

INDEPTH NETWORK  
REPORTS AND ACCOUNTS

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**INDEPTH NETWORK**

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**REPORT AND MANAGEMENT ACCOUNTS  
31ST DECEMBER 2004**

**INDEPTH NETWORK  
REPORTS AND ACCOUNTS**

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**REPORT OF THE GOVERNING BOARD**  
**INDEPTH NETWORK**  
**OFFICIALS AND REGISTERED OFFICE, ETC.**

**GOVERNING BOARD**

Steven Tollman (Chairman)  
 Fred Binka (Executive Director)  
 Bocar Kouyate  
 Nguyen Thi Kim Chuc  
 Donald De Savigny  
 Alex Ezeh  
 Kim Streatfield  
 Hassan Mshinda  
 Anita Sandstrom  
 Regina Rabinovich

**AUDITORS**

**KPMG**  
 Chartered Accountants  
 25 Liberia Road  
 P O Box 242  
 Accra

**REGISTERED OFFICE**

No. 9 Adenkum Loop, Kanda  
 P O Box GP 254  
 Accra-North

**BANKERS**

Barclays Bank Ghana Limited  
 Ghana Commercial Bank Limited  
 Standard Chartered Bank Ghana Limited  
 UBS International, USA

**REPORT OF THE GOVERNING BOARD  
TO THE MEMBERS OF  
INDEPTH NETWORK**

The Governing Board presents its report and the financial statements of Indepth Network for the year ended 31st December 2004.

**FINANCIAL STATEMENTS**

The results for the year are as set out in the attached financial statements.

The Governing Board considers the state of the organisation's affairs to be satisfactory.

**PRINCIPAL ACTIVITIES**

Indepth Network was incorporated as a company limited by guarantee in Ghana on 10th May 1999. The Department of Social Welfare issued it with a certificate to operate as a voluntary organisation on 26th June 2000.

The company, however, commenced operational activities in February 2001.

Indepth Network is also registered in the United States as a not-for-profit organisation set up to carry out health research, and co-ordinate and disseminate health information from different research centres across the world.

*Reuben*  
..... )

*Reuben*  
..... )

**DIRECTORS**

ACCRA

*15 Feb*  
..... 2005

**INDEPTH NETWORK**  
**OPINION ON THE MANAGEMENT ACCOUNTS OF**  
**INDEPTH NETWORK**  
**FOR THE YEAR ENDED 31ST DECEMBER 2004**

We have reviewed the financial statements of Indepth Network for the year ended 31st December 2004 set out on pages 5 to 10.

The financial statements referred to above are based on the local statutory accounts of Indepth Network.

In our opinion, the financial statements which have been prepared in accordance with Ghana Accounting Standards, give for the purposes of our review a true and fair view of the financial position of the Organisation at 31st December 2004 and of the results of its operations and cash flows for the year then ended.

*KPme*

**CHARTERED ACCOUNTANTS**  
**25 LIBERIA ROAD**  
**P. O. BOX 242**  
**ACCRA**

17th February, 2005

**ACCUMULATED FUND**  
**FOR THE YEAR ENDED 31ST DECEMBER 2004**

	2004 US\$	2003 US\$
Balance at 1st January	1,078,456	873,542
Plus year's surplus/less deficit adjusted	(802,986)	-
	275,470	873,542
Less surplus/less deficit transferred to Income and Expenditure Account	(40,053)	245,829
Balance at 31st December	235,417	627,713

**INDEPTH NETWORK**  
**INCOME AND EXPENDITURE ACCOUNT**  
**FOR THE YEAR ENDED 31ST DECEMBER 2004**

	Note	2004 US\$	2003 US\$
<b>INCOME</b>			
Grants	3	2,181,252	1,492,186
Other Income	4	87,271	66,336
		-----	-----
		2,268,523	1,558,522
<b>Expenditure</b>			
Meeting Expenses		993,188	394,741
Workshop		689,991	384,211
Development and Maintenance of website		19,372	28,621
General Expenses		588,830	502,331
Intervention Trial Platform		17,195	2,794
		-----	-----
		(2,308,576)	(1,312,698)
		-----	-----
<b>(Deficit)/Surplus Income over Expenditure</b>	5	<b>(40,053)</b>	<b>245,824</b>
transferred to Accumulated Fund		=====	=====

