

WORLD ACTION FUND

Audit Report and Financial Statements

For the year ended 31st December 2021



World Action Fund
WAF

Semu & Associates

Certified Public Accountants

3rd Floor, Multitech Business School

P. O. Box 10923 Kampala

Tel: 0772698849/0752 379958

josh.mugaggas@gmail.com

LIST OF ACCRONYMNS



Audit Report and Financial Statements for the year ended 31st December 2021

IESBA	International Ethics Standards Board for Accountants
IFRS	International Financial Reporting Standards
ISA	International Standards on Auditing
KCB	Kenya Commercial Bank Uganda
NGO	Non-Government Organisation
Ugx	Uganda Shillings
USD	United States Dollar
WAF	World Action Fund



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CORPORATE INFORMATION

Registered Address	World Action Fund Uganda P.O. Box 5360 Kampala Uganda Email: info@worldactionfund.org
Executive Director	Mr. Odama Peter
Bankers	KCB Ben Kiwanuka Road Branch Kampala
Auditors	Semu & Associates Certified Public Accountants 3 rd Floor, Multitech Business Sch Bldg Plot 345 Kyaddondo2 Road, Off Sir Apollo Kaggwa Road, P.O Box 10923, Kampala, Uganda Mob: 0752 379958 0772 698849 Mail: josh.mugaggas@gmail.com



Audit Report and Financial Statements for the year ended 31st December 2021

BOARD OF DIRECTORS

The following persons served as directors during the year 2021 and up to the time of signing the accounts.

Name	Position Held
1. Mr. Azabo Joel	Chairperson
2. Mrs. Abaru Janet	Deputy Chairperson
3. Mrs. Avako Jesca	Treasurer
4. Mr. Adima Richard Sunday	Public Relations/Advisor
5. Mr. Odama Peter	Secretary/Executive Director

MANAGEMENT TEAM

Mr. Odama Peter	Executive Director
Mrs. Lekuru Harriet	Community Facilitator
Mrs. Stephanie Karamanoglou	Fundraising Director
Mr. Andrew Ocol	Orthopedic technologist
Mr. Atama Albert	Wheel Chair Technician
Mr. Jurago Richard	Field Assistant
Mrs. Driciru Annet	Administrative Officer
Ms. Letaru Faith Judith	Administrative Assistant



Audit Report and Financial Statements for the year ended 31st December 2021

REPORT OF THE DIRECTORS

The Directors hereby submit their report and the audited financial statements for the year ended 31st December 2021, which show the state of World Action Fund's affairs.

PRINCIPAL ACTIVITIES

World Action Fund (WAF) is an indigenous development NGO registered by URSB as a Company (Limited by Guarantee) with Registration No. 80020002682550. It is also licenced by Uganda National NGO Board with registration certificate number INDR111691266NB as a Not-for-Profit Organisation. WAF is committed to finding sustainable solutions to poverty and emergencies in Uganda.

The mission of World Action Fund is: "To positively transform the lives of children, girls, youths, men and women through enterprise development, education and innovation".

RESULTS AND DIVIDENDS

The excess of income over expenditure for the year 2021 (on page 12) was **Ushs 644,328**. This is added to accumulated fund in the Balance Sheet.

BOARD OF DIRECTORS AND MANAGEMENT

Board of Directors and Management that held office during the year and to the date of this report is set out on page 4 of this report.

AUDITORS

The Auditors, Semu & Associates were appointed during the year and have expressed their willingness to continue in office in accordance with the sec 152 of the companies Act.

By order of the Board



Director

11/10/2022

Date



Audit Report and Financial Statements for the year ended 31st December 2021

STATEMENT OF BOARD OF DIRECTORS RESPONSIBILITIES

It is the responsibility of the Directors to prepare the financial statements for each financial year, which give a true and fair view of state of affairs of World Action Fund as at the end of the financial year and of the profit or loss of the Mission for that period. In preparing those financial statements, the Directors are required to:

- select suitable accounting policies and then apply them consistently;
- make judgments and estimates that are reasonable and prudent;
- state whether applicable accounting standards have been followed;
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that World Action Fund will not continue in business.

The Directors are responsible for keeping proper accounting records, which disclose with reasonable accuracy of any time the financial position of World Action Fund, and to enable them ensure that the financial statements comply with the law. It is also responsible for safeguarding the assets of the business and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

Directors do confirm that:

- a) The financial statements give a true and fair view of the Statement of Financial Position of World Action Fund as at 31st December 2021 and of the Statement of Profit or Loss and other Comprehensive Income, Statement of changes in equity and reserves and Cash flows for the year then ended; and
- b) The Financial Statements are drawn up in accordance with Generally Accepted Accounting Principles (GAAPS) and World Action Fund's Accounting Policies.



