

INDEPTH NETWORK  
(A Company Limited by Guarantee)  
REPORTS AND ACCOUNTS

**INDEPTH NETWORK**

(A Company Limited by Guarantee)

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**REPORT AND MANAGEMENT ACCOUNTS**

**31ST DECEMBER 2005**

**INDEPTH NETWORK**  
(A Company Limited by Guarantee)

**REPORTS AND ACCOUNTS**

OFFICIALS AND REGISTERED OFFICE, ETC.

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BANKERS

Barclays Bank Ghana Limited  
Ghana Commercial Bank Limited  
Rabobank Ghana Limited  
UBS International, USA

## REPORT OF THE GOVERNING BOARD

**INDEPTH NETWORK***(A Company Limited by Guarantee)***OFFICIALS AND REGISTERED OFFICE, ETC.****GOVERNING BOARD**

Steven Tollman (Chairman)  
 Fred Binka (Executive Director)  
 Donald De Savigny  
 Alex Ezeh  
 Kim Streatfield  
 Hassan Mshinda  
 Anita Sandstrom  
 Regina Rabinovich  
 Xavier Patroipa (*appointed 26 May 05*)  
 Siddhivinayak Hirve (*appointed 26 May 05*)

**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 2005.

**FINANCIAL STATEMENTS**

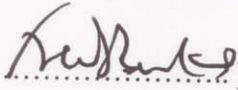

The results for the year are as set out in the attached financial statements.

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

**PRINCIPAL ACTIVITIES**

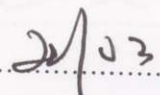
The main activities of the company is to carry out health research, co-ordinate and disseminate health information from different research centres across the world.

There was no change in the nature of activities of the company during the year.

  
..... )  
  
..... ) **GOVERNING BOARD**

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

ACCRA

  
..... 2006



**INDEPTH NETWORK**  
 (A Company Limited by Guarantee)  
**OPINION ON THE MANAGEMENT ACCOUNTS OF**  
**INDEPTH NETWORK**  
**FOR THE YEAR ENDED 31ST DECEMBER 2005**

We have reviewed the financial statements of Indepth Network for the year ended 31st December 2005 set out on pages 5 to 12.

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 company at 31st December 2005 and of the results of its operations and cash flows for the year then ended.

*[Handwritten signature]*

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

*[Handwritten signature]*, 2006

**INDEPTH NETWORK**  
(A Company Limited by Guarantee)  
**INCOME AND EXPENDITURE ACCOUNT**  
**FOR THE YEAR ENDED 31ST DECEMBER 2005**

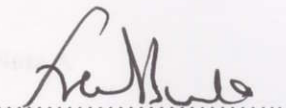
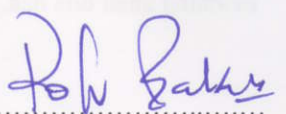
	Note	2005 US\$	2004 US\$
<b>INCOME</b>			
Grants	3	1,470,818	2,181,252
Other Income	4	118,456	87,271
		-----	-----
		1,589,274	2,268,523
		-----	-----
<b>EXPENDITURE</b>			
Meeting Expenses	6	283,799	993,188
Workshop	7	88,766	689,991
Development and Maintenance of website		16,553	19,372
General Expenses	8	715,357	588,830
Intervention Trial Platform		-	17,195
LSHTM Malaria Research		50,277	-
University of Sussex Collaboration		6,876	-
Leadership Programme and Fellowship		324,996	-
		-----	-----
		1,486,624	2,308,576
		-----	-----
<b>Excess/(Deficit) of Income over Expenditure</b>	<b>5</b>		
transferred to Accumulated Fund		102,650	(40,053)
		=====	=====

**ACCUMULATED FUND**  
**FOR THE YEAR ENDED 31ST DECEMBER 2005**

	Note	2005 US\$	2004 US\$
Balance at 1st January		185,417	1,078,466
Prior year unutilized grant adjusted	12	-	(852,996)
		-----	-----
		185,417	225,470
Excess/(Deficit) of Income over Expenditures transferred from Income and Expenditure Account		102,650	(40,053)
		-----	-----
Balance at 31st December		288,067	185,417
		=====	=====

