

BEGA KWA BEGA LIMITED

BY GURANTEE WITHOUT SHARE CAPITAL

ANNUAL REPORT AND FINANCIAL STATEMENTS

FOR THE YEAR ENDED 29TH FEBRUARY, 2024

BEGA KWA BEGA LIMITED
By guarantee without share capital
Annual report and financial statements
For the year ended 29th February, 2024

CONTENTS	PAGE
Company information	1
Report of the directors	2 - 3
Statement of directors' responsibilities	4
Report of the independent auditor	5 - 6
Financial statements:	
Statement of financial position	7
Statement of surplus or deficit and retained earnings	8
Statement of cash flows	9
Notes: Significant accounting policies	10 - 11
Notes:	12 - 13
The following pages do not form an integral part of these financial statements.	
Income received during the year	14
Operating expenditure	15

BEGA KWA BEGA LIMITED
By guarantee without share capital
Annual report and financial statements
For the year ended 29th February, 2024

COMPANY INFORMATION

BOARD OF DIRECTORS

Ms. Conche Mcgarr
Dr. Margret Muganwa (Resigned October 2023)
Mr. Byamugisha Charles
Mr. Joseph Kakoza
Miss. Babirye Magdalene
Ms. Gertrude Night Niyonsenga
Mrs. Theresa Kyazze
Mr. Lukaaga Richard

MANAGER

Mr. Ssagala David

REGISTERED OFFICE

Kisubi Mbiru Road
P.O.Box 5731 or 28009
Kampala

INDEPENDENT AUDITOR

Quest Co.
Certified Public Accountant
P.O.Box 21286
Kampala

PRINCIPLE BANKERS

Standard Chartered Bank (U) Limited
P.O.Box 7111
Kampala

BEGA KWA BEGA LIMITED

By guarantee without share capital

Annual report and financial statements

For the year ended 29th February, 2024

REPORT OF THE DIRECTORS

The directors submit their report and the audited financial statements for the year ended 29th February, 2024 which disclose the state of affairs of the company.

MISSION STATEMENT

Bega Kwa Bega was established to improve the living standards of childcare providers in targeted African villages especially the 1.5 million children orphaned by war, civil unrest and the AIDS epidemic in Uganda.

This is done through complementing the efforts of the traditional African family structures to meet the immediate needs of families caused by the extra children, extra labour, stretched resources, limited resources, limited space, inadequate water and sanitation facilities and long term economic conditions which greatly impacts livelihoods.

PRINCIPAL ACTIVITIES

The principal activities of the company are that of provision of charitable services, education and developmental purposes.

The following are the key objectives of the company:

General

To identify need and resources through conducting and maintaining both needs and asset assessment.

Nutrition

To increase food quantity, quality and variety at household level.

To improve dietary quality and restore malnourished children.

To develop and use school gardens as a teaching learning aid to improve academic performance and school lunches.

Education

To support Orphans and Vulnerable Children access quality education for a better future.

To encourage best practices for teachers through modelling and providing instructional materials.

Health

To improve access to safe clean water and ensure a safe water chain for households.

To promote hygiene and sanitation at household and institutional level.

To increase access to regular health care services and empower beneficiaries to manage their health and prevent illnesses.

Income

To increase family income especially among women caregivers.

To train caregivers in basic business development techniques and provide demonstrations.

To assist caregivers to successfully launch and manage income generating projects and also link them to markets.

BEGA KWA BEGA LIMITED

By guarantee without share capital

Annual report and financial statements

For the year ended 29th February, 2024

REPORT OF THE DIRECTORS (CONTINUED)

RESULTS	2024	2023
	Shs '000	Shs'000
Surplus / (deficit) for the year	<u>157,357</u>	<u>-70,336</u>

DIRECTORS

The directors who held office during the year and up to date of this report are shown on page 1.

In accordance with the company's Articles of Association, no director is due for retirement by rotation.

INDEPENDENT AUDITOR

The company's auditor, Quest Co. has indicated willingness to continue in office in accordance with the Companies Act 2012.

**DIRECTOR
KAMPALA**

Garandepti
.....2024

21-05-2024

BEGA KWA BEGA LIMITED

By guarantee without share capital

Annual report and financial statements

For the year ended 29th February, 2024

STATEMENT OF DIRECTORS' RESPONSIBILITIES

The Ugandan Companies Act, 2012 requires the directors to prepare financial statements for each financial year which give a true and fair view of the state of affairs of the company as at the end of the financial year and of its profit or loss for that year. It also requires the directors to ensure that the company keeps proper accounting records that are sufficient to show and explain the transactions of the company and disclose, with reasonable accuracy, the financial position of the company and that enables them to prepare financial statements of the company that comply with the International Financial Reporting Standard for Small and Medium- sized Entities and for the requirement of the Ugandan Companies Act, 2012.

