



AFRICAN CENTRE OF EXCELLENCE FOR GENOMICS OF
INFECTIOUS DISEASES (ACEGID)
REDEEMER'S UNIVERSITY

ANNUAL REPORTS AND FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2018



SIAO - Accomplish More

(Chartered Accountants)
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AFRICAN CENTRE OF EXCELLENCE FOR GENOMICS OF INFECTIOUS DISEASES (ACEGID)
Annual Reports And Audited Financial Statements For The Year Ended 31 December, 2018

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AFRICAN CENTRE OF EXCELLENCE FOR GENOMICS OF INFECTIOUS DISEASES (ACEGID)
Annual Reports And Audited Financial Statements For The Year Ended 31 December, 2018

General Information

PROJECT CENTRE OFFICIALS

Prof. Christian Happi	- Director
Dr. Folarin Onikepe	- Deputy Director
Mr. Adebayo Amao	- Project Manager
Mr. Idowu Afolabi	- Project Accountant
Mrs. Banjo Adeyemi	- Project Internal Auditor
Mrs. Osilaja Lucy	- Procurement Officer
Mr. Edevo Meshack	- Finance Officer

DIRECTORATE OF INTERNAL AUDIT

Mrs. Kikelomo O. Akinlawon	- Principal Internal Auditor
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UNIVERSITY PRINCIPAL OFFICERS

Professor Anthony E. Akinlo	- Vice-Chancellor
Professor Kayode S. Adekeye	- Deputy Vice Chancellor
Mr. Olukayode E. Akindele	- Registrar
Mrs. M. O. Olutayo-David	- Bursar
Dr. Emmanuel L. Adebayo	- University Librarian

INDEPENDENT AUDITORS

SIAO (Chartered Accountants)
18b, Olu Holloway Road,
Ikoyi,
Lagos

BANKERS

Diamond Bank Plc (Now Access Bank Plc)
Zenith Bank Plc

Host University

Redeemer's University

Postal Address

P.M.B 230, Ede,
Osun State,
Nigeria.

AFRICAN CENTRE OF EXCELLENCE FOR GENOMICS OF INFECTIOUS DISEASES (ACEGID)
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General Information - Cont'd

Regional Partners

Names	Town/State	Country
University of Ibadan,	Ibadan – Oyo	Nigeria
Irrua Specialist Teaching Hospital,	Irrua – Edo	Nigeria
Universite Cheikh Anta-Diop,	Dakar	Senegal
University of Sierra Leone,	Sierra Leone	Sierra Leone
Kenema Government Hospital,	Kenema	Sierra Leone
West Africa Genomics Research Networks		

Global Partners

Names	Town/State	Country
Harvard University,	Cambridge-Massachusetts	USA
Broad Institute,	Cambridge-Massachusetts	USA
Tulane University,	New Orleans-Louisiana	USA
National Institute of Allergy and Infectious Diseases	Maryland	USA
Viral Hemorrhagic Fever Consortium	Maryland	USA
University of Cambridge	Cambridge	UK
Walter Reed Army Institute of Research	Maryland	USA

VISION

To become an International Centre of Excellence with a global perspective that educates genomics leaders who will transform the World through high quality translational genomics-based research on health.

To constitute a strong force in support of the research on the study of humans and microbes to transform the clinical care, surveillance and understanding of infectious diseases.

VALUES

To attain the highest level of student learning, discovery and creative work in an atmosphere of inclusion, collaboration and partnership, guided by the highest standards of ethical conduct.

MISSION

- To create, preserve and disseminate knowledge.
- To carry out each part of our mission at the highest level of excellence by guiding, facilitating and enhancing education and research quality, opportunities and experiences for all graduate students and researchers.
- To educate the students for leadership and scholarship by creating a vibrant environment that is free of outside influences that transcends international boundaries and where creative, relevant, responsive, ethical and high quality translational genomics-based research on health in Africa is conducted.

Report of the Project Officials

The Project Officials are responsible for the preparation of the financial statements which give a true and fair view in compliance with the International Financial Reporting Standards (IFRSs) and in the manner required by the Financial Reporting Council (FRC) of Nigeria Act, 2011.

Background Information of the Centre

The African Centre of Excellence for Genomics of Infectious Diseases (ACEGID, the Centre and the Project) is located at Redeemer's University, Ede, Osun State in Nigeria and it is a World Bank funded collaborative research center. The Centre was established in September 2013 after a very competitive application and selection process by the World Bank.

The initial African partners include: Redeemer's University, Irrua Specialist Teaching Hospital (ISTH), Irrua, Edo State, Nigeria; University of Sierra Leone, Freetown, Sierra Leone; Kenema Government Hospital, Kenema, Sierra Leone, Universite Cheikh Anta-Diop de Dakar, Senegal and Hpsital Aristide Le Dantec, Dakar, Senegal.

The international collaborators of the Centre include: Harvard University, Cambridge, Massachusetts, USA; Tulane University, New Orleans, Louisiana, USA; The Broad Institute of Harvard and MIT, Cambridge, MA, USA; University of Cambridge, Cambridge, UK and the Viral Haemorrhagic Fever Consortium (VHFC), New Orleans, Louisiana, USA and some industry partners.

ACEGID has a mandate to build capacity in the field of genomics in young African scientists and use, identify and characterize pathogens of unknown origin using microbial metagenomics. Ultimately the Project aims to translate the research outcome to products that can be deployed to the field in order to contribute to the control, management and elimination of infectious diseases in the African continent.

Primary Thematic Discipline of Centre

The Centre's primary thematic discipline for the year under review are infectious diseases such as Malaria, Lassa and Ebola.

Key Objectives and Expected Outcomes

Overarching Goal:

To create a vibrant academic and research environment that is free of outside influences, and that transcends national boundaries and ensures the conduct of relevant, responsive, ethical and high quality translational genomics-based research on health in Africa.

Specific Aims

- Develop African research capacity in genomics by building well-trained scientists;
- Empower African researchers to utilize genomics-based tools towards the control and elimination of infectious diseases;
- Create genomics curricula to support and promote cutting-edge genomics-based research;
- Engage communities in prevention efforts and public health education;

Report of the Project Officials – Cont'd

- Use field-deployed and state-of-the-art genomic technology to identify pathogens driving febrile illness and
- Create a foundation for African scientists to carry out tractable and important genetic research projects entirely in the Continent.

Result for the year end:

The summary of the operating result from fund utilization for the financial year ended December 31, 2018 as stated below:

	2018 N	2017 N
Income and Grants	<u>1,535,724.355</u>	<u>747,850.552</u>
Less: Expenditure	<u>695,164.957</u>	<u>350,591,589</u>
Surplus of income over expenditure	<u>840,559.398</u>	<u>397,258.963</u>

Property, Plant and Equipment

Information relating to changes in property, plant and equipment is shown in **note 5** to the financial statements. The Project Officials believe that the market value of the Centre's property, plant and equipment is not less than the carrying value shown in the financial statements.

Events after the reporting period

The Project Officials are not aware of an event subsequent to December 31, 2018 not arising in the normal course of the research activities of the Centre, which are likely to have a material effect on the financial information contained in these financial statements and/or may have affected the true and fair view of the Centre's state of affairs as at that date.

Employment of Physically Challenged Persons

It is the Center's policy that there should be no discrimination in considering applications for employment including those that are physically challenged persons. All employees whether physically challenged or not are given equal opportunities to develop their experience and knowledge in the Centre. As at December 31, 2018, no physical challenged person was employed at the Centre.

AFRICAN CENTRE OF EXCELLENCE FOR GENOMICS OF INFECTIOUS DISEASES (ACEGID)
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Report of the Project Officials – Cont'd

Health and Safety of the Centre Employment

Health and safety regulations are in force within the Centre's premises and employees are aware of existing regulations.

Information about the Centre Sponsors

The Centre benefited from the sponsorship and/or partnership of the following organization, body and councils through award of grants for research purposes in the field of Genomics of Infectious Diseases. The sponsors and their area of interest are as stated below.

