

**AFRICA CENTRE OF EXCELLENCE FOR INFECTIOUS DISEASES
OF HUMANS AND ANIMALS (ACEIDHA) – UNIVERSITY OF ZAMBIA
(ACEIDHA- UNZA)**

**FINANCIAL STATEMENTS FOR THE YEAR
ENDED 31st DECEMBER 2019.**

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REPORT OF THE STEERING COMMITTEE

Background

The Africa Centre of Excellence for Infectious Diseases of Humans and Animals at the University of Zambia (ACEIDHA-UNZA) is one of the World Bank's Africa Centres of Excellence Second Project – (ACE II project). The Project is hosted in the School of Veterinary Medicine at the University of Zambia.

The project was launched on 24th April 2018 and will be implemented over a five (5) year period (2018 – 2022) at a total cost of six million United States Dollars (US\$6,000,000).

The principal activity of ACEIDHA is the delivery of high-quality research and training at MSc and PhD levels to students in Africa, so as to reduce the identified critical shortage of skilled human resource in the prevention and control of infectious diseases on the Continent.

The main objectives of the Project are:

- To develop a critical mass of skilled human resource for both private and public sectors through PhD and MSc training.
- To strengthen networks and or linkages with Local, Regional and International Institutions.
- To develop advocacy programs for community and policy formulation.
- To establish applied research programs.
- To develop infectious diseases counter measures.
- To elucidate the ecology of pathogens.

The Project is divided into five (5) Components namely:

- Strengthen management among collaborating partners
- Strengthen teaching excellence of infectious diseases of humans and animals
- Strengthen research in Emerging and Zoonotic diseases
- Attract regional and international students
- Centre infrastructure

Project Establishment

The Government of the Republic of Zambia, represented by the Ministry of Finance as the Principal recipient signed the Financing Agreement with the World Bank on 11th May 2017.

The signing of the Financing Agreement gave birth to the Africa Centre of Excellence for Infectious Diseases of Humans and Animals hosted at the University of Zambia.

Project Governance

The National Steering Committee is responsible for overall coordination of the Centre while the Project Management Unit (Africa Centre of Excellence) headed by the Centre Leader is responsible for implementation and management of the Project with coordination support from the Regional Facilitation Unit (RFU).



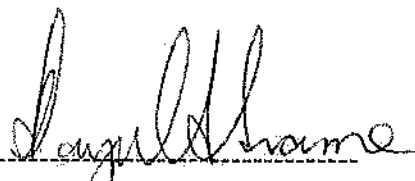
Composition of the Steering Committee

No.	Organization	Representative on the Steering Committee
1	Ministry of Higher Education – Permanent Secretary	Ms Kayula Siame
2	Ministry of Higher Education	Mrs. Chinkusu M. Jane
3	University of Zambia – Deputy Vice Chancellor	Dr Tamala Tonga Kambikambi
4	Zambia Qualification Authority	Mrs. Mirriam Chiyaba
5	Ministry of Commerce	Mr. Mumba Amos
6	National Science and Technology	Mr. Zulu Filipo
7	National Science and Technology	Dr. Chitundu Kasase
8	Copperbelt University	Prof. Ngoma Naison
9	Ministry of Finance	Mr. Mfungo Patrick
10	Ministry of Higher Education	Mrs Muteleksha Khondwani
11	Ministry of National Development Planning	Sikabele Chikuba
12	Private Sector	Representative

Auditors

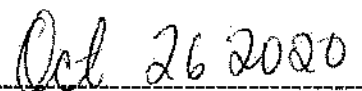
The Auditor General is the current auditor for the Africa Centre of Excellence for Infectious diseases of Humans and Animals (ACEIDHA- UNZA).

On behalf of the Project Steering committee.



Permanent Secretary

Ministry of Higher Education



Date

STATEMENT OF RESPONSIBILITY FOR THE FINANCIAL STATEMENTS

The Project Management is responsible for preparing the Statement of Sources and Utilisation of Funds for each financial year, which gives a true and fair view of the state of affairs of the Africa Centre of Excellence for Infectious diseases of Humans and Animals (ACEIDHA-UNZA). In preparing the Statement of Sources and Utilisation of Funds, the Project Management:

- Selects suitable accounting policies and then applies them consistently,
- Makes judgments that are reasonable and prudent; and
- Follows the International Public Sector Accounting Standards (IPSASs) Cash Basis of Accounting.

