

UJAMAA NA WATOTO WENYE HAKI INITIATIVE

AUDITED FINANCIAL STATEMENTS

31ST DECEMBER 2016

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KKCO East Africa
Certified Public Accountants
P. O. Box 46335-00100
NAIROBI
Email: audit@kkcoeastfrica.com
Website: www.kkcoeastfrica.com

UJAMAA NA WATOTO WENYE HAKI INITIATIVE

BOARD MEMBERS

: Ada Mwangola Owiti	- Board Chair
: Meghann Kabala	- Treasurer
: Benjamin Mboya	- Secretary
: Samo Obanda	- Member
: Jake Sinclair	- Member
: Elizabeth A Obanda	- Member
: Joseph Louis Onguto	- Member
: Yolande Coombes	- Member
: Vida Sanford	Member

REGISTERED OFFICE

**: Landmark 007 Plaza
P. O. BOX 51455-00100
NAIROBI**

BANKERS

**: Equity Bank
Kariobangi Branch**

INDEPENDENT AUDITORS

**: KKCO East Africa
Certified Public Accountants of Kenya**

UJAMAA NA WATOTO WENYE HAKI INITIATIVE

Report of the Board of Directors

to the Members of Ujamaa na Watoto Wenye Haki Initiative

The directors have pleasure in presenting their report together with the audited financial statements for the year ended 31st December 2016.

PRINCIPAL ACTIVITIES

The principal activity of the organization is to economically empower orphans and their caretakers in urban areas and to provide simple yet effective practical self defense skills to protect women against rape and other forms of sexual violence.

BACKGROUND INFORMATION

Ujamaa Africa, officially known as Ujamaa na Watoto Wenye Haki is a registered NGO whose main objective is to reduce sexual violence against women and children by:-

- a) Running a simple, low cost, effective and scalable sexual violence prevention programme, FGM, teenage pregnancies and early childhood marriages
- b) Running a community bank that provides microloan services to victims of Intimate partner violence (IPV).

Its main area of focus has been the 5 informal urban settlements of Nairobi namely Kibera, Mukuru, Huruma, Dandora, Korogocho and Kajiado being the most recent. Following an increase in demand for its interventions Ujamaa is keen on rolling out its interventions across the country.

Violence Against Women and Girls (VAWG) in developing countries has reached epidemic levels. The World Health Organization (WHO) estimates that 35% of women experience some form of sexual violence during their lifetime, and much larger numbers experience physical violence.

Ujamaa currently operates in Kenya in informal settlements of Nairobi and parts of urban and rural Malawi. Its sexual violence prevention programme delivered primarily in schools has been proven by Stanford University, John Hopkins University and the United States International University to cut the incidence of sexual assault and pregnancy related school drop out rate by half.

IMpower, a successful and rigorously tested rape prevention approach targets female and male youth in schools and community based organizations. This intervention reduces VAWG across the lifespan with different approaches to meet different needs at different times.

For the past six years (GESD), and four years (YMOT), Ujamaa-Africa has implemented the 6-week, 12-hour IMpower program in hundreds of Nairobi upper primary and secondary schools. During this time, Ujamaa-Africa and its partners have relied on a process of iterative learning, making continuous, incremental adjustments to curriculum, staffing and implementation models in direct response to the political and operational realities of the communities.

To achieve this Ujamaa works in close partnerships with local authorities and stakeholders in the communities, including the Ministry of Education, Ministry of Health, Area Chiefs and Elders, CBO's, Mosques and Churches, International NGO'S including MSF, Amnesty International, Terres des Hommes, UN Women, UNICEF, Plan International, UKAID, DFID and Action Aid. The funds received are utilized for the implementation of the Ujamaa projects. A description of each project is below:

UJAMAA NA WATOTO WENYE HAKI INITIATIVE

Report of the Board of Directors

to the Members of Ujamaa na Watoto Wenye Haki Initiative.../Condt.

