

KALYET INITIATIVE (U) LTD

ANNUAL REPORT AND FINANCIAL STATEMENTS

FOR THE PERIOD ENDED 31 MARCH 2022

Kalyet Initiative (U) Ltd
Annual report and financial statements
For the period from inception to 31 March 2022

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Kalyet Initiative (U) Ltd
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General information

Key personnel	:	Greg Tebbutt
	:	Kalyet Initiative (U) Ltd
	:	Director
	:	Winy Chemutai
	:	Kalyet Initiative (U) Ltd
	:	Director
	:	Isaac Atwebembeire
	:	Kalyet Initiative (U) Ltd
	:	Director
	:	Deborah Chepkoech
	:	Kalyet Initiative (U) Ltd
	:	Secretary
Registered office	:	Bukwo District
	:	P.O. Box 100940
	:	Kampala, Uganda
Independent auditor	:	SRS Robert & Associates
	:	Certified Public Accountant
	:	Plot 419-420 Cabana Memorial Center
	:	P.O Box 105321
	:	Kampala-Uganda
Principal bankers	:	Stanbic Bank
	:	Plot 12 Kampala Road
	:	P.O Box 7131
	:	Kampala, Uganda

Kalyet Initiative (U) Ltd
Report of the directors
For the period from inception to 31 March 2022

The directors submit their report together with the audited financial statements for the year ended 31 March 2022, which disclose the state of affairs of Kalyet Initiative (U) Ltd (the company).

Principal activity

Kalyet Initiative (U) Ltd is a community-based organization registered in March 2021, registered as a company limited by guarantee.

Its main objective is to support and train teenage girls in Bukwo.

Results

	2022 Ushs
Surplus for the period	<u>12,655,119</u>

Directors

The directors who held office during the period and to the date of this report are set out on page 1.

Independent auditor

SRS Roberts & Associates are the company's auditors and have indicated willingness to continue in office in accordance with section 167(2) of the Ugandan Companies Act, 2012.



.....
Director



.....
Secretary

Kampala 19/08/..... 2022

Kalyet Initiative (U) Ltd
Report of the directors
For the period from inception to 31 March 2022

The Ugandan Companies Act, 2012 requires the directors to prepare financial statements for each financial year that presents in all material aspects the state of affairs of the company as at the end of the financial year and of its surplus or deficit for that year. It also requires the directors to ensure that the company maintains proper accounting records that disclose, with reasonable accuracy, the financial position of the company. The directors are also responsible for safeguarding the assets of the company, and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

The directors accept responsibility for the preparation and fair presentation of these financial statements that are free from material misstatements whether due to fraud or error in accordance with the organisation's accounting policies. 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 suitable accounting policies and applying them consistently; and
- iii) making accounting estimates and judgements that are reasonable in the circumstances.

The management is of the opinion that the financial statements give a true and fair view of the fund accountability statement of the company as at 31 March 2022 and of its incomes and expenditures for the period then ended in accordance with the organization accounting policies.

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

The directors acknowledge that the independent audit of the financial statements does not relieve them of their responsibilities.

Approved by the board of directors on19/05/.....2022 and signed on its behalf by:



.....
Director



.....
Secretary

Independent auditor's report to the members of Kalyet Initiative (U) Ltd

Opinion

We have audited the accompanying financial statements of Kalyet Initiative (U) Ltd set out on pages 7 to 11, which comprise the fund accountability statement as at 31 March 2022, the statement of income and expenditure for the period then ended, and a summary of significant accounting policies and other explanatory information.

In our opinion, the Statement of Income and Expenditure and Fund Accountability Statement of Kalyet Initiative (U) Ltd is prepared in all material respects, in accordance with the organisation accounting policies.

Basis for opinion

We conducted our audit in accordance with International Standards on Auditing (ISAs). Our responsibilities under those standards are further described in the Auditor's Responsibilities for the Audit of the Fund Accountability Statement section of our report. We are independent of Kalyet Initiative (U) Ltd management in accordance with the International Ethics Standards Board for Accountants' Code of Ethics for Professional Accountants (IESBA Code) together with the ethical requirements that are relevant to our audit in Uganda, and we have fulfilled our ethical responsibilities in accordance with these requirements and the IESBA Code. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Basis of accounting

We draw attention to note 1(b) of the fund accountability statement, which describes the basis of accounting. The fund accountability statement has been prepared to provide information to management of Kalyet Initiative (U) Ltd.

Other information

Management is responsible for the other information. Other information comprises the information included in the Annual Report, but does not include the financial statements and our auditor's report thereon.

Our opinion on the financial statements does not cover the other information and we do not express 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.

Management's responsibility for the financial statements

Management is responsible for the preparation and fair presentation of these financial statements in accordance with the accounting policies of the organisation and for such internal control as management 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, management is responsible for assessing the organisation'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 management either intends to liquidate the company or to cease operations, or have no realistic alternative but to do so.

Auditor's responsibilities for the audit of the financial statements

As part of an audit in accordance with ISAs, we exercise professional judgement and maintain professional

- 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 management.
- Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the organisation's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's 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 the auditor's report. However, future events or conditions may cause the organisation 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.

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.

