

UJAMAA NA WATOTO WENYE HAKI INITIATIVE

AUDITED FINANCIAL STATEMENTS

31ST DECEMBER 2022

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UJAMAA NA WATOTO WENYE HAKI INITIATIVE

BOARD MEMBERS

- : Ada Mwangola Owiti - Board Chair**
- : Michael Jacob Sinclair - Treasurer**
- : Jane Wangithi - Member**
- : Prasede Wanjiru - Member**
- : Benjamin Mboya - Secretary**

REGISTERED OFFICE

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

BANKERS

**: Equity Bank
Kariobangi Branch**

INDEPENDENT AUDITORS

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

UJAMAA NA WATOTO WENYE HAKI INITIATIVE

AIHD - African Institute For Health & Development

CADAID - Canadian Aid

CBO's - Community Based Organizations

CISP - Comitato Internazionale per lo Sviluppo dei Popoli

DFID - Department of International Developments

FGM - Female Genital Mutilation

GBV - Gender Based Violence

GCC - Grand Challenges Canada

IPV - Intimate Partner Violence

JHU - John Hopkins University

MSF - Médecins Sans Frontières (MSF) International

NAYA - Network For Adolescent and Youth of Africa

NGO - Non -Governmental Organization

NMN TRAINING - No Means No Training

NOVO - NOVO Foundation

PSOP - Peace and Stabilization Operations Program

UKAID - United Kingdom Aid

UNICEF - United Nations Children's Fund

VAWG - Violence Against Women And Girls

UJAMAA NA WATOTO WENYE HAKI INITIATIVE

Report of the Board

to the Members of Ujamaa na Watoto Wenye Haki Initiative

The Board has pleasure in presenting their report together with the audited financial statements for the year ended 31st December 2022.

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 micro-loan services to victims of Intimate Partner Violence (IPV).

In Kenya Ujamaa delivers its interventions in Nairobi's 5 largest slums. 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 by half.

The program dubbed Empowerment Transformation Training (ETT) is a successful and rigorously tested rape prevention approach that 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. Ujamaa works in close partnerships with local authorities and stakeholders in the communities they work, including the Ministry of Education, Ministry of Health, Area Chiefs and Elders, CBOs, Mosques, Churches and International NGOs including MSF, Amnesty International, Terres des Hommes, UN Women, UNICEF, Plan International and Action Aid.

Over the last 10 years Ujamaa-Africa has implemented the 6-week, 12-hour ETT program in hundreds of Nairobi upper primary and secondary schools. During this time, Ujamaa-Africa and its partners have relied on a process of interactive learning, making continuous, incremental adjustments to curriculum, staffing and implementation models in direct response to the political and operational realities of the communities.

Ujamaa has forged research partnerships with academic institutions to objectively evaluate the programs efficacy. It is working with John Hopkins University, Stanford, USIU and The University of Nairobi. These partnerships give the benefit of high-level research and have led to the publication of two articles in peer-reviewed medical journals. From 2012 to date, Ujamaa managed to train girls and boys in over 400 primary schools and 290 secondary schools from Nairobi's informal settlements.

2022 was a year marked with great promise for us, it was the year we saw the launch scale-up of our sustainability model for ETT to six counties in Kenya. Having leveraged on the existing resources in the Kenyan school system through cadre of Teacher Champions to roll out ETT in schools and in partnership with the Ministry of Education and Teachers Service Commission, we were able to operationalize and roll out the ETT program to six counties namely Nairobi, Kajiado, Nakuru, Migori, Kiambu and Machakos County.

UJAMAA NA WATOTO WENYE HAKI INITIATIVE

Report of the Board

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

With the aim of preventing violence against women and children, Ujamaa Africa, a Kenyan NGO officially known as Ujamaa na Watoto Wenye Haki was registered as a National NGO in Kenya in March 2011. It has since operated as a fully-fledged NGO with various interventions and has its operations in Kenya, Malawi and Somalia.

MAIN ACTIVITIES IN 2022

Grand Challenges Canada (GCC) Scale Up Program

Under the Scale up project, Ujamaa rolled out and operationalized its ETT program to additional four counties i.e. Migori, Kiambu, Machakos and Nakuru Counties.

