

REGISTERED COMPANY NUMBER: 01773933 (England and Wales)
REGISTERED CHARITY NUMBER: 288388

REPORT OF THE TRUSTEES AND
CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED
31 MARCH 2017
FOR
THE BUSOGA TRUST AND SUBSIDIARY

Watts Gregory LLP
Chartered Accountants & Statutory Auditors
Elfed House
Oak Tree Court
Cardiff Gate Business Park
CARDIFF
County of Cardiff
CF23 8RS

THE BUSOGA TRUST AND SUBSIDIARY
CONTENTS OF THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2017

	Page
Report of the Trustees	1 to 4
Report of the Independent Auditors	5 to 6
Consolidated Statement of Financial Activities	7
Consolidated and Charity Balance Sheet	8
Notes to the Financial Statements	9 to 18

THE BUSOGA TRUST AND SUBSIDIARY

REPORT OF THE TRUSTEES FOR THE YEAR ENDED 31 MARCH 2017

The trustees, who are also directors of the charity for the purposes of the Companies Act 2006, present their report with the financial statements of the charity for the year ended 31 March 2017. The trustees have adopted the provisions of Accounting and Reporting by Charities: Statement of Recommended Practice applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) (effective 1 January 2015).

OBJECTIVES AND ACTIVITIES

Objects

The objects as stated in the governing documents are:

- (1) The relief of poverty throughout the World and particularly but without prejudice to the generality of the foregoing in the Busoga region of Uganda
- (2) The promotion of the Christian religion in Uganda and throughout the World.

Objectives and aims

The Busoga Trust is a UK based NGO (non-governmental organisation) operating in Uganda. Busoga Trust's mission is to contribute to poverty eradication through providing rural Ugandan communities with sustainable safe water sources with adequate sanitation and hygiene practices. Such development in water, sanitation and hygiene, reduces the burden of disease from vulnerable communities and helps build healthy and prosperous communities.

Our interventions primarily include;

Water source construction and rehabilitation:	Shallow hand dug wells, drilled boreholes, rainwater harvesting and spring protection.
Sanitation training and latrine construction:	Peri-urban community latrine construction (funded via micro-finance), school latrine block construction and behavioural change triggering through Community-Led Total Sanitation.
Hygiene :	Home improvement campaigns, with training in; building hand washing facilities, drying racks and kitchens.

Our business model is one of a service provider; we operate in partnership with funding bodies to implement programmes on the ground. In the past we have been fortunate to enjoy successful partnerships with organisations such as DFID, Comic Relief, Plan Uganda, WaterAid, UN Habitat, The Water Trust, Simavi and, most recently, Global Fund.

Public benefit

The organisation's trustees can confirm that they have complied with the duty in Section 17 of the Charities Act 2011 to have due regard to public benefit guidance published by the Commission. Significant activities that we undertook during the year that demonstrate public benefit are set out below.

Significant activities

In 2016-17 our results were:

- 1 **51** New Community Water Sources, including 21 new wells and 30 re-sited wells.
 - 2 **74** Rehabilitated Community Water Sources (33 minor and 41 major).
 - 3 **35** rainwater harvesting tanks constructed (21 Ferro Cement & 14 Water Jars).
 - 4 **125** Community led total sanitation (CLTS) campaigns.
 - 5 **125** Water user committees elected and trained in their responsibilities for the upkeep and maintenance of their own wells (including the collection of funds).
 - 6 **359** sources were surveyed and 1278 household surveys were conducted by the Outrider programme. 2nd round survey of all Busoga Trust water sources was completed and ongoing monitoring has continued.
 - 7 Took over management, from WHAVE, of 85 communities in the Payment-By-Results maintenance scheme.
 - 8 **34** toilet facilities constructed in the slums of Bugembe.
 - 9 More than 62,500 people have gained, or had restored access to clean, safe water and improved sanitation.
-

THE BUSOGA TRUST AND SUBSIDIARY

REPORT OF THE TRUSTEES FOR THE YEAR ENDED 31 MARCH 2017

Significant activities (continued)

- 10 Long term educational support continued, for the 13th year, to enable orphan children of former Trust employees to achieve good qualifications.
- 11 Partnership with Westminster University's MBA programme continued, providing both desk and field research for the Trust.

FINANCIAL REVIEW

The financial results for the group for the year ended 31 March 2017 are shown in the attached financial statements. Income for the year was £417,628 (2016 - £424,718). Net expenditure for the year was £40,205.

The financial position at the year end remained satisfactory, with cash at bank of £74,146 and net current assets of £57,952. The overall net asset position for the group was £97,753, with £15,436 being held in restricted funds and £82,317 held as unrestricted funds.

