

CARE INTERNATIONAL IN UGANDA

ANNUAL REPORT AND FINANCIAL STATEMENTS

FOR THE YEAR ENDED 30 JUNE 2023

ACRONYMS & ABBREVIATIONS

CDC	- Centers for Disease Control and Prevention
DANIDA	- Danish International Development Agency
ECHO	- European Commission Humanitarian Aid
EUTF	- European Union Emergency Trust Fund
GBV	- Gender Based Violence
HIP	- Humanitarian Implementation Plan
IPSAS	- International Public Sector Accounting Standards
IPSASB	- International Public Sector Accounting Standards Board.
MAAIF	- Ministry of Agriculture, Animal Industry and Fisheries
MOGLSD	- Ministry of Gender, Labour and Social Development
MWE	- Ministry of Water and Environment
NGO	- Non-Governmental Organization
SRH	- Sexual Reproductive Health
SRHR	- Sexual Reproductive Health and Rights
UNFPA	- United Nations Population Fund
VSLA	- Village Savings and Loans Associations
WASH	- Water, Sanitation and Hygiene
WAY	- Women, Adolescents and Youth
WAYFIP	- Women and Youth Financial Inclusion Program

Care International in Uganda

Annual Report and Financial Statements

For the year ended 30 June 2023

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1.0 ORGANISATION INFORMATION AND OVERALL PERFORMANCE

REGISTERED OFFICE & PRINCIPAL PLACE OF BUSINESS

5th Floor, Union House
Plot 78, Luthuli Avenue
P.O Box 7280
Bugolobi, Kampala, Uganda.

SENIOR MANAGEMENT TEAM

Apollo.B. Gabazira	-	Country Director
Michael.A. Opio	-	Programme Director
Michael Tugyetwena	-	Operations Director
Cotilda Nakyeeyune	-	Program Manager – Climate Justice
Dorothy Rutazaana	-	Head of Grants and Compliance
Daphen Amanyanya	-	Senior Finance Manager
Nampijja Esther Regina	-	Human Resource Manager

LEGAL ADVISORS

AF Mpanga Advocates
4th Floor, DFCU Towers
26 Kyadondo Road, Nakasero
P.O Box 1520,
Kampala, Uganda

INDEPENDENT AUDITOR

PKF Uganda
5th/6th Floor, Kalamu House
Plot 1B, Kira Road
P.O. Box 24544
Kampala, Uganda

BANKERS

Citibank Uganda Limited
Centre Court
Plot 4 Ternan Avenue, Nakasero
P.O Box 7505
Kampala, Uganda

Stanbic Bank Uganda Limited
Crested Towers
Plot 17, Hannington Road
P.O Box 7131,
Kampala, Uganda

ORGANISATION INFORMATION AND OVERALL PERFORMANCE Continued...

BACKGROUND

CARE is an international NGO that has been working in Uganda since 1969 implementing a varied portfolio of projects that have evolved from basic relief through reconstruction to the current portfolio of mainly district based rural projects. CARE's projects in Uganda are mostly in health, economic development, agriculture and natural resource management with a common focus on community self-help.

CARE is active in many districts and within the past few years has implemented projects in North, East, Central, West and South-West Uganda. CARE International's operations in Uganda are currently funded mainly through its member NGOs in Austria, Denmark, Netherlands, Norway, the UK and USA.

Vision

We seek a world of hope, tolerance and social justice, where poverty has been overcome and all people live in dignity and security. CARE will be a global force and a partner of choice within a worldwide movement dedicated to ending poverty. We will be known everywhere for our unshakeable commitment to the dignity of people.

Mission

Our mission is to serve individuals and families in the poorest communities in the world. We facilitate lasting change by: Addressing discrimination in all its forms, providing economic opportunity, influencing policy decision at all levels, strengthening capacity for self-help and delivering relief in emergencies.

Core Values

- **Transformation:** We believe in urgent action, innovation, and the necessity of transformation – within the world and our own organization.
- **Integrity:** We are accountable to the people and partners we humbly serve, transparently sharing our results, stories, and lessons.
- **Diversity:** We know that by embracing differences, actively including a variety of voices, and joining together, we can solve the world's most complex problems.
- **Equality:** We believe in the equal value of every human being and the importance of respecting and honoring each individual; we know that change happens through people.
- **Excellence:** We challenge ourselves to the highest levels of learning and performance, tapping the best of human spirit to create impact.

CARE is committed to:

- **Performing with excellence** through a highly professional, gender-balanced and diverse team, a lean structure, local ownership, and transformational leadership.
- Being **fully accountable** to the people we serve as well as our partners and donors.
- Advancing **Gender Equity, Diversity, and Inclusion** in principle and practice.
- Promoting **CARE's core values and best practices** for **safeguarding** internally and externally.
- Being **fully transparent** and exercise **zero tolerance to all forms of resource misuse**.

ORGANISATION INFORMATION AND OVERALL PERFORMANCE Continued...

FY23 REACH AND IMPACT.

Economic Empowerment through Innovative Women Entrepreneurship Initiatives:

During this period, Uganda's CARE and DREAMS Project recorded incredible marks in promoting women's economic empowerment. The project emphasized integrating gender-transformative approaches to achieve the project objectives in partnership with Uganda Women Entrepreneurs Association Limited and hence managed to improve women's access to financial services. The two most outstanding results in this case are the successful establishment of the steering committee and Project Management Unit (at the Ministry level), which has been vital in guiding the project implementation successfully.

The first success of this initiative relates to an integrated gender transformative model within the Parish Development Model, which has begun to express change in community mobilization and mindset.

Secondly, through the partnership with Post Bank, the DREAMS Project facilitated the renewal of a critical MOU that enabled the expansion of financial services to women entrepreneurs. This was an exemplary model of a public-private partnership that other regions should emulate.

Advancements in Policy Dialogue and Advocacy:

CARE Uganda's advocacy led to key policy discussions about establishing a national bank for financial inclusion, breaking ground in improving systemic barriers to women's economic participation. Further, the DREAMS project's influence included standardizing registration fees for saving groups and promoting group federations to improve access to financial services for countless women across the districts.

Nutritional Support and Agricultural Development

Through a strategic partnership with the Northern Uganda Resilience Initiative (NURI), CARE integrated Sexual and Reproductive Health Rights (SRHR) and Gender-Based Violence (GBV) components into agricultural activities. This program reached over 61,562 farmers, providing them with knowledge on SRHR and GBV, thereby enhancing their productivity and well-being. The initiative also facilitated quarterly integrated learning circles, empowering farmers with the skills to integrate gender and health awareness into their daily farming operations, thus fostering a holistic approach to community health and agricultural productivity.

Comprehensive Support for Refugees and Host Communities

The WAY program significantly impacted West Nile and Acholi sub-regions, improving refugee and host communities' socio-economic assets and health outcomes. Initiatives such as establishing 48 women's safe spaces provided psychosocial support and skills training, empowering women to engage in income-generating activities. This was complemented by the formation of youth clubs and male action groups, which played a pivotal role in community-wide social norm change, particularly in addressing GBV and promoting gender equality.

Enhancement of Gender-Based Violence Initiatives and Community Engagement

CARE Uganda strengthened efforts in GBV prevention and response by creating and supporting SASA! Activists who conducted community-wide social norm change activities. These activists engaged over 54,371 community members in discussions that fostered a deeper understanding and action against GBV. This initiative demonstrated a substantial shift in community attitudes towards gender equality and contributed to a safer environment for all community members.

ORGANISATION INFORMATION AND OVERALL PERFORMANCE Continued...

Youth and Adolescent Empowerment Through Educational Support

Significant advancements were made in empowering youth, particularly by establishing school health and sanitation clubs. These clubs provided young people with essential information on SRHR, helping to increase the use of modern contraceptives among adolescents. The program reached an impressive 73,107 pupils, greatly surpassing its initial target, and contributed to a marked increase in school engagement and a decrease in school dropout rates.

Strengthening Sexual and Reproductive Health Rights (SRHR)

The WAY project significantly enhanced access to SRHR services, resulting in a noticeable increase in the usage of modern contraceptives among young people. Comprehensive knowledge about family planning and HIV prevention saw marked improvements across communities. This was achieved through sustained outreach and education facilitated by trained volunteers and community health clubs. These efforts not only raised awareness but also dispelled myths and misconceptions surrounding sexual health, leading to better health outcomes and empowered decision-making among young people.

