

**WATER COMPASS LIMITED
FINANCIAL STATEMENTS AND
INDEPENDENT AUDITOR'S REPORT
FOR THE YEAR ENDED 31ST DECEMBER 2022**

**WATER COMPASS LIMITED
FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31ST DECEMBER 2022**

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P.O BOX 28683 KAMPALA - UGANDA

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FOR THE YEAR ENDED 31ST DECEMBER 2022**

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**Clayton & Company
Certified Public Accountant
22/24 Iganga Road
P.O Box 906,
JINJA - UGANDA**

CLAYTON
& COMPANY
Elevating the World

WATER COMPASS LIMITED

FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31ST DECEMBER 2022

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WATER COMPASS LIMITED
FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31ST DECEMBER 2022

BOARD OF DIRECTORS AND PROFESSIONAL ADVISORS

BOARD OF DIRECTOR - INDIGENOUS:	Judith Tindyebwa	Treasurer & Director
	Irene Nakiyemba	Secretary & Director
	Florence Samanya	Director
	Lyne Naluwagga	Director
	Diana Keesiga	Director
	Naomi Mutegaya	Director
	Mariam Lutakome	Director

REGISTERED OFFICE Water Compass Limited - Sembabule Town Council
P.O. Box 28683
Kampala -Uganda.

AUDITORS Clayton & Company
Certified Public Accountant
Plot 22/24 Iganga Road
P. O. Box 906
Jinja

BANKERS I & M Bank
Kampala Road Branch

Centenary Bank
Sembabule Branch

FUNDERS Water Compass Inc (NGO)
USAID

LAWYERS R. Nsubuga and Co. Advocates
Plot 3 Parliamentary Avenue
3rd Floor, Rm 053 Raja Chambers
P.O. Box 2818, Kampala - Uganda.

WATER COMPASS LIMITED

REPORT OF THE BOARD OF DIRECTORS

FOR THE YEAR ENDED 31ST DECEMBER 2022

The Board of Directors presents its report together with the audited Financial Statements for the year ended 31st December 2022 of Water Compass Limited.

BACKGROUND INFORMATION

Water Compass Limited is a registered indigenous NGO with Registration No. INDR128312752NB. The entity builds, operates and maintains solar powered water supply systems, and collaborates with households and entrepreneurs to improve sanitation and promote effective hygiene practices in homes and health centres.

VISION STATEMENT

Water Compass Limited's vision is a healthy community free from communicable diseases where clean water and sanitation are accessible to all and hygiene practices are widespread.

MISSION

To prevent disease through the provision of clean water, improved sanitation and hygiene promotion.

ACTIVITIES

Water Compass Limited's main activities are the "provision of clean water, improved sanitation and the promotion of hygiene"

RESULTS

	2022 Ushs	2022 USD	2021 Ushs	2021 USD
Total Income	579,364,752	159,035	678,946,273	189,597
Total Expenses	(538,505,444)	(147,819)	(763,963,417)	(213,338)
Surplus/(deficit) for the year	40,859,308	11,216	(85,017,144)	(23,741)


BOARD MEMBERS

The present Board members are set out on page 2.

AUDITORS

Clayton & Company CPA have expressed their willingness to continue in office in accordance with the law.

BY ORDER OF THE BOARD


SECRETARY

Date : 10/06/2023



WATER COMPASS LIMITED REPORT OF THE BOARD OF DIRECTORS FOR THE YEAR ENDED 31ST DECEMBER 2022

The law requires the Board to prepare financial statements for each financial year which give a true and fair view of the state of affairs of the organisation as at the end of the financial year, and of the income and expenditure of the organisation for that year. In preparing those financial statements the directors and management are required to: -

- Select suitable accounting policies and then apply them consistently;
- Make judgements and estimates that are reasonable and prudent;
- State whether applicable accounting standards have been followed;
- Prepare the financial statements on the Going Concern Basis unless it is inappropriate to presume that the organisation will continue in business.

The Board is responsible for keeping proper accounting records, which disclose with reasonable accuracy, at any time, the financial position of the organisation, and to enable them to ensure that the financial statements comply with the Non Governmental Organisations Act. They are also responsible for safeguarding the assets of the organisation and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

Signed on behalf of the Board by;


Secretary Board of Directors

Date 10/06/2023



REPORT OF THE INDEPENDENT AUDITORS TO THE BOARD OF DIRECTORS OF WATER COMPASS LIMITED

Opinion

We have audited the accompanying financial statements of Water Compass Limited, which comprise the Statement of Financial Position as at 31st December 2022 and the Statement of Comprehensive Income, Statement of Changes in Equity, the Statement of Cash flows for the year then ended, and a summary of significant accounting policies and other explanatory notes.