The directors are also responsible for safeguarding the assets of the company and for taking reasonable steps for the prevention and detection of fraud and other irregularities.

The directors accept the responsibility for the preparation and fair presentation of financial statements in accordance with International Financial Reporting Standard for Small and Medium - sized Entities and in the manner required by the Ugandan Companies Act, 2012.

They also accept responsibility for :

- i) Designing, implementing and maintaining such internal control as they determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.
- ii) Selecting and applying appropriate accounting policies and
- iii) Making accounting estimates and judgements that are reasonable in the circumstances.

The directors are of the opinion that the financial statements give a true and fair view of the state of the financial affairs of the company as at 29th February, 2024 and of its financial performance and cash flows for the year then ended in accordance with the International Financial Reporting Standard for Small and Medium sized Entities and for the requirement-of the Ugandan Companies Act, 2012.

In preparation of these financial statements, the directors have assessed the company's ability to continue as a going concern.

Nothing has come to the attention of the directors to indicate that the company will not remain a going concern for at least the next twelve months from the date of this statement.

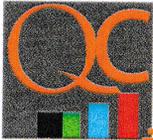
The directors acknowledge that the independent audit of the financial statements does not relieve them of their responsibilities.

So far as each of the directors is aware, there is no audit information which the auditor is unaware of, and each of the directors has taken all the steps that ought to have been taken in order to become aware of any relevant audit information and to establish that the auditor is aware of that information.

Approved by the board of directors on 21-05-.....2024 and signed on its behalf by :


.....
Director


.....
Director



Independent Auditor's Report to the Members of the Bega Kwa Bega Limited in Respect of the Financial Statement for the year Ended 29 February , 2024.

Opinion

I have audited the financial statements of the Bega Kwa Bega Limited as set out on pages 7 to 15 which comprise the statements of financial position as at 29 February, 2024, the statement of surplus or deficit and statement of changes in equity and statement of cash flows for the year then ended, and notes to the financial statements, including a summary of significant accounting policies.

In my opinion, the accompanying financial statements give a true and fair view of the financial position of the company as at 29 February, 2024 and its financial performance and its cash flows for the year then ended in accordance with International Financial Reporting Standards (IFRSs) for small and medium sized entities and the Association.

Basis for opinion

I conducted the audit in accordance with the International Standards on Auditing (ISAs). My responsibilities under those standards are further described in the auditor's responsibilities for audit of the financial statements section of my report. I am independent of the company in accordance with International standards Board for accountants' code of Ethics for professional Accountants (IESBA Code) together with the ethical requirements that are relevant to the audit of the financial statements in Uganda, and I have fulfilled my other ethical responsibilities in accordance with these requirements and the IESBA Code. I believe that the audit evidence I have obtained is sufficient and appropriate to provide a basis for my opinion.

Other information

The Directors are responsible for other information. The other information comprises the report of the Directors, but does not include the financial statements and my auditor's report. My opinion on the financial statements does not cover other information and I do not express any form of assurance conclusion thereon. In connection with my audit of the financial statements, my responsibility is to read other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or my knowledge obtained in the audit , or otherwise appears to be materially misstated. If based on the work I have performed, I conclude that here is a material misstatement of this other information; I am required to report that fact. I have nothing to report in this regard.

Responsibilities of directors and those charged with governance for the financial statements.

Directors are responsible for the preparation of the financial statements that give a true and fair view in accordance with IFRS for small and medium sized entities and the Association Act , and for such internal control as the directors determine is necessary to enable the preparation of statements that are free from material misstatement, whether due to fraud or errors. In preparing the financial statements, the Directors are responsible for assessing the company'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 company or to cease operations, or has no realistic alternative but to do so.

Auditor's responsibilities for audit of the financial statements

My 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 my opinion. Reasonable assurance is a high level of assurance but is not a guarantee that an audit conducted in accordance with IASs will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individual or 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, I exercise professional judgment and maintain professional scepticism throughout the audit. I 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 my 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 company's internal control.
- 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 director'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 Institute's ability to continue as a going concern. If I conclude that a material uncertainty exists, I am required to draw attention in my auditor's report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify my opinion. My conclusions are based on the audit evidence obtained up to the date of my auditor's report. However, future events or conditions may cause the Institute 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.

I communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that I identify during my audit.

