

**COMMUNITY EMPOWERMENT FOR CREATIVE INNOVATION (CECI)**

**BOARD OF DIRECTORS' REPORT**

**AND**

**AUDITED FINANCIAL STATEMENTS**

**FOR THE FINANCIAL YEAR ENDED 31ST DECEMBER 2022**



**Certified Public Accountants**  
**Kiwana Road, Bukoto**  
**Plot 6-10 Church Street**  
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ANNUAL REPORT AND FINANCIAL STATEMENTS  
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**ORGANISATION'S INFORMATION**

**KEY PERSONNEL**

**Board Chairperson**

Patrick Chandiga Justine

**Treasurer to the Board**

Topista Oleru

**Secretary to the Board**

Benson Khemis Soro

**Other Board Members**

Luate Emmanuel

Iyoo Irene Hellen

**Executive Director**

Benson Khemis Soro

**REGISTERED OFFICE:**

Kuwa Compound, Gbukutu - Arua Road  
Central Cell, Koboko Municipality  
P.O.Box 158  
Koboko(U)

**AUDITORS:**

Ellie and Associates  
Certified Public Accountants  
P.O.Box 16853  
Kampala  
Uganda

**BANKERS:**

Centenary Bank  
Arua Branch  
Arua

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**Background Information**

Community Empowerment for Creative Innovation (CECI) is a South Sudanese Youth founded Non-profit making Refugee-led Organization (RLO) registered with Koboko District Local Government (KDLG) as Community Based Organization (CBO) in August 2017, with registration number 563/124. CECI is incorporated as a Company Limited by Guarantee (Under section 18(3) of the Companies Act 2012), of the Republic of Uganda, with registration number 80020002697777, and holds a valid Memorandum of Understanding (MoU) with Office of the Prime Minister (OPM) Kampala, Uganda which gives it full clearance in the Refugee Response Operations in the country.

CECI emerged to address the deteriorating relationships among refugees themselves and between refugees and the host communities characterized by (1) conflict tensions based on ethnicity, access to production resources such as land, water and wood fuel, interreligious marriages and employment opportunities (2) dire and deteriorating mental health concerns among young people leading to anti-social behaviour, high rates of insanity and deaths related to mental health, (3) deplorable living condition of refugees and host communities, and (4) inadequate awareness on COVID-19 symptoms, prevention and management.

CECI envisages that peace, livelihood, environment and education is a human right that must be enjoyed by all humanity both persons of concern or Refugees and the host community or Nationals. This enjoyment comes with a recognition that it has to be worked for owing to the dynamics that inform survival including limited resources, natural resources access and utilisation, differences in social cultures, corruption among and between PoCs and host communities-this therefore means fundamental human rights. As CECI, it is practical to share that turning outputs into positive outcomes require multiple factors including effort of local structures and adopting creativity and innovations.

**Vision**

An Empowered, Peaceful and Self-reliant community

**Mission**

To promote peace, self reliance and dignity through recreational activities, education and other innovations going beyond relief and development.

**Objectives**

Community Empowerment for Creative Innovation (CECI) seeks to;

1. Build peace and improve social cohesion among refugees and with host communities
2. Build skills to support development and peace
3. Promote girl child education and early childhood development
4. Increase community knowledge and understanding of HIV/AIDS care and prevention
5. Eradicate Gender Based Violence
6. Green the environment
7. Foster creativity and innovation among youth in their respective fields of practice



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**Program Thematic Areas and Strategy Approches**

**Program Thematic Areas**

**1. Peace building and Reconciliation**

CECI works to promote peaceful resolution of disputes and reconciliation, build and increase peaceful coexistence and social cohesion among refugees and with host communities through dialogues, negotiations, debates, group discussions, trainings/workshops, recreational activities, poems, media programs and community and school outreaches.

