

INSIEME SI PUO



***REPORTS AND FINANCIAL STATEMENTS FOR YEAR ENDED  
31 DECEMBER 2021***

*Audited by:*



Jasper-Semu & Associates  
Certified Public Accountants  
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**Kampala**

**JASPER - SEMU & ASSOCIATES**  
Certified Public Accountants  
P. O. Box 8294, Kampala

*June 2022*

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## **ACRONYMS AND ABBREVIATIONS**

JSA	-	Jasper-Semu & Associates
M & E	-	Monitoring and Evaluation
NSSF	-	National Social Security Fund
PAYE	-	Pay As You Earn
UGX	-	Uganda Shillings

## 1.0 BACKGROUND INFORMATION

### 1.1 General background

**Insieme Si Puo** is a non-profit organization, duly registered and permitted by both the Uganda Registration Services Bureau, and the Non-Governmental Organizations Bureau of Uganda. The organization has been in operation since 2004 and has created numerous relief and developmental projects for the Ugandan People.

#### OUR VISION

Our Vision is to help transform Uganda into an equitable and inclusive country, where all citizens have access to improved social and economic services.

#### OUR MISSION

Our mission is to work with the poor and marginalized groups so as to as to eradicate poverty in Uganda.

#### OUR CORE VALUES

Professionalism, Integrity, Teamwork.

#### OBJECTIVES

- Education Support for Vulnerable children
- Capacity building for vulnerable groups.
- Vocational training for the youths
- Material support for religious groups
- Emergency relief for Refugees
- Promoting agriculture in rural settings
- Environmental protection services

**2.0 MANAGEMENT INFORMATION**

**2.1 Principal place of business**

ISIEME SI PUO (ISP in AFRICA)  
Plot 45, Kisugu, Namuwongo  
P.O.Box 71890  
Kampala

**2.2 Key management personnel**

S/No.	Name	Designation
1	Piergiorgo DaRold	Director of the organization
2	Daniele Giaffredo	Director of the organization
3	Fr. Micheal Lubega	Director of the organization
4	Bicego Paolo	Project Manager Karamoja
5	Katwalo Ronald	Country Representative
6	Oyela Rosemary Ochan	Project Manager Kampala
7	Namara Pamella	Administrator

**2.3 Bankers**

Stanbic Bank Uganda Limited,  
Hannington Road  
Kampala, Uganda  
A/c No.9030008461421

**2.4 Auditors**



Jasper-Semu & Associates  
Certified Public Accountants  
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### 3.0 MANAGEMENT ASSERTIONS ON THE FINANCIAL STATEMENTS OF THE ISP AFRICA FOR THE YEAR ENDED 31 DECEMBER 2021


This section presents ISP in AFRICA management's confirmation of its responsibility for information in the financial statements and information provided during the course of the audit.

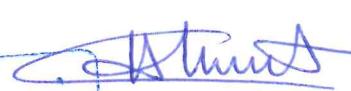
The management of ISP in AFRICA is required to prepare financial statements for each financial period that give a true and fair view of the state of affairs of the Organisation funds as at the end of the financial period and of its operational results that comply with the requirements of the funding partners. Management is responsible for keeping proper accounting records that disclose with reasonable accuracy the financial position of organisation. Management is also responsible for safeguarding the assets of the organisation.

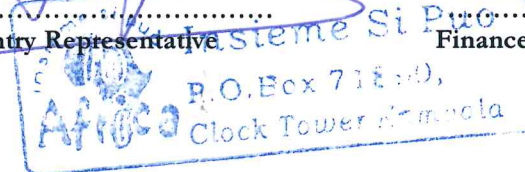
Management further accepts responsibility for the financial statements, which have been prepared using appropriate accounting policies supported by reasonable and prudent judgments and estimates in conformity with the International Financial Reporting Standards. Management is of the opinion that the financial statements for the period ended 31 December 2021 gives a true and fair view of the state of affairs of the funded activities and operational results at the Organisation. Management further accepts responsibility for the maintenance of accounting records that may be relied upon in the preparation of the financial statements, as well as adequate systems of internal controls.

Management confirms that all receipts received during the period ended 31 December 2021 were used for the intended purposes in accordance with the Organisation Agreements between ISP in AFRICA, and funding partners. Management certifies that there were no irregularities involving the management and staff of ISP in AFRICA, and that the financial statements of the Organisation for the period ended 31 December 2021 are free of material misstatements.