Start Canada Project

a) Successful completion of the Start Canada project

The first quarter of 2016 saw Ujamaa successfully complete this project. Girls received IMpower self-defense training while boys received transformation training in 6 sessions, 2 hours each. A total of 25,499 girls and boys from 42 schools received these respective interventions by the end of March 2016 targeting slums in Kibera, Mukuru, Dandora, Korogocho and Huruma.

The What Works DFID Grant

2016 saw the successful completion of the what works to prevent violence against women project. Similarly, the girls were trained on IMpower self-defense while boys received transformation training in 6 sessions, 2 hours each. 10,049 more boys and girls received the intervention between January and May in 2016. The project ended in September with 21,400 boys and girls receiving Ujamaa's intervention against the 20,000 targeted.

Stanford University evaluated the project by conducting a randomized control trial that saw at least 80 schools and up to 5,000 boys and girls participate in the study.

All staff under the grant that directly work with children underwent a 3 days training in taruma counselling and child protection offered by consultants from African Nazarene University and Red Consultancy Firm. A total of 67 staff members received the training.

Capacity Building and retraining of the Instructors

20 Project Managers and coordinators received a project management capacity building training supported by the DFID grant. The objective of the workshop was to offer a tailor made capacity building to the project team with the object of initiating and managing projects, monitoring and evaluation. The training was offered by Capacity Africa.

- a) Equip participants with knowledge and skills on the project management cycle.
- b) Promote participants' understanding on project monitoring and evaluation.

It was anticipated that the training could result into increased knowledge of the participating team members of their functions and the systems in place to deliver on their mandate. The female instructors on the other hand received the refresher trainings and rigorous re-evaluation on the girls GESD trainings.

Ujamaa Mashinani

Ujamaa has continued running its micro loan program which targets victims of Intimate Partner Violence (IPV). In 2016, Mashinani disbursed 120 new loans to 100 clients. Stanford University who are also evaluating the project submitted the first paper for publication. This is a control trial for 160 participants.

NOVO Foundation Project

Ujamaa was awarded a 3 year grant to implement its IMpower program in Nairobi. This project started in October 2016 and targets 4,000 boys and girls per year. The grant has particular focus on out of school youths. The primary aim of this project is reduction in levels of sexual assault among the intervention group.

UJAMAA NA WATOTO WENYE HAKI INITIATIVE

Report of the Board of Directors

to the Members of Ujamaa na Watoto Wenye Haki Initiative.../Condt.

Rutgers Kajiado Project

During the year Rutgers awarded Ujamaa a 5 year grant to implement its interventions in Kajiado West which is a sub county in Kajiado. Ujamaa worked as part of a consortia of 5 organisations which are AMREF, Plan International Kenya, NAYA and CSA. Besides sexual assault reduction, Ujamaa's curricula were tailored to also help address teenage pregnancy, child marriage and FGM.

Ujamaa spent the last quarter of 2016 adapting the curriculum before official implementation in 2017.

Challenges

In 2016 Ujamaa experienced a number of challenges as explained below:

a) **Teachers strike**

This slowed down the training process particularly in the month of September 2016 reducing the number of students that we had planned to reach.

b) **Fundraising**

Ujamaa is actively fundraising in a very competitive environment and though there have been a few promising leads, this process has not been easy with many negative responses received.

c) **Weather and insecurity**

There is insecurity and poor infrastructure such as roads in the areas we operate which makes it impossible to navigate in case of unfavourable weather conditions such as rain. These pose as challenges in service delivery.

RESULTS

The results for the year are set out in the statement of comprehensive income on page 8.

DIRECTORS

The names of the directors who served during the year ended 31st December 2016 are set out on page 1.

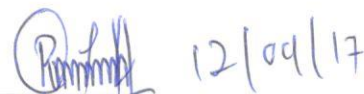
INDEPENDENT AUDITORS

The auditors, KKCO East Africa, Certified Public Accountants, have expressed their willingness to continue in office in accordance with the Non-Governmental Organizations Co-ordinations (NGO) Act.

