COMMUNITY DEVELOPMENT SHIELD UGANDA

ANNUAL REPORT

AND

AUDITED FINANCIAL STATEMENTS FOR THE PERIOD ENDED 31 DECEMBER 2023

Audited by:
James Ok and Partners, Certified Public Accountant,
Plot 82, Muteesa II Road, Ntinda Kampala

TABLE OF ACRONYMS

CDSU	Community Development Shield Uganda
CPA	Certified Public Accountant
ISAs	International Standards on Auditing
IESBA	International Ethics Standards Board for Accountants
MOH	Ministry of Health
NGO	Non-Governmental Organisation
NSSF	National Social Security Fund
PAYE	Pay as You Earn
PPE	Property, Plant and Equipment
Ushs	Uganda Shillings
URA	Uganda Revenue Authority
USAID	United States Agency for International Development
USD	United States Dollar
VAT	Value Added Tax

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Community Development Shield Uganda
Audited Financial Statements
For the Period ended 31st December 2023

Members of the Board of Directors

No	Name	Representation
1	Odyek Dickens	Chairperson
2	Acen Agness	Vice Chairperson
3	Enyeny Ambrose	Treasurer
4	Acam Topista	Member
5	Hendry Yakobo Amangole	Member

Key management personnel

No	Name	Representation
1	Ogole Oscar	Executive Director

Community Development Shield Uganda
P.O Box 820,Lira
Market Street, Tesambia B Western Ward B, Bala Town Council, Kole Northern Uganda,
Tel: +256 779472527/755192978
Email: communitydevelopmentshieldug@gmail.com
Website: cdsuganda.com

Registration number
80020002736542

Permit Number
INDP0004556NB

TIN Number:
1013184880

Bankers
Bank of Africa
P.O. Box , Lira Branch
Uganda
Account Number
4629700002

Independent Auditor
James Ok and Partners
Certified Public Accountants of Uganda
Plot 82, Muteesa II Road, Ntinda, Kampala
P.O Box 12187, Kampala, Uganda
Tel: +256-788-822-2204/751-701-027
E -mail: jamesokpartners@gmail.com
Website: www.jamesokpartners.com

The directors submit their annual report and the audited financial statements for the financial year ended 31 December 2023, which disclose the state of affairs of the organization.

Background

Community Development Shield Uganda formally "Bala Youth Forum' is a local development organization founded in 2013 by a group of forsighted youths and professioinals and got registered with Bala Sub-county Local Government, Kole District Local Government and Uganda registration service Bureau and a non-profit entity. Its Main is to involves different development stakeholders in persuing transformationa and sustainable for the vulnerable person and community by involving, supporting and intergrating the contribution of women, youths and other vulnerable persons in determining their destiny.oranizational main values are commitment to service, transpanency and accountability for the recourses entrusted to her members and other development partners. Its strives also to promote practical oriented basic skills with a view of helping young women and children create their mass of skill to servive in a civilized enviroment and increasingly knowledgabe economy. The I Decide is a year project implemented by plan international Uganda in partnership with Community Development Shield Uganda, CDFU, AND OTHER PARTNERS in Kole Distrit. Community Development Shield Uganda is implementing this project in Bala and Ayear Sub-county particuly in 10 parishes of Bala, Omuge, Aumi, Omolayang, Ilela, Ayami, Telela, Alemi, Lwala and Abur with the goal to ensure the children, Adolescent and youth in all their diversity to have control over their bodies and future in a healthy, safe and supportive enviroment.

Vision

Atransformed Community Characterized by Improved livelihoods, peace and justice.

Mission

"To contribute towards the socio-economic transformation and enhance quality of life for all

Goal

Increasing access to SRHR information and services to children,adolescent and youth marriages.

Objectives

a) To facilitates the development of appropiiate capacity building, lobbing and advocay activities for economic and sustainable livelihood.

(b) To promote and establish mechanism for innovation and evidance based research CSOs capacity to influence policy and action in the key social domais of health and education.,

(c) To promote access to formal and informal Education for the vulnerable groups such as orphans, other vulnerable children and youth for acquisition and building of basic knowledge and skills necessary for generation of individual livelihood.

(d) To promote programs that increase access to safe, clean water and basic sanitation for poor communities.

