,782)	(939,544)
Change in Accounts payable	5,226,603	811,718
Change in Deferred revenue	<u>12,062,037</u>	<u>15,535,405</u>
Net cash flows from operating activities	18,642,426	15,705,394
Cash flows from investing activities		
Purchase of equipment	<u>(172,298)</u>	<u>-</u>
Net cash flows from investing activities	(172,298)	-
Net increase in cash and cash equivalents	18,470,128	15,705,394
Cash and cash equivalents at the beginning of the year	<u>15,705,394</u>	<u>-</u>
Cash and cash equivalents at the end of the year	<u>34,175,522</u>	<u>15,705,394</u>

The notes set out on pages 12 to 27 form an integral part of these financial statements.

Transforming Teaching, Education and Learning

Notes to the financial statements

for the year ended 31 December 2022

1. Reporting entity

Transforming Teaching, Education and Learning (T-TEL) is a non-governmental organisation incorporated under the laws of Ghana with the core objective to transform education for development by providing high quality technical advice, project management, research and implementation support services to enable Ghana's education system to reach new heights.

T-TEL's principal activity is to work with government, the private sector, international and national funding partners, other non-governmental organizations, and research institutions to support educational improvements in Ghana. Its expertise and scope of operations includes Early Childhood, Primary, Secondary, Tertiary, Technical and Vocational Education.

The address of the organisation can be found on page 2 of this annual report.

2. Basis of preparation

The financial statements have been prepared under the historical cost convention and in accordance with International Public Sector Accounting Standards (IPSAS).

In the absence of an International Public Sector Accounting Standard that specifically applies to a transaction, other event or condition, management uses its judgement in developing and applying an accounting policy that results in information that is relevant to the accountability and decision making needs of users, faithfully represents the financial position, financial performance and cash flows of the organisation, meets the qualitative characteristics of understandability, timeliness, comparability and verifiability and takes account of the constraints on information included in general purpose reports and the balance between the qualitative characteristics.

2.1. Statement of compliance

The financial statements of the organisation have been prepared in accordance with the International Public Sector Accounting Standards, as issued by the International Public Sector Accounting Standards Board (IPSASB). Additional information required by the Companies Act, 2019 (Act 992) is included where appropriate.

2.2. Functional and presentation currency

The financial statements are presented in Ghana cedi (GH¢), which is the Organisation's functional and presentational currency. All financial information presented in GH¢, have been rounded to the nearest Ghana cedi, except when otherwise indicated.

Transforming Teaching, Education and Learning

Notes to the financial statements

for the year ended 31 December 2022

2. Basis of preparation (cont'd)

2.3. Significant judgments, estimates and assumptions

The preparation of financial statements in conformity with IPSASs requires the management to make judgments, estimates and assumptions that affect the application of accounting policies and the reported amounts of assets, liabilities, income and expenses. All estimates and underlying assumptions are based on historical experience and various other factors that management believes are reasonable under the circumstances. The result of these estimates forms the basis of judgments about the carrying values of assets and liabilities that are not readily apparent from other sources. Actual results may differ from these estimates. Estimates and underlying assumptions are reviewed on an ongoing basis.

Revisions to accounting estimates are recognized in the period in which the estimates are revised and in any future periods affected. Areas involving a higher degree of judgment or complexity or areas where assumptions and estimations are significant to the financial statements are;

2.3.1. Contingencies

Judgment of management is required for estimating the possible outflow of resources, if any, in respect of contingencies/claims/litigations against the organisation as it's not possible to predict the outcome of pending matters with accuracy.

2.3.2. Allowance for uncollected/unpaid transactions

Accounts payable and receivables do not carry any interest and are stated at their nominal value as reduced by appropriate allowances for estimated irrecoverable amounts. Individual payables and receivables are written-off when management deems them not payable or collectible respectively.

2.3.3. Key sources of estimation uncertainty

The annual report and financial statements do not include assets or liabilities whose carrying amounts were determined based on estimations for which there is significant risk of material adjustments in the following financial year as a result of key estimation assumption.

