

**FINANCIAL  
REPORT**  

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**2016**



**FOR THE YEAR ENDED 31 DECEMBER 2016**

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## ORGANISATION INFORMATION

### BOARD OF DIRECTORS

Dr. John Tabayi	Chairman
Dr. Vinand Nantulya	Member
Mr. Lawrence Masaviru	Member
Mr. Mungule Chikoye	Member
Dr. Noerine Kaleeba	Member
Mrs. Margaret Oriaro	Member
Mr. Haron Wachira	Member
Mr. Leonard Logo	Member
Prof. Aggrey Abate	Member
Hon. Benz Mbuya	Member
Dr. Caroline Kisia	Executive Director (ex-officio)

### MANAGEMENT TEAM

Dr. Caroline Kisia	Executive Director
Mr. Basilio Okello	Programme Director
Ms. Dinah Njoroge	Finance and Administration Director

### REGISTERED OFFICE

FAWE House  
Chania Avenue  
P. O. Box 76598 - 00508  
NAIROBI  
Telephone: +254 (0) 722 207726 / 737 207726  
Email: [headoffice@actionafricahelp.org](mailto:headoffice@actionafricahelp.org).  
Website: [www.actionafricahelp.org](http://www.actionafricahelp.org)

### INDEPENDENT AUDITOR

PKF Kenya  
Certified Public Accountants  
P. O. Box 14077 - 00800  
NAIROBI

### PRINCIPAL BANKERS

Standard Chartered Bank of Kenya Limited  
Yaya Centre Branch  
NAIROBI

Kenya Commercial Bank South Sudan Limited  
Buluk Branch  
YEI

Standard Chartered Bank Zambia Limited  
Standard House, Cairo Road  
LUSAKA

Standard Chartered Bank Uganda  
Kampala Branch  
KAMPALA

# REPORT OF THE DIRECTORS

The directors submit their report and the audited financial statements for the year ended 31 December 2016, which disclose the state of affairs of the organisation.

## ORGANISATION AND PRINCIPAL ACTIVITIES

Action Africa Help International (AAHI) is a nonprofit organisation registered in Nairobi, Kenya and is dedicated to improvement of quality of life for livelihood challenged communities in South Sudan, Kenya, Somalia, Uganda, Zambia and Djibouti.

## RESULTS

	2016 USD	2015 USD
(Deficit)/surplus for the year	<u>(239,039)</u>	<u>26,352</u>

## EXECUTIVE COMMITTEE

The directors who held office at the date of this report are shown on page 2.

## INDEPENDENT AUDITOR

The organisation's auditor, PKF Kenya, has expressed willingness to continue in office.

BY ORDER OF THE BOARD

  
Dr. John Tabayi  
Chairman

  
Dr. Caroline Kisia  
Secretary

14 September 2017

## STATEMENT OF DIRECTORS' RESPONSIBILITIES

The directors are required to prepare financial statements 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 results for that year. They are also required to ensure that the organisation maintains proper accounting records which disclose with reasonable accuracy the financial position of the organisation. The directors are also responsible for safeguarding the assets of the organisation.

The directors accept responsibility for the preparation and fair presentation of financial statements that are free from material misstatement whether due to fraud or error. They also accept responsibility for:


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

The directors are of the opinion that the financial statements give a true and fair view of the financial position of the organisation as at 31 December 2016 and of the organisation's financial performance and cash flows for the year then ended.

In preparing these financial statements the directors have assessed the organisation's ability to continue as a going concern. Nothing has come to the attention of the directors to indicate that the organisation will not remain a going concern for at least the next twelve months from the date of this statement.

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

Approved by the board of directors on 14 September 2017 signed on its behalf by:

  
**Dr. John Tabayi**  
Chairman

  
**Dr. Caroline Kisia**  
Secretary



**REPORT OF THE INDEPENDENT AUDITOR  
TO THE MEMBERS OF ACTION AFRICA HELP INTERNATIONAL**

**Opinion**

We have audited the accompanying financial statements of Action Africa Help International set out on pages 7 to 22 which comprise the statement of financial position as at 31 December 2016, statement of income and expenditure, statement of changes in fund balances and statement of cash flows for the year then ended and notes to the financial statements, including a summary of significant accounting policies.