NAME OF THE SPONSOR	PROJECT	DURATION
World Bank - (Through the Association of African Universities (AAU))	Africa Centre of Excellence for Genomics of Infectious Diseases.	November 01, 2013 to December 31, 2019. Renewed 2020 to 2025
National Institutes of Health (NIH)	Genomic Characterization and Surveillance of Microbial Threats in West Africa.	September 23 rd , 2013 to June 30 th , 2019.
Biotechnology and Biological Sciences Research Council (BBSRC)	One Health and Accelerating Vaccines for Ebola and Lassa (OVEL).	May 01, 2018 to March 31 st , 2021
Joint West Africa Research Group (JWARG)	Infectious Disease Surveillance Studying to include: Malaria, Yellow Fever, Lassa Fever and Dengue.	2018 - 2023
Human Heredity and Health in Africa (H3)	Contemporary Research approach to the study of Genomics and Environmental Determinants of Common Disease in Africa	2018 - 2023
Coalition for Epidemic Preparedness Innovations (CEPI)	Consortium for Lassa Fever Epidemiology and Clinical Trial (COLECT)	2019 - 2021

Admission into the Centre

In line with the Centre primary objectives to develop a critical mass of well-trained Genomics Scientists in Africa Continent, student enrolment as at December 31, 2018 were:

Programme	2018	2017
Master Degree Level	11	5
PHD. Degree Level	5	3

Admission of students into the Centre was processed through the Redeemer's University, Ede – Osun State.

Report of the Project Officials – Cont'd

Major Accomplishments to Date:

- Accurate diagnosis of the first case of Ebola in Sierra Leone and Nigeria in the 2014 EVD outbreak;
- Sequenced approximately 250 Ebola virus genomes and made available in the databank;
- Provided tools and training for disease diagnosis, sequencing and bioinformatics;
- Developed the capacity and provide facilities to study a BL4 pathogen in rural field settings (Nigeria and Sierra Leone);
- Developed Ebola virus rapid diagnostics test (RDT) for rapid diagnosis of the disease in 10mins
- Developed a new pan – Lassa fever rapid diagnostics test kit for diagnosis of the -disease in 10mins;
- Discovered 2 novel highly divergent rhabdovirus in Ekpoma, Nigeria;
- Used clinical sequencing to uncover the origin and evolution of Lassa virus;
- Discovered neutralizing monoclonal antibodies that target epitopes on Lassa virus glycoproteins giving potential for immunotherapeutic in Lassa fever;
- Participated in the 100 genome project for the development of global reference for human genetic variation
- Received the 1st prize in the Life Sciences and Medicine category at the 6th Nigerian Universities Research and Development fair and
- Trained approximately 500 young African scientists in the field of Genomics and Bioinformatics between 2014 till date.

Overall Projects Achievements

Following the Award of the project in 2013 by the World Bank and subsequent signature of the performance agreement contact between Redeemer's University and the National Universities Commission in February 2015, ACEGID at Redeemer's University has been engaged in research and academic activities that have highly impacted health development in the West Africa Sub-region, as well as significantly improved the visibility of Redeemer's University and other West African collaborating institutions in the Committee of Universities in Africa and the World.

Format of Financial Statements

The financial statements of African Centre of Excellence for Genomics of Infectious Diseases have been prepared in accordance with the reporting and presentation requirements of International Financial Reporting Standards (IFRSs) issued by International Accounting Standards Board (IASB) as adopted by the Financial Reporting Council of Nigeria (FRC).

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Report of the Project Officials – Cont'd

Independent Auditor's

Messrs SIAO (Chartered Accountants) have indicated their willingness to continue in office as Auditors to the Centre.

Folarin

Onikepe folarin

BY ORDER OF THE CENTRE

DATE: *11/05/2019*

STATEMENT OF PROJECT OFFICIALS' RESPONSIBILITIES

The Project Officials are responsible for the preparation of the financial statements which give a true and fair view in compliance with the International Financial Reporting Standards (IFRSs), and in the manner required by the Financial Reporting Council (FRC) of Nigeria Act, 2011.

The project officials are obliged to ensure that:

- Proper accounting records are maintained;
- Internal control measures are instituted which, as far as is reasonably possible to safeguard the assets;
- Actions are taken to prevent and detect fraud and other irregularities;
- Applicable accounting standards are followed for financial reporting;
- Suitable accounting policies are adopted and consistently applied;
- Judgments and estimates made are reasonable and prudent, and
- The going-concern basis is used, unless it is inappropriate to presume that the Centre will continue in operation.

The Project Officials are responsible for keeping proper accounting records which disclose, with reasonable accuracy at any time, the financial position of the Centre.

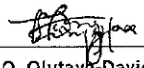
The Project Officials accept responsibilities for the annual financial statements, which have been prepared using appropriate accounting policies supported by reasonable and prudent judgments and estimates in conformity with the International Financial Reporting Standards (IFRSs), the requirements of the Companies and Allied Matters Acts, CAP C20 LFN 2004 and Financial Reporting Council of Nigeria Act, 2011.

The Project Officials further accept responsibility for the maintenance of accounting records that may be relied upon in the preparation of the financial statements as well as adequate systems of financial control.

The Project Officials have made an assessment of the Centre's ability to continue as a going concern and have no reasons to believe that the Centre will not continue as a going concern in the year ahead.

Signed on behalf of the Project Officials


Prof. Christian Happi
Centre Director


Mrs. M. O. Olutayo-David
Bursar, Redeemer University



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Website: www.siao-ng.com

Independent Auditor's Report

Report of the Auditors to the stakeholders of the AFRICAN CENTRE OF EXCELLENCE FOR GENOMICS OF INFECTIOUS DISEASES (ACEGID)

Opinion

We have audited the accompanying Financial Statements of the **African Centre of Excellence for Genomics of Infectious Diseases (ACEGID)**, which comprise the Statement of Financial Position as at December 31, 2018, and the Statement of Income and Expenditure, and Cashflows Statement for the year then ended, which have been prepared on the basis of the summary of the significant accounting policies on **pages 17 to 29** and other explanatory notes to the Financial Statements, as set out on **pages 30 to 36**.

In our opinion, the Financial Statements present fairly, in all material respects, the financial position of the **African Centre of Excellence for Genomics of Infectious Diseases (ACEGID)**, and its financial performance for the year then ended in accordance with International Financial Reporting Standards (IFRSs) issued by the International Accounting Standard Board.

Basis for Opinion

We conducted our audit in accordance with International Standards on Auditing. 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 Centre in accordance with the International Ethics Standards Board for Accountants Code of Ethics for Professional Accountants (Parts A and B) (IESBA Code) and other independence requirements applicable to performing audits of financial statements in Nigeria. We have fulfilled our other ethical responsibilities in accordance with the IESBA Code and in accordance with other ethical requirements applicable to performing audits in Nigeria.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Other Matter

The financial statements of the **African Centre of Excellence for Genomics of Infectious Diseases (ACEGID)**, for the year ended December 31, 2017 were audited by another Auditors, **BBC Professionals**, who expressed an unmodified opinion on those statements on June 27th, 2018.

Other Information in the Audit Report

The Project Officials are responsible for the other information. The other information comprises the Project Official's Report which we obtained prior to the date of this report. Other information does not include the Financial Statements and our auditor's report thereon.

Our opinion on the Financial Statements does not cover the other information and we do not express an audit opinion or any form of assurance conclusion thereon.

In connection with our audit of the Financial Statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the Financial Statements or our knowledge obtained in the audit, or otherwise appears to be materially misstated. If, based on the work we have performed, 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 Project Officials for the Financial Statements

The Project Officials are responsible for the preparation and fair presentation of the Financial Statements in accordance with International Financial Reporting Standards and for such internal control as the Project Officials determine is necessary to enable the preparation of Financial Statements that are free from material misstatement, whether due to fraud or error.

In preparing the Centre's financial statements, Project Officials are responsible for assessing the Centre's ability to continue as a going concern, disclosing as applicable, matters related to going concern and using the going concern basis of accounting unless the Project Officials either intend to liquidate the Centre or to cease operation or have no realistic alternative to do so.

Auditors' Responsibilities for the Audit of the Financial Statements

Our objectives are to obtain reasonable assurance about whether the Financial Statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with International Standards on Auditing 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 International Standards on Auditing (IAS), we exercise professional judgement 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 for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control;
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Centre's internal control;
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the Project Officials;
- Conclude on the appropriateness of the Project Officials' 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 Centre ability to continue into the future.
- 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 Centre to cease to continue as a going concern, and



- Evaluate the overall presentation, structure and content of the Centre Financial Statements, including the disclosures, and whether the Centre Financial Statements represent the underlying transactions and events in a manner that achieves fair presentation.