Promoting Sustainable Agricultural Practices

In alignment with CARE's commitment to sustainable development, integrating SRHR/GBV information into agricultural training sessions helped bridge the gap between health and agricultural productivity. This initiative enabled farming groups to incorporate health and gender equality into their agricultural practices, enhancing crop yields and community health. Farmers were equipped with the knowledge to manage their health needs alongside agricultural activities, fostering a holistic approach to community resilience and sustainability.

Economic Empowerment through Savings and Credit Groups

A crucial aspect of economic empowerment involved supporting savings and credit groups, particularly among women. These groups provided a platform for financial literacy training, significantly improving women's economic status by boosting their confidence in financial management. The training facilitated by CARE enabled women to engage more effectively in local economies, start and manage their businesses, and achieve financial independence. This empowerment also extended to enhanced decision-making within households and communities, contributing to broader economic development.

Engaging Men and Boys in Gender Equality

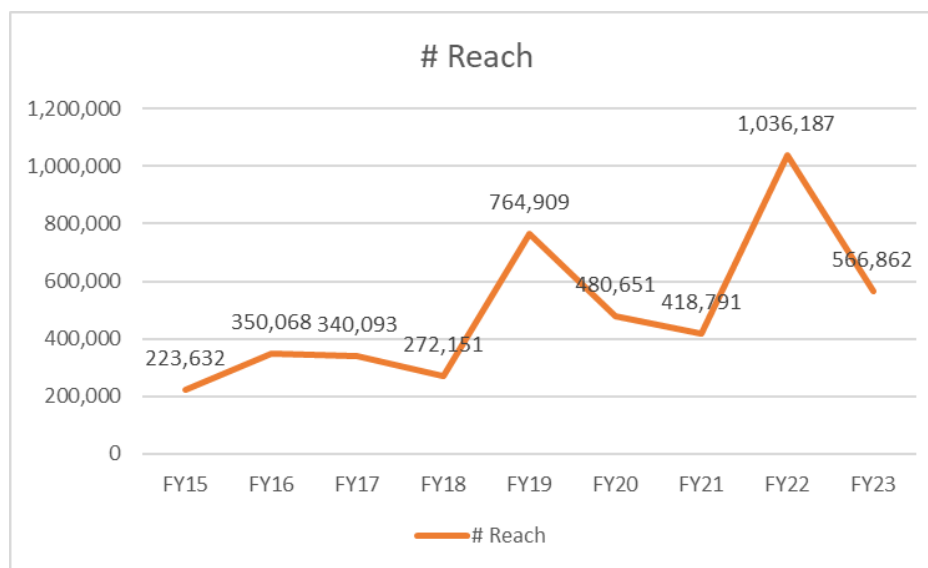
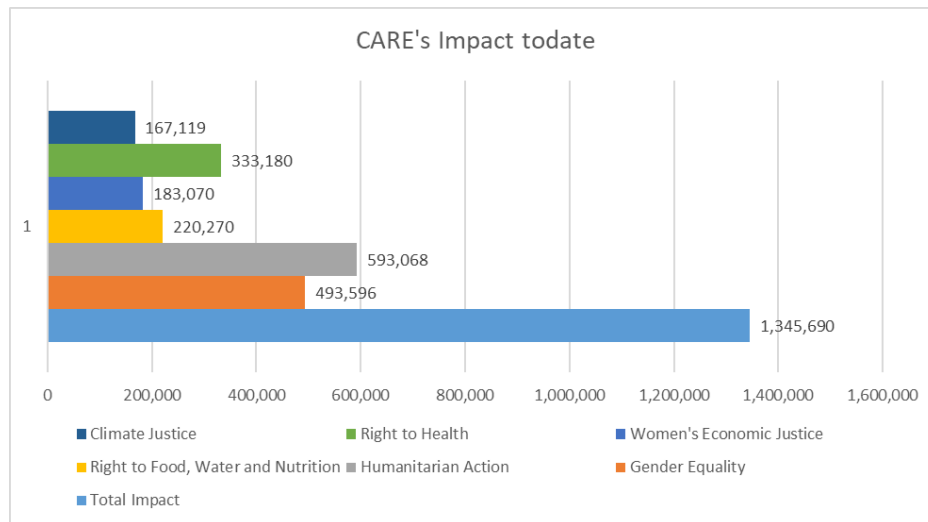
CARE Uganda made significant strides in engaging men and boys as allies in promoting gender equality. Male action groups were pivotal in shifting traditional gender norms by promoting positive masculinity. These groups conducted outreach, encouraging other men to participate actively in household responsibilities and support women's social and economic activities. This approach not only fostered gender equality but also contributed to reducing domestic violence and increasing the overall well-being of families.

Capacity Building for Local Leaders and Health Workers

To ensure the sustainability of health and gender initiatives, CARE Uganda focused on capacity building for local leaders and health workers. Training programs enhanced their ability to integrate gender and health services into their community and professional roles. This capacity building was crucial for ensuring that the gains in SRHR, GBV prevention, and agricultural productivity were maintained and that communities could continue to develop these initiatives independently.

ORGANISATION INFORMATION AND OVERALL PERFORMANCE Continued...

FY23 Reach and Impact



ORGANISATION INFORMATION AND OVERALL PERFORMANCE Continued...

Operational Environment

The environment has been stable overall, however there is a general reduction in donor funding amidst increased need. According to UNHCR, by the end of June 2023, Uganda was hosting 1,561,634 refugees and asylum seekers. New arrivals have continued to enter the country mainly from the Democratic Republic of the Congo (DRC) and South Sudan.

Financial Overview

We signed 5 new projects during the financial year totalling to US\$ 15 million – 90% being development and 10% Humanitarian.

The revenue was up by 27% to \$15M up from \$12M. Aligned to restricted grants through CARE International Members of \$1.5M, USG and Other US federations of \$800K and US private funding and emergency pool of \$500K. By program, revenue was distributed as 36% gender justice, Livelihoods 34%, Humanitarian 15%, and climate justice 12%.

The overall spend was up by 33% closing the year at 15.3M from 11.5M. Employee salaries and benefits growth of 17% which reflects the growth in projects, an inflationary adjustment allowance and adjustments of some staff salaries to meet the market prices. A deliberate effort to maintain a well-paid motivated work force. The 29% growth in program supplies/materials is an indication of the growth in the programs of the country office and inflation increasing the cost of doing business. The 61% increment in partnership from 2.3M to 3.8M at the end of June 2023 is in line with the CARE localisation agenda. Where we commit to develop strategic partnerships with Ugandan organisations and social movements with a focus to strengthen the voices and participation of women and girls.

Current Assets: There is a decrease in current assets of 21%. Less cash has held at bank and hand compared to last year mainly because of timing. The grants and contracts receivable reduced by 18% (closing at 3M down from 4M) indicating an improvement in donor billing and collections in the FY

Non-Current assets: There was an addition of \$600,000 to the non-current assets during the year.

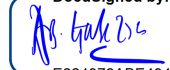
Liabilities: There was an overall reduction in liabilities of 24%. Mainly a reduction in the grants and contracts payable which further affirms the improvement in the donor collection and an improvement in the spend of cash received.

Results for the year

	2023 US\$	2022 US\$
Income	12,182,289	15,317,770
Expenditure	13,645,416	(15,251,413)
Surplus/(deficit) for the year	(1,463,127)	66,357

Approved on behalf of management:

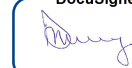
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Country Director

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Senior Finance Manager

2.0 SUSTAINABILITY REPORT

This report represents a commitment by CARE to sustainable development and to comprehensive reporting thereon to all stakeholders. The report follows guidelines released by the Global Reporting Initiative (GRI), which is a joint initiative coalition for Environmentally Responsible Economies and the United Nations Environment Programme. The Guidelines have been issued for voluntary use by organizations for reporting on the economic, environmental, and social diversion of their activities, products and services aimed in articulating the understanding contribution to sustainable developments.

