



ALLIED INITIATIVES FOR COMMUNITY DEVELOPMENT

AUDITED ACCOUNTS FOR THE
YEAR 2011/2012

Basaza & Co. Ltd
Certified Public Accountants
P.O. Box 629
Kasese, Uganda

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ALLIED INITIATIVES FOR COMMUNITY DEVELOPMENT (AFICOD)

Management Report for the year ended 25 June 2012

The Allied Initiatives for Community Development (AFICOD-Uganda) is an indigenous not-for-profit, non-governmental organisation working with marginalized communities in Uganda to improve their quality of life through:

- Support to the fight against human rights abuse and strengthening the rule of law.
- Promoting access to basic healthcare services in the country and fighting against HIV/AIDS
- Support childhood and youth education in primary, secondary, and tertiary level of Education
- Promoting economic empowerment to women and vibrant youth through business training and support.
- Assisting families to have sustainable agricultural production through modernization of Agriculture initiatives

1.2 VISION

A strengthened and enlightened health society advocating for equitable use of resources in a sustainable manner with respect of human rights and environmental sustainability.

1.3 MISSION

To empower grass root communities in Uganda to understand, implement and challenge issues of human rights and equal opportunities, health, peace and social justice, environmental contextual policy and equitably utilize resources in a sustainable manner.

1.3 OBJECTIVES OF THE ORGANISATION

RESEARCH

Initiate and conduct research, assessments and baseline studies on issues of human rights, reproductive health and HIV/AIDS, peace and disseminate the findings to the communities to help in designing appropriate actions for sustainable change.

RAISING AWARENESS

Help raise awareness actions on issues of Human Rights, Reproductive Health Rights and HIV/AIDS, Peace, and Environment among the communities.

CAPACITY BUILDING

Build capacity of local communities to help sustain awareness issues relevant to Human Rights, Reproductive Health Rights and HIV/AIDS and Peaceful Coexistence, and be able to take self owned managed actions.

NETWORKING & PARTNERSHIP

To network with Governmental and other developmental actors in strengthening effective implementation of community oriented programs.

SOCIAL SERVICE PROVISION

- To provide professional counselling services to the people within the locality i.e. People living with HIV/AIDS (PLWAs).
- To sensitize people about the prevention of diseases, get involved and encourage them to get treatment as early as possible and help in the tertiary period of illness.
- To provide training, sensitization and counselling to Prisoners of War, War Victims, prisoners, prostitutes, street kids, bar attendants, youth and other marginalised groups.
- Act as attitude and behaviour change agents in the country and in East African as a whole.
- Provision of survival skills entrepreneurship to the youth, women and all such needy groups including the unemployed.
- Assist people in the community to access quality health care, understand issues of family planning, proper hygiene, sanitation, ante-natal, immunization and medical care

BOARD OF DIRECTORS

The following served on the Board during the period under review:

Full name	Title	Date position held
Mr. Matte Josephat	Chairman	17/04/2005
Mr. Bwambale Tom	Vice Chairman	17/04/2005
Mr. Masereka Zeno	Executive director/Secretary general	17/04/2005
Mr. Bwambale Lazarous	Director of finance	17/04/2005
Ms. Mary Masika	Member	17/04/2005
Ms. Kabugho Ritah	Member	23/07/2009
Ms. Masika Nora	Member	24/07/2009
Ms. Kabugho Asimwe	Member	24/02/2005
Mr. Francis Kule	Member	24/02/2005

This board of directors is selected every three years by the organization's general assembly which is chaired by the outgoing chairman and convenes every after three years. It is the supreme organ of the organization.

The community outreach projects are headed by Mr. Masereka Zeno who is also the organization's projects director performs tremendous works during the implementation of various community based projects that are aimed improving the livelihoods of community members

The Human Resources department led by Mr. Baluku Jimmy is focused on recruiting and retaining competent staff. Training of staff through teaching sessions, workshops and sponsorship for further education is considered often.

The Administration department led by Mr. Masereka Zeno resolved into a team of well organized and systematic activities. Repairs and maintenance are time tabled. Procurement trips are planned. Sanitation is improved greatly. Flow of activities for each specific activity is neatly done.

