

THE ODWAR FUND

P.O. BOX 70363

TEL, 0782 – 783363/0392 - 613777

KAMPALA, UGANDA

ANNUAL REPORT AND AUDITED FINANCIAL STATEMENT FOR THE PERIOD ENDED 30TH APRIL, 2011

Prepared by:

PM Associates

Certified Public Accountants - Uganda

Plot 51/53 Nkrumah Road

P.O. Box 514

Lira

Contact person: Isaac 0712-281731/0776610610/0701-001965



Preamble

Background Information 2011

Registered Place of Operation

Principal Place of Office Location;
Plot 44 Kole Road
Adyel Division
Lira Municipality.

Post Address

PO.Box 70363, Kampala

Bankers;

Centenary Bank
Lira Branch
P.O. Box –

Acknowledgments

Directors

Eddy Morris Ogweng	Executive Director
Jasper Okodi	Treasurer
Ms Alice Ayo	Secretary

Auditors;

PM Associates
Certified Public Accountants – Uganda

Lawyers

Makmot Kibwanga and Company
Advocates
Lira.

Annual Financial Summary Statement STATEMENT MANAGEMENT LETTER

Preamble

Mr. Chairman,

It is with much pleasure and honour that we present before this board meeting our findings, observations and recommendations.

Mr. Chairman, it is also with much pleasure and honour to report that the task of the Auditors is not to witch hunt personalities and/or individual but set with objectives:

- i) To examine all the Accounts for the organization for 12 months up to the period ended 30th April, 2011 and all the transactions and reports related to the financial matters of the Organization.
- ii) To identify and examine matters of financial interest and considered pertinent by the Auditors and in line with the general conditions given by the Regulation.
- iii) To verify the Book-keeping systems and to advise the management of the Organization on matters relating to financial management of the institution.

Acknowledgment.

The Auditors greatly acknowledge assistance and cooperation accorded to their team during the course of the audit exercise by the personnel involved in the day-to-day running of the activities of the organization and responsible personnel that helped in the production of this report.

Presentation:

All the Accounts on this Report appear on vertical presentation.

Programme:

The Programme activities carried during the period under review- the period ended 30th April, 2011. Was Education, Peace building & Human Rights, Agriculture & Livelihoods, and Environmental Management & protection activities?

Summary

All in all, on perusal of accounting documents, investigations and verifications, the finances were utilized as shown in the financial summary statements.

REPORT OF THE MANAGEMENT/RESPONSIBILITIES FOR THE FINANCIAL STATEMENT

The Law requires the management to prepare the financial statements for each financial year that gives a true and fair view of the state of affairs of the organization as at the end of the financial period and its operating results for the year. The Management is required to ensure that the organization keeps proper accounting records that disclose, with reasonable accuracy at anytime, the financial positions of the institution. The management is also responsible for safeguarding of the Assets of the Organization.

The Management accepts liability for the Annual Financial Summary Statements that have been prepared using appropriate accounting policies supported by reasonable and prudent judgment and estimates, in conformity with generally accepted accounting practices and in a manner required by the International Financial Reporting Standards (IFRS) and International Standards in Auditing (ISA).

The Management is of the Opinion that the Financial Statements gives a true and fair view of the state of Affairs of the Financial Statements of the Organization and of its results. The Management further Accepts responsibility for the maintenance of accounting records and documents that may be relied upon in the preparation of the financial statements, as well as adequate systems of Internal Control.

Nothing has come to attention of the Management to indicate that the organization will not continue in operation for the unforeseeable future from the date of this statement.