Nairobi



By Order of the Board



Managing Director/Secretary

UJAMAA NA WATOTO WENYE HAKI INITIATIVE

Statement of Directors' Responsibilities

The NGO Act requires the directors to prepare financial statements for each financial year, which give a true and fair view of the state of affairs of the organization as at the end of the financial year and of its operating results for that year. The directors are also required to ensure that the organization maintains proper accounting records, which disclose with reasonable accuracy the financial position of the organization. They are also responsible for safeguarding the assets of the organization.

The directors accept responsibility for the preparation and fair presentation of financial statements that are free from material misstatement whether due to fraud or error. They also accept responsibility for:-

- i) Designing, implementing and maintaining internal control relevant to the preparation and fair presentation of the financial statements;
- ii) Selecting and applying appropriate accounting policies; and
- iii) Making accounting estimates and judgements that are reasonable in the circumstances.

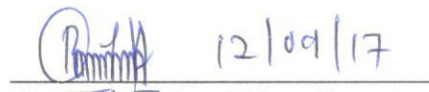
The directors are of the opinion that the financial statements give a true and fair view of the state of the financial affairs of the organization as at 31st December 2016 and of its transactions for the year then ended in accordance with the International Financial Reporting Standard for Small and Medium-sized Entities and of the NGO Act.

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

Approved by the board of directors on 15-09-2017 and signed on its behalf by:-



Chairman



Chief Executive Officer/Secretary

UJAMAA NA WATOTO WENYE HAKI INITIATIVE

Report of the Independent Auditors

to the Members of Ujamaa Na Watoto Wenye Haki Initiative

Report of the Audit of Financial Statements

Opinion

We have audited the financial statements of **Ujamaa Na Watoto Wenye Haki Initiative** set out on pages 8 to 17, which comprise the statement of financial position as at December 31, 2016, and the statement of comprehensive income, statement of changes in funds and statement of cash flows for the year then ended, and a summary of significant accounting policies and other explanatory notes.

As more fully explained in note 10 and note 12, the loans and savings to the members of Mashinani were not reconciled as at 31st December 2016 resulting to significant unexplained differences. Subject to any adjustments which might have been necessary upon reconciliation of the aforementioned accounts, in our opinion, the financial statements present fairly, in all material respects, the financial position of Ujamaa Na Watoto Wenye Haki Initiative as at December 31, 2016, and its financial performance and cash flows for the year then ended in accordance with International Financial Reporting Standard for Small and Medium-sized Entities and the requirements of the Non-Governmental Organisations Co-ordination Act.

Basis for opinion

We conducted our audit in accordance with International Standards on Auditing. Our responsibilities under those standards are further described in the Auditors' Responsibilities for the Audit of the financial statements section of our report. We are independent of the organisation in accordance with the International Ethics Standards Board for Accountants Code of Ethics for Professional Accountants (Parts A and B) (IESBA Code) and other independence requirements applicable to performing audits of financial statements in Kenya. We have fulfilled our other ethical responsibilities in accordance with the IESBA Code and in accordance with other ethical requirements applicable to performing audits in Kenya. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Other information

The directors are responsible for the other information. The other information comprises the Report of the Directors, which we obtained prior to the date of this report. Other information does not include the financial statements and our auditors' report thereon.

Our opinion on the financial statements does not cover the other information and we do not express an audit opinion or any form of assurance conclusion thereon.

In connection with our audit of the financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the audit, or otherwise appears to be materially misstated. If, based on the work we have performed, we conclude that there is a material misstatement of this other information; we are required to report that fact. We have nothing to report in this regard.

Responsibilities of the directors for the financial statements

The directors are responsible for the preparation and fair presentation of the financial statements in accordance with International Financial Reporting Standard for Small and Medium-sized Entities and the requirements of the NGOs Co-ordination Act and for such internal control as the directors determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

UJAMAA NA WATOTO WENYE HAKI INITIATIVE

Report of the Independent Auditors

to the Members of Ujamaa Na Watoto Wenye Haki Initiative.../(Contd)

In preparing the financial statements, the 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 the directors either intend to liquidate the organization or to cease operations, or have no realistic alternative but to do so.