3. Summary of significant accounting policies

The principal accounting policies adopted 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 measured at the fair value of the consideration received or receivable and represents amounts receivable for services rendered net of any applicable taxes. T-TEL recognizes revenue when the amount of revenue can be reliably measured, it is probable

Transforming Teaching, Education and Learning

Notes to the financial statements

for the year ended 31 December 2022

3. Summary of significant accounting policies (cont'd)

3.1. Revenue recognition (cont'd)

that future economic benefits will flow to T-TEL and when specific criteria have been met for each of the organisation's revenue streams.

3.1.1. Revenue from non-exchange transactions

These are made up of funds received from donors and development partners, and donations from individuals and organisations.

Donor grants

This relates to funds received from donors and development partners to implement specific programs. Grants received from donors are initially recognised as a liability (deferred revenue) and subsequently recognised as revenue when eligible project expenses are incurred, and the conditions associated with the grant have been met. Unspent donor funds as at the end of reporting period is recognised as a liability (deferred revenue).

Donations

Donations are in-kind and cash contributions received from individuals and organizations towards programs and activities of T-TEL. In-kind contributions are recognized as revenue when received at their estimated fair value. Cash donations are recognized as revenue when received by T-TEL or deposited in T-TEL's bank account.

3.1.2. Revenue from exchange transactions

Revenue from exchange transactions comprise of subscription fees from its subscribers, support service charges, and foreign exchange gain.

Subscription

This is revenue from the annual subscription fees paid by subscribers. Subscription revenue is due and recognized at the beginning of every calendar year.

Support service charges

This relates to earnings from support services rendered to partners and other organizations. Support service charges are recognized as revenue when the service is provided.

3.2. Expenditure

Expenditure comprises costs that are wholly and necessarily incurred for the purpose of the organisation. Expenses from exchange transactions arising from the purchase of goods and services are recognised when the supplies are delivered, or services are rendered and accepted by the T-TEL. All other expenses are recognised when the transaction or event triggering the expense occurs. Expenditure is measured at the fair value of the consideration

Transforming Teaching, Education and Learning

Notes to the financial statements

for the year ended 31 December 2022

3. Summary of significant accounting policies (cont'd)

3.2. Expenditure (cont'd)

paid or payable. The organisation's expenses consist of program, operational and administrative costs. Program Assets procured with donor funds are expensed.

3.3. Property, plant and equipment

Property, plant and equipment are measured at acquisition cost less accumulated depreciation and any accumulated impairment losses.

Subsequent costs are included in the asset's carrying amount or recognised as a separate asset, as appropriate, only when it is probable that future economic benefits associated with the item will flow to the Organisation and the cost of the item can be measured reliably. The carrying amount of the replaced part is derecognised. All other repairs and maintenance costs are charged to the statement of financial performance during the financial period in which they are incurred. Assets that are owned (purchased) and controlled by T-TEL with unit cost of US\$5,000 and above are capitalized as property, plant and equipment. All program assets purchased with donor funds are expensed as direct program costs.

Depreciation is calculated on a straight-line basis over the estimated economic useful life. Depreciation is charged from the month of purchase and no depreciation is charged in the month of disposal. The estimated useful lives for assets are as follows:

Motor Vehicles	-	5 years
Furniture, fixtures and fittings	-	5 years
Computer and Accessories	-	3 years
Generator	-	5 years
Other equipment	-	5 years

Impairment

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

Transforming Teaching, Education and Learning

Notes to the financial statements

for the year ended 31 December 2022

3. Summary of significant accounting policies (cont'd)

3.4 Employee benefits

Retirement benefit obligation

The organisation runs a three-tier pension system of which it contributes 13% to tier 1 and 7% to tier 3. The employees are required to contribute 5.5% to the scheme of which 5% is paid to tier 2 and the 0.5% to tier 1. Employees are also required to contribute a minimum of 7% of their basic salaries to tier 3.

3.5 Financial Instruments

The standard addresses the accounting principles for the financial reporting of financial assets and financial liabilities, including classification, measurement, impairment, derecognition and hedge accounting.