Reserves policy

At the 31 March 2017, the group had free reserves of £69,101. Historically the Trust has tended to receive some substantial donations during the winter months resulting in particularly high reserves at the year end and much lower reserves by the end of the summer. The timing of donations results in the free reserves fluctuating quite significantly over the course of the financial year. The trustees aim to maintain sufficient reserves to fund the running and development of the charity, in accordance with the charitable objects. With that in mind the trustees consider that reserves in the range of £100,000 - £150,000 are appropriate which would represent 2-3 months of operating expenditure.

Investment policy and objectives

Under the Memorandum and Articles of Association, the charity has the power to make any investment which the trustees see fit. The company invests surplus funds in capital and premium reserve accounts at a bank. The trustees consider that combining instant access and a modest return on investment is the most suitable investment policy for the Trust.

FUTURE PLANS

We have every hope to achieve similar outcomes in the current/coming financial year regarding our water source construction and rehabilitation, and latrine construction. We do however expect to significantly increase our outputs regarding our hygiene and sanitation promotion with a new project starting in Buikwe in October 2017.

STRUCTURE, GOVERNANCE AND MANAGEMENT

Governing document

The charity is constituted as a company limited by guarantee, incorporated on 29 November 1983 under a Memorandum of Association which established the objects and powers of the charitable company. It is governed under its Articles of Association. In the event of the company being wound up, the members are required to contribute an amount not exceeding £1 each. The Trust has dispensation from the relevant authorities to omit the word "Limited" from its name.

Recruitment and appointment of new trustees

All directors of the company are also trustees of the charity, and there are no other trustees. The Board has the power to appoint additional trustees as it considers fit to do so. The trustees become eligible for re-election every three years.

Related parties

The charity, by virtue of common trustees, controls The Busoga Trust, a non-governmental organisation (registration number S5914/3078) in Uganda. These financial statements contain the consolidated results for both entities.

Risk management

Where appropriate, systems or procedures have been, and are being, established to mitigate the risks the charity faces. Internal control risks are minimised by the implementation of procedures for authorisation of all projects and transactions. Procedures are in place to ensure compliance with health and safety of staff, volunteers and others. These procedures are periodically reviewed to ensure that they continue to meet the needs of the charity.

THE BUSOGA TRUST AND SUBSIDIARY

**REPORT OF THE TRUSTEES
FOR THE YEAR ENDED 31 MARCH 2017**

REFERENCE AND ADMINISTRATIVE DETAILS

Registered Company number
1773933 (England and Wales)

Registered Charity number
288388

Registered office
82 St John St (4th floor)
London
EC1M 4JN

Trustees

Andrew Taylor	Chairman
Nicholas Journeaux	
Canon Andrew Pearson	
Jonathan Franklin	
Rob Smith	
David Leonard	
Anthony Sharp	Appointed 4 July 2016

Company Secretary
D S C Pearson

Senior Management

Johnson Waibi	Country Programme Manager
John Bosco Kabuye	Internal auditor
Alex Bache	UK Operations/Development Manager until May 2017
Charlotte Overton	UK Operations/Development Manager from May 2017

Bankers

Standard Chartered Bank Ltd – Jinja Branch
Crane Bank Ltd – Jinja Branch
Stanbic Bank (U) Ltd – Luwero Branch
Centenary Bank Ltd – Luwero Branch
Barclays Bank (U) Ltd - Uganda
Stanbic Bank (U) Ltd – Mpigi Branch
Centenary Bank – Wobulenzi Branch
Natwest Plc – UK

Auditors

Watts Gregory LLP
Chartered Accountants & Statutory Auditors
Elfed House
Oak Tree Court
Cardiff Gate Business Park
CARDIFF
County of Cardiff
CF23 8RS

THE BUSOGA TRUST AND SUBSIDIARY

REPORT OF THE TRUSTEES FOR THE YEAR ENDED 31 MARCH 2017

STATEMENT OF TRUSTEES RESPONSIBILITIES

The trustees (who are also the directors of The Busoga Trust for the purposes of company law) are responsible for preparing the Report of the Trustees and the financial statements in accordance with applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice).

Company law requires the trustees to prepare financial statements for each financial year which give a true and fair view of the state of affairs of the charitable company and the group and of the incoming resources and application of resources, including the income and expenditure, of the charitable group for that period. In preparing those financial statements, the trustees are required to

- select suitable accounting policies and then apply them consistently;
- observe the methods and principles in the Charity SORP;
- make judgements and estimates that are reasonable and prudent;
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the charitable group will continue in business;
- state whether applicable UK Accounting Standards have been followed, subject to any material departures disclosed and explained in the financial statements.

The trustees are responsible for keeping proper accounting records which disclose with reasonable accuracy at any time the financial position of the charitable company and to enable them to ensure that the financial statements comply with the Companies Act 2006. They are also responsible for safeguarding the assets of the charitable company and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

In so far as the trustees are aware:

- there is no relevant audit information of which the charitable group's auditors are unaware; and
- the trustees have taken all steps that they ought to have taken to make themselves aware of any relevant audit information and to establish that the auditors are aware of that information.