Auditors' responsibilities for the audit of the financial statements

Our objectives are 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 auditors' report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with International Standards on Auditing 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 users taken on the basis of these financial statements.

As part of an audit in accordance with International Standards on Auditing, we exercise professional judgement and maintain professional skepticism throughout the audit. We 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 our 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 organisation's internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the directors.
- Conclude on the appropriateness of the directors' 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 we conclude that a material uncertainty exists, we are required to draw attention in our auditors' report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditors' 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.

The engagement partner responsible for the audit resulting in this independent auditor's report is CPA Elizabeth Matimu (P. 2088).

Nairobi, Kenya

18 September 2017

KKCO East Africa
KKCO East Africa
Certified Public Accountants of Kenya

UJAMAA NA WATOTO WENYE HAKI INITIATIVE

Statement of Comprehensive Income

for the year ended 31st December 2016

INCOME	Note	<u>2016</u> Kshs	<u>2015</u> Kshs
Grant income	2	62,449,385	44,107,225
Other income	3	<u>2,620</u>	<u>76,854</u>
		<u>62,452,005</u>	<u>44,184,079</u>
 EXPENDITURE			
Staff costs	4	1,910,150	1,861,798
Administrative expenses	5	2,613,776	2,309,012
Establishment expenses	6	2,221,091	4,068,080
Program expenses	7	<u>34,127,328</u>	<u>42,756,961</u>
		40,872,345	50,995,851
Capital expenditure	8	<u>37,500</u>	<u>290,900</u>
Total expenditure		<u>40,909,845</u>	<u>51,286,751</u>
BALANCE FOR THE YEAR C/FWD		Kshs <u>21,542,160</u>	<u>(7,102,673)</u>

UJAMAA NA WATOTO WENYE HAKI INITIATIVE


Statement of Financial Positionas at 31st December 2016

ASSETS	Note	<u>2016</u> Kshs	<u>2015</u> Kshs
Non-current assets			
Property and equipment	8	1,475,422	1,869,572
Intangible asset	9	11,664	23,000
		<u>1,487,086</u>	<u>1,892,572</u>
Current assets			
Accounts receivable	10	8,348,378	8,781,316
Cash and bank balances	11	12,114,630	1,798,568
		<u>20,463,008</u>	<u>10,579,884</u>
Current liabilities			
Payables and accruals	12	6,313,421	17,803,979
Net current assets		<u>14,149,587</u>	<u>(7,224,096)</u>
TOTAL ASSETS	Kshs	<u>15,636,673</u>	<u>(5,331,524)</u>
FUNDS			
Capital fund		1,487,086	1,892,572
Accumulated reserves		14,149,587	(7,224,095)
TOTAL FUNDS	Kshs	<u>15,636,673</u>	<u>(5,331,523)</u>

The financial statements on pages 8 to 17 were approved by the board of directors on 15-09-2017 and signed on their behalf by:



Chairman

 12/09/17

Chief Executive Officer/Secretary

UJAMAA NA WATOTO WENYE HAKI INITIATIVE

Statement of Changes in Funds

as at 31st December 2016

	Capital Fund Kshs	Accumul- lated Reserve Kshs	Total Kshs
At 1 January 2015	2,061,829	6,227,432	8,289,261
Fixed assets additions	290,900	-	290,900
Intangible assets addition	34,000	(34,000)	-
Depreciation	(427,807)	-	(427,807)
Amortisation	(66,350)	-	(66,350)
Balance for the year	<u>-</u>	<u>(7,102,673)</u>	<u>(7,102,673)</u>
As previously stated	Kshs 1,892,572	(909,241)	983,331
Funds received as loan re-allocated (Note 13)	<u>-</u>	<u>(6,314,854)</u>	<u>(6,314,854)</u>
AT 31 DECEMBER 2015	<u>1,892,572</u>	<u>(7,224,095)</u>	<u>(5,331,523)</u>
At 1 January 2016	1,892,572	(7,224,095)	(5,331,523)
Revaluation	(563,634)	(168,479)	(732,113)
Fixed assets additions	37,500	-	37,500
Depreciation	131,984	-	131,984
Amortisation	(11,336)	-	(11,336)
Balance for the year	<u>-</u>	<u>21,542,160</u>	<u>21,542,160</u>
AT 31 DECEMBER 2016	Kshs <u>1,487,086</u>	<u>14,149,587</u>	<u>15,636,673</u>

