

Newmont Akyem Development Foundation (NAKDeF)



2016 Annual Report

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Message from Board Chairman



Prof. Emmanuel Gyimah-Boadi

AS indicated in my previous message (2015 Annual Report), the Foundation was in the process of establishing systems and procedures to ensure the effective discharge of its mandate. It delights me to affirm that these vital foundational structures have been put in place, enabling the Foundation to implement major programmes and projects within the year.

It is gratifying to note that the Foundation implemented ten socio-economic programmes and thirty six physical infrastructure projects within the period. We also largely delivered on our 2016 priority areas such as:

- Organisation of capacity-building training for the Board of Trustees, Secretariat Staff and SDCs;
- Review of the development plans of the communities;
- Completion of the development of mechanisms for the execution of projects;
- Review and improvement in the delivery of the scholarship scheme;
- Preparation of the draft Foundation strategy map; and
- Partnership with the Newmont Golden Ridge Limited to provide apprenticeship training programmes in selected skill areas.

Indeed, we see exciting opportunities ahead of us as we consolidate our achievements and increase our efforts to achieve greater dividends for our communities in the coming years. The Board of Trustees will continue to conduct business in the best interest of the Foundation and the Community on the basis of sound commercial and corporate governance principles so as to achieve the lofty objectives set out in the Regulations of the Foundation.

The Board of Trustees acknowledges the invaluable contributions our cherished stakeholders have made to the Foundation's achievements to date. We remain deeply grateful to you and count on your continuous support as we collectively work to create sustainable value for our communities through social and economic transformation.

Vision, Mission and Values

Vision

To create sustainable value for our communities through social and economic transformation.

Mission

To mobilise and deploy resources, including partnerships, for social and economic transformation of our communities

Values

Value Creation: We exist to enhance the lives of our communities through the delivery of quality socio-economic and infrastructural programs/projects

Integrity: We employ the high ethical standards in dealing with our stakeholders, and conduct business in the sincerest and transparent manner

Passion: We have passion for excellence in all our dealings. This is what drives our innovation for improving the lives of our communities

Dynamism: We keep up with trends and continuously improve our way of doing things

Relationship: We aim to foster strategic relationships with community stakeholders, and development partners, to enhance collaborations and obtain support and ownerships for programmes/projects.

Executive Summary

THE Newmont Akyem Development Foundation (NAKDeF) was established as a non-profit organisation responsible for the implementation of sustainable socio-economic projects in the Newmont Akyem Mine Communities as part of Newmont's corporate social responsibility agenda. The Foundation was able to start full scale project in the year 2016 after spending greater portion of the previous year on community needs assessment and broad-based consultative development planning processes. Over 45 infrastructure and non-infrastructure projects were implemented in 2016 with close consultations with community and other key stakeholders. The Foundation also undertook some initiatives to strengthen its governance system in the year under review.

Initiative taken by the Foundation to improve on its governance system and structural effectiveness included capacity building for board members and some staff. Two separate training sessions on corporate governance were organised for Board members with the objective of deepening their knowledge and awareness to effectively steer the foundation. Staff and Board members again received separate forms of training on corporate governance from the Newmont Ethic and Compliance team. Areas covered during the training include duties of Boards, best practices of non-profit Boards, compliance with internal governance structure, and compliance with external obligations, anti-bribery laws and commitments all with the aim of strengthening the governance system of the Foundation.

The Foundation executed 46 projects and supplied materials for the completion of Old Abirem Anglican JHS new block and the provision of led door for the X-ray room of New Abirem Government Hospital. The projects fall under the education, health, water and sanitation, cultural heritage, youth and sport development, economic empowerment, and safety and security thematic areas. Out of the 46 projects, 36 are infrastructure and 10 are non-infrastructure. The number of completed infrastructure projects are 27 and 9 are currently in various stages of completion.

A total of 15 schools and 2 school feeding sheds/kitchens are at various stages of completion. Out of the 17 education infrastructure projects, 12 are completed and 5 are being constructed. Under health, water and sanitation, 6 out of 7 projects have been completed. The projects include clinic, boreholes, stand pipe and vault chambers/toilets. Ahausena and Hweakwae social centres are at roofing and painting stages respectively. Street light maintenance was carried-out in Resettlement, Ahausena and Hweakwae communities.

Ten non-infrastructure projects including the Scholarship Program, Education Quality Improvement Program (EQUIP), Akyem School Feeding Program, Akyem Soft Skills Improvement and Sustainability Training Program (ASSIST), Community Watchdog Program, tree planting in 3 communities, provision of sports logistics to community and school teams, and a 28.5 acre oil palm plantation project are ongoing across the communities.

Going forward, the Foundation is aiming to design and develop a long term vision and strategic plan which will guide the development of the Akyem communities and prepare its second medium term development plan. The Foundation has also started processes to conduct an evaluation of all its projects and programmes, identify and establish new strategic partnerships, design and improve upon governance within the hierarchy of the organization and complete the design and implementation of monitoring and evaluation mechanism for all its projects and programs.

1.0. Introduction

THE Newmont Akyem Development Foundation (NAKDeF) was established as a non-profit organization responsible for the implementation of sustainable development projects in the Akyem Mine Communities as part of Newmont's corporate social responsibility. The Foundation started full scale projects in 2016, having been incorporated legally in June 2014 and undertaken broad based consultative community development planning in 2015. The Foundation has planned with community stakeholders and executed several projects (both infrastructure and soft) with the aim of fulfilling the objective with which it was established. These projects can be categorised under soft (non-infrastructure) and physical (Infrastructure). The report therefore presents key achievement of the Foundation in terms of governance or administration, and projects for the year 2016. Infrastructure projects undertaken by the Foundation included construction of schools with modern toilet and office facilities within the communities, construction of clinic, market structure, social centres, durbar grounds, community toilet facilities, chief palaces among others. On the soft side, programmes including Akyem Soft Skills Improvement and Sustainability Training (ASSIST) program, Education Quality Improvement Programme (EQUIP), Security (Community Watchdog Programme) and School Feeding Programme are all ongoing.

2.0 Results and Achievements

2.1 Governance

2.1.1 Board, Staff and SDC Capacity Building

In order to ensure good corporate governance in relation to the Foundation's activities, two separate corporate governance trainings were organized for the Board of Trustees. The first training, held in Accra on February 19 2016 was facilitated by Dixcove Ventures Advisory Group (DVAG). The corporate governance training focused on four key objectives as follows:

- Deepening knowledge and understanding of the Board of Trustees of NAKDeF, the secretariat and the leadership of SDCs with respect to their roles and responsibilities in the realization of the Foundation's mission and goals;
- Deepening knowledge and awareness of the Foundation's purpose, vision, mission and, values;
- Deepening awareness and appreciation of the rules of corporate governance, including code of conduct, confidentiality rules/requirements, avoidance of conflict of

interest, etc.; and

- Creating a platform for the Board of Trustees of NAKDeF to discuss, review and consolidate all relevant Board of Trustees guidelines and regulations and other work-in-progress policies.

The second corporate governance training for the Board of Trustees was facilitated by the Newmont Ethics and Compliance team at the office of NAKDeF on May 2016.

The areas covered included:

- Regulatory Space;
- Duties of Boards;
- Best Practices of Non-Profit Boards;
- Newmont Compliance and Ethics; and
- Anti-Corruption and PACI

The employees of the Foundation also received separate corporate governance training from the same Newmont Ethics and Compliance team with focus on the following:

- Ethics and compliance;
- Corporate values;
- Compliance with internal governance structure;
- Compliance with external obligations; and
- Anti-Bribery Laws and Commitments

One employee also received external certification training programme in Monitoring and Evaluation. On-the-job coaching and guidance were also provided to employees. Selected members of the SDCs also received IT training with focus on the Microsoft office application suite.