This saw the establishment of training of MOE Teacher Champions through the Teachers Service Commission (TSC) and Beacon Teachers Program in these additional 4 counties and the continuation of training of the Teacher Champions in Nairobi and Kajiado Counties. Over the project period, Ujamaa successfully trained 184 Teacher Champions as ETT instructors, as well as select groups of student leaders to act as Teacher Assistants. Key Outcomes realized from the project were;

- a) We successfully set up an oversight committee at the national level that would ensure that the implementation committees at the county level to deliver. At the national level, Ujamaa is part of this committee allowing us to help advise and provide technical support as we strengthen the functioning of this committee. We worked with this team to fine-tune and plan our oversight activities.
- b) A total of 184 teacher Champions (Male-80, Female-104) in the 6 counties received ETT training. The teachers' training involved two different phases: The first part was the training and observation phase, which was mainly guided by the Ujamaa trainers, TSC's Curriculum Support Officers, and some of the TOT champion teachers. The second stage was teaching practice and teach-back sessions.
- c) Refresher training and continuous support were offered by Ujamaa trainers. This evidently led to a positive impact on the teacher's performance. Through the continuous monitoring of the program delivery and impact, we noted changes in perceptions and positive attitudes specifically on teachers' views on Gender-Based Violence. Additionally, teachers have also reported improvement in their class management skills and facilitation skills.
- d) In Nairobi and Kajiado counties, a total of 23 TOT champion teachers participated in the Trainer of Trainer training and the teach-back sessions alongside Ujamaa master trainers. The main objective of these sessions was to evaluate their effectiveness in delivering the training sessions, their level of subject expertise, and their ability to engage and motivate trainees (Teacher Champions). Through the assistance of the Ujamaa master trainers, the TOT champion teachers demonstrated improved facilitation skills and are able to effectively engage trainees during the sessions and have developed a deep understanding of the key components of the Empowerment Transformation Training intervention. These TOTs are the best of the best selected from previously trained teacher champions trained in the year 2021. They will be supporting the training of new teacher Champions as a sustainability measure beyond Ujamaa's involvement

UJAMAA NA WATOTO WENYE HAKI INITIATIVE

Report of the Board

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

- e) From the feedback surveys conducted after each training and teach-back session, it was evident that the TOTs' found the mentorship sessions helpful in improving their facilitation skills and knowledge of the ETT intervention. Overall, the trainers of trainers performed well and contributed greatly to the success of scaling up the ETT intervention. It is important to continue offering mentorship and invest in their development to ensure that they continue to deliver high-quality training sessions.

We also in the same period received leverage funding from three partners namely; Winfred Stevens Foundation, Weyerhaeuser Family Foundation, and Arcadia Foundation.

MyPlan App Kenya- Ujamaa Mashinani

Intimate partner violence (IPV) threatens women's health and safety globally. In Kenya, an estimated 39% of ever-married women have experienced physical or sexual IPV. Enabling social norms include male-dominated decision-making and authority within relationships, as well as IPV tolerance that challenges women's ability to seek help and identify abusive experiences. While a comprehensive approach to IPV requires addressing perpetration, sustained needs remain for supporting IPV survivors, particularly in high-prevalence settings such as areas Ujamaa Africa operates in.

Safety planning for harm reduction has been identified as one of the most widely recommended interventions for IPV prevention and response.

In light of this, Ujamaa Africa and John Hopkins University developed a safety planning decision app; MyPlan, an interactive, personalized tool for survivors. Content is delivered via a secure app, developed by Johns Hopkins University (www.myplanapp.org). MyPlan provides healthy relationship education, and solicits information about a current intimate relationship, including risk of severe and lethal violence, reproductive coercion and safety priorities to prompt risk recognition and generate safety strategies and referrals tailored to women's priorities. The myPlan safety decision and planning intervention was adapted to the context of Nairobi, Kenya through an extensive community-partnered formative process.

In 2022, we successfully supported John Hopkins University in conducting community engagement meetings to determine the best way forward on scaling up MyPlan app intervention in Kenya. We reached out to health facilities, NGOs, CBOs, Schools, and Chiefs within the larger Nairobi County for their input and also how the MyPlan Kenya app can be introduced into their workflow and be able to disseminate it to the end users who are the survivors.