(e) To support the provision of high-quality maternal child health services and medical care to general population

Background (continues)

Activities
•Awearness raising on climate change
• Information on SRHR to children, youthsa and adolescent in all their diversity to have control over theeir bodies and make imformed choices
• Training COC (Champion of change) on SRHR and climate change
• Training of young pumps mechanice on repare and mantanance of hand dug boreholes.
• Raising awearness on HIV/AIDS TO CHILDREN. ADOLESCENT AND YOUTH in their diversity at the water point
• Inclusive qualities service provision
• High performance, effectiveness and efficiency;
• Sound foundation in good governance practices

Target group
• Youth and young people
• Women and children
• Conflicts and post conflict victims
• Poor and vulnerable groups of people

The table below summarises the performance for the financial year.

Details	2023 USHS	2022 USHS
Income	114,281,561	85,596,386
Expenditure	(113,706,707)	(85,438,567)
Surplus for the year	574,854	157,819

Directors and key management personnel

The directors and key management who held office during the year and to the date of this report are shown on page 2.

BY ORDER OF THE BOARD

Secretary/ Director

07 Feb 2024

COMMUNITY DEVELOPMENT SHIELD UGANDA
05 FEB 2024
EXECUTIVE DIRECTOR
P. O BOX 820, LIRA

James Ok & Partners
. CERTIFIED PUBLIC ACCOUNTANT

Firm No. AF0261

REPORT OF THE INDEPENDENT AUDITOR TO THE MEMBERS OF COMMUNITY DEVEOPMET SHIELD UGANDA(CDSU)

REPORT ON THE AUDIT OF THE FINANCIAL STATEMENTS

Opinion:

We have audited the accompanying financial statements of Community Development Shield Uganda set out on pages 9 to 24, which comprise the statement of financial position as at 31st December 2023, and the statement of income and expenses, statement of cash flows for the year then ended, and notes to the financial statements, including a summary of significant accounting policies.

In our opinion, the accompanying financial statements present fairly, in all material respects, the financial position of Community Development Shield Uganda as at 31st December 2023, and of its financial performance and its cash flows for the year then ended in accordance with the basis of accounting described in Note 2 to the financial statements

Basis of 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 Organization in accordance with the International Code of Ethics for Professional Accountants (including International Independence Standards) (IESBA Code) together with the ethical requirements that are relevant to our audit of the financial statements in Uganda, and we have fulfilled our other ethical responsibilities in accordance with these requirements and the IESBA Code.

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

Emphasis of matter - Basis of accounting and change of presentation of expenditure

We draw your attention to Note 2 to the financial statements, which describes the basis of accounting. The financial statements are prepared to assist the Organization to meet the requirements of the Organization's donors. As a result, the financial statements may not be suitable for another purpose.

We draw attention to note 11 to the financial statements which describes the changes made to the presentation of capital expenditure. The capital expenditure have been prepared on the new accounting policy of expensing capital expenditure presenting it to capital fund rather than expensing only depreciation as it had previously done. Depreciation is now charged to the capital fund account.

We draw attention to note 12 to the financial statements, the prior year's financial statements have been restated to include property, plant, and equipment that was previously omitted. This adjustment reflects the company's commitment to presenting its financial position in accordance with faithful representation principles.

Our opinion is not modified in respect of these matters.

Other matter:

The financial statements of the Organization for the year ended 31st December 2022, were audited by another auditor who expressed an unmodified opinion on those statements on 17th February 2023.

Other information:

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E: info@jamesokpartners.com, jamesokpartners@gmail.com
A: Plot 11, Salim Bey Road, Ntinda
P.O.Box 12187, Kampala

Practitioner: James Okello, CPA (U), PODITRA (East)
BCOM (MUK), Oil & Gas Mgt (VU

James Ok & Partners
CERTIFIED PUBLIC ACCOUNTANT

Firm No. AF0261

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James Ok & Partners
CERTIFIED PUBLIC ACCOUNTANT

REPORT OF THE INDEPENDENT AUDITOR(CONTINUED)

REPORT ON THE AUDIT OF THE FINANCIAL STATEMENTS(CONTINUED)

The directors are responsible for the other information. The other information comprises the Organization Information, the Directors' Report and Statement of Directors' Responsibilities. The other information does not include the financial statements and our auditor's report thereon.

Our opinion on the financial statements does not cover the other information and we do not express an audit opinion or any form of assurance conclusion thereon.

In connection with our audit of the financial statements, our responsibility is to read the other information 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, we conclude that there is material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard

Directors' responsibilities for the financial statements:

The directors are responsible for the preparation of the financial statements in accordance with the basis of accounting described in Note 2 to the financial statements and for determining that this financial reporting framework is acceptable in the circumstances. The directors are also responsible for such internal control as management determines 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 Organization'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 the Organization 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 the ISAs, we exercise professional judgment and maintain professional skepticism 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.

