

ANOTHER HOPE CHILDREN'S MINISTRIES

REPORT AND FINANCIAL STATEMENTS

FOR

THE YEAR ENDED 31 DECEMBER 2016

TABLE OF CONTENTS:

	Page
1. List of Acronyms.....	3
2. Corporate Information	4
3. Report of the Board Directors	5-6
4. Statement of the Board of Directors' Responsibility for the Financial Statements	7
5. Report of the Independent Auditors.....	8-9
6. Statement of Financial Position.....	10
7. Statement of Performance.....	11
8. Statement of Cash flows.....	12
9. Notes to Accounts.....	13-20
10. Statement of Changes in Accumulated Fund.....	21

Another Hope Children's Ministries

Audit Report and Financial statements For the year ended 31st December 2016

List of Acronyms

AGM	Annual General meeting
AHCM	Another Hope Children's Ministries
NSSF	National Social Security Fund
PAYE	Pay As You Earn
URA	Uganda Revenue Authority
IFRS	International Financial Reporting Standards
IASs	International accounting standards
ISAs	International Standards on Auditing
GAAPS	Generally Accepted Accounting Principles

1.0 CORPORATE INFORMATION

1.1 Registered office and address: Head Office: P.O. Box 28407 Kampala (U).

Konna West, Lukwanga Parish, Wakiso Subcounty, Wakiso District
Off Hoima Road.

1.2 Executive Director : Miss. Nambowa Ruth Bulyaba

1.3 Bankers

: DFCU Bank Uganda Limited

Impala Branch

Plot 26 Kyandondo Rd.

Kampala

: Housing Finance Bank Limited

Ndeeba Branch

P.O Box 1539 Kampala

1.4 Auditors

: MOK & ASSOCIATES

Certified Public Accountants

Teachers' house

Plot no.28-30, Bombo Road

Tel: +256-772-431353

P.O Box 11237 ,Kampala-Uganda

2.0 THE MANAGEMENT REPORT

2.1 Back ground and principal activities.

Another Hope Children's Ministries (AHCM) is a Christian organization looking after orphans and vulnerable children, which was founded by Miss Nambowa Ruth Bulyaba. She was motivated to set up the organization because of her family background and particularly her experience during childhood upbringing with a single mother.

In 2006, Another Hope children's Ministries (AHCM) was registered as a Community Based Organization (CBO) under No. WCBO/579/2006. Later it was registered as a Non-profit Organization under the Uganda NGO statute 1989 with the objective of giving hope to the orphaned children, street children and children from impoverished families.

2.2 Vision

To improve the life for vulnerable in Uganda, including quality education, proper accommodation, nourishment, health care and living a Godly life.

2.3 Mission

to meet the spiritual and physical needs of vulnerable children in Uganda, through strategic partnership, ministering and undertaking specialized and sustainable child focused initiatives.

2.4 Board of Directors and management team

The following served as members of the Board of Directors during the year and up to date of this report were:-

2.4.1 The Board of Directors

Miss Nakanjako Aida

Mr. Jason Carpenter

Mr. Sebuliba Issac

Mr. Kayizzi Joseph

Mr. Mukiibi Edward

Mr. Mukwaya Christopher

Mr. Kiranda Richard

Miss Mirembe Florence

Chairperson

Vice Chairperson

Treasurer

Member

Member

Member

Member

Member

2.4.2 The Management Team


Miss.Nambowa Ruth Bulyaba
Mr.Kasozi Daniel
Muhumuza Jackson
Ms.Nakazibwe Mary
Mr.Kagwire Robert
Mr.Yiga Christopher
Ms.Nassuna Rehema
Mr.Kibirige Timothy

Executive Director
Director Programs
Accountant
Probation and Social Welfare Officer, Wakiso District
Assistant District Health Officer, Wakiso District
Local Council III Chairman, Wakiso Sub-Cor
Senior Caretaker
Social Worker/Warden


2.5 Auditors:

MOK&ASSOCIATES were appointed auditors and have indicated their willingness to continue in office in accordance with section 159(2) of the companies Act (Cap.110).