In our opinion, the accompanying financial statements give a true and fair view of the financial position of Action Africa Help International as at 31 December 2016 and of its financial performance and cash flows for the year then ended in accordance with the accounting policies set out on pages 11 and 12.

**Basis of 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 International Ethics Standards Board for Accountants Code of Ethics for professional accountants (IESBA Code) together with the ethical requirements that are relevant to our audit of the financial statements in Kenya, and we have fulfilled our other ethical responsibilities in accordance with these requirements and the IESBA Code. We believe that the audit evidence we have obtained is 'sufficient and appropriate to provide a basis for our opinion.

**Basis of accounting and restriction on distribution and use**

The financial statements are prepared to assist the organisation to comply with the accounting policies set out on page 11 and 12. As a result, the financial statements may not be suitable for another purpose.

Our report is intended solely for Action Africa Help International and should not be distributed to or used by parties other than Action Africa Help International.

**Other information**

The directors are responsible for the other information. The other information comprises report of the directors, statement of directors' responsibilities and schedule of programme and other expenditure that comprise the annual report but does not include the financial statements and our auditor's report

Our opinion on the financial statements does not cover the other information and we do not express any form of assurance conclusion thereon.

In connection with our audit of the financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge 'obtained in the audit, or otherwise appears to be materially misstated. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.

**Responsibilities of directors for the financial statements**

The directors are responsible for the preparation of financial statements that give a true and fair view in accordance with the accounting policies set out on page 11 and 12 and for such internal control as management determines is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.



**REPORT OF THE INDEPENDENT AUDITOR  
TO THE MEMBERS OF ACTION AFRICA HELP INTERNATIONAL (CONTINUED)**

**Responsibilities of directors for the financial statements (continued)**

In preparing the financial statements, the directors are 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 the directors either intend to liquidate the organisation or to cease operations, or has no realistic alternative but to do so.

**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 International Standards on Auditing (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 International Standards on Auditing (ISAs), we exercise professional judgement and maintain professional skepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the organisation's internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the directors.
- Conclude on the appropriateness of director's use of the going concern basis of accounting and based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the organisation'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 organisation to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

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

*PKF Kenya*

**Certified Public Accountants  
NAIROBI**

*14 September*  
2017

## STATEMENT OF INCOME AND EXPENDITURE

	Note	2016 USD	2015 USD
<b>INCOME</b>			
Funds income	2	21,771,051	24,856,542
Miscellaneous income	3	257,318	310,013
<b>Total income</b>		<b>22,028,369</b>	<b>25,166,555</b>
<b>EXPENDITURE</b>			
<b>Programme expenditure</b>			
Basic services - Primary health care, water and sanitation and education		3,622,590	4,772,386
Food and income security and environmental management and protection		1,970,621	2,433,150
Refugee management programme		12,157,544	13,808,151
Civil society strengthening and peace-building		1,109,280	735,609
<b>Total programme expenditure</b>		<b>18,860,035</b>	<b>21,749,296</b>
<b>Administration and support costs</b>		<b>3,407,373</b>	<b>3,390,907</b>
<b>Total expenditure</b>		<b>22,267,408</b>	<b>25,140,203</b>
<b>(Deficit)/surplus for the year</b>		<b>(239,039)</b>	<b>26,352</b>

The notes on pages 11 to 22 form an integral part of these financial statements.

Report of the independent auditor - pages 5 and 6.