Auditor's responsibilities for the audit of the financial Statements (Continued)

- Obtain an understanding of the 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 Organization's internal control.

James Ok & Partners
CERTIFIED PUBLIC ACCOUNTANT

REPORT OF THE INDEPENDENT AUDITOR(CONTINUED)

REPORT ON THE AUDIT OF THE FINANCIAL STATEMENTS(CONTINUED)

- 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 the directors' 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 Organization'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 Organization 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.

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.

The engagement partner responsible for the audit resulting in this independent auditor's report is CPA Okello James-P0378.

....
James Ok and Partners
Certified Public Accountant of Uganda
Kampala, Uganda

....
CPA James Okello
Practitioner

JAMES OK AND PARTNERS CERTIFIED PUBLIC ACCOUNTANT
JAMES OK AND PARTNERS
CERTIFIED PUBLIC ACCOUNTANT
03 MAY 2024
P. O. Box 12187, Kampala

3rd May 2024

Statement of the Directors' Responsibilities

The Non-Governmental Organisations Act, 2016 of Uganda, under which the Organisation is registered, require the directors of Community Development Shield Uganda to prepare financial statements for each financial. year, which present fairly, the state of financial affairs of the Organisation as at the end of the financial year and the operating results for the year. The directors' responsibility also includes ensuring that the Organisation keeps proper accounting records which disclose reasonable accuracy at any time the financial position of the Organisation. They are also responsible for safeguarding the assets of the Organisation.

The directors accept responsibility for the annual financial statements, which have been prepared using appropriate accounting policies supported by reasonable and prudent judgements and estimates, in conformity with the Organisation's financial guidelines and policies. The directors are of the opinion that the financial statements present fairly the state of the financial affairs of the Organisation and its operating results. The directors further accept responsibility for the maintenance of accounting records which may be relied upon in the preparation of the financial statements, as well as adequate systems of internal financial control.

The financial statements were approved by the Board of Directors on ...05/Feb/... 2024 and signed on its behalf by:

....	....
Director	Director

COMMUNITY DEVELOPMENT SHIELD UGANDA
05 FEB 2024
EXECUTIVE DIRECTOR
P.O BOX 820, LIRA

COMMUNITY DEVELOPMENT SHIELD UGANDA
05 FEB 2024
P. O. BOX 820, LIRA

Community Development Shield Uganda
Audited Financial Statements
For the Period ended 31st December 2023

Statement of Income and Expenditure

Revenue	Notes	2023 UGX	2022 UGX
Grant & Donations Income	3	113,898,917	85,442,152
Other Income	4	382,644	154,234
Gross Income		114,281,561	85,596,386
Expenditure			
Governance costs	5	1,870,000	-
Direct project expenditure	6	91,008,800	85,438,567
Other operating and administrative expenditure	7	20,827,907	-
Surplus/ Deficit for the period		574,854	157,819

The financial statement were approved by the Board of Directors on 05/Feb/2024
and were signed on its behalf by:

.... Director .... Director

COMMUNITY DEVELOPMENT SHIELD UGANDA
05 FEB 2024
EXECUTIVE DIRECTOR
P. O BOX 820, LIRA

COMMUNITY DEVELOPMENT SHIELD UGANDA
05 FEB 2024
P. O. BOX 820, LIRA

Statement of Financial Position

	Notes	2023 UGX	2022 UGX
Assets			
Current assets			
Cash and bank balances	10	739,293	164,439
		739,293	164,439
Non current assets			
Property and equipment	12	13,473,367	11,199,190
		13,473,367	11,199,190
Total assets		14,212,660	11,363,629
ACCUMULATED FUND AND LIABILITIES			
Accumulated Fund			
Capital Fund	Equity	13,473,367	11,199,190
General Fund		739,293	164,439
		14,212,660	11,363,629
Current Liabilities			
Payables and accruals	9	-	-
		-	-
TOTAL ACCUMULATED FUND AND LIABILITIES		14,212,660	11,363,629
		-	-

The notes and accounting policies on pages 13 to 24 form an integral part of these financial statements

APPROVAL OF ACCOUNTS:

The Accounts were approved by the Directors on the..05...day of ...Feb...2024 and were signed on behalf of the Company by:

....
Director

COMMUNITY DEVELOPMENT SHIELD UGANDA
05 FEB 2024
EXECUTIVE DIRECTOR
P.O BOX 820, LIRA

....
Director

COMMUNITY DEVELOPMENT SHIELD UGANDA
05 FEB 2024
P. O. BOX 820, LIRA

Community Development Shield Uganda
Audited Financial Statements
For the Period ended 31st December 2023

Statement Of changes Accumulated Fund

	Note	General Reserve UGX	Capital Fund UGX	Total UGX
As at 1st Jan 2022		6,620	9,325,344	9,331,964
Surplus/Deficit for the year	Income& Exp	157,819	-	157,819
Additions			4,165,000	4,165,000
Disposals cost		-	-	-
Depreciation charge for the year			(2,291,154)	(2,291,154)
Amortization during the year				-
As at 31 Decemeber 2022		164,439	11,199,190	11,363,629
Surplus/Deficit for the year	Income& Exp	574,854	-	574,854
Additions			5,200,000	5,200,000
Disposals cost		-	-	-
Depreciation charge for the year			(2,925,822)	(2,925,822)
Amortization during the year				-
As at 31 Decemeber 2023		739,293	13,473,367	14,212,660

Community Development Shield Uganda
Audited Financial Statements
For the Period ended 31st December 2023

Statement of Cashflows

	Notes	2023 UGX	2022 UGX
Cash flows from operating activities			
Surplus for the year		574,854	157,819
Adjustments for non cash income and expenses:			
Non cash finance costs		-	-
Depreciation of property, plant and equipment	12	-	-
Changes in operating assets and liabilities		-	-
Net cash from operating activities		574,854	157,819
Cash flows fron investing activities			
Purchases of Property, Plant & Equipment	12	(5,200,000)	(4,165,000)
Net cash used in investing activities		(5,200,000)	(4,165,000)
Cash flows from financing activities			
Capital Fund		5,200,000	4,165,000
Net cash used in financing activities		5,200,000	4,165,000
Net increase or decrease in cash and cash equivalents		574,854	157,819
Cash and cash equivalents at beginning of the year		164,439	6,620
Cash and cash equivalents at end of the year		739,293	164,439

1. Reporting entity

Community Development Shield Uganda formally "Bala Youth Forum' is a local development organization founded in 2013 by a group of forsighted youths and professioinals and got registered with Bala Sub-county Local Government, Kole District Local Government and Uganda registration service Bureau and a non-profit entity. Its Main is to involves different development stakeholders in persuing transformational and sustainable for the vulnerable person and community by involving, supporting and intergrating the contribution of women, youths and other vulnerable persons in determining their destiny.oranizational main values are commitment to service, transpanency and accountability for the recourses entrusted to her members and other development partners. Its strives also to promote practical oriented basic skills with a view of helping young women and children create their mass of skill to servive in a civilized enviroment and increasingly knowledgabe economy.

2. Basis of accounting

The Non-Governmental Organisations Act, 2016 of Uganda, under which the Organisation is registered, requires the directors to prepare financial statements for each financial year, which present a true and fair view of the state of financial affairs of the Organisation as at the end of the financial year and the operating results for the year. The financial statements are required to be filed with the National Bureau of Non-governmental Organisations.

The financial statements have been prepared on a historical cost basis, except where otherwise stated. The financial statements are prepared in accordance with the Organisation's accounting policies and guidelines. The financial statements are not intended to and do not comply with all the requirements of IFRS for SMEs. The accounting policies are based on the IFRS for SMEs framework modified to meet the financial reporting needs of some key users of the financial statements. The modifications to the IFRS for SMEs framework deemed necessary by management relate to accounting for capital expenditure and depreciation, presentation of capital fund, among others. The accounting policies adopted are consistent with those of the previous financial year except where otherwise stated.

Functional and presentation currency

The Organisation's functional and presentation currency is Uganda Shillings (Ushs). Transactions in foreign currencies are initially recorded by the Organisation at their respective functional currency using rates prevailing at the date of the transaction. Monetary assets and liabilities denominated in foreign currencies are retranslated at the functional currency spot rate of exchange ruling at the reporting date. All differences are recognised in the statement of income and expenditure. Differences arising on settlement or translation of monetary items are recognised in the statement of income and expenditure.
Non-monetary items that are measured in terms of historical cost in a foreign currency are translated using the exchange rates as at the date of the initial transaction.

