

**WORLD ACTION FUND (WAF)
AUDIT REPORT AND FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31ST DECEMBER 2018**

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**WORLD ACTION FUND (WAF)
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Organization Information

Legal Holder	World Action Fund (WAF)	
Implementing Partner	World Action Fund (WAF)	
Funding Partners:	Walk about Foundation Global Giving - USA Global Pace Limited Arua District Local Government	
Coverage	Arua District and Niche Field Areas of West Nile and Kampala	
Board of Directors	Adiga Bernard Ngobi Abaru Janet Odama Peter Avako Jesca Angutoko Immaculate Draru	Chairperson Deputy Chairperson Secretary/Executive Director Treasurer Legal Counsel
Physical & Postal Address	World Action Fund (WAF) P.O. Box 5360, Kampala - Uganda <u>E-mail: waf.uganda@worldactionfund.org</u> <u>Tel: +256 (0) 774 924 005/+256 (0) 393 516 243</u>	
Bankers	KCB Bank, Uganda Ben Kiwanuka Road Branch, Kampala - Uganda	
Auditors	ASA Associates Certified Public Accountants (U) Plot 62/64 Avenue Road Arua Catholic Center Cafeteria Building Room 10, ground floor P. O. Box 211, Arua - Uganda Tel: +256 772 357 282; +256790912005 Email: asaassociates13@gmail.com	

**WORLD ACTION FUND (WAF)
AUDIT REPORT AND FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31ST DECEMBER 2018**

Financial and Operational Highlights

Financial Statistics

	2018	2017
	Shs	Shs
Statement of Financial Performance		
Total Incomes	458,748,315	155,538,511
Total Expenditures	449,259,983	132,788,514
Surplus for the period	9,488,332	22,749,997
Statement of Financial Position		
Total Assets	32,238,329	22,749,997
Total Equity & Liabilities	32,238,329	22,749,997
Statement of Cash Flow		
Net cash flows from operating activities	9,488,332	22,749,997
Net cash flows used in investing activities	-	-
Net cash flows from financing activities	-	-

**WORLD ACTION FUND (WAF)
AUDIT REPORT AND FINANCIAL STATEMENTS
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Report of the Board of Directors

Introduction

The Board of Directors of World Action Fund (WAF) present their report together with the Financial Statements for the year ended 31st December 2018.

Principal activities

The principal mission and vision of the Organization is to help people living in extreme poverty achieve major enhancements in their lives that continue without unending support from World Action Fund (WAF). The mission and vision are achieved through the specific objectives of addressing the major root causes of poverty through education and public awareness, taking Actions to conserve environment, different species of animals and birds, Empowering the societies through livelihood development projects, Improving on community health and education standards, Carrying out a scientific research and technological innovation advancements and Building capacities of Government and citizens on accountability, good governance and human rights.

Financial results

The Financial results for the year ended 31st December 2018 are presented on page 2. A general review of the Organization is given by the Board of Directors on page 4.

Accumulated Fund

The Organization's accumulated fund is U.shs 32,238,329 in the year ended 31st December 2018. The accumulated fund is set out on page 9.

The Board of Directors

The present membership of the Board of Directors is set out on page 1.

Events subsequent to the reporting date

There is no material event that has occurred from the date of this report that would require adjustment to these Financial Statements.

Management by third parties

None of the operations of the Organization has been managed by a third person or Organization in which some members of the Board of Directors have interest in during the year.

Auditors

The auditors ASA Associates, have expressed their willingness to continue in office in accordance with the Ugandan NGO Act, 2016.

By order of the Board of Directors

**Adiga Bernard Ngobi
Chairperson, BOD
World Action Fund**



**WORLD ACTION FUND (WAF) AUDIT REPORT AND
FINANCIAL STATEMENTS FOR THE YEAR ENDED
31ST DECEMBER 2018**

Statement of Board of Directors' Responsibilities

The Ugandan Non-Governmental Organizations' (NGOs) Act, 2016 require the Board of Directors to prepare Financial Statements for each accounting period which give a true and fair view of the Financial affairs of the Organization as at the end of the accounting period and of its operating results for that period. They also require the Board of Directors to ensure that the accounting records are properly kept, which disclose with reasonable accuracy at any time the Financial Position of the Organization. They are also responsible for safeguarding the resources or assets of the Organization.

