



# Child Africa

Plot 1908/9 Mitaba, Kasanga  
P.O. BOX 22232  
KAMPALA, UGANDA

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## FINANCIAL STATEMENTS AND AUDITOR'S REPORT FOR THE YEAR ENDED 31<sup>ST</sup> DECEMBER 2022

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### Auditors:



**KAL ASSOCIATES**

**Certified Public Accountants**

P.O. Box 20084, Kampala, Uganda

Tel: 0393-372-117, 0772 561 129, 0755 503 446

E-mail: kalassociates@yahoo.com, pkasango\_55@yahoo.co.uk, peterkasango1@gmail.com

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## **REPORT OF INDEPENDENT AUDITORS TO BOARD OF TRUSTEES OF CHILD AFRICA UGANDA FOR THE YEAR ENDED 31<sup>ST</sup> DECEMBER 2022**

### **Opinion**

We have audited the financial statements of **Child Africa Uganda**, which comprise of the statement of financial position as at 31<sup>st</sup> December 2022, the statement of comprehensive income, the statement of fund balance and a statement of cash flows for the period then ended, and the notes to the financial statements, including a summary of significant accounting policies on pages 18 to 26.

In our opinion, the accompanying financial statements of **Child Africa Uganda** present fairly, in all material respects, the financial status of the organization as at 31<sup>st</sup> December 2022, in accordance with International Financial Reporting Standards (IFRSs).

### **Basis of Opinion**

We conducted our audit in accordance with International Standards on Auditing (ISAs). And Guidelines issued by the Institute of Certified Public Accountants of Uganda. Our responsibilities under those standards are further described in the Auditor's Responsibilities for the Audit of the Fund Accountability statement section of our report. We are independent of the Organization in accordance with the International Ethics Standards Board for Accountants' Code of Ethics for Professional Accountants (IESBA Code) together with the ethical requirement that are relevant to our audit of the Fund Accountability statement in Uganda, and we have fulfilled our other ethical responsibilities in accordance with the 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.

### **Responsibilities of Management and Those Charged with Governance for the Fund Accountability statement**

Management is responsible for the preparation and fair presentation of the financial statement in accordance with IFRSs, and 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, management is 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 management either intends to liquidate the organization or to cease operations, or has no realistic alternative but to do so.

Those charged with governance are responsible for overseeing the Organization's financial reporting process.





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### **Auditor's Responsibilities for the Audit of the Financial Statements**

Our objectives are to obtain reasonable assurance about whether the Fund Accountability statement 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 Fund Accountability statement.

We also:

- Identify and assess the risk of material misstatement of the financial statements, whether due to fraud or error, designed 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 omission, misrepresentations, or the override of internal control.
- Obtained an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Organization's internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.
- Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the 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 adequate, to, modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report.
- Evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represents the underlying transactions and events in manner that achieves fair presentation

We communicated with those charged with governance regarding, among other matters, the planned scope and timing of the audit and significant audit finding, including any significant deficiencies in internal control that we identify during our audit.



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### Other Agreed upon procedures

In addition, we carried out the following procedures in accordance with the terms of reference:

- a) Human Resource: Reviewed the competitiveness, transparency and effectiveness of the recruitment and hiring of personnel including performance appraisal, payroll preparation as well as management of personal records.
- b) Procurement: Reviewed the competitiveness, transparency and effectiveness of the procurement activities in order to assets whether the assets and services purchased meet the requirements.
- c) Asset Management: Reviewed procedures for the receipt, storage and purchase of assets.
- d) Cash management: Reviewed procedures for safeguarding of cash
- e) Information Systems: Reviewed the adequacy and reliability of information and communication systems and the control and security of equipment and data.
- f) General Administration: Reviewed the orderliness and management of the organization and its resources.
- g) Accuracy of accounting records: Verified arithmetical accuracy of the financial reports by ensuring that the expenditures are reconciled to the expenditures as presented in the described in the supporting documents.
- h) Compliance: Reviewed the compliance with the approved Donor budget, Terms of Agreement, Laws and Regulations.

Conclusions on other agreed upon procedures:

Child Africa Uganda acquired, protected and used its resources economically and efficiently.