Director

Date: 11/10/2022



Director

Date: 11/10/2022

Reg. No. AF0037



SEMU & ASSOCIATES
CERTIFIED PUBLIC ACCOUNTANTS
E-mail: akssemmanda@multitech.ac.ug
joseph.mugagga@semuandassociates.com
Website: www.semuandassociates.com

P. O. Box 10923, Kampala - UGANDA. Tel: 0752 220 000, 0752 379 958, 0772 698 849

The firm is licensed and regulated by the Institute of Certified Public Accountants of Uganda

INDEPENDENT AUDITORS REPORT TO THE BOARD OF WAF

The Directors of

World Action Fund

Kampala

September 2022

Report on financial statements

Opinion

We have audited the accompanying financial statements of World Action Fund (on pages 10-14) which comprise the Statement of Financial Position as at 31st December, 2021, the Statement of Profit or Loss and other Comprehensive Income, Statement of Changes in Accumulated Fund, Statement of Cash Flows and a Summary of Significant Accounting Policies and other explanatory information.

In our opinion, the financial statements present fairly in all material respects the financial position of World Action Fund as at 31st December 2021 and of its financial performance and its cash flows for the year then ended in accordance with the international Financial Reporting Standards (IFRS).

Basis for Opinion

We conducted our audit in accordance with international Standards on Auditing. Our responsibilities under those standards are further described in the Auditors responsibilities for the audit of financial statements section of our report. We are independent of the Mission in accordance with the international Ethics Standards board for Accountants code of ethics for professional accountants (IESBA code) Together with the ethical requirements that are relevant to our audit of the financial statements, 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 to provide a basis for our opinion.

Semu & Associates

7

Plot 345 Kyadondo II Road, Makerere Church Zone Off Sir Apollo Kagga Road, Bukesa Parish

CPA. Aloysius K. Ssemmanda; FCCA, CPA(K), CPA(U), MBA. CPA. Mugagga Joseph Saengendo CPA(U), CTA, MBA

Reg. No. AF0037



SEMU & ASSOCIATES

CERTIFIED PUBLIC ACCOUNTANTS

E-mail: akssemmanda@multitech.ac.ug

joseph.mugagga@semuandassociates.com

Website: www.semuandassociates.com

P. O. Box 10923, Kampala - UGANDA. Tel: 0752 220 000, 0752 379 958, 0772 698 849

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The Directors of

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Audit Report and Financial Statements for the year ended 31st December 2021

Responsibilities of Management and those charged with Governance for the financial statements

The Directors are responsible for the preparation and fair presentation of these financial statements in accordance with the international Financial Reporting Standards and for such internal controls as Directors determine are necessary to enable the preparation of financials statements are free from material misstatements, whether due to fraud or error. In preparing those financial statements, Directors are responsible for assessing World Action Fund'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 World Action Fund or cease operations or has no realistic alternative but 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 misstatements whether due to fraud of error and to issue on auditor's report that includes our opinion. Reasonable assurance is a high level of assurance but is not a guarantee that an audits conducted in accordance with ISAs will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if individually or in the aggregate they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

As part of an audit in accordance with ISAs, we exercise professional judgment and maintain professional skepticism throughout the audit.

We also:

- Identify and assess the risks of material misstatements of the financial statements both 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 controls.
- Obtain an understanding of internal controls relevant to the audit in order to design audit procedures that are appropriate in the circumstances but not for the purpose of expressing an opinion on the effectiveness of World Action Fund's internal controls.
- 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 use of the going concern basis of accounting and based on the audit evidence obtained, whether a material uncertainty exists

Audit Report and Financial Statements for the year ended 31st December 2021

related to events or conditions that may cast significant doubt on the Mission'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 of if such disclosures are inadequate to qualify 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 World Action Fund 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 achieve fair presentation.
- Obtain appropriate audit evidence regarding the financial information of the business activities within World Action Fund to express an opinion on the financial statements. We are responsible for the direction, supervision and performance of World Action Fund's audit. We remain solely responsible for our audit opinion.

We communicate with those charged with Governance with a statement that we have complied with relevant ethical requirements regarding independence and to communicate with them all relationships and other matters that may reasonably be thought to bear on our independence and where applicable related safeguards.

From the matters communicated with those charged with Governance, we determine those matters that are of most significance in the audit of the financial statements of the current period and are therefore the key audit matters.

We describe these matters in our audit report unless law or regulation precludes public disclosure about the matter when in extremely rare circumstances we determine that a matter should not be communicated in our audit report because the adverse consequences of doing so would reasonably be expected to outweigh the public interest benefits of such communication.

Matters significant to the audit

There were no matters significant to the audit during the year under review.

