

INSIEME SI PUO (ISP IN AFRICA)

**AUDIT REPORT AND FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31-DECEMBER-2022**

Insieme Si Puo (ISP in Africa)
Annual report and financial statements
For the year ended 31st December 2022

The reports and statements set out below comprise the financial statements presented to members:

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Insieme Si Puo (ISP in Africa)
Annual report and financial statements
For the year ended 31st December 2022

Company Information

Country of incorporation and domicile

Uganda

Nature of business and principal activities

NGO Activities

Country Director

Daniele Giaffredo

Registered Office:

Plot 45, Kisugu Rd, Namuwongo
P.Obox 71890 Kampala
Uganda

Principal Bankers:

Stanbic Bank
Forest Mall Branch
Kampala

Auditor:

Hillary & Hills
Certified Public Accountants
PO Box 34138
Kampala
Uganda

Insieme Si Puo (ISP in Africa)
Annual report and financial statements
For the year ended 31st December 2022

Director's Report

The Director has pleasure in presenting their report together with the audited financial statements for the year ended 31st December 2022 which disclose the state of affairs of NGO.

Principal Activities

The principal activity of the NGO remains that of NGO activities.

Results

The results for the year are set out on page 6

Directorship

The Regional Programme Officer who held office during the year and to the date of this report are set out on page 1.

Auditor

Hillary & Hills, Certified Public Accountants, has expressed willingness to be re-appointed as auditor for the next financial year in accordance with Section 12(2) of the NGO Regulation 2017.

By order of the board

Paluma Costello
Country Representative

Kampala - Uganda

22nd MAY 2023



Insieme Si Puo (ISP in Africa)
Annual report and financial statements
For the year ended 31st December 2022

Statement of Director's Responsibilities

The Directors are required by the NGOs' Act, to maintain adequate accounting records and are responsible for the content and integrity of the financial statements and related financial information included in this report. It is their responsibility to ensure that the financial statements fairly present the state of affairs of the NGO as at the end of the financial year and the results of its operations and cash flows for the period then ended, in conformity with International Financial Reporting Standards. The external auditors are engaged to express an independent opinion on the financial statements.

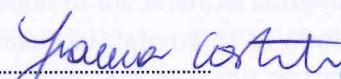
The financial statements are prepared in accordance with International Financial Reporting Standards and are based upon appropriate accounting policies consistently applied and supported by reasonable and prudent judgements and estimates.

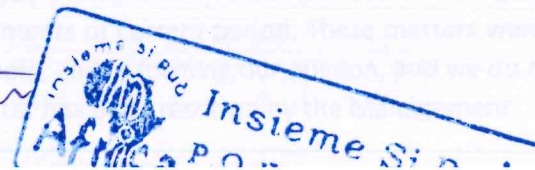
The directors acknowledge that they are ultimately responsible for the system of internal financial controls established by the NGO and place considerable importance on maintaining a strong control environment. To enable the trustees to meet these responsibilities, the board of directors sets standards for internal control aimed at reducing the risk of error or loss in a cost effective manner. The standards include the proper delegation of responsibilities within a clearly defined framework, effective accounting procedures and adequate segregation of duties to ensure an acceptable level of risk. These controls are monitored throughout the NGO and all employees are required to maintain the highest ethical standards in ensuring the NGO's business is conducted in a manner that in all reasonable circumstances is above reproach. The focus of risk management in the NGO is on identifying, assessing, managing and monitoring all known forms of risk across the NGO. While operating risk cannot be fully eliminated, the NGO endeavors to minimise it by ensuring that appropriate infrastructure, controls, systems and ethical behavior are applied and managed within predetermined procedures and constraints.

The directors are of opinion, based on the information and explanations given by management, that the system of internal control provides reasonable assurance that the financial records may be relied on for the preparation of the financial statements. However, any system of internal financial control can provide only reasonable, and not absolute, assurance against material misstatement or loss. The directors are satisfied that the NGO has access to adequate resources to continue in operational existence for the foreseeable future.

The external auditors are responsible for independent auditing and reporting on the NGO's financial statements. The financial statements have been examined by the NGO's external auditor and their report is presented on pages 4 and 5.