Value Added Statement

The Value-Added Statement shows the social value added that CARE makes through its activities. Value added is calculated as the organization's performance minus payments such as office costs, transport and other service costs. The resulting amount is distributed to the stakeholders who include employees, partners and the direct program support.

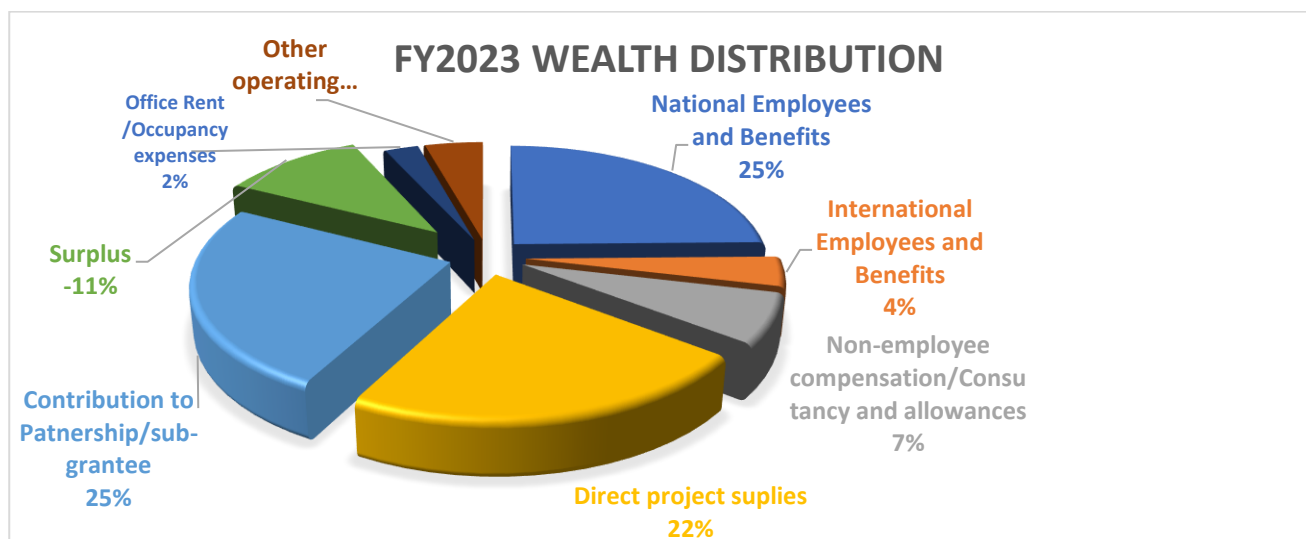
Value Added	2023 US\$	% Contribution	2022 US\$
Revenue from donors	12,132,313	100%	15,227,057
Other income	49,974	0%	90,713
Total income	12,182,289		15,317,770
Less			
Equipment expensed	200,492		210,873
Travel and transportation	1,029,143		1,104,695
Depreciation costs	176,294		194,277
Total	1,405,929		1,509,845
Available wealth	10,776,360		13,807,925
National Employees and Benefits	3,383,087	31%	3,561,879
International Employees and Benefits	452,994	4%	376,298
Non-employee compensation -professional fees	251,459	2%	229,069
Direct activity expenses	3,635,745	34%	4,495,099
Contribution to partnerships	3,397,353	32%	3,781,797
Office rent	87,825	1%	109,803
Other operating expenses	1,031,024	10%	1,187,623
Surplus/Deficit	(1,463,127)	(14%)	66,357
Total wealth distributed	10,776,360	100%	13,807,925

The Value-Added Statement above shows that CARE is a major contributor in a financial sense to various stakeholders, especially the local partners.

Of the total wealth available in 2022/23,

- USD 3.38 million (25%) was distributed to Partners through sub grants.
- USD 3.38 million (25%) was distributed to National Staff Salaries and benefits.
- USD 3.07 million (22%) was distributed to infield Project activities.
- USD 0.91 million (7%) was distributed to consultants and other non-employee allowances.
- USD 0.54 million (4%) being distributed to international staff employees and benefits.
- With the remaining 8% being spent locally on office rent and other operating expenses, a further finance contribution to the economy.

SUSTAINABILITY REPORT Continued...



1. Risk Management.

At CARE International in Uganda, we are deeply committed to the responsible stewardship of the resources entrusted to us by our donors, partners, and the communities we serve. Recognizing the complex, often unpredictable environment in which we operate, risk management is integral to our strategic planning, operational execution, and governance frameworks.

For the fiscal year ended June 2023, we have strengthened our risk management processes to ensure that we can identify, assess, and mitigate risks effectively, thereby safeguarding our mission to fight global poverty and deliver lifesaving aid in emergencies.

Our risk management framework is designed to be comprehensive, systematic, and proactive. It encompasses the identification of potential risks across a broad spectrum, including financial, operational, strategic, and compliance risks. This framework ensures that risks are assessed in terms of likelihood and impact, enabling us to prioritize our response strategies effectively. We have also incorporated risk considerations into our business development, project planning and implementation phases, ensuring that risk mitigation measures are integrated from the outset.

During the year ended June 2023, we focused on several key areas to enhance our risk management capabilities:

- 1. Strengthening Internal Controls:** We reviewed and strengthened our internal control systems to prevent fraud, corruption, and mismanagement of funds. This included the implementation of rigorous financial controls, enhanced procurement processes (revised our policy and introduced a new procurement manual), and regular internal audits (underwent a management audit by the CARE USA internal audit, in addition to the regular monthly spot checks). We also revamped the Risk department where we have hired a Head of Risk. This role has seen an exposure of risk where all stakeholders know that risk is at an individual level making it all our responsibility.
- 2. Enhancing Disaster Preparedness:** Given the increased frequency of natural disasters and conflicts in the regions we serve, we have reinforced our emergency preparedness and response plans. This ensures that we can respond swiftly and effectively to crises, minimizing the impact on vulnerable populations.
- 3. Investing in Staff Training:** Recognizing that our employees are on the frontline of risk management, we invested in comprehensive training programs. These trainings covered areas such as financial management, risk management, ethical conduct, and safety and security protocols, ensuring that our team is equipped to identify and manage risks on the ground.

SUSTAINABILITY REPORT Continued...

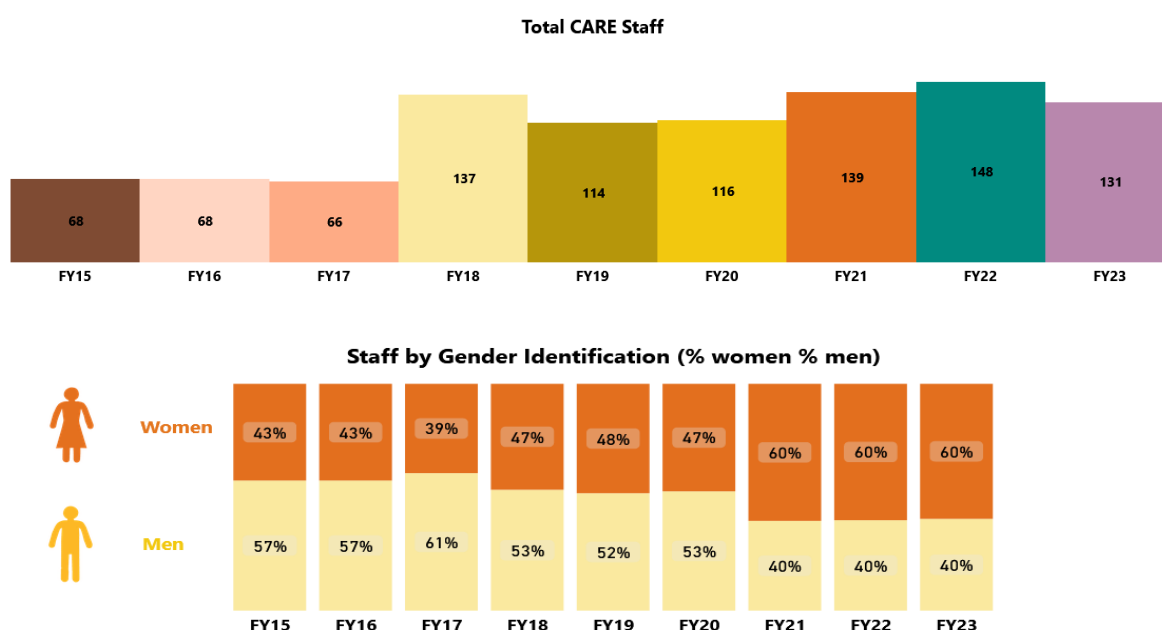
Risk Management continued...