**2. Livelihood**

Interventions are aimed at building skills to support development and peace, build resilience and increase employability through vocational or entrepreneurial skill trainings, trauma healing and income generating activities.

**3. Education**

CECI's interventions are aimed at promoting girl child education and early childhood development through advocacy, increasing community understanding and knowledge about HIV/AIDs care and prevention, and eradicating Gender Based Violence (GBV) in all its forms by going beyond awareness creation to capacitating victims to act.

**4. Environmental Management**

CECI works with the community, stakeholders and well-wishers to green the environment through tree planting and community education on conservation of environment.

**Strategy Approches**

The CECI always considers the following approaches during its program implementation process:-

**a) Participatory Approach:**

We encourage our beneficiaries to participate actively in our programs right from the needs assessment to the implementation, monitoring and evaluation and sharing of lessons learned.

**b) Community Centered Approach: Participatory Approach:**

CECI puts the community in the forefront to all its programs and project interventions and recognises the community as her purpose of existence.

**c) Co-ordination and Collaboration:**

CECI work and coordinate its activities with the government and non-governmental organizations, refugee structure and the line ministries within its operation areas.

**d) Accountability and Transparency:**

All the program activities and corresponding budget allocated for those particular programs are transparent; anyone at any time can have access to this information, if requested.

**e) Needs Driven Approach:**

Program activities will not be imposed from the topmost but are selected based on the demand made by the beneficiaries.

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**MANAGEMENT REPORT**

The directors present the report together with the audited financial statements for the period of 12 months ended 31st December 2022 which disclose the state of affairs of Community Empowerment for Creative Innovation (CECI)

**Governance and Management Structure.**

CECI is run by a team of skilled, competent and experienced personnel headed by an Executive Director who is Secretary to the Board of Directors – a supreme body of the organization after the General Assembly. The Board is the custodian of all policies, formulates, reviews them and approves them into law that management implements in the interest of the organization.

**Principal Activities**

The principal activities are Community based organisation activities as describes in the program's thematic areas.

**Review of Activities**

The operating results and state of affairs of the organisation are fully set out in the attached financial statements.

**Key Achievements during the period**

**1. Peace Building and COVID-19 Response Projects**

Community Empowerment for Creative Innovation (CECI) secured and successfully managed, in the year 2020 alone, five (5) projects with funding from Oxfam, Open Society Foundation, Wellsprings Philanthropy Fund, and the International Refugee Rights Initiative (IRRI) to implement Peacebuilding and COVID-19 Response interventions in Bidibidi Refugee Settlement to promote and strengthen social cohesion and community resilience, mobilize and sensitize local communities on COVID-19, Strengthen the capacity of Refugee Leadership, and improve access to information.

**2. Historical Multi-Year Grant**

In January 2021, CECI secured its first 3-year project in partnership with Koboko Municipal Council, funded by the European Union. The "CRRF: Inclusive Urban Development and Mobility in the Municipality of Koboko" aims to reduce inequalities, increase safety, and promote well-being within the municipality. To date, this project has positioned CECI as a key player in promoting sustainable development and community empowerment and has empowered 4,524 women, youth, children, students, teachers, and persons with disabilities with knowledge and skills in business, public health, gender-based violence, sports, debating, and provided them with start-up capital.

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**Funding**

Activities of CECI are financed through Grants and Donations.

**Going Concern**

The audit was conducted in conformity with the provisions of the International Standards on Auditing, and the principles and procedures described by CECI manuals and the funding agreements. The audit accordingly included such tests of accounting records, internal controls, and other procedures as were considered essential for due performance of this audit.

**Board of Directors**

The present membership of the board of directors is set out on page 1.

**Auditors**

The company auditors; Ellie and Associates Certified Public Accountants have expressed their willingness to continue in office in accordance with the provisions of Section 167(2) of the Companies' Act (No.1) 2012 .