The financial statements set out on page 6 to 12, which have been prepared on the going concern basis, were approved by the Country Representative on 22nd May 2023 and were signed on their behalf by:


Country Representative





1st Floor Agip House,
Plot 9 Kampala Road
P.O.Box 34138, Kampala

Firm No. AF0120

Hillary and Hills
Certified Public Accountants

Mob: +256 772 535167 / 0701 040056
Email: info@hillaryandhills.com
Website: www.hillaryandhills.com

**INDEPENDENT REPORT OF THE AUDITORS TO THE DIRECTORS OF INSIEME SI PUO
(ISP IN FRICA) FOR THE YEAR ENDED 31st DECEMBER 2022.**

OPINION ON AUDITED FINANCIAL STATEMENTS

We have audited the financial statements of **Insieme Si Puo (ISP in Africa)**, which are the statement of financial position as at 31st December 2022 the statement of changes in affairs and statement of cash flows for the period ended , and a summary of significant accounting policies and other explanatory notes. In our opinion the financial statements give a true and fair view of the financial affairs of Insieme Si Puo (ISP in Africa) as at 31st December 2022 and of its financial performance and cash flows for the year then ended in accordance with International Financial Reporting Standards, the companies Act 2012 and the NGO Act.

BASIS OF OPINION

We conducted our audit in accordance with International Standards of Auditing (ISAs) and Guidelines issued by the Institute of Certified Public Accountants of Uganda. Our responsibilities under those standards are further described in Auditor's responsibilities for the audit of financial statements section of our report. We are independent of Insieme Si Puo (ISP In Africa) in accordance with the International Ethics Standards Board of Accountant's code of ethics for professional Accountants (IESBA Code) together with ethical requirement that are relevant to our audit of financial statements in Uganda, and we have fulfilled our ethical responsibilities in accordance with these requirements and the IESBA code. We believe that the audit

KEY AUDIT MATTER (KAM)

Key Audit Matters are those matters that in our professional judgment were of most significance in our audit of the financial statements of current period. These matters were addressed in context of our audit of financial statements as whole, and in forming our opinion, and we do not provide separate opinion on these matters, however this matter has been resolved by the Management.

Insieme Si Puo (ISP in Africa)
Audit report (Continued)
For the year ended 31st December 2022

AUDITOR'S RESPONSIBILITIES FOR THE AUDIT OF FINANCIAL STATEMENTS

Our objective is to obtain reasonable assurance about whether the 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 our opinion. Reasonable assurance is high level of assurance, but is not a guarantee that audit conducted in accordance with ISAs will always detect material misstatement when it exists. Misstatement can arise from error or fraud and are considered material if individually or in aggregate they could reasonably be expected to influence the economic decision of users taken on the basis of these financial statements.

As part of our audit in accordance with ISAs we exercised professional judgment and maintained professional skepticism throughout the audit. We also; identified and assessed risk of material misstatements of financial statements, whether due to fraud or error, designed and performed audit procedures responsive to those risks, and obtained audit evidence that is sufficient and appropriate to provide the basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than the one resulting from error, as fraud may involve collusion, forgery, intentional omission, misrepresentation, or override of internal controls.

Obtain an understanding of internal controls relevant to the audit in order to design audit procedures that are appropriate in circumstance, but not for the purpose of expressing an opinion on the effectiveness of company's internal control.

Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management

Concluded on appropriateness of management's use of the going concern basis of accounting and based on audit evidence obtained, whether material uncertainty exists related to events or conditions that may cast doubt on Company's inability to continue as a going concern. If we conclude that material uncertainty exists, we are required to draw attention in our auditor's report to related disclosures in

Insieme Si Puo (ISP in Africa)
AUDIT REPORT (Continued)
For the year ended 31st December 2022

We also provided those charged with governance with the statement that we have complied with relevant ethical requirements regarding independence, and communicated with the all relationship and other matters that may reasonably be thought to bear on our independence and where applicable, related safeguards. From the matters communicated with those charged with governance, we determined those matters that were of most significance in audit of financial statements of current period and are therefore key audit matters. We describe these matters in our Auditor's report unless law or regulation precludes public disclosure about the matter or when, in extremely rare circumstance, we determine that the matte should not be communicated in our report because the adverse consequence of doing so would reasonably be expected to outweigh the public interest benefit of such communication.

REPORT ON OTHER LEGAL AND REGULATORY REQUIREMENTS

As a requirement, We report to you, based on our audit, that the NGO has been conducted effeciently, And:

- (i) We have obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purposes of our audit;
- (ii) In our opinion, proper books of account have been kept by the NGO , so far as appears from our examination of those books; and
- (iii) The NGO's statement of Comprehensive Income, Statement of financial position and Statement of cashflows are in agreement with the books of account.