Approved by order of the Board of Trustees on 8 December 2017 and signed on its behalf by:


Canon Andrew Pearson - Trustee

REPORT OF THE INDEPENDENT AUDITORS TO THE MEMBERS OF THE BUSOGA TRUST AND SUBSIDIARY

We have audited the financial statements of The Busoga Trust and subsidiary for the year ended 31 March 2017 on pages seven to eighteen. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice applicable to Smaller Entities).

This report is made solely to the charitable company's members, as a body, in accordance with Chapter 3 of Part 16 of the Companies Act 2006 and to the charitable company's trustees, as a body, in accordance with regulations made under section 154 of the Charities Act 2011. Our audit work has been undertaken so that we might state to the charitable company's members and its trustees those matters we are required to state to them in an auditors' report and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than the charitable company and the charitable company's members as a body, for our audit work, for this report, or for the opinions we have formed.

Respective responsibilities of trustees and auditors

As explained more fully in the Statement of Trustees Responsibilities set out on page sixteen, the trustees (who are also the directors of the charitable company for the purposes of company law) are responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view.

We have been appointed auditor under the Companies Act 2006 and section 151 of the Charities Act 2011 and report in accordance with those Acts. Our responsibility is to audit and express an opinion on the financial statements in accordance with applicable law and International Standards on Auditing (UK and Ireland). Those standards require us to comply with the Auditing Practices Board's Ethical Standards for Auditors.

Scope of the audit of the financial statements

An audit involves obtaining evidence about the amounts and disclosures in the financial statements sufficient to give reasonable assurance that the financial statements are free from material misstatement, whether caused by fraud or error. This includes an assessment of: whether the accounting policies are appropriate to the group's and the parent charitable company's circumstances and have been consistently applied and adequately disclosed; the reasonableness of significant accounting estimates made by the trustees; and the overall presentation of the financial statements. In addition, we read all the financial and non-financial information in the Report of the Trustees to identify material inconsistencies with the audited financial statements and to identify any information that is apparently materially incorrect based on, or materially inconsistent with, the knowledge acquired by us in the course of performing the audit. If we become aware of any apparent material misstatements or inconsistencies we consider the implications for our report.

Opinion on financial statements

In our opinion the financial statements:

- give a true and fair view of the state of the group's and the parent charitable company's affairs as at 31 March 2017 and of the group's incoming resources and application of resources, including its income and expenditure, for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice applicable to Smaller Entities; and
- have been prepared in accordance with the requirements of the Companies Act 2006 and the Charities Act 2011.

Opinion on other matters prescribed by the Companies Act 2006

In our opinion based on the work undertaken in the course of the audit:

- the information given in the Report of the Trustees for the financial year for which the financial statements are prepared is consistent with the financial statements; and
- the Report of the Trustees has been prepared in accordance with applicable legal requirements.

**REPORT OF THE INDEPENDENT AUDITORS TO THE MEMBERS OF
THE BUSOGA TRUST AND SUBSIDIARY**

Matters on which we are required to report by exception

In the light of the knowledge and understanding of the charitable company and its environment obtained in the course of the audit, we have not identified material misstatements in the Report of the Trustees.

We have nothing to report in respect of the following matters where the Companies Act 2006 requires us to report to you if, in our opinion:

- the parent charitable company has not kept adequate and sufficient accounting records, or returns adequate for our audit have not been received from branches not visited by us; or
- the parent charitable company financial statements are not in agreement with the accounting records and returns; or
- certain disclosures of trustees' remuneration specified by law are not made; or
- we have not received all the information and explanations we require for our audit; or
- the trustees were not entitled to prepare the financial statements in accordance with the small companies regime and take advantage of the small companies exemption from the requirement to prepare a Strategic Report.

Julia Mortimer (Senior Statutory Auditor)
for and on behalf of Watts Gregory LLP
Chartered Accountants & Statutory Auditors
Elfed House
Oak Tree Court
Cardiff Gate Business Park
CARDIFF
County of Cardiff
CF23 8RS

Date: 15 December 2017

THE BUSOGA TRUST AND SUBSIDIARY

CONSOLIDATED STATEMENT OF FINANCIAL ACTIVITIES
(INCORPORATING AN INCOME AND EXPENDITURE ACCOUNT)
FOR THE YEAR ENDED 31 MARCH 2017

