AFRICAN POPULATION AND HEALTH RESEARCH CENTER (APHRC)

ANNUAL REPORT AND FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 DECEMBER 2021

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Organization information

REGISTERED OFFICE / PRINCIPAL PLACE OF BUSINESS

APHRC Campus
Manga Close, off Kirawa Road
P.O. Box 10787-00100
Nairobi – Kenya

INDEPENDENT AUDITOR

PricewaterhouseCoopers LLP
Certified Public Accountants
PwC Towers
Waiyaki Way / Chiromo Road, Westlands
P.O Box 43693 - 00100
Nairobi – Kenya

PRINCIPAL BANKERS

Stanbic Bank Ltd
Stanbic Centre
P.O. Box 72833-00200
Nairobi – Kenya

Ecobank Kenya
Ecobank Towers Branch
P.O. Box 48022-00100
Nairobi - Kenya

Equity Bank Limited
Gigiri Supreme Centre
Gigiri Square, UN Avenue
P.O. Box 101739 - 00100
Nairobi – Kenya

Ecobank Nigeria
67, Yakubu Gowon Crescent
Asokoro District – Abuja – Nigeria

I & M Bank Kenya
P.O. Box 30238 – 00100
Nairobi – Kenya

Ecobank Senegal,
Avenue Cheikh,
P.O Box 9095,
Senegal – Dakar

Organization information (Continued)

LEGAL ADVISERS

Mboya Wangong'u and Waiyaki
Lex Chambers, Maji Mazuri Road
Off James Gichuru Road, Lavington
P.O. Box 74041 – 00200
Nairobi – Kenya

Njoroge Regeru and Company Advocates
Arbor House, Arboretum Drive
Off Bishop Road
P.O. Box 46971-00100
Nairobi – Kenya

Robson Harris & Co Advocates
Transnational Plaza, City-Hall Way
P.O. Box 67845-00200
Nairobi – Kenya

Directors' report

The directors submit their report together with the audited financial statements for the year ended 31 December 2021, which disclose the state of affairs of African Population and Health Research Center (APHRC).

PRINCIPAL ACTIVITIES AND MISSION

APHRC is committed to conducting high quality, policy relevant research on population and health related issues facing sub-Saharan Africa. APHRC's mission is to generate evidence, strengthen research and related capacity in the African R&D ecosystem, and engage policy to inform action on health and development.

RESULTS

The surplus for the year of USD 1,934,632 (2020: USD 342,979) has been added to the general fund.

DIRECTORS

The directors who held office during the year and to the date of this report were:

Bunmi Makinwa	Chairperson of the Board
Catherine Kyobutungi	Executive Director
Nalinee Sangrujee	Member
Bright Simons	Member (Chairperson, Finance and Risk Management)
Ole Petter Ottersen	Member
Ruth Levine	Member
Dan Laster	Member
Pam Fredman	Member
Ousmane Faye	Member
Thomas Finkbeiner	Member
Martin Mbaya	Member
Wilfred Nderitu	Member

AUDITOR

PricewaterhouseCoopers LLP have expressed willingness to continue in office.

By order of the Board

Bright Simons Simons
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28 Apr 2022, 19:39:08, EAT

Catherine Kyobutungi
Catherine Kyobutungi
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28 Apr 2022, 19:46:06, EAT

Chairperson, Finance and Risk Management

Executive Director

28/04/2022 2022

Executive director's report

The year 2021 marked the end of a five-year Strategic Plan period. It was also the second year of the COVID19 pandemic. The Center continued on its growth trajectory, the pandemic disruptions notwithstanding. Based on lessons learned in 2020, we adapted and successfully delivered on all projects or reprogrammed activities that could not have been previously implemented due to COVID19 restrictions. As a result, the year saw steady growth in all areas of the Center's work.

The West Africa Regional Office (WARO) showed tremendous growth in the portfolio size, budget and staffing. The targets in the two-year investment plan submitted to the government of Senegal in 2019 were 96% met. The Center as a whole experienced an increase in the number of large-scale multi-country and multimillion projects among the 60 newly funded projects. Research, Research Capacity Strengthening (RCS), and Policy Engagement and Communications (PEC) all had projects involving partnerships outside Kenya. There was also a sustained and strengthened engagement with regional bodies. Notably, the Center developed a new strategic partnership with UN bodies including a formal partnership to support the elimination of all forms of violence against women and girls in Africa involving UNDP, UNFPA, UN Women and UNICEF.

Two strategic initiatives developed in response to the COVID19 pandemic i.e. the Virtual Academy and a telephone contact database for remote data collection continued to evolve and both attracted committed funding to further develop them. We hope to roll them out in 2022. Gaining better traction obtained in all program areas led to a big growth of 41% in income and 32% in expenditure reversing the drop that we experienced in 2020. Because of the substantial growth in program activities and additional unrestricted support received in 2021, we are closing the year with a healthy surplus of US$1.9m.

Our engagement with decision makers was evident in various ways, which included membership in technical working groups, support in the development of national policies and guidelines in the areas of immunization, and sanitation, capacity strengthening opportunities, research partnerships and engagements with policy actors in food and nutrition security among others. We were able to increase our visibility with targeted media engagements around priority issues locally and internationally, through op-eds and feature stories as part of an extensive media outreach plan and a formal partnership with a communications firm on countering COVID19 disinformation.

The systems and processes developed in 2020, partly in response to the COVID19 pandemic were mainstreamed to strengthen project and financial tracking, and subsequent funder communication for fast decision-making. We finalized the roll out of the new Enterprise Resource Planning system across the whole Center and the move to paperless operations. In addition, we updated a number of our operational policies and undertook a Good Financial Grant Practice Standard (GFGP) audit at the highest level of certification - Platinum. We also undertook several assessments including a staff compensation survey, the five-year external evaluation and legal audits for the Center's operations in Kenya and Senegal. The latter will be concluded in 2022.

We continued implementing the recommendations from the governance assessment which was conducted in 2020 by among others, recruiting a Board secretary, the designation of an office to coordinate risk management and developing and reviewing various policies to strengthen the Board's functions.

Our regular staff numbers rose by 8% from 159 at the end of 2020 to 172 at the end of 2021 compared to a 9% slump in the previous year. This growth came on the back of expanded recruitment efforts and reduced workforce turnover. Our staff in the year 2021 came from 11 African countries and 2 non-African countries. For the fifth year running, there were more women than men staff with the proportion decreasing by one percentage point to 53%.

Executive director's report (Continued)

This was the second year that Ulwazi Place, the APHRC's training Center, was operational. The facility reported better performance compared to 2020 despite several booking cancellations and a two-month long closure occasioned by the COVID19 Pandemic. The outlook for Ulwazi Place looks better and with new marketing plans, improved staffing and interest by clients we are optimistic of good performance in 2022 as the COVID19 effects generally continue to ease.

In the year, APHRC became increasingly involved in management of funds on behalf of donors. We are leveraging our experience managing grants and fellowships with our vast technical expertise to offer an excellent value proposition to funders. We are thus able to combine two roles that are usually undertaken by different organizations and provide value for money and efficiency to funders. In the coming years, we see APHRC playing a critical role in fund management for our programmatic areas of research, RCS & PEC in addition to the areas of systems and processes, which covers governance, accountability and transparency. This is aligned with our new strategy to strengthen the R&D ecosystem in Africa.

In light of the anticipated end of the 2017-2021 Strategic Plan period, we embarked on a highly consultative process to develop a new Plan. The 2022-2026 Strategic Plan was approved in November and restates our vision of transformation, expands our mission to include strengthening the Research and Development ecosystem in Africa and deepening our policy impact models.

The outlook for the Center is very positive. The new Plan includes exciting new areas notably in fund management, PEC-related research & learning, precision medicine, data science & AI. We expect to develop new areas of work while leveraging the strong foundation we already have in terms of program priorities, the huge network of partners and maturity of ongoing policy engagement initiatives. The recent unrestricted gift of $15m to the Center in March 2022 makes the outlook even more positive.

We are always grateful for the unwavering support that our funders and partners continue to give, the hard work by all staff, and our Board members' commitment and dedication. We look forward to yet another successful year of transforming lives in Africa through research as we implement our new 2022 – 2026 Strategic Plan.

