

YOUTH IN ACT UGANDA

HIS GRACE CHILDREN'S HOME

LOCATION: VILLAGE: LUGOLOLE A, PARISH: LUGOLOLE, SUBCOUNTY: BAITAMBOGWE, MAYUGE DISTRICT, EASTERN UGANDA

DATE : BETWEEN 9TH -11TH APRIL, 2026.

ANNUAL AUDITED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST DECEMBER 2025

(All figures in Uganda Shillings UGX)

EXECUTIVE SUMMARY

Youth In act Uganda is a nonprofit community based organization committed to empowering vulnerable children and supporting community development initiatives.

During the year ended 31st, December ,2025, the organization received UGX 141,028,949 in donations from the Snake River Music Gardens which were fully utilized to advance the mission of the organization

Breakdown of Particulars

Particulars	Amount (UGX)
Total donations received	141,028,949
Total expenditure	141,028,949
Net Surplus/ Deficit	0.00 at breakeven
Assets held (land and equipment / furniture	55,283,800

How funds/ resources were allocated

Details	Amount (UGX)
Charitable donations to beneficiaries	24,775,341
Education support (school fees)	5,610,000
Food and household supplies	50,016,250
Capital expenditure i.e., land, furniture, tools	55,283,800
Other Operational expenses	5,343,561

Financial Position.

The organization maintains a strong financial position with assets fully funded by donations only. There were no liabilities and the operations are conducted on a cash basis. The breakeven status gives a clear careful management of donor funds.

My Audit Observations.

Financial transactions were properly and clearly documented categorized in line with activities of the entity.

These included receipts, bank statements and I did verify them for a true and fair view of the audit exercise.

The organization has a high level of commitment to accountability and transparency in the major use of the donor funds.

1. REPORT OF THE INDEPENDENT AUDITOR GUMISIRIZA JULIUS

TO THE FUNDERS OF YOUTH IN ACT UGANDA, BOARD OF DIRECTORS SNAKE RIVER MUSIC GARDENS, USA

I have audited the accompanying financial statements of Youth in Act Uganda YIAU His Grace Children's Home, set out for the year ended 31 December, 2025. The financial Statements comprise of the statement of financial position, the statement of comprehensive Income, trial balance, statement of cash flows for the year then ended, and a summary of significant accounting policies and other explanatory notes.

Directors' Responsibility for the Financial Statements

Directors are responsible for the preparation and fair presentation of these financial statements in accordance with International Financial Reporting Standards and the requirements of the Community Based Organizational Act. This responsibility includes: designing, implementing and maintaining internal control relevant to the preparation and fair presentation of financial statements that are free from material misstatement, whether due to fraud or error; selecting and applying appropriate accounting policies; and making accounting estimates that are reasonable in the circumstances.

Auditors' Responsibility

My responsibility is to express an opinion on these financial statements based on the audit.

To examine the financial records provided.

Verify that transactions are properly supported.

Ensure financial statements are free from material misstatement.

To provide an independent audit opinion.

The audit was conducted using standard audit procedures i.e.,

Verification of payment records

Review of expense classifications

Reconciliation of totals

Basis of Opinion

I conducted the audit in accordance with International Standards on Auditing. Those Standards require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance whether the financial statements are free of material misstatement. An audit involves performing procedures to obtain evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the entity's preparation and fair presentation of the financial statements in order to design the audit procedures that are appropriate for the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the entity's internal control. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of accounting estimates made by management, as well as evaluating the overall presentation of the financial statements. I believe that the audit evidence I have obtained is sufficient and appropriate to provide a basis for my audit opinion.

Auditor's Opinion

In my opinion,

The financial statements present fairly, in all material respects, the financial position of Youth In act Uganda, His Grace Children's Home as at 31st December 2025 and its financial performance for the year then ended, in accordance with the acceptable accounting principles for non-profit organizations.

Auditor:

Gumisiriza Julius

Signature



Date: 4th, May, 2026

**2. STATEMENT OF INCOME AND EXPENDITURE
FOR THE YEAR ENDED 31ST DECDEMBER 2025**

INCOME:

