

THE HEALTH HOME INITIATIVE (HHI)

**DIRECTORS' REPORT & AUDITED ACCOUNTS
FOR THE PERIOD ENDED 31 ST DEC 2016**

THE HEALTH HOME INITIATIVE (HHI)

**DIRECTORS' REPORT & AUDITED ACCOUNTS
FOR THE YEAR ENDED 31ST DECEMBER 2016**

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THE HEALTH HOME INITIATIVE (HHI)

**DIRECTORS' REPORT & AUDITED ACCOUNTS
FOR THE YEAR ENDED 31ST DECEMBER 2016**

COMPANY INFORMATION

DIRECTORS

MR. WAGALALA SIMON

MR. NANA ZALWANGO

MR. MUGISHA SAM

LEGAL STATUS

NGO

Reg no: 8771

BANK

Finance Trust Bank

Kalerwe Branch

LAWYERS

MUTYABA & SSENDEGE

CO. ADVOCATES

AUDITORS

FREMAR BUSINESS CONSULT

P.O.BOX 28160

KAMPALA, UGANDA

Tel: 0786988761, 0701546820

THE HEALTH HOME INITIATIVE (HHI)

**DIRECTORS' REPORT & AUDITED ACCOUNTS
FOR THE YEAR ENDED 31ST DECEMBER 2016**

DIRECTORS' REPORT

The Directors have the pleasure to submit their Annual report together with the audited accounts for the year ended 31st December 2016.

PRINCIPAL ACTIVITIES

1. Economic Empowerment of Young Women(knitting sweaters)
2. Capacity Building in HMIS
3. PWD/CWD Refugees in Adjuman(Advocacy and physical Rehabilitation services Project)

RESULTS OF THE PERIOD

The Surplus and appropriation thereof is detailed on page 11 in the information given with the accounts and is deemed to be part of this report.

DIRECTORS

The names of the directors who held the office during the year and their interest in the Membership of the company are as shown below:

	Status
Mr. Wagalala Simon	Active
Mr. Nana Zalwango	Active
Mr. Mugisha Sam	Active

AUDITORS

The auditors, Fremar Business Consult, have expressed their willingness to continue in office in accordance with Section 159(2) of the companies Act (Cap 110)

By the order of the Board.

Director

Date.....

THE HEALTH HOME INITIATIVE (HHI)

**DIRECTORS' REPORT & AUDITED ACCOUNTS
FOR THE YEAR ENDED 31ST DECEMBER 2016**

STATEMENT OF DIRECTORS' RESPONSIBILITIES

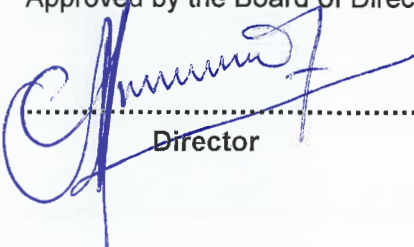
The Companies Act (CAP 110) requires the directors to prepare financial statements which give a true and fair view of the state of affairs of the company as at the financial year end and of the operating results for that year. It also requires the directors to ensure that the company maintains proper accounting records which discloses with reasonable accuracy the financial position of the company. The directors are also responsible for the safeguarding of the assets of the company.

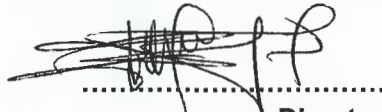
The directors accept responsibility for the financial statement which have been prepared using appropriate accounting policies supported by reasonable and prudent judgments and estimates consistent with previous years, and in conformity with international financial reporting standards and the requirements of the companies ACT (CAP 110). The directors are of the opinion that the financial statements give a true and fair view of the state of affairs of the company as at 31st December, 2016 and of its operating results for the year then ended.

The directors further confirm the accuracy and completeness of the accounting records maintained by the company which have been relied upon in the preparation of the financial statements as well as the adequacy of the systems of internal financial controls.

Nothing has come to the attention of the directors to indicate that the company will not remain a going concern at least in the next twelve months from the date of this statement.

Approved by the Board of Directors on2017 and signed on its behalf by:


.....
Director


.....
Director



FREMAR BUSINESS CONSULT

SERVICES OFFERED

- Accounting
- Auditing
- Accounting Software
- Tax Consultancy
- Legal Procedures
- Software Maintenance

"Serve to Solve"

REPORT OF THE INDEPENDENT AUDITORS TO MEMBERS OF THE HEALTH HOME INITIATIVE (HHI)

We have audited the accounts set out on pages 4 to 14. The accounts are in agreement with the books of accounts, which in our opinion have been properly kept.

We did obtain all the information and explanations, which to the best of our knowledge and belief were necessary for the purpose of our audit.

Responsibilities of the Directors and Auditors

The Directors are responsible for the preparation of the financial statements. It is our responsibility to form an independent opinion based on our audit of those statements and to report our opinion to you.

Basis of opinion

We conducted our audit in accordance with the international standards on Auditing. An audit includes examination on a test basis of evidence relevant to the amounts disclosed in the financial statements.

