



CLASS

Change Lead
Agency Social
Support

ANNUAL REPORT

AND

AUDITED FINANCIAL STATEMENTS

FOR THE PERIOD ENDED

31 DECEMBER 2023

Audited by:

James Ok and Partners, Certified Public Accountant,
Plot 82, Muteesa II Road, Ntinda Kampala

**Change Lead Agency Social Support
Audited Financial Statements
For the Period ended 31st December 2023**

TABLE OF ACRONYMS

CLASS	Change Lead Agency Social Support
CPA	Certified Public Accountant
ISAs	International Standards on Auditing
IESBA	International Ethics Standards Board for Accountants
MOH	Ministry of Health
NGO	Non-Governmental Organisation
NSSF	National Social Security Fund
PAYE	Pay as You Earn
PPE	Property, Plant and Equipment
Ushs	Uganda Shillings
URA	Uganda Revenue Authority
USAID	United States Agency for International Development
USD	United States Dollar
VAT	Value Added Tax

**Change Lead Agency Social Support
Audited Financial Statements
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**Change Lead Agency Social Support
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Members of the Board of Directors

No	Name	Representation
1	Wacha Roggers	Chairperson
2	Akello Sarah Jane	Vice Chairperson
3	Dr. Ejang Mary	Treasurer
4	Ajok Joan	Member
5	Omara Moses	Secretary
6	Aryam Joel Peter	Member
7	Renge Leo	Member

Key management personnel

No	Name	Representation
1	Omara Moses	Executive Director
2	Akello Nancy	Program Manager
3	Awidi Sarah Michele	Account Assistant
4	Odongo Innocent Gira	Project M&E Officer
5	Obwogi Bosco	Innovation Officer

Registered Office

Change Lead Agency Social Support (CLASS)
P.O Box 921 Lira
Okwongo cell, Nakabela ward, Alebtong Town Council
Tel: +256 772324442
Email: classinupper@gmail.com
Website: www.classuganda.org

Registration number

80020002304277

Permit Number

NDP0004736NB

Bankers

Stanbic bank

Independent Auditor

James Ok and Partners
Certified Public Accountants of Uganda
Plot 82, Mutesa II Road, Ntinda
P.O Box 12187, Kampala, Uganda
Tel: +256-788-822-2204/751-701-027
E-mail: jamesokpartners@gmail.com
Website: www.jamesokpartners.com

Change Lead Agency Social Support
Audited Financial Statements
For the Period ended 31st December 2023

The directors submit their annual report and the audited financial statements for the financial year ended 31 December 2023, which disclose the state of affairs of the organization.

Background

Change Lead Agency Social Support (CLASS) is a youth focused nongovernmental organization started by people of like-minded and zeal to do charitable work in Uganda. It is incorporated with URSB (80020002304277) legally registered with Uganda National NGO Bureau (INDR156284736NB), Alebtong District Local Government (ADLG/2020/147), with a permit (NDP0004736NB) and certificate from Finance Intelligence Authority of Uganda (FIA-14-001137). CLASS is currently working in Alebtong District since its inception in 20216 towards promoting the wellbeing of children and youth in the areas of education, SRHR, WASH, Food and Nutrition, HIV/AIDS, SGBV, Youth participation/economic Empowerment and climate change

Vision

A global center for promoting the wellbeing of children and youth

Mission

To facilitate change for socioeconomic wellbeing of children and youth

Goal

To change the world for the safety and wellbeing of children and youth

Objectives

- a) To be a lead voice for children and youth
- (b) To give chance to children/youth to participate and contribute positive advocacy for child justice and wellbeing
- (c) Sustainable conservation and protections of environment
- (d) To promote access to education for vulnerable groups
- (e) To support programs that increases access to safe, clean water and basic sanitation
- (f) To mobilize and equip individuals on food security and nutrition
- (g) To response to disaster
- (h) To promote sexual reproductive health and rights, and to tackle sexual gender based violence and HIV/AIDS

Activities

- Champions of Change training
- Leaders engagement on climate change & SRHR
- Vocational Skill development training
- Awareness campaigns
- Parents VSLA group engagements on SRHR
- Community outreaches
- Intergenerational Dialogues
- Data Collection

Target group

- Youth
- Children

Change Lead Agency Social Support
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For the Period ended 31st December 2023

Background (continues)


The table below summarises the performance for the financial year.