- Review of Community Development Plans

Community-specific development plans and programmes/projects implementation were reviewed with their respective communities over five times in the year. The reviews were carried-out to improve the delivery of programmes and projects. Project mechanisms were designed to bring focus and direction in the implementation of programmes/projects. Examples of the project mechanisms were the Akyem Soft Skills Improvement and Sustainability Training (ASSIST) and Procurement Plan.

The procurement plan, designed project mechanism, staff commitment to hard work and tenacity of purpose ensured the acceleration of projects.

About three reviews were held with the SDCs to fine-tune the delivery of the scholarship programme. A third-party consultant was also commissioned to evaluate the effectiveness of the Scholarship programme and the recommendations were implemented.



Plate 1: Meeting to review and improve upon the delivery of the scholarship programme

- Development of Monitoring and Evaluation Mechanisms Proposal was drafted for baseline data collection. Survey instruments were designed for primary data collection; however the field work was not carried-out due to overstretched human resources. Secondary data was gleaned for baseline data. Logical Framework Matrix (LFM) was developed for ASSIST Program. The completion of the baseline field data collection and other M&E mechanisms have been planned for completion in 2017.

- Collaboration with Birim North District Assembly
In view of fostering and improving upon relationship with the Birim North District Assembly in the planning, implementation and monitoring of sustainable development programmes and projects in the Newmont Akyem mine communities, several meetings were held between the Foundation and Assembly to fashion how the two parties could collaborate effectively with each other. In one of the collaborative meetings as depicted in the picture below, parallel projects were identified and there was common understanding on the implementing agency.



Plate 2: Pictures of 2016 AGM



Plate3: Meeting with the leadership of Birim North District Assembly

2.2 Programmes and Projects

2.2.1 Education

Majority of the needs of the communities as expressed in the Foundation Agreement and confirmed through needs assessment are related to education. Issues of economic access to education and poor educational infrastructure features strongly among the needs of the communities. It was therefore, understandably clear why the Social Responsibility Forum (SRF) allocated 35% of the Foundation's income to issues relating to human resource development which predominantly falls under the educational sector. Projects undertaken in this sector included scholarships for post Senior High School (SHS) students, Educational Quality Improvement Program (EQUIP), School Feeding Program and infrastructure projects which are reported below.

Scholarship Scheme

The Foundation added a third batch (2016/2017) of scholarship beneficiaries to the existing two batches (2014/2015 and 2015/2016). This brings the total number of scholarship beneficiaries as at the year-end 2016 to a total of 1,385. The number of beneficiaries selected under the batches of 2014/2015, 2015/2016 and 2016/2017 were 411, 522, 452 respectively. The community with the highest number of beneficiaries is Ahausena with a cumulative number of 282 beneficiaries and the lowest being Old Abirem also with a cumulative number of 47 beneficiaries. The statistics of the scholarship programme has been presented in Table 1 below. The fees of SHS students were paid termly, university and polytechnics students on annual basis and that of nursing training and teacher training on semester basis with some community specific exceptions. A total amount of GH¢ 2,541,238.00 was spent on the fees of scholarship beneficiaries.

Table 1: Statistics of scholarship beneficiaries

Community	SHS		Tertiary		Total
	Male	Female	Male	Female	
Ahausena	94	82	55	51	282
Afosu	50	38	39	34	161
Adjenua	46	51	49	43	189
Old Abirem	9	21	11	6	47
New Abirem	52	60	50	35	197
Mamanso	28	17	20	14	79
Ntronang	35	29	18	14	96
Resettlement	38	31	14	11	94
Hweakwae	84	85	33	38	240
Grand Total	436	414	289	246	1385

Monitoring of the scholarship beneficiaries was started in the year under review. For the first of its kind, the focus was on nearby schools in the Eastern Region which are relatively easy to reach. Students in the schools in the Koforidua-Kukurantumi area, Oda-Asamankese, Nkawkaw-Kwahu area were visited. A total of 219 students in their various schools were visited between the period of

June 13th to June 30th 2016. The objective was to ascertain how the scholarship beneficiaries were progressing in their academic work, their behaviour and attitude in school and also to identify some of the challenges they face in their schools. Some of the pictures from the scholarship monitoring visits have been presented below.

Plate 4: Monitoring visit of scholarship beneficiaries



Interactions with Assistant Headmaster and scholarship beneficiaries at Oda Senior High school during monitoring visit



Group photograph with scholarship beneficiaries of Nkwatia Senior High School



Group photograph with scholarship beneficiaries of Mpraeso Senior High School

The monitoring visits offered the opportunity to interact with authorities of the sampled schools, briefing them about NAKDeF scholarship scheme and its objectives. The challenges that the Foundation face in receiving bills and reports of students on time were explained to the schools. It was requested that students' bills and reports are sent to the Secretariat in bulk and on time so that a single cheque can be issued to cover their fees. Academic reports of the beneficiaries were also requested from the school authorities. The following were some of the findings from the monitoring visits:

- Generally, scholarship beneficiaries were putting up good behavior in school. The school authorities had no issues regarding the conduct of the beneficiaries. However, some of the students were not present in school at the time of visit. Others were also not punctual and had poor academic performance. Some students had abandoned their courses without notice;

- The major challenges of scholarship beneficiaries relates to their inability to purchase some recommended text books and delay in the payment of their fees; and

- Tertiary students were performing credibly better than their counterparts in secondary schools.

Following some of the findings from the monitoring visits, particularly delays associated with payment of fees, thorough review of the scholarship programme was held between the SDCs and the secretariat. The review led to the institution of flat rate and annual payment regime. This means SHS students who are boarders will receive GH¢ 550 a term while day student will receive GH¢200 per term payable on an annual basis.

Education Quality Improvement Program (EQUIP)

EQUIP was launched by the Foundation as part of its

effort to develop the human resource capacity of the Akyem Mine communities to support sustainable development. The objective was to improve the quality of education at the basic level, leading to improved academic performance in the 10 Newmont Akyem Mine communities. The Board of Trustees commissioned a consultant to assess the current educational system and to provide recommendation on how teaching and learning at the basic level can be improved. The report from the consultant was completed and presented to stakeholders in the month of July. Following the presentation, an action planning session was held with all relevant stakeholders to review the recommendation and how it would be adopted.

During the action planning session, it emerged that the Ghana Education Service (GES), Birim North District would submit proposal on how the soft aspects of the accepted recommendations would be implemented while the communities looked at how to adopt the infrastructure components through the review of their community development plans which was ongoing at the time. As a result, some of the communities adopted the recommendations by incorporating educational infrastructural projects in their 2016 action plans which were duly executed. GES also submitted proposal on teaching and learning materials, organisation of mock exams, organisation of quiz competition, the training of head teachers and assistants in school management strategies among others to the Secretariat for execution. The proposals were thoroughly reviewed and some aspect including the provision of interactive teaching and learning materials to kindergarten and lower primary schools have been piloted.

Plate 4: Monitoring visit of scholarship beneficiaries



Paul Suchmann Apenu, Executive Secretary of the Foundation leading the Action Planning session of the EQUIP program



Mr. Frank Apegyei Fosuhene (Project Committee Chair of the BoT sharing his view during the Action Planning session of the EQUIP program



The District Education Director making contribution during the Action Planning session of the of the EQUIP program

Akyem School Feeding Program

The promotion of primary education and addressing malnutrition among children and vulnerable has been one of the key agenda among Global, National and Local leaders for some decades now. Under the now Sustainable Development Goal (SDG) four which aims to achieve 'inclusive and equitable quality education', the target is to ensure that all girls and boys complete free, equitable and quality primary and secondary education by 2030 leading to relevant and effective learning outcomes. SDG two also

emphasize the need to ensure access by all people, in particular the poor and vulnerable situations to safe, nutritious and sufficient food all year round. This is parallel to the local needs of the Akyem Mine communities namely the Resettlement and Adausena communities. Needs assessment undertaken during the preparation of the Communities' Medium Term Development Plan (MTDP) revealed that they were faced with issues of low enrolment, poor school attendance, malnutrition and late reporting time.