Board of Directors are ultimately responsible for the internal control of the Organization. Standards and systems of internal control are designed and implemented by the Board of Directors to provide reasonable assurance as to the integrity and reliability of the Financial Statements and to adequately safeguard, verify and maintain accountability of the Organization resources or assets. Appropriate accounting policies supported by reasonable and prudent judgements and estimates, are applied on a consistent basis and using the going concern basis. These systems and controls include the proper delegation of responsibilities within a clearly defined framework, effective accounting procedures and adequate segregation of duties.

The Board of Directors accept responsibility for the period's Financial Statements, which have been prepared using appropriate accounting policies supported by reasonable and prudent judgements and estimates, in conformity with International Financial Reporting Standards and in the manner required by the Ugandan NGOs Act, 2016. The Board of Directors are of the opinion that the Financial Statements give a true and fair view of the state of the Financial affairs of the Organization and of its operating results. The Board of Directors further accept responsibility for the maintenance of accounting records which may be relied upon in the preparation of Financial Statements, as well as adequate systems of internal financial control.

The Board of Directors have made an assessment of the Organization's ability to continue as a going concern and are satisfied that the Organization has the resources to continue in operations or business for the foreseeable future. Furthermore, the Board of Directors are not aware of any material uncertainties that may cast significant doubt upon the Organization's ability to continue as a going concern. Therefore, the Financial Statements continue to be prepared on the going concern basis

The Financial Statements were approved by the Board of Directors on **25/July/ 2019** and signed on its behalf by:

Adiga Bernard Ngobi
Chairperson, BOD
World Action Fund



Odama Peter
Secretary/Executive Director
World Action Fund





ASSOCIATES
CERTIFIED PUBLIC ACCOUNTANT

Located at Catholic Centre Cafeteria Building
Room 10 Ground Floor,
Plot 62/64 Avenue Road,
P.O. Box 211, Arua (U)
Tel: 0790 912 005
asaassociates13@gmail.com

Independent Auditor's Report to the Board of Directors of the World Action Fund

Opinion

I have audited the accompanying Financial Statements of World Action Fund for the year ended 31st December 2018 which comprise of the Statement of Financial Performance, the Statement of Financial Position, the Statement of Cash Flows and Summary of Significant Accounting Policies and Explanatory Notes.

In my opinion, the Financial Statements present a true and fair view of the Financial Position of World Action Fund as at 31st December 2018 and of its Statements of Financial Performance and its cash flows for the year then ended in accordance with International Financial Reporting Standards and the requirements of the Ugandan NGOs Act, 2016.

Basis for Opinion

I conducted my audit in accordance with International Standards on Auditing (ISAs). My responsibilities under those standards are further described in the Auditor's Responsibilities for the Audit of the Financial Statement section of my report. I am independent of the Organization, in accordance with the International Ethics Standards Board for Accountants' Code of Ethics for Professional Accountants (ESBA Code) together with the ethical responsibilities in accordance with these requirements and the IESBA Code. I believe that the audit evidence I have obtained is sufficient and appropriate to provide a basis for my audit opinion.

Key Audit Matters

Key audit matters are those matters that, in my professional judgement, were of most significance in my audit of the Organization's financial statements of the current period. These matters were addressed in the context of my audit of the Financial Statements as a whole, and in forming my opinion thereon, and I do not provide a separate opinion on these matters.

I have determined that there are no key audit matters to communicate in my report.

Responsibilities of Board of Directors and Those Charged with Governance of the Financial

The Board of Directors are responsible for the preparation and fair presentation of these Financial Statements in accordance with International Financial Reporting Standards and in the manner required by the Ugandan NGOs Act, 2016 and for such internal controls as the Board of Directors determine 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, Board of Directors are 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 Board of Directors either intends to liquidate the Organization to ease operations, or has no realistic alternative but to do so.

Those charged with governance are responsible for overseeing the Organization's Financial Reporting.

Auditor's Responsibilities for the Audit of the Financial Statements

My objectives are to obtain reasonable assurance about whether the Organization's Financial Statements as a whole are free from material misstatement, whether due to fraud or error and to issue an auditor's report that includes my 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 these Financial Statements.