Details	2023	2022
	USHS	USHS
Income	191,938,261	95,349,880
Expenditure	(199,090,234)	(88,204,807)
Surplus for the year	(7,151,973)	7,145,073

Directors and key management personnel

The directors and key management who held office during the year and to the date of this report are shown on page 2.

BY ORDER OF THE BOARD



Secretary

23rd Feb 2024


**Change Lead Agency Social Support
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For the Period ended 31st December 2023**

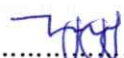
Statement of the Directors' Responsibilities

The Non-Governmental Organisations Act, 2016 of Uganda, under which the Organisation is registered, require the directors of Change Lead Agency Social Support (CLASS) 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 the operating results for the year. The directors' responsibility also includes ensuring that the Organisation keeps proper accounting records which disclose reasonable accuracy at any time the financial position of the Organisation. They are also responsible for safeguarding the assets of the Organisation.

The directors accept responsibility for the annual financial statements, which have been prepared using appropriate accounting policies supported by reasonable and prudent judgements and estimates, in conformity with the Organisation's financial guidelines and policies. The directors are of the opinion that the financial statements present fairly the state of the financial affairs of the Organisation and its operating results. The directors further accept responsibility for the maintenance of accounting records which may be relied upon in the preparation of the financial statements, as well as adequate systems of internal financial control.

The financial statements were approved by the Board of Directors on 23rd Feb 2024 and signed on its behalf by:


.....
Director


.....
Director



REPORT OF THE INDEPENDENT AUDITOR TO THE MEMBERS OF CHANGE LEAD AGENCY SOCIAL SUPPORT

REPORT ON THE AUDIT OF THE FINANCIAL STATEMENTS

Opinion:

We have audited the accompanying financial statements of Change Lead Agency Social Support set out on pages 9 to 24, which comprise the statement of financial position as at 31st December 2023, and the statement of income and expenses, statement of cash flows for the year then ended, and notes to the financial statements, including a summary of significant accounting policies.

In our opinion, the accompanying financial statements present fairly, in all material respects, the financial position of Change Lead Agency Social Support as at 31st December 2023, and of its financial performance and its cash flows for the year then ended in accordance with the basis of accounting described in Note 2 to the financial statements

Basis of 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 Organization 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.

Emphasis of matter - Basis of accounting and change of presentation of expenditure

We draw your attention to Note 2 to the financial statements, which describes the basis of accounting. The financial statements are prepared to assist the Organization to meet the requirements of the Organization's donors. As a result, the financial statements may not be suitable for another purpose.

We draw attention to note 11 to the financial statements which describes the changes made to the presentation of capital expenditure. The capital expenditure have been prepared on the new accounting policy of expensing capital expenditure presenting it to capital fund rather than expensing only depreciation as it had previously done. Depreciation is now charged to the capital fund account.

We draw attention to note 12 to the financial statements, the prior year's financial statements have been restated to include property, plant, and equipment that was previously omitted. This adjustment reflects the company's commitment to presenting its financial position in accordance with faithful representation principles.

Our opinion is not modified in respect of these matters.

Other matter:

The financial statements of the Organization for the year ended 31st December 2022, were audited by another auditor who expressed an unmodified opinion on those statements on 15th January 2023.

Other information:

REPORT OF THE INDEPENDENT AUDITOR(CONTINUED)

REPORT ON THE AUDIT OF THE FINANCIAL STATEMENTS(CONTINUED)

The directors are responsible for the other information. The other information comprises the Organization Information, the Directors' Report and Statement of Directors' Responsibilities. 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 an audit opinion or any form of assurance conclusion thereon.