Catherine Kyobutungi

Catherine Kyobutungi
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28 Apr 2022, 19:46:06, EAT

Executive Director

28/04/2022 2022

Statement of directors' responsibility

The directors of APHRC are required to prepare financial statements for each financial year which give a true and fair view of the financial position of APHRC at the end of the financial year and its financial performance for the year then ended.

The directors of APHRC are responsible for ensuring that APHRC keeps proper accounting records that are sufficient to show and explain the transactions of APHRC; disclose with reasonable accuracy at any time the financial position of APHRC; and that enables them to prepare financial statements of APHRC that comply with prescribed financial reporting. They are also responsible for safeguarding the assets of APHRC and for taking reasonable steps for the prevention and detection of fraud and other irregularities.

The directors accept responsibility for the preparation and presentation of these financial statements in accordance with International Financial Reporting Standards. They also accept responsibility for:

I. Designing, implementing and maintaining internal control as they determine necessary to enable the preparation of financial statements that are free from material misstatements, whether due to fraud or error;

II. Selecting suitable accounting policies and then apply them consistently; and

III. Making judgements and accounting estimates that are reasonable in the circumstances

Having made an assessment of APHRC's ability to continue as a going concern, the directors are not aware of any material uncertainties related to events or conditions that may cast doubt upon APHRC's ability to continue as a going concern.

The directors acknowledge that the independent audit of the financial statements does not relieve them of their responsibilities.

Approved by the Board of Directors on 28/04/2022 2022 and signed on its behalf by:

Bright Simons Simons
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28 Apr 2022, 19:39:08, EAT

Catherine Kyobutungi

Catherine Kyobutungi
Signer ID: GHBR17BFB2...
28 Apr 2022, 19:46:06, EAT

Chairperson, Finance and Risk Management

Executive Director

INDEPENDENT AUDITOR'S REPORT TO THE DIRECTORS OF AFRICAN POPULATION AND HEALTH RESEARCH CENTER (APHRC)

Report on the audit of the financial statements

Our opinion

We have audited the accompanying financial statements of African Population and Health Research Center (APHRC) set out on pages 10 to 37 which comprise the statement of financial position at 31 December 2021 and the statements of comprehensive income, changes in fund balance and cash flows for the year then ended and the notes to the financial statements, which include a summary of significant accounting policies.

In our opinion, the financial statements give a true and fair view of the financial position of APHRC at 31 December 2021, and of its financial performance and cash flows for the year then ended in accordance with International Financial Reporting Standards.

Basis for opinion

We conducted our audit in accordance with International Standards on Auditing (ISAs). Our responsibilities under those standards are further described in the *Auditor's responsibilities for the audit of the financial statements* section of our report.

We are independent of the APHRC in accordance with the International Code of Ethics for Professional Accountants (including International Independence Standards) issued by the International Ethics Standards Board for Accountants (IESBA Code) together with the ethical requirements that are relevant to our audit of the financial statements in Kenya. We have fulfilled our other ethical responsibilities in accordance with the IESBA Code.

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

Other information

The other information comprises the information included in the annual report other than the financial statements and our auditor's report thereon. The directors are responsible for the other information. Our opinion on the financial statements does not cover the other information and, except to the extent otherwise explicitly stated in this report, we do not express any form of assurance conclusion thereon.

In connection with our audit of the financial statements, our responsibility is to read the other information identified above 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 on the other information, 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.

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INDEPENDENT AUDITOR'S REPORT TO THE DIRECTORS OF AFRICAN POPULATION AND HEALTH RESEARCH CENTER (APHRC) (Continued)

Report on the audit of the financial statements (Continued)

Responsibilities of directors for the financial statements

The directors are responsible for the preparation of financial statements that give a true and fair view in accordance with International Financial Reporting Standards and for such internal control as the directors 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 financial statements, the directors are responsible for assessing the APHRC'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 directors either intend to liquidate APHRC or to cease operations, or have no realistic alternative but to do so.

Auditor's 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 ISAs will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

As part of an audit in accordance with ISAs, we exercise professional 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 APHRC's internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the directors.
- Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the APHRC's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the APHRC to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

INDEPENDENT AUDITOR'S REPORT TO THE DIRECTORS OF AFRICAN POPULATION AND HEALTH RESEARCH CENTER (APHRC) (Continued)

Report on the audit of the financial statements (Continued)

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

CPA Stephen Ochieng Norbert's, Practising Number P/1819
Signing partner responsible for the independent audit

For and on behalf of PricewaterhouseCoopers LLP
Certified Public Accountants
Nairobi

28 April 2022

Statement of comprehensive income

	Notes	Restricted Income 2021 USD	Unrestricted Income 2021 USD	Total 2021 USD	Total 2020 USD
INCOME					
Grant income	5	17,684,654	3,810,369	21,495,023	15,155,643
Other income	6	-	1,030,782	1,030,782	800,929
Total income		**17,684,654**	**4,841,151**	**22,525,805**	**15,956,572**
EXPENSES					
Direct programme expenses	7	17,684,654	335,897	18,020,551	13,014,186
Administration & support costs	8	-	2,763,928	2,763,928	2,759,700
Total expenses		**17,684,654**	**3,099,825**	**20,784,479**	**15,773,886**
Net operating income		-	1,741,326	1,741,326	182,686
Finance income	13	-	193,306	193,306	160,293
Surplus for the year		**-**	**1,934,632**	**1,934,632**	**342,979**
Other comprehensive income		-	-	-	-
Total comprehensive income for the year		·	**1,934,632**	**1,934,632**	**342,979**

The notes on pages 14 to 37 are an integral part of these financial statements.

Statement of financial position

	Notes	As at 31 December 2021 USD	2020 USD
ASSETS			
Non-current assets			
Property and equipment	9	12,725,791	13,006,241
Intangible assets	10	8,782	91,542
		12,734,573	13,097,783
Current assets			
Cash and bank balances	13	15,635,764	11,432,868
Debtors and deposits	12	1,269,722	800,033
Grant receivable	11	2,127,163	1,460,302
		19,032,649	13,693,203
TOTAL ASSETS		**31,767,222**	**26,790,986**
FUND BALANCE AND LIABILITIES			
Fund balance		16,613,247	14,678,615
Current liabilities			
Deferred grants	11	13,718,213	11,241,264
Creditors and accruals	14	1,435,762	871,107
		15,153,975	12,112,371
TOTAL FUND BALANCES AND LIABILITIES		**31,767,222**	**26,790,986**

The notes on pages 14 to 37 are an integral part of these financial statements.

The financial statements on pages 10 to 37 were approved for issue by the Board of Directors on

28/04/2022 2022 and signed on its behalf by:

Bright Simons Simons
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28 Apr 2022, 19:39:08, EAT

Chairperson, Finance and Risk Management

Catherine Kyobutungi

Catherine Kyobutungi
Signer ID: GHBR17BFB2...
28 Apr 2022, 19:46:06, EAT

Executive Director

Statement of changes in fund balance

	Accumulated fund USD	Revaluation reserve USD	Total USD
Year ended 31 December 2020			
At start of year	9,332,451	5,061,979	14,394,430
Revaluation loss on building - Ulwazi (note 9)	-	(58,794)	(58,794)
Transfer of revaluation depreciation	88,582	(88,582)	-
Surplus for the year	342,979	-	342,979
At end of year	**9,764,012**	**4,914,603**	**14,678,615**
Year ended 31 December 2021			
At start of year	9,764,012	4,914,603	14,678,615
Transfer of revaluation depreciation	88,582	(88,582)	-
Surplus for the year	1,934,632	-	1,934,632
	11,787,226	**4,826,021**	**16,613,247**

The notes on pages 14 to 37 are an integral part of these financial statements.