As part of an audit in accordance with ISAs, I exercise professional judgement and maintain professional skepticism throughout the audit. I also:

Identify and assess the risks of material misstatement of the financial statements, whether 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 my 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 control.

Obtain 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 I conclude that a material uncertainty exists, I am required to draw attention in my auditor's report to the related disclosures in the Financial Statements or, if such disclosures are inadequate, to modify my opinion. My conclusions are based on the audit evidence obtained up to the date of my auditor's report. However, future events or conditions may cause the Organization 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 achieves fair presentation. I communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that I identify during my audit.

I also provide those charged with governance with a statement that I complied with relevant ethical requirements regarding independence, and where applicable, related safeguards.

From the matters communicated with those charged with governance, I determine those matters that were of most significance in the audit of the financial statements of the current period and are therefore the key audit matters. I describe these matters in my auditor's report unless or regulation precludes public disclosure about the matter or when, in extremely rare circumstances, I determine that a matter should not be communicated in my report because the adverse consequences of doing so would reasonably be expected to outweigh the public interest benefits of such communication.

The engagement partner on the audit resulting in this independent auditor's report is CPA Asea Emmanuel - FM1017.

Signed by:



CPA. Asea Emmanuel - FM1017

ASA Associates, Certified Public Accountant of Uganda

Date: 25th July, 2019

**WORLD ACTION FUND (WAF)
AUDIT REPORT AND FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31ST DECEMBER 2018**

STATEMENT OF INCOMES AND EXPENDITURES

	Note	2018 shs	2017 shs
Incomes	3		
Donations	3.1	71,745,790	154,701,523
Donations in Kind	3.2	385,802,416	-
Other Incomes	3.3	1,200,109	834,988
Total Incomes		<u>458,748,315</u>	<u>155,536,511</u>
Expenditures			
Education & Public awareness	4.1	3,098,000	7,420,000
Environmental conservation	4.2	13,899,200	33,400,000
Administration	4.3	7,946,367	11,447,914
Food Aid & Security	4.4	-	71,663,600
Community Health	4.5	-	7,105,000
Development Projects	4.6	422,382,416	-
Governance, Accountability & Human right	4.7	1,424,000	-
Capital Expenditures	4.8	510,000	1,750,000
Total Expenditures		<u>449,259,983</u>	<u>132,786,514</u>
Deficit/Surplus for the period		<u>9,488,332</u>	<u>22,749,997</u>

**WORLD ACTION FUND (WAF)
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STATEMENT OF FINANCIAL POSITION

	Note	2018 Shs	2017 Shs
ASSETS			
Current assets			
Bank & Cash	5	<u>32,238,329</u>	<u>22,749,997</u>
		<u>32,238,329</u>	<u>22,749,997</u>
TOTAL ASSETS			
		<u>32,238,329</u>	<u>22,749,997</u>
EQUITY AND LIABILITIES			
Accumulated Fund		<u>32,238,329</u>	<u>22,749,997</u>
		<u>32,238,329</u>	<u>22,749,997</u>
TOTAL EQUITY AND LIABILITIES			
		<u>32,238,329</u>	<u>22,749,997</u>

The Financial Statements on pages 7 to 14 were approved by the Board of Directors



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Adiga Bernard Ngobi
Chairperson, BOD
World Action Fund



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Odama Peter
Secretary/Executive Director
World Action Fund

**WORLD ACTION FUND (WAF)
AUDIT REPORT AND FINANCIAL STATEMENTS
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STATEMENT OF ACCUMULATED FUND

Statement of Accumulated Fund as at 31st December 2018

	Accumulated Fund SHS	Total Fund SHS
Balance as at 01st January 2018	22,749,997	22,749,997
Deficit for the period	9,488,332	9,488,332
Balance as at 31st December 2018	<u>32,238,329</u>	<u>32,238,329</u>

Statement of Accumulated Fund as at 31st December 2017

	Accumulated Fund SHS	Total Fund SHS
Balance as at 01st January 2017	-	-
Surplus for the period	22,749,997	22,749,997
Balance as at 31st December 2017	<u>22,749,997</u>	<u>22,749,997</u>

**WORLD ACTION FUND (WAF)
AUDIT REPORT AND FINANCIAL STATEMENTS
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STATEMENT OF CASHFLOWS