In connection with our audit of the financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the audit, or otherwise appears to be materially misstated. If, based on the work we have performed, we conclude that there is material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard

Directors' responsibilities for the financial statements:

The directors are responsible for the preparation of the financial statements in accordance with the basis of accounting described in Note 2 to the financial statements and for determining that this financial reporting framework is acceptable in the circumstances. The directors are also responsible 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, the directors are responsible for assessing the Organization's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the directors either intend to liquidate the Organization 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 the ISAs, we exercise professional judgment and maintain professional skepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.

Auditor's responsibilities for the audit of the financial Statements (Continued)

- Obtain an understanding of the 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 Organization's internal control.

REPORT OF THE INDEPENDENT AUDITOR(CONTINUED)

REPORT ON THE AUDIT OF THE FINANCIAL STATEMENTS(CONTINUED)

- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the directors.
- Conclude on the appropriateness of the directors' use of the going concern basis of accounting and based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Organization's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our 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 Organization 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 the directors regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

The engagement partner responsible for the audit resulting in this independent auditor's report is CPA Okello James-P0378.



James Ok and Partners
Certified Public Accountant of Uganda
Kampala, Uganda

3rd May 2024



CPA James Okello
Practitioner

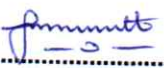


Change Lead Agency Social Support
Audited Financial Statements
For the Period ended 31st December 2023

Statement of Income and Expenditure

Revenue	Notes	2023 UGX	2022 UGX
Grant & Donations Income	3	191,881,879	95,349,880
Other Income	4	56,382	-
Gross Income		191,938,261	95,349,880
Expenditure			
Governance costs	5	220,000	3,000,000
Direct project expenditure	6	169,842,642	70,678,300
Other operating and administrative expenditure	7	29,027,592	14,526,507
Surplus/ Deficit for the period		(7,151,973)	7,145,073

The financial statement were approved by the Board of Directors on 23rd Feb 2024 and were signed on its behalf by:


 Director


 Director

**Change Lead Agency Social Support
Audited Financial Statements
As at 31st December 2023**

Statement of Financial Position

	Notes	2023 UGX	2022 UGX
Assets			
Current assets			
Cash and bank balances	10	640,143	7,243,116
		640,143	7,243,116
Non current assets			
Property and equipment	12	19,432,688	4,460,250
		19,432,688	4,460,250
Total assets		20,072,831	11,703,366
ACCUMULATED FUND AND LIABILITIES			
Accumulated Fund			
Capital Fund	Equity	19,432,688	4,460,250
General Fund		91,143	7,243,116
		19,523,831	11,703,366
Current Liabilities			
Payables and accruals	9	549,000	-
		549,000	-
TOTAL ACCUMULATED FUND AND LIABILITIES		20,072,831	11,703,366

The Notes and accounting policies on pages 13 to 24 form an integral part of these financial statements.

APPROVAL OF ACCOUNTS:

The Accounts were approved by the Directors on the 23 day of Feb 2024 and were signed for and behalf of the Company by:


.....
Director


.....
Director

Change Lead Agency Social Support
Audited Financial Statements
For the Period ended 31st December 2023

Statement Of changes Accumulated Fund

	Note	General Reserve UGX	Capital Fund UGX	Total UGX
As at 1st Jan 2022		98,043	-	98,043
Surplus/Deficit for the year	Income& Exp	7,145,073	-	7,145,073
Additions			5,947,000	5,947,000
Disposals cost		-	-	-
Depreciation charge for the year			(1,486,750)	(1,486,750)
Amortization during the year				-
As at 31 Decemeber 2022		7,243,116	4,460,250	11,703,366
Surplus/Deficit for the year	Income& Exp	(7,151,973)	-	(7,151,973)
Additions			19,800,000	19,800,000
Disposals cost		-	-	-
Depreciation charge for the year			(4,827,563)	(4,827,563)
Amortization during the year				-
As at 31 Decemeber 2023		91,143	19,432,688	19,523,831