RESULTS

The results for the period are set out in the Income and Expenditure Statement on page 8.

AUDITORS

Leonardo & Co Ltd. were appointed as auditors of African Integrated Initiatives for Community development, and have signified their willingness to continue in office.

By Order of the Board Kasese, Uganda

Date: 1st .March 2011

Mr. MASEREKA ZENO
EXECUTIVE DIRECTOR

Mr. Bwambale Tom
SECRETARY GENERAL

INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF ALLIED INITIATIVES FOR COMMUNITY DEVELOPMENT (AFICOD)

Report on the Financial Statements

We have audited the accompanying financial statements of **Allied Initiatives for Community Development** as set out on pages 6 to 19. The financial statements comprise the Statement of Financial Position at **25 June 2011**, the Statement of Comprehensive Income, and Statement of Cash Flows for the year then ended, and a summary of significant accounting policies and other explanatory notes.

Director's Responsibility for the Financial Statements

The Directors are responsible for the preparation and fair presentation of these financial statements in accordance with the various donor reporting requirements and the organization's accounting policies. This responsibility includes: designing, implementing and maintaining internal control relevant to the preparation and fair presentation of financial statements that are free from material misstatement, whether due to fraud or error; selecting and applying appropriate accounting policies; and making accounting estimates that are reasonable in the circumstances.

Auditor's Responsibility

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

An audit involves performing procedures to obtain audit evidence about the amounts and 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 control 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 basis for our opinion.

Opinion

In our opinion, the financial statements give a true and fair view of the financial position of the organization at 30 June 2010, and of the surplus and cash flows for the year then ended in accordance with the donor reporting guidelines.

.....
Certified Public Accountants

Kasese, Uganda

ALLIED INITIATIVES FOR COMMUNITY DEVELOPMENT

Statement of Financial Position at 25 June 2012

		2012	2011
ASSETS	Note	Ushs	Ushs
NON-CURRENT ASSETS	2	67,003,000	45,123,000
CURRENT ASSETS			
Stocks	3	10,000,200	4,001,000
Debtors and prepayments	4	20,000,200	32,001,000
Funds in transit	5	-	15,000,000
Bank and cash balances		22,000,231	26,003,000
Total assets		<u>119,003,631</u>	<u>122,128,000</u>
FUNDS AND LIABILITIES			
FUNDS			
CAPITAL FUND	6	67,003,000	45,123,000
GENERAL FUND	7	31,234,000	21,000,300
TOTAL FUNDS		98,237,000	66,123,000
CURRENT LIABILITIES			
Payables and accruals	8	20,766,631	56,006,000
Total Funds And Liabilities		<u>119,003,631</u>	<u>122,128,000</u>

These financial statements were approved by the Board of Directors on **28TH/06/2012** and were signed on its behalf by:

.....
MASEREKA ZENO
EXECUTIVE DIRECTOR

.....
BWAMBALE TOM
SECRETARY GENERAL

ALLIED INITIATIVES FOR COMMUNITY DEVELOPMENT
Consolidated Statement of Comprehensive Income for the year
ended 25 June 2012

	Note/ Sche dule	2012 Actual Ushs	2012 Budget Ushs	2011 Actual Ushs
INCOME				
Grants /Donations	9	814,000,000	900,000,000	814,000,000
Other Income	10	47,090,800	120,020,200	47,090,800
Total Income		861,090,800	1,020,020,200	861,090,800
Less Capital expenditure		(23,345,560)	(21,000,000)	(23,345,560)
Balance available for recurrent expenditure		837,745,240	999,020,200	837,745,240
RECURENT EXPENDITURE				
Human resource costs	I	70,230,000	120,230,000	40,230,000
Medical and laboratory supplies	II	654,000,340	744,000,340	644,000,340
Administration expenses	III	3,000,300	8,000,300	3,000,300
Field activities	IV	4,000,100	9,000,100	4,000,100
Repairs and Mentainence	V	12,000,400	12,000,400	12,000,400
Transport and travel	VI	4,100,230	14,100,230	4,100,230
Legal and professional fees	VIII	7,000,300	7,000,300	7,000,300
Free treatment	IX	80,301,450	40,301,450	30,301,450
Motor vehicle expenses	X	1,000,000	2,000,000	1,000,000
Cleaning Expenses	XI	1,100,000	2,000,000	1,000,000
Patients care	XII	110,001,300	81,001,300	8,001,300
Equipment replacement	XIII	1,002,000	2,002,000	2,002,000
Promotion and publicity	XIV	100,300	100,300	100,300
Utilities	XV	1,000,000	13,000,000	1,000,000
Bank charges	XVI	1,300,200	12,400,200	2,400,200
Total recurrent expenditure		140,303,300	260,303,300	110,303,300
(Deficit)/surplus for the year		1,695,700	-----	7,695,700