Some of the students had to spend lesson hours eating from home. Consistent to the findings was that of the Centre for Social Responsibility in Mining's (CSR) review conducted in 2013 which revealed malnutrition and hunger among the Resettlement community. To address these needs, the Newmont Akyem Development Foundation (NAkDeF) and its stakeholders conceived the idea of the school feeding program. The short to medium term objective of the program was to reducing hunger and malnutrition in primary school children, increasing enrolment, attendance and retention in primary schools. The program was advertised for prospective local food vendors to submit proposals on the program. Prior to the advertisement, the construction of the school feeding structure has started in both communities. Contract was awarded to local vendors from the two communities after successful interview. The successful vendors were given start up kits comprising utensils, LPG cylinders and stove, refrigerator after they had completed a compulsory Health and Safety training conducted by the District Nutrition Officer. The Health and Safety training was to equip the vendors with skills necessary to serve quality food in the right nutritional components for the different age categories.

Plate 6: Food being served to school children



The school feeding program has yielded tangible results just few months after its implementation. Records of the Ahausena Primary School showed that enrolment has increased from 303 to 345, representing 12.17% increment. Similarly, enrolment at the Resettlement Primary School has also increased from 258 to 338, representing 76.33% increment. The schools' authorities have indicated that students' punctuality to school has improved considerably. "Now they come to school very early, sometimes even before 6 o'clock", a teacher remarked. Before the program, students would normally come to school late, or leave school to eat at home during lesson hours or leave school before the closing time.

After the introduction of the program, students stay in the school even during break period, and are ready to learn even after closing. Closely linked with improvement in students' punctuality is the improvement with their concentration and attention span. Teachers have observed that the pupils are now able to concentrate and assimilate what they are taught in class better than before. Another teacher recounted that "at first we have to go to their homes to beg them to come to school but now that is not the case".

Educational Infrastructure

Education infrastructure was among the major achievements of the Foundation during 2016. The Foundation was able to initiate the construction and renovation of 17 educational infrastructure projects and also provided furniture, teaching and learning materials to some of the schools in the communities. Building materials were also supplied for the construction of 1No 3-unit JHS classroom at Old Abirem. A total of 12 out of the 17 educational infrastructure projects have been completed. These included the Renovation of 1No 6-Unit Classroom Block, Office Store and ICT Laboratory at Ahausena Anglican Primary School; Construction of 1No 8-Unit Classroom Block, Office Store and Staff Common Room At Old Abirem; Construction of 1No School Feeding Kitchen at Resettlement; Construction of 1No 2-Unit Nursery, Office and Store and 1No W/C Toilet at Ahausena Primary School among others. The remaining 5 out of the 17 are at various stages of completion as presented in Table 2 below.

Table 2: Education Infrastructure Projects

SN	Name of Project	Community	Status
1	Construction of 1No 8-Unit Classroom Block, Office Store and Staff Common Room	Old Abirem	Completed
2	Construction of 1No 3-unit classroom, office, store, library, ICT lab and Staff room for JHS	Old Abirem	35%
3	Construction of 2-unit Islamic KG block	Mamanso	60%
4	Construction of 1No 2-Unit K.G, Office and Store for D/A Primary School "C"	New Abirem	Completed
5	Construction of 1No 2-Unit K.G, Office and Store and 1No W/C Toilet for D/A Primary School "B"	New Abirem	85%
6	Construction of 1No 2-Unit K.G, Office and Store and 1No W/C Toilet for D/A Primary School "A"	New Abirem	80%
7	Construction of 1No 6-Unit Classroom bock, Office Store and Staff Common room	Afosu	Completed
8	Construction of 1No 2-Unit K.G, Office and Store and 1No W/C Toilet for D/A Primary School	Afosu	Completed
9	Renovation of 1No 6-Unit Classroom Block, Office Store and ICT Laboratory for Anglican Primary School	Adausena	Completed
10	Renovation of 1No 2-Unit K.G Block, Office and Store	Adausena	Completed
11	Renovation of Staff Common Room for JHS	Adausena	Completed
12	Construction of 1No 2-Unit Nursery, Office and Store, and 1No W/C Toilet for Primary School	Adausena	Completed
13	Construction of 1No School Feeding Kitchen	Adausena	Completed
14	Construction of 1No 3-Unit Classroom and 1No 2-Seater W/C Toilet for R/C Primary School	Hweakwae	75%
15	Construction of 1No School Feeding Kitchen	Resettlement	Completed
16	Construction of 1No 6-Unit Classroom at for Presby Primary 'B'	Ntronang	Completed
17	Completion of 1No 6-Unit Classroom, Office, Store and staff Common Room for Presby Primary 'A'	Ntronang	Completed

Plate 7: Some completed education infrastructure projects*8-unit primary school block for Old Abirem**6-unit primary school block for Afosu**Renovated 6-unit Primary for Ntronang***2.2.2 Economic Empowerment**

High unemployment rate, lack of access to financial capital among businesses and low employable skills among the community members were identified to be the challenges facing the local economic sector of the Newmont Akyem Mine Communities. In view of this, the Foundation's efforts or interventions were focused on providing the communities particularly the youth with employable skills, ensuring access to credit and creating the opportunities for people to set up their own businesses. Specific interventions made under the local economic sector are presented below.

Akyem Soft Skills Improvement and Sustainability Training Program (ASSIST)

One of the priority areas of the Foundation as enshrined in the Agreement is the promotion of economic

empowerment of the Akyem communities. In line with this, the ASSIST programme was initiated as part of efforts in ensuring sustainable economic empowerment in the communities. The objective of the programme was to improve the skills of existing artisans in order to sustain their job through capacity building programmes and to provide employable skills to the youth through artisanal and vocational training programmes. It has three components, the first being partnership with Newmont Golden Ridge Limited's Learning and Development (L&D) Department to provide capacity building to already trained artisans. A total of 10 master craftsmen within the communities were given six months competency-based training in the areas of auto-electrical and auto mechanic to enable them sustain and improve their own businesses. Start-up kits including vehicle diagnostic tools were provided to them after the training.

The second component of the ASSIST programme covers the training of Junior High School (JHS) and SHS graduates at the Asankare Youth Leadership and Skills Training Institute. A total of 45 students have been enrolled in the school for three years training programme in the areas of General Electricals, Cookery/Catering, Plumbing, General Agriculture, Dressmaking, Masonry, Carpentry and Joinery. The package of the training covers fees, tools and logistics for their training, and start-up kits after completion. The third component of the ASSIST programme is the

training of 52 youth with master craftsmen across the Newmont Akyem Mine Communities. Their training fees have been paid and tools and other logistics for the training have been provided to them. They will be provided with start-up kits after completion of their training to enable them start their own businesses. They also received a monthly stipend for transportation and feeding as part of the package of the training. The number of beneficiaries per community and the various modules training they are receiving have been presented in Table 3 below.

Table 3: Number of ASSIST Beneficiaries per community

Community	Type of Training			Total
	Capacity Building with L&D	Asankare Youth Leadership and Skills Training	Apprenticeship Training with Master craftsman	
Hwaekwea	2	5	5	12
Adausena	2	5	5	12
Mamanso	1	4	5	10
Adjenua	1	4	5	9
New Abirem	2	4	6	12
Afosu	1	5	5	11
Old Abirem	1	5	5	11
Ntronang	-	5	5	10
Rettlement	-	8	11	19
Total	10	45	52	107

Plate 8: Asankare School beneficiaries:



Group photo of Asankare sch. Beneficiaries Asankare sch.