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Statement of Cashflows

	Notes	2023 UGX	2022 UGX
Cash flows from operating activities			
Surplus for the year		(7,151,973)	7,145,073
Adjustments for non cash income and expenses:		-	-
Non cash finance costs		-	-
Depreciation of property, plant and equipment	12	-	-
Changes in operating assets and liabilities	BS	549,000	-
Net cash from operating activities		(6,602,973)	7,145,073
Cash flows from investing activities			
Purchases of Property, Plant & Equipment	12	(19,800,000)	(5,947,000)
Net cash used in investing activities		(19,800,000)	(5,947,000)
Cash flows from financing activities			
Capital Fund		19,800,000	5,947,000
Net cash used in financing activities		19,800,000	5,947,000
Net increase or decrease in cash and cash equivalents		(6,602,973)	7,145,073
Cash and cash equivalents at beginning of the year		7,243,116	98,043
Cash and cash equivalents at end of the year		640,143	7,243,116

**Change Lead Agency Social Support
Audited Financial Statements
For the Period ended 31st December 2023**

1. Reporting entity

Change Lead Agency Social Support (CLASS) is a youth-focused nongovernmental organization started by people of like-minded and zeal to do charitable work in Uganda. It is incorporated with URSB (80020002304277), legally registered with Uganda National NGO Bureau (INDR156284736NB), Alebtong District Local Government (ADLG/2020/147) with a permit (NDP0004736NB) and Finance Intelligence Authority Certificate (FIA-14-1137). CLASS is working in Alebtong District in the areas of Education, SGBV, HIV/AIDS, WASH, SRHR, climate change, youth participation/empowerment.

2. Basis of accounting

The Non-Governmental Organisations Act, 2016 of Uganda, under which the Organisation is registered, requires the directors to prepare financial statements for each financial year, which present a true and fair view of the state of financial affairs of the Organisation as at the end of the financial year and the operating results for the year. The financial statements are required to be filed with the National Bureau of Non-governmental Organisations.

The financial statements have been prepared on a historical cost basis, except where otherwise stated. The financial statements are prepared in accordance with the Organisation's accounting policies and guidelines. The financial statements are not intended to and do not comply with all the requirements of IFRS for SMEs. The accounting policies are based on the IFRS for SMEs framework modified to meet the financial reporting needs of some key users of the financial statements. The modifications to the IFRS for SMEs framework deemed necessary by management relate to accounting for capital expenditure and depreciation, presentation of capital fund, among others.

The accounting policies adopted are consistent with those of the previous financial year except where otherwise stated.

Functional and presentation currency

The Organisation's functional and presentation currency is Uganda Shillings (Ushs). Transactions in foreign currencies are initially recorded by the Organisation at their respective functional currency using rates prevailing at the date of the transaction. Monetary assets and liabilities denominated in foreign currencies are retranslated at the functional currency spot rate of exchange ruling at the reporting date. All differences are recognised in the statement of income and expenditure. Differences arising on settlement or translation of monetary items are recognised in the statement of income and expenditure.

Non-monetary items that are measured in terms of historical cost in a foreign currency are translated using the exchange rates as at the date of the initial transaction.

Income

Grant and Donations income is recognised in the period in which it is received or where there is assurance that the income will be received, and all attaching conditions as stipulated in the funding agreements are complied with.

Grant income received but not utilised during the period is not recognised as income but rather credited to deferred income in the statement of financial position. As such, unspent grant income balances associated with restrictions are carried forward until when the attached conditions are fulfilled.

Expenditure

Expenditure is recognized in the period it is incurred. Unpaid for commitments are recognised as expenses in the statement of income and expenditure and as payables in the statement of financial position. Prepayments for services or supplies not yet received are recorded in the statement of financial position as advance payments or prepayments and expensed when the related services or supplies are received.

Change Lead Agency Social Support
Audited Financial Statements
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2. Basis of accounting (Continued)

Expenditure is classified as follows:

a) Governance costs

These relate to costs incurred in respect to board governance activities, that is, Annual Council Meeting, Board Committee Meetings and Board meetings at facilities.

b) Direct project expenditure

These relate to costs incurred on implantation of project related activities and include such costs as:

Salaries and wages

These relate to remuneration costs for permanent and temporary project staff.

Fringe benefits

These comprise of employer social security contributions, employment-related insurance costs and statutory deductions, that is, Pay as You Earn and Local Service Tax.