Statement of cash flows

	Notes	Year ended 31 December 2021 USD	2020 USD
Cash flows from operating activities			
Surplus for the year		1,934,632	342,979
Adjustment for:			
Depreciation	9	385,250	391,060
Amortisation charge	10	82,760	82,760
		2,402,642	**816,799**
Movement in working capital			
(Increase)/ Decrease in debtors and deposits		(469,689)	229,560
(Increase)/ Decrease in grants receivable		(666,861)	4,530
Increase/ (Decrease) in deferred grants		2,476,949	(560,936)
Increase/ (Decrease) in creditors and accruals		564,655	(502,061)
Net cash generated from/ (used in) operations		**4,307,696**	**(12,108)**
Cash flow from investing activities			
Purchase of property & equipment	9	(104,800)	(309,324)
Purchase of intangible assets	10	-	(26,347)
Net cash used in investing activities		**(104,800)**	**(335,671)**
Cash flow from financing activities			
Repayment of borrowings		-	(1,250,000)
Net movement in cash and cash equivalents		4,202,896	(1,597,779)
Cash and cash equivalents at beginning of year		11,432,868	13,030,647
Cash and cash equivalents at end of year	13	**15,635,764**	**11,432,868**

The notes on pages 14 to 37 are an integral part of these financial statements.

Notes

1 General Information

African Population and Health Research Center (APHRC or the "organization") is registered in Kenya under section 366 of the Companies Act (Cap 486) as a branch of African Population and Health Research Center Inc., a company incorporated in the United States of America as a not-for-profit corporation. APHRC is also registered in Senegal as a Non – Government Organization under registration certificate No.15204. The address of its registered offices is indicated on page 1 of this annual report and financial statements.

2 Summary of significant accounting policies

The principal accounting policies applied in the preparation of these financial statements are set out below. These policies have been consistently applied to all the years presented, unless otherwise stated.

(a) Basis of preparation

The financial statements are prepared on a going concern basis and in compliance with International Financial Reporting Standards (IFRS) issued by the International Accounting Standards Board (IASB). They are presented in United States Dollars (USD).

The financial statements comprise the statement of financial position at 31 December 2021 and the statements of comprehensive income, changes in fund balance and cash flows for the year then ended and the notes to the financial statements, which include a summary of significant accounting policies.

The measurement basis used is the historical cost basis except where otherwise stated in the accounting policies summarised below. Under the historical cost basis, assets are recorded at the amount of cash or cash equivalents paid or the fair value of the consideration given to acquire them at the time of their acquisition. Liabilities are recorded at the amount of proceeds received in exchange for the obligation or, in some cases, at the amounts of cash or cash equivalents expected to be paid to satisfy the liability in the normal course of business.

The preparation of financial statements in conformity with IFRS requires the use of certain critical accounting estimates. It also requires Directors to exercise their judgment in the process of applying the Organization's accounting policies. Changes in assumptions may have a significant impact on the financial statements in the period the assumptions changed. The Directors believe that the underlying assumptions are appropriate and that the Organization's financial statements therefore present the financial position and results fairly. The areas involving a higher degree of judgment or complexity, or areas where assumptions and estimates are significant to the financial statements, are disclosed in Note 3.

b) Changes in accounting policy and disclosures

(i) New standards, amendments and interpretations to existing standards that have been adopted as from 1 January 2021by the Organization

The following standards and interpretations apply for the first time to reporting periods commencing on or after 1 January 2021:

Amendments to IFRS 9 'Financial Instruments', IAS 39 'Financial Instruments: Recognition and Measurement', IFRS 7 'Financial Instruments: Disclosures', IFRS 4 'Insurance Contracts' and IFRS 16 'Leases' – Interest rate benchmark (IBOR) reform (Phase 2) (Published August 2020)

The Phase 2 amendments address issues that arise from the implementation of the reform of an interest rate benchmark, including the replacement of one benchmark with an alternative one. The amendments are effective from 1 January 2021.

These amendments did not have a material impact on APHRC's financial statements.

Notes (Continued)

2 Summary of significant accounting policies (continued)

b) Changes in accounting policy and disclosures (continued)

Amendments to IFRS 16, 'Leases' COVID-19 - Related Rent Concessions Amendment (Published in June 2020)

In the amendments, the IASB has provided lessees (but not lessors) with relief in the form of an optional exemption from assessing whether a rent concession related to COVID-19 is a lease modification, provided that the concession meets certain conditions. Lessees can elect to account for qualifying rent concessions in the same way as they would if they were not lease modifications. In many cases, this will result in accounting for the concession as a variable lease payment. The amendments are effective for annual periods beginning on or after 1 June 2020 with early adoption being permitted.

Other standards, amendments and interpretations which are effective for the financial year beginning on 1 January 2021 are not material to APHRC.

(ii) New standards and interpretations that are not yet effective and have not been early adopted

As at 31 December 2021, the following standards and interpretations with an effect to the organization had been issued but were not mandatory for annual reporting periods ending on 31 December 2021.

Amendments to IAS 16 'Property, Plant and Equipment' on proceeds before intended use (Published in May 2020)

The amendment to IAS 16 prohibits an entity from deducting from the cost of an item of PPE any proceeds received from selling items produced while the entity is preparing the asset for its intended use (for example, the proceeds from selling samples produced when testing a machine to see if it is functioning properly). The proceeds from selling such items, together with the costs of producing them, are recognised in profit or loss. The amendments are effective for annual periods beginning on or after 1 January 2022.

Amendment to IAS 1 'Presentation of Financial Statements' on classification of liabilities as current or non-current (Published in January 2020)

The amendment clarifies that liabilities are classified as either current or non-current, depending on the rights that exist at the end of the reporting period. Classification is unaffected by expectations of the entity or events after the reporting date (for example, the receipt of a waiver or a breach of covenant). The amendments are effective for annual periods beginning on or after 1 January 2022.

Annual improvements cycle 2018 -2020 (published in May 2020 and effective for annual periods beginning on or after 1 January 2022)

These amendments include minor changes to:

IFRS 1, 'First time adoption of IFRS' has been amended for a subsidiary that becomes a first-time adopter after its parent. The subsidiary may elect to measure cumulative translation differences for foreign operations using the amounts reported by the parent at the date of the parent's transition to IFRS.

IFRS 9, 'Financial Instruments' has been amended to include only those costs or fees paid between the borrower and the lender in the calculation of "the 10% test" for derecognition of a financial liability. Fees paid to third parties are excluded from this calculation.

IFRS 16, 'Leases', amendment to the Illustrative Example 13 that accompanies IFRS 16 to remove the illustration of payments from the lessor relating to leasehold improvements. The amendment intends to remove any potential confusion about the treatment of lease incentives.

The Directors are of the view that the above amendments will not have any material impact on the financial statements of the Organization.

There are no other IFRSs or IFRIC interpretations not yet effective that would be expected to have a material impact on APHRC's financial statements.

Notes (Continued)

2 Summary of significant accounting policies (continued)

(c) Revenue recognition

The organization recognizes revenue when performance obligations have been settled, the amount of revenue can be reliably measured, when it is probable that future economic benefits will flow to the entity and when specific criteria have been met for each of the organization's activities as described below. The organization bases its estimates on historical results, taking into consideration the type of donor, the type of transaction, and the specifics of each arrangement.

Revenue is recognized as follows:

(i) Donor/ grant income

Restricted income is recognized when expenditure is incurred and when grant conditions are fulfilled. Grant receivable represent the amount the organization claims from donors on expenses incurred and accounted for on behalf of the donors.

Grants received in advance are treated as deferred grants. They are credited to the income and expenditure statement when activities for which they are provided for have been undertaken.

Unrestricted income is recognized on receipt.

(ii) Rental/service charge income

Rental/service charge income is recognized as it accrues.

(iii) Interest income

Interest income is recognized using the effective interest method.

(iv) Guest house income/Ulwazi place income

Sales are recognised in the period in which the services are rendered, by reference to completion of the specific transaction assessed based on the actual service provided as a proportion of the total services to be provided and collectability of the related receivables is reasonably assured.

(d) Foreign currency translation

(i) Functional and presentation currency

Items included in the financial statements of the organization are measured using the currency of the primary economic environment in which the entity operates ('the functional currency'). The financial statements are presented in United States Dollars ("USD") which is the organization's functional currency.

(ii) Transactions and balances

Foreign currency transactions are translated into the functional currency of the respective entity using the exchange rates prevailing at the dates of the transactions. Foreign exchange gains and losses resulting from the settlement of such transactions and from the translation at year-end exchange rates of monetary assets and liabilities denominated in foreign currencies are recognized in profit or loss.

Foreign exchange gains and losses that relate to cash and cash equivalents are presented in profit or loss within 'finance income or cost'. All other foreign gains and losses are presented in profit or loss within 'other income' or 'other expenses'.