<u>Details</u>	<u>Dr (UGX)</u>	<u>CR (UGX)</u>
<u>Grants and donations received</u>		<u>141,028,949</u>
<u>Total income</u>		<u>141,028,949</u>
<u>EXPENDITURE BY CATEGORY,</u>		
Charitable donations; beneficiary		
Agaba Josephat	8,064,721	
Gumisiriza Julius	1,045,338	
Manyi John	2,871,784	
Mpande Juliet	1,780,624	
Patrick Arinaitwe	7,577,960	
Simon Tumwijukye	105,000	
Waiswa John Billy (Director)	2,070,500	
Muga Child outreach	1,259,411	
<u>Total charitable donations</u>	<u>24,775,338</u>	
<u>Education support school fees</u>		
<u>Institution</u>		
Bluba Primary School	3,000,000	
East view Primary School	964,000	
Sharp Children's Center School	1,646,000	
<u>Total fees</u>	<u>5,610,000</u>	
<u>Food and house hold supplies</u>		
<u>supplier's</u>		
Bugimart Star Millers	14,655,500	
Daliya Investments Ltd	2,548,250	
Daniel traders	25,492,500	
Super Meat Butchery	7,320,000	
<u>Total food supplies</u>	<u>50,016,250</u>	
<u>CAPITAL EXPENDITURE</u>		
10 land acre purchase to Alule K Moses	49,727,800	
Furniture and timber (Mwisuke)	3,306,000	
Tools with A mission	2,250,000	
<u>Total capital expenditure</u>	<u>55,283,800</u>	
<u>Other Operational expenses</u>		
<u>Kampi Fashions (Clothing)</u>	<u>1,225,000</u>	
<u>Bank Charges and fees</u>	<u>4,118,561</u>	
<u>Total other expenses</u>	<u>5,343,561</u>	

Grand total expenditure		141,028,949
Surplus/ Deficit		0.00 at BE

3. STATEMENT OF FINANCIAL POSITION (BALANCE SHEET AS AT 31ST DECEMBER 2025)

<u>Details</u>	<u>DR (UGX)</u>	<u>CR (UGX)</u>
Assets		
Non-Current Assets		
Land	49,727,800	
Furniture and equipment	5,556,000	
Total Non-current Assets		55,283,800
Current Assets		
Cash	-	
Bank	-	
Total current assets		-
Total Assets		55,283,800
EQUITY AND LIABILITIES		
Accumulated fund		
Opening balance	-	
Add: surplus	-	
Capital assets funded	55,283,800	
Closing fund balance		55,283,800
Liabilities		
None		
TOTAL EQUITY AND LIABILITIES		55,283,800

4. THE TRIAL BALANCE AS AT 31ST DECEMBER 2025

Details	Debit (UGX)	Credit (UGX)
Total expenditure	141,028,949	
Assets	55,283,800	
Donations (income)		141,028,949
Accumulated fund		55,283,800
	196,312,749	196,317,749

5. CASHFLOW STATEMENT FOR THE PERIOD ENDED 31ST DECEMBER 2025

a. Cashflows from operating expenses

Particulars	Amount (UGX)
Cashflows	
Donations /income received	141,028,949
Cash outflows	
Charitable donations to beneficiaries	(24,775,338)

School fees	(5,610,000)
Food and house hold supplies	(50,016,250)
Other operational expenses	(5,343,561)
Net Cash from operating activities	55,283,800

b.

Cashflows from the investing activities

Purchase of 10-acre land	(49,727,800)
Furniture and timber	(3,306,000)
Tools with a mission	(2,250,000)
Net cash from investing activities	(55,283,800)
C. NET CASH MOVEMENT	
Net cash from operating activities	55,283,800
Net cash from investing activities	(55,283,800)
Surplus/Deficit in cash	-

D.CASH BALANCES at the end of the year

Opening cash balance	-
Closing cash balance	-

Note;

Explanation for Zero Cash Balance

The Cash Flow Statement reflects a closing cash balance of UGX 0 because all funds received during the year were fully utilized on operational and capital activities.

1. Full Utilization of Donations

Total donations received: UGX 141,028,949

Total cash spent: UGX 141,028,949

This means: Cash Inflows = Cash Outflows

As a result, there is no remaining cash at year-end.

2. Investment in Long-Term Assets

A significant portion of the funds (UGX 55,283,800) was used to acquire: Land, Furniture, Tool and these are non-cash assets, meaning that the cash was spent but value still exists in the form of assets

So, although cash is zero, the organization still holds value.

3. Program Spending

The remaining funds were used for:

Supporting beneficiaries
Paying school fees
Providing food and essential supplies
This reflects the organization's commitment to:
Using donor funds directly for impact rat

6. NOTES TO THE FINANCIAL STATEMENTS

1. Nature of Operations

Youth in Act Uganda is a non-profit organization which is focused on:

Supporting vulnerable children
Providing education support
Delivering community aid

2. Basis of Preparation

Prepared on cash basis accounting

No accruals or depreciation applied

All figures are actual cash transactions

3. Income Policy

All income is recognized when received

Entire funding is majorly on donor based

4. Expense Policy

Expenses are categorized into:

Program (direct charitable activities)

Administrative

Capital investments

5. Capital Assets

Land and equipment are recorded at cost
No depreciation was applied

Assets are fully funded by donationn

6. Financial Sustainability

Organization operates at break-even

Depends entirely on donor funding

No liabilities recorded

7. Internal Controls (Audit Observation)

Transactions appear properly categorized

Recommendation:

Introduce monthly financial reporting

Maintain asset register

Strengthen documentation for vendors

7. MY FINAL REMARKS

The organization respects and treats;