Beneficiaries being bussed to school

Microcredit

Access to credit was identified to be one of the key challenges faced by businesses within the Akyem communities. As a result, one of the major objectives of the Foundation with regards to economic empowerment was to ensure that people within the Akyem communities have improved access to financial capital for businesses. Though, this objective is yet to materialise, significant efforts have been made on the approach and processes that will lead to the programme. Initially, a micro-credit scheme was thought of as an intervention to achieve the aforementioned objective. A framework needed to govern the scheme, which spelt out all the processes and structures that will be required was drafted and discussed widely among the Foundation and its stakeholders including the communities.

Further discussions between micro-credit committee members, SDC leadership, the secretariat and experts from GIZ revealed that the micro-credit scheme needs to be restructured to Cooperative Credit Union to ensure sustainability and appropriate level of loan recovery. The partnership opportunity between the Foundation and GIZ will ensure that the delivery of the microcredit programme is improved.

Plate 9: Microcredit programme awareness session



Business Start-up Support - school feeding food vendors

The food vendors who were selected to render catering services to Yayaaso basic school and Ahausena Methodist basic school were supported with start-up kits with the twin objective of creating employment and ensuring economic empowerment within the Akyem communities. Items that were provided to them included refrigerators, cooking utensils, bowls, LPG cylinder and cooking stove. Image of the items provided are shown below.



Plate 10: Items presented to school feeding food vendors

Construction of Afosu market

Another intervention with regards to the goal of ensuring improved economic activities within the Akyem communities was the Construction of Afosu market structure. The market construction is currently at the second phase. It is expected that the market structure will provide a convenient environment where buyers and sellers can transact business. The market is likely to attract traders and farmers from surrounding villages leading to improved economic activities within the Afosu community.



Plate 10: Afosu Market:

2.2.3 Agriculture

Agriculture is the major source of income for the Newmont Akyem Mine Communities. Encouraging improved agriculture production is therefore critical for sustainable development of the communities. The purchase of a 28.5 acre farmland under a lease agreement for the Resettlement community to establish oil palm plantation represent the key agriculture intervention made in 2016. Prior to the acquisition of the farmland, survey works and a search for the true owner of the land were done through the services of a professional surveyor to ensure due diligence in the acquisition of the land. A total of 19.5 acres is currently being cultivated. It is envisaged that an Oil palm-processing factory will be established within the Resettlement community to process the palm fruits from the farm as well as that of individual farmers to create employment opportunity and improve the economic situation of the community.

Plate 10: Resettlement Community 28.5 oil palm plantation



Farm visit by District Director of MoFA and Foundation Executive Secretary



Plate 11: Afosu Clinic

2.2.4 Health

The health of the people of the Akyem community is central to local economic development. The needs assessment conducted during the preparation of the medium term development plan of the communities revealed that the Afosu Health Centre lacks a permanent structure, staff bungalow, laboratory, and a ward. The health facility could only provide out-patient services. It was realised from the baseline survey that the Health Centre was having one community nurse and five clinical nurses, providing healthcare services to 84.7% of the community's population who accessed it for their health needs. It was therefore necessary that a permanent structure with all the facilities that befit the status of a Health Centre is constructed for the Afosu community. The construction of the Health Centre with all the necessary facilities started in 2016 and is currently completed.

2.2.5 Water and Sanitation

Issues related to water shortages as result of erratic power supply and water system breakdown, lack of stand pipe at the newly developing areas within the communities, and open defecation in some of the of the communities were among the key challenges identified under the water and sanitation sector. Some of the communities without alternative source(s) of water used to face acute water shortage anytime there is a breakdown in their water system. The Foundation intervened by drilling two number Boreholes with Hand Pumps for the resettlement community. Potable water with one number stand pipe was also extended to some part of Hweakwae community that lacks water supply.

The construction of one number 10-Seater Vault Chamber was also completed at Ntronang to curb the issue of open defecation in some area of the community. There was also reconstruction/renovation 8-seater W/C Toilet at

Ntronang R/C Primary and K.G Schools and construction of 1No 10-seater vault chamber toilet at New Abirem cluster of schools. Pictures of the some water and sanitation projects are shown below.

Plate 12: Water and Sanitation Projects



Hweakwae standpipe



One of the 2 boreholes at Resettlement



Ntronang vault chamber



New Abirem Cluster of Schools 10-seater Vault Chamber

2.2.6 Safety and Security

Community Watchdog Programme

Residents of the Newmont Akyem Mine communities should be able to move about freely to attend to their normal business without fear of being attacked. This is very important since there is perception of the increase of crime, partly due to the impression that people living in mining areas are rich. Following the examples in some communities in Ghana where Community Watchdog committees have been introduced to check crime rates, the

Foundation conceived the idea to support Community Watchdog programme to complement the efforts of the security agencies in ensuring peace and harmony in the communities.

A total of 85 Watchdog committee members were selected by the communities with the approval of the District Police Commander after background checks for any criminal records were conducted. The Committee members went through a ten-days training program from the 14th to 25th November to build their capacity to support security issues within the communities. Topics covered during the training programme included Human Rights, Domestic Violence, Community Policing and Patrolling, Handling of Crime Suspect and Criminals, Crime Combating and arrest, Crime Reporting. The watchdog committee was formally inaugurated on Tuesday, 20th December after which their work officially begun. Operational tools including torchlights, uniforms, and tags among others were provided to them. Below are some of the pictures during the training sessions and inauguration.



Interim General Manager of Newmont Akyem delivering a speech at the inauguration ceremony

Plate 13: *Community watchdog training sessions and inauguration*



Classroom training session of watchdog committee members



Physical training session of watchdog committee members



District Police commander administering the watchdog committee membership oath at the inauguration ceremony

Construction of Afosu Passengers Shed

The Afosu community lorry park was without a passengers shed that provides shelter to passengers commuting to and from the lorry park. This predisposed passengers to the vagaries of weather. In view of this, a passenger shed was constructed. Picture of the bus stop shed is shown below.



Plate 14: Afosu Passengers Shed

2.2.7 Youth and Sports Development and Recreation Social Centres

Social cohesion ranks highly among the needs of the communities. Social cohesion among the communities is expressed in the form of support offered to each other in times of marriage, funerals, and naming ceremonies. The idea for the construction of the social centres in Adausena

and Hweakwae was to serve as a convenient place for social gathering. Initially, gathering in the above stated communities mostly took place on a football field or a portion of the road is blocked to serve the purpose of the gathering. To eliminate this inconvenience, it was deemed important to construct social centres for Adausena and Hweakwae. Other objective of the social centres was to provide avenue for the youth to meet to undertake some sporting activities as well as accessed information necessary for their personal development. The social centres have been presented below.



The social centre at Adausena

2.2.8 Cultural Heritage

The Newmont Akyem communities have rich cultural heritage which date back from century. The ways in which events such as funerals are organised for the dead, marriages are contracted, divorces are sanctioned as official and naming ceremonies are done have become part and parcel of their social and spiritual life of the communities. It seems therefore important that these traditions are preserved for generations yet to come. As a result, some interventions were made through the provision of regalia and infrastructure to sustain and preserve these traditions. The regalia include traditional furniture, clothes, Chairs and umbrellas. The completion of Chief's palace and Durbar Ground (Conference Room) at Afosu, completion of Durbar Ground, and construction of 3-Bed Room Chief's Residence at Resettlement also represent example of cultural heritage infrastructure projects.