Notes (continued)

2 Summary of significant accounting policies (continued)

(e) Property and equipment

(i) Land and buildings

Land and buildings are initially recorded at cost. Subsequently, they are shown at fair value, based on valuations by external independent valuers, less subsequent depreciation for buildings. Land and buildings are revalued by independent professional valuers after every 3 years or whenever their carrying amounts are likely to differ materially from their revalued amounts. Any accumulated depreciation at the date of revaluation is eliminated against the gross carrying amount of the asset and the net amount is restated to the revalued amount of the asset.

Increases in the carrying amount arising on revaluation are credited to a revaluation reserve in the fund balance through the statement of other comprehensive income. Decreases that offset previous increases of the same asset are charged against the revaluation reserve; all other decreases are charged to profit or loss. Each year the difference between depreciation based on the revalued carrying amount of the asset (the depreciation charged to profit or loss) and depreciation based on the asset's original cost is transferred from the revaluation reserve to retained earnings.

(ii) Other property and equipment

Other property and equipment are stated at historical cost less depreciation. Historical cost includes expenditure that is directly attributable to the acquisition of the items.

Subsequent costs are included in the asset's carrying amount or recognized as a separate asset, as appropriate, only when it is probable that future economic benefits associated with the item will flow to the organization and the cost of the item can be measured reliably. The carrying amount of the replaced part is derecognized. All other repairs and maintenance are charged to the statement of comprehensive income during the financial period in which they are incurred.

Depreciation on assets is calculated using the straight-line method to allocate their cost to their residual values over their estimated useful lives, as follows:

Buildings and borehole	2.5%
Motor vehicles	25%
Furniture and fittings	12.5%
Equipment and tools	20%
Computer equipment and software	33.3%

Leasehold land is depreciated over the remaining period of the lease. Freehold land is not depreciated.

The assets' residual values and useful lives are reviewed, and adjusted if appropriate, at the end of each reporting period.

Property and equipment are reviewed for impairment whenever events or changes in circumstances indicate that the carrying amount may not be recoverable. An impairment loss is recognized for the amount by which the asset's carrying amount exceeds its recoverable amount. The recoverable amount is the higher of an asset's fair value less costs to sell and value in use. For the purposes of assessing impairment, assets are grouped at the lowest levels for which there are separately identifiable cash flows (cash-generating units).

Gains and losses on disposal of property and equipment are determined by reference to their carrying amounts and are taken into account in determining operating surplus. When revalued assets are sold, the amounts included in the revaluation reserve relating to that asset are transferred to the general fund.

Notes (continued)

2 Summary of significant accounting policies (continued)

(f) Intangible assets

Costs associated with maintaining computer software programmes are recognized as an expense as incurred. Development costs that are directly attributable to the design and testing of identifiable and unique software products controlled by the organization are recognized as intangible assets when the following criteria are met:

- it is technically feasible to complete the software product so that it will be available for use;
- management intends to complete the software product and use or sell it;
- there is an ability to use or sell the software product;
- it can be demonstrated how the software product will generate probable future economic benefits;
- adequate technical, financial and other resources to complete the development and to use or sell the software product are available; and
- the expenditure attributable to the software product during its development can be reliably measured.

Directly attributable costs that are capitalized as part of the software product include the software development employee costs and an appropriate portion of relevant overheads.

Other development expenditures that do not meet these criteria are recognized as an expense as incurred. Development costs previously recognized as an expense are not recognized as an asset in a subsequent period.

Computer software development costs recognized as assets are amortized over their estimated useful lives, which does not exceed three years.

Acquired computer software licences are capitalized on the basis of the costs incurred to acquire and bring to use the specific software. These costs are amortized on the basis of the expected useful lives. Software has a maximum expected useful life of three years.

(g) Leases

Right-of-use assets and lease liabilities arising from all leases are charged to the balance sheet by the lessee. A lessee measures lease liability at the present value of future lease payments. The lease asset is measured initially at the same amount as lease liabilities, and also includes costs directly related to entering into the lease. Lease assets are amortized in a similar way to other assets such as property, plant and equipment.

Where APHRC is a lessor, the right of use asset is reported as an asset; revenue and depreciation (with regards to the asset) are reported under the statement of comprehensive income.

(h) Financial assets

i) Initial recognition

Financial instruments are recognised when, and only when, the organisation becomes party to the contractual provisions of the instrument. All financial assets are recognised initially using the trade date which is the date the organisation commits itself to the purchase or sale.

(ii) Classification

The organisation classifies its financial instruments into the following categories:

a) Financial assets that are held within a business model whose objective is to hold assets in order to collect contractual cash flows, and for which the contractual terms of the financial asset give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding, are classified and measured at amortised cost;

Notes (continued)

2 Summary of significant accounting policies (continued)

(h) Financial assets (continued)

(ii) Classification (continued)

b) Financial assets that are held within a business model whose objective is achieved by both collecting contractual cash flows and selling financial assets, and for which the contractual terms of the financial asset give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding, are classified and measured at fair value through other comprehensive income;

c) All other financial assets are classified and measured at fair value through profit or loss;

Notwithstanding the above, the organisation may:

- on initial recognition of an equity investment that is not held for trading, irrevocably elect to classify and measure it at fair value through other comprehensive income; and

- on initial recognition of a debt instrument, irrevocably designate it as classified and measured at fair value through profit or loss if doing so eliminates or significantly reduces a measurement or recognition inconsistency.

d) Financial liabilities that are held for trading (including derivatives), financial guarantee contracts, or commitments to provide a loan at a below-market interest rate are classified and measured at fair value through profit or loss. The organisation may also, on initial recognition, irrevocably designate a financial liability as at fair value through profit or loss if doing so eliminates or significantly reduces a measurement or recognition inconsistency.

e) All other financial liabilities are classified and measured at amortised cost.

Financial assets below were held during the year and were classified at amortised cost:

- Cash and cash equivalents;
- Grant receivables; and,
- Other receivables(debtors and deposits).

(iii) Recognition and measurement

On initial recognition:

a) Financial assets or financial liabilities classified as at fair value through profit or loss are measured at fair value.
b) Receivables are measured at their transaction price.
c) All other categories of financial assets and financial liabilities are measured at the fair value plus or minus transaction costs that are directly attributable to the acquisition or issue of the instrument

Subsequent measurement

Financial assets and financial liabilities after initial recognition are measured at amortised cost. Interest income and exchange gains and losses on monetary items are recognised in profit or loss.

Notes (continued)

2 Summary of significant accounting policies (continued)

(h) Financial assets (continued)

(iv) Impairment

The organisation recognises a loss allowance for expected credit losses (ECL) on debt instruments that are measured at amortised cost or at fair value through other comprehensive income. The loss allowance is measured at an amount equal to the lifetime expected credit losses for receivables and for financial instruments for which: (a) the credit risk has increased significantly since initial recognition; or (b) there is observable evidence of impairment (a credit-impaired financial asset). If, at the reporting date, the credit risk on a financial asset other than a receivable has not increased significantly since initial recognition, the loss allowance is measured for that financial instrument at an amount equal to 12-month expected credit losses. All changes in the loss allowance are recognised in profit or loss as impairment gains or losses.

Lifetime expected credit losses represent the expected credit losses that result from all possible default events over the expected life of a financial instrument. 12-month expected credit losses represent the portion of lifetime expected credit losses that result from default events on a financial asset that are possible within 12 months after the reporting date.

Expected credit losses are measured in a way that reflects an unbiased and probability-weighted amount determined by evaluating a range of possible outcomes, the time value of money, and reasonable and supportable information that is available without undue cost or effort at the reporting date about past events, current conditions and forecasts of future economic conditions.

The organisation applies the IFRS 9 simplified approach to measuring expected credit losses which uses a lifetime expected loss allowance for all financial assets.

The were no material expected credit losses identified during the year relating to the financial assets held by the organisation.

v) Presentation

All financial assets are classified as non-current except those with maturities of less than 12 months from the balance sheet date, those which management has the express intention of holding for less than 12 months from the balance sheet date or those that are required to be sold to raise operating capital, in which case they are classified as current assets.