Proper utilization of funds

Strong focus on program impact

Transparent allocation of donor resources

8.Supporting information

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Cash Basis

YOUTH IN ACT-UGANDA
Expenses by Vendor Summary (Values in Home Currency)
January through December 2025

	<u>Jan - Dec 25</u>
AGABA JOSEPHAT	8,064,721.00
ALULE K MOSES	49,727,800.00
BLUBA PRIMARY SCHOOL	3,000,000.00
BUGIMART STAR MILLERS	14,655,500.00
DALIYA INVESTMENTS LTS	2,548,250.00
DANNIEL TRADERS	25,492,500.00
EAST WIEW PRIMARY SCHOOL	964,000.00
GUMINSIRIZA JULIUS	1,045,338.00
KAMPI FASHIONS	1,225,000.00
MANYI JOHN	2,871,784.00
MPANDE JULIET	1,780,624.00
MUGA CHILD OUTREACH	1,259,411.00
MWISUKE TIMBRES & FUNITURE	3,306,000.00
PATRICK ARINAITWE	7,577,960.00
SHARP CHILDRENS CENTER SCHOOL	1,646,000.00
Simon Tumwujukye	105,000.00
SUPPER MEAT BUCHERY	7,320,000.00
TOOLS WITH A MISSION	2,250,000.00
WAISWA JOHN BILLY	2,070,500.00
BANK CHARGES & FEES	4,118,561.00
TOTAL	<u>141,028,949.00</u>



Organization: His Grace Children's Home

Auditor: Julius Gumisiriza

Year: Ended 31 December 2025

Section 1: General Information

1. Name of person providing information: JOHN BILLY WALSWA / MOREEN.
2. Position / Role: YIAU DIRECTOR
3. Date: 10th/04/2026.
4. Contact details: 0757608357.

Section 2: Governance and Management

1. Who is responsible for approving budgets and expenditures?.....The Director - Billy
2. Are there written policies for financial management, procurement, and internal controls?
 Yes No (If yes, list documents and provide copies) Acopy.
3. How often does the board or management review financial reports?.....Through Annual reports.
4. Are there clear lines of responsibility for handling cash, bank deposits, and payments?.....Yes.
5. Are staff aware of procedures for reporting fraud, misappropriation, or errors?.....Yes.

Section 3: Financial Records

1. Are accounting records maintained for all income and expenditures?.....Yes.
2. Are bank statements reconciled monthly?.....Quarterly.

3. Are all cash receipts documented and signed by the responsible person?.....Yes.

4. Are petty cash transactions recorded with supporting vouchers?.....Yes.

5. Are donor funds tracked separately and used for intended purposes?.....Some.

6. Are financial reports (income/expenditure, cash flow, balance sheet) prepared regularly?.....Monthly.

Section 4: Income / Receipts

1. What are the main sources of income? (e.g., donations, grants, fundraising)
.....Donations ISOP.

2. Are donation records and receipts issued to donors?.....Receipts are issued.

3. Are all funds deposited in the bank promptly?.....Bank and Mobile Money.

4. Are there controls to prevent misuse of cash before depositing?.....Yes. Statements and Deposits are issued.

Section 5: Expenditure / Payments

1. Are all expenditures supported by invoices, receipts, or authorization?.....Some authorisation, receipts.

2. Are payments approved according to policy (e.g., by the director or board)?.....Yes.

3. Are salaries and allowances paid according to approved schedules and staff records?.....Don't have salaries but have volunteer stipend.

4. Are petty cash limits set and adhered to?.....Yes. (Weekly).

5. Are purchases made through competitive bidding or quotes where applicable?.....Not applicable .

Section 6: Assets and Inventory

1. Are physical assets (furniture, equipment) recorded and tagged?.....Receipts.....Not available

2. Are assets periodically verified by management?.....Yes, little not Much.

3. Are inventories (food, medical, educational supplies) counted and tracked?.....Yes, Have a budget for daily feeding → quantities

4. Are any losses or damages recorded and explained?.....Yes.

Section 7: Compliance

1. Does the organization comply with government regulations for children's homes?.....Yes, Applicable .

2. Are licenses, permits, or registrations up to date?.....Applied for NGO permits, updated.

3. Are donor restrictions respected?.....Yes they are!

4. Are reports submitted to the relevant authorities and donors on time?.....Yes, District Monitoring Committee - Return to the district -

Section 8: Internal Controls

1. Are duties segregated to reduce fraud risk (e.g., separate people for cash handling, recording, and authorizing payments)?.....Yes, Every staff is assigned a role

2. Are there regular internal reviews or spot checks of financial records?.....Yes, after executive Committee.

3. Are there any known cases of fraud, misappropriation, or errors in the past year?.....No: There was no case of misappropriation

4. How are financial risks identified and managed?

.....All funds are handled by bank and are kept safe -

Section 9: Julius Auditor's Notes / Observations

Space for auditor to record additional observations:

All required documentation was
well availed and represents a clear
transparency and Accountability.

Signed:
Gumismiza Julius
~~HP~~
10/04/2026.