It also includes an assessment of the significant estimates and judgments made by the directors in the preparation of the financial statements and of whether the accounting policies are appropriate to the organization circumstances constantly applied and adequately disclosed.

We planned and performed our audit so as to obtain all the information and explanations which we consider in order to provide us with the sufficient evidence to give reasonable assurance that the financial statements are free from misstatements whether caused by fraud or other irregularity or error. In forming our opinion we also evaluated the overall adequacy of the presentation of information in the statements.

Opinion

In our opinion, the financial statements gives a true and fair view of affairs as at 31st December,2016 and of its income and expenditure for that year then ended and comply with the Companies Act (Cap 110).

FREMAR BUSINESS CONSULT

Date.....



P.O Box 28160 Kampala, Mob: +256 701546820, +256 786988761

THE HEALTH HOME INITIATIVE (HHI)

DIRECTORS' REPORT & AUDITED ACCOUNTS
FOR THE YEAR ENDED 31ST DECEMBER 2016

INCOME STATEMENT

	2016 Ugx	2015 Ugx
Income	776,577,160	446,871,200
Operating expenses	575,689,180	415,643,700
Operating profit	575,689,180	415,643,700
Finance costs	196,750,000	156,487,000
Surplus/Deficit Surplus B/F	4,137,980 (125,259,500)	(125,259,500)
Net Surplus	(121,121,520)	(125,259,500)

THE HEALTH HOME INITIATIVE (HHI)

DIRECTORS' REPORT & AUDITED ACCOUNTS
FOR THE YEAR ENDED 31ST DECEMBER 2016

BALANCE SHEET	NOTES	2016 Ugx	2015 Ugx
Fixed Assets	1	388,694,340	404,616,300
Current Assets			
Accounts Recievable	3	32,748,206	9,513,820
Cash and Bank Balances	4	20,348,213	23,377,100
		53,096,419	32,890,920
TOTAL ASSETS		441,790,759	437,507,220
Non current Liabilities			
Current Liabilities			
Accounts Payable(Creditors)	5	19,657,400	22,534,900
Accruals and other payables		6,745,099	2,177,520
		26,402,499	24,712,420
Financed By			
Members Contribution		411,250,280	538,054,300
RetainedEarnings		4,137,980	(125,259,500)
		415,388,260	412,794,800
TOTAL LIABILITIES AND EQUITY		441,790,759	437,507,220

THE HEALTH HOME INITIATIVE (HHI)

**DIRECTORS' REPORT & AUDITED ACCOUNTS
FOR THE YEAR ENDED 31ST DECEMBER 2016**

STATEMENT OF CHANGES IN EQUITY

	Members Contributions	Retained Earnings	Total
	Ugx	Ugx	Ugx
Opening Balance	538,054,300	(125,259,500)	412,794,800
Surplus for the year		4,137,980	4,137,980
At 1st January 2016	538,054,300	(121,121,520)	416,932,780
As at 01..01.2016	538,054,300	(121,121,520)	416,932,780
Profit for the year	-	-	
As at 31.12.2016	538,054,300	(121,121,520)	416,932,780

THE HEALTH HOME INITIATIVE (HHI)

DIRECTORS' REPORT & AUDITED ACCOUNTS
FOR THE YEAR ENDED 31ST DECEMBER 2016

Cash Flow statement

	2016	2015
	Ugx	Ugx
Cash flows from operations		
Surplus for the period	4,137,980	(125,259,500)
Items that do not involve cash :		
Depreciation	15,921,960	15,342,000
	<hr/>	<hr/>
	20,059,940	(109,917,500)
Changes in working Capital		
Accounts receivable	23,234,386	14,230
Accounts Payable	1,690,079	(574,000)
Net cash Flows from Operations	<hr/>	<hr/>
	24,924,465	(559,770)
Cash from operating Activities	44,984,405	(110,477,270)
Investment Activities		
Financing Activities		
Members Contributions	411,250,280	538,054,300
Net Cash Flows from Financing Activities	<hr/>	<hr/>
	15,535,413	427,577,030
Change in Cash and Cash equivalent	<hr/>	<hr/>
	(3,028,887)	427,577,030
Analysis as follows;		
Cash and Cash equivalent at 01.01.2016	23,377,100	(404,199,930)
Change in Cash and Cash equivalents	<hr/>	<hr/>
	(3,028,887)	427,577,030
Cash and cash equivalent at 31 December 2016	<hr/>	<hr/>
	20,348,213	23,377,100

**DIRECTORS' REPORT & AUDITED ACCOUNTS
FOR THE YEAR ENDED 31ST DECEMBER 2016**

Notes to the financial statements (continued)