**INDEPTH NETWORK**  
*(A Company Limited by Guarantee)*  
**BALANCE SHEET AT 31ST DECEMBER 2005**

	Note	2005 US\$	2004 US\$
<b>CURRENT ASSETS</b>			
Debtors	9	43,900	31,600
Cash and Bank Balances		1,451,153	1,174,727
		<u>1,495,053</u>	<u>1,206,327</u>
<b>CURRENT LIABILITIES</b>			
Creditors	10	874,218	569,089
		<u>620,835</u>	<u>637,238</u>
<b>NET CURRENT ASSETS</b>		<b>620,835</b>	<b>637,238</b>
<b>DEFERRED INCOME</b>	11	(332,768)	(451,821)
<b>NET ASSETS</b>		<u><u>288,067</u></u>	<u><u>185,417</u></u>
<b>REPRESENTED BY:</b>			
<b>ACCUMULATED FUND</b>		<u><u>288,067</u></u>	<u><u>185,417</u></u>

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

The financial statements were approved on 21/03 ..... 2006

INDEPTH NETWORK  
*(A Company Limited by Guarantee)*  
**INDEPTH NETWORK**  
*(A Company Limited by Guarantee)*  
**CASH FLOW STATEMENT**  
**FOR THE YEAR ENDED 31ST DECEMBER 2005**

	2005 US\$	2004 US\$
<b>Cashflow from operating activities</b>		
<b>Surplus/(Deficit) for the year</b>	102,650	(40,053)
Adjustments for:		
Interest received	(22,106)	(4,877)
	80,544	(44,930)
(Increase)/Decrease in debtors	(12,300)	36,600
Increase/(Decrease) in creditors	305,129	(388,640)
(Decrease)/Increase in deferred income	(119,053)	451,821
	-----	-----
<b>Cash generated from operating activities</b>	254,320	54,851
<b>Cash from investing activities</b>		
Interest received	22,106	4,877
	-----	-----
<b>Net increase in cash and cash equivalents</b>	276,426	59,728
Cash and cash equivalents at beginning (Note A)	1,174,727	1,114,999
	-----	-----
Cash and cash equivalents at beginning (Note A)	1,451,153	1,174,727
	=====	=====
<b>Note A</b>		
Cash and bank balances	1,451,153	1,174,727
	=====	=====



**INDEPTH NETWORK**

*(A Company Limited by Guarantee)*

**NOTES FORMING PART OF THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 31ST DECEMBER 2005**

**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**

	<b>2005</b>	<b>2004</b>
	<b>US\$</b>	<b>US\$</b>
Utilized Grants	1,251,765	2,081,252
Realized Deferred Income (Bill and Melinda Gates)	219,053	100,000
	<u>1,470,818</u>	<u>2,181,252</u>

## 4. OTHER INCOME

	2005 US\$	2004 US\$
Interest Income	22,106	4,877
Sundry Income	94,661	69,953
Exchange Gain	1,689	12,441
	<u>118,456</u>	<u>87,271</u>

5. EXCESS/(DEFICIT) OF INCOME  
OVER EXPENDITURE

is stated after charging:-

Directors' Remuneration	119,408	121,586
Auditors' Remuneration	<u>8,500</u>	<u>7,000</u>

## 6. MEETING EXPENSES

Meeting Expenses	13,477	65,290
Capacity Building/Technical Exchange	1,592	430,943
Scientific Advisory Meetings	46,577	19,512
Indepth Board of Trustees Meeting	33,555	15,288
Work Group Meeting	48,194	68,163
Annual General Meetings	99,300	306,538
Coordinating Committee Meeting	10,858	38,069
Travelling Expenses	-	3,273
Starter Kit Meeting	30,246	46,112
	<u>283,799</u>	<u>993,188</u>