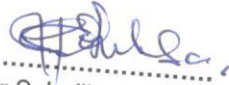
BY THE BOARD OF


Miss.Nakanjako Aida.
Chairperson

Date..18/06/17


Miss.Nambowa Ruth Bulyaba
Executive Director

Date..18/06/17


Mr.Sebuliba Isaac
Treasurer

Date..13/06/17

3.0 STATEMENT OF THE MANAGEMENT RESPONSIBILITIES.

The Board of Directors is required to prepare financial statements for each financial year, which give a true and fair view of the state of affairs of Another Hope Children's Ministries (AHCM) as at the end of the financial year and its operating results. In preparing those financial statements, the Board is 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 AHCM will continue in operation.

The Board is responsible for keeping proper accounting records, which disclose with reasonable accuracy at any time the financial position of AHCM and enable them to ensure that the financial statements comply with International Financial Reporting Standards and the companies Act. They are also responsible for safeguarding the assets of AHCM and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

The Board accepted responsibility for the annual financial statements set out on pages 8 to 21 which have been prepared using appropriate accounting policies supported by reasonable and prudent judgments and estimates in conformity with International Financial Reporting standards and the companies Act.

Nothing has come to the attention of the Board of Directors to indicate that the AHCM will not remain a going concern for at least the next twelve months from the date of this statement.



Miss. Nakanjako Aida.
Chairperson

Date: 15/06/17



Miss. Nambowa Ruth Bulyaba
Executive Director

Date: 15th/6/17



Mr. Sebuliba Isaac
Treasurer

Date: 15th/06/17



4.0 REPORT OF THE INDEPENDENT AUDITORS TO THE MEMBERS OF ANOTHER HOPE CHILDREN'S MINISTRIES.

4.1 Introduction

We have audited the accompanying financial statements of ANOTHER HOPE CHILDREN'S MINISTRIES (AHCM), which comprise the statement of the financial position as 31st December 2016, the statement of comprehensive income, statement of changes in accumulated fund and cash flow statement for the year then ended plus summary of significant accounting policies and other explanatory notes.

4.2 Management's responsibility for the financial statements

Management is responsible for the preparation of accounts that give a true and fair picture of the company's state of affairs and in accordance with international financial Reporting Standards. These responsibilities include: designing, implementing and maintaining internal controls 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.

4.3 Responsibilities of auditors

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 (ISA) issued by the International Federation of Accountants (IFAC). These standards require that we comply with ethical requirements and plan and perform our audit to obtain reasonable assurance whether the financial statements are free from material misstatements.

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 the material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal controls 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 audit opinion.

4.4 Independent Opinion

In our opinion, the financial statements give a true and a fair view of the state of the financial position of Another Hope Children's Ministries (AHCM) revenue and cash expended for the year ended as at 31st December 2016, in accordance with International Financial Reporting Standards and the Companies Act.

4.5 Report on legal and other regulatory Requirements

As required by the Uganda companies Act (Cap110), we report to you based on our audit that:

- i. We have obtained all the information and explanations to the best of our knowledge and belief which were necessary for the purpose of our audit;
- ii. In our opinion, proper books of accounts were kept by the organization, so far as appears from our examination of those books; and
- iii. The company's statement of financial position and statement of comprehensive income are in agreement with the books of account.