All financial instruments of the organisation are non-derivative financial instruments. These non-derivative financial instruments include cash and cash equivalents, trade and other receivables, and accounts payable.

3.5.1. Cash and cash equivalents

Cash comprises of cash on hand, mobile money balances, deposits held at call with banks , that are immediately available for use by the organization for its operations.

Cash equivalents are short-term, highly liquid investments that are both i) readily convertible to known amounts of cash; ii) with original maturities of three months or less, hence the risk of changes in value due to changes in interest rates are insignificant.

3.5.2. Accounts receivable

Receivables are recognized initially at fair value and subsequently measured at amortised cost using the effective interest method less provision for impairment. Short term receivables with no stated interest are measured at the original invoice amount because the effect of discounting is immaterial.

Receivables are generally defined as claims held against others for the future receipts of money, goods or services. Receivable balances include unretired advances with employees and program partners, subscription fees receivable, prepayments, and advance payments to vendors for goods and services not yet supplied.

3.5.3 Accounts payable

Accounts payables are obligations to pay for goods and services supplied by vendors in the ordinary course of business. Accounts payables are recognised initially at fair value and subsequently measured at amortised cost using the effective interest method. Short-term

Transforming Teaching, Education and Learning

Notes to the financial statements

for the year ended 31 December 2022

3. Summary of significant accounting policies (cont'd)

3.5.3 Accounts payable (cont'd)

payables with no stated interest rate are measured at the original invoice amount because the effect of discounting is immaterial. These balances comprise of balances payable to vendors, and other entities, accrued expenses and unpaid statutory deductions at year end.

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.

3.6. Operating lease

Leases are classified as operating leases when a significant portion of the risks and rewards of ownership are retained by the lessor. Lease agreements may contain provision for future rental increases, rent-free periods, or other lease incentives. The total amount of rental due over the lease term, reduced for any lease incentives, is recognized in the statement of financial performance on a straight line-basis over the term of the lease. The difference between the rental expense and the amount paid is recognized in the statement of financial position as deferred lease rental cost (prepayment).

3.7. Corporate income tax

T-TEL is a non-profit organisation and its income is exempt from tax in accordance with section 97(4) of the Income Tax Act, 2015 (Act 896) as amended. The organisation is required to make payments for PAYE and withholding taxes that arises in the course of its operations.

3.8 Foreign currencies

Transactions in foreign currencies are translated to Ghana Cedi at the rate of exchange prevailing at the date of the transaction. Monetary assets and liabilities denominated in foreign currencies are translated at the prevailing exchange rate at the reporting date. The resulting gains or losses are recognised in the statement of financial performance.

3.9 Accumulated fund balance

Accumulated fund balance is arrived at as the difference between total assets and total liabilities as at the end of the reporting period.

3.10 Deferred revenue

Grants received from donors are initially recognised as a liability (deferred revenue) and subsequently recognised as revenue when eligible project expenses are incurred, and the conditions associated with the grant have been met. Unspent donor funds as at the end of reporting period is recognised as a liability (deferred revenue).

Transforming Teaching, Education and Learning
Notes to the financial statements
for the year ended 31 December 2022

	2022	2021 (Restated)
	GHS	GHS
4 Property, Plant & Equipment		
Cost:	Equipment	
At 1 January	-	-
Additions	<u>172,298</u>	<u>-</u>
At 31 December	172,298	-
Accumulated Depreciation:		
At 1 January	-	-
Charge for the year	<u>28,716</u>	<u>-</u>
At 31 December	28,716	-
Net Book Value:		
At 31 December	<u><u>143,582</u></u>	<u><u>-</u></u>
5 Cash and cash equivalents		
Cash at bank - US\$	24,755,961	15,052,352
Cash at bank - GHC	8,963,462	653,042
Mobile money	<u>456,099</u>	<u>-</u>
	<u><u>34,175,522</u></u>	<u><u>15,705,394</u></u>
Analysis of cash and cash equivalents		
Mastercard Foundation	26,421,435	13,920,842
Jacobs Foundation	4,963,890	-
T-TEL	<u>2,790,197</u>	<u>1,784,552</u>
	<u><u>34,175,522</u></u>	<u><u>15,705,394</u></u>