# STATEMENT OF FINANCIAL POSITION

		As at 31 December	
		2016	2015
ASSETS	Notes	USD	USD
<b>Non-current assets</b>			
Property and equipment	4	445,460	436,621
<b>Current assets</b>			
Cash and bank balances	5	4,233,634	5,869,735
Accounts receivable	6	158,645	234,899
Property investment deposit	7	885,627	875,337
Project funds receivable	8	1,474,889	801,562
<b>Total current assets</b>		<b>6,752,795</b>	<b>7,781,533</b>
<b>Current liabilities</b>			
Accounts payable	9	443,697	475,993
Borrowings	10	63,220	45,753
<b>Total current liabilities</b>		<b>506,917</b>	<b>521,746</b>
<b>Net current assets</b>		<b>6,245,878</b>	<b>7,259,787</b>
<b>Total assets</b>		<b>6,691,338</b>	<b>7,696,408</b>
<b>NON-CURRENT LIABILITIES AND FUND BALANCES</b>			
<b>Non-current liabilities</b>			
Borrowings	10	250,288	239,595
Gratuity fund	11	3,483,521	3,348,002
<b>Total non-current liabilities</b>		<b>3,733,809</b>	<b>3,587,597</b>
<b>Fund balances</b>			
Unspent fund balances	13	2,173,469	3,085,456
Capital fund (Page 9)		332,326	323,486
Medical fund (Page 9)		-	1,969
General fund (Page 9)		451,734	697,900
		<b>784,060</b>	<b>1,023,355</b>
<b>Total fund balances</b>		<b>2,957,529</b>	<b>4,108,811</b>
<b>Total liabilities and fund balances</b>		<b>6,691,338</b>	<b>7,696,408</b>

The financial statements on pages 7 to 22 were approved and authorised for issue by the board of directors on 14 September 2017 and were signed on its behalf by:

  
Dr. John Tabayi  
Chairman

  
Dr. Caroline Kisia  
Secretary

The notes on pages 11 to 22 form an integral part of these financial statements.

Report of the independent auditor - pages 5 and 6.

## STATEMENT OF CHANGES IN FUND BALANCES

	General fund USD	Medical fund USD	Capital fund USD	Total Fund USD
<b>Year ended 31 December 2015</b>				
At start of year	679,275	(5,046)	292,895	967,124
Translation differences	(7,727)	(2,421)	-	(10,148)
Surplus for the year	26,352	-	-	26,352
Additions	-	-	115,571	115,571
Grant received	-	9,436	-	9,436
Disposals	-	-	(5,049)	(5,049)
Depreciation on property and equipment	-	-	(79,931)	(79,931)
<b>At end of year</b>	<b>697,900</b>	<b>1,969</b>	<b>323,486</b>	<b>1,023,355</b>
<b>Year ended 31 December 2016</b>				
At start of year	697,900	1,969	323,486	1,023,355
(Deficit) for the year	(239,039)	-	-	(239,039)
Additions	-	-	81,054	81,054
Utilisation	-	(9,096)	-	(9,096)
Depreciation on property and equipment	-	-	(72,214)	(72,214)
Transfer	(7,127)	7,127	-	-
<b>At end of year</b>	<b>451,734</b>	<b>-</b>	<b>332,326</b>	<b>784,060</b>

The notes on pages 11 to 22 form an integral part of these financial statements.

Report of the independent auditor - pages 5 and 6.

## STATEMENT OF CASH FLOWS

	Notes	2016 USD	2015 USD
<b>Cash flows from operating activities</b>			
(Deficit)/surplus for the year		(239,039)	26,352
<b>Adjustments for:</b>			
Net movement in medical fund		(9,095)	9,436
Translation difference		-	(10,148)
<b>Working capital changes</b>			
Decrease/(increase) in accounts receivable		76,254	(7,309)
(Increase)/decrease in project funds receivable		(673,327)	168,488
(Decrease) in unspent fund balances		(911,987)	(374,381)
(Decrease)/increase in accounts payable		(32,296)	82,886
(Gain) on disposal of property and equipment		-	(10,260)
<b>Net cash (used in) operating activities</b>		<b>(1,789,490)</b>	<b>(114,936)</b>
<b>Cash from investing activities</b>			
Property investment deposit	7	(10,290)	(2,456)
Grant for purchase of property and equipment	4	81,054	115,571
Purchase of property and equipment	4	(81,054)	(228,706)
Proceeds on disposal of property and equipment	4	-	10,260
Gratuity provisions	11	1,533,237	1,715,483
Gratuity payments	11	(1,397,718)	(643,461)
<b>Net cash flows used in investing activities</b>		<b>125,229</b>	<b>966,691</b>
<b>Financing activities</b>			
Proceeds from borrowings		80,000	-
Repayments of borrowings		(51,840)	(43,393)
<b>Net cash from financing activities</b>		<b>28,160</b>	<b>(43,393)</b>
<b>Net (decrease)/increase in cash and cash equivalents</b>		<b>(1,636,101)</b>	<b>808,362</b>
<b>Movement in cash and cash equivalents</b>			
At start of year		5,484,735	4,676,373
(Decrease)/increase in cash and cash equivalents		(1,636,101)	808,362
<b>At end of year</b>	5	<b>3,848,634</b>	<b>5,484,735</b>