We registered several disseminators in the system and they have consequently enrolled several survivors too. We also undertook a study to evaluate effectiveness of the MyPlan app toolkit through disseminators, implementation and maintenance of the tool in both formal and informal sectors. We hope to enroll 400 disseminators, and 400 survivors to the study. In the study, MyPlan Kenya App and the toolkit was disseminated through two distinct types the formal and the informal sectors. These networks are tasked with IPV response.

The study takes 1 year, qualitative data on outcomes was collected at 6 month intervals for baseline data and a 12 month follow-up done with registered organizations and cohort of women referred to the app.

UJAMAA NA WATOTO WENYE HAKI INITIATIVE

Report of the Board

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

MAIN CHALLENGES IN 2022

General Elections 2022; Elections in Kenya are usually held in public schools. This leads to a disruption of the normal school programming and consequentially our programming in these schools. Ujamaa however managed to mitigate this challenge by intensifying our training schedule and activities before the elections break. We taught more teachers than we had originally planned (before the election break) to make up for the loss of time during the break.

Change in the school year calendar; Effects of the Covid pandemic were still felt specifically on the school calendar; were made shorter and this affected availability of the teachers and students. To mitigate this, Ujamaa in agreement with the TSC leadership conducted the ETT trainings during the school holidays and selected weekends mutually agreed upon with the teachers.

RESULTS

The results for the year are set out in the statement of comprehensive income on page 11.

IMPACT OF COVID-19 ON THE ORGANIZATION'S SUSTAINABILITY

In March 2020, the World Health Organization declared a global pandemic due to the emergence of COVID-19. Since then, the situation has been constantly evolving leading to multiple impacts on local, national and global economies. In Kenya, the containment measures (partial lockdown) were introduced on 15th March 2020 following the announcement of the first case. The pandemic has had an impact on the organization's financial statements as a result of travel restrictions, disrupted school calendar, restrictions to gatherings and other business interruptions.

The Board has been closely monitoring the situation and responding to ensure the organization is sustainable during and after the pandemic.

BOARD

The names of the Board members who served during the year ended 31st December 2021 are set out on page 1.

INDEPENDENT AUDITORS

The auditors, KKCO East Africa LLP, Certified Public Accountants, have expressed their willingness to continue in office.

Nairobi

By Order of the Board

Benjamin Omondi Mboya



Managing Director/Secretary

UJAMAA NA WATOTO WENYE HAKI INITIATIVE

Statement of Board's Responsibilities

The Board is required to prepare financial statements for each financial year, which give a true and fair view of the financial position of the organization as at the end of the financial year and of its surplus and deficit for that year. The directors are also required to ensure that the organization keeps proper accounting records that: (a) show and explain the transactions of the organization (b) disclose, with reasonable accuracy, the financial position of the organization; and (c) enable the organization to ensure that every financial statement required to be prepared complies with the requirements of the NGOs Co-ordination Act.

The Board accepts responsibility for the preparation and presentation of these financial statements in accordance with the International Financial Reporting Standard for Small and Medium-sized Entities and in the manner required by the NGOs Co-ordination Act. They also accept responsibility for:

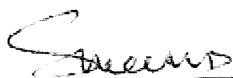
- i) Designing, implementing and maintaining internal control relevant to the preparation and fair presentation of the financial statements;
- ii) Selecting and applying appropriate accounting policies; and
- iii) Making accounting estimates and judgements that are reasonable in the circumstances.

The Board is 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 2022 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 NGOs Co-ordination Act.

Having made an assesment of the organization's ability to continue as a going concern, the directors are not aware of any material uncertainties related to events or conditions that may cast doubt upon the organization's ability to continue as a going concern.

The Board acknowledges that the independent audit of the financial statements does not relieve the Board of its responsibilities.

Approved by the Board on 20/04/2023 and signed on its behalf by:-



Chairman



Chief Executive Officer/Secretary



KKCO

KKCO East Africa LLP
Certified Public Accountants

Report of the Independent Auditors

to the Members of Ujamaa Na Watoto Wenye Haki Initiative
on the financial statements for the year ended December 31, 2022

Opinion

We have audited the financial statements of **Ujamaa Na Watoto Wenye Haki Initiative** set out on pages 12 to 22, which comprise the statement of financial position as at December 31, 2022, 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.

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, 2022 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 Board is responsible for the other information. The other information comprises the Report of the Board, 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.