4. **Engaging with Communities:** Our work is deeply rooted in the communities we serve. By actively engaging with community members, we can better understand the risks they face and collaboratively develop more resilient and sustainable solutions. This community-based approach to risk management not only enhances the effectiveness of our interventions but also fosters a sense of ownership and empowerment among community members.
5. **Leveraging Technology:** To enhance our risk monitoring and reporting capabilities, we have invested in technology solutions that provide real-time data and analytics. This enabled us to make informed decisions quickly, adapting our strategies in response to changing risk landscapes.
6. **Compliance and Regulatory Adherence:** We rigorously adhere to local and international laws and regulations, ensuring that our operations are conducted with the highest standards of ethics and integrity. Our compliance framework is regularly reviewed and updated to reflect changes in the regulatory environment.

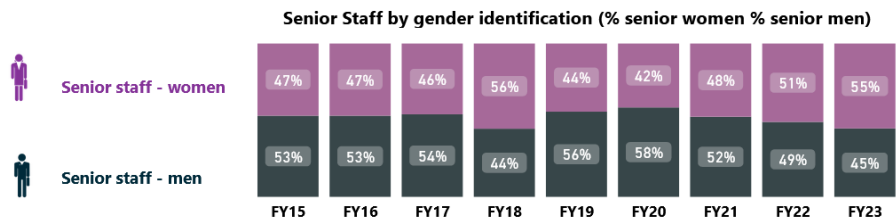
All in all, our approach to risk management is dynamic and iterative, reflecting the evolving nature of the risks we face. Integrating risk management into our day-to-day operations across all functions has ensured that CARE International in Uganda remains resilient, adaptable, and committed to delivering on our mission (a world of hope, tolerance, and social justice), even in the face of uncertainties.

2. Walking the talk of our values

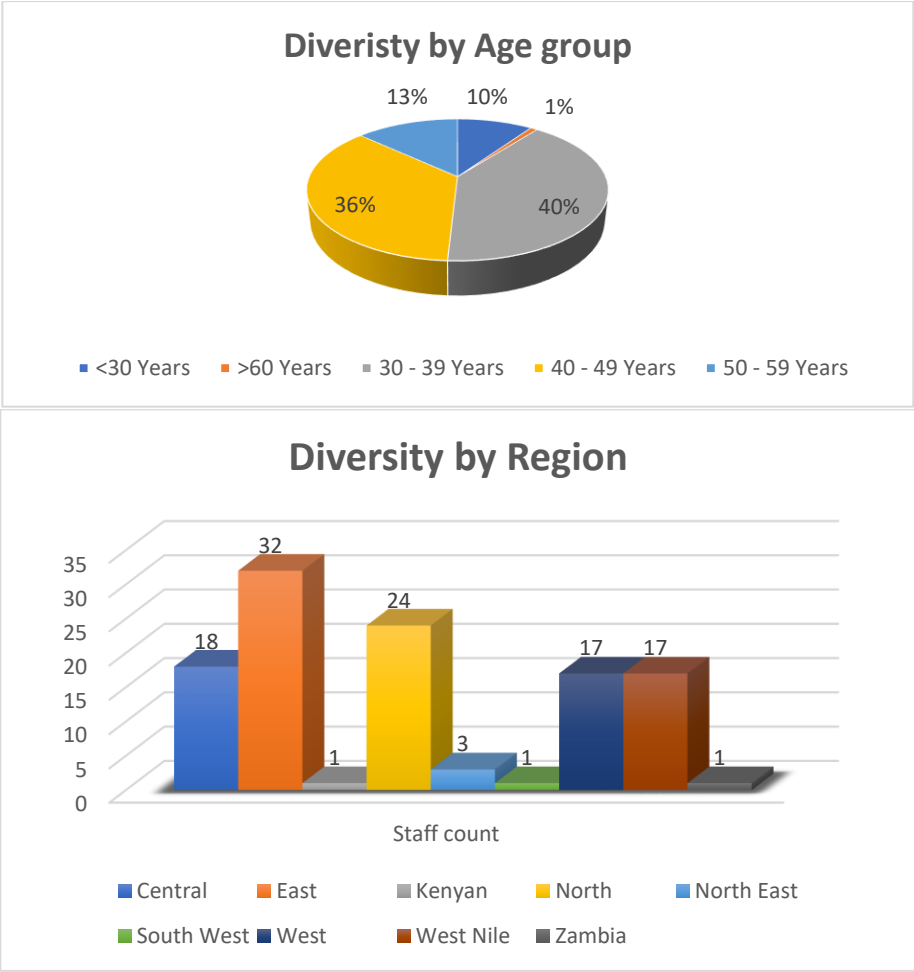
Diversity as at 30 June 2023:



SUSTAINABILITY REPORT Continued...



Through the year, out of the 35 new hires, 22 were female and 13 Male, 18 promotions: 11 Female and 7 Male.



SUSTAINABILITY REPORT Continued...

Integrity

CARE International has zero tolerance for fraud and corruption. In FY23 below are the statistics of the cases that were handled by the country offices.

	Count
Number of cases reported:	11
Number of cases investigated and closed	11
Number of cases substantiated	3
Not Substantiated	8
Cases per reporting channel:	
- Management control	3
- Whistleblowers	8
Cases per Origin	
CARE	7
Partners	3
Vendor	1

Equality

We embrace gender differences by us working with people of all genders, women, men, across different age groups, backgrounds – ethnic groups, etc. to pursue our goals. We actively include a variety of gender voices by bringing on board, listening to, and amplify different voices including of local organisations, PWDs, youth, refugees, nationals, as appropriate and engage these in our planning, budgeting, and execution. CARE is the heading the Charter for Change as an example of amplifying voices of national organisations.

We are working together across differences to confront gender inequality, working across the staff varieties, organizational groups, supporting WLOs and WROs, building social and women's movements to confront issues of social injustice and exclusion. We conduct gender budget analysis to understand how our resource spending is aligned to the impact group of girls and boys, how procurement responds to the needs of women led businesses versus mainstream businesses and how our grants are channelled.

Approved on behalf of management:

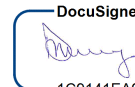
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Country Director

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Operations Director

3.0 STATEMENT OF MANAGEMENT RESPONSIBILITIES

CARE International in Uganda management is required to prepare financial statements for each financial year, which present fairly the state of financial affairs of the organisation as at the end of the financial year and of its operating results for that year. Management is required to ensure the organisation keeps proper accounting records, which disclose with reasonable accuracy, at any time, the financial position of the organisation. They are also responsible for safeguarding the assets of the organisation.


Management is ultimately responsible for the internal control of the organisation. Standards and systems of internal control are designed and implemented by management to provide reasonable assurance as to the integrity and reliability of the financial statements and to adequately safeguard, verify and maintain accountability of the organisation’s assets. Appropriate accounting policies supported by reasonable and prudent judgements and estimates, are applied on a consistent basis and using the going concern basis. These systems and controls include the proper delegation of responsibilities within a clearly defined framework, effective accounting procedures and adequate segregation of duties.

Management accepts responsibility for the year’s financial statements, which have been prepared using appropriate accounting policies supported by reasonable and prudent judgements and estimates, in conformity with International Public Sector Accounting Standards (IPSAS). Management is of the opinion that the financial statements present fairly in all material respects the state of the financial affairs of the organisation and of its operating results. Management further accepts responsibility for the maintenance of accounting records, which may be relied upon in the preparation of financial statements, as well as adequate systems of internal financial control.


Management has a reasonable expectation that the organisation has adequate resources to continue in operational existence for the foreseeable future. For this reason, they have adopted the going concern basis in preparing the financial statements.