This assertion is certified by management of ISP in AFRICA on ..... and signed on its behalf by:

  
.....  
Country Representative

  
.....  
Finance and Administration Officer



#### **4.0 AUDIT OBJECTIVES, METHODOLOGY AND PROCEDURES**

The audit was guided by a strategically driven audit approach to meet audit objectives and some of the audit procedures carried out included; strategic, operational and compliance reviews as described below.

##### **4.1 Audit objectives**

The audit objectives for the period that ended 31 December 2021 is to:

- ❖ Express an opinion on whether the financial statements present a true and fair view of the Organisation's financial position as at 31 December 2021.
- ❖ Provide management with timely information on financial management aspects of the Organisation to enable follow up action.

##### **4.2 Preparatory audit activities and strategic reviews**

- ❖ Reviewed terms of reference after signing the contract and oriented the audit team towards achieving the audit objective within the agreed time frame and agreed work plan with ISP AFRICA management.
- ❖ Prepared a strategy audit document including tailored audit programmes and checklists to meet audit objectives.
- ❖ Reviewed background information including the annual report, the Organisation implementation manuals, the funding agreements between ISP in AFRICA and funding partners.
- ❖ Identified and reviewed possibilities for relevant strategic risks and evaluated the strategic control environment.
- ❖ We conducted systems based audit - tests to assess the effectiveness of the internal control system.
- ❖ Reviewed the progress in the implementation of agreed prior period audit recommendations
- ❖ We carried out substantive tests on the significant Organisation cycles as below;

##### **4.3 Income**

- ❖ Through enquiry, we documented the process of recording receipts from the funding partners and confirmed that separate bank accounts were opened for these receipts.
- ❖ We agreed all receipts of funds from the funding partners to the bank statements and cashbooks
- ❖ Reconciled the application totals to bank receipts and confirmed completeness of recording.

##### **4.4 Expenditure**

- ❖ Vouched payments from cashbooks and ledgers against respective invoices, and against evidence of receipt of goods or services, and whether they were checked by management for arithmetic accuracy, pricing, condition, authorisation and eligibility.
- ❖ Assessed the Organisation's compliance with the laws of the Republic of Uganda in respect to PAYE, NSSF and VAT.
- ❖ We reviewed to confirm whether all Organisational expenditure was as per approved budget/ work plan for the period under review.
- ❖ Checked completeness and consistence of recording and confirmed appropriate categorisation of costs to correct eligible codes.

#### **4.5 Fixed assets/equipment**

- ❖ Obtained a fixed assets/ equipment registers and physically inspected a sample of assets to confirm existence, properly engraved and working condition.
- ❖ Reviewed the adequacy of the internal control procedures over the safeguards of assets procured for the Organisation.
- ❖ Verified the asset titles and confirmed ownership by the Organisation.

#### **4.6 Cash and bank balances**

- ❖ We agreed the reported balances to the cashbook and the reconciled bank statements.
- ❖ We traced clearance of un-presented cheques by reference to bank statements after the closing date of 31 December 2021
- ❖ We obtained explanations for long outstanding reconciling items not cleared at the time of audit.
- ❖ We reviewed to confirm whether bank reconciliations are prepared on a regular basis and reviewed by a senior official.
- ❖ We obtained direct confirmations from the Organisations bankers for the balance held on account as of 31 December 2021.

#### **4.7 Other audit procedures**

- ❖ We received minutes for management meetings during the period for corroborative evidence to confirm assertions of the financial statements.
- ❖ We reviewed internal controls as a basis for detection and reporting of frauds and suspicious transactions.
- ❖ We made inquiries to establish evidence of any pending litigation for or against the Organisation and verified information for evidence of any related party transactions.

### **AUDIT RESULTS**

*Results from the audit are presented under: the auditor's report on financial statements on pages 8 to 9; the audited financial statements on pages 10 to 12 and the management letter appended to this report. All these reports form one integral part of the audit report.*





**JASPER-SEMU  
& ASSOCIATES**

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**5.0 INDEPENDENT AUDITOR'S REPORT TO THE MANAGEMENT OF ISP IN AFRICA FOR THE YEAR ENDED 31 DECEMBER 2021**

We have audited the financial statements of the ISP in AFRICA which comprise the income statement for the twelve months period ended 31 December 2021, the statement of financial position as at 31 December 2021 and the notes to the financial statements, which include a summary of significant accounting policies and other explanatory notes as set out on pages 16 to 21.