The Project Management is responsible for ensuring that Africa Centre of Excellence for Infectious diseases of Humans and Animals (ACEIDHA- UNZA) keeps proper accounting records, which disclose with reasonable accuracy at any time the financial position and activities of the project. It is also responsible for taking reasonable steps for the prevention and detection of errors, fraud and other irregularities.

The Project Management is also responsible for the systems of internal controls. These are designed to provide reasonable, but not absolute, assurance as to the reliability of the financial statements and to adequately safeguard, verify and maintain accountability for assets, and to prevent and detect material misstatements. The systems are implemented and monitored by suitably trained personnel with appropriate segregation of authority and duties. Nothing has come to the attention of the Project Management to indicate that any material breakdown in the functioning of these controls, procedures and systems has occurred during the years under review.

In the opinion of the Project Management, the Statement of Sources and Utilisation of Funds is drawn up so as to present fairly the financial activities for the year ended 31st December, 2019.

Signed on behalf of the Project Management by:

.....
Permanent Secretary
Ministry of Higher Education

Date: *23/10/20*

[Signature]

.....
Vice Chancellor
UNZA

Date: *23/10/20*

[Signature]
.....
Dean
UNZA School of Vet Medicine

Date: *21/11/2020*

[Signature]
.....
Centre Leader
UNZA - ACEIDHA

Date: *20/10/2020*

INDEPENDENT AUDITOR'S REPORT

STAND No.7951

HAILE SELASSIE AVENUE,
LONGACRES

P.O BOX 50071

LUSAKA, ZAMBIA

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To the Permanent Secretary- Ministry of Higher Education

Report on the Audit of the Financial Statements

Opinion

I have audited the financial statements of the Africa Centre of Excellence for Infectious Diseases of Humans and Animals - University of Zambia (ACEIDHA- UNZA) which comprise the Statement of Sources and Utilization of Funds for the financial year ended 31st December 2019 and a summary of significant accounting policies and other explanatory information on pages 8 to 16.

In my opinion, the accompanying financial statements present fairly, in all material respects, the financial affairs of the ACEIDHA-UNZA, as at 31st December 2019, in accordance with International Public Sector Accounting Standards (IPSAS) Cash Basis of Accounting.

Basis for Opinion

I conducted my audit in accordance with International Standards of Supreme Audit Institutions (ISSAIs). My responsibilities under those standards are further described in the Auditor's Responsibilities for the Audit of the Financial Statements section of my report. I am independent of the Africa Centre of Excellence for Infectious Diseases of Humans and Animals-University of Zambia (ACEIDHA- UNZA) in accordance with the International Organisation of Supreme Audit Institutions (INTOSAI) Code of Ethics together with the ethical requirements that are relevant to my audit of the financial statements in Zambia, and I have fulfilled my other ethical responsibilities in accordance with these requirements and the INTOSAI Code. I believe that the audit evidence I have obtained is sufficient and appropriate to provide a basis for my opinion.

Responsibilities of Management and Those Charged with Governance for the Financial Statements

Management is responsible for the preparation and fair presentation of the financial statements in accordance with International Public Sector Accounting Standards (IPAS) Cash Basis of Accounting, and for such internal controls as management determines is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

Auditor's Responsibilities for the Audit of the Financial Statements

My 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 my opinion. Reasonable assurance is a high level of assurance but is not a guarantee that an audit conducted in accordance with ISSAIs 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 ISSAIs, I exercise professional judgment and maintain professional scepticism throughout the audit. I 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 my 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 controls.
- Obtain an understanding of internal controls relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Project's internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.
- Evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

I communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that I identify during my audit. I also provide those charged with governance with a statement that I have complied with relevant ethical requirements regarding independence, and to communicate with all relationships and other matters that may reasonably be thought to bear on my independence, and where applicable related safeguards.



Report on Other Legal and Regulatory Requirements

In my opinion, the Statement of Sources and Utilisation of Funds of the Africa Centre of Excellence for Infectious Diseases of Humans and Animals - University of Zambia (ACEIDHA- UNZA) as at 31st December 2019, have been properly prepared in accordance with World Bank Financing Agreement.