The engagement practitioner on the audit resulting in this independent auditor's report is CPA Rwigyema Ndeze Hillary -P0161

Hillary & Hills
Certified Public Accountants
P.O.Box 34138
Kampala

HILLARY & HILLS
Certified Public
Accountants

Date: 22/05/2023

Insieme Si Puo (ISP In Africa)

**Statement of Receipt and Expenditure
For the year ended 31st December 2022**

	Notes	2022 Shs	2021 Shs
<i>Receipts</i>			
Donor funds	8	2,444,265,764	3,215,057,704
Other income	8	108,683,222	236,564,009
		<u>2,552,948,986</u>	<u>3,451,621,713</u>
Interest	8	-	-
<i>Expenditure</i>			
Project	12	2,639,000,736	2,464,575,550
Running	11	496,237,183	314,446,523
		<u>3,135,237,919</u>	<u>2,779,022,073</u>
Grand total			
		<u>(582,288,933)</u>	<u>672,599,640</u>
Surplus (Deficit) for the year			

Insieme Si Puo (ISP In Africa)

**Statement of Financial Position
As at 31st December 2022**

	Notes	2022 Shs	2021 Shs
Fixed Assets	1.b	351,665,649	284,374,645
Prepayments - Lease	7	21,836,364	22,156,566
		<u>373,552,013</u>	<u>306,531,211</u>
Current Assets			
Cash at hand	9	2,500,062	19,960,300
Cash at bank	9	174,267,235	771,088,847
		<u>176,767,297</u>	<u>791,049,147</u>
Current liabilities			
Accrued expenses	10	11,735,117	9,540,784
		<u>11,735,117</u>	<u>9,540,784</u>
Net Assets		<u>538,584,193</u>	<u>1,088,039,574</u>
Capital Employed			
Accumulated fund	5	311,949,301	311,949,302
General fund	6	226,634,892	776,090,273
		<u>538,584,193</u>	<u>1,088,039,575</u>

Report of the independent auditors is on Page 4 - 5.

The financial statements were approved by the Board of Trustees on 22/05/2023
and signed on their behalf by:

Yanna Costi

Insieme Si Puo (ISP In Africa)

**Statement of cash flows
For the year ended 31st December 2022**

	Notes	2022 Shs	2021 Shs
Operating activities			
Surplus (shotage) as per financial statements		(582,288,933)	672,599,640
Adjustments for:			
Lease prepayments		270,202	270,202
Prior period adjustment	8	32,833,932	(93,313,996)
Depreciation	1(b)	26,514,996	4,020,903
<i>Cash before working capital changes</i>		(522,669,803)	583,576,749
Change in payables	10	2,194,333	270,202
		(520,475,470)	583,846,951
<i>Net cash from operating activities</i>		(520,475,470)	583,846,951
Investing activities			
Purchase of property and equipment	1(b)	(93,806,000)	-
<i>Net cash from investing activities</i>		(93,806,000)	-
Financing activities			
Funds from donors		-	-
Miscellenious funding		-	-
<i>Net cash from financing activities</i>		-	-
Net change in cash and cash equivalents		(614,281,470)	583,846,951
Cash and cash equivalent beginning of the year		791,048,767	207,201,816
Changes for the period		(614,281,470)	583,846,951

s of accounting and in accordance with International Financial Reporting Standards Board (IASB).

preciation and accumulated impairment. Depreciation is calculated on : over their to write off the cost of each asset over their estimated

%

25.00
40.00
20.00

	Computers	Office equipment	Motor vehicles	Generator	Motor cycle	Hostel Equipment	
100	20,690,650	37,711,600	186,052,147	21,091,021	4,640,000	5,635,638	562,571,056
	3,670,000	3,500,000	74,000,000	-	-	12,636,000	93,806,000
100	24,360,650	41,211,600	260,052,147	21,091,021	4,640,000	18,271,638	656,377,056
88	20,601,393	31,353,901	181,441,386	18,633,647	4,569,176	4,728,220	278,196,411
86	1,503,703	1,232,212	19,652,690	307,172	17,706	1,692,927	26,514,996
74	22,105,096	32,586,113	201,094,076	18,940,819	4,586,882	6,421,147	304,711,407
26	2,255,554	8,625,487	58,958,071	2,150,202	53,118	11,850,491	351,665,649
12	89,257	6,357,699	4,610,761	2,457,374	70,824	907,418	284,374,645

off to the nearest Shilling

ganisation Statute 1989 under NGO registration S.5914/256

en converted to Uganda Shillings at the rate ruling on the date of transaction.
nslated into Uganda Shillings at the rate of exchange ruling at the balance
rsion are recognised in the surplus and deficit account in the year in which they arise.