The notes on pages 11 to 22 form an integral part of these financial statements.

Report of the independent auditor - pages 5 and 6.

## 1. Significant accounting policies

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

### a) Basis of preparation

The financial statements are prepared on the historical cost basis in accordance with the accounting policies set by Action Africa Help International.

### b) Income

Income comprises grants from various donors and other income. Revenue grants are recognised when the organisations' right to receive the funds is established. Other income is recognised when it is earned. Grants are classified as restricted funds. If part of a grant is expendable wholly at the discretion of management without restriction, that portion may be classified as unrestricted funds.

### c) Expenditure

Expenditure comprises expenses incurred directly for projects activities and support costs. Expenditure is recognised and recorded on an accruals basis.

### d) Property and equipment

Action Africa Help International's policy is to expense assets purchased from restricted funds on acquisition with a capital fund maintained for tracking purposes. Depreciation relating to assets purchased from restricted funds is transferred to the capital fund accounts. Assets purchased from restricted funds are capitalised and shown in the statement of financial position. Depreciation of property and equipment is calculated using the reducing balance method. The depreciation rates in use are as follows:

	Rate %
Motor vehicles	25
Furniture, fittings and equipment	12.5
Computer equipment	33.3

Land and buildings are not depreciated. The assets' residual values and useful lives are reviewed, and adjusted if appropriate, at each statement of financial position date. An asset's carrying amount is written down immediately to its recoverable amount if the asset's carrying amount is greater than its estimated recoverable amount.

Disposal of any assets must be in line with the donor requirements. Gains and losses on disposal of property and equipment are determined by reference to their carrying amount and are taken into account in determining surplus for the year.

### e) Translation of foreign currencies

The financial statements are presented in United States Dollar (USD). The local currency of the program is Kenyan Shilling, South Sudanese Pound, Zambian Kwacha and Ugandan Shilling for Kenya, South Sudan, Zambia and Uganda, respectively.

Transactions in foreign currencies are converted into USD using the closing exchange rate. The resulting differences from conversion and translation are dealt with in the income and expenditure in the year in which they arise.

The rates used in translation of balances from the originating currency to USD were as follows:

	2016	2015
Kenyan Shilling	101.85	102.18
South Sudanese Pound	54.05	3.71
Zambian Kwacha	10.00	5,800.00
Ugandan Shilling	3,598.69	3,122.00
Euro	0.95	0.77
Great Britain Pound	0.81	0.68



## NOTES (CONTINUED)

### 1. Significant accounting policies (continued)

#### f) Reserves

##### (i) Capital fund

This represents funds received for purchase of property and equipment or the value of such property and equipment that are granted to the organisation and capitalized less the related depreciation on those assets.

##### (ii) Medical fund

This reserve relates to financial provisions for medicare of some staff.

##### (iii) General funds

These are unrestricted funds and represent the accumulated reserve that is available for use at the discretion of management in furtherance of the objectives of the organisation.

##### (iv) Unspent fund balances

Grant income is recognised when expenditure is incurred. Any funds received and not spent by the end of the year are recognised under unspent fund balances on the statement of financial position.

#### g) Accounts receivables

Receivables comprise of staff debtors, deposits, prepayments and other receivables and are recorded at net realisable value. No provisions have been made in these financial statements. However, an assessment is made on the recoverability of receivables to determine provisions and write-offs required.