The Community Centre at Hweakwae

Plate 16: Pictures of Chief's Palaces and Community Durbar Grounds*The expanded chief's palace at Afosu**The chief's palace at Resettlement**The durbar ground with conference room at Afosu***2.2.9 Natural Resources**

Aduasena, Hweakwae and Resettlement communities planted trees in their respective communities. The communities planted Cedrella, Indigenous and fruit bearing trees at a total cost of GH¢ 16,537.

2.2.10 Road Improvements

Transportation is very important part of our lives. All of us commute everyday through home and work. So it is necessary to improve roads. The need to improve the condition of the roads within the communities was widely expressed during the needs assessment undertaken towards the preparation of the medium-term development

plans of the communities. Hence, it was important for the foundation to construct a new road at Aduasena to link the Methodist church and the newly built areas of the community. In addition to the above, the construction of a bus stop at Afosu was done to provide a safe and convenient point where passengers can wait for vehicle.

Plate 17: Road infrastructure projects:



The constructed Methodist church road at Adausena



Adausena road U-drain and stone pitching

2.2.11 Power and Energy

Maintenance of streetlights was carried out in Resettlement, Adausena and Hweakwae communities.

3. Looking Forward/ 2017 Focus Areas

- Design and Develop a long-term vision and strategic Plan
- Develop second mid-term development plan of the Foundation
- Conduct Assessment/Evaluation of NAkDeF
- Identify and establish new strategic partnerships
- Design and improve upon governance within the hierarchy of the Foundation
- Complete the design and implementation of M&E Mechanism

Photo Gallery



Managing Partner of Nexia-Debrah presenting the auditor's report



Board Finance Committee Chairman, Elisha Asiedu-Amponsah presenting highlights of the Foundation annual report



SRF Moderator, Professor Ntifo-Siaw moderating the Foundation's 1st AGM



Community chiefs and stakeholders following along with the presentation of the auditor's report



Stakeholders discussing the annual report



Collaborative meeting with district assembly





NAkDeF media workshop in Koforidua



Handing over of stand pipe extended to newly built areas in Hweakwae



Open area at the ground floor of Afosu Chief's Palace



Compound of Afosu Chief's Palace



Afosu Durbar Ground



NEWMONT AKYEM DEVELOPMENT FOUNDATION
(Company Limited by Guarantee)

REPORTS AND FINANCIAL STATEMENTS

31st DECEMBER 2016

NEWMONT AKYEM DEVELOPMENT FOUNDATION
(Company Limited by Guarantee)

CORPORATE INFORMATION

Board of Trustees:

Prof. Emmanuel Gyimah-Boadi (Chairman)
Frank Appeagyei Fosuhene
Elisha Asiedu-Amponsah
Perpetua Joyce Naana Dontoh
Baah Wadich
Dr. Peter Attafuah
Felix Richard Kodzo Apoh
Okyere Yaw Ntramah
Paul Sowley

Secretary:

Paul Suchmann Apenu
CDZ/9, Salem Estate
Adjiringanor
East Legon - Accra

Registered Office:

NAkDeF Secretariat
#1 Market Street
New Abirem
Eastern Region
P.O. Box 251
Nkawkaw - Ghana

Independent Auditors:

Nexia Debrah & Co.
Chartered Accountants
BCB Legacy House
#1 Nii Amugi Avenue,
East Adabraka, Accra
P. O. Box CT 1552,
Cantonments - Accra,

info@nexiadebrah.com

Bankers:

Ecobank Ghana Limited

REPORT OF THE BOARD OF TRUSTEES TO THE MEMBERS OF

NEWMONT AKYEM DEVELOPMENT FOUNDATION (Company Limited by Guarantee)

The Board of Trustees of the Newmont Akyem Development Foundation (**NAkDeF**) has pleasure in presenting its second report and Financial Statements for the year ended December 31, 2016.

RESPONSIBILITY OF THE BOARD MEMBERS FOR THE FINANCIAL STATEMENTS

We, the Board of Trustees of the Newmont Akyem Development Foundation are responsible for the preparation and fair presentation of these Financial Statements in accordance with the International Financial Reporting Standards for Small and Medium Enterprises (IFRS-SME) and in the manner required by Ghana's Companies Act of 1963, (Act 179). As Board of Trustees, we are further responsible for establishing appropriate systems of accounting and internal controls that are requisite to enable the preparation of Financial Statements that are free from material misstatement, whether due to fraud or error.

INCORPORATION AND NATURE OF BUSINESS

The NEWMONT AKYEM DEVELOPMENT FOUNDATION is a Private Company Limited by Guarantee. It was registered and incorporated under the Companies Act of Ghana 1963, (Act 179) on 30th June 2014 and was given certificate to Commence Business on 3rd July, 2014. The principal business objective of the Foundation is:

- To engage in sustainable community development projects in Akyem Mine Host Communities.

In pursuit of its stated objectives, the Foundation has promoted the establishment of community based development vehicles called the Sustainable Development Committees (SDCs), for each identifiable community within the catchment area of its operations.

There was no change in the nature of operation of the Foundation during the period under review.

FINANCIAL STATEMENTS AND RESULTS OF OPERATIONS

The financial results for the year ended 31st December, 2016 are set out in the attached Financial Statements. The Board of Trustees considers the state of affairs of the Foundation to be satisfactory.

EXTERNAL AUDITORS

Messrs Nexia Debrah & Company, have indicated its willingness to continue in office as external auditors of the Foundation in accordance with section 134(5) of the companies Act 1963, (Act 179). We therefore recommend their continued appointment.


NEWMONT AKYEM DEVELOPMENT FOUNDATION

(BOARD'S REPORT CONTINUED)

REPRESENTATION AND CERTIFICATION OF THE BOARD AND MANAGEMENT

We certify that the Statement of Assets and Liabilities (i.e. Balance Sheet) on page 34, the Statement of Income and Expenditure (i.e. Comprehensive Income) on page 33 and the Statement of Cash Flows on page 35 together with the notes thereon on pages 36 - 41 have been prepared from records, information and representations made by the Board of Trustees of Newmont Akyem Development Foundation.

We confirm that we have made available all relevant records and information for the purpose of preparing and examining the Financial Statements in reference. We approve the Financial Statement together with the notes thereon for the year ended December 31, 2016.


.....) **Board of Trustees**
.....)
.....)
NAkDeF

..... 16/03/..... **2017**



REPORT OF THE AUDITORS TO THE MEMBERS OF NEWMONT AKYEM DEVELOPMENT FOUNDATION

We have audited the Financial Statements of the Newmont Akyem Development Foundation for the year ended December 31, 2016. These Financial Statements comprise the Statement of Financial Position as at December 31, 2016, the Statements of Income and Expenditure as well as Cash flows for the year then ended together with the explanatory notes thereon. These are presented herein from pages 7 to 15. The principal accounting policies used in preparing these financial statements are set out on pages 10 to 12.

This report is made solely to the company's members, as a body, in accordance with section 133 of the Companies Act 1963 (Act 179). The purpose of our audit is to enable us to make a statement to the members of the company on those matters specifically required by law to be mentioned in an auditor's report and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than the company and its members as a body for our audit work, our report, or the opinions we have expressed herein.

Board Members' Responsibility for the Financial Statement

The Board of Trustees acknowledge on page 3 their responsibility for the preparation and fair presentation of these Financial Statements in accordance with the International Financial Reporting Standards for Small and Medium Enterprises (IFRS-SMEs), and in the manner required by the Companies Act 1963 (Act 179) and for such internal control as the Board of Trustees determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

Auditors Responsibility and Basis of Opinion

Our responsibility is to express an independent opinion on these Financial Statements based on our audit. We conducted our audit in accordance with International Standards on Auditing (ISA). Those standards require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance whether the Financial Statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and the disclosures in the Financial Statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the Financial Statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal controls relevant to the entity's preparation and fair presentation of the Financial Statements 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 entity's internal control. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of accounting estimates made by management, as well as evaluating the overall presentation of the financial statements.