In our opinion, the accompanying financial statements present fairly, in all material respects, the financial position of Water Compass Limited as at 31st December 2022, and its financial performance and its cash flows for the year then ended in accordance with International Financial Reporting Standards and the requirements of the law.

Basis of opinion

We conducted our audit in accordance with International Standards on Auditing. Our responsibilities under International Standards on Auditing (ISAs) have been described in subsequent sections of this audit report, entitled Auditors Responsibility. We are independent of your entity, in accordance with the relevant ethical requirements relating to audit, and we have fulfilled the auditor's other ethical responsibilities in accordance with these requirements. We make reference to ISA 700 (Revised), regarding forming an opinion and reporting on financial statements, and also ethical requirements of the International Ethics Standards Board for Accountants' Code of Ethics. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for the our audit opinion.

Key Audit Matters (KAM)

Key audit matters are those matters that, in the auditor's professional judgment, were of most significance in the audit of the financial statements of the current period. These matters were addressed in the context of the audit of the financial statements as a whole, and in forming the auditor's opinion thereon, and the auditor does not provide a separate opinion on these matters.

We did not come across any key audit matters during the course of our audit of the financial year.

CERTIFIED PUBLIC ACCOUNTANT

CLAYTON L. MWAKA - FCCA, CPA(U), B.COM (Hons) MUK, M.Sc (University of London), Masters of Entrepreneurship (Anaheim University, California, USA)
KAMPALA OFFICE: Plot 31 Kiira Road, Kanti Mansion, Suite 4B, Kamwokya - Kampala, P.O. Box 5911 Kampala (U) Tel: +256 392 176 076 Mob: +256 777 528 003
JINJA OFFICE: Plot 22/24 Iganga Road, P.O.Box 906, Jinja (U) Tel: +256 434 120 171 Mob: +256 783 441 121 / +256 777 528 003

Email: clientdelight@claytonnco.co.ug Web: www.claytonnco.co.ug

FIRM NO. AF0043: THE FIRM IS LICENSED AND REGULATED BY ICPAU

REPORT OF THE INDEPENDENT AUDITORS TO THE BOARD OF DIRECTORS OF WATER COMPASS LIMITED

Responsibilities of directors & management for the Financial Statements

The directors and management are responsible for the preparation and fair presentation of the financial statements in accordance with International Financial Reporting Standards and the Companies Act. This responsibility includes designing, implementing and maintaining internal controls relevant to the preparation and fair presentation of financial statements that are free from material misstatement, whether due to fraud or error, and making accounting estimates that are reasonable in the circumstances.

Directors and management are also responsible for assessing the entity's ability to continue as a going concern, and whether the use of the going concern basis of accounting is appropriate as well as disclosing, if applicable, matters relating to going concern. The use of the going concern basis of accounting is appropriate when the entity can continue in operation for a period of time that is sufficient to enable it meet its obligations, objectives, carry out its commitments and so on.

Auditor's Responsibility for the audit of the financial statements

The objectives of audit are to: -

- (i) Obtain reasonable assurance about whether the financial statements as a whole are free from materials misstatement, whether due to fraud or error; and
- (ii) Issues an auditor's report that includes the auditor's opinion.

Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with ISAs will always detect a material misstatement when it exists. Misstatements can arise from fraud or error, and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

As part of an audit in accordance with ISAs, the auditor exercises professional judgment and maintains professional skepticism throughout the audit. The auditor's responsibilities are:

**REPORT OF THE INDEPENDENT AUDITORS
TO THE BOARD OF DIRECTORS OF
WATER COMPASS LIMITED**

- (i) To identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error; to design and perform audit procedures responsive to those risks; and to obtain audit evidence that is sufficient and appropriate to provide a basis for the auditor's 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.
- (ii) To 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 entity's internal control. In circumstances when the auditor also has a responsibility to express an opinion on the effectiveness of internal control in conjunction with the audit of the financial statements, the auditor shall omit the phrase that the auditor's consideration of internal control is not for the purpose of expressing an opinion on the effectiveness of the entity's internal control.
- (iii) To evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.
- (iv) To 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 entity's ability to continue as a going concern. If the auditor concludes that a material uncertainty exists, the auditor is required to draw attention in the auditor's report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify the opinion. The auditor's conclusions are based on the audit evidence obtained up to the date of the auditor's report. However, future events or conditions may cause an entity to cease to continue as a going concern.
- (v) When the financial statements are prepared in accordance with a fair presentation framework, to 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. The auditor communicates 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 the auditor identifies during the audit.