Income

Grant and Donations income is recognised in the period in which it is received or where there is assurance that the income will be received, and all attaching conditions as stipulated in the funding agreements are complied with. Grant income received but not utilised during the period is not recognised as income but rather credited to deferred income in the statement of financial position. As such, unspent grant income balances associated with restrictions are carried forward until when the attached conditions are fulfilled.

Expenditure

Expenditure is recognized in the period it is incurred. Unpaid for commitments are recognised as expenses in the statement of income and expenditure and as payables in the statement of financial position. Prepayments for services or supplies not yet received are recorded in the statement of financial position as advance payments or prepayments and expensed when the related services or supplies are received.

2. Basis of accounting (Continued)
Expenditure is classified as follows:

a) Governance costs
These relate to costs incurred in respect to board governance activities, that is, Annual Council Meeting, Board Committee Meetings and Board meetings at facilities.

b) Direct project expenditure
These relate to costs incurred on implantation of project related activities and include such costs as:

Salaries and wages
These relate to remuneration costs for permanent and temporary project staff.

Fringe benefits
These comprise of employer social security contributions, employment-related insurance costs and statutory deductions, that is, Pay as You Earn and Local Service Tax.

Program activity monitoring and training costs
This includes costs incurred in supervision of implementation and costs incurred on training workshops, that is, facilitation allowances, refreshments for participants, public address system hire, training venue hire and any costs incidental to training events.

Travel costs
These relate to costs incurred on staff on their movement to the different areas of operation including per diem, vehicle hire costs, day safari allowance, mileage refund and accommodation costs.

Motor vehicle running costs
These relate to the costs incurred in maintaining Organisation's vehicles that are used in field operations. These include insurance costs, repair costs, fuel costs and tracking costs.

Scholarships to health workers
These relate to costs incurred in sponsoring health workers for training and continuous professional development.

Rent expense
This relates to costs incurred for securing space for the Organisation's offices.

Project funded asset acquisitions
These relate to costs incurred to acquire assets used for project implementation.

c) Other operating and administrative expenditure
These are costs incurred in relation to support functions that are not directly related to project implementation. Such costs include:

2. Basis of accounting (Continued)

c) Other operating and administrative expenditure (Continued)

Audit and legal costs

These relate to costs incurred on the Organisation audit and project specific audits and legal consultancy services.

Other professional services

These relate to costs incurred on advisory services like tax advisory services.

Security expenses

These are costs incurred by the Organisation in securing the Organisation's premises.

Stationary supplies

These relate to costs incurred on office stationery.

Equipment maintenance and repairs

These costs relate to costs of maintenance and repair of the Organisation's assets.

Office cleaning and maintenance

These relate to costs incurred on purchase of cleaning materials.

Staff training and development

These are costs incurred in upskilling of staff.

Bank charges

These are fees levied by banks on the Organisation's bank accounts and the exchange gain.

Internet, telephone and postage

These are costs incurred on internet, postage and communication services.

Impairment costs

These are costs relate impairment losses on the assets held by the organisation mainly the investments premises.

Electricity and water

These are utility costs for the Organisation.

Communication, promotions and marketing

These are costs incurred on promotion and publicity campaigns.

Insurance

These are costs incurred to insure the Organisation's assets.

Property and equipment and prepayments for leases

The costs incurred on acquiring property and equipment and prepayments for leases (together, "capital expenditure") are charged to the statement of income and expenditure in the year of purchase. The cost recognised comprises expenditure paid and unpaid expenditure commitments at the end of the reporting period.

The capital expenditure is also recognised in the statement of financial position as property and equipment with contra entries to a corresponding capital fund.

2. Basis of accounting (Continued)

Property and equipment and prepayments for leases (Continued)

Depreciation is calculated on a straight-line basis to write off the cost of each asset to its residual value over the useful life as follows:

Asset	Depreciation Rates
Furniture and fittings	12.5%
Computers and IT equipment	20%
Motor vehicles	20%

An item of property and equipment and prepayments for leases is derecognised upon disposal or when no future economic benefits are expected from its use or disposal. Any gain or loss arising on derecognition of the asset (calculated as the difference between the net disposal proceeds and carrying amount of the asset) is recognised in the statement of income and expenditure.

The asset's residual values, useful lives and methods of depreciation/amortisation are reviewed, and adjusted for appropriateness, at each reporting date.