We obtain sufficient and appropriate audit evidence regarding the financial information of the Centre to express an opinion in the Centre financial statements. We are responsible for the direction, supervision and performance of the Centre and we remain solely responsible for our audit opinion.

We communicate with the Project Officials and the Host University regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

Report on Other Legal Requirements

The Companies and Allied Matters Act CAP C20 LFN 2004, requires that in carrying out our audit we consider and report to you on the following matters. We confirm that:

- We have obtained all the information and explanation which to the best of our knowledge and belief were necessary for the purposes of our audit;
- The Centre has kept proper books of accounts, so far as appears from our examination of those books and returns adequate for our audit have been received from the Project Officials, and
- The Centre's Statement of Financial Position and Statement of Income and Expenditure are in agreement with the books of accounts, as at December 31, 2018.

Abiodun Ariyibi
FRC/2013/ICAN/00000001548

For: SIAO (Chartered Accountants)

Lagos, Nigeria.

Date: 13th May 2019

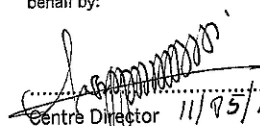


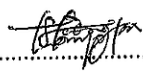
AFRICAN CENTRE OF EXCELLENCE FOR GENOMICS OF INFECTIOUS DISEASES (ACEGID)
Annual Reports And Audited Financial Statements For The Year Ended 31 December, 2018

STATEMENT OF FINANCIAL POSITION
AS AT 31ST DECEMBER, 2018

	Notes	2018 =N=	2017 =N=
NON - CURRENT ASSET			
Property Plant and Equipment	5	849,950,811	204,207,924
CURRENT ASSETS			
Cash and Cash Equivalents	6	935,185,712	751,230,553
Trade Receivables	7	42,011,378	24,448,000
Other Receivables	8	8,718,550	757,680
Prepayment	9	4,949,975	
TOTAL ASSETS		<u>1,840,816,426</u>	<u>980,644,157</u>
RESERVES AND LIABILITIES:			
Reserves	10	1,819,924,449	979,365,051
CURRENT LIABILITIES			
Other Payables	11	20,891,977	1,279,106
TOTAL RESERVES AND LIABILITIES		<u>1,840,816,426</u>	<u>980,644,157</u>

The financial statements were approved by the Project Official on 11/05/19 and were signed on its behalf by:


 Centre Director 11/05/2019


 University Bursar

The significant accounting policies on pages 17 to 29 and the accompanying explanatory notes on pages 30 to 36 form an integral part of these financial statements.

AFRICAN CENTRE OF EXCELLENCE FOR GENOMICS OF INFECTIOUS DISEASES (ACEGID)
Annual Reports And Audited Financial Statements For The Year Ended 31 December, 2018

STATEMENT OF INCOME AND EXPENDITURE
FOR THE YEAR ENDED 31ST DECEMBER, 2018

	Notes	2018 =N=	2017 =N=
INCOME			
Grants	12	1,479,702,918	736,025,544
Finance income	0	-	2,304,424
Registration and tuition fees	0	5,917,000	9,520,584
Exchange gain (Unrealized)		45,088,016	-
Other income	0	-	-
		<u>1,530,707,933</u>	<u>747,850,552</u>
EXPENDITURE:			
Salaries and wages		85,606,828	81,018,540
Advertisement and publicity		194,100	1,511,732
Seminars and courses		69,726,638	42,280,699
ACE meetings and workshop		9,928,296	13,368,891
Genomics foundational training		-	1,689,285
Printing and stationery		3,470,383	1,195,250
Flight and airport expenses		30,395,382	8,805,973
Office consumables		62,670	-
I.T expenses		7,049,200	6,498,822
Cleaning charges		1,507,975	1,299,876
Electricity & lighting		4,137,450	3,606,650
Telephone and postages		167,330	213,395
Transport expenses		4,212,485	14,739,830
Entertainment expenses		1,618,050	637,945
Bank charges		3,540,237	670,103
International Accreditation and Certification Cost		17,182,932	-
Repairs and maintenance		29,496,143	17,441,642
Motor vehicle running		6,102,127	4,845,283
Exchange difference (Loss)		-	12,544,646
Laboratory consumables		33,917,593	53,398,736
Reimbursable expenses - Audit		500,000	500,000
Conference expenses		29,591,857	-
Depreciation - PPE		38,420,659	30,156,986
Security expenses		153,000	1,642,500
Subscription		-	1,446,935
Sub-award		276,801,070	-
Hotel expenses		3,872,677	1,908,470
Rent expenses		500,000	-
Vehicle leasing		24,749,875	28,402,200
Facilities and administration		12,260,000	20,767,200
		<u>695,164,957</u>	<u>350,591,589</u>
Surplus of income over expenditure		<u>835,542,977</u>	<u>397,258,963</u>

The significant accounting policies on pages 17 to 29 and the accompanying explanatory notes on pages 30 to 36 form an integral part of these financial statements.

AFRICAN CENTRE OF EXCELLENCE FOR GENOMICS OF INFECTIOUS DISEASES (ACEGID)
Annual Reports And Audited Financial Statements For The Year Ended 31 December, 2018

STATEMENT OF CASHFLOWS
FOR THE YEAR ENDED 31ST DECEMBER, 2018

	Notes	2018 =N=	2017 =N=
CASHFLOWS FROM OPERATING ACTIVITIES			
Excess of income over expenditure		840,559,398	397,258,963
Adjustments for non-cash items:			
Depreciation - PPE	5	38,420,659	30,156,986
Interest income		(3,346,300)	(2,304,424)
Exchange gain (Unrealized)		45,088,016	.
Operating surplus before changes in working capital		920,721,773	425,111,525
Changes in Working Capital			
Changes in payables		19,612,872	(107,070,964)
Changes in receivables	7	(25,524,248)	(7,217,930)
Changes in prepayment	9	(4,949,975)	.
Cash Inflows from Operating Activities		909,860,422	310,822,631
INVESTING ACTIVITIES			
Purchase of Property Plant and Equipment	5	(684,163,547)	(50,336,999)
Interest received		3,346,300	2,304,424
Cash Outflows from Investing Activities		(680,817,247)	(48,032,575)
Net increase in cash and cash equivalents		229,043,175	262,790,056
Cash and cash equivalents as at 1 January		751,230,553	488,440,497
Exchange gain (Unrealized)		(45,088,016)	.
Cash and cash equivalents as at 31 December	6	935,185,712	751,230,553

The significant accounting policies on pages 17 to 29 and the accompanying explanatory notes on pages 30 to 36 form an integral part of these financial statements.

AFRICAN CENTRE OF EXCELLENCE FOR GENOMICS OF INFECTIOUS DISEASES (ACEGID)
Annual Reports And Audited Financial Statements For The Year Ended 31 December, 2018

GENERAL INFORMATION

1.0 Reporting Entity

The African Centre of Excellence for Genomics of Infectious Diseases (ACEGID, the Centre and the Project) is located at Redeemer's University, Ede, Osun State in Nigeria and it is a World Bank funded collaborative research center. Partners in the collaboration are West African Academic and Medical Institutions, International Academic and Research Institutions, as well as industry partners.

The initial African partners include: Redeemer's University, Irrua Specialist Teaching Hospital (ISTH), Irrua, Edo State, Nigeria; University of Sierra Leone, Freetown, Sierra Leone; Kenema Government Hospital, Kenema, Sierra Leone, Universite Cheikh Anta-Diop de Dakar, Senegal and Hpsital Aristide Le Dantec, Dakar, Senegal.

The initial international collaborators of the Centre include: Harvard University, Cambridge, Massachusetts, USA; Tulane University, New Orleans, Louisiana, USA; The Broad Institute of Harvard and MIT, Cambridge, MA, USA; University of Cambridge, Cambridge, UK and the Viral Haemorrhagic Fever Consortium (VHFC), New Orleans, Louisiana, USA. Initial industry partners include: Zalgen LLC, Georgetown, MS, USA; Mass Design, Boston, MA, USA; Dimagi, Cambridge, MA, USA; The Centre was established in September 2013 after a very competitive application and selection process by the World Bank.