**REPORT OF THE INDEPENDENT AUDITORS
TO THE BOARD OF DIRECTORS OF
WATER COMPASS LIMITED**

Report on other legal requirements

As required by the law, we report to you, based on our audit, that: -

- (i) We have obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purpose of the audit;
- (ii) In our opinion, proper books of accounts have been kept by the company, so far as appears from our examination of those books; and
- (iii) The Organisation's statement of financial position and statement of comprehensive income are in agreement with the books of account.

The engagement partner in the audit resulting in this independent auditor's report is Clayton Mwaka - P0056

Sign.....

Clayton & Company (Certified Public Accountant)

Kampala - Uganda

Date...*10th July* 2023.....



WATER COMPASS LIMITED
STATEMENT OF COMPREHENSIVE INCOME
FOR THE YEAR ENDED 31ST DECEMBER 2022

	Notes	2022 U Shs	2022 USD	2021 U Shs	2021 USD
INCOME	4	579,364,752	159,035	678,946,273	189,597
TOTAL INCOME		<u>579,364,752</u>	<u>159,035</u>	<u>678,946,273</u>	<u>189,597</u>
EXPENDITURES					
STAFF EXPENSES	5	(226,600,966)	(62,202)	(497,903,827)	(139,040)
OFFICE RUNNING	6	(66,740,206)	(18,320)	(71,529,169)	(19,975)
PROGRAM COSTS	7	(223,610,784)	(61,381)	(166,672,130)	(46,543)
DEPRECIATION	8	(21,553,488)	(5,916)	(27,858,291)	(7,779)
TOTAL EXPENSES		<u>(538,505,444)</u>	<u>(147,819)</u>	<u>(763,963,417)</u>	<u>(213,338)</u>
SURPLUS/(DEFICIT) FOR THE YEAR		<u>40,859,308</u>	<u>11,216</u>	<u>(85,017,144)</u>	<u>(23,741)</u>

WATER COMPASS LIMITED
STATEMENT OF FINANCIAL POSITION
AS AT 31ST DECEMBER 2022

	Notes	2022 U Shs	2022 USD	2021 U Shs	2021 USD
ASSETS					
Non-current Assets					
Property & Equipment	3	105,336,153	28,915	139,974,217	39,088
Current Assets					
Receivables	9	10,921,555	2,998	15,176,997	4,238
Bank and Cash	10	75,405,915	20,699	54,681,932	15,270
TOTAL ASSETS		191,663,623	52,611	209,833,145	58,596
EQUITY AND					
Capital & Reserves					
Revenue Reserves		176,973,762	48,579	136,114,401	38,010
Revaluation Reserve		-	-	-	-
Capital Grant		-	-	-	-
Total Reserves		176,973,762	48,579	136,114,401	38,010
Current Liabilities					
Sundry Creditors	11	14,689,861	4,032	73,718,744	20,586
TOTAL EQUITY AND		191,663,623	52,611	209,833,145	58,596

The financial statements on pages 9 to 19 were approved by the Board on 10/6/23...and signed on its behalf by:

E. d. H. m.
[Signature]

Executive Director

Date: June 10, 2023

Secretary

Date: 10/06/2023



WATER COMPASS LIMITED
STATEMENT OF CHANGES IN EQUITY
AS AT 31ST DECEMBER 2022

	Revenue Reserves	Revenue Reserves
	U Shs	USD
As at 01.01.2021	222,782,589	60,422
Adjustments		
Adjustment on assets	-	-
Prior year adjustment	(1,651,045)	(461)
Surplus (Deficit) for yr	(85,017,144)	(23,741)
Revaluation Release	-	-
Grant Release	-	-
As at 31.12.2021	<u>136,114,401</u>	<u>36,220</u>
 As at 01.01.2022	 136,114,401	 36,220
Prior Year adjustments		
Adjustments	-	-
Prior Year adjustments	53	0
Surplus (Deficit) for yr	40,859,308	11,216
Grant Release	-	-
Reval. Release	-	-
As at 31.12.2022	<u>176,973,762</u>	<u>47,436</u>