**Opinion**

In our opinion, the financial statements present fairly, in all material respects, the financial position of ISP in AFRICA as at 31 December 2021 and of its operational results for the period then ended, and are in accordance as far as applicable with the Generally Accepted Accounting Principles and ISP in AFRICA accounting policies set out in note 9.2

**Management's responsibility for the financial statements**

Management is responsible for the preparation and fair presentation of the financial statements in accordance with International Auditing Standards. This responsibility includes: 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 circumstance.

**Auditor's responsibility for the financial statements**

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 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 judgement, 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 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 of the effectiveness of the entity's internal control. An audit 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.



# JASPER-SEMU & ASSOCIATES

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## Report on other legal requirements

As required by the NGO Act Cap. 113, we report to you based on our audit, that:

We obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purpose of our audit; in our opinion,

- ❖ Proper books of account have been kept by the Organisation so far as appears from our examination of those books;
- ❖ The statement of financial position and the income and expenditure statement are in agreement with the books of account; and
- ❖ Returns were furnished to the NGO Board as stipulated in the NGO Act. Cap 113.

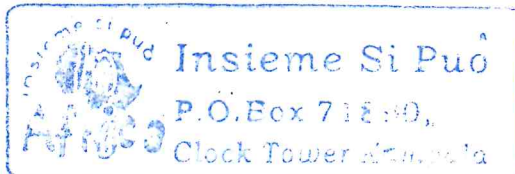
The engagement partner responsible for this audit resulting in this independent auditor's report was CPA Charles Gerald Mugerwa, Partner of Jasper-Semu & Associates, Practicing No. P0060 and Certificate No. F322/22.

*Jasper-Semu & Associates*

Jasper-Semu & Associates  
Certified Public Accountants  
P.O. Box 8294  
Kampala  
Date .....

*29 June 2022*


JASPER - SEMU & ASSOCIATES  
Certified Public Accountants  
P. O. Box 8294, Kampala



**6.0 ISP IN AFRICA STATEMENT OF COMPREHENSIVE INCOME AND EXPENDITURE FOR THE YEAR ENDED 31 DECEMBER 2021**

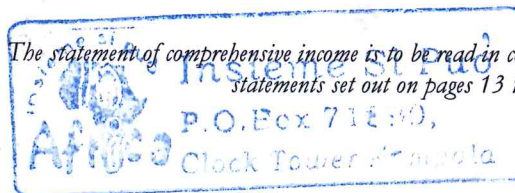
Particulars	Notes	2021	2020
		Ushs	Ushs
Funds			
Revenues	9.2	3,451,621,213	2,095,397,695
<b>Expenditure</b>			
Personnel	9.3	162,256,135	-
General administration	9.4	123,317,357	289,910,742
Programs	9.5	2,461,075,550	1,868,796,597
Other costs	9.6	32,372,531	-
<b>Total</b>		<b>2,779,021,573</b>	<b>2,158,707,339</b>
<b>Fund balance</b>		<b>672,599,640</b>	<b>(63,309,644)</b>

The financial statements on pages 10 to 12 were approved by management on .....and were signed on its behalf by:

  
.....  
Country Representative

  
.....  
Finance and Administration Officer

*The statement of comprehensive income is to be read in conjunction with the notes to the financial statements set out on pages 13 to 16.*


The stamp is a rectangular blue ink stamp. It contains the text "Institute of Internal Auditors" at the top, "P.O. Box 71140" in the middle, and "Clock Tower Kampala" at the bottom. There is also a small logo on the left side of the stamp.




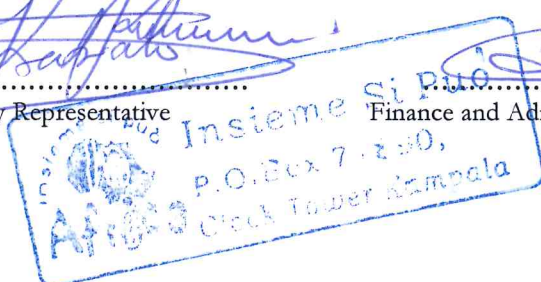
**7.0 STATEMENT OF FINANCIAL POSITION FOR ISP IN AFRICA AS AT 31 DECEMBER 2021**