ACEGID has a mandate to build capacity in the field of genomics in young African scientists and use, identify and characterize pathogens of unknown origin using microbial metagenomics. Ultimately the Project aims to translate the research outcome to products that can be deployed to the field in order to contribute to the control, management and elimination of infectious diseases in the African continent.

1.1 Composition of Financial Statements

The Centre Financial Statements comprise:

- Statement of Financial Position
- Statement of Income and Expenditure
- Statement of Cashflows
- Notes to the Financial Statements and
- Accounting policies.

1.2 Statement of Compliance

These financial statements for the year ended 31st December 2018 have been prepared in accordance with International Financial Reporting Standards (IFRSs) as issued by the International Accounting Standards Board (IASB), that are effective as at 31st December 2018 and in the manner required by the Financial Reporting Council (FRC) Act, 2011.

GENERAL INFORMATION – CONT'D

1.3 Functional and Presentation Currency

The financial statements are presented in Naira, which is the Centre's presentational currency. The figures shown in the financial statements are stated to the nearest Naira.

The accounting policies set out below have been applied in these financial statements unless otherwise indicated.

1.4 Translation of Foreign Currencies

Foreign currency transactions are recorded on initial recognition in Naira by translating the foreign currency amount at the spot exchange rate between the functional currency and foreign currency at the date of the translation.

At the end of the reporting period:

- Foreign currency monetary items are translated using the applicable closing foreign exchange rates.
- Non-monetary items that are carried at historical cost translated at the exchange rate at the date of translation.

Exchange differences arising on the settlement of monetary items or on translating monetary items are recognized in the statement of income and expenditure in the period in which they arise.

2.0 Significant Accounting Policies

2.1 Basis of presentation and compliance with IFRSs

The Centre's financial statements for the year ended 31 December, 2018 are prepared and presented in accordance with, and comply with International Financial Reporting Standard (IFRSs) and International Financial Reporting Interpretation Committee (IFRIC) interpretations issued and effective for the period presented.

2.2 Basis of Measurement

The financial statements have been prepared under the historical cost convention, unless mentioned otherwise in the accounting policies and notes to the financial statements.

2.3 Critical accounting judgements, estimates, and assumptions

Management is required to adopt those accounting policies most appropriate to the circumstances for the purposes of presenting fairly the Centre's financial position, financial performance, and cash flows. The preparation of the Centre's financial statements requires management to make judgements, estimates, and assumptions that affect the application of policies and reported amounts of assets and liabilities, income and expenses.

SIGNIFICANT ACCOUNTING POLICIES – CONT'D

These judgements, estimates, and associated assumptions are based on historical experience and other factors, including expectations of future events that are believed to be reasonable under the circumstances. The resulting accounting estimates will, by definition, seldom equal the related actual results.

Management consider the areas set out below to be those where critical accounting judgements have been applied and the resulting estimates and assumptions may lead to adjustments to the future carrying amounts of assets and liabilities:

(i) Revenue recognition

Revenues are subject to judgement over when and by how much revenues should be recognized in the financial statements. This includes determining when performance criteria have been met, recognizing research and other funding revenues in line with expenditure once a right to the funding is deemed to have arisen, and determining the revenues associated with partially delivered courses and training for students where the activities have not been fully completed at the reporting date.

(ii) Depreciation and amortization

The depreciation and amortisation expense is the recognition of the use of the asset over its estimated useful life. Judgements are made as to the estimated useful lives of the assets and associated residual values which may be impacted by changes in economic or technological circumstances.

(iii) Useful lives of property and equipment

The Centre determines the estimated useful lives and related depreciation charges for its property and equipment. This estimate is based on projected product lifecycles. It could change significantly as a result of technical innovations and competitor actions in response to severe industry cycles. Management will increase the depreciation charge where useful lives are less than provided estimated lives or it will write off or write down technically obsolete or non-strategic assets that have been abandoned or sold.

2.4 Property, Plant and Equipment

2.4.1 Recognition and measurement

The Centre recognizes items of property, plant and equipment at the time the cost is incurred. These costs include costs incurred initially to acquire or construct an item of property, plant and equipment as well as the costs of its dismantlement, removal or restoration, the obligation for which the Centre incurs as a consequence of using the item over its useful life.

Items of property and equipment are measured at cost less accumulated depreciation and impairment losses. When parts of an item of property or equipment have different useful lives, they are accounted for as separate items (major components) of property and equipment. Depreciation methods, useful lives and residual values of property, plant and equipment are reviewed at each reporting date, if appropriate. Assets are impaired whenever events or changes in circumstances indicate that the carrying amount is less than the recoverable amount.

SIGNIFICANT ACCOUNTING POLICIES – CONT'D

2.4.2 Subsequent Costs

The cost of replacing part of an item of property or equipment is recognized in the carrying amount of the item if it is probable that the future economic benefits embodied within the part will flow to the Centre and its cost can be measured reliably. The carrying amount of the replaced part is derecognized. The costs of the day-to-day servicing of property, plant and equipment are recognized in the statement of income and expenditure as incurred.

2.4.3 Depreciation of Property, Plant and Equipment

Depreciation is recognized in the income statement on a straight-line basis to write down the cost of each asset, less their residual values over the estimated useful lives of each part of an item of property and equipment.

Depreciation begins when an asset is available for use and ceases at the earlier of the date that the asset is derecognized or classified as held for sale in accordance with IFRS 5. A non-current asset or disposal group is not depreciated while it is classified as held for sale.

The estimated useful lives for the current and comparative periods are as follows:

Land	·	Nil
Buildings Improvement	·	10 %
IT Equipment	·	12.5 %
Furniture and Fittings	·	12.5 %
Office Equipment	·	12.5 %
Laboratory Equipment	·	12.5 %
Guest House Equipment	·	12.5 %
Plant and Machinery	·	15 %

2.4.4 De-recognition

An item of property, plant and equipment is derecognized upon disposal or when no future economic benefits are expected to arise from the continued use of the asset. Any gain or loss arising on the disposal or retirement of an item of property, plant and equipment is determined as the difference between the net disposal proceeds and the carrying amount of the assets and is recognized in the statement of income and expenditure under "other gains and losses."

2.4.5 Building Improvement

All costs incurred on building structure are classified as "Building Improvement" within property, plant and equipment. These costs are recognized based on materiality and the expectation that they will enhance the useful life of the building.

The Centre did not have title to the land where the building structure is situated, hence all accumulated costs incurred on building improvement are depreciated using the applicable rate in line with the Centre's depreciation policy.

SIGNIFICANT ACCOUNTING POLICIES – CONT'D

2.5 Financial instruments

i. Non-derivative financial assets and financial liabilities – recognition and initial measurement

Trade receivables and debt securities issued are initially recognised when they are originated. All other financial assets and financial liabilities are initially recognised when the Centre becomes a party to the contractual provisions of the instrument.

A financial asset (unless it is a trade receivable without a significant financing component) or financial liability is initially measured at fair value plus, for an item not at FVTPL, transaction costs that are directly attributable to its acquisition or issue. A trade receivable without a significant financing component is initially measured at the transaction price.

ii. Classification and subsequent measurement

Financial assets - Policy applicable from 1 January 2018

On initial recognition, a financial asset is classified as measured at: amortised cost; fair value through other comprehensive income (FVOCI) – debt investment; fair value through other comprehensive income (FVOCI) – equity investment; or fair value through profit or loss (FVTPL).

Financial assets are not reclassified subsequent to their initial recognition unless the Centre changes its business model for managing financial assets, in which case all affected financial assets are reclassified on the first day of the first reporting period following the change in the business model.

A financial asset is measured at amortised cost if it meets both of the following conditions and is not designated as at FVTPL:

- it is held within a business model whose objective is to hold assets to collect contractual cash flows; and
- its contractual terms give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding.

Financial assets - Subsequent measurement and gains and losses: Policy applicable from 1 January 2018

Financial assets at amortised cost: These assets are subsequently measured at amortised cost using the effective interest method. The amortised cost is reduced by impairment losses. Interest income, foreign exchange gains and losses and impairment are recognised in profit or loss. Any gain or loss on derecognition is recognised in profit or loss.

Financial assets - Policy applicable before 1 January 2018

The Centre classifies non-derivative financial assets into loans and receivables.

SIGNIFICANT ACCOUNTING POLICIES – CONT'D

Financial assets - Subsequent measurement and gains and losses: Policy applicable before 1 January 2018

Loans and receivables: These assets are initially recognised at fair value plus any directly attributable transaction costs. Subsequent to initial recognition, they are measured at amortised cost using the effective interest method.