Independent Member Firm of



A worldwide association of independent accounting firms
and business advisers (www.dfk.com).

Report of the Independent Auditors

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

Responsibilities of the Board for the financial statements

The Board is 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 Board determines 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, the Board is 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 Board 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 Board.
- Conclude on the appropriateness of the Board'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 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.

Report of the Independent Auditors

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

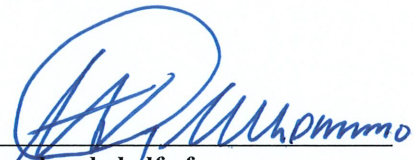
- Evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

We 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 we identify during our audit.

The engagement partner responsible for the audit resulting in this independent auditors' report is CPA Joshua Gachomo, Practising Certificate Number 2472 and Member Number 10632.

Nairobi, Kenya

20/4/2023



For and on behalf of
KKCO East Africa LLP
Certified Public Accountants of Kenya

UJAMAA NA WATOTO WENYE HAKI INITIATIVE

Statement of Comprehensive Incomefor the year ended 31st December 2022

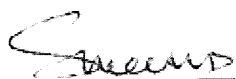
INCOME	Note	<u>2022</u> Kshs	<u>2021</u> Kshs
Grant income	2	92,927,414	47,849,772
Other income	3	700	1,337,116
		<u>92,928,114</u>	<u>49,186,888</u>
 EXPENDITURE			
Staff costs	4	10,681,874	7,519,601
Administrative expenses	5	3,857,281	11,367,749
Establishment expenses	6	3,760,280	3,152,600
Program expenses	7	48,042,473	37,077,339
		66,341,908	59,117,289
Capital expenditure	9	234,000	40,000
Total expenditure		<u>66,575,908</u>	<u>59,157,289</u>
BALANCE FOR THE YEAR C/FWD		<u>26,352,206</u>	<u>(9,970,400)</u>

UJAMAA NA WATOTO WENYE HAKI INITIATIVE

Statement of Financial Positionas at 31st December 2022

ASSETS	Note	<u>2022</u> Kshs	<u>2021</u> Kshs
Non-current assets			
Property and equipment	8	2,272,261	2,648,845
Intangible asset	9	<u>436,657</u>	<u>545,822</u>
		<u>2,708,918</u>	<u>3,194,667</u>
Current assets			
Accounts receivable	10	3,680,643	3,414,338
Cash and bank balances	11	<u>33,785,012</u>	<u>1,558,636</u>
		<u>37,465,655</u>	<u>4,972,974</u>
TOTAL ASSETS		<u>40,174,573</u>	<u>8,167,641</u>
FUNDS			
Capital fund		2,708,919	3,194,667
Accumulated reserves		<u>13,687,284</u>	<u>(13,384,669)</u>
		<u>16,396,203</u>	<u>(10,190,002)</u>
Current liabilities			
Payables and accruals	12	<u>23,778,370</u>	<u>18,357,643</u>
TOTAL FUNDS AND LIABILITIES		<u>40,174,573</u>	<u>8,167,641</u>

The financial statements on pages 11 to 21 were approved by the board on
20/04/2023 and signed on its behalf by:



Chairman



Chief Executive Officer/Secretary

UJAMAA NA WATOTO WENYE HAKI INITIATIVE

Statement of Changes in Fundsas at 31st December 2022

	<u>Capital Fund Kshs</u>	<u>Accumulated Reserve Kshs</u>	<u>Total Kshs</u>
At 1 January 2021	4,034,066	(5,689,831)	(1,655,765)
Prior year adjustments(i)	-	1,396,163	1,396,163
Fixed assets additions	40,000	-	40,000
Depreciation	(742,943)	742,943	-
Amortisation	(136,455)	136,455	-
Balance for the year	-	(9,970,400)	(9,970,400)
AT 31 DECEMBER 2021	<u>3,194,667</u>	<u>(13,384,670)</u>	<u>(10,190,002)</u>

	<u>Amount Kshs</u>
(i) Prior year adjustment relates to the following :-	
2016 Advance PAYE payment write off	793,088
2018 Soma Loan Balances correction	599,875
2018 Correction of Soma savings balances	3,200
	<u>1,396,163</u>