## 7. WORKSHOP EXPENSES

	2005 US\$	2004 US\$
Partners workshop expenses	9,000	-
Air Tickets - PTA	-	2,057
Media Workshop	-	8,625
Monograph on cause specific mortality	6,079	268,445
Monograph on Health Equity	10,367	340,273
MLT Monograph	-	597
Travel and per diem	12,033	20,688
Scientific Workshop writing expenses	9,107	16,143
Conference Facilities	10,941	28,397
Health Informatics	-	4,766
WHO Adult Workshop	27,862	-
Promotional Material and Report	3,377	-
	-----	-----
	<u>88,766</u>	<u>689,991</u>

## 8. GENERAL EXPENSES

Personnel Costs	312,939	385,394
Bank Charges	9,718	8,921
Auditor's Remuneration	8,500	7,000
Utilities	2,675	2,786
Rent	60,600	54,000
Office Equipment	7,550	11,554
Office Supplies and Maintenance	13,736	13,689
Vehicle, Fuel and Maintenance	12,041	4,116
Secretariat Office Communication	11,169	11,660
Official Reception	3,512	3,605
Site Expenses	165,314	68,414
Legal Fees	9,949	8,000
Medical Expenses	4,042	9,691
Computers and Accessories	48,868	-
Research to Policy Expenses	2,795	-
Administrative Cost	41,949	-
	-----	-----
	<u>715,357</u>	<u>588,830</u>

	2005 US\$	2004 US\$
<b>9. DEBTORS</b>		
Prepayments	23,800	31,600
Staff Advance	20,100	-
	<u>43,900</u>	<u>31,600</u>
<b>10. CREDITORS</b>		
Accruals	11,575	8,050
Unutilised Grants (Note 10(b))	862,501	561,039
Other Creditors	142	-
	<u>874,218</u>	<u>569,089</u>

**10(b) Unutilized Grants**

	Unutilised Grant AT 01/01/05 US\$	Transfer US\$	Grants Received US\$	Utilised Grant At 31/12/05 US\$	Unutilised Grant At 31/12/05 US\$
Rockefeller Foundation					
- Resource Kit Grant	-		62,080	(34,850)	27,230
- Core Support	225,380	(100,000)	350,000	(317,173)	158,207
- Indepth/ACAP	196,144	-	-	(196,144)	-
- HIV/AIDs Grants	-	-	257,830	-	257,830
SIDA/SAREC	31,555	-	593,385	(415,086)	209,854
World Bank	107,960	-	-	(107,960)	-
Wellcome Trust	-	-	100,497	(76,595)	23,902
World Health Organisation	-	-	88,875	(32,674)	56,201
LSHTM malaria research Grant	-	-	62,119	(50,277)	11,842
Welcome Trust - Scientific Writing	-	-	25,272	(9,108)	16,164
William and Flora Hewlett Grant	-	-	100,000	(5,021)	94,979
University of Sussex Collaboration	-	-	13,169	(6,876)	6,292
	<u>561,039</u>	<u>(100,000)</u>	<u>1,653,227</u>	<u>(1,251,764)</u>	<u>862,501</u>

The transfer relates to expenses incurred on Rockefeller Foundation charged against Bill and Melinda Gates in 2004 now being corrected.

- (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) Bill & Melinda Gates Foundation Grant – to support a leadership programme at the University of Witwatersrand, South Africa for the period 2004 - 2007.

#### 11. DEFERRED INCOME

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

	2005 US\$	2004 US\$
Balance at 1 January	451,821	-
Transfer from Rockefeller Foundation	100,000	-
Balance at 1 January as restated	551,821	-
Grant received	-	551,821
Grant Utilized	(219,053)	(100,000)
Balance at 31 December	<u>332,768</u>	<u>451,821</u>

The transfer relates to expenses incurred on Rockefeller Foundation charged against Bill and Melinda Gates in 2004 now being corrected.

#### 12. PRIOR YEAR UNUTILISED GRANT

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