UJAMAA NA WATOTO WENYE HAKI INITIATIVE

Cash Flow Statement

for the year ended 31st December 2016

CASH FLOWS GENERATED FROM / (USED IN) OPERATING ACTIVITIES	<u>2016</u> Kshs	<u>2015</u> Kshs
Balance for the year	21,542,160	(7,102,673)
Adjustments for:		
Prior year adjustment	(168,477)	-
Capital expenditure	37,500	290,900
Changes in operating assets and liabilities		
Decrease / (increase) in receivables and prepayments	432,937	(2,503,765)
(Decrease)/ increase in payables	<u>(11,490,558)</u>	<u>9,635,586</u>
Cash flows generated from operations	<u>10,353,562</u>	<u>320,049</u>
CASH FLOWS USED IN INVESTING ACTIVITIES		
Purchase of equipment and furniture	<u>(37,500)</u>	<u>(324,900)</u>
Cash flows used in investing activities	<u>(37,500)</u>	<u>(324,900)</u>
NET INCREASE / (DECREASE) IN CASH AND CASH EQUIVALENTS	10,316,062	(4,851)
Balance at beginning of the year	<u>1,798,568</u>	<u>1,803,419</u>
CASH AND CASH EQUIVALENTS AT END OF THE YEAR (Note 11)	Kshs <u><u>12,114,630</u></u>	<u><u>1,798,568</u></u>

UJAMAA NA WATOTO WENYE HAKI INITIATIVE

Notes to the Financial Statements

for the year ended 31st December 2016

1.0 ACCOUNTING POLICIES

The principal accounting policies adopted in the preparation of these financial statements are set out below. These policies have been consistently applied to all years presented, unless otherwise stated.

1.1 Basis of preparation

These financial statements have been prepared on a going concern basis and in compliance with the International Financial Reporting Standard for Small and Medium-sized Entities (IFRS for SMEs) issued by the International Accounting Standards Board. The measurement basis used is the historical cost basis except where otherwise stated in the accounting policies below.

1.2 Revenue recognition

Grants, remittances, interest on loans and other income are credited into the respective accounts upon receipt.

1.3 Property and equipment

Items of property and equipment, are measured at cost less accumulated depreciation and any accumulated impairment losses.

Depreciation is charged so as to allocate the cost of assets less their residual value over their estimated useful lives, using the reducing balance method. The following annual rates are used for the depreciation of property and equipment:

Computers	30%
Furniture and fittings	12.5%
Equipment	12.5%

If there is an indication that there has been a significant change in depreciation rate, useful life or residual value of an asset, the depreciation of that asset is revised prospectively to reflect the new expectations.

On disposal, the difference between the net disposal proceeds and the carrying amount of the item is recognised in the statement of comprehensive income.

1.4 Capital expenditure

The cost of additional fixed assets is expensed in the year of purchase. A capital fund is created to represent the organization's equity held in fixed assets.

UJAMAA NA WATOTO WENYE HAKI INITIATIVE

Notes to the Financial Statements

for the year ended 31st December 2016.../(Contd)

1.5 Receivables

Receivables are stated at their nominal value as reduced by appropriate allowance for estimated irrecoverable amount. An estimate is made for doubtful receivables based on a review of all outstanding amounts at the year end. Bad debts are written off after all efforts of recovery have been exhausted.

1.6 Payables

Payables are recognized at fair values.

1.7 Cash and cash equivalents

For the purpose of the cash flow statement, cash and cash equivalents comprise cash in hand and deposits held at call with bank.