Receivables and advances

These comprise of unaccounted for advances to facilities, insurance amounts recoverable, amounts due from projects' budgets where the Organisation's funds were used in project activities and rent receivable.
The receivables and advances are reported net of impairment losses. Impairment losses are recognised where there is no reasonable expectation of obtaining accountability for and/or recover funds advanced or amounts due from third parties.
Accountabilities overdue by more than 1 year are provided for at 100%.

The impairment losses are recognised in the statement of income and expenditure.

Inventories

Inventory items for project implementation are expensed during the period when purchased.

Inventory items for internal revenue generating activities are measured at the lower of cost and net realisable value and are expensed during the period when utilised. These inventory items are valued using weighted average cost method. Stock is valued less any impairment losses recognised. Impairment of inventories is determined basing on the time to expiry. Inventory items within 90 days to expiry are fully impaired.

Cash and bank balances

Cash and bank balances represent the funds held on the Organisation's bank accounts and at hand as at year-end. Cash on hand, on demand balances on bank accounts and time deposits on bank accounts whose original maturities do not exceed three months, less bank overdraft amounts, are considered to be cash and cash equivalents in the statement of cash flows.

2. Basis of accounting (Continued)

Financial instruments

A financial instrument is any contract that gives rise to a financial asset of one entity and a financial liability or equity instrument of another entity. The Organisation's financial assets comprise of cash and bank balances, equity investments, investments in government securities and receivables due from other counterparties while the financial liabilities comprise of payables due to other counterparties.

The Organisation initially measures these financial instruments at fair value plus transaction costs. Equity investments which are subsequently measured at cost net of any impairment while other financial instruments are subsequently measured at amortised costs using the effective interest method.

At the end of each reporting period, the Organisation assesses whether there is objective evidence of impairment of any financial assets.

The Organisation determines that an impairment has occurred when there is evidence that a financial asset or group of financial assets is impaired. This entails observable data that comes to the attention of the directors about loss events including:

a) significant financial difficulty of the issuer or obligor;
b) a breach of contract, such as a default or delinquency in interest or principal payments;
c) the creditor, for economic or legal reasons relating to the debtor's financial difficulty, granting to the debtor a concession that the creditor would not otherwise consider;
d) it has become probable that the debtor will enter bankruptcy or other financial reorganisation; or
e) observable data indicating that there has been a measurable decrease in the estimated future cash flows from a group of financial assets since the initial recognition of those assets, even though the decrease cannot yet be identified with the individual financial assets in the group, such as adverse national or local economic conditions or adverse changes in industry conditions.

The Organisation recognises impairment losses on debt instruments in the statement of income and expenditure based on the difference between the contractual cash flows due in accordance with the contract and all the cash flows that the Organisation expects to receive.

The Organisation recognises impairment losses on equity instruments in the statement of income and expenditure based on the difference between the proportion of the net assets of the investee company as viewed in perspective of the Organisation's shareholding and the cost of the equity instruments in relation to that investee company in the Organisation's statement of financial position. Where the proportion of net assets of an investee company is lower than the cost of the equity instruments in the statement of financial position, the equity instruments' carrying amount is written down to the proportion of net assets of the investee company. Where the proportion of net assets exceeds the carrying amount of the equity instruments, no gain is recorded in the Organisation's statement of income and expenditure. Where there is a subsequent reversal in the conditions that led to the drop in the proportion of net

2. Basis of accounting (Continued)

Financial instruments (Continued)
assets of the investee company after an impairment is recognised, a reversal is recognised to the of the original cost. The carrying amount of the equity instruments cannot exceed the original cost of the equity instruments. Where there are changes/modifications in the cashflows of debt instruments, the Organisation assesses whether the changes/modifications are substantially different. If the modification does not result in cash flows that are substantially different, the modification does not result in derecognition. Based on the change in cash flows discounted at the original EIR, the Organisation records a modification gain or loss in the statement of income and expenditure, to the extent that an impairment loss has not already been recorded. Where the changes/modifications in the cash flows are substantially different, the original asset is derecognised and a new one is recognised.

A financial asset is written off when there is no reasonable expectation of recovering the contractual cash flows.