The financial statements which appear on pages 18 to 36 were approved by management on 15th November

.....2024 and signed on its behalf by:

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Country Director

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Senior Finance Manager

4.0 INDEPENDENT AUDITOR’S REPORT TO THE MANAGEMENT OF CARE INTERNATIONAL IN UGANDA

Opinion

We have audited the financial statements of CARE International in Uganda (“the Organisation”) set out on pages 18 to 36 which comprise the statement of financial position as at 30 June 2023, and the statement of financial performance, statement of changes in reserves, statement of cash flows and statement of comparison of budget and actual amounts for the year then ended, and notes to the financial statements, including a summary of significant accounting policies.

In our opinion, the financial statements present fairly, in all material respects, the financial position of CARE International in Uganda as at 30 June 2023, and its financial performance and cash flows for the year then ended in accordance with International Public Sector Accounting Standards (IPSAS) and the requirements of the Companies Act, 2012 of Uganda.

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 financial statements* section of our report. We are independent of the organisation in accordance with the International Code of Ethics for Professional Accountants (including International Independence Standards) (IESBA Code) together with the ethical requirements that are relevant to our audit of the financial statements in Uganda, and we have fulfilled our other 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.

Other information

Management is responsible for the other information. The other information comprises the management report, statement of management’s responsibilities, gender and workplace report, sustainability report and organisation information. The other information 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.

Partners: Charles Oguttu*, Frederick Kibbled*, Alpesh Vadher**, Piyush Shah**, Gurmit Santokh**, Sumesh D’Cruz**, Ketan Shah***, Shilpa Cheda***
(*Ugandan, ** Kenyan, *** British)

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PKF Uganda is licensed and regulated by the Institute of Certified Public Accountants of Uganda. (Firm Number: AF0014)

INDEPENDENT AUDITOR'S REPORT Continued...**Responsibilities of the management for the financial statements**

Management is responsible for the preparation and fair presentation of the financial statements in accordance with International Public Sector Accounting Standards and the requirements of the Companies Act, 2012 of Uganda, and for such internal control as the 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 intend to liquidate the organisation or to cease operations, or have no realistic alternative but to do so.

Auditor's 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 auditor's 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 ISAs 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 ISAs, we exercise professional judgement and maintain professional scepticism 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 management.
- Conclude on the appropriateness of the 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 our auditor's report. However, future events or conditions may cause the organisation to cease to continue as a going concern.

INDEPENDENT AUDITOR'S REPORT Continued...

- 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 management 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.

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

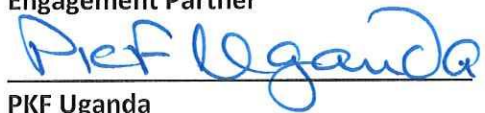
- i. we have obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purposes of the audit;
- ii. in our opinion, proper books of account have been kept by the organisation, so far as appears from our examination of those books; and,
- iii. the organisation's statement of financial position and statement of financial performance are in agreement with the books of account.

The engagement partner responsible for the audit resulting to this report of the independent auditor is CPA Charles Oguttu (P0141).



Charles Oguttu (P0141)

Engagement Partner



PKF Uganda

Certified Public Accountants

Kampala

Date 18/11/2024


Ref: CO/C028/0276/2024




5.0 STATEMENT OF FINANCIAL PERFORMANCE

	Notes	2023 US\$	2022 US\$
Income			
Grants and donations	11.1	12,132,315	15,227,057
Other operating income	11.2	49,974	90,713
Total Income		12,182,289	15,317,770
Expenses			
Employment expenses	11.3	3,926,950	4,023,750
Equipment expenses	11.4	200,492	210,873
Direct activity expenses	11.5	3,635,745	4,495,099
Partnership & sub-awards expenses	11.6	3,394,916	3,781,797
Travel and transportation expenses	11.7	1,029,143	1,104,695
Other operating expenses	11.8	1,458,170	1,635,199
Total expenses		13,645,416	15,251,413
Surplus /(Deficit) for the year		(1,463,127)	66,357

The financial statements were approved by management on 15 November 2024 and were signed on their behalf by:

DocuSigned by:

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Country Director

DocuSigned by:

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Senior Finance Manager

The deficit for the year was financed by the accumulated fund brought forward from the previous years.

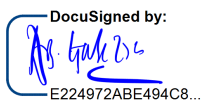
The notes on pages 30 to 36 form an integral part of the financial statements.

The report of the Independent Auditor is on pages 15 to 17.

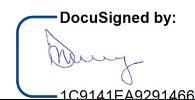
6.0 STATEMENT OF FINANCIAL POSITION

	Notes	2023 US\$	2022 US\$
ASSETS			
Non - current assets			
Property and equipment	11.9	742,763	688,267
Total non- current assets		742,763	688,267
Current assets			
Cash and cash equivalents	11.10	502,637	874,335
Grants and contracts receivable	11.11	3,956,986	3,301,858
Other receivables	11.12	579,579	653,346
Inter - country receivables	11.13	271,144	285,193
Total current assets		5,310,346	5,114,732
Total assets		6,053,109	5,802,999
LIABILITIES AND RESERVES			
Reserves			
Accumulated reserves		(200,727)	1,252,202
Current liabilities			
Grants and contracts payable	11.14	4,840,060	1,939,263
Other payables	11.15	1,387,709	904,782
Inter - country payables	11.16	26,067	1,706,752
Total current liabilities		6,253,836	4,550,797
Total reserves and liabilities		6,053,109	5,802,999

The financial statements were approved by management on 15 November 2023 and were signed on their behalf by:

DocuSigned by:

E224972ABE494C8...

Country Director

DocuSigned by:

1C9141FA9291466

Senior Finance Manager

The notes on pages 30 to 36 form an integral part of the financial statements.

The report of the Independent Auditor is on pages 15 to 17.

7.0 STATEMENT OF CHANGES IN RESERVES

	Accumulated Surplus US\$
As at 1 July 2021	1,185,845
Surplus for the year	66,357
As of 30 June, 2022	1,252,202
As at 1 July 2022	1,252,202
Refund by Implementing partner - Soroti Rural Development Agency	10,198
Deficit for the year	(1,463,127)
As of 30 June, 2023	(200,727)

The notes on pages 30 to 36 form an integral part of the financial statements.

The report of the Independent Auditor is on pages 15 to 17.

8.0 STATEMENT OF CASHFLOWS

	Notes	2023 US\$	2022 US\$
Operating activities			
Surplus/ (Deficit) for the year		(1,463,127)	66,357
Adjust for non-cash movements			
Depreciation charge for the year		171,464	167,759
Total		(1,291,663)	234,116
Changes in working capital			
Decrease in grants and contracts receivable		(655,128)	728,813
(Increase)/decrease in other receivables		73,767	69,032
Decrease in inter - country receivables		14,049	23,003
Decrease in grants and contracts payable		2,900,798	(2,511,838)
Decrease in other payables		482,926	(651,883)
Increase in inter - country payables		(1,680,685)	1,706,752
Net cash flows (used in)/generated from operating activities		(155,936)	(412,372)
Investment activities			
Purchase of assets	11.9	(225,960)	(128,319)
Net cash flows used in investing activities		(225,960)	(128,319)
Net (decrease)/increase in cash and cash equivalents		(381,896)	(540,691)
Cash and cash equivalents- beginning of the year		874,335	1,415,026
Refund from implementing partner		10,198	-
Cash and cash equivalents at year end	11.10	502,637	874,335

The notes on pages 30 to 36 form an integral part of the financial statements.

The report of the Independent Auditor is on pages 15 to 17.