1.8 Translation of foreign currencies

All transactions in foreign currencies are initially recorded in Kenya Shillings using the spot rate at the date of the transaction. Foreign currency monetary items at the balance sheet date are translated using the closing rate. All exchange differences arising on settlement or translation are recognized in statement of comprehensive income.

1.9 Comparatives

Where necessary, comparative figures have been adjusted to conform with changes in presentation in the current year.

2.0 PROGRAM FUNDING	<u>2016</u>	<u>2015</u>
	Kshs	Kshs
CADAID	4,602,003	7,479,302
UKAID	38,561,128	8,599,206
NOVO	5,997,500	-
Rutgers	4,605,479	-
Haki Imetimizwa	456,000	-
Ujamaa	<u>8,227,276</u>	<u>28,028,717</u>
	Kshs <u>62,449,385</u>	<u>44,107,225</u>
3.0 OTHER INCOME	Kshs	Kshs
Interest income	-	21,254
Processing fee (i)	<u>2,620</u>	<u>55,600</u>
	Kshs <u>2,620</u>	<u>76,854</u>

(i) Processing fee relates to the charges incurred for processing Ujamaa micro loans.

UJAMAA NA WATOTO WENYE HAKI INITIATIVE

Notes to the Financial Statements

for the year ended 31st December 2016.../(Contd)

	<u>2016</u>	<u>2015</u>
	Kshs	Kshs
4.0 STAFF COSTS		
Staff salaries	1,910,150	1,661,798
Staff development	-	200,000
	<u>1,910,150</u>	<u>1,861,798</u>
	Kshs	Kshs
5.0 ADMINISTRATION EXPENSES		
Legal and professional fees	-	100,000
Office supplies	405,425	416,873
Printing and stationery	371,939	148,458
Telephone and postage	511,982	317,200
Bank charges	188,185	225,734
Travelling and entertainment	185,146	154,887
Internet expenses	472,333	559,560
Audit fees	300,000	300,000
Other utilities	178,766	86,301
	<u>2,613,776</u>	<u>2,309,012</u>
	Kshs	Kshs
6.0 ESTABLISHMENT EXPENSES		
Rent - administration office	831,000	898,675
Rent - programme offices	1,140,000	2,696,025
Repairs and maintenance	223,490	386,497
Electricity	26,601	86,883
	<u>2,221,091</u>	<u>4,068,080</u>
	Kshs	Kshs
7.0 PROGRAMME EXPENSES		
Salaries and wages for NMN instructors	28,123,654	34,966,200
Production and distribution of NMN training materials	208,870	2,493,027
Travelling expenses	2,505,933	2,663,398
Consultancy, training curriculum development	2,084,226	1,172,455
Programme utilities	1,204,645	1,461,881
	<u>34,127,328</u>	<u>42,756,961</u>
	Kshs	Kshs

UJAMAA NA WATOTO WENYE HAKI INITIATIVE

Notes to the financial Statementsfor the year ended 31st December 2016

8.0 PROPERTY AND EQUIPMENT

	<u>Computers</u>	<u>Furniture & fittings</u>	<u>Equipment</u>	<u>Total</u>
COST OR VALUATION	Kshs	Kshs	Kshs	Kshs
At 1 January 2016	1,730,980	1,206,204	1,120,295	4,057,479
Revaluation (i)	263,820	(544,469)	(282,985)	(563,634)
Additions	37,500	-	-	37,500
	<u>2,032,300</u>	<u>661,735</u>	<u>837,310</u>	<u>3,531,345</u>
DEPRECIATION				
At 1 January 2016	1,168,447	506,984	512,476	2,187,907
Revaluation (i)	(134)	(325,773)	(174,668)	(500,575)
Charge for the year	252,634	44,600	71,357	368,591
	<u>1,420,947</u>	<u>225,811</u>	<u>409,165</u>	<u>2,055,923</u>
NET BOOK VALUE				
At 31 December 2016	Kshs <u>611,353</u>	<u>435,924</u>	<u>428,145</u>	<u>1,475,422</u>
At 31 December 2015	Kshs <u>562,533</u>	<u>699,220</u>	<u>607,819</u>	<u>1,869,572</u>

(i) The revaluation of the assets was approved by the management.