	2018 shs	2017 shs
OPERATING ACTIVITIES		
Surplus for the period	9,488,332	22,749,997
Operating surplus before working capital changes	<u>9,488,332</u>	<u>22,749,997</u>
Cash generated from operations	<u>9,488,332</u>	<u>22,749,997</u>
Net cash flows generated from operating activities	<u>9,488,332</u>	<u>22,749,997</u>
INVESTING ACTIVITIES		
Net cash flows generated from investment activities	<u>-</u>	<u>-</u>
FINANCING ACTIVITIES		
Net cash flows generated from Financing activities	<u>-</u>	<u>-</u>
NET INCREASE IN CASH AND CASH EQUIVALENTS	9,488,332	22,749,997
Opening cash and cash equivalents	22,749,997	-
CLOSING CASH AND CASH EQUIVALENTS	<u>32,238,329</u>	<u>22,749,997</u>

Statement of Reconciliation of Cash & Cash Equivalents

	2018 shs	2017 shs
Bank balances	55,129	51,597
Cash balances	<u>32,183,200</u>	<u>22,698,400</u>
Total	<u>32,238,329</u>	<u>22,749,997</u>

**WORLD ACTION FUND (WAF)
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NOTES TO THE FINANCIAL STATEMENTS

1 Organization information and going concern

1.1 Organization information

World Action Fund (WAF) is Non Governmental Organization (NGO) with its principal mission and vision of the organization is to help people living in extreme poverty achieve major enhancements in their lives that continue without unending support from World Action Fund (WAF). The mission and vision are achieved through the specific objectives of addressing the Major root causes of poverty through education and public awareness, taking Actions to conserve environment, different species of animals and birds, Empowering the societies through livelihood development projects, Improving on community health and education standards, Carrying out a scientific research and technological innovation advancements and Building capacities of Government and citizens on accountability, good governance and human rights. The Organization is funded by donors like Walkabout Foundation, ARAMAIC Relief International, Global Pace limited, Arua District Local Government and membership contributions.

1.2 Objectives of the Audit

The audit was set out to determine the following: Expenses are incurred in accordance with International Financial Reporting Standards (IFRS) and comply with donor fund requirements, Internal policies and procedures; Provide assurance of the reliability and the integrity of information and reports as well as underlying supporting information.

1.3 Scope of the Audit

The audit covered all financial and non financial aspects of the Organization including the environmental impact assessment and it covers activities of the Organization implemented within 01st January 2018 to 31st December 2018. Our audit report covers; Financial statements of the Organization, necessary internal controls and budgetary controls implemented during the year and management systems for recording, documentation, and reporting on resource utilisation.

1.4 Going Concern

The Board of Directors of the Organization have made an assessment of the Organization's ability to continue as a going concern and are convinced and satisfied that the Organization has the support to continue in its operations for the foreseeable future which is evidenced by well established structure of the Organization, strong relationship with donor partners, high level of interest from the community and ability to practice the acquired knowledge by community members and the staff momentum that intends to take the Organization to a different higher level. The Board of Directors are not aware of any material uncertainties that may cast a significant doubt upon the Organization's ability to continue as a going concern. Hence the financial statements continue to be prepared on a going concern basis.

**WORLD ACTION FUND (WAF)
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NOTES TO THE FINANCIAL STATEMENTS

2 Summary of significant accounting policies

The principal accounting policies adopted in the preparation of the financial statements of the organization are set out below:

2.1 Basis of accounting and statements of compliance

The financial statements are prepared on accrual basis accounting unless otherwise stated. The financial statements are presented in Ugandan shillings.

The financial statements have been prepared in accordance with International Financial Reporting Standards (IFRS), as issued by the International Accounting Standards Board (IASB) and the requirements of the Ugandan NGOs Act, 2016.

2.2 Income recognition

The organization recognized incomes with certainty that the economic benefits will flow to the organization and can be reliably measured.

2.3 Donations

Donations are recognized as income when transfers are made into the organization bank account or donor funds are received. Donations earmarked for future receipt are excluded from the years total income.

2.4 Cash and cash equivalents

As reflected in the statement of cash flows, cash and cash equivalents comprise cash on hand and deposits held with banks.