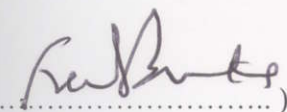
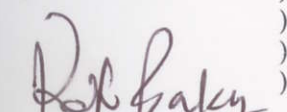
**ACCUMULATED FUND**  
**FOR THE YEAR ENDED 31ST DECEMBER 2004**

	Note	2004 US\$	2003 US\$
Balance at 1st January		1,078,466	832,642
Prior year unutilized grant adjusted	9	(852,996)	-
		-----	-----
		225,470	832,642
<b>(Deficit)/Surplus Income over Expenditures transferred</b>		<b>(40,053)</b>	<b>245,824</b>
<b>from Income and Expenditure Account</b>		<b>(40,053)</b>	<b>245,824</b>
		-----	-----
Balance at 31st December		185,417	1,078,466
		=====	=====



**INDEPTH NETWORK**  
**BALANCE SHEET AT 31ST DECEMBER 2004**

	Note	2004 US\$	2003 US\$
<b>CURRENT ASSETS</b>			
Debtors	6	31,600	68,200
Cash and Bank Balances		1,174,727	1,114,999
		<u>1,206,327</u>	<u>1,183,199</u>
<b>CURRENT LIABILITIES</b>			
Creditors	7	569,089	104,733
		<u>569,089</u>	<u>104,733</u>
<b>NET CURRENT ASSETS</b>		637,238	1,078,466
<b>DEFERRED INCOME</b>	8	(451,821)	-
<b>NET ASSETS</b>		<u>185,417</u>	<u>1,078,466</u>
<b>REPRESENTED BY: -</b>			
<b>ACCUMULATED FUND</b>		<u>185,417</u>	<u>1,078,466</u>

  
 ..... )  
  
 ..... ) **DIRECTORS**

The financial statements were approved on 15 February ..... 2005

INDEPTH NETWORK  
**CASH FLOW STATEMENT**  
**FOR THE YEAR ENDED 31ST DECEMBER 2004**

	2004 US\$	2003 US\$
<b>(Deficit)/Surplus for the year (before returns on investments)</b>	(44,930)	243,761
Decrease in debtors	36,600	159,665
(Decrease)/Increase in creditors	(388,640)	100,282
Increase in deferred income	451,821	-
	-----	-----
	99,781	259,947
Net cash in flow from operating activities	54,851	503,708
<b>Returns on investments</b>		
Interest received	4,877	2,063
	-----	-----
<b>Increase in cash and cash equivalents</b>	<u>59,728</u>	<u>505,771</u>
<b>Analysis of changes in cash and cash equivalents during the year</b>		
Balance at 1st January	1,114,999	609,228
Net cash inflow	59,728	505,771
	-----	-----
Balance at 31st December	<u>1,174,727</u>	<u>1,114,999</u>
<b>Analysis of balances of cash and cash equivalents as shown in the balance sheet</b>		
Cash and bank balances	<u>1,174,727</u>	<u>1,114,999</u>



**INDEPTH NETWORK**  
**NOTES FORMING PART OF THE FINANCIAL STATEMENTS**  
**FOR THE YEAR ENDED 31ST DECEMBER 2004**

**1. BASIS OF ACCOUNTING**

These financial statements have been prepared under the historical cost convention.

**2. ACCOUNTING POLICIES**

The following accounting policies have been consistently applied in dealing with items that are considered material in relation to the company's financial statements:

**a. Income**

Income represents grants and donations received and utilized during the year to support the company's activities.

**b. Capital Items**

Capital items are written off in the year of purchase.

**c. Foreign Exchange**

Transactions denominated in currencies other than the US dollar, are translated into US dollars at rates of exchange ruling at the dates of the transactions. Balances denominated in currencies other than the US dollar, are translated into US dollars at exchange rates ruling on the balance sheet date.