9.0 INTANGIBLE ASSETS	<u>2016</u>	<u>2015</u>
COST OR VALUATION	Kshs	Kshs
At 1 January	310,756	276,756
Additions	-	34,000
	<u>310,756</u>	<u>310,756</u>
AMORTIZATION		
At 1 January	287,756	221,406
Amortization for the year	11,336	66,350
	<u>299,092</u>	<u>287,756</u>
NET BOOK VALUE		
At 31 December 2016	Kshs <u>11,664</u>	<u>23,000</u>

UJAMAA NA WATOTO WENYE HAKI INITIATIVE

Notes to the financial Statements

for the year ended 31st December 2016

10.0 ACCOUNTS RECEIVABLE	<u>2016</u>	<u>2015</u>
	Kshs	Kshs
Due from Ujamaa Pamodzi Africa	1,478,868	893,395
Deposits and prepayments	-	51,000
Grant receivable CADAID	-	3,400,129
Loans to members (i)	5,258,029	4,436,792
Amounts due from Jake	1,475,334	-
Staff advances	136,147	-
	<hr/>	<hr/>
AT 31 DECEMBER	Kshs <u>8,348,378</u>	<u>8,781,316</u>

(i) The loan to members represent the loans given to Mashinani Members and had not been reconciled at the time of the audit.

11.0 CASH AND BANK BALANCES	<u>2016</u>	<u>2015</u>
	Kshs	Kshs
Cash in hand	-	384,397
Equity Bank Kshs	5,597,637	1,402,692
Equity Bank USD	6,471,407	5,037
Equity Bank GBP	14,981	6,442
Mpesa	30,605	-
	<hr/>	<hr/>
	Kshs <u>12,114,630</u>	<u>1,798,568</u>

12.0 PAYABLES AND ACCRUALS	Kshs	Kshs
Accounts payable	450,000	300,000
Payroll liabilities	503,005	2,519,391
Sacco deductions	1,029,230	5,658,177
Member savings (i)	3,013,611	2,991,437
Amounts due to Jake	1,317,575	6,334,974
	<hr/>	<hr/>
	Kshs <u>6,313,421</u>	<u>17,803,979</u>

(i) The member savings represent the savings from the Mashinani Members and had not been reconciled at the time of the audit by Kshs 1,075,554.

UJAMAA NA WATOTO WENYE HAKI INITIATIVE

Notes to the Financial Statements

for the year ended 31st December 2016

13.0 PRIOR YEAR ADJUSTMENT

The restatement of previous year financial statements was as a result of relocation of funds received from Jake as loans but were recognized as income in 2015. This error has been corrected by restating each of the affected financial statement line items for prior year. The following table summarises the impact on the organization's financial statements:-

Statement of comprehensive income

	<u>As previously reported</u>	<u>Adjustment</u>	<u>As restated</u>
Total income	44,184,079	(6,314,854)	37,869,225
Total expenses	<u>(51,286,751)</u>	-	<u>(51,286,751)</u>
Defecit for the year	Kshs (7,102,672)	(6,314,854)	(13,417,526)

Statement of financial position

	<u>As previously reported</u>	<u>Adjustment</u>	<u>As restated</u>
Assets			
Non current assets	1,892,572	-	1,892,572
Current assets	<u>10,579,884</u>	-	<u>10,579,884</u>
Total assets	Kshs 12,472,456	-	12,472,456
Funds and liabilities			
Capital fund	1,892,572		1,892,572
Accumulated reserves	(909,241)	(6,314,854)	(7,224,095)
Current liabilities	<u>11,489,125</u>	<u>6,314,854</u>	<u>17,803,979</u>
Total funds and liabilities	Kshs 12,472,456	-	12,472,456

14.0 REGISTRATION

Ujamaa na Watoto Wenye Haki Initiative was registered on 31st March 2011, under The Non-Governmental Organizations Co-ordinations (NGO) Act.