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

NEWMONT AKYEM DEVELOPMENT FOUNDATION**AUDITORS' REPORT CONTIN'D****Opinion**

In our opinion, the Financial Statements give a true and fair view of the financial position of the Newmont Akyem Development Foundation (NAKDeF) as at 31st December 2016, and of its financial performance and cash flows for the year then ended in accordance with the International Financial Reporting Standards (SMEs) and the Companies Act, 1963 (Act 179).

Report on other Legal and Regulatory Requirements

Compliance with the requirements of Section 133 and Fifth Schedule of the Companies Act 1963 (Act 179):

- We have obtained all the information and explanation which to the best of our knowledge and belief were necessary for the purpose of our audit.
- In our opinion, proper books of account have been kept and the statement of financial position and statement of income and expenditure are in agreement with the books of accounts.



Kwame Manu - Debrah (ICAG/P/1264)

For and on behalf of
NEXIA DEBRAH & CO
Chartered Accountants
License # ICAG/F/069
BCB Legacy House
1 Nii Amugi Avenue
P. O. Box CT 1552
East Adabraka,
Accra - Ghana

Manu Debrah, 2017

**NEWMONT AKYEM DEVELOPMENT FOUNDATION
STATEMENT OF INCOME AND EXPENDITURE
FOR THE YEAR ENDED 31ST DECEMBER 2016**

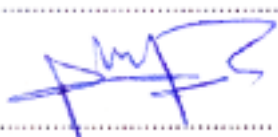
	NOTES	2016 GH¢	2015 GH¢
INCOME			
Operating Revenue	4	11,042,745	14,555,237
Other Operating Income	5	5,950	1,650
Total Income		<u>11,048,695</u>	<u>14,556,887</u>
EXPENDITURE			
Project Cost	Sch.1	7,972,275	1,096,818
Personnel Costs	Sch.2	364,381	228,734
Contract Services	Sch.3	56,379	247,081
Other Operation Expenses	Sch.4	525,330	339,567
Total Expenditure		<u>8,918,365</u>	<u>1,912,200</u>
Surplus/(Deficit) of Income over Expenditure		<u>2,130,330</u>	<u>12,644,687</u>

**STATEMENT OF ACCUMULATED FUND
FOR THE YEAR ENDED 31ST DECEMBER 2016**

Balance at 1 st January	12,644,687	-
Surplus/(Deficit) transferred from Income and Exp.	2,130,330	12,644,687
Balance at December 31st 2016	<u>14,775,017</u>	<u>12,644,687</u>

NEWMONT AKYEM DEVELOPMENT FOUNDATION
STATEMENT OF FINANCIAL POSITION
AS AT 31ST DECEMBER 2016

	NOTES	2016 GH¢	2015 GH¢
PROPERTY, PLANT & EQUIPMENT	11	595,608	661,003
ADVANCED MOBILIZATION	12	66,412	46,675
		<u>662,020</u>	<u>707,678</u>
CURRENT ASSETS			
Cash and Bank		532,333	1,610,720
Short Term Investment	10	15,895,666	12,569,136
Accounts Receivable	7	559,771	3,125
		<u>16,987,770</u>	<u>14,182,981</u>
CURRENT LIABILITIES			
Accounts Payable	8	244,682	140,691
		<u>244,682</u>	<u>140,691</u>
NET CURRENT ASSETS		<u>16,743,088</u>	<u>14,042,290</u>
NET ASSETS		<u>17,405,108</u>	<u>14,749,968</u>
FINANCED BY:			
Accumulated Fund		14,775,017	12,644,687
Capital Grant	9	741,606	725,352
Revenue in Suspense	6	1,888,485	1,379,929
TOTAL FUNDS		<u>17,405,108</u>	<u>14,749,968</u>

.....)
) **Board of Trustees**
)
)

NAkDeF

 2017

NEWMONT AKYEM DEVELOPMENT FOUNDATION
STATEMENT OF CASHFLOW FOR THE
YEAR ENDED 31ST DECEMBER 2016

	2016	2015
	GH¢	GH¢
Cash Generated from Operations:		
Surplus from Operations	2,130,330	12,644,687
Add/(Less):		
Depreciation	98,721	43,879
(Increased)/Decreased in Accounts Receivable	(556,646)	(3,125)
Increased/(Decreased) in Accounts Payable	104,010	140,691

	(353,915)	181,445
	-----	-----
Cash generated from operations	1,776,415	12,826,132
Cash flow from Investing Activities:		
Purchase of Property, Plant & Equipment	(33,347)	(704,882)
Project Works in Progress	(19,736)	(46,675)
	-----	-----
Net Cash used in investing	(53,083)	(751,557)
Cash flow from Financing:		
Capital Grant Received	16,254	725,352
Revenue in Suspense	508,556	1,379,929
	-----	-----
Net Cash Used in Financing	524,810	2,105,281
	-----	-----
Net Increased in Cash and Cash Equivalents	2,248,142	14,179,856
Cash and Cash Equivalent at beginning of year	14,179,856	-
	-----	-----
Cash and Cash Equivalents at end of year	16,427,998	14,179,856
	=====	=====
Analysis of Cash and Cash Equivalents		
As shown in the Balance Sheet		
Cash and Bank Balances	532,332	1,610,720
Short Term Investments	15,895,666	12,569,136
	-----	-----
	16,427,998	14,179,856
	=====	=====

**NEWMONT AKYEM DEVELOPMENT FOUNDATION
NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31ST DECEMBER 2016**

1. THE REPORTING ENTITY

1.1 The Company

Newmont Akyem Development Foundation is incorporated in Ghana under the Companies Act 1963 (Act 179) as a Private Limited Liability Company by Guarantee, and is domiciled New Aberim, in the Eastern Region of Ghana.

2. BASIS OF PREPARATION

a) Statement of Compliance

The Financial Statements have been prepared in accordance with International Financial Reporting Standards for Small and Medium Enterprises (IFRS for SME's) issued by the International Accounting Standards Board (IASB) and the requirements of the Companies Act 1963 (Act 179).

b) Basis of Accounting

The Financial Statements are prepared on the historical cost basis except for (when applicable) financial assets and liabilities that are stated at their fair value on initial recognition and subsequently measured at amortized cost.

c) Use of Estimates and Judgments

The preparation of the Financial Statements in conformity with IFRS requires management to make judgments, estimates and assumptions that affect the application of accounting policies and the reported amounts of assets, liabilities, income and expenses. Actual results may differ from these estimates. Estimates and underlying assumptions are reviewed on an ongoing basis.

Revisions to accounting estimates are recognized in the period in which the estimates are revised and in any future periods affected.

3. SIGNIFICANT ACCOUNTING POLICIES

The accounting policies set out below have been applied consistently to all periods presented in the Financial Statements.

a) Foreign Currency

Transactions in foreign currencies are translated to the Ghana Cedis which is the functional currency of the company at exchange rates on the dates of the transaction. Monetary assets and liabilities denominated in foreign currencies at the reporting period are retranslated to the Ghana Cedis at the exchange rate at that period. The foreign currency gain or loss on monetary items is the difference between amortized cost in the functional currency at the beginning of the period, adjusted for effective interest and payments during the period, and the amortized cost in foreign currency translated at the exchange rate at the end of the period. Non-monetary assets and liabilities denominated in foreign currencies that are measured at fair value are retranslated to the functional currency at the exchange rate at the period that the fair value was determined. Foreign currency differences arising on retranslation are recognized in the statement of income and expenditure.