All financial liabilities are classified as non-current except, those expected to be settled in the organisation's normal operating cycle, those payable or expected to be paid within 12 months of the balance sheet date and those which the Organisation does not have an unconditional right to defer settlement for at least 12 months after the financial reporting date.

vi) Derecognition /write off

Financial assets are derecognised when the rights to receive cash flows from the financial asset have expired, when the organisation has transferred substantially all risks and rewards of ownership, or when the organisation has no reasonable expectations of recovering the asset.

Financial liabilities are derecognised only when the obligation specified in the contract is discharged cancelled or expires. When a financial asset measured at fair value through other comprehensive income, other than an equity instrument, is derecognised, the cumulative gain or loss previously recognised in other comprehensive income is reclassified from equity to profit or loss as a reclassification adjustment. For equity investments for which an irrevocable election has been made to present changes in fair value in other comprehensive income, such changes are not subsequently transferred to profit or loss.

Notes (continued)

2 Summary of significant accounting policies (continued)

(h) Financial assets (continued)

vii) Offsetting

Financial assets and liabilities are offset and the net amount reported in the balance sheet only when there is a legally enforceable right to set off the recognised amounts and there is an intention to settle on a net basis, or realise the asset and settle the liability simultaneously.

(i) Cash and cash equivalents

Cash and cash equivalents comprise cash-in-hand, bank balances and short-term liquid investments which are readily convertible into known amounts of cash. For purposes of the statement of cash flows, cash and cash equivalents comprise of cash and cash equivalents as defined above, net of outstanding bank overdrafts.

(j) Employee benefits

Retirement benefit obligations

APHRC operates a defined contribution scheme for eligible employees to which the employer contributes 10% and the employee's contribution is optional. The assets of the scheme are held in separate trustee administered funds and managed by Britam Limited and GA Insurance Limited for locally administered funds and Utmost Worldwide Pension Fund and Investors Trust for internationally administered funds. Contributions are determined by the rules of the scheme. APHRC also contributes to the statutory defined contribution pension scheme, the National Social Security Fund (NSSF). A defined contribution plan is a pension plan under which the organization pays fixed contributions into a separate entity. The organization has no legal or constructive obligations to pay further contributions if the fund does not hold sufficient assets to pay all employees the benefits relating to employee service in the current and prior periods.

The organization’s contributions to the defined contribution schemes are recognized as an employee benefit expense when they fall due. The organization has no further payment obligations once the contributions have been paid.

(k) Payables

Payables are obligations to pay for goods or services that have been acquired in the ordinary course of business from suppliers. Accounts payable are classified as current liabilities if payment is due within one year or less (or in the normal operating cycle of the business if longer). If not, they are presented as non-current liabilities.

Payables are recognized initially at fair value and subsequently measured at amortized cost using the effective interest method.

(l) Provisions

Provisions are recognized when: the organization has a present legal or constructive obligation as a result of past events; it is probable that an outflow of resources will be required to settle the obligation; and the amount has been reliably estimated. Provisions are not recognized for future operating losses.

3 Critical accounting estimates and judgments

Estimates and judgements are continually evaluated and are based on historical experience and other factors, including experience of future events that are believed to be reasonable under the circumstances.

Notes continued)

(i) Critical accounting estimates and assumptions

The organization makes estimates and assumptions concerning the future. The resulting accounting estimates will, by definition, seldom equal the related actual results. The estimates and assumptions that have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities within the next financial year are addressed below:

Valuation of land and buildings

The carrying value of the land and buildings will be determined by a valuation by an independent professional valuer using a number of assumptions. Any changes in these assumptions will impact the carrying value of the land in the statement of financial position. The accounting treatment is detailed under the accounting policy Note 2 (e).

4 Financial risk management objectives and policies

The organization's activities expose it to a variety of financial risks: market risk (including foreign exchange risk and interest rate risk), credit risk and liquidity risk.
The organization's overall risk management programme focuses on the unpredictability of financial markets and seeks to minimize potential adverse effects on its financial performance. The organization does not hedge any of its risk exposures.

Financial risk management is carried out by the finance department under guidance of the Board of Directors.

Market risk

(i) Foreign exchange risk

The organization receives grants and is exposed to foreign exchange risk arising from various currency exposures, primarily with respect to the Kenya Shilling (KES), Great Britain Pound (GBP), Euro, Naira and West African CFA franc (CFA). Foreign exchange risk arises from future commercial transactions, and recognized assets and liabilities.

Management's policy to manage foreign exchange risk is to hold foreign currency bank accounts which act as a natural hedge, maintain funds in the operating currency (USD) and negotiate for funding in USD.

The table below summarises the effect on surplus had the USD weakened/strengthened by 10% (2020:10%) against each of the currencies held, with all variables held constant.

Year 2021

	KES	Euro	GBP	Naira	CFA
USD effect on 10% increase surplus/ (deficit)	20,414	7,824	21,758	404	8,633
USD effect on 10% decrease surplus/ (deficit)	(20,414)	(7,824)	(21,758)	(404)	(8,633)

Year 2020

	KES	Euro	GBP	Naira	CFA
USD effect on 10% increase surplus/ (deficit)	(1,080)	9,003	7,732	434	14,944
USD effect on 10% decrease surplus/ (deficit)	1,080	(9,003)	(7,732)	(434)	(14,944)

Notes (continued)

4 Financial risk management objectives and policies (continued)

Market risk (continued)

(ii) Price risk

The organization does not hold any financial instrument subject to price risk.

(iii) Cash flow and fair value interest rate risk.

The organization does not hold any financial instrument subject to cash flow and fair value interest rate risks.

Credit risk

Credit risk arises from cash and cash equivalents and deposits with banks and financial institutions as well as credit exposures to customers, including outstanding receivables and committed transactions. Management is responsible for managing and analysing credit risk for each new donor and partner before standard payment and implementation terms are offered. The organization does not have any significant concentrations of credit risk.

For banks and financial institutions, only reputable well-established financial institutions are accepted. For receivables, the senior accountants assess the credit quality of the donors/partners, taking into account its financial position, past experience and other factors. The organization does not grade the credit quality of receivables. Individual risk limits are set based on internal ratings in accordance with limits set by the Board. The utilisation of credit limits is regularly monitored.

No credit limits were exceeded during the reporting period, and management does not expect any losses from non-performance by these counterparties.

The amount that best represents the organization's maximum exposure to credit risk at 31 December 2021 is made up as follows:

:	Fully performing **2021** **USD**	Past due **2021** **USD**	Impaired **2021** **USD**
Cash and cash equivalents	15,635,058	-	-
Debtors and prepayments	1,269,722	-	-
Grants receivable	2,127,163	-	-
	19,032,649	**-**	**-**

:	Fully performing **2020** **USD**	Past due **2020** **USD**	Impaired **2020** **USD**
Cash and cash equivalents	11,432,452	-	-
Debtors and prepayments	800,033	-	-
Grants receivable	1,460,302	-	-
	13,692,787	**-**	**-**

Notes (continued)

4 Financial risk management objectives and policies (continued)

Credit risk (continued)

The maximum exposure to credit risk at the reporting date is the carrying value of each class of financial assets.

Liquidity risk

Liquidity risk is the risk that the organization will not be able to meet its financial obligations as they fall due. Prudent liquidity risk management includes maintaining sufficient cash balances, and the availability of funding from an adequate amount of committed credit facilities.

Management perform cash flow forecasting and monitor rolling forecasts of the organization's liquidity requirements to ensure it has sufficient cash to meet its operational needs.

The organization's approach when managing liquidity is to ensure, as far as possible, that it will always have sufficient liquidity to meet its liabilities when due, without incurring unacceptable losses or risking damage to the organization's reputation. The organization relies on grants to fund working capital requirements.

The table below analyses the organization's financial liabilities that will be settled on a net basis into relevant maturity groupings based on the remaining period at the statement of financial position date to the contractual maturity date. The amounts disclosed in the table below are the contractual undiscounted cash flows.

	Less than 1 year	Between 1 and 2 years	Between 2 and 5 years	Over 5 years
At 31 December 2021	**USD**	**USD**	**USD**	**USD**
Payables	1,435,762	-	-	-
Deferred income	13,718,213	-	-	-
At 31 December 2020				
Payables	871,107	-	-	-
Deferred income	11,241,264	-	-	-

Capital risk management

The organization's objectives when managing capital is to safeguard the organization's ability to continue as a going concern.