15.0 TAXATION

No provision for corporate taxation has been made in these financial statements. The organisation qualifies for exemption from Kenyan corporate tax under the provisions of Paragraph 10 of the First Schedule of Income Tax Act, Cap 470 (Laws of Kenya). Further, grants and donations are not subject to taxation in Kenya.

16.0 CURRENCY

These financial statements are presented in Kenya Shillings (Kshs).

**UJAMAA NA WATOTO WENYE HAKI INITIATIVE
GESD AND YMOT PROGRAM**

**Detailed Statement of Comprehensive Income
for the year ended 31st December 2016**

INCOME	<u>2016</u>	<u>2015</u>
	Kshs	Kshs
Grant from CADAID	4,602,003	7,479,302
Interest income	-	2,110
	<u>4,602,003</u>	<u>7,481,412</u>
 EXPENDITURE		
Staff costs	3,279,000	5,563,300
Meeting, travel and entertainment	424,695	562,841
Rent	402,000	257,250
Supplies	178,257	744,484
Telephone and internet expenses	47,400	84,769
Utilities	29,391	68,778
Bank charges	22,759	-
Professional expenses	12,420	30,000
Repairs and maintenance	11,770	330,041
NGO expenses	4,140	16,120
Total expenditure	<u>4,411,832</u>	<u>7,657,583</u>
 BALANCE FOR THE YEAR	 190,171	 (176,171)
Balance b/forward	<u>(176,171)</u>	<u>-</u>
 BALANCE C/FORWARD	 Kshs <u><u>14,000</u></u>	 <u><u>(176,171)</u></u>

UJAMAA NA WATOTO WENYE HAKI INITIATIVE

WHAT WORKS FOR VAWG

Detailed Statement of Comprehensive Incomefor the year ended 31st December 2016

	<u>2016</u>	<u>2015</u>
	Kshs	Kshs
INCOME		
Grant from UKAID	<u>38,561,128</u>	<u>8,599,206</u>
EXPENDITURE		
Staff costs	21,545,500	14,832,150
Meeting, travel and entertainment	1,620,592	953,502
Staff development	1,390,113	200,000
Rent	1,268,000	1,305,447
Supplies	664,595	793,393
Internet expenses	390,000	501,900
Telephone	382,700	129,250
Repairs and maintenance	165,950	12,550
Professional expenses	72,624	35,100
Bank charges	63,217	1,011
Utilities	62,025	59,424
NGO expenses	<u>23,892</u>	<u>9,365</u>
Total expenditure	<u>27,649,208</u>	<u>18,833,092</u>
BALANCE FOR THE YEAR	10,911,921	(10,233,886)
Balance b/forward	<u>(10,233,886)</u>	<u>-</u>
BALANCE C/FORWARD	Kshs <u><u>678,035</u></u>	<u><u>(10,233,886)</u></u>

UJAMAA NA WATOTO WENYE HAKI INITIATIVE

Detailed Statement of Comprehensive Incomefor the year ended 31st December 2016

	Novo <u>2016</u> Kshs	Rutgers <u>2016</u> Kshs
INCOME		
Grant income	<u>5,997,500</u>	<u>4,605,479</u>
EXPENDITURE		
Staff costs	516,000	429,000
Meeting, travel and entertainment	2,450	107,375
Staff development	-	23,950
Rent	100,000	26,000
Internet expenses	42,000	10,000
Telephone	38,000	6,600
Utilities	<u>84,700</u>	<u>4,870</u>
Total expenditure	<u>783,150</u>	<u>607,795</u>
BALANCE FOR THE YEAR	5,214,350	3,997,684
Balance b/forward	<u>-</u>	<u>-</u>
BALANCE C/FORWARD	<u><u>5,214,350</u></u>	<u><u>3,997,684</u></u>

* - The donors above did not have comparative figures for the year 2015.