Dr Dick Chellah Sicheembe
AUDITOR GENERAL
OFFICE OF THE AUDITOR GENERAL

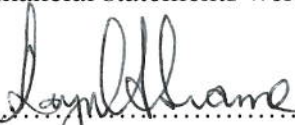


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STATEMENT OF SOURCES AND UTILISATION OF FUNDS


Description	Note	2019		2018	
		ZMW	US \$	ZMW	US \$
Sources of Funds					
IDA Funds	2	3,698,031	275,102	13,807,957	1,160,352
Income from Development and implementation of short courses				65,100	6,153
Balance B/F	2	7,310,344	631,817		
Total Income		11,008,375	906,919	13,873,057	1,166,505
Utilisation of Funds					
Strengthen Management Among Collaborating Partners	3	3,661,729	301,829	4,135,466	340,680
Strengthen Teaching Excellence of Infectious Diseases of Humans and Animals	4	3,125,038	281,578	2,148,958	166,871
Strengthen Research In Emerging and Zoonotic Diseases	5	1,066,788	88,865	201,951	20,586
Attract Regional and International Students	6			27,049	2,757
Centre Infrastructure	7	166,544	13,997	37,590	3,794
Total Utilisation		8,020,099	686,269	6,551,014	534,688
Sources less Utilisation		2,988,276	220,650	7,322,043	631,817
Exchange gains /(Losses)	8	118,108		(11,699)	
Closing balances	9	3,106,384	220,650	7,310,344	631,817

The financial statements were approved by management and signed by:



.....
Permanent Secretary
Ministry of Higher Education


.....
Vice Chancellor
UNZA

Date: 23/10/20


.....
Dean
UNZA School of Vet Medicine

Date: 21/8/2020


.....
Centre Leader
UNZA - ACEIDHA

Date: 20/10/2020

CUMULATIVE SOURCES AND UTILISATION OF FUNDS

Description	2019		2018		CUMMULATIVE	
	ZMW	US \$	ZMW	US \$	ZMW	US \$
IDA Funds	3,698,031	275,102	13,807,957	1,160,352	17,505,988	1,435,454
Income from Development and implementation of short courses			65,100	6,153	65,100	6,153
Balance B/F	7,310,344	631,817				
Total Income	11,008,375	906,919	13,873,057	1,166,505	17,571,088	1,441,607
Strengthen Management Among Collaborating Partners	3,661,729	301,829	4,135,466	340,680	7,797,195	642,509
Strengthen Teaching Excellence of Infectious Diseases of Humans and Animals	3,125,038	281,578	2,148,958	166,871	5,273,996	448,449
Strengthen Research In Emerging and Zoonotic Diseases	1,066,788	88,865	201,951	20,586	1,268,739	109,451
Attract Regional and International Students			27,049	2,757	27,049	2,757
Centre Infrastructure	166,544	13,997	37,590	3,794	204,134	17,790
Total Utilisation	8,020,099	686,269	6,551,014	534,688	14,571,113	1,220,957
Sources less Utilisation	2,988,276	220,650	7,322,043	631,817	2,999,975	220,650
Exchange gains/(Losses)	118,108		(11,699)		106,409	
Closing balances	3,106,384	220,650	7,310,344	631,817	3,106,384	220,650

NOTES TO THE FINANCIAL STATEMENTS

1. Accounting Policies

(i) Basis of Accounting.

The 2019 Statement of Sources and Utilisation of Funds has been drawn using the International Public Sector Accounting Standards (IPSASs) Cash Basis method of accounting.

(ii) Receipts.

These are recognised when they are received in the Project bank account.

- Money is disbursed when pre-agreed targets are met
- Four key indicators (DLIs) and 14 sub-component indicators (DLRs) have been specified by the World Bank Group.
- Assessment of the Disbursement linked indicators (DLIs) and Disbursement linked results (DLRs) is conducted by independent verifiers recruited by the Inter-University Council for Central and East Africa (IUCEA) the regional facilitation unit (RFU) of the WB – funded ACE II

(iii) Expenditure.

Expenses are recognised when they are paid. No commitments have been recognised in the 2019 Sources and Utilisation of Funds.