The engagement partner responsible for the audit resulting in this independent auditor's report is CPA Joel

Byaruhanga - P0085



Quest Co. Certified Public Accountant.



Joel Kale Byaruhanga. Kampala



BEGA KWA BEGA LIMITED
By guarantee without share capital
Annual report and financial statements
For the year ended 29th February, 2024

As at 29 February

	Page	Note	2024 Shs'000	2023 Shs'000
STATEMENT OF FINANCIAL POSITION				
ACCUMULATED SURPLUS				
Retained earnings	7		591,481	434,124
Non - current liabilities				
Borrowings	12	5	788,440	185,319
			<u>1,379,921</u>	<u>619,443</u>
REPRESENTED BY				
Non- current assets				
Property	13	7	603,121	-
Current assets				
Cash and cash equivalents	12	6	750,504	601,377
Current liabilities				
Other payables	13	8	26,296	18,066
Net current assets			<u>1,379,921</u>	<u>619,443</u>

The financial statements on pages 7-15 were authorised and approved for issue by the board of directors on 21-05-..... 2024 and signed on its behalf by:

Gervase Jho
 Director

Amuraye
 Director

The notes on pages 12-15 form an intergral part of these financial statements
 Report of the independent auditor - pages 5 to 6.



BEGA KWA BEGA LIMITED

By guarantee without share capital

Annual report and financial statements

For the year ended 29th February, 2024

STATEMENT OF SURPLUS OR DEFICIT AND RETAINED EARNINGS

	Page	Note	2024 Shs'000	2023 Shs'000
Income	14	10	5,075,162	5,797,396
Administrative expenses	15	11	(685,135)	(690,212)
Development expenses	15	11	<u>(4,232,670)</u>	<u>(5,177,520)</u>
Operating surplus / (deficit)			<u>157,357</u>	<u>(70,336)</u>
Retained earnings at the start of the year			<u>434,124</u>	<u>504,460</u>
Surplus / (deficit) for the year			<u>157,357</u>	<u>(70,336)</u>
Retained earnings at the end of the year.			<u><u>591,481</u></u>	<u><u>434,124</u></u>



BEGA KWA BEGA LIMITED
 By guarantee without share capital
 Annual report and financial statements
 For the year ended 29th February, 2024

STATEMENT OF CASH FLOWS

	Notes	2024 Shs'000	2023 Shs'000
Cash flows from operating activities			
Surplus / (deficit)		157,357	(70,336)
Adjustments for:			
Changes in working capital			
* Other payables		<u>-8,230</u>	<u>(2,440)</u>
Net cash (used in) from operating activities		<u>149,127</u>	<u>(72,776)</u>
Net Cash flows (used in) investing activities			
Property acquired	7	<u>-603,121</u>	<u>0</u>
Cash flows from financing activities			
Proceeds from long term borrowings	5	<u>603,121</u>	<u>-</u>
Net cash used in financing activities		<u>603,121</u>	<u>-</u>
Increase in cash and cash equivalents		<u>149,127</u>	<u>(72,776)</u>
Movement in cash and cash equivalents			
At start of year	6	<u>601,377</u>	<u>674,153</u>
Increase		<u>149,127</u>	<u>(72,776)</u>
At end of year	6	<u>750,504</u>	<u>601,377</u>

The notes on pages 12 to 15 form an intergral part of these financial statements
 Report of the independent auditor-pages 5 to 6.



NOTES TO THE FINANCIAL STATEMENTS

SIGNIFICANT ACCOUNTING POLICIES

The principal accounting policies adopted in the preparation of these financial statements are set out below.

These policies have been consistently applied to all the years presented, unless otherwise stated.

1. General information

Bega Kwa Bega Limited is incorporated in Uganda under the Companies Act, 2012 as a private liability company without shares and is domiciled in Uganda. The address of its registered office and principle place of business is Kisubi Mbiru Road.

The company's principal activity is that of provision of charitable services, education and developmental purposes

2(a) Basis of preparation

The financial statements of Bega Kwa Bega Limited have been prepared in accordance with the International Financial Reporting standards for Small and Medium sized Entities with early adoption of the 2015 amendments to the standard. The early adoption of the amendments has not resulted in any prior period restatements or other material changes in presentation. The financial statements have been prepared under the historical cost convention.

The preparation of financial statements in conformity with International Financial Reporting Standard for Small and Medium sized Entities require the use of certain critical accounting estimates. It also requires management to exercise its judgements in the process of applying the company's accounting policies. Areas involving a higher degree of judgement or complexity or areas where assumptions and estimates are significant to the financial statements are disclosed on note 2(b) below.