	Notes	Unrestricted fund £	Restricted funds £	2017 Total funds £	2016 Total funds £
INCOME AND ENDOWMENTS FROM					
Donations and legacies	3	378,089	-	378,089	364,099
Charitable activities					
Luwero project	5	316	6,632	6,948	4,461
Jinja project		1,338	-	1,338	704
Country office		-	25,024	25,024	25,492
Bugembe UN Habitat project		-	1,512	1,512	-
Kaliro project		-	-	-	24,437
Investment income	4	137	-	137	58
Other income		<u>4,580</u>	<u>-</u>	<u>4,580</u>	<u>5,467</u>
Total		384,460	33,168	417,628	424,718
EXPENDITURE ON					
Raising funds	6	18,719	-	18,719	18,577
Charitable activities					
Luwero project	7	112,192	6,632	118,824	92,291
Jinja project		184,906	25,024	209,930	297,444
Bugembe UN Habitat project		25,407	1,512	26,919	17,416
Rehabilitation project		77,497	-	77,497	56,598
Kaliro project		<u>1,813</u>	<u>4,131</u>	<u>5,944</u>	<u>14,189</u>
Total		420,534	37,299	457,833	496,515
NET INCOME/(EXPENDITURE)		(36,074)	(4,131)	(40,205)	(71,797)
RECONCILIATION OF FUNDS					
Total funds brought forward		118,391	19,567	137,958	209,755
TOTAL FUNDS CARRIED FORWARD		<u>82,317</u>	<u>15,436</u>	<u>97,753</u>	<u>137,958</u>

CONTINUING OPERATIONS

All income and expenditure has arisen from continuing activities.

The notes form part of these financial statements

THE BUSOGA TRUST AND SUBSIDIARY

CONSOLIDATED AND CHARITY BALANCE SHEET
AT 31 MARCH 2017

	Notes	Group		Charity	
		2017 £	2016 £	2017 £	2016 £
FIXED ASSETS					
Tangible assets	14	13,216	14,406	-	-
Programme related investments	15	26,585	24,614	-	-
CURRENT ASSETS					
Stocks		9,819	19,074	-	-
Debtors: amounts falling due within one year	17	37,419	9,884	5,428	750
Cash at bank		<u>74,146</u>	<u>117,937</u>	<u>56,505</u>	<u>76,378</u>
		121,384	146,895	61,933	77,128
CREDITORS					
Amounts falling due within one year	18	<u>(63,432)</u>	<u>(47,957)</u>	<u>(6,909)</u>	<u>(4,300)</u>
NET CURRENT ASSETS		<u>57,952</u>	<u>98,938</u>	<u>55,024</u>	<u>72,828</u>
TOTAL ASSETS LESS CURRENT LIABILITIES		<u>97,753</u>	<u>137,958</u>	<u>55,024</u>	<u>72,828</u>
NET ASSETS		<u>97,753</u>	<u>137,958</u>	<u>55,024</u>	<u>72,828</u>
FUNDS					
	20				
Unrestricted funds		82,317	118,391	55,024	72,828
Restricted funds		<u>15,436</u>	<u>19,567</u>	-	-
TOTAL FUNDS		<u>97,753</u>	<u>137,958</u>	<u>55,024</u>	<u>72,828</u>

These financial statements have been prepared in accordance with the special provisions of Part 15 of the Companies Act 2006 relating to small charitable companies.

The financial statements were approved and authorised for issue by the Board of Trustees on 08.12.2017 and were signed on its behalf by:



Andrew Taylor - Trustee

The notes form part of these financial statements

THE BUSOGA TRUST AND SUBSIDIARY

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2017

1. STATUTORY INFORMATION

The Busoga Trust is a registered charity and private company limited by guarantee without share capital. It is incorporated in Wales in the United Kingdom. The registered office is 82 St John St (4th floor), London, EC1M 4JN. The nature of the group's operations and principal activities is disclosed within the Report of the Trustees.

The financial statements are presented in Sterling (£), the group's functional currency, and rounded to the nearest pound.

The significant accounting policies applied in the preparation of these financial statements are set out below. These policies have been consistently applied to all years presented unless otherwise stated.

2. ACCOUNTING POLICIES

Basis of preparing the financial statements

The financial statements of the charitable company, which is a public benefit entity under FRS 102, have been prepared in accordance with the Charities SORP (FRS 102) 'Accounting and Reporting by Charities: Statement of Recommended Practice applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) (effective 1 January 2015)', Financial Reporting Standard 102 'The Financial Reporting Standard applicable in the UK and Republic of Ireland' and the Companies Act 2006. The financial statements have been prepared under the historical cost convention.

The group has undertaken application of Update Bulletin 1 (effective 1 January 2016) to Charities SORP (FRS 102) to take advantage of the disclosure exemption available in respect of the requirements of Section 7 Statement of Cash Flows.

The Busoga Trust meets the definition of a public benefit entity as demonstrated within the Report of the Trustees.

These financial statements for the year ended 31 March 2017 are the first financial statements that comply with Financial Reporting Standard 102. The date of transition is 1 April 2015.

There have been no material departures from Financial Reporting Standard 102.