Gains and losses are recognised in the statement of income and expenditure when a financial asset is derecognised, modified or impaired.
A financial asset is derecognised when the rights to receive cash flows from the asset have expired or the Organisation has transferred its rights to receive cash flows from the asset or has assumed an obligation to pay the received cash flows in full without material delay to a third party under a 'pass-through' arrangement; and either:

i) the Organisation has transferred substantially all the risks and rewards of the asset, or

ii) the Organisation has neither transferred nor retained substantially all the risks and rewards of the asset but has transferred control of the asset.

the Organisation has transferred its rights to receive cashflows from the asset or has entered into a pass-through arrangement, it evaluates if, and to what extent, it has retained the risks and rewards of ownership. When it has neither transferred nor retained substantially all the risks and rewards of the asset, nor transferred control of the asset, the Organisation continues to recognise the transferred asset to the extent of its continuing involvement. In that case, the Organisation also recognises an associated liability.

The transferred asset and the associated liability are measured on the basis that reflects the rights and obligations that the Organisation has retained.

A financial liability is derecognised when the obligation under the liability is discharged or cancelled or expires. When an existing financial liability is replaced by another from the same counterparty on substantially different terms, or the terms of an existing liability are substantially modified, such an exchange or modification is treated as a de-recognition of the original liability and the recognition of a new liability, and the difference in the respective carrying amounts is recognised in the statement of income and expenditure.

2. Basis of accounting (Continued)

Financial instruments (Continued)
position if, and only if, there is a currently enforceable legal right to offset the recognised amounts and there is an intention to settle on a net basis, or to realise the assets and settle the liabilities simultaneously.

Employee defined contribution benefits
The Organisation contributes to the statutory National Social Security Fund (NSSF). This is a defined contribution scheme registered under the National Social Security Act. The Organisation's obligations under the scheme are limited to specific contributions legislated from time to time and are currently 10% of the employees' gross salary.

The Organisation's contributions are charged to the statement of income and expenditure in the period to which they relate.

Accruals and provisions
Accruals and provisions are recognised when the Organisation has a present obligation (contractual, legal or constructive) as a result of past events, it is probable that an outflow of resources embodying economic benefits will be required to settle the obligation and a reliable estimate can be made of the amount of the obligation.
Where the Organisation expects some or all of the provision to be reimbursed, for example, under an insurance contract, the reimbursement is recognised as a separate asset but only when the reimbursement is virtually certain.

Current versus non-current classification
The Organisation presents assets and liabilities in the statement of financial position based on current/non-current classification. An asset is current when it is either:
i) Expected to be realised or intended to be sold or consumed in the normal operating cycle
ii) Held primarily for the purpose of trading
iii) Expected to be realised within 12 months after the reporting period, or
iv) Cash or cash equivalent unless restricted from being exchanged or used to settle a liability for at least 12 months after the reporting period
All other assets are classified as non-current
A liability is current when either:
- It is expected to be settled in the normal operating cycle
- It is held primarily for the purpose of trading
- It is due to be settled within 12 months after the reporting period, or
- There is no unconditional right to defer the settlement of the liability for at least 12 months after the reporting period.

The Organisation classifies all other liabilities as non-current.

General fund
The general fund represents the surplus or deficit from income recognised by the Organisation. This arises as a result of the difference between total income and expenditure incurred.

2. Basis of accounting (Continued)

Capital fund

This represents the net book value of prepaid lease amounts and property and equipment. The contra entries for all transactions relating to these assets including cost of acquisition, depreciation/amortisation, disposal and write offs are recorded to this fund.

Deferred income

Grants and donations associated with conditions which must be complied with, as stipulated in the funding agreements, are credited to deferred income on receipt and only recognised as income in the statement of income and expenditure once all the attached conditions have been fulfilled. As such, the donations under deferred income may only be spent on the specified activities stipulated by the donors. Unspent balances are carried forward until when the attached conditions are fulfilled, or the amounts refunded to the donors as stipulated in the funding agreements.

Prior period errors

To the extent that it is practicable to determine the effect of the error, material prior period errors discovered in subsequent periods are corrected retrospectively in the first set of financial statements authorised for issue after their discovery by restating the comparative amounts for the prior period presented in which the error occurred; or if the error occurred before the earliest prior period presented, restating the opening balances of assets, liabilities and reserves for the earliest prior period presented

Statement of cash flows

The statement of cash flows is prepared using the indirect method by adjusting the surplus/ deficit for the year with period changes in the working capital items. Investing activities include equity and debt instruments.

3 Grant & Donations Income

	2023	2022
	UGX	UGX
Hilden Charitable Fund	17,610,400	-
Uk Online giving foundadtion	1,019,020	-
WindHood Millers	4,869,000	-
US Mission	1,418,618	-
Plan International Uganda	88,981,879	61,987,152
Donations	-	23,455,000
	113,898,917	85,442,152

3(i) GRANT funds are further analysed as follows:

The organization receives grants directly from Plan International Uganda under partnership agreements of collobration to fulfill their common goal and mutual responsilities and asipiration to protect children's rights in line with their respective mission.