These financial statements comply with the requirements of the Uganda Companies Act, 2012. The statement of profit or loss and retained earnings represent the profit and loss account referred in the Act. The statement of financial position represents the balance sheet referred to in the Act.

Going Concern

The financial performance of the company is set out in the directors' report and in the statement of surplus or (deficit) and retained earnings. The financial position of the company is set out in the statement of financial position.

b) Key sources of estimation uncertainty.

The company makes estimates and assumptions concerning the future. The resulting accounting estimates will, by definition, seldom equal to the related actual results.



SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

c) Revenue recognition

Revenue comprises of fair value of the consideration of donations received and receipts received.

d) Property and equipment

All property and equipment acquired during the year are fully expensed in statement of surplus or deficit as per specifications in donation requisitions and donor conditions.

The land property was acquired during the year on accrual basis from the property seller.

The land property was capitalised in balance sheet during the year.

e) Translation of foreign currencies

Transactions in foreign currencies during the year are converted into Uganda Shillings at rates ruling at the transaction dates. Assets and liabilities at the balance sheet date which are expressed in foreign currencies are translated into Uganda Shilling at the Income tax rates ruling at that date. The resulting differences from conversion and translation are dealt with in the surplus or deficit account in the year in which they arise.

f) Cash and cash equivalents

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

g) Borrowings

Borrowings are initially recognised at the fair value, net of transaction costs incurred and the subsequently stated at the amortised cost. Any difference between the proceeds (net of transaction costs) and the redemption value is recognised as interest expense in the statement of surplus or deficit under finance costs.

Borrowings are classified as current liabilities unless the company unconditional right to defer settlement of the liability for at least 12 months after the statement of the financial position date.

h) Employment benefits obligations

The company and its employees contribute to the National Social Security Fund, a statutory defined contribution scheme registered under the National Social Security Fund Act. The company's contributions to the defined contribution scheme are charged to profit or loss in the year to which they relate.

i) Comparatives

Where necessary, comparative figures have been adjusted to conform with changes in presentation in the current year.



BEGA KWA BEGA LIMITED
 By guarantee without share capital
 Annual report and financial statements
 For the year ended 29th February, 2024

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)	2024 Shs'000	2023 Shs'000
3. Revenue		
Income Page 14 (Note 10)	<u>5,075,162</u>	<u>5,797,396</u>

4. Operating profit

The following items have been charged in arriving at the operating surplus.

Auditor's remuneration	4,000	3,500
Staff Costs(Note 10)	<u>522,295</u>	<u>522,130</u>

5. Borrowings

Non- current

Re-imburseables advances received	185,319	185,319
Land Cost payable	<u>603,121</u>	<u>0</u>
	<u>788,440</u>	<u>185,319</u>

The borrowings were secured by the following:

Borrowings were denominated in Us dollars in terms of financial support of the company interest free, and without specific terms of repayments.

6. Cash and cash equivalents	2024 Shs'000	2023 Shs'000
Cash at hand	9,210	11,784
Bank balance Ushs Account	707,574	327,650
Bank balance Usd Account USD 8,707.06 @ 3,872.71	<u>33,720</u>	<u>261,943</u>
	<u>750,504</u>	<u>601,377</u>

For the purpose of cash flow statement, the period end cash and cash equivalents comprise of the above:



BEGA KWA BEGA LIMITED
By guarantee without share capital
Annual report and financial statements
For the year ended 29th February, 2024

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

	2024 Shs'000	2023 Shs'000
7. Property		
	Freehold Land	
Additions during the year- (private source)	<u>603,121</u>	<u>0</u>
8. Other payables		
Audit fees payable	4,000	3,500
PAYE accrued	14,812	9,410
NSSF Accrued	<u>7,484</u>	<u>5,156</u>
	<u>26,296</u>	<u>18,066</u>
9. Presentation currency		

The financial statements are presented in Uganda Shillings (Shs), rounded to the nearest thousands ('000). Only note 10. donations income received during the year and other income was not rounded to the nearest thousands('000).