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## Going Concern

### Use of the Going Concern Assumption

As part of our audit of the financial statements, we have concluded that management's use of the going concern assumption in the preparation of the financial statements is appropriate as stated on page 8.

Based on the work we have performed; we have not identified any material uncertainties related to events or conditions that may cast significant doubt on the organization's ability to continue as a going concern that we believe would need to be disclosed in accordance with International Financial Reporting Standards (IFRS). Because not all future events or conditions can be predicted, this statement is not a guarantee as to the Organization's ability to continue as a going concern.

### Report on other legal and regulatory requirements

As required by the Ugandan Companies Act 2012 and NGO Board we report that:

- i. We have obtained all information and explanations which to the best of our knowledge and belief were necessary for the purpose of the audit.
- ii. The Organisation's Statement of Financial Position and the Comprehensive Income and Expenditure Statement are in agreement with the books of account.
- iii. In our opinion, proper books of account have been kept by the company, so far as appears from our examination of those books.

The engagement partner responsible for the audit resulting in this independent auditor's report is **CPA Peter Kasango** of Practicing Certificate number **P0111**.

CPA Peter Kasango  
**KAL Associates**  
**Certified Public Accountants**  
**KAMPALA**



**STATEMENT OF COMPREHENSIVE INCOME AND EXPENDITURE FOR THE YEAR ENDED 31<sup>ST</sup> DECEMBER 2022**

	NOTE	2022 Ushs	2021 Ushs
<b>REVENUE:</b>			
Donor Funds	8A	891,146,595	933,503,438
Other Funds	8B	1,090,807,546	110,185,144
		<b>1,981,954,141</b>	<b>1,043,688,582</b>
<b>EXPENDITURE:</b>			
Administration Expenses	9	151,968,815	96,246,258
Child Expenses	10	1,843,154,582	855,308,684
General Expenses	11	70,425,514	63,287,373
Professional fees	12	9,031,960	11,000,000
Transport and Travel	13	45,209,603	45,619,332
Depreciation	14	38,445,113	42,065,224
<b>TOTAL EXPENSES</b>		<b>2,158,235,587</b>	<b>1,113,526,871</b>
<b>Surplus /(Deficit) before tax</b>		<b>(176,281,446)</b>	<b>(69,838,289)</b>
Tax expense		-	-
<b>Surplus/( Deficit) after taxation</b>		<b>(176,281,446)</b>	<b>(69,838,289)</b>

The accounting policies and notes on page 18-26 form an integral part of the financial statements

National Programme Director .....

Managing Director .....





**STATEMENT OF FINANCIAL POSITION AS AT 31<sup>ST</sup> DECEMBER 2022**

	NOTE	2022 Ushs	2021 Ushs
<b>ASSETS</b>			
<b>NON -CURRENT ASSETS</b>			
Property, Plant & Equipment	2	3,508,556,610	3,526,053,123
		<b>3,508,556,610</b>	<b>3,526,053,123</b>
<b>CURRENT ASSETS</b>			
Receivables	3	44,525,100	650,000
Bank & Cash balances	4	52,209,897	105,139,965
		<b>96,734,997</b>	<b>105,789,965</b>
<b>TOTAL ASSETS</b>		<b>3,605,291,607</b>	<b>3,631,843,088</b>
<b>FINANCED BY:</b>			
<b>EQUITY &amp; LIABILITIES</b>			
<b>Equity</b>	5		
Accumulated Funds		1,602,047,448	1,778,328,894
Capital Reserves		462,561,310	462,561,310
		<b>2,064,608,758</b>	<b>2,240,890,204</b>
<b>NON-CURRENT LIABILITIES</b>			
Better Globe AS	6	1,232,704,865	1,232,704,865
		<b>1,232,704,865</b>	<b>1,232,704,865</b>
<b>CURRENT LIABILITIES</b>			
Current Liabilities	7	307,977,984	158,248,019
		<b>307,977,984</b>	<b>158,248,019</b>
<b>TOTAL EQUITY &amp; LIABILITIES</b>		<b>3,605,291,607</b>	<b>3,631,843,088</b>

The accounting policies and the notes on pages 18-26 form an integral part of the financial statements. The financial statements were approved by the Directors on.....and were signed by:

National Programme Director .....

Managing Director .....