3(ii) Donation:

The organization also receives dononation from various Donors including as indicated in 3 above

4 Other Income

	2023	2022
	UGX	UGX
Interest income	382,644	154,234.00
Miscellaneous income	-	-
	382,644	154,234.00

4(i) Interest:

Interest income relate to the cash balances in the bank accounts. These are realised from the bank statement

		Notes	2023	2022
5	Governance costs		Ushs	Ushs
	BOD meetings		1,870,000	-
			1,870,000	-

		Notes	2023	2022
6	Direct project expenditure		Ushs	Ushs
	Projet asset acqusitions	12		
	Spring protection		-	8,830,000
	Field activities		20,870,000	-
	Skilling AYP		-	7,810,000
	Capacity building		350,000	57,586,567
	Intergenerational dialogue		1,050,000	-
	COC facilitation		-	11,212,000
	Sub county leaders engagement		2,100,000	-
	VSLA Training		4,400,000	-
	Peer navigation		1,650,000	-
	COC Stipend		10,300,000	-
	Fuel for operation		3,900,000	-
	Staff Perdiem and accommodation		3,150,000	-
	Office Rent		5,400,000	-
	Payroll expenditure		29,333,900	-
	Fringe benefits		8,504,900	-
			91,008,800	85,438,567

		2023	2022
7	Other operating and administrative expenditure	Ushs	Ushs
	Office Running	610,000	-
	Capital expenditure	5,200,000	-
	Bank Service Charges	1,417,907	-
	Books, subscriptions and references	100,000	-
	Printing and Copying	200,000	-
	Rep and Maintenance of Assets	3,460,000	-
	Supplies and stationery	2,930,000	-
	Telephone, and internet	550,000	-
	Staff welfare	2,400,000	-
	Administrative support	960,000	-
	Office cleaning	2,400,000	-
	Website fees	600,000	
		20,827,907	-

8 Contingent liabilities

During 2023, no customer initiated proceedings against company for any damages

9 Payables and acruals

	Notes	2023	2022
		Ushs	Ushs
Account payables		-	-
Accrued Salaries		-	-
PAYE		-	-
NSSF		-	-
Rent		-	-
		-	-

10 Cash and cash equivalents

	2023	2022
	Ushs	Ushs
Cash at Bank (BOA)	739,293	164,439
Cash at hand	-	-
	739,293	164,439

11 Capital Fund account

		2023	2022
		Ushs	Ushs
Opening bal		11,199,190	9,325,344
Additions during the year	12	5,200,000	4,165,000
Reduction during the year	12		
Depreciation		(2,925,822)	(2,291,154)
Closing bal			
		13,473,367	11,199,190

12 Property, plant and equipment

	Furniture and equipment	Computers and accessories	Automobiles	Total
	UGX	UGX	UGX	UGX
	13.0%	20%	20.0%	
01-Jan-22	5,990,000	3,089,500	5,000,000	14,079,500
Additions	1,665,000	2,500,000	-	4,165,000
Disposal	-			-
31-Dec-22	7,655,000	5,589,500	5,000,000	18,244,500
				-
Accumulated depreciation and Impairment				
01-Jan-22	1,841,936	1,112,220	1,800,000	4,754,156
Annual depreciation	755,698	895,456	640,000	2,291,154
31-Dec-22	2,597,634	2,007,676	2,440,000	7,045,310
Carrying Amount				
31-Dec-22	5,057,366	3,581,824	2,560,000	11,199,190
31-Dec-21	4,148,064	1,977,280	3,200,000	9,325,344
01-Jan-23	7,655,000	5,589,500	5,000,000	18,244,500
Additions	-	-	5,200,000	5,200,000
Disposal	-			-
31-Dec-23	7,655,000	5,589,500	10,200,000	23,444,500
Accumulated depreciation and Impairment				
01-Jan-23	2,597,634	2,007,676	2,440,000	7,045,310
Annual depreciation	657,458	716,365	1,552,000	2,925,822
31-Dec-23	3,255,092	2,724,041	3,992,000	9,971,133
Carrying Amount				
31-Dec-23	4,399,908	2,865,459	6,208,000	13,473,367
31-Dec-22	5,057,366	3,581,824	2,560,000	11,199,190