Cash and cash equivalents: Cash and cash equivalents includes cash at bank and deposit held at banks on local and domiciliary accounts.

Financial liabilities - Subsequent measurement and gains and losses

Financial liabilities are classified as measured at amortised cost or FVTPL. A financial liability is classified as at FVTPL if it is classified as held-for-trading, it is a derivative or it is designated as such on initial recognition. Financial liabilities at FVTPL are measured at fair value and net gains and losses, including any interest expense, are recognised in profit or loss. Other financial liabilities are subsequently measured at amortised cost using the effective interest method. Interest expense and foreign exchange gains and losses are recognised in profit or loss. Any gain or loss on derecognition is also recognised in profit or loss.

iii. Derecognition

Financial assets

The Centre derecognises a financial asset when the contractual rights to the cash flows from the financial asset expire, or it transfers the rights to receive the contractual cash flows in a transaction in which substantially all of the risks and rewards of ownership of the financial asset are transferred or in which the Centre neither transfers nor retains substantially all of the risks and rewards of ownership and it does not retain control of the financial asset.

Financial liabilities

The Centre derecognises a financial liability when its contractual obligations are discharged or cancelled, or expire. The Centre also derecognises a financial liability when its terms are modified and the cash flows of the modified liability are substantially different, in which case a new financial liability based on the modified terms is recognised at fair value.

On derecognition of a financial liability, the difference between the carrying amount extinguished and the consideration paid (including any non-cash assets transferred or liabilities assumed) is recognised in profit or loss.

2.6 Statement of Cash flows

The Statement of Cash Flows is prepared using the indirect method. Changes in statement of financial position items that have not resulted in cash flows such as translation differences, fair value changes and other non-cash items, have been eliminated for the purpose of preparing the statement.

SIGNIFICANT ACCOUNTING POLICIES – CONT'D

2.7 Leases

The Centre account for the motor vehicle under lease as operating leases in line with IFRS requirements.

Operating leases, which transfer to the lessor substantially all the risks and benefits incidental to ownership of the leased items, are reported at inception of the lease at the present value of the minimum lease payments being a short-term leases of 12 months.

Payments made under operating lease (net of any incentives received from the Lessor) are recognized as an expenses in the statement of income and expenditure on a straight-line basis over the period of the lease.

2.8 Provision and Contingencies

Provisions are recognized when the Centre has a present legal or constructive obligation as a result of past events, that is when it is more likely than not that an outflows of resources will be required to settle the obligation and the amount can be reliably estimate or ascertained as at the reporting date. A contingent liability is a possible obligation that arises from past events and whose existence will be confirmed only by the occurrence of non-occurrence of one or more uncertain future events not wholly under the control of the Centre or a present obligation that arises from past event but is not recognized because it is not possible that an outflow of resources embodying economic benefits will be required to settle the obligation or the amount of the obligation cannot be measured with sufficient reliability.

However, contingent liability are only disclosed by way of note and not recognized as liabilities in the Statement of Financial Position.

2.9 Revenue Recognition

The Centre recognizes revenue when the amount of revenue can be reliably measured, it is probable that future economic benefits will flow to the Centre and when specific criteria have been met for each of the Centre's activities as described below.

2.9.1 Grants

All grants received are recognized in the financial statements as income over the period necessary to match their related research costs in line with IAS 20.

Grants are recognized only when the conditions have been substantially met or the donor has explicitly waived the conditions.

SIGNIFICANT ACCOUNTING POLICIES – CONT'D

2.9.1.1 Unrestricted grant revenue

Unrestricted grants (including Government grants) are those received from unconditional transfers of cash or other assets to the Centre. Unrestricted grants in currencies other than Naira are recorded at exchange rates in effect at the time of receipt or, if outstanding as of December 31, at the exchange rate in effect at the year's end.

2.9.1.2 Restricted grant revenue

Restricted grants are those received from a transfer of resources to the Centre in return for past or future compliance to the operating activities of the Centre. Restricted grants in currencies other than Naira, with specific request to be paid in that currency as sponsor funds, are recorded as income and expenses at the exchange rate in effect at the time of payment.

2.9.2 Interest Income

Interest income includes income from financial assets at fair value through profit or loss, and income from cash and cash equivalents. They are recognized in the statement of income and expenditures using the effective interest method. The effective interest rate is the rate that exactly discounts the estimated future cash payments and receipts through the expected life of the financial instrument (or, when appropriate, a shorter period) to the carrying amount of the financial instrument on initial recognition.

2.9.3 Other Income

Other income is recognized at the fair value of the consideration received or receivable with respect to the tuition fees and other income from Master's degree and PhD students of the Centre. The Centre is not expected to engage in commercialization of their research products to the third party.

The Host University are responsible for the collection of tuition fees on behalf of the Centre from their Master and PHD students enroll for the Centre programme. Students are charge fees for teaching instruction and facilities provided by the Centre to aid knowledge transfer process.

2.10 Taxation Expenses

The Centre is a non-profit making organisation, hence it's not liable to Company Income Tax under CITA Act. However, other transaction taxes such as WHT, VAT, are expenses in the Statement of Income and Expenditure Account during the year.

2.11 Administrative Expenses

The administrative expenses related to costs of goods and services consumed by the Centre in carrying out its research, training and other administrative activities during the financial year.

SIGNIFICANT ACCOUNTING POLICIES – CONT'D

The Centre Officials reported such expenses in the financial year in which they are related and benefits derived. The expenses are reported in the "Statement of Income and Expenditure for the smooth running of the Centre. The classification of the expenses for reporting purposes during the financial year. Some of the expenses classification are as stated below.

- Seminars and Courses;
- Flight and Airport Related Expenses;
- Repairs and Maintenances;
- Laboratory Consumables;
- Accreditation Cost;
- Subaward Project and
- Facilities and Administration.

They are reported at their actual cost and invoice price to the Centre on each of the research bases activities.

3 NEW STANDARDS AND INTERPRETATIONS

3.1 NEW INTERPRETATIONS

3.1.1 Interpretations effective and adopted in the current year

IFRIC 22 Foreign Currency Transactions and Advance Consideration

The interpretation – mandatory for annual periods beginning on or after 1 January 2018-provides guidance clarifying that the exchange rate to use in transactions that involve advance consideration paid or received in a foreign currency is the one at the date of initial recognition of the non-monetary asset or liability. This did not have any effect on the Centre's financial statements.

3.1.2 Interpretations not yet effective

IFRIC 23 Uncertainty over Income Tax Treatments

The interpretation –mandatory for annual periods beginning on or after 1 January 2019 – provides guidance on how to reflect the effects of uncertainty in accounting for income taxes under IAS 12, in particular (i) whether uncertain tax treatments should be considered separately, (ii) assumptions for taxation authorities examinations, (iii) determination of taxable profit (tax loss), tax bases, unused tax losses, unused tax credits, and tax rates, and (iv) effect of changes in facts and circumstances. This is not expected to have an effect on the Centre's financial statements.

SIGNIFICANT ACCOUNTING POLICIES – CONT'D

3.2 NEW STANDARDS

3.2.1 Changes in significant accounting policies

The Centre has initially applied IFRS 9 (see below) from 1 January 2018. A number of other new standards are also effective from 1 January 2018 but they do not have a material effect on the Centre's financial statements.

Due to the transition methods chosen by the Centre in applying these standards, comparative information throughout these financial statements has not been restated to reflect the requirements of the new standards.

IFRS 15 Revenue from Contracts with Customers

In May 2014, IFRS 15 was issued which establishes a single comprehensive model for entities to use in accounting for revenue arising from contracts with customers. IFRS 15 will supersede the current revenue recognition guidance including IAS 18 Revenue, IAS 11 Construction Contracts and the related Interpretations when it becomes effective.

The core principle of IFRS 15 is that an entity should recognise revenue to depict the transfer of promised goods or services to customers in an amount that reflects the consideration to which the entity expects to be entitled in exchange for those goods or services. Specifically, an entity recognizes revenue in accordance with that core principle by applying the following steps:

- i. Identify the contract(s) with a customer
- ii. Identify the performance obligations in the contract
- iii. Determine the transaction price
- iv. Allocate the transaction price to the performance obligations in the contract
- v. Recognise revenue when (or as) the entity satisfies a performance obligation

Under IFRS 15, an entity recognises revenue when (or as) a performance obligation is satisfied, i.e. when 'control' of the goods or services underlying the particular performance obligation is transferred to the customer. Far more prescriptive guidance has been added in IFRS 15 to deal with specific scenarios.