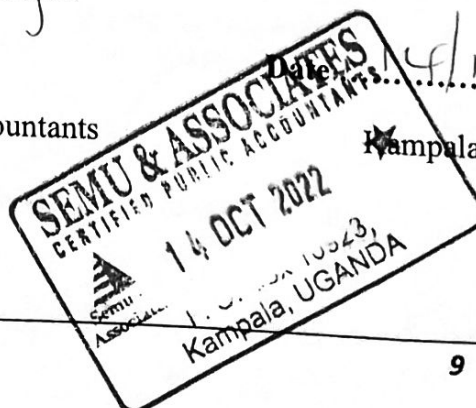
The engagement partner on the audit resulting in this independent auditor's report is:

.....*Mugaga Joseph Sengendo*.....

CPA JOSEPH SSENENDO

For: Semu & Associates, Certified Public Accountants

3rd Floor, Multitech Business School Building





Audit Report and Financial Statements for the year ended 31st December 2021

STATEMENT OF FINANCIAL POSITION

AS AT 31 DECEMBER

		2021	2020
		Shs	Shs
NON-CURRENT ASSETS			(Restated)
Property and Equipment	3.0	-	-
CURRENT ASSETS			
Cash and Bank	4.0	1,262,129	170,499
TOTAL ASSETS		<u>1,262,129</u>	<u>170,499</u>
FUND AND LIABILITIES			
Fund Balance		64,827	(579,501)
Capital Fund	5.0	-	-
		<u>64,827</u>	<u>(579,501)</u>
CURRENT LIABILITIES			
Accounts Payable	6.0	1,197,302	750,000
		<u>1,197,302</u>	<u>750,000</u>
TOTAL FUND AND LIABILITIES		<u>1,262,129</u>	<u>170,499</u>

These financial statements were approved by the Board on this 11th day of October, 2022 and were signed on its behalf by:

Chairperson Board

World Action Fund

Secretary Board

World Action Fund

The following notes on page 15 to 18 form an integral part of the accounts.

Audit Report and Financial Statements for the year ended 31st December 2021

**STATEMENT OF INCOME AND EXPENDITURE
FOR THE YEAR ENDED 31 DECEMBER, 2021**

	2021 Actual	2020 Actual
	Shs	Shs
INCOME		
7.0 Grants and donations	198,646,443	35,693,236
8.0 Other Income	1,778,655	-
	200,425,098	35,693,236
EXPENSES		
9.0 Activity Costs	158,118,044	41,750,000
10.0 Administration	41,662,727	8,449,302
	199,780,771	50,199,302
Net Income (Deficit)	644,328	(14,506,0660)

The following notes on page 15 to 18 form an integral part of the accounts.

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**STATEMENT OF CHANGES IN EQUITY
FOR THE YEAR ENDED 31/12/2021**

	Accumulated Fund
Balance as at 01/01/2020	13,926,565
Profit or Loss for the year	<u>(14,506,066)</u>
Balance at 31/12/2020	<u>(579,501)</u>
Balance as at 01/01/2021	(579,50)
Profit or Loss for the year	<u>644,328</u>
Balance at 31/12/2021	<u>64,827</u>

The following notes on page 15 to 18 form an integral part of the accounts.

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**STATEMENT OF CASHFLOWS
FOR THE YEAR ENDED 31 DECEMBER, 2021**

CASHFLOWS FROM OPERATING ACTIVITIES

	Shs
Profit or Loss per accounts	644,328
Changes in working capital	
Increase in trade payables	447,302
Cash flows from operating activities	<u>1,091,630</u>
Increase in cash and cash equivalents	1,091,630
Opening cash and cash equivalents	170,499
Closing cash and cash equivalents	<u>1,262,129</u>

Cash and Cash equivalents reconciliation

	2021	2020
	Shs	Shs
KCB Ugx	62,698	76,270
KCB USD	30,616	94,229
Cash at hand	1,168,815	-
	<u>1,262,129</u>	<u>170,499</u>

The following notes on page 15 to 18 form an integral part of the accounts.

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NOTES TO THE FINANCIAL STATEMENTS OF WAF FOR THE YEAR ENDED 31st DECEMBER 2021

1.0. GENERAL INFORMATION

WAF is an indigenous development NGO operating in the Districts of West Nile sub-region (Arua base), and niche operations in Central, Eastern and Western regions of Uganda committed to finding sustainable solutions to poverty and emergencies.

The mission of World Action Fund is: “To positively transform the lives of children, girls, youths, men and women through enterprise development, education and innovation”.

Basis of preparation and summary of significant occurring policies

These financial statements have been prepared on a going concern basis and in compliance with international financial reporting standards for small and medium sized entities (IFRS for SMEs) issued by the international Accounting standards Board. They are represented in Uganda shillings (Ushs).