(iv) Foreign currency Translation

The Centre receives funding in United States Dollars. Most of the project expenditure is conversely, done in the local currency (Zambian Kwacha). In preparing the 2019 Financial Statements, the Bank of Zambia prevailing rate at the date of the transaction is used as a convention rate. Cash and Cash equivalents were converted at the Bank of Zambia closing rate as at 31st December 2019 of K 14.08

(v) Non-current Assets

The Non-Current Assets have been recorded at historical cost and expensed. No depreciation has been recognised in the Statement of Sources and Utilisation of Funds.

A Fixed Asset register is maintained and is part of the report in the Appendix.

(vi) Consumable stocks.

These have expensed at the date of payment. Stores Management Record is in place to monitor utilisation.



2. Receipts

The Centre received a total of **USD \$ 275,102.00** from the World Bank in its account which is held at the Bank of Zambia in 2019. The funds were received after achieving the Disbursement Linked Indicator number 2.5 which is the Peer-reviewed journal papers / conference papers prepared collaboratively with regional or international partners. The USD \$ 275,102.00 was translated at K 13.44

Sources of Funds	2019 ZMW	2019 USD	2018 ZMW	2018 USD
IDA Funds	3,698,031	275,102	13,807,957	1,160,352
Other Incomes			65,100	6,153
Balance B/F	7,310,344	631,817		
Total Income	11,008,375	906,919	13,873,057	1,166,505

3. Component 1 - Action Plan to Strengthen Management among Collaborating Partners

COMPONENT 1	2019 ZMW	2019 USD
Participate in a joint International Scientific Advisory Board meeting	524,898	38,893
Capacity building training for ACEIDHA staff and partner institutions	858,799	70,851
Vehicle insurance and maintenance	105,087	8,708
Emoluments for administrative staff	537,792	45,335
Project Administration	383,029	32,278
Monitoring and evaluation	28,809	2,143
Financial and Procurement audit	82,055	6,466
National Steering Committee meetings	167,415	16,114
Local conference participation	675,372	56,100
International conference participation	298,473	24,941
Subtotal Component 1	3,661,729	301,829

Note: There were no activities under component 1 in 2018, therefore no comparative figures.

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4. Component 2 - ACEIDHA Action Plan to Strengthen Teaching Excellence of Infectious Diseases for Humans and Animals

COMPONENT 2	2019 ZMW	2019 USD	2018 ZMW	2018 USD
Accreditation of new MSc degrees at UNZA	10,000	840	195,696	15,196
Curriculum review of infectious disease courses at UNZA	108,592	10,940	1,111,507	86,311
Procurement of ACEIDHA Communication activities and programs	45,500	3,824	189,039	14,679
Postgraduate student training (stipends and tuition)	2,960,946	265,974	375,717	29,175
ICT Equipment - Laptops			276,999	21,510
Subtotal Component 2	3,125,038	281,578	2,148,958	166,871

5. Component 3 - ACEIDHA Action Plan to Strengthen Research Excellence on NTDs, Emerging and Zoonotic Diseases

COMPONENT 3	2019 ZMW	2019 USD	2018 ZMW	2018 USD
Develop joint research proposals	35,427	2,977	201,950	20,586
Procurement of training materials/reagents (UNZA)	753,027	63,032		
Postgraduate research grants	278,334	22,856		
Subtotal Component 3	1,066,788	88,865	201,950	20,586

6. Component 4 - Attract Regional and International Students

There were no activities for component 4 during the period under review.

COMPONENT 5	2019 ZMW	2019 USD	2018 ZMW	2018 USD
Refurbishing and furnishing of the ACEIDHA building	-	-	27,049	2,757
Subtotal Component 5	-	-	27,049	2,757

7. Component 5 - ACEIDHA Action plan for Centre Infrastructure

COMPONENT 5	2019 ZMW	2019 USD	2018 ZMW	2018 USD
Refurbishing and furnishing of the ACEIDHA building	166,544	13,997	37,590	3,794
Subtotal Component 5	166,544	13,997	37,590	3,794

8. Exchange gains / (Losses)

Account Name	Bank Account Balances	RATE	Currency	
			ZMW	USD
MOHE - UNZA ACEIDHA \$	35,454	14.07833	499,133	35,454
UNZA ACEIDHA \$	180	14.07833	2,534	180
UNZA ACEIDHA K	2,486,609	13.44000	2,486,609	185,016
Expected cash balance 31st December 2019			2,988,276	220,650
Exchange Gain / Losses			118,108	
Balance as at 31 December, 2019		14.07833	3,106,384	220,650