Furthermore, extensive disclosures are required by IFRS 15. The effective date of the standard is for years beginning on or after January 1, 2018.

The application of this standard does not have a material impact on the surplus or deficit and financial position of the Centre.

SIGNIFICANT ACCOUNTING POLICIES – CONT'D

IFRS 9 Financial Instruments

IFRS 9 sets out requirements for recognising and measuring financial assets, financial liabilities and some contracts to buy or sell non-financial items. This standard replaces IAS 39 Financial Instruments: Recognition and Measurement.

As a result of the adoption of IFRS 9, the Centre has adopted consequential amendments to IAS 1 Presentation of Financial Statements, which require impairment of financial assets to be presented in a separate line item in the statement of profit or loss and OCI. Previously, the Centre's approach was to include the impairment of trade receivables in general and administrative expenses. Impairment losses on other financial assets are presented under finance costs, similar to the presentation under IAS 39, and not presented separately in the statement of profit or loss and OCI due to materiality considerations.

There was no material impact on opening retained earnings on transition to IFRS 9. As such, no adjustment has been made to opening retained earnings.

(i) Classification and measurement of financial assets and financial liabilities

IFRS 9 contains three principal classification categories for financial assets: measured at amortised cost, fair value through other comprehensive income (FVOCI) and fair value through profit or loss (FVTPL).

The classification of financial assets under IFRS 9 is generally based on the business model in which a financial asset is managed and its contractual cash flow characteristics. IFRS 9 eliminates the previous IAS 39 categories of held to maturity, loans and receivables and available for sale.

IFRS 9 largely retains the existing requirements in IAS 39 for the classification and measurement of financial liabilities.

The adoption of IFRS 9 has not had a significant effect on the Centre's accounting policies related to financial liabilities.

For an explanation of how the Centre classifies and measures financial instruments and accounts for related gains and losses under IFRS 9, see Note 2.5

(ii) Impairment of financial assets

IFRS 9 replaces the 'incurred loss' model in IAS 39 with an 'expected credit loss' (ECL) model. The new impairment model applies to financial assets measured at amortised cost, contract assets and debt investments at FVOCI, but not to investments in equity instruments. Under IFRS 9, credit losses are recognised earlier than under IAS 39.

SIGNIFICANT ACCOUNTING POLICIES – CONT'D

For assets in the scope of the IFRS 9 impairment model, impairment losses are generally expected to increase and become more volatile. The impact of IFRS 9 on the Centre as at 1 January 2018 was not material and no impairment has been recognized as at that date.

(iii) Transition

Changes in accounting policies resulting from the adoption of IFRS 9 have been applied as described below.

- The Centre has used an exemption not to restate comparative information for prior periods with respect to classification and measurement (including impairment) requirements. No differences in the carrying amounts of financial assets and financial liabilities resulting from the adoption of IFRS 9 have been recognised in retained earnings as at 1 January 2018.

Accordingly, the information presented for 2017 still largely reflects the requirements of IFRS 9.

- The following assessments have been made on the basis of the facts and circumstances that existed at the date of initial application.
- The determination of the business model within which a financial asset is held.
- If an investment in a security had low credit risk at the date of initial application of IFRS 9, then the Centre has assumed that the credit risk on the asset had not increased significantly since its initial recognition.

3.2.2 Standard not yet effective

IFRS 16 Leases

IFRS 16 specifies how an IFRS reporter will recognise, measure, present and disclose leases. The standard provides a single lessee accounting model, requiring lessees to recognise assets and liabilities for all leases unless the lease term is 12 months or less or the underlying asset has a low value. Lessors continue to classify leases as operating or finance, with IFRS 16's approach to lessor accounting substantially unchanged from its predecessor, IAS 17. The effective date of the standard is for years beginning on or after January 1, 2019

The Centre does not anticipate that the application of IFRS 16 in the future will have a significant impact on amounts reported in respect of the Centre's financial statements. However, it is not practical to provide a reasonable estimate of the effect of IFRS 16 until a detailed review has been completed.

SIGNIFICANT ACCOUNTING POLICIES – CONT'D

4.0. Financial Risk Management

4.1 Financial risk factors

The Centre's activities expose it to a variety of financial risks: market risk (including foreign exchange risk and interest rate risk). The Centre's overall risk management programme focuses on the unpredictability of financial markets and seeks to minimise potential adverse effect on its financial and operational performance. Risk management is carried out by the Project Officials. The Centre's foreign exchange, and interest rate risks are continuously monitored BY THE Host University. The Risk and Compliance Committee of Redeemer's University approves written principles for overall risk management, as well as written policies covering specific areas, such as foreign exchange risk, and interest-rate risk.

(a) Market risk

Market risk is the potential for adverse changes in the value of a trading or an investment portfolio due to changes in market risk variables such as interest rates, and foreign exchange rates.

(b) Foreign exchange risk

Foreign exchange risk arises when future commercial transactions and recorded assets and liabilities are denominated in a currency that is not the entity's functional currency e.g. foreign denominated loans, purchases and sales transactions etc. The Centre manages its foreign exchange risk by revising cost estimates of orders based on exchange rate fluctuations and forward contracts transacted with commercial banks. As at 31 December 2018, the Centre had balance denominated in foreign currency.

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Notes to the Financial Statements

PROPERTY, PLANT AND EQUIPMENT - 2018

	BUILDING IMPROVEMENTS	LABORATORY EQUIPMENT	PLANT AND MACHINERY	MOTOR VEHICLE	FURNITURE & FITTINGS	IT EQUIPMENT	OFFICE EQUIPMENT	CAPITAL WIP	TOTAL
	≠N=	≠N=	≠N=	≠N=	≠N=	≠N=	≠N=	≠N=	≠N=
COST									
As at 1 January, 2018	17,656,621	177,198,053	12,476,015	26,530,000	12,338,466	9,988,975	12,647,860	242,292,010	
As at 31 December, 2018	17,656,621	205,353,377	5,403,028	25,530,000	111,000	1,870,250	5,221,824	440,674,068	684,153,506
DEPRECIATION									
As at 1 January, 2018	3,510,454	23,888,494	1,871,402	-	3,981,336	1,680,209	3,123,191	-	38,084,086
Charge for the year	1,765,662	29,439,462	2,386,763	-	1,554,956	1,388,599	1,725,277	-	38,420,659
As at 31 December, 2018	5,206,116	53,322,956	4,258,165	-	5,536,292	3,022,768	4,848,468	-	76,504,745
NET BOOK VALUE									
As at 1 January, 2018	12,350,505	320,023,473	13,610,878	26,530,000	6,900,214	8,307,766	13,024,216	440,674,068	646,069,814
As at 31 December, 2018	14,116,167	153,309,559	10,648,513	-	8,317,150	8,307,766	9,524,669	440,674,068	849,590,811

PROPERTY, PLANT AND EQUIPMENT - 2017

	BUILDING IMPROVEMENTS	LABORATORY EQUIPMENT	PLANT AND MACHINERY	FURNITURE & FITTINGS	IT EQUIPMENT	OFFICE EQUIPMENT	TOTAL
	≠N=	≠N=	≠N=	≠N=	≠N=	≠N=	≠N=
COST							
As at 1 January, 2017	17,550,021	148,670,753	11,174,000	2,960,376	11,598,860	191,995,010	
As at 31 December, 2017	106,600	28,522,300	12,476,015	1,154,486	7,023,599	1,054,000	50,337,000
DEPRECIATION							
As at 1 January, 2017	1,774,792	1,734,362	2,440,275	435,462	1,540,208	7,927,099	
Charge for the year	1,765,662	22,149,132	1,871,402	1,541,091	1,248,747	1,580,983	30,156,987
As at 31 December, 2017	3,540,454	23,888,494	4,311,677	3,981,336	2,788,955	9,508,082	64,084,086
NET BOOK VALUE							
As at 1 January, 2017	14,116,167	153,309,559	10,600,613	8,347,150	8,305,766	9,524,669	204,207,924
As at 31 December, 2017	15,775,228	146,336,392	8,733,725	2,530,914	10,651,652	184,027,911	

Capital work-in-progress represents the accumulated costs incurred on the Centre's New Ultra Modern Research Laboratory Building under construction within the host university site. The total sum of 1440,7m had been incurred by the Project Officials as at December 31, 2018.