NEWMONT AKYEM DEVELOPMENT FOUNDATION

b) Operating Revenue

The Foundation recognizes its Operating revenue for its financial reporting from the sum of the levy of \$1.00 of every ounce of gold sold and 1% of the previous year's Profit before Tax (PBT) of Newmont Gold Ridge Limited (NGRL) in accordance with the terms of Agreement signed between the Newmont Akyem Development Foundation (NAkDeF) and NGRL.

c) Bank Balances

Bank balances comprise cash balances and call deposits with original maturities of six months or less. When applicable, bank overdrafts that are repayable on demand and form an integral part of the company's cash management are included as a component of cash and cash equivalents for the purpose of the statement of cash flows.

d) Short Term Investment

Funds received but not yet allocated and disbursed for projects are invested into short term investment.

e) Accounts Receivable

The fair value of accounts receivable is estimated as the present value of future cash flow, discounted at the market rate of interest at the reporting date. This fair value is determined for disclosure purposes.

f) Accounts Payable

Trade and other payables are stated at cost.

g) Taxation

Activities of Newmont Akyem Development Foundation fall under the exempt organizations provisions of the Income Tax Act, 2015 (Act 896) due to the fact that they constitute activities that are of a religious, charitable, educational institution or public character nature. No tax is expected to be assessed on the activities of Newmont Akyem Development Foundation provided the operating objectives and orientation remain not-for-profit.

h) Property, Plant and Equipment

Owned assets

Items of property, plant and equipment are stated at historical cost less accumulated depreciation or impairment losses.

Where parts of an item of property, plant and equipment have different useful lives, they are accounted for as separate items of property, plant and equipment.

NEWMONT AKYEM DEVELOPMENT FOUNDATION

Depreciation

Depreciation is calculated on a straight – line basis to write off the cost of each asset to their residual values over their estimated useful lives as follows:

Building	2%
Furniture, Fixtures and Equipment	20%
Motor Vehicle	25%
Computers and Accessories	25%

Where the carrying amount of an asset is greater than its estimated recoverable amount, it is written down immediately to its recoverable amount. Gains and losses on disposals are determined by comparing proceeds with carrying amounts and are included in other income.

i) Short-term Employee Benefits

The cost of all short term employee benefits is recognized during the period in which the employee renders the related service. The provisions for employee entitlements to wages, salaries, annual and sick leave represent the amount which the company has a present obligation to pay as a result of employees' services provided up to the reporting date.

The Company is required to contribute 12.5 - 13% of qualifying employee costs to an established Pension Schemes in Ghana and such contributions are chargeable to the Statement of Income and Expenditure as part of total Employee Benefit.

j) Provisions

A provision is recognized in the balance sheet when a legal or constructive obligation as a result of a past transaction or event exist at the balance sheet date and the amount of the obligation can be reliably estimated and also probable that an outflow of economic resource will be required to settle the obligation. If the effect is material, provisions are determined by discounting the expected future cash flows at a pre-tax rate that reflects current market assessments of the time value of money and, where appropriate, the risks specific to the liability.

k) Critical Accounting Estimates and Judgments

Estimates and judgments are continually required based on evaluative criteria including historical experience and those relating to future events that are believed to be reasonable under the circumstances. The following specific issues refer.

Property, Plant and Equipment

Critical estimates are made by the Board of Trustees in determining depreciation rates for property, plant and equipment. The rates used are set out in note 3h.

NEWMONT AKYEM DEVELOPMENT FOUNDATION

	2016	2015
	GH¢	GH¢
4. OPERATING REVENUE		
Return on Investments	3,375,647	1,962,858
Contribution from Newmont	7,667,098	12,592,379
	<u>11,042,745</u>	<u>14,555,237</u>
5. OTHER OPERATING INCOME		
Sale of Tender Documents	5,950	1,650
	<u>5,950</u>	<u>1,650</u>
6. REVENUE IN SUSPENSE		
Balance at 1 st January	1,379,929	-
Receivable from NGRL for 2016	8,175,654	1,379,929
Earned Contribution Transferred to Revenue	(7,667,098)	-
	<u>1,888,485</u>	<u>1,379,929</u>
<p>The outstanding balance in the revenue in suspense account at the reporting date represents expected contributions from Newmont Gold Ridge Ltd (NGRL) in respect of 1st to 4th Quarters Levy of \$1.00 per ounce of gold sold in 2016. This, in addition to the 1% levy on the audited Profit Before Tax of NGRL for the 2016 financial year (when determined), will be disbursed in 2017 in accordance with the policy directives of the Fund.</p>		
7. ACCOUNTS RECEIVABLE		
Insurance prepayment	32,598	3,125
Funds Receivable from Newmont	527,173	-
	<u>559,771</u>	<u>3,125</u>
8. ACCOUNTS PAYABLE		
Project Works Retention Payables	168,490	9,960
Utilities & Sundries	38,592	7,274
Employee Provident Fund	-	17,957
Accrued Audit Fees	37,600	27,500
SDC's Expenses Accrued	-	78,000
	<u>244,682</u>	<u>140,691</u>
9. CAPITAL GRANTS		
Generating Set	16,254	-
Photocopier	11,664	11,664
Building	225,000	225,000
Seed Money	488,688	488,688
	<u>741,606</u>	<u>725,352</u>

NEWMONT AKYEM DEVELOPMENT FOUNDATION

	2016 GH¢	2015 GH¢
10. SHORT TERM INVESTMENT		
Endowment Funds	6,305,926	2,911,048
Unutilized Project Funds	9,589,740	9,658,088
	<u>15,895,666</u>	<u>12,569,136</u>

These funds were invested in various short term portfolios in various financial institutions. Refer to **Appendix 1** for allocation of the ownership of these funds.

11. PROPERTY, PLANT & EQUIPMENT

	Building	Motor	Furniture	Computers	Generator	Total
		GH¢	Vehicles	& Fittings	Set	
			GH¢	GH¢	GH¢	GH¢
Cost						
As at 1/1/2016	355,109	130,673	56,875	162,225	-	704,882
Additions	-	-	10,095	6,998	16,254	33,347
	<u>355,109</u>	<u>130,673</u>	<u>66,970</u>	<u>169,223</u>	<u>16,254</u>	<u>738,229</u>
Depreciation						
At 1/1/2016	6,763	5,445	10,850	20,822	-	43,879
Charge for the year	7,102	32,688	13,394	42,306	3,251	98,741
	<u>13,865</u>	<u>38,133</u>	<u>24,244</u>	<u>63,128</u>	<u>3,251</u>	<u>142,621</u>
Net Book Value						
At 31/12/2016	<u>341,244</u>	<u>92,540</u>	<u>42,726</u>	<u>106,095</u>	<u>13,003</u>	<u>595,608</u>
At 31/12/2015	<u>348,346</u>	<u>125,228</u>	<u>46,025</u>	<u>141,403</u>	<u>-</u>	<u>661,003</u>

NEWMONT AKYEM DEVELOPMENT FOUNDATION

	2016	2015
	GH¢	GH¢
12. ADVANCED MOBILIZATION		
Balance at 1 st	46,675	-
Advance Mobilization	66,411	46,675
Transfer to Project Cost	(46,675)	-
	<u>66,411</u>	<u>46,675</u>

This represents 10% Advance Mobilization fees disbursed in respect of awarded project works which are yet to be started in the various communities affected by the mining operations.

13. CONTINGENT LIABILITIES AND CAPITAL COMMITMENTS

Project work – in - Progress

The estimated valued of project Works in Progress at the end of the year was **GH¢1,014,700 (2015: NIL)**. This represents on-going project works at the various mine affected communities which were not completed and have therefore not been certified for payment.