Program activity monitoring and training costs

This includes costs incurred in supervision of implementation and costs incurred on training workshops, that is, facilitation allowances, refreshments for participants, public address system hire, training venue hire and any costs incidental to training events.

Travel costs

These relate to costs incurred on staff on their movement to the different areas of operation including per diem, vehicle hire costs, day safari allowance, mileage refund and accommodation costs.

Motor vehicle running costs

These relate to the costs incurred in maintaining Organisation's vehicles that are used in field operations. These include insurance costs, repair costs, fuel costs and tracking costs.

Scholarships to health workers

These relate to costs incurred in sponsoring health workers for training and continuous professional development.

Rent expense

This relates to costs incurred for securing space for the Organisation's offices.

Project funded asset acquisitions

These relate to costs incurred to acquire assets used for project implementation.

c) Other operating and administrative expenditure

These are costs incurred in relation to support functions that are not directly related to project implementation. Such costs include:

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Audited Financial Statements
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2. Basis of accounting (Continued)

c) Other operating and administrative expenditure (Continued)

Audit and legal costs

These relate to costs incurred on the Organisation audit and project specific audits and legal consultancy services.

Other professional services

These relate to costs incurred on advisory services like tax advisory services.

Security expenses

These are costs incurred by the Organisation in securing the Organisation's premises.

Stationary supplies

These relate to costs incurred on office stationery.

Equipment maintenance and repairs

These costs relate to costs of maintenance and repair of the Organisation's assets.

Office cleaning and maintenance

These relate to costs incurred on purchase of cleaning materials.

Staff training and development

These are costs incurred in upskilling of staff.

Bank charges

These are fees levied by banks on the Organisation's bank accounts and the exchange gain.

Internet, telephone and postage

These are costs incurred on internet, postage and communication services.

Impairment costs

These are costs relate impairment losses on the assets held by the organisation mainly the investments premises.

Electricity and water

These are utility costs for the Organisation.

Communication, promotions and marketing

These are costs incurred on promotion and publicity campaigns.

Insurance

These are costs incurred to insure the Organisation's assets.

Property and equipment and prepayments for leases

The costs incurred on acquiring property and equipment and prepayments for leases (together, "capital expenditure") are charged to the statement of income and expenditure in the year of purchase. The cost recognised comprises expenditure paid and unpaid expenditure commitments at the end of the reporting period.

The capital expenditure is also recognised in the statement of financial position as property and equipment with contra entries to a corresponding capital fund.

Change Lead Agency Social Support
Audited Financial Statements
For the Period ended 31st December 2023

2. Basis of accounting (Continued)

Property and equipment and prepayments for leases (Continued)

Depreciation is calculated on a straight-line basis to write off the cost of each asset to its residual value over the useful life as follows:

Asset	Depreciation rate
Furniture and fittings	12.5%
Computers and IT equipment	20%
Motor vehicles	25%

An item of property and equipment and prepayments for leases 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 income and expenditure.

The asset's residual values, useful lives and methods of depreciation/amortisation are reviewed, and adjusted for appropriateness, at each reporting date.

Receivables and advances

These comprise of unaccounted for advances to facilities, insurance amounts recoverable, amounts due from projects' budgets where the Organisation's funds were used in project activities and rent receivable.

The receivables and advances are reported net of impairment losses. Impairment losses are recognised where there is no reasonable expectation of obtaining accountability for and/or recover funds advanced or amounts due from third parties.

Accountabilities overdue by more than 1 year are provided for at 100%.

The impairment losses are recognised in the statement of income and expenditure.

Inventories

Inventory items for project implementation are expensed during the period when purchased.

Inventory items for internal revenue generating activities are measured at the lower of cost and net realisable value and are expensed during the period when utilised. These inventory items are valued using weighted average cost method. Stock is valued less any impairment losses recognised. Impairment of inventories is determined basing on the time to expiry. Inventory items within 90 days to expiry are fully impaired.