MOK & Associates

MOK & ASSOCIATES

CERTIFIED PUBLIC ACCOUNTANTS



Date.....02/06/2017

STATEMENT OF FINANCIAL POSITION

ASSETS	Notes	2016 UGX	2015 UGX
Non Current Assets			
Property, Plant & Equipment	10.1	788,464,297	757,926,504
Biological Assets		3,400,000	3,400,000
Total Non-current assets		791,864,297	761,326,504
Current Assets			
Prepayments		38,000	
Cash at Bank	10.13	49,150,208	12,206,794
Cash at Hand	10.13	9,634	
		49,197,842	12,206,794
Total Assets		841,062,139	773,533,298
ACCUMULATED FUND AND LIABILITIES			
Accumulated Fund and Reserves			
Restricted funds	10.14	42,192,796	
Capital fund	10.15	791,864,297	761,326,504
General fund	10.16	(33,410,100)	(2,222,999)
		800,646,993	759,103,505
Current Liabilities			
Accruals	10.12	40,415,146	14,429,793
		40,415,146	14,429,793
TOTAL ACCUMULATED FUND AND LIABILITIES		841,062,139	773,533,298

The notes set out on pages 10-14 from an integral part of these financial statements .

These Financial Statements were approved by the Board on.....2017 and were signed and signed on its behalf by:

Nakanjako Aidah



Board Chairperson

Mr .Sebuliba Isaac



Treasurer

Miss.Nambowa Ruth Bulyaba



Executive Director

Another Hope Children's MinistriesAudit Report and Financial statements For the year ended 31st December 2016**STATEMENT OF PERFORMANCE**

	Notes	2016 UGX	2015 UGX
INCOME			
Donations /Grants	10.8(a)	610,870,183	559,865,748
Other Income	10.8(b)	6,805,600	
TOTAL REVENUES		617,675,783	559,865,748
EXPENDITURE			
Child Expenses	10.4	175,433,664	138,938,750
Project Expenses	10.5	16,119,400	10,757,600
Community Support & Development	10.6	70,995,900	54,384,916
Personnel	10.7	102,761,879	70,083,842
Administration	10.9	176,717,567	97,255,620
Utilities	10.10	5,655,600	5,517,000
Finance Costs	10.8	6,260,398	5,109,023
Capital	10.1	94,918,476	168,188,500
TOTAL EXPENSES		648,862,884	550,235,251
Surplus /Deficit for the year		(31,187,101)	9,630,497

The following notes on pages 13 to 21 form an integral part of these financial statements.

Another Hope Children's Ministries

Audit Report and Financial statements For the year ended 31st December 2016

CASH FLOW STATEMENT FOR THE YEAR ENDED 31 DECEMBER 2016			
	Notes	2016 UGX	2015 UGX
OPERATING ACTIVITIES			
Operating Surplus/(deficit)		(31,187,101)	9,610,497
Adjustments for:			
Prior year adjustments			(191,864,749)
Depreciation	10.1	64,380,683	25,650,959
Revenue surplus/deficit before working capital changes		33,193,582	(156,603,293)
Increase/(Decrease) in Prepayments		(38,000)	
Increase/(Decrease) in payables	10.7	25,985,353	907,977
Net cash generated from operations		59,140,935	(155,695,316)
INVESTING ACTIVITIES			
Plant and equipment	10.1	(94,918,476)	(169,788,500)
Acquisition of Intangible Assets		-	(3,400,000)
Net cash generated from investing activities		(94,918,476)	(173,188,500)
FINANCING ACTIVITIES			
Net growth in restricted funds	10.14	42,192,796	(427,138,879)
Net growth/decline in capital fund	10.15	30,537,793	766,626,504
Net Cash flow from financing activities		72,730,589	339,487,625
Net increase/(Decrease) in cash and cash equivalents		36,953,048	10,603,809
Cash and cash equivalents as at 1.01.2016		12,206,794	1,604,985
Cash and cash equivalents 30.12.2016		49,159,842	12,206,794
Net increase /decrease in liquid funds		36,953,048	10,601,809

The following notes on pages 13 to 21 form an integral part of these financial statements.

