

BUDUDA CANADA FOUNDATION

DOING BUSINESS IN UGANDA AS

BUDUDA LEARNING CENTER

Auditor's Report and Financial Statements

For the year ended 31st December 2016

KIZZA & CO
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DIRECTORS' REPORT

1. Introduction

Bududa Canada Foundation provides governance to Bududa Learning Center. The Directors of Bududa Canada Foundation are pleased to present their report for the year ended 31st December 2016 which show the state affairs of Bududa Learning Center.

2. Directors

The Directors who held office for Bududa Canada Foundation during the period and to the date of this report were:

Names	Nationality	Board Position
Sally Bongard	Canada	Member (Chairman until 31 st December 2016)
Scott Douglas	USA	Member (Chairman from 31 st December 2016)
Lizette Gilday	Canada	President
Cecily Lawson	Canada	Member
Louisa Spawls	British	Member (from 30 th June 2016)
Barbara Wybar	Canada and USA	Treasurer

The members of the advisory board for Bududa Learning Center were:

Names	Nationality	Board Position
Fr. Paul Buyela	Uganda	Chairman
Ms Anna Apio	Uganda	Faculty representative
Ms Justine Kalenda	Uganda	Student representative
Ms Lornah Mutinye	Uganda	Parents' representative
Ms Betty Malekha	Uganda	Education Department representative
Mr Ali Kutosi	Uganda	Local Council III representative
Ms Betty Bigala	Uganda	Bududa Women's Microfinance representative
Ms Grace Nameyeka	Uganda	Children of Bududa representative
Mr Robert Kotaki	Uganda	Acting secretary - ex officio
Ms Barbara Wybar	Canada and USA	Executive Director Bududa Learning Center

3. Major activities

The principal activities of Bududa Learning Center include vocational training programs; social support to orphans and other vulnerable children; and microfinance support to the disadvantaged women.

4. Funding

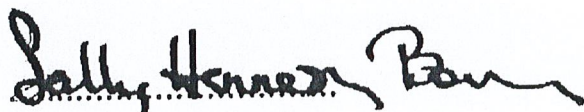
Funding for the programs comes from over 400 individuals, families, private foundations and associations from Canada, the United States, and United Kingdom.

5. Results for Period

The Directors present the financial results for the year ended 31st December 2016 and financial position as at that date set out on pages 8 to 9.

6. Auditors

The Auditors, M/s KIZZA & CO, have expressed their willingness to continue in office.



Secretary

By order of the Board



Date

**BUDUDA LEARNING CENTER
 STATEMENT OF RECEIPTS AND DISBURSEMENTS
 FOR THE YEAR ENDED 31 DECEMBER 2016**

		Year-ended 31.12.2016	Year-ended 31.12.2016	Year-ended 31.12.2015	Year-ended 31.12.2015
RECEIPTS	Notes	Ushs	\$	Ushs	\$
Donations BCF		249,027,570	73,677	192,623,737	61,040
Donations FPT		101,216,173	30,330	141,782,236	45,532
Donations UK		16,655,926	4,965	-	-
Students fees	8	37,158,200	11,036	37,408,750	11,922
Other Income	9	30,052,687	8,926	23,880,728	7,610
		434,110,556	128,934	395,695,451	126,104
DISBURSEMENTS					
Salaries		124,152,495	36,874	112,929,399	35,989
Meals		64,135,875	19,049	82,511,669	26,296
Program expenses		101,490,650	30,144	72,201,779	23,010
Scholarships		4,441,100	1,319	7,496,000	2,389
Production expenses		10,804,600	3,209	10,368,800	3,304
Facilities expense		31,693,509	9,413	15,832,541	5,046
Travel		13,535,060	4,020	13,287,957	4,235
Stationery & supplies		10,870,000	3,229	8,767,805	2,794
Communications & advertising		17,091,300	5,076	16,597,300	5,289
Professional fees		5,795,000	1,721	3,250,000	1,036
Miscellaneous		10,551,348	3,134	8,173,796	2,605
Fixed asset additions		45,408,000	13,487	41,758,900	13,308
Bad debts		2,067,500	627	-	-
Foreign exchange		-	(88)	-	(22)
		442,036,437	131,214	393,175,946	125,279
Net Surplus/(Deficit)		(7,925,881)	(2,280)	2,519,505	825

(The financial statements on pages 8 and 9 should be read together with the related notes on pages 10-15)

NOTES TO THE FINANCIAL STATEMENTS

1. THE ACCOUNTING ENTITY

Bududa Canada Foundation, operating in Uganda through Bududa Learning Center has two main programs: Bududa Vocational Academy (BVA) and Children of Bududa Program (CoB).

BVA's activities include Nursery Teacher Training, Brick Laying and Concrete Practices, Computer, Carpentry and Tailoring. The academy runs short courses in computer application, as well as occasional training for women groups and the community.

The Children of Bududa is a program for orphans and other vulnerable children from the ages of 5 to 20 years. The program provides nutrition, essential supplies, school fees, medical and other logistics needed to promote the well-being of children.

The above activities are funded by contributions from Canada, United Kingdom and United States of America mainly through Bududa Canada Foundation (BCF) and Friends of Peace Teams (FPT).

2 PRINCIPAL ACCOUNTING POLICIES

The following is a summary of the accounting policies adopted in the preparation of these financial statements.

(a) Basis of Accounting

- (i) The reporting currency is Uganda Shillings (Ushs) with a line by line equivalent in USD (\$).
- (ii) The financial statements have been prepared on a modified cash basis of accounting. On this basis, donations are recognised when the purpose for which they were obtained is met; otherwise they are deferred to the subsequent reporting period. On the other hand, locally generated income including fees from students and guest house collections is recognised when earned and expenses are recognized when a commitment is made.