The transition to Financial Reporting Standard 102 has resulted in no changes to existing accounting policies and has not required any transitional adjustments to the figures which can be seen in the following notes.

Going concern

No material uncertainties related to events or conditions that may cast significant doubt upon the group's ability to continue as a going concern exist.

Income

All income is recognised in the Statement of Financial Activities once the charity has entitlement to the funds, it is probable that the income will be received and the amount can be measured reliably.

This includes capital grants.

Donations and legacies income

Donations and legacies income includes donations, gifts and grants that provide core funding or, are of a general nature and are recognised where there is entitlement, probability of receipt and the amount can be measured with sufficient reliability. Such income is only deferred when the donor specifies it must be used in future accounting periods or the donor has imposed conditions which must be met before the charity has unconditional entitlement.

Income from charitable activities

Income from charitable activities includes income received under contract or where entitlement to grant funding is subject to specific performance conditions. This income is recognised as the related services are provided and there is entitlement, probability of receipt and the amount can be measured with sufficient reliability. Income is deferred when the amounts received are in advance of the performance of the service or event to which they relate.

2. ACCOUNTING POLICIES - continued

Investment income

Investment income is recognised on a receivable basis.

Other income

Other income is recognised on a receivable basis.

It is not the policy of the charity to show income net of expenditure.

Expenditure

Liabilities are recognised as expenditure as soon as there is a legal or constructive obligation committing the charity to that expenditure, it is probable that a transfer of economic benefits will be required in settlement and the amount of the obligation can be measured reliably. Expenditure is accounted for on an accruals basis and has been classified under headings that aggregate all cost related to the category. Where costs cannot be directly attributed to particular headings they have been allocated to activities on a basis consistent with the use of resources.

Expenditure on charitable activities comprises those costs incurred by the charity in the delivery of its activities and services for its beneficiaries. It includes both costs that can be allocated directly to such activities and those costs of an indirect nature necessary to support them.

Support costs are those costs that, whilst necessary to deliver an activity, do not themselves produce or constitute the output of the charitable activity. This includes governance costs which are those costs associated with meeting the constitutional and statutory requirements of the charity and include the accountancy fees and costs linked to the strategic management of the charity as well as a proportion of salaries based on an approximation of time spent in this area.

Taxation

The charity is exempt from corporation tax on its charitable activities.

Foreign currencies

Assets and liabilities in foreign currencies are translated into sterling at the rates of exchange ruling at the balance sheet date. Transactions in foreign currencies are translated into sterling at the rate of exchange ruling at the date of transaction. Exchange differences are taken into account in arriving at the operating result.

Termination payments

The charitable company recognises termination benefits as a liability and an expense only when the entity is demonstrably committed either to terminate the employment of an employee or group of employees before the normal retirement date or to provide termination benefits as a result of an offer made in order to encourage voluntary redundancy.

Employee benefits

When employees have rendered service to the company, short-term employee benefits to which employees are entitled are recognised at the undiscounted amount expected to be paid in exchange for that service.

Tangible fixed assets

Depreciation is provided at the following annual rates in order to write off each asset over its estimated useful life.

Computer equipment	25% - 30% on reducing balance
Motor vehicles	25% on reducing balance
Equipment, fixtures and fittings	15% on reducing balance

Fixed assets are initially recorded at cost.

2. ACCOUNTING POLICIES - continued

Programme related investments

Programme related investments are held to further the charitable purposes of the charity, measured at cost less any provision for diminution in value.

Stocks

Stocks are valued at the lower of cost and net realisable value, after making due allowance for obsolete and slow moving items.

Fund accounting

Unrestricted funds can be used in accordance with the charitable objectives at the discretion of the trustees.

Restricted funds can only be used for particular restricted purposes within the objects of the charity. Restrictions arise when specified by the donor or when funds are raised for particular restricted purposes.

Further explanation of the nature and purpose of each fund is included in the notes to the financial statements.

Operating leases

Rentals applicable to operating leases where substantially all of the benefits and risks of ownership remain with the lessor are charged against profits on a straight line basis over the period of the lease.

Financial instruments

The group only has financial assets and financial liabilities of a kind that qualify as basic financial instruments. Basic financial instruments are initially recognised at transaction value and subsequently measured at their settlement value.

Debtors with no stated interest rate and receivable within one year are recorded at transaction price. An losses arising from impairment are recognised in expenditure.

Creditors and provisions are recognised where the charity has a present obligation resulting from a past event that will probably result in the transfer of funds to a third party and the amount due to settle the obligation can be measured or estimated reliably. Creditors and provisions are normally recognised at their settlement amount after allowing for any trade discounts due.

Significant accounting judgements and estimates

Estimates and judgements are continually evaluated and are based on historical experience and other relevant factors, including expectations of future events that are believed to be reasonable under the circumstances.