	<u>Capital Fund Kshs</u>	<u>Accumulated Reserve Kshs</u>	<u>Total Kshs</u>
At 1 January 2022	3,194,667	(13,384,670)	(10,190,003)
Fixed assets additions	234,000	-	234,000
Depreciation	(610,584)	610,584	-
Amortisation	(109,164)	109,164	-
Balance for the year	-	26,352,206	26,352,206
	<u>2,708,919</u>	<u>13,687,284</u>	<u>16,396,203</u>

UJAMAA NA WATOTO WENYE HAKI INITIATIVE

Cash Flow Statementfor the year ended 31st December 2022

CASH FLOWS (USED IN)/GENERATED FROM OPERATING ACTIVITIES	<u>2022</u> Kshs	<u>2021</u> Kshs
Balance for the year	26,352,206	(9,970,400)
Adjustments for:		
Depreciation and amortisation	719,750	879,399
Capital expenditure	234,000	40,000
Prior year adjustments	-	1,396,163
Changes in operating assets and liabilities		
Decrease/(Increase) in receivables and prepayments	(266,307)	2,334,342
Decrease/Increase in payables	5,420,727	(4,514,034)
Cash flows (used in)generated from operations	<u>32,460,376</u>	<u>(9,834,530)</u>
CASH FLOWS USED IN INVESTING ACTIVITIES		
Purchase of equipment and furniture	(234,000)	(40,000)
Cash flows used in investing activities	<u>(234,000)</u>	<u>(40,000)</u>
NET (DECREASE)/INCREASE IN CASH AND CASH EQUIVALENTS	32,226,376	(9,874,530)
Balance at beginning of the year	1,558,636	11,433,166
CASH AND CASH EQUIVALENTS AT END OF THE YEAR (Note 11)	<u>33,785,012</u>	<u>1,558,636</u>

UJAMAA NA WATOTO WENYE HAKI INITIATIVE

Notes to the Financial Statements

for the year ended 31st December 2022

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	12.50%
Equipment	12.50%
Intangible assets	20%

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.

1.5 Receivables

Receivables are stated at their nominal value and 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.

UJAMAA NA WATOTO WENYE HAKI INITIATIVE

Notes to the Financial Statements

for the year ended 31st December 2022.../(Contd)

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 CRITICAL ACCOUNTING ESTIMATES AND JUDGEMENTS

Estimates and judgements are continually evaluated and are based on historical experience and other factors, including experience of future events that are believed to be reasonable under the circumstances.

- i) Critical estimates are made by the organization in determining depreciation rates for property and equipment. The rates used are as set out in Note 1.3.
- ii) In the process of applying the organization's accounting policies, Board has made judgements in determining:-
 - a) Depreciation rates for property and equipment. The rates are as set out in note 1.3 above.
 - b) The classification of financial assets and leases.
 - c) Whether assets are impaired.

3 FINANCIAL RISKS MANAGEMENT OBJECTIVES AND POLICIES

The organization's activities expose it to a variety of financial risks. These include: Market risk (foreign exchange risk and interest risk), credit risk and liquidity risk. The Board's overall risk management programme focuses on the unpredictability of changes in operating environment and seeks to minimise potential adverse effects of such risks on its financial performance by setting acceptable levels of risks.

Risk management is carried out by the management under policies approved by the Board.

UJAMAA NA WATOTO WENYE HAKI INITIATIVE

Notes to the Financial Statements

for the year ended 31st December 2022 (Continued)

a) Market risk

Market risk is the risk that changes in market prices, such as interest rate, equity prices, and foreign exchange rates which will affect the organization's income or value of its holdings of financial instruments. The objective of market risk management is to manage and control market risk exposures within acceptable parameters.

i) Foreign exchange risk

The organization is not exposed to any significant foreign exchange risk.

b) Credit risk

The organization's credit risk arises from cash and cash equivalents, derivative financial instruments and deposits with banks and financial institutions, as well as credit exposures to customers, including outstanding receivable.

The utilisation of the credit limits is regularly monitored. No credit limits were exceeded during the reporting period, and management does not expect any losses from non-performance by the counterparts.

None of the financial assets that are fully performing has been renegotiated during the period.

Exposure to risk has been quantified in each financial asset note in the financial statements along with any concentration of risk.