The organization places emphasis on proper planning during the annual budget preparation process, cash flow monitoring and monthly tracking of actual operating results against budget.

Notes (continued)

5 Grant income

	2021 USD	2020 USD
Restricted income	17,684,654	12,218,904
Unrestricted income		
Hewlett Foundation	965,516	968,437
Packard Foundation	380,000	-
Echidna Giving	-	150,000
Overhead recoveries	2,464,853	1,818,302
Sub-total	3,810,369	2,936,739
Total	**21,495,023**	**15,155,643**

6 Other income

Training income	13,778	60,204
Miscellaneous income	255,619	54,129
Disposal of uncapitalized assets	-	4,386
APHRC campus rental income	415,357	453,151
Service charge income	92,155	100,743
Ulwazi place income	253,873	128,316
Total	**1,030,782**	**800,929**

7 Direct programme expenses

	Restricted USD	Unrestricted USD	2021 USD	2020 USD
Field assistants and consultants	2,921,756	3,943	2,925,699	1,500,614
Program staff salaries and benefits	6,272,528	272,656	6,545,184	5,664,967
Public relations and advertising	7,220	-	7,220	1,475
Computers and other equipment	74,548	-	74,548	79,542
Seminars and workshops	430,051	2,300	432,351	494,186
Fellowships	1,967,903	30,020	1,997,923	2,408,924
Travel costs	989,914	2,544	992,458	575,888
Training	45,347	151	45,498	60,067
Printing and stationery	83,814	-	83,814	31,995
Recruitment	350	-	350	216
Sub grants	4,017,598	4,538	4,022,136	1,828,205
Publications	19,561	2,085	21,646	12,346
Field office supplies	275,053	-	275,053	150,301
Motor vehicle expenses	62,397	1,649	64,046	7,774
Communications and postage	49,221	361	49,582	26,260
Field office rent & expenses	9,971	2,082	12,053	16,023
Equipment repairs and maintenance	4,655	-	4,655	6,502
Community development	544	2,866	3,410	1,636
Other program costs	452,223	10,702	462,925	147,265
Total	**17,684,654**	**335,897**	**18,020,551**	**13,014,186**

Notes (continued)

8 Administration and support costs

	2021 USD	2020 USD
Travel costs and allowances	16,266	31,097
Board costs	12,660	11,927
Staff salaries and benefits	1,243,020	1,174,831
Other overhead costs	92,961	199,497
Professional fees	78,570	73,163
Office rent	25,556	27,949
Stationery and office supplies	126,655	116,816
Communication and postage	12,714	52,426
Motor vehicle running	14,745	12,358
Staff development	96,842	73,864
Recruitment expenses	1,040	874
Insurance	1,180	13,772
Equipment	15,028	39,475
Fundraising costs	11,645	26,651
Depreciation	385,250	391,064
Amortization	82,760	82,760
Exchange loss	94,692	-
APHRC campus development	-	39,470
Ulwazi place development cost	8,623	36,750
Ulwazi place cost operation cost	249,233	172,475
Service charge expenses (i)	194,488	182,481
Total	**2,763,928**	**2,759,700**

8 (i) Service charge expenses

	2021 USD	2020 USD
Staff costs	23,092	25,060
Security	92,089	79,737
Office cleaning & maintenance	60,671	62,262
Fuel	2,737	954
Electricity	6,466	236
Office supplies	-	531
Insurance	4,287	7,492
Water	977	3,284
Audit fees	4,169	2,925
Total	**194,488**	**182,481**

Notes (continued)

9. Property and equipment

	Freehold land	Lease hold land	Building	Computers	Motor vehicles	Furniture and fittings	Equipment and tools	Work In Progress (WIP)	Total
	USD	USD	USD	USD	USD	USD	USD	USD	USD
Cost/valuation									
At 1 January 2021	197,355	5,032,563	9,726,294	140,356	264,319	68,067	231,765	-	15,660,719
Additions	-	-	41,832	-	-	-	-	62,968	104,800
At 31 December 2021	**197,355**	**5,032,563**	**9,768,126**	**140,356**	**264,319**	**68,067**	**231,765**	**62,968**	**15,765,519**
Depreciation									
At 1 January 2021	-	300,204	1,712,281	134,144	210,602	68,067	229,180	-	2,654,478
Charge for the year	-	59,620	288,608	6,212	29,948	-	862	-	385,250
At 31 December 2021	**-**	**359,824**	**2,000,889**	**140,356**	**240,550**	**68,067**	**230,042**	**-**	**3,039,728**
Net book amount	**197,355**	**4,672,739**	**7,767,237**	**-**	**23,769**	**-**	**1,723**	**62,968**	**12,725,791**

Notes (continued)

9. Property and equipment (continued)

	Freehold land	Lease hold land	Building	Computers	Motor vehicles	Furniture and fittings	Equipment and tools	Work In Progress (WIP)	Total
	USD	USD	USD	USD	USD	USD	USD	USD	USD
Cost/valuation									
At 1 January 2020	197,355	5,032,563	9,506,054	140,356	234,029	68,067	231,765	-	15,410,189
Additions	-	-	279,034	-	30,290	-	-	-	309,324
Revaluation adjustment*	-	-	(58,794)	-	-	-	-	-	(58,794)
At 31 December 2020	**197,355**	**5,032,563**	**9,726,294**	**140,356**	**264,319**	**68,067**	**231,765**	**-**	**15,660,719**
Depreciation									
At 1 January 2020	-	240,585	1,424,720	121,072	180,655	68,067	228,319	-	2,263,418
Charge for the year	-	59,619	287,561	13,072	29,947	-	861	-	391,060
At 31 December 2020	**-**	**300,204**	**1,712,281**	**134,144**	**210,602**	**68,067**	**229,180**	**-**	**2,654,478**
Net book amount	**197,355**	**4,732,359**	**8,014,013**	**6,212**	**53,717**	**-**	**2,585**	**-**	**13,006,241**

*The revaluation adjustment accounted for any residual Ulwazi costs that were not factored into the previous year's revaluation calculation. Capitalization of this cost amounting to USD 58,794 transformed a USD 17,834 revaluation gain to a USD 40,961 revaluation loss.

Notes (continued)

10 Intangible assets

	2021 USD	2020 USD
Cost		
At start of year	428,082	401,735
Additions	-	26,347
At end of year	**428,082**	**428,082**
Amortisation		
At start of year	336,540	253,780
Amortisation for the period	82,760	82,760
At end of year	**419,300**	**336,540**
Net book value	**8,782**	**91,542**

Notes (continued)

11 Grant receivable/Deferred grants

Details	Grant Receivable 2020	Deferred Income 2020	Receipts 2021	Income 2021	Grant Receivable 2021	Deferred Income 2021
AAS-Science Engagement	-	-	9,500	9,500	-	-
ADB - Covid 19 Observatory in Education	-	-	236,314	159,658	-	76,656
AIGHD - Digital Revolution and UHC (i-PUSH)	50,663	-	89,194	84,772	46,241	-
AIGHD - JL Chair 4	16,021	-	13,910	23,820	25,931	-
AIGHD - COVID19-Citizens Perceptions	-	-	6,354	1,918	-	4,436
Amref Health Africa-Faya Project	-	-	19,760	2,530	-	17,230
AREF II (Africa Research Excellence Fund Phase)	-	-	12,000	15,724	3,724	-
BMGF Scoping grant	-	88,207	-	88,207	-	-
Bristol - EGBV.	-	-	-	15,890	15,890	-
Brown University (BIARI) - CARTA Support	-	11,293	-	-	-	11,293
Cardiff: Covid -19 Human Rights	15,496	-	-	46,365	61,861	-
Carnegie - CARTA 2020	-	690,239	507,678	567,344	-	630,573
CGD's Education Program	10,340	-	499,908	256,044	-	233,524
CIFF - Measurement and Impact Evaluations	-	183,648	-	99,250	-	84,398
CIFF - MEBCI 2.0 Evaluation	6,205	-	-	44,169	50,374	-
CIFF - Pharm Access Evaluation	-	96,070	129,980	107,850	-	118,200
CIFF - In their Hands Evaluation	-	49,167	-	49,167	-	-
CIFF- SAFIRE Evaluation	-	596,727	400,915	300,604	-	697,038
CitiesRise - Channels & Actors study	-	-	-	24,678	24,678	-
Comic Relief - PAMANECH II	-	49,398	110,922	160,320	-	-
DAAD CARTA	-	38,576	(9,021)	29,556	1	-
DANIDA - Ghana Care	-	40,824	92,531	19,846	-	113,509
Development Gateway - TCDI project	-	-	71,830	9,966	-	61,864
DFID - Covid 19 Sero survey	-	289,865	88,069	123,183	-	254,751
Drexel AICS	6,490	-	8,445	1,955	-	-
EC - Healthy Food Africa (HFA)	-	52,026	93,992	143,032	-	2,986
Echidna Giving - Grow follow-up study	-	83,646	-	206,976	123,330	-
Echidna Giving - IGE - West Africa	-	131,982	-	159,554	27,572	-
EDCTP2 - CDAE in Eastern Africa Region	-	-	732,186	124,294	-	607,892
EDCTP- iPUSH	-	-	120,013	28,137	-	91,876