The preparation of the financial statements requires management to make estimates and assumptions concerning the future. The resulting accounting estimates will, by definition, be likely to differ from the related actual results. No estimates or assumptions have been identified that have significant risk of causing material adjustment to the carrying amounts of assets and liabilities within the next financial year.

3. DONATIONS AND LEGACIES

	2017 £	2016 £
Donations and grants received in the UK	377,753	363,930
Donations received in Uganda	<u>336</u>	<u>169</u>
	<u>378,089</u>	<u>364,099</u>

4. INVESTMENT INCOME

	2017 £	2016 £
Deposit account interest	<u>137</u>	<u>58</u>

THE BUSOGA TRUST AND SUBSIDIARY

NOTES TO THE FINANCIAL STATEMENTS - CONTINUED
FOR THE YEAR ENDED 31 MARCH 2017

5. INCOME FROM CHARITABLE ACTIVITIES

	Activity	2017 £	2016 £
Grants	Luwero project	6,632	4,090
Sale of spares & pumps	Luwero project	316	371
Sale of spares & pumps	Jinja project	1,338	704
Grants	Country office	25,024	25,492
Grants	Bugembe UN Habitat project	1,512	-
Grants	Kaliro project	-	24,437
		<u>34,822</u>	<u>55,094</u>

Grants received, included in the above, are as follows:

	2017 £	2016 £
Country office - Rotary International	15,693	-
Country office - Sonrise Ministries Uganda	6,193	9,685
Country office - WAFSAH	2,802	-
Country office - UWASNET	336	-
Luwero project - Ndejje University	6,632	-
Bugembe UN Habitat project - Ministry of Water and Environment (M.O.W.E.)	1,512	-
Country office - Link to Progress Project: MPIGI	-	3,062
Kaliro project - Ministry of Water and Environment (M.O.W.E.)	-	24,437
Luwero project - Nandere project	-	4,090
Country office - UPFORD	-	422
Country office - Muhammad Abdulahim	-	2,384
Country office - Buwudha County and Child Development Association	-	218
Country office - Shuaib-Uhtmani	-	1,589
Country office - Water Mission Uganda	-	3,457
Country office - Nsangalo Babies Home	-	2,781
Country office - Steffen Schierenboken Nandere	-	1,841
Country office - other partnership funding	-	53
	<u>33,168</u>	<u>54,019</u>

6. RESULT OF PARENT CHARITABLE COMPANY

The total income of the parent charitable company was £377,785 and net expenditure was £17,803.

THE BUSOGA TRUST AND SUBSIDIARY

NOTES TO THE FINANCIAL STATEMENTS - CONTINUED
FOR THE YEAR ENDED 31 MARCH 2017

7. RAISING FUNDS

Raising donations and legacies

	2017 £	2016 £
Trustees' remuneration etc	18,341	18,577
Other direct fundraising costs	<u>378</u>	<u>-</u>
	<u>18,719</u>	<u>18,577</u>

8. CHARITABLE ACTIVITIES COSTS

	Direct costs £	Support costs (See note 9) £	Totals £
Luwero project	106,586	12,238	118,824
Jinja project	190,699	19,231	209,930
Bugembe UN Habitat project	23,859	3,060	26,919
Rehabilitation project	68,756	8,741	77,497
Kaliro project	<u>5,507</u>	<u>437</u>	<u>5,944</u>
	<u>395,407</u>	<u>43,707</u>	<u>439,114</u>

9. SUPPORT COSTS

	Staff costs £	Other costs £	Governance costs £	Totals £
Luwero project	7,414	2,445	2,379	12,238
Jinja project	11,650	3,842	3,739	19,231
Bugembe UN Habitat project	1,853	612	595	3,060
Rehabilitation project	5,296	1,746	1,699	8,741
Kaliro project	<u>265</u>	<u>87</u>	<u>85</u>	<u>437</u>
	<u>26,478</u>	<u>8,732</u>	<u>8,497</u>	<u>43,707</u>

10. NET INCOME/(EXPENDITURE)

Net income/(expenditure) is stated after charging/(crediting):

	2017 £	2016 £
Depreciation - owned assets	3,553	3,992
Auditors' remuneration - UK	4,200	4,200
Auditors' remuneration - Uganda	<u>4,297</u>	<u>3,971</u>

11. TRUSTEES' REMUNERATION AND BENEFITS

Trustees' remuneration

There were no trustees' remuneration or other benefits for the year ended 31 March 2017 or for the year ended 31 March 2016 in respect of services as a trustee.

Included within staff costs is £18,000 (2016 - £18,000) for salary paid to Canon Andrew Pearson, in respect of other services rendered for fundraising work undertaken. This salary has been paid with the written consent of the Charity Commission and clause 4 of the charity's Memorandum & Articles.

Trustees' expenses

There were no trustees' expenses paid for the year ended 31 March 2017 or for the year ended 31 March 2016.