The amount that best represents the organization's maximum exposure to credit risk at 31st December 2021 is made up as follows:-

	<u>2022</u>	<u>2021</u>
	Kshs	Kshs
Receivables and prepayments	3,680,643	3,414,338
Cash and cash equivalents	<u>33,785,012</u>	<u>1,558,636</u>
	<u><u>37,465,655</u></u>	<u><u>4,972,974</u></u>

c) Liquidity risk

The responsibility for liquidity risk management rests with the Board, who have built an appropriate liquidity risk management framework for the management of the NGO's short, medium and long term funding and liquidity management requirements. The organization manages liquidity risk by maintaining enough required funds for its operation through continuous monitoring of forecast and actual cash flows.

The table below provides a contractual analysis of the organization's financial liabilities :-

	<u>2022</u>	<u>2021</u>
	Kshs	Kshs
Total financial liabilities	<u><u>23,778,370</u></u>	<u><u>18,357,643</u></u>

UJAMAA NA WATOTO WENYE HAKI INITIATIVE

Notes to the Financial Statementsfor the year ended 31st December 2022.../(Contd)

	<u>2022</u>	<u>2021</u>
	Kshs	Kshs
2.0 PROGRAM FUNDING		
Winifred Stevens	4,843,758	10,997,140
JAKE	-	10,405,000
JHU	12,394,839	8,144,040
PSOP	-	6,936,640
GCC Empowerment	34,156,228	5,675,847
UNICEF	5,125,957	2,950,558
AMREF Kenya	-	2,004,149
Victoria Porter	506,460	964,100
GCC Mashinani	-	(247,702)
Other	-	20,000
Mulago Foundation	31,043,813	-
Ujamaa	4,856,359	-
	<u>92,927,414</u>	<u>47,849,772</u>
3.0 OTHER INCOME	Kshs	Kshs
Foreign exchange	-	1,325,498
Interest income	100	8,158
Other income	600	3,460
	<u>700</u>	<u>1,337,116</u>
4.0 STAFF COSTS	Kshs	Kshs
Staff salaries	7,293,896	6,757,830
Medical insurance	3,139,828	497,421
Pension employer	195,800	212,000
NITA	52,350	52,350
	<u>10,681,874</u>	<u>7,519,601</u>
5.0 ADMINISTRATION EXPENSES	Kshs	Kshs
Professional fees	-	4,521,315
Bad debts written off	-	2,801,938
Other utilities	1,118,407	1,138,035
Telephone and internet expenses	627,844	529,775
Audit fees	506,163	506,163
Printing and stationery	352,404	388,095
Office supplies	85,591	248,566
Travelling and entertainment	61,330	172,142
Bank charges	290,503	138,571
Asset insurance	43,457	43,750
Depreciation and amortization	719,750	879,399
Foreign exchange loss	51,832	-
	<u>3,857,281</u>	<u>11,367,749</u>

UJAMAA NA WATOTO WENYE HAKI INITIATIVE

Notes to the financial Statementsfor the year ended 31st December 2022

	<u>2022</u>	<u>2021</u>		
	Kshs	Kshs		
6.0 ESTABLISHMENT EXPENSES				
Rent - programme offices	2,477,480	2,001,600		
Rent - administration office	1,080,000	1,080,000		
Repairs and maintenance	202,800	71,000		
	<u>3,760,280</u>	<u>3,152,600</u>		
7.0 PROGRAMME EXPENSES	Kshs	Kshs		
Program staff salaries	29,175,584	27,031,318		
Travelling expenses	3,408,529	4,673,828		
Programme utilities	9,160,115	3,565,136		
Volunteer allowances	879,520	1,224,657		
Production and distribution of training materials	4,990,070	582,400		
Donations	428,655	-		
	<u>48,042,473</u>	<u>37,077,339</u>		
8.0 PROPERTY AND EQUIPMENT				
	Computers	Furniture & fittings	Equipment	Total
COST OR VALUATION	Kshs	Kshs	Kshs	Kshs
At 1 January 2022	5,791,900	1,226,639	1,726,585	8,745,124
Additions	154,000	80,000	-	234,000
	<u>5,945,900</u>	<u>1,306,639</u>	<u>1,726,585</u>	<u>8,979,124</u>
DEPRECIATION				
At 1 January 2022	4,516,021	665,170	915,087	6,096,278
Charge for the year	428,964	80,184	101,437	610,584
	<u>4,944,985</u>	<u>745,354</u>	<u>1,016,524</u>	<u>6,706,863</u>
NET BOOK VALUE				
At 31 December 2022	<u>1,000,915</u>	<u>561,285</u>	<u>710,061</u>	<u>2,272,261</u>
NET BOOK VALUE				
At 31 December 2021	<u>1,275,879</u>	<u>561,469</u>	<u>811,498</u>	<u>2,648,846.00</u>
9.0 INTANGIBLE ASSETS				
		<u>2022</u>	<u>2021</u>	
COST OR VALUATION		Kshs	Kshs	
At 1 January		1,595,875	1,555,875	
Additions		-	40,000	
		<u>1,595,875</u>	<u>1,595,875</u>	
AMORTIZATION				
At 1 January		1,050,053	913,598	
Amortization for the year		109,164	136,455	
		<u>1,159,217</u>	<u>1,050,053</u>	
NET BOOK VALUE				
AT 31 DECEMBER		<u>436,658</u>	<u>545,822</u>	