9.0 STATEMENT OF COMPARISON OF BUDGET AND ACTUAL AMOUNTS

Program	Funding Source	Original Budget			Revised Budget		
		Budget	Actual	Variance	Budget	Actual	Variance
		US\$	US\$	US\$	US\$	US\$	US\$
Climate Justice	CARE Denmark	1,616,667	895,319	721,348	1,180,543	895,319	285,224
	CARE Deutschland	-	367,253	(367,253)	332,577	367,253	(34,676)
	CARE Nederland	-	(723)	723	-	(723)	723
	Other Donors	213,349	194,045	19,304	169,690	194,045	(24,355)
	Total	1,830,016	1,455,894	374,122	1,682,810	1,455,894	226,916
Gender Justice	CARE Canada	1,772,484	1,124,421	648,063	648,063	1,120,115	(472,052)
	CARE Österreich	1,136,261	1,127,505	8,756	8,756	870,535	(861,779)
	Other Donors	85,147	46,797	38,350	38,350	69,473	(31,123)
	UN all	1,120,281	1,127,834	(7,553)	(7,553)	1,652,423	(1,659,976)
	Total	4,114,172	3,426,557	687,616	687,616	3,712,546	(3,024,930)
Humanitarian and Nexus	CARE Denmark	-	(14,268)	14,268	-	(14,268)	14,268
	CARE Deutschland	-	620,719	(620,719)	615,076	620,719	(5,643)
	CARE Nederland	-	(353)	353	-	(353)	353
	CARE Norge	1,372,334	1,531,303	(158,969)	1,570,097	1,531,303	38,794
	CARE Österreich	330,611	266,015	64,596	278,961	266,015	12,946
	CARE UK	-	(14)	14	-	(14)	14
	Secretariat	-	(2,014)	2,014	-	(2,014)	2,014
	US Private Pool Emergency	-	119,150	(119,150)	118,387	119,150	(763)
	US Private	-	(2,880)	2,880	29,627	(2,880)	32,507
	USG Government - Other	-	29,628	(29,628)	-	29,628	(29,628)
	Total	1,702,945	2,547,286	(844,341)	2,612,148	2,547,286	64,862

STATEMENT OF COMPARISON OF BUDGET AND ACTUAL AMOUNTS Continued...

Program	Funding Source	Original Budget			Revised Budget		
		Budget	Actual	Variance	Budget	Actual	Variance
		US\$	US\$	US\$	US\$	US\$	US\$
Livelihood							
	CARE Denmark	4,136,673	2,319,589	1,817,084	2,104,036	2,319,589	(215,553)
	CARE Nederland	-	1,204,802	(1,204,802)	1,336,371	1,204,802	131,569
	Subsidiaries	-	39,244	(39,244)	42,064	39,244	2,820
	US Private	1,973,010	1,893,744	79,266	1,623,016	1,893,744	(270,728)
	Total	6,109,683	5,457,379	652,304	5,105,487	5,457,379	(351,892)
Unrestricted	US GPF	-	156,312	(156,312)	-	137,952	(137,952)
	US Private	-	-	-	-	-	-
	US UNR	350,000	364,543	(14,543)	390,000	334,359	68,276
	Total	350000	520,855	(170,855)	390,000	472,311	(69,676)
Grand Total		14,106,816	13,407,971	698,846	10,478,061	13,645,416	(3,215,899)

10.0 SIGNIFICANT ACCOUNTING POLICIES

10.1 General Information

CARE International in Uganda is part of CARE International global network and has been active in Uganda since 1969 implementing a diverse portfolio of programs and projects ranging from emergency services to economic development and civil society building.

10.2 Statement of Compliance and Basis of Preparation.

The financial statements of the organisation have been prepared in accordance with the International Public Sector Accounting Standards (IPSAS) and the requirements of the Companies Act, 2012. The financial statements have been prepared on a historical cost basis, except where otherwise stated.

The financial statements are prepared in accordance with the cash-basis of accounting. IPSAS primarily supports accrual accounting. However, IPSAS provides guidelines for entities using the cash basis, specifically IPSAS 24, which outlines the modified cash basis of accounting. The cash basis of accounting includes additional accounting for: (a) receivables, such as imprests and salary advances, and (b) payables, including deposits and retentions.

Adoption of New and Revised Standards (IPSAS)

New and amended standards and interpretations in issue for the year 2022/2023 include the following;

New IPSAS:

IPSAS 44 – Financial Instruments: This standard introduces new guidance on accounting for financial instruments in the public sector, aligning with International Financial Reporting Standards (IFRS) more closely.

IPSAS 45 – Disclosure of Interests in Other Entities: This new standard enhances the disclosure requirements related to interests in joint ventures, associates, and subsidiaries. This standard is not applicable to the organisation practice.

Amendments to Existing IPSAS:

IPSAS 1 – Presentation of Financial Statements: The standard requires clearer presentation and classification of net assets/equity and liabilities, more detailed disclosures of judgments and estimates, consistent comparative information, improved alignment of the cash flow statement with IFRS, and additional disclosures on financial performance and risks.

IPSAS 3 – Accounting Policies, Changes in Accounting Estimates and Errors: Amendments to this standard provides more guidance on changes in accounting policies and the treatment of errors.

IPSAS 12 – Inventories: Updates to this standard address the measurement and presentation of inventories, including issues related to the determination of cost and the allocation of overheads. The organisation does not have inventories.

IPSAS 16 – Investment Property: Clarifications have been made regarding the treatment of investment property, particularly in the context of public sector entities. The organisation does not have investment property.

SIGNIFICANT ACCOUNTING POLICIES Continued...

Amendments to Existing IPSAS Continued...

IPSAS 17 – Property, Plant, and Equipment: includes more detailed guidance on the measurement and disclosure of property, plant, and equipment.

10.3 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

The following are the principal accounting policies applied by the organisation in preparing its financial statements.

a) Going concern

The financial performance of the organization is set out in the Statement of Financial Performance. The financial position of the organization is set out in the Statement of Financial Position. Based on the financial performance and position of the organization and its risk management policies, Management is of the opinion that the organization is well placed to continue operations for the foreseeable future and as a result the financial statements are prepared on a going concern basis.

b) Revenue recognition

Grants are recognised where there is reasonable assurance that the grant will be received and all attached conditions will be complied with.

- i). Grants for restricted purposes and for specified funded projects are recognised when received and spent on qualifying activities. Any unutilised grants are recognised as grants and contracts payable and any excess expenditure over income is recorded as grants and contracts receivable at year end where there is commitment of additional funds from grant providers to cover such expenditure.
- ii). All other donations are accounted for on a cash receipt basis unless there are committed funds or pledged funds that are receivable.

c) Expenditure

Expenses are decreases in economic benefits or service potential during the reporting period in the form of outflows or consumption of assets or incurrences of liabilities that result in decreases in net assets/equity. Expenditure is recognized in the period it is incurred. Expenditure is guided by approved budgets.

d) Accumulated reserves

The accumulated reserves relate to remaining funds or obligations at the close of the year. These are carried forward to the following year to continue operations.

e) Cash and cash equivalents

For the purposes of the statement of cash flows, cash and cash equivalents comprise cash in hand and deposits held at call with banks.

SIGNIFICANT ACCOUNTING POLICIES Continued...

f) Receivables

Grant and contracts receivable relate to the excess expenditure over income as at year end and is only recognized where there is commitment of additional funds from grant providers.

Other receivables include deposits and prepayment for services/goods to be delivered in future and advances to staff. Other receivables are only accounted for if there is tangible evidence that the service/goods will be performed/delivered in future or a refund will be made in the event the service/goods is not performed/delivered.

g) Property and equipment

Property and equipment are initially recorded at cost. Historical cost includes expenditure that is directly attributable to the acquisition of the items. Subsequent costs are included in the asset's carrying amount or recognised as a separate asset, as appropriate, only when it is probable that future economic benefits associated with the item will flow to the organization and the cost of the item can be measured reliably. All other repairs and maintenance costs are charged to the statement of financial performance during the financial year in which they are incurred.

Depreciation on property and equipment is calculated using the straight-line method to allocate their cost amounts less their residual values over their estimated useful lives, as follows:

▪ Vehicles	3 years
▪ Office equipment	3 years
▪ Computer hardware	5 years
▪ Communications equipment	3 years
▪ Machinery & other equipment	3 years

An item of property and equipment is derecognised upon disposal or when no future economic benefits are expected from its use or disposal. Any gain or loss arising on derecognition of the asset (calculated as the difference between the net disposal proceeds and carrying amount of the asset) is recognised in the statement of Financial Performance. The asset's residual values, useful lives and methods of depreciation are reviewed, and adjusted if appropriate, at each reporting date.

h) Payables

Payables comprise of outstanding contractual /legal obligations incurred in the ordinary course of operations due within one year or less (or in the normal operating cycle) and accrued expenses. Payables are recognised initially at fair value and subsequently measured at amortised cost using the effective interest method. Outstanding contractual obligations comprise of invoices received relating to the period under review but had not been paid. Accrued expenses are payments made after the year end but relate to the year under review. Donor grants and contracts payable relates to restricted funds held by the organisation for the following year's programmes that had not yet been spent by the end of the current year. Accounts payable which are not paid within one year are presented as non-current liabilities.