Details	Grant Receivable 2020	Deferred Income 2020	Receipts 2021	Income 2021	Grant Receivable 2021	Deferred Income 2021
Elma Foundation - ECD Evaluation	108,595	-	-	-	108,595	-
ERD - Parenting Empowerment/ECD RP	-	12,399	130,865	180,307	37,043	-
ESPRC - IDEAMAPS Network	9,068	-	50,241	41,547	374	-
EU Africa PerMed	-	-	26,987	17,350	-	9,637
Fidelity Charitable Trust - ALOT CHANGE III	-	134,975	299,994	248,145	-	186,824
Fidelity Charitable Trust - Database Infrastructure	-	-	99,989	-	-	99,989
Fidelity Charitable Trust - RELI IV.	-	257,343	69,994	183,048	-	144,289
Fidelity Charitable Trust - UEG III (Urban Education III)	-	480,192	299,994	247,280	-	532,906
Gates - BMGF_Equity in NTD's	-	-	124,020	129,512	5,492	-
Gates - Fecal Waste Management	-	528,764	2,504	531,268	-	-
Gates - GIS for Reducing Inequities	-	57,429	-	13,296	-	44,133
Gates - Immunization	-	561,234	765,833	1,327,067	-	-
Gates - Data Systems	-	508,770	7,167	183,610	-	332,327
Gates – BMGF-Dreams 6 Evaluation	-	-	894,349	6,587	-	887,762
Gates - Catalyze Impact	-	-	1,530,910	7,650	-	1,523,260
Gates - CD to 2030: Strengthening Global	-	589,549	1,600,935	1,052,203	-	1,138,281
Gates - GFF IC Evaluation in Kenya-Liberia	-	-	499,994	591	-	499,403
Gates - mis/disinformation	-	-	45,283	22,612	-	22,671
Gates - National Sanitation Policy Advocacy E.A	-	-	603,868	216,197	-	387,671
Gates - Strengthening Institutional Res Capacity	-	397,102	91,767	219,157	-	269,712
GCRF - Adolescent Hub	45,348	-	107,520	63,268	1,096	-
GCRF - DIDA Consulting	4,500	-	19,055	14,555	-	-
Glasgow S. A -Particulate Pollution Justice	-	-	529	693	164	-
Grand Challenges Canada - Saving Brains	9,577	-	10,351	773	-	1
Guttmacher - Capacity Strengthening	-	-	-	16,903	16,903	-
HBCC WASH - Disability Project	-	-	-	22,740	22,740	-
Hewlett - Covid Mitigation Funds	-	52,856	-	52,855	-	1
Hewlett - Measurement and Impact Evaluations	-	40,951	200,000	121,561	-	119,390
Hewlett - Use of County Data Systems in Kenya	-	162,717	(90,516)	72,202	1	-
Hewlett - Care-Economy Africa	-	579,986	-	157,969	-	422,017
Hewlett - Strategy Evaluation,Planning & Facilitation	-	-	70,000	70,000	-	-
Hivos - Youth Research Academy	-	-	20,000	21,869	1,869	-
IAGG - Afr Regional Secretariat Policy & Cap Strengt	-	55,755	(28,000)	27,755	-	-
IBIS – APHRC- Infanticide Study in Senegal	-	20,902	-	29,364	8,462	-

Details	Grant Receivable 2020	Deferred Income 2020	Receipts 2021	Income 2021	Grant Receivable 2021	Deferred Income 2021
Ibis - R2HC Abortion Research	-	-	74,633	33,031	-	41,602
ICIPE-Online Training Activity	-	-	25,862	25,862	-	-
IDEAMAP - Sudan	-	-	-	16,434	16,434	-
IDRC - ADDRF 3	-	80,727	-	-	-	80,727
IDRC - ADDRF IV	-	141,749	-	4,674	-	137,075
IDRC - COVID 19 - AI.	-	-	207,663	199,255	-	8,408
IDRC - FS TIP	-	-	1,156,717	1,081,970	-	74,747
IDRC - GROW II	-	-	83,956	169,977	86,021	-
IDRC – RECAP	-	152,780	1,488	280,911	126,643	-
IDRC - Women in STEM Project	-	40,513	126,571	79,505	-	87,579
IDRC - Cost of Eating Healthy	-	69,440	72,236	141,676	-	-
IDRC - HPRO -Moving Maternal, New-born & CH	-	246,979	(12,641)	234,338	-	-
IDRC - INFORMAS 2	-	-	17,578	9,331	-	8,247
IDRC - Kenya NCD Strategy	-	-	22,950	22,950	-	-
IDRC -PROMOTE	-	-	78,197	-	-	78,197
IDRC - Gender Socialization VYA in Schools & SRH	-	21,996	-	36,131	14,135	-
IDRC-Health of Adolescent Girls	-	-	200,352	44,676	-	155,676
IHEID - IDAIR GRM	-	-	23,075	23,075	-	-
IHI - Geco project	-	-	-	23,126	23,126	-
In-depth - H3Africa (Awi Gen) II	67,762	-	160,663	112,189	19,288	-
IPAS Guttmacher Genuity - ADDRF	-	15,937	-	931	-	15,006
ITM - International Health Policies (Emerging Voices)	-	-	21,177	21,177	-	-
IUSSP Policy Engagement Training	-	35,075	-	39,621	4,546	-
John Hopkins University - Health Facility Data Analysis	10,365	-	10,339	(26)	-	-
Liverpool LSTM - ARISE Hub	-	9,493	145,542	191,828	36,793	-
Loughborough University - BFCI II	29,379	-	81,245	51,866	-	-
Loughborough University - CAPAS ECD	21,524	-	74,430	92,260	39,354	-
LSHTM - COVID 19 Hygiene Hub	-	3,905	25,205	29,109	-	1
LSHTM - Nairobi Early Childcare in Slums (NECS)	1,744	-	46,604	114,384	69,524	-
LSHTM - SHARE	5,302	-	-	(5,302)	-	-
LSHTM - INSPIRE -EA	17,621	-	21,362	24,784	21,043	-
LSHTM – SHOFCO - MANITOU Study	-	-	37,239	32,546	-	4,693
LSTM - DELTAS Africa CPE Seed Fund	7,976	-	48,171	40,195	-	-
LUND -MAK - Social Innovation for Postgraduate Training	-	6,862	6,327	-	-	13,189