Transforming Teaching, Education and Learning
Notes to the financial statements
for the year ended 31 December 2022

	2022	2021 Restated
	GHS	GHS
6 Account receivables		
Staff advances	831,452	106,500
Subscription receivable	9,000	3,500
Other receivables	2,897,213	785,514
Prepayments	58,661	44,030
	<u>3,796,326</u>	<u>939,544</u>
7 Accounts payable		
Accounts payable	4,823,423	61,494
Other payables	1,091,898	201,781
Accrued expenses	123,000	548,443
	<u>6,038,321</u>	<u>811,718</u>
8 Deferred revenue		
At 1 January	15,535,405	-
Funds received	98,409,633	39,471,536
Exchange difference gain/(loss)	19,807,907	1,640,640
Transfer to revenue	(106,155,502)	(25,576,771)
At 31 December	<u>27,597,442</u>	<u>15,535,405</u>
Analysis of deferred revenue		
Mastercard Foundation - TSHEL	22,499,738	15,354,813
Jacobs Foundation - CEP	5,097,704	180,592
	<u>27,597,442</u>	<u>15,535,405</u>

Transforming Teaching, Education and Learning
Notes to the financial statements
for the year ended 31 December 2022

9 Donor grants

This represents funds received from donors and development partners that have been expended during the year. Unspent donor grants at year end are recorded as liability (deferred revenue).

	2022	2021 Restated
	GHS	GHS
Mastercard Foundation - TSHEL	85,659,933	24,310,602
Ed Tech Hub	-	198,634
DeliverEd (University of Oxford/University of Toronto)	-	176,555
Jacobs Foundation - CEP	11,578,270	-
Jacobs Foundation - White Loop	193,667	-
Jacobs Foundation - Ghana P2 Assessment Development	6,554,095	-
Jacobs Foundation - CEP Strategy Development	340,642	890,980
Jacobs Foundation - Ghana Education Sector MTDP Review	<u>1,828,895</u>	<u>-</u>
	<u>106,155,502</u>	<u>25,576,771</u>

10 Donations

Donations relates to cash contributions received from an individual towards the implementation of program activities of T-TEL.

11 Subscription fees

This is revenue from the annual subscription fees paid by subscribers. T-TEL has 15 subscribers and annual subscription fee per subscriber as determined by the board is five hundred Ghana Cedis (GH¢500). Subscription revenue is due and recognized at the beginning of every calendar year.

Transforming Teaching, Education and Learning
Notes to the financial statements
for the year ended 31 December 2022

	2022	2021 Restated
	GHS	GHS
12 Program costs		
Participants' trainings & workshops	52,407,790	5,085,325
Program consulting fees	11,510,988	5,818,152
Printing & publication costs	4,974,211	616,224
Program assets	1,914,775	2,772,114
Travel & monitoring expenses	2,475,937	1,067,586
Sub-grants	<u>8,911,225</u>	<u>-</u>
	<u><u>82,194,926</u></u>	<u><u>15,359,401</u></u>
13 Operating costs		
Staff costs	16,840,200	8,679,962
Office supplies	162,662	72,026
Communication & branding	488,800	119,089
Rent & Utilities	730,326	522,689
IT related expenses	74,155	82,509
Audit fees	112,500	80,851
Legal & professional fees	350,694	256,658
Other operating costs	<u>696,074</u>	<u>257,571</u>
	<u><u>19,455,411</u></u>	<u><u>10,071,355</u></u>
14 Finance costs		
Bank fees & charges	152,936	46,505
Exchange loss	<u>149,161</u>	<u>-</u>
	<u><u>302,097</u></u>	<u><u>46,505</u></u>

Transforming Teaching, Education and Learning

Notes to the financial statements

for the year ended 31 December 2022

15 Related parties

Parties are considered to be related if one party has the ability to control the other party or exercise influence over the other party in making financial and operational decisions, or if one party and another are subject to common control. Related parties of T-TEL include Subscribers, Board members, and key management personnel. The nature of the related party relationships, balances and transactions with related parties are disclosed in the notes to the financial statements.