WATER COMPASS LIMITED
STATEMENT OF CASH FLOWS
AS AT 31ST DECEMBER 2022

	2022 U Shs	2022 USD	2021 U Shs	2021 USD
OPERATING ACTIVITIES				
Operating Surplus before Int.& Adjustments for:	40,859,308	11,216	(85,017,144)	(23,741)
Prior Year adjustment	53	0	(1,651,045)	(461)
Revaluation reserve	-	-	-	-
Depreciation	21,553,488	5,916	27,858,291	7,779
Operating Loss before Working Capital Changes	62,412,849	17,132	(58,809,897)	(16,423)
Decrease/(Increase) in trade and other receivables	4,255,442	1,168	13,483,575	3,765
Decrease/(Increase) in	-	-	-	-
Incr.(Decr) in Tax Payables	-	-	-	-
Increase/(Decrease) in	(59,028,883)	(16,203)	(4,688,040)	(1,309)
Cash flows generated	7,639,408	2,097	(50,014,362)	(13,967)
Income Tax Paid	-	-	-	-
Interest Paid	-	-	-	-
Net cash flow from operating	7,639,408	2,097	(50,014,362)	(13,967)
INVESTING ACTIVITIES				
Purchase of Fixed Assets	(19,850,672)	(5,449)	(7,572,652)	(2,115)
Disposals of assets	79,410,105	21,798	1,852,966	517
Charge on disposals	(46,474,857)	(12,757)		
Capital Work In Progress				
Net cash used in investing	13,084,576	3,592	(5,719,686)	(1,597)
FINANCING ACTIVITIES				
Capital Grant	-	-	-	-
	-	-	-	-
NET INC/(DEC) IN CASH AND	20,723,984	5,689	(55,734,048)	(15,564)
Cash and cash equivalents at 1st January 2022	54,681,931	15,010	110,415,980	30,834
CASH AND CASH EQUIVALENTS AT 31.12.2022	75,405,914	20,699	54,681,931	15,270
Statement of Reconciliation of Cash & Cash equivalents				
	2022 U Shs	2022 USD	2021 U Shs	2021 U Shs
Cash and Bank Balances	75,405,914	20,699	54,681,931	15,270
Total	75,405,914	20,699	54,681,931	15,270

WATER COMPASS LIMITED

NOTES TO THE FINANCIAL STATEMENTS

AS AT 31ST DECEMBER 2022

1 GENERAL

Water Compass Limited is based in Sembabule District and its main activities are provision of clean water, improved sanitation and the promotion of hygiene.

2 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 are prepared in Uganda Shillings under the historical cost convention in conformity with International Financial Reporting Standards.

(b) TURNOVER

Donations from partners are recognised as income when the funds are received.

(c) TRADE RECEIVABLES

Trade receivables are carried at anticipated realisable value. An estimate is made for bad and doubtful receivables based on a review of all outstanding amounts at year end. Bad debts are written off when all reasonable steps to recover them have failed.

(d) EQUIPMENT

Property and equipment is stated at cost less accumulated depreciation.

(e) DEPRECIATION

Depreciation is calculated to write off the cost of equipment on reducing balance over their expected useful lives. The rates currently in use are:

Motor Vehicle & Motor Cycles	25%
Computers and ICT Equipment	30%
Furniture & Fittings	25%
Electrical Appliance	25%
Financial Software	20%

Fixed assets are recognised at cost less accumulated depreciation. Costs include expenditures that are directly attributed to the acquisition of the assets. The cost of self constructed assets include the cost of materials, labour and incidentals.

WATER COMPASS LIMITED
NOTES TO THE FINANCIAL STATEMENTS
AS AT 31ST DECEMBER 2022

Purchased software is an integral part of the functionality of the related equipment and hence is capitalised as part of the equipment. The cost of replacing a part of an item of property or equipment is recognised in the carrying amount of the item if it is probable that the future economic benefits embodied within the part will flow to the entity and its costs can be measured reliably. The carrying amount of the replaced part is derecognized. The costs of the day-to-day servicing of the property and equipment are recognized in the profit and loss or income statement as incurred.