9.0 Notes forming part of the financial statements

9.1 Accounting policies

a) Basis of accounting

The accounts are prepared in accordance with the historical cost convention in accordance with IASS.

b) Income and expenditure

Income and expenditure incurred by AHCM are recognized on accrual basis, income is earned from grants, donations and projects managed by the AHCM.

c) Currency of presenting the accounts

The accounts are presented in Uganda shillings (USHS) which is also the functional currency

d) Donations and Grants

Donations/grants are recognized in financial statements when received, grants received are recognized systematically as income over the periods necessary to match them with the related costs, which they are intended to compensate. Grants are accounted for using the income approach in which income and their matching costs are disclosed in their entirety.

e) Bad and doubtful debts

Specific provisions are made against accounts receivable when, in the opinion of management, recovery is considered doubtful. These are dealt with in the statement of comprehensive income.

f) Taxation

The Another Hope Children's Ministries is an exempt organization under the provisions of section 2 (bb)[C] of the Income Tax Act, Cap 340, 1997 (as amended)

g) Non-Current assets and depreciation

Non-current assets are stated at cost, less accumulated depreciation. The cost of property plant and equipment is the value of consideration given to acquire the assets and the value of other directly attributed costs incurred in bringing the assets to their current location and condition for their intended use.

Depreciation is calculated on the straight line method at annual rates, which are estimated to write off the cost over their expected useful lives.

The annual rates applied are:

Item	Rate
Land	Nil
Buildings	5%
Furniture, , and equipment	12.5%
Computers	20%
Motor vehicles	20%
Biological assets	Nil

h) Retirement Benefits

AHCM contributes to NSSF which is a statutory benefit scheme established under, NSSF act. This is a defined contribution Scheme to which AHCM contributes 10% of the employees' gross salaries. AHCM'S contribution to the scheme during the year is charged to the statement of comprehensive income.

i) Foreign currency Transactions

Foreign currency Transactions during the year are converted into the Uganda shillings at the rate ruling at the transaction date. Assets and liabilities which are expressed in foreign currencies at the Accumulated fund date are translated in Uganda shillings at the rate ruling at the accumulated fund date. The resulting differences from conversions are dealt with in the income and expenditure statement.

j) Accumulated Fund

These funds represent revenue reserves. The amounts are used at the discretion of management within the objects of AHCM. The fund comprises the capital fund, general fund and restricted fund.

- **Capital fund** is initially maintained equal to the written down value of fixed assets.
- **General fund** management sets aside funds for general use at the discretion of management.
- **Restricted funds.** Reserve accounts for funds for specific purposes as per donor restrictions.

k) Long term investments

Long term investments are valued at cost. Any gains or losses on such investments are recognized in the income statement for the year such gains or losses occurred.

l) Inventories

Inventories are valued at the lower of cost and net realizable value

m) Biological Assets(IAS 41)

Biological Assets comprise mainly animals and commercially oriented forest trees. Biological assets are measured at cost on initial recognition and at a fair value less costs to sell at subsequent reporting dates. Change in fair value is adjusted against the general fund.

n) Accounts Receivable and prepayments.

Sales not yet realized as cash are recognized in the books as debtors, and are shown in the accounts net of bad debts.

Another Hope Children's Ministries

Audit Report and Financial statements For the year ended 31st December 2016

o) Accounts Payable and accruals

All expenses must be matched in the same accounting period as the revenues they helped to earn. consequent bills are recognized as creditors in the accounts

p) Cash and cash Equivalents

For the purposes of the cash flow statement, the year-end cash equivalents comprise cash in hand and at bank, net of outstanding bank overdrafts.

Another Hope Children's Ministries

Audit Report and Financial statements For the year ended 31st December 2016

(a) Property, Plant and Equipments (2016)

	Land	Buildings	Motor vehicles	Furniture, Fittings, Equipment and tools	Computer & Accessories	Biological Assets	Total
	Ushs	Ushs	Ushs	Ushs	Ushs	Ushs	Ushs
Cost /Valuation As at Jan 2016	41,200,000	613,860,361	93,780,000	49,263,103	8,768,000	3,400,000	810,271,464
Additions	-	70,823,100	-	17,867,376	6,228,000	-	94,918,476
As at 31st Dec 2016	41,200,000	684,683,461	93,780,000	67,130,479	14,996,000	3,400,000	905,189,940
Depreciation							
As at 1st Jan 2016	-	2,803,924	14,264,000	24,373,036	7,504,000	-	48,944,960
Charge for the year	-	34,234,173	18,756,000	8,391,310	2,999,200	-	64,380,683
As at 31 Dec 2016	-	37,038,097	33,020,000	32,764,346	10,503,200	-	113,325,643
Net Book value At 31Dec 2016	41,200,000	647,645,364	60,760,000	34,366,133	4,492,800	3,400,000	791,864,297