The following are balances held with and transactions carried out with related parties during the year:

(a) Payment for consultancy and other services

T-TEL works closely with key advisors and consultants with significant experience and expertise in various areas of education. Some of these experts also serve as board members and subscribers of the organisation. Related party transactions with these board members and subscribers during the year are provided below:

	2022	2021
	GHS	GHS
Board members	887,932	333,836
Subscribers	<u>551,744</u>	<u>252,650</u>
	<u>1,439,676</u>	<u>586,486</u>

(b) Donation

Donation by Executive Director	<u>-</u>	<u>5,358</u>
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(c) Remuneration of key management personnel

Key management includes directors (executive and non-executive) and members of T-TEL's senior management team. As of 31 December 2022, there were nine directors and seven employees in the senior management team. The compensation paid or payable to key management for employee services is shown below:

Salaries and other short term employment benefits	<u>6,000,331</u>	<u>3,319,540</u>
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Transforming Teaching, Education and Learning

Notes to the financial statements

for the year ended 31 December 2022

15 Related parties (cont'd)

(d) Director's Remuneration

Members of the T-TEL board are entitled to payment of honoraria (allowances) and other travel related expenses when participating in T-TEL's meetings or any other official business of the organisation. The list of board members during the year under review is shown on page 2 of this report.

	2022	2021
	GHS	GHS
Allowances for services as director	<u>36,000</u>	<u>-</u>

16 Financial risk management

The organisation's activities expose it to some level of financial risks including credit risk, liquidity risk and market risk. T-TEL's overall risk management program focuses on minimising the potential adverse effects of these financial risks on its financial performance. Financial risk management is carried out by management under policies approved by the Board of Directors.

Credit risk

Credit risk is the risk of financial loss to T-TEL if the other party to the financial instrument fails to discharge or meet its contractual obligations. This risk arises principally from bank balances held with financial institutions and exposures from outstanding receivables balances. T-TEL manages its credit risk by holding its cash and bank balances with credible and licensed financial institutions in Ghana and maintaining credit control procedures over accounts receivable.

The organisation's maximum exposure to credit risk at the end of the year is as follows:

	2022	2021
	GHS	GHS
Account receivables (excluding staff receivables and prepayments)	2,906,213	789,014
Cash and cash equivalents (excluding cash at hand)	<u>33,719,423</u>	<u>15,705,394</u>
	<u>36,625,636</u>	<u>16,494,408</u>

As at 31 December 2022, the organisation's credit exposures on account receivables were neither past due nor impaired. Based on the credit history of these balances, it is expected that these amounts will be received when due.

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Notes to the financial statements

for the year ended 31 December 2022

16 Financial risk management (cont'd)

Liquidity risk

Liquidity risk is the risk that T-TEL will not be able to meet its financial obligations as they fall due. T-TEL manages liquidity risks by keeping adequate amount of cash to meet its daily financial obligations and program expenditure. Donor funds for program activities are disbursed to T-TEL based on disbursement milestones agreed in program contracts. Where applicable, T-TEL can fall on its donors to draw on the approved program budget (total contract amount) for additional funds to finance pending program activities and costs.

Market risk

Market risks is the risk that the fair value or future cash flows of a financial instrument will fluctuate due of changes in market prices. Market risk comprise of three main risks including currency risk, interest rate risk, and other price risk. These risks arise from open positions in interest rate, currency and equity prices, all of which are exposed to general and specific market movements and changes.

(i) Currency risk

Currency risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate due to changes in foreign exchange rates. T-TEL is specifically exposed to currency or exchange rate risk primarily with respect to the fluctuation in the United States dollars exchange rate against the Ghana cedi and the Swiss Francs (CHF). This risk arises mainly from the translation of foreign currency balances into the presentation currency (Ghana Cedis), and the translation of donor disbursements in other currencies that are received in United States dollars.