2.5 Income

Total incomes represents the aggregate value of receipts from donors and membership contributions.

2.6 Property, Plant and Equipments

All amounts incurred on acquisition of property, plant and equipments are recognized as an expense in the period of acquisition.

2.7 Taxation

No provision for tax or deferred tax is recognized, as the organization is deemed to be exempt from tax.

2.8 Retirement benefit obligations

The organization and its employees contribute to the National Social Security Fund (NSSF), a statutory defined contribution scheme registered under the NSSF Act. The organization's contribution to the defined contribution scheme are charged to the Income and Expenditure statement in the period to which they relate.

2.9 Translation of foreign currencies

All income and expenditure items have been translated from foreign currencies into Ugandan shillings equivalent.

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NOTES TO THE FINANCIAL STATEMENTS

	2018	2017
	shs	shs
3 Incomes		
3.1 Donations		
Global Pace limited	-	3,045,000
Walkabout Foundation	22,610,254	8,582,530
ARAMAIC Relief International	28,672,377	69,829,500
US Embassy	19,225,000	72,697,800
BRAC Uganda	-	500,000
Global Giving	866,159	-
Other Petty Donations	-	46,693
Arua District Local Government	372,000	-
	<u>71,745,790</u>	<u>154,701,523</u>
3.2 Donations in Kind		
Walkabout Foundation - UK - Appliances	385,802,416	-
	<u>385,802,416</u>	<u>-</u>
3.3 Other Incomes		
Membership contributions	1,200,000	800,000
Bank Interest received	109	34,988
	<u>1,200,109</u>	<u>834,988</u>
4 Expenditures		
4.1 Education & Public awareness		
Radio Announcements	-	320,000
Community awareness on Radio	1,698,000	3,800,000
Media Drama & Production	-	3,300,000
Volunteer Training	1,400,000	-
	<u>3,098,000</u>	<u>7,420,000</u>
4.2 Environmental conservation		
Grafted Mango seedlings	839,400	1,500,000
Teak tree seedlings	5,699,900	21,000,000
Silk Oak seedlings	1,120,000	6,000,000
Mahogany tree seedlings	34,300	2,000,000
Pawpaw seedlings	441,100	2,000,000
Grafted Orange seedlings	1,834,300	200,000
Giant Lira seedlings	-	700,000
Labour for digging planting holes	3,930,200	-
	<u>13,899,200</u>	<u>33,400,000</u>
4.3 Administration		
Transport	2,970,000	9,375,000
Office supplies & Stationery	353,000	672,500
Office Rent	3,100,000	800,000
Utilities	-	150,000
Website renewal & Design	-	200,000
Perdiem	-	80,000
Sign Post	92,000	-
Registration fees	150,000	-
Accommodation	973,000	-
WAF Corporate T-Shirts	78,000	-
Bank charges	230,367	170,414
	<u>7,946,367</u>	<u>11,447,914</u>
4.4 Food Aid & Security		
Food stuffs	-	71,663,600
	<u>-</u>	<u>71,663,600</u>

**WORLD ACTION FUND (WAF)
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NOTES TO THE FINANCIAL STATEMENTS

	2018	2017
	shs	shs
4.5 Community Health		
Sanitary Pads & Materials	-	2,520,000
Training on Resusable Sanitary pads	-	4,415,000
Medical Treatment	-	170,000
	<u>-</u>	<u>7,105,000</u>
4.6 Development Projects		
Wheel Chairs (Appliances) - Walkabout Foundation - UK	385,802,416	-
Training Farmer Groups	1,725,000	-
Training Briquettes/Energy Stoves	7,600,000	-
PWD Assessment & Beneficiaries	27,255,000	-
	<u>422,382,416</u>	<u>-</u>
4.7 Governance, Accountability & Human rights		
Monitoring & Evaluation - UNHCR Cluster team	1,424,000	-
	<u>1,424,000</u>	<u>-</u>
4.8 Capital Expenditures		
Office Phone	-	160,000
Computers	-	850,000
Furniture & Fittings	510,000	740,000
	<u>510,000</u>	<u>1,750,000</u>
5 Bank & Cash		
Bank	55,129	51,597
Cash	32,183,200	22,698,400
	<u>32,238,329</u>	<u>22,749,997</u>