(e) Fixed assets

Fixed assets are stated at cost less accumulated depreciation. Depreciation is calculated on a straight line basis over their expected useful lives at the following rates.

Asset	Rate
Land	0%
Buildings	2%
Tools & equipment	20%
Furniture and fittings	20%
Computers and equipment	20%

(f) Foreign currencies

Transactions in foreign currencies are translated into Uganda shillings at the rate on the date of the transaction; Monetary assets and liabilities are translated at closing rate; Revenue and expenses are translated at an average rate.

3. Fixed Assets

Cost/Valuation	Leased Land	Buildings	Tools & Equipment	Furniture & Fittings	Computers & Equipment	Total 31.12.2016	Year-ended 31.12.2016
	Ushs	Ushs	Ushs	Ushs	Ushs	Ushs	USD
As at 1.01.16	10,570,000	575,776,277	52,939,400	25,814,500	40,725,551	705,825,728	285,576
Additions	-	5,056,000	38,614,500	787,500	950,000	45,408,000	13,487
As at 31.12.16	10,570,000	580,832,277	91,553,900	26,602,000	41,675,551	751,233,728	299,063
Depreciation							
As at 1.01.16	634,200	40,878,041	16,869,880	21,137,690	40,035,960	119,555,771	52,692
Charge for the year	211,400	11,616,645	18,310,780	3,040,450	655,590	33,834,865	11,786
As at 31.12.16	845,600	52,494,686	35,180,660	24,178,140	40,691,550	153,390,636	64,478
NBV 31.12.2016	9,724,400	528,337,591	56,373,240	2,423,860	984,001	597,843,092	234,585
NBV 31.12.2015	9,935,800	534,898,236	36,069,520	4,676,810	689,591	586,269,957	232,884

4. Cash and Bank

	As at 31.12.2016 Ushs	As at 31.12.2016 USD	As at 31.12.2015 Ushs	As at 31.12.2015 USD
BCF dollar A/c	10,926,714	3,104	-	-
Centenary Bank	1,569,593	446	61,633	19
Cash at hand	655,351	186	83,750	25
	<u>13,151,658</u>	<u>3,736</u>	<u>145,383</u>	<u>44</u>

5. Receivables

	As at 31.12.2016 Ushs	As at 31.12.2016 USD	As at 31.12.2015 Ushs	As at 31.12.2015 USD
Wagagai Ltd	31,000	9	8,281,000	2,509
Construction for change	-	-	796,000	241
Loans	200,000	57	2,617,500	793
	<u>231,000</u>	<u>66</u>	<u>11,694,500</u>	<u>3,544</u>

6. Payables

	As at 31.12.2016 Ushs	As at 31.12.2016 USD	As at 31.12.2015 Ushs	As at 31.12.2015 USD
URA	683,251	194	626,427	190
NSSF	2,862,774	813	886,074	269
Audit fees	3,000,000	852	3,000,000	909
RBM Consult Ltd	0	0	780,000	236
Loan	1,850,000	526	1,850,000	561
Wagagai Production expense	0	0	3,195,800	968
	<u>8,396,025</u>	<u>2,385</u>	<u>10,338,301</u>	<u>3,133</u>

7. Reserves

	Year-ended 31.12.2016 Ushs	Year-ended 31.12.2016 USD	Year-ended 31.12.2015 Ushs	Year-ended 31.12.2015 USD
Equity in Fixed Assets				
Balance b/f	586,269,957	232,884	571,534,000	227,874
Fixed asset additions	45,408,000	13,487	41,758,900	13,308
Prior year adjustments				2,068
Depreciation	(33,834,865)	(11,786)	(27,022,943)	(10,366)
	<u>597,843,092</u>	<u>234,585</u>	<u>586,269,957</u>	<u>232,884</u>
Surplus/(deficit)				
Balance b/f	1,501,582	455	(1,017,923)	(370)
Surplus/(deficit) for the year	(7,925,881)	(2,280)	2,519,505	825
	<u>(6,424,299)</u>	<u>(1,825)</u>	<u>1,501,582</u>	<u>455</u>

8. Students fees

	Year-ended 31.12.2016 Ushs	Year-ended 31.12.2016 USD	Year-ended 31.12.2015 Ushs	Year-ended 31.12.2015 USD
BCP Fees	9,417,400	2,797	7,984,700	2,545
Carpentry	4,039,500	1,200	5,424,800	1,729
Nursery	9,346,000	2,776	10,919,000	3,480
Tailoring	13,005,300	3,862	10,752,250	3,426
Computer	1,350,000	401	2,328,000	742
	<u>37,158,200</u>	<u>11,036</u>	<u>37,408,750</u>	<u>11,922</u>

9. Other income

	Year-ended 31.12.2016 Ushs	Year-ended 31.12.2016 USD	Year-ended 31.12.2015 Ushs	Year-ended 31.12.2015 USD
Guest House Fees	17,788,080	5,291	6,211,000	1,979
Sales to Wagagai Ltd	9,206,659	2,739	8,281,000	2,639
Revenue from production	1,338,200	398	-	-
Donations	1,200,000	357	1,553,200	495
Eye glasses	355,000	106	135,000	43
Other	164,748	35	150,000	48
Sale of fabric	-	-	3,289,500	1,048
Sale of marrum blocks	-	-	2,000,000	637
Sale of motorcycle	-	-	1,400,000	446
Sale of shirts	-	-	304,000	97
Interest on deposits	-	-	557,028	178
	<u>30,052,687</u>	<u>8,926</u>	<u>23,880,728</u>	<u>7,610</u>

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