ALLIED INITIATIVES FOR COMMUNITY DEVELOPMENT

Statement of Cash Flows for the year ended 25 June 2012

	2012 Ushs	2011 Ushs
CASH FLOWS FROM OPERATING ACTIVITIES		
Net (Deficit)/ surplus for the year	1,695,700	7,695,700
Working capital changes		
Increase in payables and accruals	(34,004,000)	4,001,000
Stocks	10,000,200	32,001,000
Debtors and prepayments	(20,000,200)	(15,000,000)
Funds in transit	54,000,000	4,001,000
Net cash inflows from operating activities	21,695,700	27,003,000
Net Increase / (Decrease) in Cash and Cash Equivalent	21,695,700	27,003,000
Cash and Cash Equivalent at 1 July 2009	4,002,400	1,231,000
CASH AND CASH EQUIVALENTS AT 30 JUNE 2010	25,698,100	28,234,000

ALLIED INITIATIVES FOR COMMUNITY DEVELOPMENT
Notes to the Financial Statements
for the year ended 25th February 2012

1. STATUS

African Integrated Initiatives for Community Development is a nongovernmental, not for profit organisation, founded by members of Munkunyu sub county community. It runs a series of health units in the mountainous hilly areas of Mt. Rwenzori, Its main health centre was started in 2003 as a clinic. The main objective of the Health Centre is to bring holistic health care and life in all its fullness to the members of staff, patients, and visitors in the Health Centre and community. The organization also runs a plantation estate of coffee and cotton with ownership of 35 acres of land on which these developments sit.

1. SIGNIFICANT ACCOUNTING POLICIES

2.1 Basis of Accounting

The annual accounts are prepared under the historical cost convention on an accrual basis.

2.2 Depreciation

Fixed assets are depreciated on a straight line basis over their expected useful lives at the following rates:

Building	4% per annum
Furniture and fittings	15% per annum
Office equipment	20% per annum
Motor vehicles	25% per annum
Motorcycles	25% per annum
Minor Buildings	33.3% per annum
Computers and accessories	33.3% per annum

Depreciation is charged against Capital Fund and not against the General Fund in the Income and Expenditure Statement.

2.3 Foreign Currencies

Amount received in foreign currency is translated into Uganda shillings at rates ruling at the time of the transfer and banked on Uganda shillings account.

2.4 Grants and Donations

Grants and donations are recognized on receipt, unless the donor specifically intends that they be used in a particular period, in which case they may be deferred.

ALLIED INITIATIVES FOR COMMUNITY DEVELOPMENT
Notes to the Financial Statements
for the year ended 25 June 2012 (Continued)

2. STOCKS

	2012	2011
	Ushs	Ushs
Consumables	3,000,000	10,001,000
Drugs	7,000,200	22,000,000
TOTAL (To page 8)	10,000,200	32,001,000

3. DEBTORS AND REPAYMENTS

	2012	2011
	Ushs	Ushs
Patients fees in arrears	5,001,000	20,501,400
Prepayments	3,004,000	
Pledges- Receivable	2,000,000	
Scholarship- Mbusa John	4,000,000	
Investment- Internet cafe	3,995,200	
TOTAL (To page 8)	20,000,200	32,001,000