T-TEL regularly monitors the positions of currencies held to manage foreign exchange risk due to movements in rates. The organisation's exposure results from one major currency, i.e., United States Dollars. T-TEL does not hedge its foreign currency exposure but holds US dollar bank accounts to meet its financial obligations denominated in foreign currency. Foreign exchange gains and losses included in the statement of financial performance consist of both exchange gains and losses as follows:

	2022	2021
Exchange loss/(gain)	<u>149,160</u>	<u>(133,729)</u>

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Notes to the financial statements

for the year ended 31 December 2022

16 Financial risk management (cont'd)

(ii) *Interest rate risk*

Interest rate risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate due to changes in market interest rates. T-TEL does not hold any financial instrument that is subject to interest rate risk.

(iii) *Price risk*

Price risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate due to changes in market prices, other than interest rate risk and currency risk. T-TEL does not hold any financial instrument that is subject to price risk.

17 Restatement of prior year financial statements

STATEMENT OF FINANCIAL PERFORMANCE

		2021 Prior year	2021 Adjustment	2021 Restated
REVENUE	Note	GHS	GHS	GHS
Revenue from non-exchange transactions:				
Donor grants	1	36,287,755	(10,710,984)	25,576,771
Other donations		7,858	-	7,858
Revenue from exchange transactions:				
Subscription fees		7,500	-	7,500
Support service charges		49,218	-	49,218
Exchange gain	2	<u>1,774,369</u>	<u>(1,640,640)</u>	<u>133,729</u>
Total revenue		<u>38,126,700</u>	<u>(12,351,624)</u>	<u>25,775,076</u>
Total expenditure	3	<u>(25,440,410)</u>	<u>(36,851)</u>	<u>(25,477,261)</u>
Surplus for the year		<u>12,686,290</u>	<u>(12,388,475)</u>	<u>297,815</u>

Transforming Teaching, Education and Learning
Notes to the financial statements
for the year ended 31 December 2022

17 Restatement of prior year financial statements (cont'd)

STATEMENT OF FINANCIAL POSITION

		2021 Prior year	2021 Adjustment	2021 Restated
	Note	GHS	GHS	GHS
Non-current assets:				
Property, plant & equipment		-	-	-
Current assets				
Cash and cash equivalents		15,705,394	-	15,705,394
Account receivables		<u>939,544</u>	<u>-</u>	<u>939,544</u>
Total assets		<u>16,644,938</u>	<u>-</u>	<u>16,644,938</u>
Current liabilities				
Account Payable	3	774,867	36,851	811,718
Deferred revenue	1&2	<u>3,183,781</u>	<u>12,351,624</u>	<u>15,535,405</u>
Total liabilities		<u>(3,958,648)</u>	<u>(12,388,475)</u>	<u>16,347,123</u>
Net Assets		<u>12,686,290</u>	<u>(12,388,475)</u>	<u>297,815</u>
Represented by:				
Accumulated fund		<u>12,686,290</u>	<u>(12,388,475)</u>	<u>297,815</u>

STATEMENT OF CHANGES IN NETS ASSETS

Accumulated fund

Balance as at 1 January		-	-	-
Surplus for the year		<u>12,686,290</u>	<u>(12,388,475)</u>	<u>297,815</u>
Balance as at 31 December		<u>12,686,290</u>	<u>(12,388,475)</u>	<u>297,815</u>

Transforming Teaching, Education and Learning
Notes to the financial statements
for the year ended 31 December 2022

17 Restatement of prior year financial statements (cont'd)

STATEMENT OF CASHFLOWS		2021 Prior year	2021 Adjustment	2021 Restated
	Note	GHS	GHS	GHS
Cash flows from operating activities:				
Surplus for the year	1,2,3	12,686,290	(12,388,475)	297,815
Adjusted for:				
Increase in Accounts receivable		(939,544)	-	(939,544)
Increase in Accounts payable	3	774,867	36,851	811,718
Increase in Deferred income	1&2	<u>3,183,781</u>	<u>12,351,624</u>	<u>15,535,405</u>
Net Cash flows from operating activities		<u>15,705,394</u>	<u>-</u>	<u>15,705,394</u>
Net increase in cash and cash equivalents		15,705,394	-	15,705,394
Cash and cash equivalents at the beginning of the year		<u>-</u>	<u>-</u>	<u>-</u>
Cash and cash equivalents at the end of the year		<u>15,705,394</u>	<u>-</u>	<u>15,705,394</u>