UJAMAA NA WATOTO WENYE HAKI INITIATIVE

Notes to the financial Statementsfor the year ended 31st December 2022

	<u>2022</u>	<u>2021</u>
	Kshs	Kshs
10.0 ACCOUNTS RECEIVABLE		
Loans to members	4,892,490	4,846,245
Less:		
Provision for doubtful debts	<u>(1,585,877)</u>	<u>(1,585,877)</u>
	3,306,613	3,260,368
Unclaimed Deposits	10,230	10,900
Rent Deposit/Prepayment	358,800	24,000
Ujamaa Somalia	-	66,000
Jake Sinclair	-	50,070
Staff Salaries advance	<u>5,000</u>	<u>3,000</u>
AT 31 DECEMBER	<u>3,680,643</u>	<u>3,414,338</u>
11.0 CASH AND BANK BALANCES	Kshs	Kshs
Equity Bank USD	33,545,439	1,458,288
Equity Bank Kshs	196,688	59,142
Equity Bank GBP	7,503	7,503
Equity Canadian dollar	173	1,698
GCC - 0320261931968	2,652	-
Petty cash	-	29,693
Mpesa	<u>32,556</u>	<u>2,312</u>
	<u>33,785,012</u>	<u>1,558,636</u>
12.0 PAYABLES AND ACCRUALS	Kshs	Kshs
Due to CISP	9,136,611	9,196,611
Ujamaa Somalia	5,155,059	3,326,531
Member savings	2,638,421	2,669,607
Jake Sinclair	4,940,000	1,363,740
Sacco deductions	1,189,504	1,199,754
Payroll liabilities	703,085	585,710
Unidentified deposits	<u>15,690</u>	<u>15,690</u>
	<u>23,778,370</u>	<u>18,357,643</u>

UJAMAA NA WATOTO WENYE HAKI INITIATIVE

Notes to the financial Statements

for the year ended 31st December 2022

13.0 REGISTRATION

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

14.0 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.

15.0 EVENTS AFTER REPORTING PERIOD

We draw your attention to the Report of the Board on page 6 regarding the impact of Covid-19 on the sustainability of the organization.

The Board is not aware of any other matters arising after 31 December 2022 that would significantly affect the operations of the company.

16.0 CURRENCY

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

UJAMAA NA WATOTO WENYE HAKI INITIATIVE

WINFRED STEVENS

Detailed Statement of Comprehensive Incomefor the year ended 31st December 2022

	<u>2022</u> Kshs	<u>2021</u> Kshs
INCOME		
Grant income	<u>4,843,758</u>	<u>10,997,140</u>
EXPENDITURE		
Staff costs	7,486,960	11,669,233
Travelling and subsistence	216,043	1,655,854
Program utilities	22,000	843,694
Rent	184,800	706,400
Utilities	204,635	572,817
Training expenses	192,020	528,400
Office supplies	59,040	172,868
NSSF Employer	-	145,800
Telephone and internet expenses	99,236	126,572
Repairs and maintenance	2,650	55,500
Printing and stationery	-	16,500
Volunteer Allowance	460,380	-
Asset Insurance	-	43,750
Total expenditure	<u>8,927,764</u>	<u>16,537,388</u>
BALANCE FOR THE YEAR	<u>(4,084,006)</u>	<u>(5,540,248)</u>
Balance b/forward	<u>4,457,252</u>	<u>9,997,500</u>
BALANCE C/FORWARD	<u><u>373,246</u></u>	<u><u>4,457,252</u></u>