Particulars	Notes	2021	2020
		Ushs	Ushs
<b>Assets</b>			
Fixed Assets	Annex 1	284,374,645	288,395,548
Lease prepayment		22,156,566	22,426,768
		<b>306,531,211</b>	<b>310,822,316</b>
<b>Current assets</b>			
Cash and bank	9.9	791,048,767	207,201,815
<b>Total current assets</b>		<b>791,048,767</b>	<b>207,201,815</b>
<b>Total</b>		<b>1,097,579,978</b>	<b>518,024,131</b>
<b>Capital fund and liabilities</b>			
<b>Current liabilities</b>			
Payables	9.10	9,540,404	4,500,000
<b>Capital fund</b>			
Accumulated fund	9.7	311,949,301	315,970,204
General fund	9.8	776,090,273	197,553,927
		<b>1,088,039,574</b>	<b>513,524,131</b>
<b>Total</b>		<b>1,097,579,978</b>	<b>518,024,131</b>

The financial statements on pages 10 to 12 were approved by management on .....and were signed on its behalf by:

  
.....  
Country Representative

  
.....  
Finance and Administration Officer



*The statement of financial position is to be read in conjunction with the notes to the financial statements set out on pages 13 to 16.*



8.0 **ISP IN AFRICA STATEMENT OF CASH FLOW FOR THE YEAR ENDED 31 DECEMBER 2021**

Particulars	2021	2020
	Ushs	Ushs
Operating activities		
Surplus (shortage) as per financial statements	672,599,640	(63,309,644)
Adjustments for:		
Lease prepayments	270,202	270,202
Prior period adjustment	(93,313,996)	108,732,730
Depreciation	4,020,903	6,004,789
<b>Cash before working capital changes</b>	<b>583,576,749</b>	<b>51,698,077</b>
Change in payables	270,202	(1,500,000)
	583,846,951	50,198,077
<b>Net cash from operating activities</b>	<b>583,846,951</b>	<b>50,198,077</b>
Miscellaneous funding		(6,274,991)
Net cash from financing activities		(6,274,991)
Net change in cash and cash equivalents	583,846,951	43,923,086
Cash and cash equivalent beginning of the year	207,201,816	163,278,730
Changes for the period	583,846,951	43,923,086
Cash and cash equivalent at the end of the year	791,048,767	207,201,816

*The statement of cash flow is to be read in conjunction with the notes to the financial statements set out on pages 12 to 14.*

## 9.0 NOTES TO THE FINANCIAL STATEMENTS

### 9.1 Significant accounting policies

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

#### i) *Basis of preparation*

The financial statements are prepared under the modified cash basis of accounting.

The Organization management identifies all significant accounting policies.

#### ii) *Receipts*

Transfers from donors are recognised in the financial statements when received in the designated donor bank account. Other receipts are recognised in the financial statements when received by the Organisation.

#### iii) *Expenditure*

Payments including capital expenditure are recorded in the financial statements in the period in which they are made.

#### iv) *Fixed assets*

Fixed assets are expensed in full in the period of purchase. Fixed assets, both purchased and donated, held at the period end are not presented in the statement of financial position.

#### v) *Budget*

Budget figures have been provided for comparison purposes and have been derived from the Organisation approved work plan for the period under review. The approved budget is used to manage Organisation spending according to the agreements with the funding partners.

#### vi) *Commitments*

Commitments represent contractual obligations as at 31 December 2021 for which payments had not been made. Commitments are therefore not included in the income and expenditure statement.

#### viii) *Comparatives*

The comparatives in the financial statements relate to the balances in the audited financial statements for the period ended 31 December 2021.

### 9.2 Income

These are amounts from donors and other sources as shown in the table below.

Particulars	2021	2020
Donations	Ushs	Ushs
ISP - Italy	3,215,057,704	1,879,896,850

Coopi	182,276,509	-
DKA Austria	43,226,400	-
Sostego	11,061,100	13,855,100
Quota Progetto	-	185,379,513
Sostego	-	15,645,772
Shadhilly	-	620,460
	<b>3,451,621,713</b>	<b>2,095,397,695</b>

### 9.3 Personnel costs

Particulars	2021
	<b>Ushs</b>
Salaries	98,582,000
PAYE	33,267,387
NSSF	25,766,748
Gifts	85,000
Allowance	2,970,000
Wages	1,110,000
Local Service Tax	475,000
	162,256,135