Cash and bank balances

Cash and bank balances represent the funds held on the Organisation's bank accounts and at hand as at year-end. Cash on hand, on demand balances on bank accounts and time deposits on bank accounts whose original maturities do not exceed three months, less bank overdraft amounts, are considered to be cash and cash equivalents in the statement of cash flows.

Change Lead Agency Social Support
Audited Financial Statements
For the Period ended 31st December 2023

2. Basis of accounting (Continued)

Financial instruments

A financial instrument is any contract that gives rise to a financial asset of one entity and a financial liability or equity instrument of another entity. The Organisation's financial assets comprise of cash and bank balances, equity investments, investments in government securities and receivables due from other counterparties while the financial liabilities comprise of payables due to other counterparties.

The Organisation initially measures these financial instruments at fair value plus transaction costs. Equity investments which are subsequently measured at cost net of any impairment while other financial instruments are subsequently measured at amortised costs using the effective interest method.

At the end of each reporting period, the Organisation assesses whether there is objective evidence of impairment of any financial assets.

The Organisation determines that an impairment has occurred when there is evidence that a financial asset or group of financial assets is impaired. This entails observable data that comes to the attention of the directors about loss events including:

- a) significant financial difficulty of the issuer or obligor;
- b) a breach of contract, such as a default or delinquency in interest or principal payments;
- c) the creditor, for economic or legal reasons relating to the debtor's financial difficulty, granting to the debtor a concession that the creditor would not otherwise consider;
- d) it has become probable that the debtor will enter bankruptcy or other financial reorganisation; or
- e) observable data indicating that there has been a measurable decrease in the estimated future cash flows from a group of financial assets since the initial recognition of those assets, even though the decrease cannot yet be identified with the individual financial assets in the group, such as adverse national or local economic conditions or adverse changes in industry conditions.

The Organisation recognises impairment losses on debt instruments in the statement of income and expenditure based on the difference between the contractual cash flows due in accordance with the contract and all the cash flows that the Organisation expects to receive.

The Organisation recognises impairment losses on equity instruments in the statement of income and expenditure based on the difference between the proportion of the net assets of the investee company as viewed in perspective of the Organisation's shareholding and the cost of the equity instruments in relation to that investee company in the Organisation's statement of financial position. Where the proportion of net assets of an investee company is lower than the cost of the equity instruments in the statement of financial position, the equity instruments' carrying amount is written down to the proportion of net assets of the investee company. Where the proportion of net assets exceeds the carrying amount of the equity instruments, no gain is recorded in the Organisation's statement of income and expenditure. Where there is a subsequent reversal in the conditions that led to the drop in the proportion of net

**Change Lead Agency Social Support
Audited Financial Statements
For the Period ended 31st December 2023**

2. Basis of accounting (Continued)

Financial instruments (Continued)

assets of the investee company after an impairment is recognised, a reversal is recognised to the of the original cost. The carrying amount of the equity instruments cannot exceed the original cost of the equity instruments. Where there are changes/modifications in the cashflows of debt instruments, the Organisation assesses whether the changes/modifications are substantially different. If the modification does not result in cash flows that are substantially different, the modification does not result in derecognition. Based on the change in cash flows discounted at the original EIR, the Organisation records a modification gain or loss in the statement of income and expenditure, to the extent that an impairment loss has not already been recorded. Where the changes/modifications in the cash flows are substantially different, the original asset is derecognised and a new one is recognised.

A financial asset is written off when there is no reasonable expectation of recovering the contractual cash flows.

Gains and losses are recognised in the statement of income and expenditure when a financial asset is derecognised, modified or impaired.

A financial asset is derecognised when the rights to receive cash flows from the asset have expired or the Organisation has transferred its rights to receive cash flows from the asset or has assumed an obligation to pay the received cash flows in full without material delay to a third party under a 'pass-through' arrangement; and either:

- i) the Organisation has transferred substantially all the risks and rewards of the asset, or
- ii) the Organisation has neither transferred nor retained substantially all the risks and rewards of the asset but has transferred control of the asset.

the Organisation has transferred its rights to receive cashflows from the asset or has entered into a pass-through arrangement, it evaluates if, and to what extent, it has retained the risks and rewards of ownership. When it has neither transferred nor retained substantially all the risks and rewards of the asset, nor transferred control of the asset, the Organisation continues to recognise the transferred asset to the extent of its continuing involvement. In that case, the Organisation also recognises an associated liability.