(a) Property, Plant and Equipments (2015)

	Land	Buildings	Motor vehicles	Furniture, Fittings, Equipment and tools	Computer & Accessories	Biological Assets	Total
	Ushs	Ushs	Ushs	Ushs	Ushs	Ushs	Ushs
Cost /Valuation As at Jan 2015	36,200,000	543,761,861	30,280,000	46,153,103	7,188,000	3,400,000	666,982,965
Additions	5,000,000	70,098,500	90,000,000	3,110,000	1,580,000	-	169,788,500
Disposals			(26,500,000)	-			
As at 31st Dec 2016	41,200,000	613,860,361	93,780,000	49,263,103	8,768,000	3,400,000	810,271,464
Depreciation							
As at 1st Jan 2015	-	1,890,000	16,708,000	18,847,601	7,048,400	-	44,494,001
Charge for the year	-	913,924	18,756,000	5,525,435	455,600	-	25,650,959
Acc Dep. on Disposal			(21,200,000)	-			(21,200,000)
As at 31 Dec 2016	-	2,803,924	14,264,000	24,373,036	7,504,000	-	48,944,959
Net Book value At 31Dec 2016	41,200,000	611,056,437	79,516,000	24,890,067	1,264,000	3,400,000	761,326,501

Another Hope Children's Ministries
 Audit Report and Financial statements For the year ended 31st December 2016

Notes to the Financial Statements for the year ended 31st December 2016

	2016 UGX	2015 UGX
10.2 Donations/Grants		
Another Hope Children's Ministries	53,846,885	81,027,150
Aid that Helps	81,942,440	14,300,600
Acts 1:8 Ministry	-	3,200,400
Good Measure International	413,662,236	397,163,625
Uplift The Children	5,115,403	4,791,017
Uplift The Children Adoption	-	11,186,400
Wings Of Support	891,000	48,196,556
Diaconie Protestant	1,457,919	
Global Giving - Restricted Funds	53,954,300	
Total	610,870,183	559,865,748
10.3 Other income		
Farm Income	3,886,800	
Diary Farm Income	2,918,800	
	6,805,600	
Total other income		
Total Income	617,675,783	559,865,748

EXPENDITURE

10.4 Child expenses

	2016 UGX	2015 UGX
Legal expenses		595,600
Bedding, Clothing, Toiletries & Scholastic Materials	846,000	16,317,700
Feeding	24,736,200	16,798,400
Spiritual		4,619,000
Other children welfare expenses	5,386,444	
Transport & home Visits	601,500	4,770,200
Special Events (Xmas, Easter, Birthdays & Graduations)	13,146,300	21,867,650
School fees	119,078,520	71,849,500
Medical & Counseling Expenses	6,128,000	2,120,700
Children entertainment expenses	5,510,700	
Total	175,433,664	138,938,750

10.5 Other Project expenses

	2016 UGX	2015 UGX
Art & craft	2,206,500	1,160,200
Farm expenses	11,517,300	9,597,400
Livestock expenses	2,395,600	
Total	16,119,400	10,757,600

10.6 Community Support & development Expenses

	2016 UGX	2015 UGX
Women Projects	-	1,587,000
Community support	70,694,400	51,472,416
Reproductive Health	-	1,325,500
parents sensitization expenses	301,500	
Total	70,995,900	54,384,916