Others

Besides the above, there were no other contingent liabilities not provided for in the Financial Statements as at the reporting dates. There were no other commitments not provided for in the Financial Statements as at the reporting dates.

14. EXCHANGE CONTROL

All remittances from Ghana are subject to the agreement of the Exchange Control Authorities.

15. VALIDITY OF GOING CONCERN PRESUMPTION

The Financial Statements have been prepared on the basis of accounting policies applicable to a going concern. This basis presumes that funds will be available to finance future operations and that realization of assets and settlement of liabilities, contingent obligations and commitments will occur in the ordinary course of business. The Board of Trustees of the company are not aware of any circumstances, event or situation at the reporting date that undermines the presumption of going concern.

16. AFTER DATE EVENTS

There were no material matters or circumstances arising since the reporting date up to the date of signing that will have material impact on the financial statements.

17. RELATED PARTY TRANSACTIONS

No party related to the entity either by appointment, mutual interest or otherwise had any interest in the routine transaction of the company.

NEWMONT AKYEM DEVELOPMENT FOUNDATION

	2016	2015
	GH¢	GH¢
<u>SCHEDULE 1</u>		
Project Costs:		
Non Infrastructural		
Youth & Sport Developments	72,923	7,000
Partnership & Grants	157,521	70,849
Scholarship disbursed	2,541,238	1,018,969
Infrastructural	5,200,593	-
	-----	-----
	7,972,275	1,096,818
	=====	=====

SCHEDULE 2

Personnel Costs:

Provident Fund	38,463	17,957
Wages & Salaries	317,037	210,777
Other Staff Costs	8,882	-
	-----	-----
	364,382	228,734
	=====	=====

SCHEDULE 3

Contract Services:

Audit Fees	37,600	27,500
Consultancy, Training and Capacity Building	18,789	219,581
	-----	-----
	56,379	247,081
	=====	=====

NEWMONT AKYEM DEVELOPMENT FOUNDATION

	2016	2015
	GH¢	GH¢
<u>SCHEDULE 4</u>		
Other Operation Expenses:		
Building Maintenance	10,272	390
Registration & License	-	600
Insurance	1,577	1,025
Transportation Cost	-	1,525
Water	1,560	2,046
Recruitments Cost	-	3,132
Internet Service	51,056	3,205
Electricity	37,310	4,039
Fuel & Motor Running Cost	19,568	4,860
Bank Charges	13,524	6,345
Office Provision & Refreshments	36,994	6,534
Stakeholder Engagements	14,488	14,201
Printing & stationery	9,195	16,739
Office Cleaning	27,600	18,323
Board Emoluments & Expenses	44,828	23,100
Office Expenses	36,644	25,320
Conference & Meeting Cost	8,616	36,750
Depreciation	98,721	43,879
SDC Expenses	64,407	127,554
Donation	1,200	-
Publicity & Branding	20,350	-
Accommodation	9,923	-
Generator Set Maintenance	5,868	-
Safety Expenses	8,801	-
Scholarship Monitoring Expenses	2,830	-
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	525,330	339,567
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**NEWMONT AKVEM DEVELOPMENT FOUNDATION
INVESTMENTS ANALYSIS
FOR THE YEAR ENDED 31ST DECEMBER 2016**

APPENDIX 1

	Operations Fund 10% GH¢	Endowment Fund 20% GH¢	Partnership/ Matching 2% GH¢	Paramountcy 2% GH¢	Near Mining 1% GH¢	Projects Fund 65% GH¢	Total Amount 100% GH¢
Return on Investments	255,633	1,207,776	51,127	51,127	25,563	1,784,421	3,375,647
Receipts from Newmont	766,710	1,533,420	153,342	153,342	76,671	4,983,614	7,667,098
Amounts Allocated	1,022,343	2,741,196	204,469	204,469	102,234	6,768,035	11,042,745
Sale of Tender Documents	5,950	-	-	-	-	-	5,950
Total Realised Funds	1,028,293	2,741,196	204,469	204,469	102,234	6,768,035	11,048,695
Revenue In Suspense	188,849	377,697	37,770	37,770	18,885	1,227,515	1,888,485
Add:							
Depreciation	98,741	-	-	-	-	-	98,741
Utilities & Sundries	178,493	-	-	-	-	-	178,493
Audit Fees	37,600	-	-	-	-	-	37,600
Account Payable	168,490	-	-	-	-	-	168,490
Less:							
Insurance Prepaid	(32,598)	-	-	-	-	-	(32,598)
Income Receivable	(527,173)	-	-	-	-	-	(527,173)
Advance Mobilization	-	-	-	-	-	(66,411)	(66,411)
Educational Grant	-	-	(157,521)	(20,000)	-	-	(177,521)
Personnel	(364,382)	-	-	-	-	-	(364,382)
Contract Services	(56,379)	-	-	-	-	-	(56,379)
Other Expenses	(525,330)	-	-	-	-	-	(525,330)
Acquisition of PPE	(17,093)	-	-	-	-	-	(17,093)
Projects Disbursement	-	-	-	-	-	(7,794,754)	(7,794,754)
Less: Cash & Bank at 31st December	177,510	3,118,893	84,717	222,238	121,119	134,385	3,858,862
	(206,081)	-	-	-	-	(326,251)	(532,332)
Net Movement in Funds for the Year	(28,571)	3,118,893	84,717	222,238	121,119	(191,866)	3,326,530
Funds in Investment at 1 st January	575,571	3,187,033	247,854	318,703	159,352	8,080,623	12,569,136
Funds in Investment at 31st December	547,000	6,305,926	332,572	540,942	280,471	7,888,756	15,895,666

**NEWMONT AKYEM DEVELOPMENT FOUNDATION
PROJECTS FUND ALLOCATION ANALYSIS REPORT
FOR THE YEAR ENDED 31ST DECEMBER 2016**

APPENDIX II

	Total Project		Ahausena	Hweakwae	Yayaso	Ntronang	New Ahiirem	Adjenna	Afosu	Mamanso	Old Ahiirem
	Allocated Funds	GH¢									
Return on Investments	1,784,421	481,794	481,794	303,352	171,483	122,590	164,167	164,167	234,116	96,359	46,395
Receipts from Newmont	4,983,614	1,345,576	1,345,576	847,214	478,925	342,374	458,492	458,492	653,850	269,115	129,574
Amounts Allocated	6,768,035	1,827,369	1,827,369	1,150,566	650,408	464,964	622,659	622,659	887,966	365,474	175,969
Add:											
Revenue in suspense	1,227,515	331,429	331,429	208,678	117,964	84,330	112,931	112,931	161,050	66,286	31,915
Less:											
Projects Disbursement	(7,794,754)	(2,204,566)	(2,204,566)	(1,205,265)	(893,650)	(524,000)	(645,217)	(334,948)	(1,557,304)	(230,198)	(199,607)
Advance Mob./Projects	(66,411)	-	-	-	-	-	(31,602)	-	-	-	(34,809)
Bank Balance at 31 st Dec.	(326,251)	(88,088)	(88,088)	(55,463)	(31,353)	(22,413)	(30,015)	(30,015)	(42,804)	(17,618)	(8,483)
Net Cash Inflow/(Outflow)	(191,866)	(133,855)	(133,855)	98,516	(156,631)	2,881	28,756	370,627	(551,092)	183,944	(35,014)
Funds In Investment at 1 st January	8,080,623	2,219,223	2,219,223	1,377,078	819,107	557,609	690,040	709,366	1,064,060	435,645	208,496
FUNDS IN INVESTMENT AT 31ST DECEMBER	7,888,756	2,085,368	2,085,368	1,475,594	662,476	560,490	718,796	1,079,994	512,968	619,589	173,482

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