SIGNIFICANT ACCOUNTING POLICIES Continued...

i) Provisions

Provisions are recognized when the organisation has a present obligation (legal or constructive) as a result of a past event, it is probable that an outflow of resources embodying economic benefits or service potential will be required to settle the obligation and a reliable estimate can be made of the amount of the obligation. Where the organisation expects some or all of a provision to be reimbursed, the reimbursement is recognized as a separate asset only when the reimbursement is virtually certain. The expense relating to any provision is presented in the statement of financial performance net of any reimbursement.

j) Contingent liabilities

The organization does not recognize contingent liabilities but discloses details of any contingencies in the notes to the financial statements, unless the possibility of an outflow of resources embodying economic benefits or service potential is virtually certain that an outflow of economic benefits or service potential will arise and the asset's value can be reliably measured.

k) Contingent assets

The organization does not recognize a contingent asset but discloses details of a possible asset whose existence is contingent on the occurrence or non-occurrence of one or more uncertain future events not wholly within the control of the organization in the notes to the financial statements. Contingent assets are assessed continually to ensure that developments are appropriately reflected in the financial statements. If it has become virtually certain that an inflow of economic benefits or service potential will arise and the asset's value can be measured reliably, the asset and the related revenue are recognized in the financial statements of the period in which the change occurs.

l) Budget information

A comparison of budget and actual amounts, prepared on a comparable basis to the original and forecasted/revised budget, is presented in the Statement of Comparison of Budget and Actual amounts on pages 22 and 23.

m) Employee benefits

The organization and its employees contribute to the National Social Security Fund (NSSF), a statutory defined contribution scheme registered under the NSSF Act. The organization's contributions to the defined contribution scheme are charged to the Statement of Financial Performance of the year which they relate.

n) Foreign currency translation

Transactions in foreign currencies during the year are converted into Uganda Shillings at rates ruling at the transaction dates. For purposes of reporting, the organization uses US\$. Assets and liabilities at the statement of financial position date which are expressed in US\$ at rates ruling at that date. The resulting differences from conversion and translation are dealt with in the statement of financial performance in the year in which they arise.

SIGNIFICANT ACCOUNTING POLICIES Continued...

o) Inter-country transactions.

Inter-country transactions relate to financial transactions between countries under CARE International. These include handling payments in Uganda on behalf of another CARE country and payments made by other countries on behalf of Uganda. Balances are settled and reconciled at an agreed date. Outstanding obligations at the end of the year are recognized as inter-country payables, while outstanding payments from other countries are recognized as inter-country receivables.

p) Changes in accounting policies and estimates

The organization recognizes the effects of changes in accounting policy retrospectively. The effects of changes in accounting policy are applied prospectively if retrospective application is impractical.

q) Significant accounting judgments, estimates and assumptions.

The preparation of the organisation's financial statements in conformity with IPSAS requires management to make judgments, estimates and assumptions that affect the reported amounts of revenues, expenses, assets and liabilities, and the disclosure of contingent liabilities, at the end of the reporting period. However, uncertainty about these assumptions and estimates could result in outcomes that require a material adjustment to the carrying amount of the asset or liability affected in future periods as described below.

r) Estimates and assumptions

The key assumptions concerning the future and other key sources of estimation uncertainty at the reporting date, that have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities within the next financial year, are described below. The organisation based its assumptions and estimates on parameters available when the financial statements were prepared. However, existing circumstances and assumptions about future developments especially availability of funding or circumstances arising beyond the control of the organisation. Such changes are reflected in the assumptions when they occur.

Property and equipment

Critical estimates are made by the management in determining the useful lives and residual values to property and equipment based on the intended use of the assets and the economic lives of those assets. Subsequent changes in circumstances or prospective utilisation of the assets concerned could result in the actual useful lives or residual values differing from initial estimate.

The useful lives and residual values of assets are assessed using the following indicators to inform potential future use and value from disposal:

- The condition of the asset based on the assessment of experts employed by the organisation.
- The nature of the asset, its susceptibility and adaptability to changes in technology and processes.
- The nature of the processes in which the asset is deployed.
- Availability of funding to replace the asset.
- Changes in the market in relation to the asset

SIGNIFICANT ACCOUNTING POLICIES Continued...

s) Financial Risk Management

The organization's activities expose it to a variety of financial risks: market risk (including foreign exchange risk), credit risk and liquidity risk. The organization's overall risk management programme focuses on the unpredictability of financial markets and seeks to minimise potential adverse effects on its financial performance.

Market risk

Foreign exchange risk: The organization is exposed to foreign exchange risk arising from various currency exposures, primarily with respect to the United States Dollar. Foreign exchange risk arises from recognised assets and liabilities. The organization aims to manage exposure to fluctuations in foreign currency exchange rates by keeping a proportion of its cash balance in foreign currency.

Price risk: The organization does not hold any financial instruments subject to price risk.

Cash flow, fair value and interest rate risk: The organization does not hold any bank loans and loans from related parties subject to cash flow, fair value and interest rate risk.

Credit risk: Credit risk arises from cash and short-term deposits with banks. The organization does not have any significant concentrations of credit risk. The amount that best represents the organization's maximum exposure to credit risk at 30 June 2023 is made up as follows:

	2023 US\$	2022 US\$
Cash and cash equivalents	502,637	874,335
Receivables	4,807,709	4,240,397
Total	5,310,346	5,114,732

There is no collateral held for any of the above assets.

Liquidity risk

Prudent liquidity risk management includes maintaining sufficient cash balances, and the availability of funding from an adequate amount of committed credit facilities.

The table below analyses the organization's financial liabilities. These financial liabilities will be settled within a period of one year from 30 June 2023. The amounts disclosed in the table below are the contractual undiscounted cash flows.

	2023 US\$	2022 US\$
Payables	6,253,836	4,550,797

11.0 NOTES TO THE FINANCIAL STATEMENTS

11.1 GRANTS AND DONATIONS

	2023 US\$	2022 US\$
Restricted grants through CI Members	9,342,097	9,470,684
Grants from UN agencies and local donors	1,130,541	1,895,660
USG & other U.S Federal grants	1,158,276	2,890,079
U.S private & pool emergency funding	115,607	565,801
Unrestricted funding from CARE U. S	385,794	404,833
Total to page 18	12,132,315	15,227,057

11.2 OTHER OPERATING INCOME

Other operating income	49,974	90,713
Total to page 18	49,974	90,713

Other operating income mainly relates to interest income, insurance refunds, cash for grow activities

11.3 EMPLOYMENT EXPENSES

	2023 US\$	2022 US\$
Local salaries	2,375,962	2,547,210
Local staff benefits	1,007,125	1,014,669
International salaries	320,653	274,789
International staff benefits	132,341	101,509
Temporary staff - individual	78,167	69,917
Staff training	12,200	5,557
Trainee expenses	502	10,099
Total to page 18	3,926,950	4,023,750

11.4 EQUIPMENT EXPENSES

Computers and maintenance	107,225	86,532
Communication equipment and maintenance	47,323	46,678
Furniture and maintenance	32,169	30,098
Office equipment and maintenance	8,807	18,644
Machinery and other equipment and maintenance	4,968	28,921
Total to page 18	200,492	210,873

NOTES TO THE FINANCIAL STATEMENTS Continued...