UJAMAA NA WATOTO WENYE HAKI INITIATIVE

JHU

Detailed Statement of Comprehensive Income

for the year ended 31st December 2022

	<u>2022</u> Kshs	<u>2021</u> Kshs
INCOME		
Grant income	<u>12,394,839</u>	<u>8,144,040</u>
EXPENDITURE		
Staff costs	8,044,590	7,381,500
Program Utilities	928,111	659,708
Meeting, travel and entertainment	562,676	360,900
Telephone and internet	253,985	201,000
Printing and stationery	259,864	176,030
Utilities	345,846	117,801
Training expenses	67,500	54,000
Supplies	14,000	45,930
Repairs and maintenance	53,700	5,000
Audit fees	296,163	-
Capital expenditure	154,000	-
Bank charges	859	-
Total expenditure	<u>10,981,294</u>	<u>9,001,869</u>
BALANCE FOR THE YEAR	<u>1,413,545</u>	<u>(857,829)</u>
Balance b/forward	<u>(2,981,608)</u>	<u>(2,123,779)</u>
BALANCE C/FORWARD	<u><u>(1,568,063)</u></u>	<u><u>(2,981,608)</u></u>

UJAMAA NA WATOTO WENYE HAKI INITIATIVE

UNICEF

Detailed Statement of Comprehensive Incomefor the year ended 31st December 2022

	<u>2022</u>	<u>2021</u>
	Kshs	Kshs
INCOME		
Program Funding	<u>5,125,957</u>	<u>2,950,558</u>
EXPENDITURE		
Staff salaries	3,042,420	-
Bank Charges	13,483	-
Rent	1,703,200	1,337,540
Program utilities	314,258	734,690
Travelling and subsistence	32,548	456,211
Other Utilities	19,800	368,451
Telephone, postage and internet	-	44,691
Office supplies	-	12,122
Total expenditure	<u>5,125,710</u>	<u>2,953,705</u>
BALANCE FOR THE YEAR	248	(3,147)
Balance b/forward	<u>(3,147)</u>	-
BALANCE C/FORWARD	<u><u>(2,899)</u></u>	<u><u>(3,147)</u></u>

UJAMAA NA WATOTO WENYE HAKI INITIATIVE

GCC EMPOWERMENT

Detailed Statement of Comprehensive Incomefor the year ended 31st December 2022

INCOME	<u>2022</u> Kshs	<u>2021</u> Kshs
Grant income	34,156,228	5,675,847
EXPENDITURE		
Staff costs	15,835,820	3,781,765
Professional fees	-	4,476,871
Program utilities	6,521,827	452,620
Capital expenditure	-	-
Medical Insurance	2,269,238	-
Meeting, travel and entertainment	2,056,278	854,332
Rent	728,880	-
Training	2,679,500	-
Printing and stationery	42,670	195,565
Telephone and internet expenses	203,346	4,000
Supplies	9,451	-
Utilities	430,620	1,170
Bank charges	37,179	2,940
Repairs and maintenance	141,750	-
Audit fees	110,000	-
Total expenditure	<u>31,066,559</u>	<u>9,769,263</u>
BALANCE FOR THE YEAR	<u>3,089,668</u>	<u>(4,093,416)</u>
Balance b/forward	(3,144,589)	948,827
BALANCE C/FORWARD	<u><u>(54,921)</u></u>	<u><u>(3,144,589)</u></u>

UJAMAA NA WATOTO WENYE HAKI INITIATIVE
MULAGO FOUNDATION

Detailed Statement of Comprehensive Income
for the year ended 31st December 2022

	<u>2022</u> Kshs
INCOME	
Grant income	<u>31,043,813</u>
EXPENDITURE	
Subcontracts/Donations expense	428,655
Total expenditure	<u>428,655</u>
BALANCE FOR THE YEAR	<u>30,615,158</u>
Balance b/forward	<u>-</u>
BALANCE C/FORWARD	<u><u>30,615,158</u></u>