(f) TAXATION

Current taxation, if any, is provided on the basis of the results for the year as shown in the financial statements adjusted in accordance with the tax legislation.

(g) INVENTORIES

Inventories are stated at the lower of cost and net realisable value. Cost is determined by the 'First-In-First-Out' method. Net realisable value is the estimate of selling price in the ordinary course of business after allowing for realisation costs.

(h) FOREIGN CURRENCIES

Assets and liabilities expressed in foreign currencies are translated into Uganda shillings at the rates of exchange ruling at the balance sheet date. Transactions during the year are translated at the rates ruling at the dates of the transactions. Gains and losses on exchange are dealt with in the income statement.

(i) GRANTS

Grants relating to assets are recognised as realised income over their useful lives. Grants relating to income are recognised as revenue in the income statement and included under donated income.

(j) CASH AND CASH EQUIVALENTS

For the purpose of the cash flow statement, cash is considered to be cash on hand and in operating bank accounts.

(k) COMPARATIVES

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

3 PROPERTY AND EQUIPMENT

Refer to the fixed asset schedule on the next page.

WATER COMPASS LIMITED
NOTES TO THE FINANCIAL STATEMENTS
AS AT 31ST DECEMBER 2022

PROPERTY, PLANT AND EQUIPMENT

	Motor Vehicles	Motor Cycles	Software	Electronics	Computers & Accessories	Furniture & Fittings	Totals
COST	U Shs 25%	U Shs 25%	U Shs 20%	U Shs 25%	U Shs 30%	U Shs 25%	U Shs
As at 01.01.2022	61,268,000	112,987,575	2,806,393	25,618,824	25,548,427	9,178,000	237,407,219
Additions	-	-	-	19,850,672	-	-	19,850,672
Disposal	-	(68,528,105)	-	(10,882,000)	-	-	(79,410,105)
As at 31.12.2022	61,268,000	44,459,470	2,806,393	34,587,496	25,548,427	9,178,000	177,847,786
DEPRECIATION							
As at 01.01.2022	20,034,181	52,704,062	2,529,419	10,530,444	7,798,950	3,835,947	97,433,002
Charge for the year	1,558,436	11,522,037	138,488	3,621,247	3,827,566	885,714	21,553,488
Charge on disposal	-	(40,995,233)	-	(5,479,624)	-	-	(46,474,857)
As at 31.12.2022	21,592,617	23,230,866	2,667,907	8,672,067	11,626,516	4,721,661	72,511,633
NETBOOK VALUE							
At 31.12.2022	39,675,383	21,228,604	138,487	25,915,429	13,921,911	4,456,339	105,336,153
At 31.12.2021	41,233,819	60,283,513	276,975	15,088,380	17,749,477	5,342,053	139,974,217

WATER COMPASS LIMITED
NOTES TO THE FINANCIAL STATEMENTS
AS AT 31ST DECEMBER 2022

PROPERTY, PLANT AND EQUIPMENT

	Motor Vehicles	Motor Cycles	Software	Electronics	Computers & Accessories	Furniture & Fittings	Totals
COST	U Shs 25%	U Shs 25%	U Shs 0%	U Shs 25%	U Shs 30%	U Shs 25%	U Shs
As at 01.01.2022	16,694	34,136	764	6,958	6,630	2,501	67,683
Additions	-	-	-	5,449	-	-	5,449
Disposal	-	(18,811)	-	(2,987)	-	-	(21,798)
As at 31.12.2022	16,694	15,325	764	9,420	6,630	2,501	51,334
DEPRECIATION							
As at 01.01.2022	7,851	17,373	691	3,289	2,364	1,312	32,880
Charge for the year	428	3,163	38	994	1,051	243	5,916
Charge on disposal	-	(11,253)	-	(1,504)	-	-	(12,757)
As at 31.12.2022	8,279	9,283	729	2,778	3,415	1,555	26,039
NETBOOK VALUE							
At 31.12.2022	8,415	6,042	35	6,641	3,215	946	25,295
At 31.12.2021	8,843	16,763	73	3,669	4,266	1,189	34,803

WATER COMPASS LIMITED
NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31ST DECEMBER 2022