#### h) Cash and cash equivalents

For the purposes of the statement of cash flows, cash and cash equivalents comprise cash in hand, deposits held at call with banks, net of restricted cash balances. Restricted cash balances are those balances that the organisation cannot use for working capital purposes as they have been placed as a lien to secure borrowings.

#### i) Accounts payables

Trade payables are obligations on the basis of normal credit terms and do not bear interest.

#### j) Employee entitlements

The organisation operates a gratuity fund for its employees on confirmed employment contracts. The scheme is administered by an insurance company. The organisation's contributions to the fund are charged to the statement of income and expenditure in the year in which they relate. The organisation and its employees contribute to the statutory defined contribution scheme registered in the respective country. The organisation's contributions to the defined contribution scheme are charged to the statement of income and expenditure in the year in which they relate.

#### k) Taxation

No provision has been made for taxation in view of the nature of the organisation operations as explained on note 15.

#### l) Comparatives

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

## NOTES (CONTINUED)

	USD 2016	USD 2015
<b>2. Funds income</b>		
Funds receivable at start of the year (Note 8)	(801,562)	(970,050)
Net funds balance from the previous year (Note 13)	3,085,456	3,459,837
Exchange difference	(119,076)	80,586
Grants received during the year (Note 12)	20,304,812	24,570,063
<b>Totals funds available during the year</b>	<b>22,469,630</b>	<b>27,140,436</b>
Add: Funds receivable during the year (Note 8)	1,474,889	801,562
Unspent fund balances at year end (Note 13)	(2,173,469)	(3,085,456)
<b>Net income during the year</b>	<b>21,771,051</b>	<b>24,856,542</b>
<b>3. Miscellaneous income</b>		
Interest earned	8,182	-
Unrealized exchange gain	249,136	87,962
Other income	-	211,791
Gain on disposal of property and equipment	-	10,260
<b>Total miscellaneous income</b>	<b>257,318</b>	<b>310,013</b>

## NOTES (CONTINUED)

	2016 USD	2015 USD
<b>4. Property and equipment</b>		
Property and equipment comprises of the following:		
a) Property and equipment - capital fund	332,325	323,486
b) Property and equipment - unrestricted funds	113,135	113,135
<b>Total property and equipment</b>	<b>445,460</b>	<b>436,621</b>

### 4 a) Property and equipment - Capital fund

	Motor vehicles	Furniture, equipment and fittings	Computer equipment	Land and buildings	Total
Cost	USD	USD	USD	USD	USD
At start of year	246,158	76,158	108,203	158,757	589,275
Additions	72,102	5,625	3,327	-	81,054
At end of year	318,260	81,783	111,530	158,757	670,330
<b>Depreciation</b>					
At start of year	122,495	54,882	88,413	-	265,790
Charge for the year	63,153	3,307	5,754	-	72,214
At end of year	185,648	58,189	94,167	-	338,004
<b>Net book value 31-12-2016</b>	<b>132,613</b>	<b>23,594</b>	<b>17,363</b>	<b>158,757</b>	<b>332,325</b>
<b>Net book value 31-12-2015</b>	<b>123,663</b>	<b>21,276</b>	<b>19,790</b>	<b>158,757</b>	<b>323,486</b>

### 4 b) Property and equipment - Unrestricted

	2016 USD	2015 USD
Land and buildings		
<b>Cost</b>		
At start of year	113,135	-
Additions	-	113,135
<b>At end of year</b>	<b>113,135</b>	<b>113,135</b>

*This relates to land LR No. 236/2546*

## NOTES (CONTINUED)

	2016 USD	2015 USD
<b>5. Cash and bank balances</b>		
Cash at bank and in hand	3,748,402	5,340,164
Short term bank deposit	485,232	529,571
<b>Total cash and bank balances</b>	<b>4,233,634</b>	<b>5,869,735</b>

For the purposes of the statement of cash flows, the year end cash and cash equivalents comprise the following:

Cash at bank and in hand	4,233,634	5,869,735
Less: Short term bank deposit held under lien	(385,000)	(385,000)
	<b>3,848,634</b>	<b>5,484,735</b>

Short term bank deposit amounting to USD 385,000 were placed under lien in 2014.