The transferred asset and the associated liability are measured on the basis that reflects the rights and obligations that the Organisation has retained.

A financial liability is derecognised when the obligation under the liability is discharged or cancelled or expires. When an existing financial liability is replaced by another from the same counterparty on substantially different terms, or the terms of an existing liability are substantially modified, such an exchange or modification is treated as a de-recognition of the original liability and the recognition of a new liability, and the difference in the respective carrying amounts is recognised in the statement of income and expenditure.

**Change Lead Agency Social Support
Audited Financial Statements
For the Period ended 31st December 2023**

2. Basis of accounting (Continued)

Financial instruments (Continued)

position if, and only if, there is a currently enforceable legal right to offset the recognised amounts and there is an intention to settle on a net basis, or to realise the assets and settle the liabilities simultaneously.

Employee defined contribution benefits

The Organisation contributes to the statutory National Social Security Fund (NSSF). This is a defined contribution scheme registered under the National Social Security Act. The Organisation's obligations under the scheme are limited to specific contributions legislated from time to time and are currently 10% of the employees' gross salary.

The Organisation's contributions are charged to the statement of income and expenditure in the period to which they relate.

Accruals and provisions

Accruals and provisions are recognised when the Organisation has a present obligation (contractual, legal or constructive) as a result of past events, it is probable that an outflow of resources embodying economic benefits 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 the provision to be reimbursed, for example, under an insurance contract, the reimbursement is recognised as a separate asset but only when the reimbursement is virtually certain.

Current versus non-current classification

The Organisation presents assets and liabilities in the statement of financial position based on current/non-current classification. An asset is current when it is either:

- i) Expected to be realised or intended to be sold or consumed in the normal operating cycle
- ii) Held primarily for the purpose of trading
- iii) Expected to be realised within 12 months after the reporting period, or
- iv) Cash or cash equivalent unless restricted from being exchanged or used to settle a liability for at least 12 months after the reporting period

All other assets are classified as non-current

A liability is current when either:

- It is expected to be settled in the normal operating cycle
- It is held primarily for the purpose of trading
- It is due to be settled within 12 months after the reporting period, or
- There is no unconditional right to defer the settlement of the liability for at least 12 months after the reporting period.

The Organisation classifies all other liabilities as non-current.

General fund

The general fund represents the surplus or deficit from income recognised by the Organisation. This arises as a result of the difference between total income and expenditure incurred.

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2. Basis of accounting (Continued)

Capital fund

This represents the net book value of prepaid lease amounts and property and equipment. The contra entries for all transactions relating to these assets including cost of acquisition, depreciation/amortisation, disposal and write offs are recorded to this fund.

Deferred income

Grants and donations associated with conditions which must be complied with, as stipulated in the funding agreements, are credited to deferred income on receipt and only recognised as income in the statement of income and expenditure once all the attached conditions have been fulfilled. As such, the donations under deferred income may only be spent on the specified activities stipulated by the donors. Unspent balances are carried forward until when the attached conditions are fulfilled, or the amounts refunded to the donors as stipulated in the funding agreements.

Prior period errors

To the extent that it is practicable to determine the effect of the error, material prior period errors discovered in subsequent periods are corrected retrospectively in the first set of financial statements authorised for issue after their discovery by restating the comparative amounts for the prior period presented in which the error occurred; or if the error occurred before the earliest prior period presented, restating the opening balances of assets, liabilities and reserves for the earliest prior period presented

Statement of cash flows

The statement of cash flows is prepared using the indirect method by adjusting the surplus/ deficit for the year with period changes in the working capital items. Investing activities include equity and debt instruments.

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3 Grant & Donations Income	2023	2022
	UGX	UGX
Grant Fund	189,381,879	95,349,880
Donations	2,500,000	-
	191,881,879	95,349,880

3(i) GRANT funds are further analysed as follows:

The organization receives grants directly from Plan International Uganda under partnership agreements of collobration to fulfill their common goal and mutual responsibilities and aspiration to protect children's rights in line with their respective mission.