BEGA KWA BEGA LIMITED

By guarantee without share capital

Annual report and financial statements

For the year ended 29th February, 2024

10. DONATIONS INCOME RECEIVED DURING THE YEAR
STANDARD CHARTERED BANK SHS ACCOUNT NO. 0102010808800

			2024
DONOR BREAD AND WATER FOR AFRICA	Activity done		AMOUNT (SHS)
17/10/2023 USD 15,899 @ 3,640	Wells, springs protection and others	(A)	<u>57,872,360</u>

			2024
HONEY WAY WALTERS	Activity done		AMOUNT (SHS)
DATE Foreign Amount & exchange rate			
25/05/2023 GBP 110,000 @ 4,502	Admin, Swiss Foundation, Tuition for orphans and others		495,220,000
29/06/2023 GBP 84,645 @ 4,500	Gogolo School construction		380,912,500
21/08/2023 GBP 81,919 @ 4,615	Gogolo School construction and Swiss Foundation project		378,056,185
6/10/2023 GBP 72,000 @ 4,425	Gogolo School construction and outreach		318,600,000
10/10/2023 GBP 71,965 @ 4,460	Gogolo School construction and outreach		320,963,900
12/10/2023 GBP 70,877 @ 4,465	Gogolo School construction and others		316,465,805
24/10/2023 GBP 90,477 @ 4,460	Gogolo School construction and others		403,527,420
8/2/2024 GBP 70,840 @ 4,700	Demonstration farm construction and others		332,948,000
9/2/2024 GBP 70,000 @ 4,720	Demonstration farm construction and others		330,400,000
15/02/2024 GBP 68,826 @ 4,725	Demonstration farm construction and others		325,202,850
TOTAL DONATION RECEIVED FROM HONEY WAY WALTERS			(B) <u>3,602,296,660</u>

DONOR BAMBI UGANDA ORPHANS	Activity done		
7/6/2023 USD 16,990 @ 3,630	Tuition for orphans and other expenses		61,673,700
21/12/2023 USD 12,990 @ 3,650	Food for orphans, Orphans vulnerable children elderly and people with disabilities.		47,413,500
5/1/2024 USD 6,150 @ 3,685	Tuition for orphans and other expenses		22,662,750
24/01/2024 USD 8,990 @ 3,720	Tuition for orphans and other expenses		33,442,800
TOTAL DONATION RECEIVED FROM BAMBI UGANDA ORPHANS			(C) <u>165,192,750</u>

			2024
STANDARD CHARTERED BANK USD ACCOUNT NO. 8702010808800	Activity done		AMOUNT (SHS)
DONOR VIBRANT VILLAGE FOUNDATION			
10/07/2023 USD 29,975 @ 3,650	Vibrant Village Foundation activities		109,408,750
TOTAL DONATION RECEIVED FROM VIBRANT VILLAGE FOUNDATION			(D) <u>109,408,750</u>

Vibrant Village Foundation donations are used in Mobile Health clinics, Borehole drilling, Agriculture, Nutrition, Education and Income Generating Activities

FARM INCOME RECEIVED DURING THE YEAR	(E) <u>10,293,800</u>
GOGOLO PRIMARY SCHOOL INCOME RECEIVED	(F) <u>1,124,889,407</u>
SALE OF MOTORCYLES AND OTHERS	(G) <u>5,208,000</u>
GRAND TOTAL AMOUNT (A TO G)	<u>5,075,161,727</u>



BEGA KWA BEGA LIMITED
 By guarantee without share capital
 Annual report and financial statements
 For the year ended 29th February, 2024

11. OPERATING EXPENDITURE	2024	2023
	Shs'000	Shs'000
A) ADMINISTRATION EXPENSES		
Bank charges	2,366	2,832
Salaries and wages	522,295	522,130
Staff welfare	13,287	10,940
Medical expenses	-	76
Telephone, postage and internet	1,831	1,626
Stationery , printing and secretarial expenses	4,071	2,832
Office expenses	2,071	24,970
Travelling and transport	14,092	13,394
National Social Security Fund 10% contributions	52,229	52,213
Professional fees and consultancy fees	13,266	9,806
Electricity and water	1,316	1,761
Insurance expenses	41,499	23,801
Repairs and maintenance	310	3,810
Motorvehicle repairs	12,352	16,371
Audit fees	4,000	3,500
Operating licence fees	150	150
	<u>685,135</u>	<u>690,212</u>
B) DEVELOPMENT COSTS		
Mobile Health Clinic	120,276	86,179
Education - Orphan and vulnerable children school fees	87,004	93,756
Borehole construction / water springs	303,298	292,506
Demo farm/ Family demo gardens / Nutrition training sessions	328,982	123,828
Gogolo Primary School construction and other expenses	2,757,605	3,455,032
Demostration farm building construction and related costs	375,059	-
Land purchase expensed	192,174	1,075,729
Capital asset purchased	7,974	-
Field Allowances and facilitation expenses	5,027	5,409
Vibrant Village Foundation Project and Swiss overhead expenses	55,271	45,081
	<u>4,232,670</u>	<u>5,177,520</u>