Insieme Si Puo (ISP In Africa)

Notes to the Financial Statements (Cont'd) For the year ended 31st December 2022

2 Share capital

ISP in Africa has no authorised share capital and the members' liability is limited by guarantee.

3 Incorporation

The organisation is established in Uganda under the NGO Statute

4 Currency

The financial statements are presented in Uganda Shillings.

5 Accumulated funds

Accumulated fund reconciliation statement. The movement in accumulated fund is as follows:

	2022 Shs	2021 Shs
Accumulated capital funds	311,949,301	315,970,204
Additions during the year	-	-
Acc depr on disposal during the year	-	-
	<u>311,949,301</u>	<u>315,970,204</u>
Less: Depreciation & amortisation	-	4,020,903
Accumulated funds as per financial position	<u>311,949,301</u>	<u>311,949,301</u>
6 General fund		
General fund b/f	776,090,273	197,553,927
Adjustment	-	-
Additions during the year	32,833,552	(94,063,294)
Excess income over expense	(582,288,933)	672,599,640
Closing balance	<u>226,634,892</u>	<u>776,090,273</u>

Insieme Si Puo (ISP In Africa)
Notes to the Financial Statements (Cont'd)
For the year ended 31st December 2022

	2022	2021
	Shs	Shs
7 Operating lease		
Opening balance	22,156,566	22,426,768
Charge for the year	(270,202)	(270,202)
Balance	<u>21,886,364</u>	<u>22,156,566</u>
8 Donations		
Insieme Si Puo -Italy	2,444,265,764	3,215,057,704
Coopi	100,017,722	182,276,509
DKA Austria	-	43,226,400
Sostegno	-	11,061,100
Other cash donations	8,665,500	-
	<u>2,552,948,986</u>	<u>3,451,621,713</u>
Donation and other receipts is recognised on cash basis.		
9 Cash and bank balances;		
a Cash at hand		
Cash on hand- Kampala	1,051,924	-
Cash on hand- Moroto	565,100	19,960,300
Cash on hand- Euro -Kampala	883,038	-
	<u>2,500,062</u>	<u>19,960,300</u>
Moroto and Kampala cash balance combined.		
b Bank balances		
Bank balance ;Shs Kampala	30,174,098	-
Bank balance ;Shs Moroto	127,520,895	-
Coopi - Euro	61,782	-
Bank balance Euro	16,510,460	771,088,847
	<u>174,267,235</u>	<u>771,088,847</u>

Cash and cash equivalents include cash at hand and at bank.

Insieme Si Puo (ISP In Africa)
Notes to the Financial Statements (Cont'd)
For the year ended 31st December 2022

11 Expenditure

Description	Code	2022 Shs	2021 Shs
Grant aid start up	P60575b	-	3,500,000
Furniture and Mattresses		-	24,460,000
Seedlings for schools		-	621,400
Stationery and books		-	1,782,000
Distant support Edu Programs	SGSF	-	826,995,587
Food Security			
Food distribution -Moroto	60314a	171,535,126	-
Feeding programme -Central schools	60314b	40,977,000	-
Food and Milk distribution	60314	152,436,151	-
Food distribution -vulnerable families	60314c	18,346,000	-
		<u>383,294,277</u>	
Education and Child protection			
Support of MOPSS -Moroto	60613	31,803,748	-
Construction of kitchen	60619	209,375,755	-
Scholarships	SAD	884,789,232	-
Assuring education -early marriages	60617	21,229,001	-
YOLRED -Child soldiers	60630	15,399,500	-
Training teachers	60553b	46,798,370	-
Training teachers	60588a	6,180,000	-
		<u>1,215,575,606</u>	<u>-</u>
Access to water			
Drilling new borehole and repair old ones	60422	219,867,600	-
Drilling new borehole and repair old ones	60422d	2,188,300	-
Improve access to water	60612a	32,464,360	-
Improve access to water	60612b	55,777,231	-
Improve access to water	60612c	29,396,380	-
Repair rain water harvest	60519d	20,987,800	-
		<u>360,681,671</u>	<u>-</u>

Sub total 1/6

Insieme Si Puo (ISP In Africa)
Notes to the Financial Statements (Cont'd)
For the year ended 31st December 2022