	2022 U Shs	2022 USD	2021 U Shs	2021 USD
4 INCOME				
Water Compass Income	244,773,795	67,190	227,284,086	63,469
Donations	-	-	7,172,652	2,003
Local Contributions-UG	15,549,165	4,268	13,950,710	3,896
UG Revenue- H2O	27,526,000	7,556	22,466,000	6,274
UG Interest	432,228	119	168,413	47
USAID Project Income	291,083,564	79,902	407,904,412	113,908
TOTAL INCOME	579,364,752	159,035	678,946,273	189,597
5 STAFF EXPENSES				
Payroll(Net salaries)	188,310,283	51,691	291,701,025	81,458
Taxes PAYE	-	-	98,834,731	27,600
Contribution -NSSF (10%)	18,831,030	5,169	39,053,582	10,906
Insurance(Med&Workman's)	10,413,353	2,858	35,459,489	9,902
Staff Recruitments	600,000	165	900,000	251
Staff Safety/Protective Gear	316,300	87	4,140,000	1,156
Staff Welfare	8,130,000	2,232	27,815,000	7,767
TOTAL STAFF EXPENSES	226,600,966	62,202	497,903,827	139,040
6 OFFICE RUNNING				
Office Rent	11,600,000	3,184	15,600,000	4,356
Admin,Office Maintenance	16,308,832	4,477	18,297,850	5,110
Stationery and Photocopies	3,710,100	1,018	6,859,400	1,915
Telephone,Telecom	4,925,180	1,352	11,790,000	3,292
Utilities(Nwsc,Umeme)	883,604	243	1,415,700	395
License and Registration	252,300	69	334,600	93
Publicity,Promotion,Visibility	19,373,970	5,318	360,000	101
Bank Charges	3,091,339	849	6,837,244	1,909
Professional/Consultation	4,200,000	1,153	4,950,000	1,382
Foreign exchange Losses	609,081	167	1,798,075	502
Electronic Materials	416,000	114	535,500	150
Supplies	701,800	193	1,603,800	448
Travel	668,000	183	1,147,000	320
TOTAL OFFICE RUNNING EXPENSES	66,740,206	18,320	71,529,169	19,976
7 PROGRAM EXPENSES				
Solar Water Tower	43,830,245	12,031	-	-
Special day celebrations	1,506,000	413.40	-	-
Accommodation	-	-	2,977,000	831
Boreholes	53,940,506	14,807	-	-
		-	-	-

WATER COMPASS LIMITED
NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31ST DECEMBER 2022

	2022 U Shs	2022 USD	2021 U Shs	2021 USD
PROGRAM EXPENSES CONTINUED				
Pump Testing	1,094,615	300	2,124,000	593
Commission	3,201,600	879	2,931,600	819
Motor Vehicle Hire	950,000	260.77	-	-
Motor Vehicle Maintenance	5,077,100	1,393.66	8,856,300	2,473
Motor Vehicle Fuel	13,668,974	3,752.12	16,553,010	4,622
Motor Vehicle Insurance	1,907,052	523	2,022,711	565
Motor cycle fuel	2,775,396	761.84	13,239,045	3,697
Motor Cycle Insurance	45,543	12.50	136,629	38
Motor Cycles Maintenance	1,126,500	309.22	8,956,949	2,501
O&M Solar Water Stations	16,432,294	4,510.65	5,383,929	1,503
Community-SCH Meetings	27,891,711	7,656.25	100,076,800	27,947
Gain/Loss on Disposal	23,485,248	6,446.68	14,157	4
Geological Survey	17,228,000	4,729.07	2,950,000	824
Asset Disposal	9,450,000	2,594.02	450,000	126
TOTAL PROGRAM	223,610,784	61,381	166,672,130	46,543

8 DEPRECIATION &

Depreciation expense	21,553,488	5,916.41	27,858,291	7,779
TOTAL DEPRECIATION	21,553,488	5,916	27,858,291	7,779

9 RECEIVABLES AND PREPAYMENTS

Staff Advances and Loans	-	-	1,875,000	524
Prepaid Rent	800,000	219.60	1,300,000	363
Staff Medical Insurance	4,049,167	1,111.49	7,093,640	1,981
Workman's Compensation	1,619,785	48.15	1,935,753	541
Vehicle Insurance	472,826	129.79	488,571	136
Motorcycle insurance	-	-	45,543	13
Dash boards Renewal	595,787	164	-	-
Staff imprest	220,000	60	-	-
Post office prepayment	-	-	90,000	25
Accounts Receivable	3,163,990	869	2,348,490	656
	10,921,555	2,601	15,176,997	4,238

Receivables at as 31st December 2022 were not impaired. No provisions were made in the books for any impaired or doubtful receivables.