**By Order of the Board**



Executive Director:



Board Chairperson:



Board Treasurer

Date: 14/07/2023



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**STATEMENT OF MANAGEMENT RESPONSIBILITIES**

Management of CECI accepts responsibility for the preparation and presentation of the Financial Statements set out on pages 9 to 15, which have been prepared using appropriate CECI accounting policies supported by reasonable and prudent judgments and estimates.

Management accepts responsibility for safeguarding the organisation's assets, for prevention of fraud and compliance with the relevant legislation in Uganda.

Management is also responsible for making available to auditors as and when required all accounting records and all other relevant records and related information that will enable auditors to meet the stated audit objectives.

Management is of the opinion that the report gives a true and fair view of the state of the financial affairs of the Organisation.

Management further accepts responsibility for the maintenance of accounting records that may be relied upon in the preparation of the project report, as well as adequate systems of internal control.

The Financial Statements were approved by the management of Community Empowerment for Creative Innovation on 14/12.....2023 and signed on its behalf by:

  
\_\_\_\_\_  
**Executive Director**

  
\_\_\_\_\_  
**Board Treasurer**

  
\_\_\_\_\_  
**Board Chairperson**





**REPORT OF THE INDEPENDENT AUDITORS TO THE DIRECTORS OF COMMUNITY EMPOWERMENT FOR CREATIVE INNOVATION (CECI)**

We have audited the financial statements of CECI for the year ended 31st December 2022 as set out on pages 9 to 15. The Financial Statements comprise the statement of Income and Expenditure as at 31st December 2022 and the statement of Fund Balance, statement of accumulated Fund Movement and statement of Cash Flows for the year then ended, and notes to the financial statements including summary of significant accounting policies.

In our opinion, the accompanying financial statements give a true and fair view of the financial position of the Organisation as of 31st December 2022 and in accordance with Generally Accepted Accounting Principles, the Non-governmental Organisations Act, 2016 and CECI Financial Policies

**Basis for 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 Organisation in accordance with the ethical requirements that are relevant to our audit of the financial statements in Uganda, and we have fulfilled our other responsibilities in accordance with these requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

**Responsibilities of Management and Those Charged with Governance for the Financial Statements**

Management is responsible for the preparation of the financial statements in accordance with Generally Accepted Accounting Standards and the requirements of the Non-governmental Organisations Act, 2012, CECI financial policy and for such internal controls as management determines is necessary to enable the preparation of financial statements that are free from material misstatements, whether due to fraud or error. In preparation of the financial statements, management is responsible for assessing the Organisation'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 management either intends to discontinue the organisation or to cease operations, or has no realistic alternative but to do so.

Those charged with governance are responsible for overseeing the Organisation's financial reporting process.

## 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.

\*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 management.

\*Conclude on the appropriateness of management'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 firm'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 company to cease to continue as a going concern.

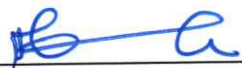
## Report on other legal and regulatory Requirements

As required by the Non-governmental Organisations Act, 2016 we report to you, based on our audit, that the business of the Organisation has been conducted:

- (i) Efficiently;
  - (ii) In accordance with the organisation's principles, and the auditing and accounting provisions of the NGO's Act;
- and
- (iii) In accordance with the organisation's objectives; and, byelaws, and other decisions made by the Annual General Meeting.

The Engagement Partner on the audit resulting in this independent auditor's report is CPA Silver Boss Mwebesa.