**3. GRANTS**

This represents grants received from the following donors:

	Unutilised Grant At 1/01/04 US\$	Grants Received US\$	Utilised Grant US\$	Unutilised Grant At 31/12/04 US\$
Rockefeller Foundation	-	45,085	45,085	-
- Starter Kit Grant	-	45,085	45,085	-
- Core Support	134,886	500,000	409,506	225,380
- Indepth/ACAP	130,461	75,400	9,717	196,144
SIDA/SAREC	-	196,745	165,190	31,555
World Bank	587,649	825,000	1,304,689	107,960
Wellcome Trust	-	90,505	90,505	-
VW Grant	-	56,560	56,560	-
Bill & Melinda Gates Foundation Grant	-	551,821	100,000	451,821
	852,996	2,341,116	2,181,252	1,012,860

- (i) Rockefeller foundation USA granted these amounts for the following projects:-
- Starter Kit Grant – to develop a Demographic Surveillance System Manual.
  - Core Support - to support Indepth's core activities.
  - Indepth ACAP for collaborative research with ACAP.
- (ii) This represents grants received from the Swedish International Development Agency (SIDA) Department of Research Co-operation (SAREC) to support Indepth Network's core activities: ie. field research work and workshops.
- (iii) The World Bank grant was provided to support Indepth's core activities.
- (iv) The Wellcome Trust grant was provided to support Indepth's core activities.
- (v) VW Grant – This represents an amount received for the organization of a workshop for Scientist in Sub – Saharan Africa.
- (vi) Bill & Melinda Gates Foundation Grant – to support a leadership programme at the University of Witswaterand, South Africa for the period 2004 - 2007.

4. **OTHER INCOME**

	2004 US\$	2003 US\$
Interest Income	4,877	2,063
Sundry Income	69,953	62,918
Exchange Gain	12,441	1,355
	-----	-----
	<u>87,271</u>	<u>66,336</u>

5. **(DEFICIT)/SURPLUS INCOME  
OVER EXPENDITURE**

is stated after charging:-

Directors' Remuneration	121,586	30,000
Auditors' Remuneration	7,000	5,000
	=====	=====

6. **DEBTORS**

Prepayments	<u>31,600</u>	<u>68,200</u>
-------------	---------------	---------------

7. **CREDITORS**

	2004 US\$	2003 US\$
Accruals	8,050	104,733
Unutilised Grants	561,039	-
	<u>569,089</u>	<u>104,733</u>

Unutilised grants represents amounts for the year but not fully utilised by the organization.

8. **DEFERRED INCOME**

This represents the unutilized portion of grants received from Bill & Melinda Gates Foundation to support a leadership programme at the University of Witswaterand, South Africa for the period 2004 - 2007.

9. **PRIOR YEAR UNUTILISED GRANT**

This relates to the grants unutilised as at the year ended 31 December 2003.

**INDEPTH NETWORK  
GENERAL EXPENSES**

	2004 US\$	2003 US\$
Personnel Costs	385,394	289,807
Bank Charges	8,921	9,369
Auditor's Remuneration	7,000	5,000
Utilities	2,786	2,312
Rent	54,000	56,400
Office Equipment	11,554	13,103
Office Supplies and Maintenance	13,689	8,108
Vehicle, Fuel and Maintenance	4,116	3,700
Secretariat Office Communication	11,660	12,311
Official Reception	3,605	1,156
Insurance	-	1,013
Site Expenses	68,414	91,384
Legal Fees	8,000	8,668
Medical Expenses	9,691	-
	----- 588,830 =====	----- 502,331 =====

Appendix II

INDEPTH NETWORK  
MEETING EXPENSES  
**INDEPTH NETWORK  
WORKSHOP EXPENSES**

	2004 US\$	2003 US\$
Air Tickets – PTA Meetings	2,057	34,785
Media Workshop	8,625	-
Monograph on cause specific mortality	268,445	39,919
Monograph on Health Equity	340,273	265,098
MLT Monograph	597	-
Travel and per diem	20,688	24,525
Scientific Workshop writing expenses	16,143	-
Conference Facilities	28,397	-
Health Informatics	4,766	-
Audit Health Expenses	-	19,884
	-----	-----
	<u>689,991</u>	<u>384,211</u>



Appendix III

INDEPTH NETWORK  
MEETING EXPENSES

	2004 US\$	2003 US\$
Meeting Expenses	65,290	13,267
Capacity Building/Technical Exchange	430,943	141,199
Scientific Advisory Meetings	19,512	-
Indepth Board of Trustees Meeting	15,288	-
Work Group Meeting	68,163	89,835
Annual General Meetings	306,538	141,335
Coordinating Committee Meeting	38,069	4,864
Travelling Expenses	3,273	4,239
Starter Kit Meeting	46,112	-
	-----	-----
	993,188	394,741
	=====	=====