3(ii) Donation:

Change Lead Agency Social Support received funds from National Coalition of Human Rights Defenders Uganda under a contractual agreement purposely for supporting youth coalition to hold state monitoring and accountability forum at Sub county and District levels.

4 Other Income	2023	2022
	UGX	UGX
Interest income	56,382	-
Miscellaneous income	-	-
	56,382	-

4(i) Interest:

Motivation for maintaining minimum opening balance

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5	Governance costs	Notes	2023	2022
			Ushs	Ushs
	BOD meetings		220,000	3,000,000
			220,000	3,000,000
6	Direct project expenditure		2023	2022
			Ushs	Ushs
	Implementing COC module		7,816,800	15,662,800
	Skilling AYP		-	20,676,500
	Capacity building		5,038,100	10,770,000
	Intergenerational dialogue		1,260,000	-
	Peer navigators		-	-
	Tuition fees for youths		20,420,000	-
	Sub county leaders engagement		5,688,000	-
	VSLA Training		7,020,672	-
	Innovation hub		23,934,970	-
	Training fees		14,194,000	-
	M&E Training		5,596,100	-
	Training CAY		1,910,000	-
	Fuel for operation		6,000,000	-
	Staff Perdiem and accommodation		7,546,000	-
	Travel and meetings		3,095,000	-
	Office Rent		3,600,000	-
	Payroll expenditure		41,597,200	21,364,000
	Fringe benefits		15,125,800	2,205,000
			169,842,642	70,678,300
7	Other operating and administrative expenditure		2023	2022
			Ushs	Ushs
	Office Running		-	7,633,500
	Capital expenditure		19,800,000	5,947,000
	Bank Service Charges		1,161,500	946,007
	Rep and Maintenance of Assets		1,880,000	-
	Supplies and stationery		655,500	-
	Telephone, and internet		1,096,700	-
	WHT		4,433,892	-
			29,027,592	14,526,507

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8 Contingent liabilities

During 2023, no customer initiated proceedings against company for any damages

9 Payables and accruals

	Notes	2023 Ushs	2022 Ushs
Account payables		-	-
Accrued Salaries		-	-
PAYE		549,000.00	-
NSSF		-	-
Rent		-	-
		549,000.00	-

10 Cash and cash equivalents

	2023 Ushs	2022 Ushs
Cash at Bank (BOA)	640,143	7,243,116
Cash at hand	-	-
	640,143	7,243,116

11 Capital Fund account

		2023 Ushs	2022 Ushs
Opening bal		4,460,250	-
Additions during the year	12	19,800,000	5,947,000
Depreciation		(4,827,563)	(1,486,750)
		19,432,688	4,460,250

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12 Property, plant and equipment

	Furniture and equipment UGX 12.50%	Computers and accessories UGX 20%	Automobiles UGX 25.0%	Total UGX
01-Jan-22	-	-	-	-
Additions	-	-	5,947,000	5,947,000
Disposal	-	-	-	-
31-Dec-22	-	-	5,947,000	5,947,000
Accumulated depreciation and Impairment				-
01-Jan-22	-	-	-	-
Annual depreciation	-	-	1,486,750	1,486,750
31-Dec-22	-	-	1,486,750	1,486,750
Carrying Amount				
31-Dec-22	-	-	4,460,250	4,460,250
31-Dec-21	-	-	-	-
01-Jan-23	-	-	5,947,000	5,947,000
Additions	9,900,000	-	9,900,000	19,800,000
Disposal	-	-	-	-
31-Dec-23	9,900,000	-	15,847,000	25,747,000
Accumulated depreciation and Impairment				-
01-Jan-23	-	-	1,486,750	1,486,750
Annual depreciation	1,237,500	-	3,590,063	4,827,563
31-Dec-23	1,237,500	-	5,076,813	6,314,313
Carrying Amount				
31-Dec-23	8,662,500	-	10,770,188	19,432,688
31-Dec-22	-	-	4,460,250	4,460,250