<b>6. Accounts receivable</b>		
Staff debtors	107,417	148,274
Other debtors	14,159	49,455
Security bond	3,953	3,953
Prepayments	7,910	1,687
Gratuity provisions	25,206	31,531
	<b>158,645</b>	<b>234,899</b>

In the opinion of the directors, the carrying amount of accounts receivable approximate to their fair value.

<b>7. Property investment deposit</b>		
Property deposit	<b>885,627</b>	<b>875,337</b>

In the opinion of the directors, the carrying amount of investment deposit approximate to their fair value.



## NOTES (CONTINUED)

	2016 USD	2015 USD
<b>8. Project funds receivable</b>		
Food agribusiness and rural markets production (P180B)	-	323,512
Integrated service delivery package - Mundri West (P104)	-	129,967
KEEP Phase 1 (P285)	902	-
Humanitarian logistics - UNICEF (P120)	-	185,400
Food basket (P284WFB)	35,084	5,317
DAFI Scholarship programme (P434)	-	1,961
Urban refugee (P451 IOM)	378	2,410
Health Pooled Fund - Yei (HPF) 128A	199,830	-
Health Pooled Fund - Ibba (HPF) 128B	151,151	-
Health Pooled Fund - Mundri West (HPF) 128C	130,831	-
Health Pooled Fund - Morobo (HPF) 128D	170,212	-
Health Pooled Fund - Maridi (HPF) 128E	173,754	-
Health Pooled Fund - Lot 20 (HPF) 128F	104,172	-
Health Pooled Fund - Lot 21 (HPF) 128G	114,980	-
Health Pooled Fund - Lot 23 (HPF) 128H	15,725	-
Photovoltaic (P117)	3,636	30,305
Safety nets and skills development (P124)	199,573	5,764
School feeding Cuibet (P126)	54,420	-
Self-reliance and livelihoods (P511D)	56,539	100,834
Livelihoods 2015 (P511E)	-	16,092
Logistics support 2016 (P512D)	39,101	-
Livelihoods - Kakuma (P615)	24,601	-
<b>Total project funds receivable</b>	<b>1,474,889</b>	<b>801,562</b>

*In the opinion of the directors, the carrying amounts of project funds receivable approximate to their fair value.*

## NOTES (CONTINUED)

	2016 USD	2015 USD
<b>9. Accounts payable</b>		
Payroll creditors	232,214	139,698
Project accruals	158,342	201,156
Audit fee	8,291	15,812
Project creditors (net)	44,850	119,327
<b>Total other accounts payable</b>	<b>443,697</b>	<b>475,993</b>

*In the opinion of the directors, the carrying amounts of the accounts payables approximate to their fair value.*

### 10. Borrowings

The borrowings are made up as follows:

#### Current

Bank loan	63,220	45,753
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#### Non-current

Bank loan	250,288	239,595
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<b>Total borrowings</b>	<b>313,508</b>	<b>285,348</b>
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*The bank borrowings are secured by a pledge deposit amounting to USD 385,000.*

*In the opinion of the directors, the carrying amounts of the borrowings approximate to their fair value.*

### 11. Gratuity fund

At start of year	3,348,002	2,275,980
Provisions made during year	1,533,237	1,715,483
Payments made during the year	(1,397,718)	(643,461)
<b>At end of year</b>	<b>3,483,521</b>	<b>3,348,002</b>

*In the opinion of the directors, the carrying amounts of the gratuity fund approximate to its fair value.*