Notes to restatement of prior year signed financial statements:

1. This relates to overstatement of income recognised on donor grants for the year, now being reversed to deferred income.
2. Adjustment relates to corresponding exchange gain on deferred income from gains on US\$ cash balances for unspent donor funds.
3. Adjustment for additional audit fees paid for 2021 Audit not accrued at year end.

Presentation of the Financial Statements in United States Dollars (US\$)

**(This does not form part of the financial statements
for the year end 31 December 2022)**

Transforming Teaching, Education and Learning

Appendix - Presentation of the financial statements in US Dollars

for the year ended 31 December 2022

STATEMENT OF FINANCIAL PERFORMANCE

	2022	2021
REVENUE	US\$	US\$
Revenue from non-exchange transactions		
Donor grants	11,526,113	4,327,711
Donations	-	1,330
Revenue from exchange transactions	-	
Subscription fees	814	1,269
Support service charges	-	8,328
Exchange gain	-	22,627
Total revenue	11,526,927	4,361,265
EXPENSES		
Program costs	(8,924,531)	(2,598,883)
Operating costs	(2,112,422)	(1,704,121)
Depreciation	(3,980)	-
Finance costs	(32,801)	(7,869)
Total expenses	(11,073,734)	(4,310,873)
Surplus for the year	453,193	50,392

Transforming Teaching, Education and Learning

Appendix - Presentation of the financial statements in US Dollars

for the year ended 31 December 2022

STATEMENT OF FINANCIAL POSITION

	2022	2021
ASSETS	US\$	US\$
Non-current assets		
Property, plant & equipment	19,901	-
Current assets		
Cash and cash equivalents	3,797,280	2,574,655
Account receivables	<u>419,580</u>	<u>153,829</u>
Total assets	<u><u>4,236,761</u></u>	<u><u>2,728,484</u></u>
Current liabilities		
Account payable	666,793	133,068
Deferred revenue	<u>3,066,383</u>	<u>2,545,024</u>
Total liabilities	<u><u>3,733,176</u></u>	<u><u>2,678,092</u></u>
Net Assets	<u><u>503,585</u></u>	<u><u>50,392</u></u>
Represented by:		
Accumulated fund	<u><u>503,585</u></u>	<u><u>50,392</u></u>

Transforming Teaching, Education and Learning

Appendix - Presentation of the financial statements in US Dollars

for the year ended 31 December 2022

STATEMENT OF CHANGES IN NET ASSETS

	2022	2021
Accumulated fund	US\$	US\$
Balance as at 1 January	50,392	-
Surplus for the year	<u>453,193</u>	<u>50,392</u>
Balance as at 31 December	<u>503,585</u>	<u>50,392</u>

Transforming Teaching, Education and Learning

Appendix - Presentation of the financial statements in US Dollars

for the year ended 31 December 2022

STATEMENT OF CASHFLOWS

	2022	2021
	US\$	US\$
Cashflows from operating activities		
Surplus for the year	453,193	50,392
Adjusted for:		
Depreciation	3,980	-
Changes in working capital		
Change in Accounts receivable	(265,750)	(153,829)
Change in Accounts payable	533,725	133,069
Change in Deferred revenue	<u>521,359</u>	<u>2,545,024</u>
Net cash flows from operating activities	1,246,506	2,574,655
Cash flows from investing activities		
Purchase of equipment	<u>(23,881)</u>	<u>-</u>
Net cash flows from investing activities	<u>(23,881)</u>	<u>-</u>
Net increase in cash and cash equivalents	1,222,625	2,574,655
Cash and cash equivalents at the beginning of the year	<u>2,574,655</u>	<u>-</u>
Cash and cash equivalents at the end of the year	<u>3,797,280</u>	<u>2,574,655</u>