Signed;



Silver Boss Mwebesa - P0397



Certified Public Accountants of Uganda  
Kampala

Date : 14th July 2023



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**Statement of Income and Expenditure**

	Note	2022 Ushs	2021 Ushs
<b>Incomes</b>			
Grants to CECI	2	204,894,143	112,106,858
Other Incomes	3	3,530,946	7,608,262
<b>Total Income</b>		<b>208,425,089</b>	<b>119,715,120</b>
Project Costs	4	(76,751,450)	(86,532,113)
Administrative Costs	5	(35,005,473)	(18,886,031)
Support Costs	6	(44,714,470)	(28,407,706)
Capital Expenses	7	(6,050,000)	(11,260,000)
<b>Total Expenditure</b>		<b>(162,521,393)</b>	<b>(145,085,850)</b>
<b>Suplus/(Deficit) for the period</b>		<b>45,903,696</b>	<b>(25,370,730)</b>
Cash and Bank Balance at start of the year		-	40,006,151
<b>Cash and Bank Balance at end of the year</b>		<b>45,903,696</b>	<b>14,635,401</b>

The notes on pages 13 to 15 form an integral part of these financial statements.



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**STATEMENT OF FUND BALANCE**

<u>ASSETS</u>	Note	2022 Ushs	2021 Ushs
Cash and Bank Balances	8	60,539,097	14,635,401
<b>Total Assets</b>		<u><u>60,539,097</u></u>	<u><u>14,635,401</u></u>
 <b><u>FUND BALANCES AND LIABILITIES</u></b>			
Funds balance		60,539,097	14,635,401
<b>Total Fund Balances</b>		<u><u>60,539,097</u></u>	<u><u>14,635,401</u></u>

The notes on pages 13 to 15 form an integral part of these financial statements.

The financial statements were approved by the board on 14/5/2023 and were signed on its behalf by:



Executive Director



Board Treasurer



Board Chairperson



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**STATEMENT OF ACCUMULATED FUNDS MOVEMENT**

Details	Accumulated	Total
	Fund	
	2022	2021
	Shs	Shs
Balance as at 01.01.2022	14,635,401	14,635,401
Suplus/(Deficit) for the Year	45,903,696	45,903,696
<b>Balance as at 31.12.2022</b>	<b>60,539,097</b>	<b>60,539,097</b>

The notes on pages 13 to 15 form an integral part of these financial statements.

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**STATEMENT OF CASH FLOWS**

	Note	2022 Ushs	2021 Ushs
<b>Cash flows from operating activities</b>			
Suplus/(Deficit) for the Period		45,903,696	(25,370,730)
<b>Net increase/ (decrease) in cash and cash equivalents</b>		<u>45,903,696</u>	<u>(25,370,730)</u>
Cash and cash equivalents at 1st January		14,635,401	40,006,131
<b>Cash and cash equivalents at 31st December</b>	<b>8</b>	<u><u>60,539,097</u></u>	<u><u>14,635,401</u></u>

The notes on pages 13 to 15 form an integral part of these financial statements.

# COMMUNITY EMPOWEREMENT FOR CREATIVE INNOVATION (CECI) ANNUAL REPORT AND FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST DECEMBER 2022

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## 1 SIGNIFICANT ACCOUNTING POLICIES

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

### a) Basis of accounting

The Financial Statements have been prepared in accordance with and comply with Generally Accepted Accounting Principles, CECI financials polices and statutory regulations.

### b) Basis of preparation

#### i) Statement of compliance

The Financial Statements have been prepared in accordance with and comply with Generally Accepted Accounting Principles (GAAP), CECI financial policies and statutory regulations.

#### ii) The financial and presentation currency

The financial statements are presented in Ugandan shillings (Ushs) which is the company's functional currency. All information presented in shillings has been rounded to the nearest thousand.

### d) Donor funds

Donor funds are accounted for using the cash accounting basis whereby revenue is recognized and recorded when cash is received, and expenditure is recognized when the cash is paid.