11 Expenditure

Description	Code	2022 Shs	2021 Shs
Balance brought forward		1,959,551,554	857358987
Agriculture			
Promotion of agric Moroto communities	60519b	3,228,500	-
Planting to fill Silos	60398a	100,000,000	
Agroforestry and sustainable farming	60478f	8,425,100	
Honey and bee keeping	60519c	3,985,200	
		<u>115,638,800</u>	<u>-</u>
Women Empowerment			
Improve family conditions +ve women	60566	17,836,200	
Vocational training	60592e	121,362,308	
Kampala Queen football club	60627	11,886,000	
Emerald primary school	P60592d	3,684,029	
		<u>154,768,537</u>	<u>-</u>
Community Relief			
Support for vulnerable people	60500	48,473,000	
Support for vulnerable people	60464	14,379,000	
Support for vulnerable people	60464e	34,899,000	
Children home-St.Jude	60335c	90,879,415	
Lives Reborn	60618	30,226,900	
Support to admitted patients-Moroto	60623	7,509,295	
No tools no work	60610	4,104,000	
		<u>230,470,610</u>	<u>-</u>
Healthy			
Support to healthcare centre	60633	64,894,883	
Medical centre-St.Rita	60576	40,070,000	
Sickle cells project support	60622	62,750,952	
		<u>167,715,835</u>	<u>-</u>

Insieme Si Puo (ISP In Africa)
Notes to the Financial Statements (Cont'd)
For the year ended 31st December 2022

12 Expenditure		2022	2021
Description	Code	Shs	Shs
Balance brought forward		2,628,145,336	857,358,987
Training	BB03/01/U03	52,000	75,593,200
Monitoring	BB05	-	76,907,500
Flour,Oil,Maize,Rice		-	177,265,100
Powdered milk	BA22	-	43,320,000
Seeds for schools and farmers	BA02-05	664,000	4,392,500
Medicine and medical supplies	BA31	230,000	35,362,652
Mosquito nets		-	1,038,500
Project visibility	BG01-03	-	3,693,000
Drilling	BF01	-	365,902,200
Rain water harvest system	BF05	-	13,392,500
Sparepart and equipment	BF03	-	20,840,000
Pump solar installation	BF02	-	27,047,920
Building materials	BA11	-	700,370,991
Agric tools for schools and farmers	BA14/15	-	32,438,000
Raw materials for Lorena stove		-	29,652,500
Rehabilitation our Lady of Consolata	P60155	2,291,000	
Health Centre-Mirembe Maria	P6611	250,000	
Paper beads training	P605 43	6,837,500	
Budhist project	P60629	530,900	
Subtotal		10,855,400	1,607,216,563
Grand Total:Project costs		2,639,000,736	2,464,575,550

12. Foreign currency translations

All foreign currency transactions during the period have been converted to shillings at the rates ruling on the date of the transaction. Assets and liabilities expressed in foreign currency are translated into Uganda Shillings at the rate of exchange ruling at the balance sheet date.

Insieme Si Puo (ISP In Africa)
Notes to the Financial Statements (Cont'd)
For the year ended 31st December 2022

		2022 Shs	2021 Shs
13. Running costs			
Audit fees		4,000,000	-
Office sundries	IA	-	18,790,100
Legal and interpretation and other fees		43,032,352	20,908,700
Staff meals		-	1,086,000
Water bills		-	875,868
Vehicle hire	BC03	100,000	-
Groceries	CA05	20,589,101	-
Office utilities	CA04	3,560,038	-
Airtime phone & internet	BH02	2,132,900	6,276,586
Stationery	CA02/BH01	1,016,000	-
Courier		-	509,000
Electricity	CA04	-	5,027,800
NSSF & PAYE	CB05/1E2	-	59,034,135
Salaries	AA0	238,623,809	98,582,000
NGO NSSF 10% contribution	CB05	23,862,376	-
Office phone bills	CA03	835,000	-
Gifts	CA10/1J	-	85,000
Allowances		-	2,970,000
Wages	AA0	9,499,000	1,110,000
Office expense	CA01	17,750,900	7,601,200
Bank charges	2(A/B/B2),CA06	1,622,657	4,731,761
M/V Maintenance and insurance	CC01/03/04	41,232,702	-
Maintenance costs	CA11/BA11	52,811,350	42,884,640
Motor vehicle fuel	3D/CB11/CC	7,797,800	33,182,968
Vehicle parking fees	3E	-	1,123,900
Local service tax		-	475,000
Insurance	CC02	-	4,613,132
Assets	FA	-	1,801,000
Delivery and shipping	CA08	203,000	-