However, the Centre did not have 'Deed of Transfer' for the portion of land on which the New Ultra Modern Research Laboratory is situated.

* The Centre acquired a Toyota Brio for N25,5m which was delivered by the supplier in December 2018. However, the motor vehicle is yet to be put to use by the Project Officials as at December 31, 2018. Therefore no depreciation charge on this motor vehicle in these financial statements.

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Notes to the Financial Statements (Cont'd)

	2018 =N=	2017 =N=
6 CASH AND CASH EQUIVALENTS		
Diamond Bank Current Account-NGN (World Bank)	7,857,335	2,696,676
Diamond Bank Current Account-Dom (World Bank)	400,116,759	312,478,231
	<u>407,974,094</u>	<u>315,174,907</u>
Diamond Bank H3 Africa Current Account-NGN	20,817,668	31,875,380
Diamond Bank H3 Africa Account-Dom	263,863,363	316,547,806
	<u>284,681,031</u>	<u>348,423,186</u>
Diamond Bank JWARG Current Account	11,207,676	16,176,850
Diamond Bank JWARG Account-Domiciliary	148,931,161	68,077,611
	<u>160,138,837</u>	<u>84,254,461</u>
Diamond Bank WB-BBSRC Domiciliary Account	47,490,992	
Diamond Bank NIH Account-Domiciliary	34,900,758	3,378,000
Zenith Bank NIH Account-Domiciliary		
	<u>34,900,758</u>	<u>3,378,000</u>
	<u>935,185,712</u>	<u>751,230,554</u>
The Centre open a designated bank account for each of the project under sponsorship to ease reporting and tracking of grants received for such purpose. The Centre complied with the conditions of the grants, which specify that certain percentage of the project funds is spent on partnership activities as entailed in the partnership action plan and budget.		
7 RECEIVABLES		
Receivable from Redeemer's University - RUN	30,365,000	24,448,000
Receivable from Bio-tech and Biological Science Research Council (BBSRC)	10,646,378	
Receivable from Coalition for Epidemic Preparedness Innovations (CEPI)	1,000,000	
	<u>42,011,378</u>	<u>24,448,000</u>
Receivable from Redeemers University includes tuition fees from the students being trained by the Centre to date. Payment are made directly to the University's bank account by the students.		
Also, receivables from BBSRC and CEPI related to expenses incurred on BBSRC and CEPI projects which are to be refunded after certification by the sponsors representatives.		
8 Other Receivables		
Cash advance for PPE acquisition	8,718,550	757,680
This is the amount given to project official for the acquisition of PPE that have been paid for and yet to be delivered as at December 31, 2018.		
9 PREPAYMENT		
Motor Vehicle Leasing	4,949,975	
The prepayment relates to advance payment for Motor vehicle on operating lease arrangement for operational activities. The amount stated is for the remaining 3 months lease period up to March 31st, 2019.		
10 RESERVES		
As at 1 January	979,365,051	582,106,088
Surplus for the year	840,559,398	397,258,963
As at 31 December	<u>1,819,924,449</u>	<u>979,365,051</u>

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Notes to the Financial Statements (Cont'd)

	2018 =N=	2017 =N=
11 OTHER PAYABLES		
Accrued reimbursable - audit	500,000	500,000
Human Heredity and Health in Africa (H3)	11,646,378	-
Statutory deductions- WHT	8,741,399	772,105
Accrued Expenses	4,200	7,000
	<u>20,891,977</u>	<u>1,279,105</u>
During the year, the Centre expense the sum of 11.6 million naira for renovation of Laboratory space from H3 Africa Zenith bank account.		
12 GRANTS		
World Bank	817,814,805	324,550,092
National Institute of Health (NIH)	31,522,759	-
Joint West Africa Research Group	213,761,069	133,081,504
Human Heredity and Health in Africa (H3)	353,404,308	278,393,948
Biotechnology and Biological Sciences Research Council	63,199,977	-
	<u>1,479,702,918</u>	<u>736,025,544</u>

The Centre complied with the conditions as specified in the Award letter by the Sponsors for the grants. This was based on the specific responsibility for ensuring that a certain percentage of the project funds is spent on partnership activities as agreed in the partnership action plan and budget.

12.1 World Bank Project - Results based funding

During the financial year, the Centre received the sum of **N817.8m** (\$2,673,245) from World Bank for research and academics related activities on genomics of infectious diseases in Africa continent. The terms and conditions for the grant are:

- i Meeting set goals and milestones;
- ii Submission of measurable outcomes, which are verified by independent verifiers appointed by the funders;
- iii Results achieved as reported by the verifier;
- iv Expenses incurred through the involvement of participating partners on the project and subaward expenses;
- v The indicators measured include research outcome, number of students trained, submission of account report, internship, and
- vi Other operating expenses such as personnel costs, transportation, international accreditation, laboratory consumables and others.

12.2 Human Heredity and Health in Africa - (H3 Africa)

This is release of fund by the funder for specific period usually on quarterly basis during the financial year. The sum of \$1,000,000 US dollar per quarter is available for research activities on genomics and environmental determinants of common disease in Africa based on the budget submitted and approved by the funder. The applicable terms and conditions for the grant are:

- i Approved proposal base on the milestone or objectives set by the Centre;
- ii Cost of testing of blood sample;
- iii Administrative expenses such as personnel cost, transport, training and other related expenditures;
- iv Acquisition of equipment for researcher and teaching purposes;
- v Other direct costs (ODC's) are to be listed and described separately;
- vi Carry out the work ethics diligently within the scope allowed by the funder and
- vii Details description of works and services performed during the period.

Notes to the Financial Statements (Cont'd)

12.3 Joint West Africa Research Group (JWARG)

JWARG release funds for research and studying of infectious diseases such as malaria, yellow fever, Lassa fever and dengue in the West Africa region. In a quarter, the sum of \$270,000 US dollar is available for this project. The sum of \$697,426.00 was received from JWARG for the financial year under review. Some of the terms and conditions for accessing the fund are:

- i The Centre shall submit monthly invoices for services performed and milestones completed in the previous month;
- ii Acquisition of equipment and personnel costs;
- iii Cost of laboratory consumables materials used for sample testing;
- iv Cost of free diagnostic of patients in areas of specialization;
- v Reimbursement expenses for researchers and invigilators;
- vi Any other direct costs are to be listed and described separately for verification;
- vii Adhere to international safety and ethical guidelines.

12.4 Biotechnology and Biological Sciences Research Council (BBSRC)

The Centre received the sum of NG3.1m from the donors for the purpose of research and accelerating vaccines for Ebola and Lassa (OVEL) epidemics in West Africa. The terms and conditions for the fund are:

- i Obtain any requisite materials solely for use in the project;
- ii Acquisition of equipment and personnel for the project;
- iii Materials are experimental in nature and shall be provided without warranties of any kind expressed or implied;
- iv Acquisition and use of animal and human biological samples for research purpose;
- v Compliance with international standards on ethics;
- vi All human biological samples used to be anonymized and coded;
- vii Carry out the work diligently within the scope allowed;
- viii All other direct costs (ODC's) are to be listed and described separately for verification by the inspectors.

12.5 Advanced Funding

This is release of funds by the funders for specific period usually annual. The said amount is based on the budget submitted and approved by the funders. This model is used by other funders such as NIH, Wellcome Trust and CEPI. The funding is also to be used to procure items as stated in the budget approved in the RFA. The account statement at the end of the year is certified by the University Bursar and Vice Chancellor.

The sum of NG1.5 million was received from NIH for the financial year end 31st December, 2018.

13 FINANCE INCOME

Interest on bank accounts (DOM)	3,346,300	2,304,424
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14 REGISTRATION AND TUITION FEES

Registration fees	1,400,121	2,141,584
Tuition fees	5,917,000	7,379,000
	<u>7,317,121</u>	<u>9,520,584</u>

Registration and tuition fees are fees received from the Masters and PhD Students enrolled under

the Centre. These fees are collected by Redeemer's University to be remitted to the Centre.