### 9.4 General Administration

Particulars	2021
	<b>Ushs</b>
Assets	1,801,000
Communication	6,276,586
Fuel	33,182,968
Electricity	5,027,800
Groceries and Supplies	18,790,100
Insurance	4,613,132
Office Expenses	7,601,200
Transport	2,577,531
Parking	53,400
Delivery and Sending Charges	509,000
Repairs and Maintenance	42,884,640
	123,317,357

### 9.5 Program costs

Particulars	2021
	<b>Ushs</b>
Education support	826,995,587
Training	75,593,200
Monitoring	76,907,500

Furniture and Mattresses	24,460,000
Seedlings for Schools and Farmers	621,400
Flour, Oil ,Maize ,Rice	177,265,100
Powdered Milk	43,320,000
Seeds for Schools and farmers	4,392,500
Stationery and books	1,782,000
Medicine and Medical Supplies	35,362,652
Mosquito Nets	1,038,500
Project Visibility	3,693,000
Drilling	365,902,200
Rain Water Harvest System	13,392,500
Spare Parts and Equipment	20,840,000
Pump Solar Installation	27,047,920
Building Material	700,370,991
Agricultural Tools for Schools, Farmers, and Bee keepers	32,438,000
Raw Material for Lorena Stove	29,652,500
	2,461,075,550

**9.6 Other costs**

Particulars	2021
	Ushs
Professional Fess	20,908,700
Staff Meals	1,086,000
Water Bills	875,868
Bank Charges Shilling A/c	1,249,826
Bank Charges EURO A/c	3,481,935
Audit	4,500,000
Lease charge	200,202
	32,302,531

**9.7 Accumulated fund**

Particulars	2021	2020
	Ushs	Ushs
	315,970,204	322,245,195
Less: Depreciation & amortisation	(4,020,903)	6,274,991
<b>Total</b>	<b>311,949,301</b>	<b>315,970,204</b>

**9.8 General fund**

Particulars	2021	2020
	Ushs	Ushs
General fund b/f	197,553,927	152,130,841
Adjustment		-



Additions during the year	(94,063,294)	108,732,730
Excess income over expense	672,599,640	(63,309,644)
<b>Closing balance</b>	<b>776,090,273</b>	<b>197,553,927</b>

#### 9.9 Bank and cash balances

Bank balances refer to reconciled cash book balances as at period end. These are as follows:

Particulars	2021
	Ushs
Cash at hand	19,960,300
Bank	771,088,847
	<b>791,049,147</b>

#### 9.10 Payables

**UGX 9,540,784**

This is related to Audit costs to Jasper-Semu & Associates for the period ended 31 December 2021 among other payables.

#### 9.11 Property, Plant and Equipment

*Annex 1*

#### 9.12 Contingent liabilities / assets

There were no known contingent liabilities/ assets that qualify for accrual or disclosure as at 31 December 2021.

#### 9.13 Accounting period

The financial statements have been prepared for the period 1 January 2021 to 31 December 2021.

#### 9.14 Reporting currency

The financial statements are prepared in Uganda Shillings (UGX).

Particulars	Buildings	Computers		Office equipment		Motor vehicles		Generators		Motorcycle		Hostel Equipment		Totals
		0.25	Ushs	0.2	Ushs	0.25	Ushs	0.2	Ushs	0.25	Ushs	0.2	Ushs	
01.01.2021	286,750,000		20,690,650	37,711,600		186,052,147		21,091,021		4,640,000		5,635,638		562,571,056
Additions	-	-	-	-	-	-	-	-	-	-	-	-	-	-
<b>31-Dec-21</b>	286,750,000	20,690,650		37,711,600		186,052,147		21,091,021		4,640,000		5,635,638		562,571,056
Depreciation														-
01.01.2021	16,868,688	20,571,641		29,764,476		179,904,466		18,019,304		4,545,568		4,501,365		274,175,508
Charge for the year	-	29,752		1,589,425		1,536,920		614,343		23,608		226,855		4,020,903
<b>31-Dec-21</b>	16,868,688	20,601,393		31,353,901		181,441,386		18,633,647		4,569,176		4,728,220		278,196,411
NBV														-
<b>31-Dec-21</b>	<b>269,881,312</b>	<b>89,257</b>		<b>6,357,699</b>		<b>4,610,761</b>		<b>2,457,374</b>		<b>70,824</b>		<b>907,418</b>		<b>284,374,645</b>
31-Dec-20	269,881,312	119,009		7,947,124		6,147,681		3,071,717		94,431		1,134,273		288,395,547