The organization has conducted its operations through the following bank accounts

Bank	Currency	Account number
KCB Shillings account	Uganda Shillings	2202376992
KCB USD	United States Dollar	2290998435

The principal accounting policies applied in the proportion of this stand-alone financial statement are set out below:

- 2.0. The annual financial statements of the Mission have been prepared in accordance with Generally Accepted Accounting Principles (GAAPs). The annual financial statements have been prepared under the historical cost convention, as modified by the revaluation of the financial assets and financial liabilities of fair value through profit and loss.

The preparation of financial statements in conformity with GAAPs requires the use of certain critical accounting estimates. It also requires the Board of Directors to exercise its judgment in the process of applying the company’s accounting policies. Changes in assumptions may have a significant impact on the financial statement in the period the assumptions are changed.

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a) Revenue Recognition

Revenue/income comprises the fair value of the consideration receivable for the rendering of services in the ordinary course of the WAF's activities. Revenues/incomes are presented, net of value-added tax, rebates and discounts on cash basis.

b) Expenses

Expenses are recognised when a decrease in future economic benefit related to a decrease in an asset or an increase of a liability has arisen that can be measured reliably. For purposes of these accounts expenses are recognized on accruals basis. This implies that WAF records expenses in books when an event occurs but not when cash is paid.

c) Property and Equipment

WAF's Property and equipment are expensed at the date of purchase but recorded in the assets register for management purposes.

d) Cash and cash equivalents

These are cash and Bank balances as of the year end, these balances are carried at cost. For purposes of the Statement of Cash Flows, Bank and cash comprise cash in hand and held at call with Banks and Bank overdrafts.

e) Events after the reporting period

An event, which could be favourable or unfavourable, that occurs between the end of the reporting period and the date that the financial statements are authorised for issue.

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3.0. PROPERTY AND EQUIPMENT SCHEDULE

	FURNITURE & FITTINGS	COMPUTERS & EQUIPMENT	TOTAL
Cost at 01.01.2021	2,860,000	1,360,000	4,220,000
Bought during the year	-	560,000	560,000
Sold during the year	-	-	-
Cost at 31.12.2021	2,860,000	1,920,000	4,780,000

NOTE:

It is company policy to expense property plant and equipment (see 2.c) above. The 2020 statement of financial position has been restated to reflect this disclosure requirement.

4.0. CASH AND BANK

KCB Ugx	62,698	76,270
KCB USD	30,616	94,229
Cash in hand	1,168,815	-
	1,262,129	170,499

5.0. CAPITAL FUND

Balance at 01.01.2021	-	4,780,000
Prior year adjustment	-	(4,780,000)
Balance at 31.12.2021	-	-

6.0. ACCOUNTS PAYABLE

Audit Fee	750,000	750,000
Bank Overdraft	447,302	-
	1,197,302	750,000

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	2021 Actual Shs	2020 Actual Shs
7.0(a) Grants and donations		
Walkabout Foundation	25,483,083	35,693,236
Transfer Online Giving Foundation	3,539,771	-
Hand Project	28,995,546	-
Volunteers Contribution	867,574	-
Global Pace	510,000	-
	58,018,400	35,693,236
7.0(b) Donations in kind		
Walkabout foundation: 155 wheelchairs	137,949,483	-
The Hand project: Prosthetics	2,678,561	-
	140,628,044	-
Total Grants and Donations	198,646,443	35,693,236
8.0 Other Income		
Membership fee	-	-
Bank Interest	1,778,655	-
	1,778,655	-
9.0 ACTIVITY COSTS		
A. Development Projects	-	11,220,000
B. Logistics/Per diem/Accommodation	5,680,000	15,610,000
C. Materials and equipment donated	140,628,044	-
D. Accommodation	3,910,000	-
E. Physiotherapy/Assessments	3,900,000	3,500,000
F. Education and Public awareness/mobilisation	4,000,000	11,420,000
	158,118,044	41,750,000
10.0 ADMINISTRATION		
A. Office stationery	500,000	63,000
B. Utility	-	850,000
C. Office Supplies/Meals	4,500,000	350,000
D. Office rent	13,200,000	5,520,000

Audit Report and Financial Statements for the year ended 31st December 2021

	2021 Actual	2020 Actual
	Shs	Shs
E. Office renovation	9,000,000	-
F. Staff remuneration	800,000	-
G. Bank Charges	652,727	916,302
H. Audit fees	750,000	750,000
I. Fixed Assets	560,000	-
J. Motor vehicle expenses and car hire	11,700,000	-
	<u>41,662,727</u>	<u>8,449,302</u>