9. Cash and Cash Equivalents Balance as at 31 December, 2019

Account Name	2019 ZMW	2019 USD	2018 ZMW	2018 USD
MOHE - UNZA ACEIDHA \$	499,133	35,454	6,668,077	560,352
UNZA ACEIDHA \$	2,536	180	108,907	9,152
UNZA ACEIDHA K	2,604,715	185,016	533,360	62,313
Cash and Cash Equivalents as at 31 December, 2019	3,106,384	220,650	7,310,344	631,817

APPENDIX 1. ACEIDA PROJECT ASSET REGISTER

Asset Code	Description	Type of Asset	Value	Name of Supplier	Year of Purchase	Location	Status	Voucher No/ Chq No
6880	Laptop	Office Equipment	K8,905	Computer Express	2018	Procurement – Mrs Chipasha Faith	Good	Q0000012
6881	Laptop	Office Equipment	K8,905	Computer Express	2018	Public Relation – Mr Damaseke Chibale	Good	Q0000012
6882	Laptop	Office Equipment	K8,905	Computer Express	2018	Procurement – Mrs Thresa C. Siyumbwa	Good	Q0000012
6883	Laptop	Office Equipment	K8,905	Computer Express	2018	Paraclinical Studies – Prof. Hangombe M. Mudenda	Good	Q0000012
6885	Laptop	Office Equipment	K8,905	Computer Express	2018	Biomedical Sciences – Dr Simukoko Humphrey	Good	Q0000012
6886	Laptop	Office Equipment	K8,905	Computer Express	2018	Disease Control – Dr Munyeme Musso	Good	Q0000012
6887	Laptop	Office Equipment	K8,905	Computer Express	2018	Accounts – Mrs Matimuna Mulenga Acbertha	Good	Q0000012
6888	Laptop	Office Equipment	K8,905	Computer Express	2018	Accounts – Jameson Libinga	Was stolen from a Car at Pick n Pay Woodlands- Reported to Police	Q0000012

6889	Laptop	Office Equipment	K8,905	Computer Express	2018	Paraclinical Studies – Dr. Sikasunge Chummy	Good	Q0000012
6978	Laptop	Office Equipment	K8,905	Computer Express	2018	Disease Control – Prof. Aaron Mweene	Good	Q0000012
6879	Laptop	Office Equipment	K8,905	Computer Express	2018	International Relations – Patricia Sakala	Good	Q0000012
6985	Laptop	Office Equipment	K8,905	Computer Express	2018	Disease Control – Dr. Martin Simuunza	Stolen - Reported	Q0000012
6890	Laptop	Office Equipment	K8,905	Computer Express	2018	Clinical Studies – Dr Phiri Andrew	Good	Q0000012
Not yet coded	Laptop	Office Equipment	K8,905	Computer Express	2018	SOM - CBU	Good	Q0000012
Not yet coded	Laptop	Office Equipment	K11,985	Computer Express	2018	SOM - CBU	Good	Q0000012
Not yet coded	Laptop	Office Equipment	K8,905	Computer Express	2018	SOM - CBU	Good	Q0000013
Not yet coded	Laptop	Office Equipment	K8,905	Computer Express	2018	SOM - CBU	Good	Q0000013
Not yet coded	Laptop	Office Equipment	K8,905	Computer Express	2018	SOM - CBU	Good	Q0000013
Not yet coded	Laptop	Office Equipment	K8,905	Computer Express	2018	SOM - CBU	Good	Q0000013
Not yet coded	Laptop	Office Equipment	K8,905	Computer Express	2018	SOM - CBU	Good	Q0000013
Not yet coded	Laptop	Office Equipment	K8,905	Computer Express	2018	SOM - CBU	Good	Q0000013
Not yet coded	Laptop	Office Equipment	K8,905	Computer Express	2018	SOM - CBU	Good	Q0000013
Not yet coded	Laptop	Office Equipment	K8,905	Computer Express	2018	SOM - CBU	Good	Q0000013
BAH 9912	Toyota Fortuner	Motor Vehicle	K670,535.41	Toyota Zambia	2018	School of Veterinary Medicine	Runner	Q0000018