Signed:  Date: 27th / May / 2011
Executive Director

Signed:  Date: 27th / 05 / 2011
Treasurer

Signed: Alice Date: 27th / 05 / 2011
Secretary

Management Letter

To: The Board of Directors THE ODWAR FUND

Date : 27th May, 2011

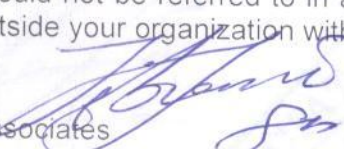
Regarding Projects : Education, Peace & Human Rights, Agriculture & Livelihoods and Environmental Management & protection

Description of project : THE ODWAR FUND

1. We have audited the attached financial summary statement for the above mentioned projects ended 30th April, 2011. We have been prepared solely for the purpose of reporting to THE ODWAR FUND and Partners. Our Audit was conducted in accordance with General accepted Auditing Standards.
2. Some Quarterly Abstracts, Payment Vouchers, Bank Statements, Reconciliation were maintained.
3. In our opinion, the annual Financial Statements have been prepared in conformity with generally accepted accounting practices on a consistent Basis. Further more the annual Financial Summary statement give a true and fair view of the project for the period ended 30th April 2011
4. **Unqualified opinion.**

We do declare that the report is an unqualified one.

5. The report is solely for your information not to be used for any other purpose. It should not be referred to in any document or publication made available to persons outside your organization without your consent.


PM Associates
Certified Public Accountants-Uganda
Lira



REPORT OF THE INDEPENDENT AUDITORS TO THE MANAGEMENT OF THE ODWAR FUND

We have audited the Financial Statements set out in this booklet, which have been prepared on the basis of accounting policies set out in the notes to the accounts. We obtained all the information and explanations that to the best of our knowledge and belief were necessary to provide a reasonable basis of our opinion.

Respective responsibilities of the Directors and the Independent Auditors

As stated in the Statement of Directors' Proprietors'/Managements' responsibilities, Directors/Proprietors' are responsible for the preparation of financial statements, which give a true and fair view of the state of affairs of the Firm and of its operating results. Our responsibility is to express an independent opinion on the financial statements based on our audit and to report our opinion to you.

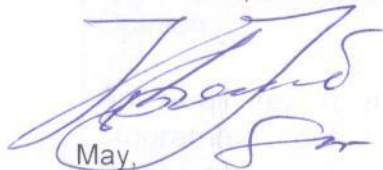
Basis of Opinion.

We conducted our audit in accordance with the International Standards on Auditing (ISA). Those standards require that we plan and perform the audit to obtain reasonable assurance that the financial statement is free from materials misstatement.

An Audit includes an examination on a test basis, of evidence supporting the amounts and disclosures in the financial statements. It also includes an assessment of the significant estimates and judgments made by the directors in the preparation of the Financial Statements and whether the accounting policies are appropriate in the company's circumstances, consistently applied and adequate disclosed.

Opinion

In our opinion, proper books of account have been kept and the financial statements, which are in agreement therewith, give a true and fair view of the state of the Organization's affairs as at 30th pril, 2011 and of its net operations and cash flows for the period then ended and comply with International Financial Reporting Standards (IFRS) and the Companies Act.


May,
27th, 2011
Lira.



Annual Financial Summary

Tex and Comments

Code	Text	Comments
1.	Brief Description of the Project including a short summary of the project operation must be given.	The Odwar Fund Projects aims at Supporting Children, Improving Lives!
2.	Give an opinion of to what extent the Accounting Policy has been adopted by the programme.	To a large extent the Accounting policy has been adopted.
3.	The Total amount received from Donor Partner must be specified in the Currency the Money is transferred and in the local Currency.	As shown on income statement
4.	If there is a difference between the closing and opening Balance of the succeeding Periods. An explanation must be given and the correction should be shown in the Annual Financial Summary Statements.	No Differences were noted
5.	A conclusion for the Audit must be given as a normal Audit Report.	See Audit Report
6.	<p>If there is any discrepancy from the normal Audit report, this must be given as an emphasis of the matter or as a qualified opinion/Disclaimer of Opinion/Adverse Opinion.</p> <p>An Audit report must specify the total programme cost, in order to identify the Audit Financial Statements.</p>	<p>Records were maintained</p> <p>See Audited Financial Statements</p>

TRIAL BALANCE

The trial balances are arithmetic check extracted to proven the worth of book -keeping. This check is therefore made on arithmetic accuracy on the part of entries when the last transactions have been made at the end of every accounting period (usually 12 month); immediately before the preparation of the income and expenditure accounts. This has been prepared in "Vote Head" formulae with detailed break- down in the receipts and payments accounts. Thus:

Trial balance As at 30th April, 2011

2010	Particulars	2011
	CR: (Creditors):	
39,265,600	Bal B/f	11,879,600
17,689,500	International Donations	68,120,400
4,000,000	Members Subscription	24,000,000
-	Grants	96,320,000
60,955,100	Grand Total	200,320,000
	DR: (DEBIT):	
	Programme activities:	
17,689,500	Fees payment	83,525,000
-	Environmental Protection & Mgt	20,800,000
-	Peace Building	7,140,000
-	Agric & Livelihoods	41,977,600
5,600,000	Personnel Costs	7,140,000
8,500,000	Finance Costs	2,600,000
17,286,000	Administrative Costs	14,022,400
-	Fixed Assets B/F	23,000,000
-	Receivables	-
11,879,600	Cash balance	115,000
60,955,100	Grand Total	200,320,000

INCOME AND EXPENDITURE ACCOUNT

The income and expenditure accounts extracted herein are to deduce either "Net surplus or (deficits)" at the end of the accounting periods (usually 12 month) for the respective years. They are drawn up on the results of figures in the trial balance and the particulars posted there in are "per se" the total income subjected into it the total recurrent expenditure. Thus: -

Income and Expenditure Accounts For the Period Ended 30th April, 2011

<u>2010</u>	<u>Particulars</u>	<u>2011</u>
	<u>Income:</u>	
39,265,600	B/f	11,879,600
17,689,500	International Donations	68,120,400
4,000,000	Members Subscriptions	24,000,000
-	Grants	96,320,000
60,955,100	Total Income	200,320,000
5,000,000	Less Capital Expenditure	23,000,000
55,955,100	Balance available for Recurrent Expenditure	177,320,000
	<u>Recurrent Expenditure</u>	
17,689,500	Fees Payment	83,525,000
-	Environmental Protection & Mgt	20,800,000
-	Peace Building & Human Rights	7,140,000
-	Agric & Livelihoods	41,977,600
5,600,000	Personnel Costs	7,140,000
8,500,000	Finance Costs	2,600,000
17,286,000	Administrative & Maintenance Costs	14,022,400
-	Depreciation	2,104,167
6,879,600	Net surplus / (Deficit)	(2,104,167)
49,075,500		177,320,000

STATEMENT OF FINANCIAL POSITION

A statement of financial position is a statement of assets and liabilities or a summary of listing the out standing balances from the trial balance. This statement is represented by Non Current Assets, Current Assets and Inventories for Assets and Liabilities by Non Current Liabilities (Accumulated Fund) and Current Liabilities, as shown bellow:

STATEMENT OF FINANCIAL POSITION As at 30th April, 2011

2009	Particulars	2010
	ASSETS:	
	Fixed Assets	
5,000,000	Net Non Current Assets	27,000,000
11,879,600	Current Assets	115,000
11,879,600	TOTAL ASSETS	27,115,000
	Financed by Equity & Liabilities	
	CAPITAL & RESERVES	
11,879,600	Net Surplus/Deficits	(2,104,167)
-	Accumulated Fund	29,219,167
-	Current Liabilities	-
11,879,600	TOTAL EQUITY & LIABILITIES	27,115,000

Given in our hands this 27th day of May, 2011 to be approved on the behalf of the Board of governors/executive committee.

Signed.....
BOARD CHAIRMAN

Signed.....
EXECUTIVE DIRECTOR

Signed.....
SECRETARY

In the witness of
PM Associates.

SCHEDULE OF NON CURRENT ASSETS- DEPRECIATION-2011

Particulars	Book Value	Additions	Total	Depreciation	W.D.V
Vehicle	-	20,000,000	20,000,000	1,041,667	18,958,333
Motorcycle	-	7,000,000	7,000,000	437,500	6,562,500
Office Equipments	5,000,000	-	5,000,000	625,000	4,375,000
Total	5,000,000	27,000,000	32,000,000	2,104,167	29,895,833