10.7 Personnel Expenses

	2016 UGX	2015 UGX
Salaries, Wages & Allowances	79,380,079	42,228,306
P.A.Y.E		7,830,619
NSSF	6,457,100	7,720,189
Staff Welfare	1,161,900	2,665,500
Staff Training & Development	2,938,500	2,092,000
Volunteer Expenses	9,483,900	7,547,228
staff transport	3,340,400	
Total	102,761,879	70,083,842

10.8 FINANCE COSTS

Bank Charges

2016

UGX

6,260,398

2015

UGX

5,109,023

Total

6,260,398

5,109,023

10.9 Administrative expenses

Subscriptions

Transport Expenses

Printing, Photocopying & stationery

Professional and consultancy / Audit fees

Security service

Machine Repair and Maintenance

General Repair and Maintenance

Vehicle fuel

Vehicle Maintenance

Insurance

Telephone and internet

Postage expenses

Meeting

Fine & penalties

Directors foreign travel

Directors travel and subsistence

Office expenses

Advocacy and Public relations

land grading and surveying

miscellaneous

Total administrative expenses

2016

UGX

3,180,000

25,757,040

1,119,000

2,937,200

9,964,800

13,976,300

4,696,068

5,655,600

3,998,800

1,143,500

2,800,000

86,726,494

10,510,600

4,252,165

176,717,567

2015

UGX

544,600

3,603,900

6,112,900

3,500,000

25,735,780

12,821,900

6,894,600

75,000

2,895,100

7,002,920

1,066,000

7,221,040

5,885,780

2,498,600

4,157,700

2,750,000

4,489,800

97,255,620

10.10 Utilities

Power & lighting

Total utilities

2016

UGX

5,655,600

5,655,600

2015

UGX

4,531,100

4,531,100

10.11 ACCOUNTS RECEIVABLE

Prepayments

2016 UGX	2015 UGX
38,000	
38,000	-

10.12 ACCOUNTS PAYABLE

Nambowa Ruth
Kasozi Daniel
NSSF payable Account
PAYE Payable Account
Salaries Payable
Audit fees
Accrued expenses

2016 UGX	2015 UGX
5,575,386	6,575,386
25,654,860	
143,495	665,237
161,372	668,415
5,611,960	3,520,755
3,180,000	3,000,000
88,073	
40,415,146	14,429,793

10.13 Bank and Cash

Bank
DFCU BANK
HOUSING FINANCE BANK
Total Cash at bank

2016 UGX	2015 UGX
3,390,092	1,770,042
45,760,116	10,331,767
49,150,208	12,101,809
9,634	104,984
9,634	104,984
49,159,842	12,206,793

Cash at Hand
10-04 - Petty Cash
Total Cash at hand

Total Cash & Bank

Another Hope Children's MinistriesAudit Report and Financial statements For the year ended 31st December 2016**STATEMENT OF CHANGES IN ACCUMULATED FUND**

	Accumulated Fund	Retained surplus	Restricted fund	Total
	UGX	UGX		UGX
As at 1-01-2016	791,864,297	(2,222,999)		789,641,298
Changes during the year	-	(31,187,101)	42,192,796	11,005,695
As at 31-12-2016	791,864,297	(33,410,100)	42,192,796	800,646,993

10.4 Capital fund

	2016	2015
Balance bf	761,326,504	619,088,963
Capital expenditure	94,918,476	169,788,500
Biological Assets		3,400,000
Depreciation charge	(64,380,683)	(25,650,959)
Disposal of Motorvehicle		(5,300,000)
Balance Carried down	791,864,297	761,326,504

10.5 General fund

	2016	2015
Balance bf	(2,222,999)	180,031,253
Prior year adjustments		(191,864,749)
Surplus/deficit for the year	(31,187,101)	9,610,497
Balance carried down	(33,410,100)	(2,222,999)

10.6 Restricted funds

	2016	2015
Good measure		249,974,114
Your siblings		177,164,765
Global Giving	42,192,796	
Prior Year Adjustments		(427,138,879)
Balance carried down	42,192,796	-