Details	Grant Receivable 2020	Deferred Income 2020	Receipts 2021	Income 2021	Grant Receivable 2021	Deferred Income 2021
MESU - NOVO Mobility	-	-	6,078	6,078	-	-
MMV -MFT in Malaria study	9,318	-	15,356	6,038	-	-
NASAC - LIRA Study	-	-	2,803	2,803	-	-
New Castle University – GCRF - Food systems AMR	17,216	-	32,173	48,369	33,412	-
NIH- Kinship II	-	-	155,703	161,588	5,885	-
NIH/University California- D43 IDEA-BERC	-	7,541	17,836	25,283	-	94
NIHR Global Health-Improving Health in Slums	-	17,334	121,467	138,801	-	-
NVF - Global Policy and Advocacy	-	-	49,985	3,692	-	46,293
ODI - Technology for Education.	-	33,172	(32,887)	284	-	1
Oxfam IBIS-YZGA	-	29,401	(27,000)	2,401	-	-
PATH - ECD II	158,962	-	225,346	66,384	-	-
Population Council - Baobab Study	-	-	13,047	24,307	11,260	-
PRB - Policy Communication Fellows	-	-	15,000	2,505	-	12,495
PRB - SAFE ENGAGE	-	-	87,265	97,254	9,989	-
RBM - Innovation and access for Malaria or ICCE	35,490	-	35,489	-	1	-
Rockefeller - Food Systems Funds Received	-	194,020	-	54,408	-	139,612
RTI - Program for Resilient Systems (PROGRESS)	68,736	-	944,386	1,109,256	233,606	-
Rutgers Safe Choice	-	99,281	117,000	271,213	54,932	-
SC - Estimating long term disease trajectories fr	2,200	-	27,287	25,088	1	-
SEO - HBD Evaluation Programme	13,082	-	15,493	2,411	-	-
SIDA - (CPSE)Challenging Politics Social Exclusion	-	1,003,753	1,725,950	1,939,267	-	790,436
SIDA - CARTA Support 2017	-	560,651	1,663,608	1,340,838	-	883,421
SIDA - JPIAMR.	-	-	522,850	61,210	-	461,640
Stitching Pharm Access Int'l - Ngao ya Afya	81,365	-	69,332	595	12,628	-
Tetra Tech: GEC II Research	-	-	16,101	16,101	-	-
The President Fellows of Harvard - SSB Study - F.Rcvd	-	17,393	17,818	35,211	-	-
The Royal Society - FLAIR Fellowship	-	76,332	117,946	94,854	-	99,424
UCL - CUSSH Enrichment	-	52,344	33,689	110,124	24,091	-
UCL - COVID-19 Global Health 50/50: Gender	39,032	-	11,644	68,318	95,706	-
UKRI - COVID19 Reach.	-	91,132	34,794	4,973	-	120,953
UKRI MRC - Pals Project	-	-	66,402	24,074	-	42,328
UMC - CARTA	4,893	-	48,362	5,240	-	38,229
UMC - Early Career Pharmacovigilance	-	31,637	45,459	39,163	-	37,933
UN Women Capacity Building Activity	-	-	29,753	46,112	16,359	-

Details	Grant Receivable 2020	Deferred Income 2020	Receipts 2021	Income 2021	Grant Receivable 2021	Deferred Income 2021
UN WOMEN- Spotlight Initiative	-	-	75,771	26,862	-	48,909
UNDP- Spotlight Initiative	-	-	63,185	46,454	-	16,731
UNFPA_Spotlight Initiative	-	-	135,017	53,268	-	81,749
UNICEF - Covid 19	3,303	-	129,955	101,171	-	25,481
UNICEF USA - Female Headed Household Study	-	10,475	3,132	13,606	-	1
UNICEF USA - Countdown 2030 - Exemplar study	-	190,204	65,790	176,538	-	79,456
UNICEF: ICCM - MAM	29,104	-	31,508	2,404	-	-
UNICEF - JHU mental health.	-	-	5,885	5,885	-	-
University of Bergen - iCARTA NORHED	-	-	-	27,392	27,392	-
University of Ghana – IDRC - Food EPI Ghana	2,105	-	2,889	2,039	1,255	-
University of Ghana (NMIMR) – BioGen CE	-	4,006	18,354	24,670	2,310	-
University of Iowa/NIH - Pat home Study	8,885	-	106,793	150,469	52,561	-
University of Manitoba - Countdown	123,551	-	99,994	(23,557)	-	-
University of Manitoba - Countdown 2030 ASRHR	13,503	-	11,670	(1,833)	-	-
University of Maryland - UMD: Catalyst Award.	10,070	-	17,627	7,604	47	-
University of Oxford - EPInA	-	-	200,066	191,029	-	9,037
University of Queensland - K NAMHS Nat Adolescents Mental	-	249,296	419,982	448,184	-	221,094
University of Swansea-LTC Study in SSA	-	11,712	-	-	-	11,712
University of Warwick-Earth Observation Networking Grant	204	-	-	(204)	-	-
USAID - Writing Skills Training	5,247	-	46,787	41,540	-	-
USC - UNAIDS GASF	-	-	-	3,217	3,217	-
Uthabiti - Childcare	-	-	-	-	-	-
Wellcome Trust – CUSSH	196,654	-	120,775	75,335	151,214	-
WHO - Abortion Safety Pilot Study	-	209,468	-	160,799	-	48,669
WHO - Frontline Service Readiness.	-	-	-	11,744	11,744	-
WHO - PMAT Tool Assessment	-	-	4,494	4,494	-	-
WHO - Research & Knowledge Transfer Hub	-	106,947	165,009	103,568	-	168,388
WHO - WHO Health Instrument	-	-	-	2,967	2,967	-
Wellcome Trust - Deltas Africa	-	577,117	471,439	1,046,076	-	2,480
WT - Public Engagement II	133,719	-	-	124,876	258,595	-
WT- Public Engagement Leadership Programme	-	-	-	10,263	10,263	-
York - Community of Practice - (CoP)	59,687	-	97,537	106,330	68,480	-

Details	Grant Receivable 2020	Deferred Income 2020	Receipts 2021	Income 2021	Grant Receivable 2021	Deferred Income 2021
Total	**1,460,302**	**11,241,264**	**21,964,248**	**20,154,160**	**2,127,163**	**13,718,213**

Notes (continued)

12 Debtors and deposits

	2021 USD	2020 USD
Staff debtors	17,044	69,760
Staff debtors – Senegal office	2,235	3,112
Receivables from implementing partners and PhD fellows	919,272	432,664
Prepayments	285,887	249,342
Prepayments – Senegal office	28,809	28,679
Utilities and other deposits	16,475	16,476
Total	**1,269,722**	**800,033**

The carrying amounts of the above debtors and receivables approximate their fair values.

13 Cash and cash equivalents

Cash and cash equivalents included in the statement of cash flows comprise the following

Statement of financial position amounts:

	2021 USD	2020 USD
Cash at bank	950,537	7,938,632
Cash at bank – Senegal office	85,984	149,438
Cash on hand	706	416
Fixed deposits	14,598,537	3,344,382
Total	**15,635,764**	**11,432,868**

The carrying amounts of APHRC's cash and cash equivalents are denominated in the following currencies:

	2021 USD	2020 USD
Kenya Shillings	204,139	(10,803)
US Dollar	15,045,439	11,122,542
Euro	78,235	90,030
GBP	217,580	77,320
Naira	4,041	4,341
CFA	86,330	149,438
Total	**15,635,764**	**11,432,868**

APHRC holds fixed deposits at EcoBank Kenya, Stanbic Bank and I&M Bank. Interest income for the year was USD 193,306 (2020: USD 160,293)

Notes (continued)

14 Creditors and accruals

	2021 USD	2020 USD
Trade creditors	750,925	92,864
Suppliers accruals	220,980	479,415
Staff accruals	389,941	171,306
Due to staff	67,224	122,375
Withholding tax	6,692	5,147
Total	**1,435,762**	**871,107**

15 Related party transactions

Key management compensation

Key management are senior management who are led by the executive director. The compensation paid/payable to key management for employee services is shown below:

	2021 USD	2020 USD
Salaries	1,629,104	1,668,967
Short-term employment benefits	43,518	613,540
At end of year	**1,672,622**	**2,282,507**

The non-executive directors are not compensated for their services as directors. Board expenses are disclosed under Note 8.

Transfers to Senegal Office	2021 USD	2020 USD
Transfers for programme and administration expenses	**850,000**	**1,154,706**

16 Taxation

No provision for income tax has been made in these financial statements. APHRC qualifies for exemption from income tax in Kenya under paragraph 10 of the 1st Schedule to the Income Tax Act, Cap. 470 of the Laws of Kenya. APHRC has an agreement with the Government of Kenya, exempting it from paying income taxes. APHRC is also VAT exempted.

APHRC enjoys tax exemption from the United States Internal Revenue Service under Section 501(c) 3 of the US Tax Code.

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