1 Property, Plant & Equipment

	Land & building Ugx	Motor Vehicle Ugx	Knitting Machines Ugx	Furniture & fittings Ugx	Computers & Accessories Ugx	Total Ugx
Cost	332,650,000	30,574,000	18,564,300	14,563,000	8,265,000	404,616,300
Additions	-	-	-	-	-	-
Total Cost 01.01.2016	<u>332,650,000</u>	<u>30,574,000</u>	<u>18,564,300</u>	<u>14,563,000</u>	<u>8,265,000</u>	<u>404,616,300</u>
Additions	-	-	-	-	-	-
Total Cost 01.01.16	<u>332,650,000</u>	<u>30,574,000</u>	<u>18,564,300</u>	<u>14,563,000</u>	<u>8,265,000</u>	<u>404,616,300</u>
Depreciation	-	7,643,500	3,712,860	2,912,600	1,653,000	15,921,960
Acc. Depre. c/fwd 31.12.16	-	<u>7,643,500</u>	<u>3,712,860</u>	<u>2,912,600</u>	<u>1,653,000</u>	<u>15,921,960</u>
NBV 31.12.2016	<u>332,650,000</u>	<u>22,930,500</u>	<u>14,851,440</u>	<u>11,650,400</u>	<u>6,612,000</u>	<u>388,694,340</u>

Cash and Cash Balances		2016 Ugx	2015 Ugx
Cash		1,736,290	978,600
Bank		18,611,923	22,398,500
		<u>20,348,213</u>	<u>23,377,100</u>

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DIRECTORS' REPORT & AUDITED ACCOUNTS
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Notes to the financial statements (continued)

	2016	2015
	Ugx	Ugx
3 Accounts receivables		
Trade Debtors	27,110,926	598,240
Other receivables	5,637,280	8,915,580
Total	<u>32,748,206</u>	<u>9,513,820</u>
4 Cash and cash equivalents		
Cash on Hand	1,736,290	978,600
Bank balances	18,611,923	22,398,500
Total	<u>20,348,213</u>	<u>23,377,100</u>
5 Accounts payable and accruals		
Creditors	19,657,400	22,534,900
Accruals and other payables	6,745,099	2,177,520
Total	<u>26,402,499</u>	<u>24,712,420</u>
6 MEMBERS' CONTRIBUTION		
The Directors contributed to the assets and working capital through in cash and kind.	411,250,280	538,054,300
Balance Brought forward	538,054,300	
Net movement during period	949,304,580	538,054,300
Balance carried forward	<u>949,304,580</u>	<u>538,054,300</u>

THE HEALTH HOME INITIATIVE (HHI)

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DETAILED INCOME STATEMENT

	2016 Actual Ugx	2016 Budget Ugx	2016 Actual Ugx
INCOME			
Transfers from donors(including EU.	113,980,220	250,385,200	59,786,500
Rental Income	393,032,640	579,953,500	275,430,700
Other Incomes	269,564,300	309,675,100	111,654,000
	776,577,160	1,140,013,800	446,871,200
EXPENDITURE			
Fuel	89,652,000	120,500,000	90,768,500
Transport and travelling	22,645,370	42,378,000	19,564,900
Orthopeadic Appliances	38,564,900	40,654,500	-
Car Maintanance	50,785,000	45,643,100	23,153,400
Wheel Chairs	22,543,900	25,950,000	-
Appliance Distribution	12,432,800	20,550,000	17,564,900
Office Rent	36,599,100	30,967,500	32,657,000
Audit Fees	3,000,000	3,000,000	3,000,000
Allowances	22,546,400	20,675,000	19,685,000
Physiotherapy Expenses	42,978,540	50,786,000	-
Utilities	27,956,400	30,342,000	25,342,900
Salaries and wages	138,564,500	140,611,550	138,564,500
Use of Corrective device (Training)	17,564,000	20,574,200	-
Seminors and Training	33,425,110	35,463,700	29,675,900
Stationery and Printing	509,200	833,710	324,700
Depreciation	15,921,960	15,342,000	15,342,000
Total Expenditure	575,689,180	644,271,260	415,643,700
exchange loss			
Total Expenditure after exchange loss	575,689,180	644,271,260	415,643,700
Capital Expenditure	196,750,000	495,742,540	156,487,000
Net Surplus/Deficit for the year	4,137,980	-	(125,259,500)

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WEAR AND TEAR COMPUTATION	2016 Ugx	2015 Ugx
Deficit B/F	(125,259,500)	
Surplus as per accounts	4,137,980	
Add; Depreciation	15,921,960	15,342,000
	(105,199,560)	15,342,000
Less; Wear and Tear allowance	 15,921,960	 15,342,000
Net Surplus/Deficit	(121,121,520)	-

Wear and Tear Computation

	Class 1 25% Ugx	Class 1V 20% Ugx	Total Ugx
W.D.V. b/f 01.01.2016	30,574,000	41,392,300	71,966,300
Additions during the year	-	-	-
Total	<u>30,574,000</u>	<u>41,392,300</u>	71,966,300
Wear and Tear	7,643,500	8,278,460	15,921,960
W.D.V. 31.12.2016	<u>22,930,500</u>	<u>33,113,840</u>	<u>56,044,340</u>