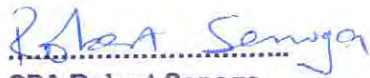
Report on other legal requirements

This report, including the opinion, has been prepared for, and only for, the company's members as a body in accordance with the Ugandan Companies Act, 2012 and for no other purpose.

As required by the Ugandan Companies Act, 2012 we report to you, based on our audit, that:

- 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 company, so far as appears from our examination of those books; and
- iii) The company's statement of Fund accountability statement and statement of income and expenditure are in agreement with the books of account.

The engagement Practitioner responsible for the audit resulting in this independent auditor's report was CPA Robert Senoga Practicing Certificate No. P0518.



CPA Robert Senoga

SRS Roberts & Associates
Certified Public Accountants
Kampala, Uganda

19/08/ 2022

Kalyet Initiative (U) Ltd
Annual report and financial statements
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Statement of income and expenditure


		2022
	Notes	Ushs
Income		
Donations	2	85,207,396
Other income	2	<u>4,114,000</u>
Total income		<u>89,321,396</u>
Expenditures		
Operating expenses	3.1	34,000,000
Direct project expenses	3.2	19,394,000
Administrative expenses	3.3	23,272,277
Total expenditures		<u>76,666,277</u>
Surplus for the period		<u><u>12,655,119</u></u>

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Fund accountability statement

	Notes	2020 Ushs
Reserves		
Surplus for the year		<u>12,655,119</u>
Total reserves		<u><u>12,655,119</u></u>
 Represented by:		
Assets		
Current assets		
Cash and cash equivalent	4	<u>12,945,341</u>
Liabilities		
Current liabilities		
Other payable	5	<u>290,222</u>
Net assets		<u><u>12,655,119</u></u>

These financial statements on pages 9 to 11 were approved by Management on 19/05/2022 and were signed on its behalf by:



Director



Secretary

1 Summary of significant accounting policies

a) Reporting entity

Kalyet Initiative (U) Ltd is a company limited by guarantee, it operates as a community-based organisation founded in March 2021. Kalyet Initiative (U) Ltd works towards improving lives of girls in Bukwo District. The organization operates in the fast east of Uganda in Bukwo district where its operations and location and located. The address of its office is Plot 100940, Kampala, Uganda.

b) Applied accounting practices

The applied accounting practices adopted in the preparation of these financial statements are set out below. These policies have been applied consistently unless otherwise stated.

i) Basis of accounting

The financial statements have been prepared under cash receipts and expenses basis of accounting. Income and expenditures are recognized in the period in which they are received and paid respectively. They have been prepared in compliance with the accounting policies of the organization.

ii) Income

Income is recognized in the period in which the Kalyet Initiative (U) Ltd is entitled to receipt and where the amount can be measured with reasonable certainty.

iii) Expenditure

Expenditures represents payments made by Kalyet Initiative (U) Ltd during the period and are represented in Uganda shillings.

iv) Fixed assets

Fixed assets are expensed in the income and expenditure statement in the period of purchase. The fund accountability statement does not, therefore reflect the value of the fixed assets at the end of the period.

v) Currency

The financial statements are presented in Uganda shillings.

Kalyet Initiative (U) Ltd
Annual report and financial statements
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Notes (continued)

2	Income	2022
	a) Donation	Ushs
	Donation	85,207,396
	b) Other income	
	Baking	1,914,000
	Farming	2,200,000
		<u>4,114,000</u>
	Total Income	<u><u>89,321,396</u></u>
3	Expenditures	
3.1	Operating expenses	2022
		Ushs
	Land & building	15,000,000
	Farm land	19,000,000
	Total operating expenses	<u><u>34,000,000</u></u>
3.2	Direct project expenses	
	Girl's hygiene project	6,234,000
	Girl's direct benefit	4,974,000
	Girl's school project	3,463,000
	Cost of goods Sold - Baking	2,959,500
	Cost of goods Sold - Farming	1,763,500
	Total direct project expenses	<u><u>19,394,000</u></u>
3.3	Administrative expenses	
	Advertising	30,000
	Bank fees	395,528
	Consulting & accounting	1,652,449
	General expenses	1,814,000
	Micro-finance projects	678,000
	School outreach	3,642,000
	Legal expenses	250,000
	Light, power, heating	400,300
	Office expenses	5,870,000
	Printing & stationery	408,000
	One-off costs	6,601,000
	Bad debts	700,000
	Telephone & internet	831,000
	Total administrative expenses	<u><u>23,272,277</u></u>

Kalyet Initiative (U) Ltd
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Notes (continued)

4	Cash and cash equivalent	2022
		U shs
	Cash at bank	12,626,942
	Cash on hand	318,399
		<u>12,945,341</u>

The cash and cash equivalent represent cash at bank and cash on hand as at the end of the reporting period.

5	Other Payable	
	Historical adjustments	290,222
		<u>290,222</u>

6 **Contingent liability**

No provision has been recognised in these financial statements as management does not consider any probable loss will arise.

7 **Events after the end of the reporting period**

The Company has been following the outcome of the coronavirus pandemic, particularly the impact on organisation and all other stakeholders. Preliminary measures and business continuity plans to mitigate adverse impact are being activated and will be closely monitored on a continuous basis. The directors note that the effects of post COVID-19 pandemic will impact the company's operations and financial results in 2022 but the full impact is yet to be ascertained.