15 OTHER INCOME

Bench fees	270,000	.
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Notes to the Financial Statements (Cont'd)

16 Information on Employees Emoluments

The number of employees (regular) in receipt of emoluments within the following range.

		2018 Number	2017 Number
N	N		
100,000	2,000,000	1	1
2,000,001	4,000,000	1	1
4,000,001	6,000,000	1	1
6,000,001	8,000,000	1	1
		<u>4</u>	<u>4</u>

The Centre maintained 2 categories of staff (regular and contract) on employment with conditions of engagement as detailed out in their letter of appointment.

In addition, the Centre make use of contract staff to meet its employee requirements, which are renewable based on project demands.

The sum of N85.6m were incurred as salaries and wages for the reporting period by the Centre as employees remuneration to both regular and contract staff respectively.

The component of the Salaries and Wages for the year ended are as follows:

	2018 =N=
ACEGID Contract Staff	15,155,833
BBSRC Investigators	16,054,796
H3Africa Investigators	16,642,950
Students	1,200,000
JWARG Investigators	33,072,576
Contract Staff	<u>3,480,673</u>
	<u>85,606,828</u>

17 Classification of Financial Instruments

The following table and the accompanying notes below explain the original measurement categories under IAS 39 and the new measurement categories under IFRS 9 for each class of the Centre's financial assets and financial liabilities as at 1 January 2018.

	Notes	Original classification under IAS 39	New classification under IFRS 9	Carrying amount under IAS 39	Carrying amount under IFRS 9
				N	N
Financial assets					
Trade and other receivables		Loans and receivables	Amortised cost	25,205,680	25,205,680
Cash and cash equivalents		Loans and receivables	Amortised cost	751,230,553	751,230,553
Total financial assets				<u>776,436,233</u>	<u>776,436,233</u>
Financial liabilities					
Trade payables		Other financial liabilities	Other financial liabilities	507,000	507,000
Total financial liabilities				<u>507,000</u>	<u>507,000</u>

Notes to the Financial Statements (Cont'd)

18 Financial Commitment

The financial commitment to the Centre is limited to the grant received from Donors as indicated in the financial statements for different research related activities. However, the Centre officials are of the opinion that, the Centre have financial commitment of N322,151,763.38 toward the completion of the New Ultra Modern Laboratory Building under construction.

19 Events After Reporting Period

No events or transactions have occurred since the statement of financial position date, which would have a material impact on the financial statements at that date or which need to be disclosed in these financial statements in order not to make them misleading as to the financial position or result of operations at the statement of financial position date.

20 Contingent Liability

There were no contingent liabilities against the Centre in respect of their activities for the year under review.

21 Approval of Financial Statements

The financial statements were approved by the Risk and Compliance Committee of the Redeemers University on..... May 11th, 2019

AFRICAN CENTRE OF EXCELLENCE FOR GENOMICS OF INFECTIOUS DISEASES (ACEGID)
Annual Reports And Audited Financial Statements For The Year Ended 31 December, 2018

ANALYSIS OF EXPENSES BY NATURE AND FUNCTION
FOR THE YEAR ENDED 31ST DECEMBER, 2018

	WORLD BANK =N=	CEFI =N=	BBSRC =N=	JWARG =N=	H3 AFRICA =N=	TOTAL =N=
Salaries & Wages	15,155,833	-	16,054,796	36,553,249	17,842,950	85,606,828
Advertisement & Publicity	194,100	-	-	-	-	194,100
Seminars and Training	68,147,188	-	-	97,200	1,482,250	69,726,638
Africa Centre of Excellence Meeting & Workshop	9,928,296	-	-	-	-	9,928,296
Per Diem	405,000	-	5,306,000	2,084,200	22,600,183	30,395,383
Printing and Stationery	3,203,953	-	-	159,400	107,030	3,470,383
Other Conference and Air Fare	17,179,585	-	371,432	174,657	11,866,183	29,591,857
Security Expenses	153,000	-	-	-	-	153,000
Other IT Expenses	4,051,450	-	-	50,000	2,947,750	7,049,200
Cleaning	1,419,575	-	-	88,400	-	1,507,975
Electricity & Lighting	3,983,350	-	-	154,100	-	4,137,450
Telephone	167,330	-	-	-	-	167,330
Transport & Traveling	2,709,959	-	554,330	361,596	586,600	4,212,485
Entertainment	987,250	-	500,000	61,200	69,600	1,618,050
Bank Charges	2,139,087	-	90,512	333,919	976,720	3,540,238
Hotel Expenses	618,490	-	890,300	1,968,907	394,980	3,872,677
Rent Expenses	-	-	-	500,000	-	500,000
Office Consumables	-	-	-	62,670	-	62,670
External Auditor Expenses	500,000	-	-	-	-	500,000
INT'L Accreditation	17,182,932	-	-	-	-	17,182,932
Repairs & Maintenance - Motor Vehicles	1,544,340	-	-	-	991,607	2,535,947
Repairs & Maintenance - Equipment	1,957,815	-	-	40,000	16,689,950	18,687,765
Repairs & Maintenance - Buildings	252,110	-	-	-	577,350	829,460
Repairs & Maintenance - Generators	1,588,324	-	-	-	-	1,588,324
Buildings Renovation	-	1,000,000	-	4,398,597	456,050	5,854,647
Project Vehicle Leasing	-	-	-	24,749,875	-	24,749,875
Motor Vehicle Running	3,309,942	-	53,816	103,246	2,635,124	6,102,128
Lab. Consumables	27,642,377	-	2,175,500	3,800,216	299,500	33,917,593
Depreciation	33,464,182	-	-	4,605,345	351,132	38,420,659
Facilities & Administrative	-	-	-	-	12,260,000	12,260,000
Subaward	-	-	-	-	276,801,070	276,801,070
TOTAL	217,885,466	1,000,000	25,996,686	80,346,776	369,936,028	695,164,957

AFRICAN CENTRE OF EXCELLENCE FOR GENOMICS OF INFECTIOUS DISEASES (ACEGID)
Annual Reports And Audited Financial Statements For The Year Ended 31 December, 2018

VALUE ADDED STATEMENT
FOR THE YEAR ENDED 31ST DECEMBER, 2018

	2018		2017	
	=N=	%	=N=	%
Income	1,535,724,355		747,850,552	
Cost of materials and services:				
Foreign	(457,615,471)		(104,485,408)	
Local	(113,521,999)		(134,930,655)	
Value Added	<u>964,586,885</u>	<u>100</u>	<u>508,434,489</u>	<u>100</u>
Applied as follows:				
To pay employees	85,606,828	9%	81,018,540	16%
Future expansion				
Depreciation	38,420,659	4%	30,156,986	6%
Excess of income over expenditure	840,559,398	87%	397,258,963	78%
Value Added	<u>964,586,885</u>	<u>100%</u>	<u>508,434,489</u>	<u>100%</u>

Value added shows the additional fund generated in the year by ACEGID to the Centre through the efforts of the Trustees and Employees and how this new fund was distributed with portion retained in the Centre for future development and projects.

AFRICAN CENTRE OF EXCELLENCE FOR GENOMICS OF INFECTIOUS DISEASES (ACEGID)
Annual Reports And Audited Financial Statements For The Year Ended 31 December, 2018

FOUR YEARS FINANCIAL SUMMARY
AS AT 31ST DECEMBER 2018

	2018 =N=	2017 =N=	2016 =N=	2015 =N=
STATEMENT OF FINANCIAL POSITION				
Non-Current Assets	849,950,811	204,207,924	184,027,911	10,148,598
Current Assets	990,865,615	776,436,233	506,428,247	137,264,886
TOTAL ASSETS	1,840,816,426	980,644,157	690,456,158	147,413,484
 RESERVES AND LIABILITIES:				
Reserves	1,819,924,449	979,365,051	582,106,088	(8,545,692)
 CURRENT LIABILITIES				
Other Payables	20,891,977	1,279,106	108,350,070	155,959,176
RESERVES AND LIABILITIES	1,840,816,426	980,644,157	690,456,158	147,413,484
 STATEMENT OF INCOME AND EXPENDITURE				
Income	1,535,724,355	747,850,552	1,026,735,355	147,172,706
Expenditure	(695,164,957)	(350,591,589)	(436,083,577)	(155,718,398)
Surplus	840,559,398	397,258,963	590,651,778	(8,545,692)