12. STAFF COSTS

	2017	2016
	£	£
Wages and salaries - UK	44,000	43,353
Wages and salaries - Uganda	136,407	119,804
Social Security costs - UK	819	1,445
Social Security costs - Uganda	<u>11,330</u>	<u>9,521</u>
	<u><u>192,556</u></u>	<u><u>174,123</u></u>

No employees received emoluments in excess of £60,000.

Included within staff costs is an amount of £NIL (2016 - £500) in respect of an ex-gratia payment for service given to the Trust paid upon the end of employment.

The average monthly number of employees during the year was as follows:

	2017	2016
UK	2	2
Uganda	43	45

The total key management personnel remuneration benefits during the year was £18,000 (2016 - £18,000).

13. COMPARATIVES FOR THE STATEMENT OF FINANCIAL ACTIVITIES – YEAR ENDED 31 MARCH 2016

	Unrestricted fund £	Restricted funds £	Total funds £
INCOME AND ENDOWMENTS FROM			
Donations and legacies	364,099	-	364,099
Charitable activities			
Luwero project	371	4,090	4,461
Jinja project	704	-	704
Country office	-	25,492	25,492
Kaliro project	-	24,437	24,437
Investment income	58	-	58
Other income	<u>5,467</u>	<u>-</u>	<u>5,467</u>
Total	370,699	54,019	424,718

THE BUSOGA TRUST AND SUBSIDIARY

NOTES TO THE FINANCIAL STATEMENTS - CONTINUED
FOR THE YEAR ENDED 31 MARCH 2017

13. COMPARATIVES FOR THE STATEMENT OF FINANCIAL ACTIVITIES – continued

	Unrestricted fund £	Restricted funds £	Total funds £
EXPENDITURE ON			
Raising funds	18,577	-	18,577
Charitable activities			
Luwero project	88,201	4,090	92,291
Jinja project	271,952	25,492	297,444
Bugembe UN Habitat project	17,416	-	17,416
Rehabilitation project	56,598	-	56,598
Kaliro project	9,319	4,870	14,189
Total	462,063	34,452	496,515
NET INCOME/(EXPENDITURE)	(91,364)	19,567	(71,797)
RECONCILIATION OF FUNDS			
Total funds brought forward	209,755	-	209,755
TOTAL FUNDS CARRIED FORWARD	118,391	19,567	137,958

14. TANGIBLE FIXED ASSETS – Group

	Tools, equipment & machinery £	Office furniture & equipment £	Motor vehicles £	Computer equipment £	Totals £
COST					
At 1 April 2016	24,299	9,684	47,538	8,312	89,833
Additions	223	485	-	570	1,278
Exchange differences	311	102	559	113	1,085
At 31 March 2017	<u>24,833</u>	<u>10,271</u>	<u>48,097</u>	<u>8,995</u>	<u>92,196</u>
DEPRECIATION					
At 1 April 2016	20,257	8,513	39,784	6,873	75,427
Charge for year	640	243	2,047	623	3,553
At 31 March 2017	<u>20,897</u>	<u>8,756</u>	<u>41,831</u>	<u>7,496</u>	<u>78,980</u>
NET BOOK VALUE					
At 31 March 2017	<u>3,936</u>	<u>1,515</u>	<u>6,266</u>	<u>1,499</u>	<u>13,216</u>
At 31 March 2016	<u>4,042</u>	<u>1,171</u>	<u>7,754</u>	<u>1,439</u>	<u>14,406</u>

THE BUSOGA TRUST AND SUBSIDIARY

NOTES TO THE FINANCIAL STATEMENTS - CONTINUED
FOR THE YEAR ENDED 31 MARCH 2017

15. PROGRAMME RELATED INVESTMENTS - Group

	Other investments £	Totals £
MARKET VALUE		
At 1 April 2016	24,614	24,614
Exchange differences	<u>1,971</u>	<u>1,971</u>
At 31 March 2017	<u>26,585</u>	<u>26,585</u>
NET BOOK VALUE		
At 31 March 2017	<u>26,585</u>	<u>26,585</u>
At 31 March 2016	<u>24,614</u>	<u>24,614</u>

The above programme related investment represents funds lent to finance the construction of flush toilets and ventilated improved pit latrines (VIP latrines).