6. BANK AND CASH BALANCES

	2012	2011
	Ushs	Ushs
Equity Bank Uganda Limited, Wandegeya		
Grants Account	4,231,000	6,231,000
Operational	7,900,441	8,900,441
Primary health care	3,450,560	4,450,560
Omnis terra Scholarship	4,000,100	4,002,769
Cash in hand	2,418,331	2,418,331
TOTAL (To page 8)	22,000,231	26,003,000

7. CAPITAL FUND

The balance on this account represents amounts expended on fixed assets as reduced by depreciation and disposals as follows:

	2012	2011
	Ushs	Ushs
Balance as at 1 July 2010	45,123,000	35,003,000
Additions to fixed assets during the year	40,000,000	20,000,000
Depreciation charge for the year	(12,023,000)	(10,123,000)
Net book value of disposals	(11,003,000)	(100,000)
	67,003,000	45,123,000

8. GENERAL FUND

The balance on this account relates to accumulated surpluses / (deficits) as follows:

	2012	2011
	Ushs	Ushs
Balance at 1 July 2010	21,000,300	15,400,300
(Deficit) / Surplus for the year (from Page 7)	10,233,700	5,600,000
Balance at 25 June 2011	31,234,000	21,000,300

CREDITORS AND ACRUALS

The balance on this account is made up as follows:

	2012	2011
	Ushs	Ushs
Creditors	12,766,631	50,006,000
Accruals (Auditors)	8,000,000	
TOTAL (To page 8)	20,766,631	56,006,000

10. GRANTS

Donor	2012	2012	2011
	Actual	Budget	Actual
	Ushs	Ushs	Ushs
Omnis terra foundation	700,000,000	700,000,000	800,000,000
KDLG	20,000,000	45,000,000	14,000,000
Total (To page 9)	120,000,000	245,000,000	94,000,000

11. OTHER INCOME

	2012	2012	2011
	Actual	Budget	Actual
	Ushs	Ushs	Ushs
Patient user fees	4,001,000	30,000,000	4,000,800
Proceeds from sale of assets	12,000,000	40,000,000	20,000,000
Gain on exchange rates	-----	5,000,000	7,090,800
Sundry incomes	10,000,000	20,000,000	6,000,000
Proceeds from farm estates produce	24,000,000	30,020,200	10,000,000
TOTAL (To page 9)	54,001,000	120,020,200	47,090,800

12. EXCHAGE RATES

In accordance with the accounting policy stated in Note 2.3, the exchange rates used for the closing balances in convertible currencies were:

1 UK £ = Ushs. 3,773

1 US \$ = Ushs. 2,408

ALLIED INITIATIVES FOR COMMUNITY DEVELOPMENT

Detailed Expenditure Schedules
for the year ended 25 June 2012

	2012	2012	2011
	Actual	Budget	Actual
	Ushs	Ushs	Ushs
I CAPITAL EXPENDITURE			
Mini-buildings	2,000,000	2,000,000	2,000,000
Buildings	10,000,000	5,000,000	4,000,000
Computers and accessories	3,000,000	3,000,000	1,000,000
Furniture	1,000,000	1,000,000	1,000,000
Medical equipment	6,000,000	3,000,000	4,000,000
Office equipment	5,000,000	2,000,000	5,000,000
Motorcycles	4,003,000	4,003,000	4,003,000
Land	1,000,000	1,000,000	1,000,000
TOTAL (To page 9)	32,003,000	21,000,000	23,345,560
II HUMAN RESOURCE COSTS			
Salaries	40,000,000	70,000,000	20,000,000
Volunteer costs	2,000,000	12,000,000	2,000,000
NSSF (10%) contribution	400,000	400,000	400,000
Staff housing	2,000,000	12,000,000	2,000,000
Wages	230,000	230,000	230,000
Professional development	2,000,000	2,000,000	2,000,000
Transport allowance	4,000,000	4,000,000	4,000,000
Meals and allowances	10,000,000	10,000,000	10,000,000
Break tea	100,000	100,000	100,000
Recruitment expenses	400,000	400,000	400,000
Uniforms	13,000,000	13,000,000	3,000,000
Staff parties	1,000,000	1,000,000	1,000,000
Sports recreation	100,000	100,000	100,000
Maternity kits	3,000,000	3,000,000	3,000,000
Procurement	2,000,000	2,000,000	2,000,000
TOTAL (To page 9)	70,230,000	120,230,000	40,230,000
III VEHICLE RUNNING			
Fuel and lubricants	600,000	1,600,000	600,000
Vehicle repairs	300,000	300,000	300,000
Insurance	100,000	100,000	100,000
TOTAL (To page...)	1,000,000	2,000,000	1,000,000
IV MEDICAL AND LABORATORY SUPPLIES			