## Categories of funds

**Capital Fund:** *A designated fund made up of the fixed assets and the funds for the replacement of depreciating i) assets.*

ii) **Operational Fund:** *Funds received for and used to fund CECI operations.*

**Designated Fund:** *Unrestricted funds, which have been allocated for a specific purpose by the board or by iii) management. Such funds can be re-allocated – examples are the Capital Fund and the Self-insurance Fund.*

**Restricted Fund:** *Funds given for a specific purpose. Only the donor can change that purpose. CECI is thus restricted in its use of them and technically holds them in trust on behalf of the donor. Such funds include fixed*

iv) *assets bought from restricted funds and cash received but not yet spent. CECI is required to keep separate records of restricted funds and of any fixed assets bought with them. Funds given for a project will usually be restricted funds.*

**Un-Restricted Fund:** *Funds which the board and management are free to use in support of CECI's charitable <sup>v)</sup> purpose, without any restriction by the donor.*

### e) Other Incomes

These any other funds received other than donations

### f) Property, Plant and Equipment

All purchases of items that are capital in nature shall be expended upon payment. there shall be no fixed accounts maintained by CECI however a separate register of the capital items shall be kept and shall be updated with every purchase and disposal of assets.

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**NOTES TO THE PROJECT FINANCIAL STATEMENTS**

	2022 Ushs	2021 Ushs
<b>2 Receipts</b>		
<b><u>Donor Grants</u></b>		
Oxfarm Denmark (IBIS)	-	50,398,895
International Refugee Rights Initiative (IRRI)	-	17,830,000
European Union	44,693,514	41,207,483
CRVPF	-	2,670,480
Oxfarm Novib	113,171,029	-
War Child Canada	47,029,600	-
	<b><u>204,894,143</u></b>	<b><u>112,106,858</u></b>
<b>3 Other Incomes</b>		
Save the Children RIL project award	-	6,000,000
Forex exchange gain	1,378,346	1,608,262
CRVPF	2,152,600	-
	<b><u>3,530,946</u></b>	<b><u>7,608,262</u></b>
<b>4 Direct Expenditure</b>		
Peace Building and Reconciliation		35,496,113
Livelihood		31,476,000
Education		13,460,000
Monitoring and Evaluation		6,100,000
Bridge	2,950,000	
CRRF	30,939,450	
Peace Building Initiative	42,862,000	
Care For Children	-	
	<b><u>76,751,450</u></b>	<b><u>86,532,113</u></b>
<b>5 Administration Expenses</b>		
Transport and Fuel	1,331,810	7,400,000
Office Rent	4,800,000	2,463,600
Communication		2,588,000
Stationary and Printing	1,830,100	952,000
Internet		450,000
Overhead Costs	4,407,740	3,967,037
Bank Charges	1,570,165	323,894
Airtime	496,000	-
Repair and Maintainence	2,615,000	-
Meals and Refreshments	653,000	-
Office Expenses	506,900	-
Accounting System	3,000,000	-
Audit	4,000,000	-
Withholding Tax	1,104,300	-
10% NSSF Contribution	8,690,458	741,500
	<b><u>35,005,473</u></b>	<b><u>18,886,031</u></b>
<b>6 Support costs</b>		
Personnel Costs	42,138,800	23,443,100
Volunteers' facilitation	-	2,395,000
Partner support fees	-	2,569,606
PAYE	2,575,670	-
	<b><u>44,714,470</u></b>	<b><u>28,407,706</u></b>
<b>7 Capital Expenses</b>		
Computers and other Electronics	6,050,000	4,700,000
Motorcycles		6,560,000
	<b><u>6,050,000</u></b>	<b><u>11,260,000</u></b>



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	2022 Ushs	2021 Ushs
<b>8 Cash and cash equivalents</b>		
<b>Cash at Bank</b>		
DFCU Bank - 01041116570149	7,895,438	7,895,438
DFCU Bank - 01041118825007	6,534,483	6,534,483
Centenary Bank-3100085922	459,650	-
Centenary Bank-3100085921	12,283,879	-
Centenary Bank-3100094911	31,007,567	205,480
	<u>58,181,017</u>	<u>14,635,401</u>
 Cash at hand	 2,358,080	 -
 <b>Total</b>	 <u>60,539,097</u>	 <u>14,635,401</u>