10 CASH AND BANK BALANCES

Petty Cash - Sembabule	1,194,300	328	164,300	46
Petty Cash - Bukomansimbi	-	-	127,300	36
Orient Bank Uganda- USD	10,590,014	2,907	282,295	79
Centenary Bank- Current	49,452,623	13,575	36,646,776	10,234
Centenary Bank- Savings	14,079,937	3,865	17,260,494	4,820
Mobile Money	89,041	24	200,767	56
	75,405,915	20,699	54,681,932	15,270

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	2022 U Shs	2022 USD	2021 U Shs	2021 USD
11 TRADE & OTHER PAYABLES				
Accounts payables	5,597,554	1,537	15,786,679	4,408
Audit fees payable	4,200,000	1,153	4,200,000	1,173
NSSF Payable	1,628,769	447	44,220,976	12,349
PAYE Payable	2,963,538	813	8,161,076	2,279
LST Payable	300,000	82	1,350,013	377
	<u>14,689,861</u>	<u>4,032</u>	<u>73,718,744</u>	<u>20,586</u>

12 IFRS-9 FINANCIAL INSTRUMENTS

Below are the nature of activities and policies regarding financial instruments: -

Foreign exchange risk

The organisations operations are predominantly in Uganda, where the currency is subject to gradual devaluation against other major currencies. The organisation does not hedge its foreign currency risks. The average rate for the year then ended 31st December 2022 (\$1:3,643).

Credit risk

In the normal course of business, the organisation encounters credit risk from financial institutions and other advance payments for services. The credit risk however is limited due to managements' constant monitoring of the status of financial institutions where deposits are maintained.

Fair value

There is no material difference between the fair value and the carrying value, of the organisation's financial assets and liabilities.

13 IAS 37- COMMITMENTS AND CONTINGENCIES

As at 31st December 2022 there were no on-going legal proceedings involving the organisation. There were also no capital commitments as at 31st December 2022.

14 IAS 10 - EVENTS AFTER THE REPORTING DATE

There were no events after the reporting date affecting the financial statements as at the reporting date.

During March 2020 the World Health Organization (WHO) recognized the novel strain of coronavirus (COVID-19) as a global pandemic. This resulted into lockdown and social distancing, which affected activities of entities as some entities were completely closed while some continued with partial operations. This had a negative impact on activities and also the financial status. Due to the uncertainty of the period it will take to avail a cure, the overall impact will depend on the duration of the pandemic. Otherwise the actual effect on activities, finances and its associated cashflows, including other medium term projections, may not be accurately estimated.

WATER COMPASS LIMITED

NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31ST DECEMBER 2022

15 COMPARATIVES

Comparatives, where necessary, have been restated to conform to changes in accounting in the current year.

16 EMPLOYEES

The total number of full-time employees during the financial year was 12.

17 IFRS ISSUED BUT NOT EFFECTIVE

Other new and accounting standards that were issued but not effective that are not expected to have an impact on the entity's financial statements are included below: -

- IFRS 17 Insurance Contracts
- Amendments to IFRS 9: Prepayment Features with Negative Compensation
- Amendments to IFRS 10 and IAS 28: Sale or Contribution of Assets between an Investor and its Associate or Joint Venture
- Amendments to IAS 19: Plan Amendment, Curtailment or Settlement
- Amendments to IAS 28: Long-term interests in associates and joint ventures
- Annual Improvements 2015-2017 Cycle (issued in December 2017). These improvements include IFRS Business Combinations, IFRS 11 Joint Arrangements, IAS 12 Income Taxes and IAS 23 Borrowing Costs
- Definition of Material – Amendments to IAS 1 and IAS 8-effective annual periods after 1 January 2020
- Definition of a Business- Amendments to IFRS 3- effective annual periods after 1 January 2020
- The Conceptual Framework for Financial Reporting-effective annual periods after 1 January 2020

18 RELATED PARTIES

The following transactions have been identified as related party transactions for the period under review.

	2022 U Shs	2021 U Shs
Remuneration (gross) to board members	<u>45,833,848</u>	<u>32,283,074</u>

The above gross remuneration relates to one member of the local board by the names Florence Samanya, who is a full time staff member of the organization.