Drugs	120,000,000	2,000,000	2,000,000
Other supplies	100,000	100,000	100,000
Expired drugs	400,340	400,340	400,340
Laboratory supplies	1,500,000	1,500,000	1,500,000
TOTAL (To page 9)	4,000,340	4,000,340	4,000,340
V ADMINISTRATION EXPENSES			
Internet	1,000,000	1,000,000	1,000,000
Generator	500,000	500,000	500,000
Stationery and office supplies	500,000	500,000	500,000
Exchange loss	100,000	100,000	100,000
Bad debts written off	900,100	900,100	900,100
TOTAL (To page 9)	3,000,300	8,000,300	3,000,300
VI FIELD ACTIVITIES			
Follow up program	1,000,000	1,000,000	1,000,000
Food and related supplies	1,500,100	6,500,100	1,500,100
Facilitation allowances	500,000	500,000	500,000
Stationery	1000,000	1000,000	1000,000
TOTAL (To page 9)	4,000,100	9,000,100	4,000,100
VII TRANSPORT AND TRAVEL			
Carriage	2,000,230	2,000,230	2,000,230
Transport	4,000,000	14,000,000	4,000,000
Accommodation	3,000,000	3,000,000	3,000,000
TOTAL (To page 9)	4,100,230	14,100,230	4,100,230
VIII REPAIRS AND MAINTENANCE			
Generator	2,000,000	2,000,000	2,000,000
Buildings	4,000,000	4,000,000	4,000,000
Utilities	3,000,000	3,000,000	3,000,000
Medical equipment	1,000,000	1,000,000	1,000,000
Office equipment	1,000,000	1,000,000	1,000,000
Computer hardware	500,000	500,000	500,000
Furniture and small equipment	100,000	100,000	100,000
Telephone	400,000	400,000	400,000
Tools	400	400	400
TOTAL (To page 9)	12,000,400	12,000,400	12,000,400
IX LEGAL & PROFESSIONAL FEES			

Audit fees	7,000,300	7,000,300	7,000,300
Legal fees	-----	-----	-----
TOTAL (To page...)	7,000,300	7,000,300	7,000,300
X FREE TREATMENT			
Children under 5 years of age	15,000,000	15,000,000	15,000,000
Pregnant women	2,000,000	7,000,000	2,000,000
Refugees (from D.R.Congo)	13,301,450	18,301,450	13,301,450
TOTAL (To page 9).	30,301,450	40,301,450	30,301,450
XI PATIENT CARE			
Utilities	3,000,000	3,000,000	3,000,000
Patients food	7,001,300	7,001,300	7,001,300
TOTAL (To page 9)	10,001,300	10,001,300	10,001,300
XII CLEANIG AND SANITATION			
Sanitation and disinfection	1,000,000	1,500,000	800,000
Waste disposal	100,000	500,000	200,000
TOTAL (To page 9)	1,100,000	2,000,000	1,000,000
XIII PROMOTION AND PUBLICITY			
Advertising	50,000	50,000	50,000
Development programs	20,000	20,000	20,000
Events	30,300	30,300	30,300
TOTAL (To page 9)	100,300	100,300	100,300
XV UTILITIES			
Gas	180,000	2,180,000	180,000
Water	120,000	120,000	120,000
Security	500,000	10,000,000	500,000
Supplementary lighting	200,000	200,000	200,000
TOTAL (To page...)	1,000,000	13,000,000	1,000,000