16. STOCKS - Group

	2017 £	2016 £
Finished goods	<u>9,819</u>	<u>19,074</u>

17. DEBTORS: AMOUNTS FALLING DUE WITHIN ONE YEAR – Group and charity

	Group 2017 £	Group 2016 £	Charity 2017 £	Charity 2016 £
Gift aid recoverable	5,428	-	5,428	-
Other debtors	31,991	9,134	-	-
Prepayments and accrued income	<u>-</u>	<u>750</u>	<u>-</u>	<u>750</u>
	<u>37,419</u>	<u>9,884</u>	<u>5,428</u>	<u>750</u>

18. CREDITORS: AMOUNTS FALLING DUE WITHIN ONE YEAR – Group and charity

	Group 2017 £	Group 2016 £	Charity 2017 £	Charity 2016 £
Trade creditors	29,938	19,043	-	-
Microfinance Revolving fund	26,585	24,614	-	-
Accruals and deferred income	4,320	4,300	4,320	4,300
Other creditors	<u>2,589</u>	<u>-</u>	<u>2,589</u>	<u>-</u>
	<u>63,432</u>	<u>47,957</u>	<u>6,909</u>	<u>4,300</u>

THE BUSOGA TRUST AND SUBSIDIARY

NOTES TO THE FINANCIAL STATEMENTS - CONTINUED
FOR THE YEAR ENDED 31 MARCH 2017

19. OPERATING LEASES - parent

Minimum lease payments under non-cancellable operating leases fall due as follows:

	2017 £	2016 £
Expiring:		
Between one and five years	<u>-</u>	<u>3,000</u>

20. MOVEMENT IN FUNDS

	At 1/4/16 £	Net movement in funds £	At 31/3/17 £
Unrestricted funds			
General fund	118,391	(36,074)	82,317
Restricted funds			
Kaliro project	19,567	(4,131)	15,436
TOTAL FUNDS	<u>137,958</u>	<u>(40,205)</u>	<u>97,753</u>

Net movement in funds, included in the above are as follows:

	Incoming resources £	Resources expended £	Movement in funds £
Unrestricted funds			
General fund	384,460	(420,534)	(36,074)
Restricted funds			
Bugembe UN Habitat project	1,512	(1,512)	-
Luwero area project	6,632	(6,632)	-
Kaliro project	-	(4,131)	(4,131)
Country office	<u>25,024</u>	<u>(25,024)</u>	-
	33,168	(37,299)	(4,131)
TOTAL FUNDS	<u>417,628</u>	<u>(457,833)</u>	<u>(40,205)</u>

Luwero project

Funding was kindly received from the Ndejje University of £6,632 towards the cost of the Luwero project.

Kaliro project

During the prior financial year, grant funding of £24,437 was kindly received from the Ministry of Water and Education to the Kaliro project. The purpose of the project is to promote rain water harvesting at household, institutional and communal levels through revolving funds; to train beneficiaries to they acquire construction skills and to monitor the construction activities. The direct project costs for the financial year amounted to £4,131 (2016 - £4,870).

Country office

Grant funding was kindly received from a number of partnership funders totalling £25,024 as outlined within the Income from Charitable Activities note towards supporting direct project activities.

Bugembe UN Habitat project

Funding was kindly received from the Ministry of Water and Education towards the Bugembe UN Habitat project.

THE BUSOGA TRUST AND SUBSIDIARY

NOTES TO THE FINANCIAL STATEMENTS - CONTINUED
FOR THE YEAR ENDED 31 MARCH 2017

21. RELATED PARTY DISCLOSURES

Included within Debtors: Amounts falling due within one year is an amount of £14,468 (2016 - £Nil) due from Trustco Consult (U) Limited. Trustco Consult (U) Limited is the company entrusted with the management of operations for the Kaliro rainwater harvesting project executed under a Memorandum of Understanding. Trustco Consult (U) Limited shareholders and staff are employees of The Busoga Trust.

22. ANALYSIS OF GROUP NET ASSETS BETWEEN FUNDS

	Unrestricted funds £	Restricted funds £	Total £
Fund balances at 31 March 2017 are represented by:			
Tangible fixed assets	13,216	-	13,216
Programme related investments	26,585	-	26,585
Current assets	105,948	15,436	121,384
Current liabilities	<u>(63,432)</u>	<u>-</u>	<u>(63,432)</u>
Total net assets	<u>82,317</u>	<u>15,436</u>	<u>97,753</u>

23. SUBSIDIARY COMPANY

The charity trustees are also the trustees of The Busoga Trust, a non-governmental organisation (registration number S5914/3078) in Uganda. All activities have been consolidated on a line by line basis in the SOFA.

A summary of the results of the subsidiary is shown below:

	2017 £	2016 £
Income	359,236	455,969
Expenditure	<u>(381,637)</u>	<u>(424,117)</u>
Surplus/(Deficit)	<u>(22,401)</u>	<u>31,852</u>

The aggregate of the assets, liabilities and funds was:

	2017 £	2016 £
Assets	99,252	108,787
Liabilities	<u>(56,523)</u>	<u>(43,657)</u>
Funds	<u>42,729</u>	<u>65,130</u>

24. FIRST YEAR ADOPTION

This is the first year that the company has presented its financial statements under Financial Reporting Standard 102 (FRS 102). As a result of the transition to Financial Reporting Standard 102 there have been no changes to the opening balance sheet at 1 April 2015 or the closing balance sheet at 31 March 2016.