	2023 US\$	2022 US\$
11.5 DIRECT ACTIVITY EXPENSES		
Honorarium/daily subsistence	1,011,595	1,025,242
Project materials/supplies	1,037,024	1,350,980
Consultancy fees	663,345	968,042
Catering services	441,767	441,105
Promotional items	220,299	201,793
Training venue expenses	101,229	102,438
Training contractor services	81,245	176,112
Media expenses	59,827	64,597
Voucher & cash distribution	15,809	140,927
Conference/seminars/training workshops	2,395	287
Shipping services	1,141	15,600
Advocacy & campaign	69	7,976
Total to page 18	3,635,745	4,495,099
11.6 PARTNERSHIP & SUB-AWARDS EXPENSES		
Catholic Relief Services	863,871	458,655
Gulu Agricultural Development Company	379,342	735,727
Restless Development Uganda	254,140	185,016
Community Empowerment for Rural Development	240,195	173,327
Care and Assistance for Forced Migrants	237,495	98,164
Ipsos Limited	220,884	369,075
Joint Effort to Save The Environment	172,393	114,805
Africa Innovations Institute	130,289	-
Thrive Gulu	125,710	-
Naguru Teenage Health Centre	121,201	10,394
Food Rights Alliance FRA Ltd	104,798	-
Days for Girls Uganda	102,402	59,212
KYU Research Training and ITCSP	99,530	-
Palm Corps Ltd	83,894	-
Uganda Youth & Adolescent Health Forum	80,210	-
Dynamic Agro-Pastoralist Development	49,457	94,077
Community Empowerment for Peace & Development	47,724	36,890
Reach Out Mbuya Community Health Initiative	37,442	-
Ankole Private Sector Promotion Centre	23,016	51,529
Uganda Women Entrepreneurship Programme	7,570	193,993
Community Development Resource Network	4,686	29,725
CAPAIDS	1,849	-
Biodiversity Hub International	1,114	-
Network for Active Citizens	1,114	-

NOTES TO THE FINANCIAL STATEMENTS Continued...

	2023 US\$	2022 US\$
Partnership & Sub-Awards Expenses Continued...		
Other partner expenses	1,248	120
United Children Integrated Action	1,114	-
Youth Go Green	1,114	-
YADNET Uganda	1,114	-
Soroti Rural Development Agency	-	259,168
Kabarole Research & Resource Centre	-	265,743
West Nile Community Action for Rural Development	-	209,867
Womana Uganda	-	187,564
Partner for Community Health and Development	-	61,062
Advocacy Coalition for Development	-	58,317
Facilitation for Innovation	-	33,419
Environmental Alert.	-	32,222
Facilitation for Peace and Development	-	24,726
Caritas Lira	-	24,542
Rural Initiative for Community Empowerment	-	14,458
Total to page 18	3,394,916	3,781,797
11.7 TRAVEL AND TRANSPORTATION EXPENSES		
Local travel	490,587	427,546
Vehicle fuel	262,346	260,628
Vehicle operations/maintenance	146,671	164,734
Vehicle rental	71,018	153,777
International travel	44,032	43,219
Vehicle costs	14,489	54,791
Total to page 18	1,029,143	1,104,695
11.8 OTHER OPERATING EXPENSES		
ICR expenses	278,868	325,044
Input VAT/GST non-recoverable	237,329	332,511
Depreciation expenses	169,301	194,277
Communications costs	105,551	102,475
IT services fees	97,052	96,255
Facilities repairs/maintenance	91,042	98,587
Facilities rental	87,825	109,803
Audit/accounting fees	79,878	74,319
Miscellaneous taxes	62,475	24,777
Printing expenses	58,027	79,262
Utilities	47,143	47,050
Other professional services fee	44,167	21,722
Office supplies and stationery	29,029	34,241

NOTES TO THE FINANCIAL STATEMENTS Continued...

Other operating expenses Continued...	2023 US\$	2022 US\$
Legal services	26,601	22,421
Dues and subscriptions	13,668	16,780
Insurance premium	12,249	7,974
Bank charges	10,015	9,275
Payroll services fees	2,443	1,793
Miscellaneous other costs	1,651	8,417
Recruitment fees	1,318	12,559
Bad debt expense	654	10,707
Customs charges duty	650	269
Postage and delivery	643	4,646
Rounding suspense account	344	1
Registration fees	194	-
Entertainment/Representation	53	-
Facilities taxes	-	34
Total to page 18	1,458,170	1,635,199

11.9 PROPERTY AND EQUIPMENT

Particulars	Vehicles US\$	Office Equipment US\$	Communications Equipment US\$	Machinery & Other Equipment US\$	Computers Hardware US\$	Total US\$
<u>Cost</u>						
As at 1 July 2022	1,538,327	124,447	49,904	24,948	9,714	1,747,340
Additions	225,960	-	-	-	-	225,960
As at 30 June 2023	1,764,287	124,447	49,904	24,948	9,714	1,973,300
<u>Depreciation</u>						
As at 1 July 2022	937,021	55,812	36,042	20,484	9,714	1,059,073
Charge for the year	120,417	34,318	13,862	2,867	-	171,464
As at 30 June 2023	1,057,438	90,130	49,904	23,351	9,714	1,230,537
<u>Net book value</u>						
As at 30 June 2023	706,849	34,317	-	1,597	-	742,763
As at 30 June 2022	601,307	68,635	13,862	4,462	-	688,267

NOTES TO THE FINANCIAL STATEMENTS Continued...

	2023	2022
	US\$	US\$
11.10 CASH AND CASH EQUIVALENTS		
CITI Bank UGX	241,956	790,287
CITI Bank USD	152,967	3,162
Stanbic Bank- UGX	106,330	80,886
Cash in hand	1,384	-
Total to page 19	502,637	874,335
11.11 GRANTS AND CONTRACTS RECEIVABLE		
Grants/contracts receivable	3,956,986	3,301,858
Total to page 19	3,956,986	3,301,858

The balance relates to grants from various donors that are recognized as receivables when there is a commitment from grant providers to provide additional funds. These funds are expected to be received after the end of the financial year however the expenses were incurred in the current period. CARE International Head Office is responsible for analysing and allocating the grant receivable and contracts balances.

	2023	2022
	US\$	US\$
11.12 OTHER RECEIVABLES		
Sub-grantee advances	404,052	474,969
Vendor advances	63,978	120,907
Prepaid insurance	63,681	15,426
Miscellaneous receivables	24,297	22,836
Prepaid expenses	13,371	20,686
Travel advance	5,252	10,101
Security deposits	4,948	4,940
Project advance	-	24,101
Loans receivable	-	(40,620)
Total to page 19	579,579	653,346
11.13 INTER - COUNTRY RECEIVABLES		
Inter - country receivables	271,144	285,195
Total to page 19	271,144	285,195

The balance includes amounts owed by other Care country offices to Care International in Uganda for services rendered or costs incurred on their behalf, which were not settled by the end of the financial year.

NOTES TO THE FINANCIAL STATEMENTS Continued...

	2023	2022
	US\$	US\$
11.14 GRANTS AND CONTRACTS PAYABLE		
Grants/contracts payable	4,840,060	1,939,263
Total to page 19	4,840,060	1,939,263

The balance represents funds the organization is obligated to pay out under grant agreements and contracts for specific services or purposes outlined in funding agreements. CARE International Head Office is responsible for analysing and allocating the grant and contracts payable balances.

	2023	2022
	US\$	US\$
11.15 OTHER PAYABLES		
Accounts payable	868,869	590,191
Accrued expenses	373,800	187,439
Accrued PTO/annual leave	92,588	68,391
Payroll liabilities	44,910	49,404
Accrued bonus	4,133	6,788
Supplier liabilities	3,385	2,563
Match funding provision	6	6
Total to page 19	1,387,709	904,782
11. 16 INTER - COUNTRY PAYABLES		
Inter – company payables	26,067	1,706,752
Total to page 19	26,067	1,706,752

The balance includes obligations that Care International in Uganda has to pay to Care country offices for services rendered or costs incurred, which were not cleared by the end of the financial year.

11.17 CONTINGENT LIABILITIES

The organization's lawyers have confirmed that there were no contingent liabilities as of 30 June 2023.

11.18 INCOME TAX EXEMPTION STATUS

Care International in Uganda is involved in charitable activities and therefore falls within the definition of exempt category for tax purposes as stipulated in Section 2(b) (b) of the Income Tax Act (Cap 340) however management has not yet obtained a written ruling by the Commissioner stating that it is an exempt organization. No tax provision or liability has been incorporated in the Financial Statements for the year ended 30 June 2023.

11.19 REPORTING CURRENCY

The financial statements are presented in United States dollars (US\$).

NOTES TO THE FINANCIAL STATEMENTS Continued...

11.20 COMPARATIVES

Were necessary, prior year comparative figures are stated to conform to the current year presentation.

11.21 POST BALANCE SHEET EVENTS

There were no post balance sheet events requiring amendments to the financial statements as at 30 June 2023.

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