## NOTES (CONTINUED)

	2016 USD	2015 USD
<b>12. Grants received (Analysis by donor)</b>		
Bread for the World	1,592,655	2,555,560
United Nations High Commissioner for Refugees (UNHCR)	12,760,892	14,595,580
United Nations Children's Fund (UNICEF)	1,088,119	675,229
Abt Associates/United States Agency for International Development (USAID)	759,733	1,521,736
European Commission (EU)	-	128,832
Multi Donor Trust Fund (MDTF)/Ministry of Agriculture and Forestry - South Sudan (MAF)	1,022,148	1,333,729
Jhpiego/United States Agency for International Development (USAID)	866,323	3,525,629
Positive Action Children Fund (PACF)	95,502	92,533
Others	-	100,082
United Nations Women (UN Women)	51,729	-
United Nations World Food Program (UNWFP)	89,684	10,614
Crown Agents (DFID/Health Pooled Fund)	1,535,788	-
Norwegian Refugee Council (NRC)/DFID	160,392	-
International Organization for Immigration (IOM)	15,378	2,924
Deutsche Gesellschaft für Internationale Zusammenarbeit (GIZ)	12,907	27,615
Civil Society Environment Fund (CSEF)	86,611	-
Harvard University	27,670	-
US Embassy	24,964	-
World Refugee Council (WRC)	28,345	-
Diakonie Katastrophenhilfe	85,972	-
<b>Total grants received (Note 2)</b>	<b>20,304,812</b>	<b>24,570,063</b>

## NOTES (CONTINUED)

	2016 USD	2015 USD
<b>13. Unspent fund balances</b>		
Capacity Building for Post Conflict Reintegration (CAPOR) (P192)/(P118)	16,391	18,371
Multi sectoral refugee management (P283)	184,706	103,791
Food Basket Monitoring (P288)	34,528	-
Community-Led Prevention Initiative (COPI) Extension (P450)	73,720	41,819
Urban Refugee management (ZKw) 2016 (P448)	24,322	4,710
Sustaining Environment and Natural Resources (SENARK) in Kawambwa District (P452)	16,807	-
Construction of refugee centre (P453)	12,197	-
Harvard University - Research (P454)	3,149	-
Global Refugee Youth Consultations (WRC) (P455)	4,486	-
Norwegian Refugee Council ((DFID) SPARK (P618)	160,392	-
Regional Primary Health Care (P106)/(P121)	91,571	127,075
Maridi Nurses Training School (P108)/(P122)	64,297	107,093
Logistics support (P119)/P127	1,113,436	1,461,502
Emergency response food crisis - Tali (P112)/(112B)	20,319	144,203
Emergency response food crisis - Nagero (P115)(P115B)	51,442	173,669
Logistics support - UNICEF (P129)	146,412	-
Emergency Primary Health Care Intervention (P130)	69,328	-
Integrated Service Delivery program - Health Yei (P101)	-	109,492
Integrated Service Delivery program - Health Ibba (P102)	-	16,625
Integrated Service Delivery program - Health Mundri West (P104)	-	78,942
Integrated Service Delivery program - Health Morobo (P109)	-	7,641
Feasibility study for water harvesting (P125)	-	3,197
Mara Division Enterprise and Market Development (P615)	-	85,897
Kakuma Refugee Assistance Programme (P616)	-	11,450
Supporting refugees and host communities livelihoods in Kenya (P617)	10,160	27,615
Provision of logistics 2016 (512E)	708	-
Provision of logistics 2015 (P512B)	-	9,572
Cash-based initiatives for Somali returnees (P512C)	-	91,120
Cash-based initiatives for Yemen refugees (P512D)	-	55,874
Livelihoods in Elwak (P513)	75,101	405,797
<b>Total unspent fund balances</b>	<b>2,173,469</b>	<b>3,085,456</b>
<b>Reconciliation of unspent fund balances</b>		
Funds receivable (Note 8)	(1,474,889)	(801,562)
Net movement in restricted funds	2,173,469	3,085,456
<b>Unspent fund balances (Note 14)</b>	<b>698,580</b>	<b>2,283,894</b>



## NOTES (CONTINUED)

<b>14. Restricted funds balances</b>							
Project Title	AAH-I Project No.	Donor	Unspent funds/ (receivable) as at 01-01-2016	Receipts during the period	Expenditure during the period	Exchange difference gains/ (losses) and bank interest	Unspent funds/ (receivable) as at 31-12-2016
<b>South Sudan Country Programme</b>			<b>USD</b>	<b>USD</b>	<b>USD</b>	<b>USD</b>	<b>USD</b>
ISDP - MCHIP - Yei County	101	USAID/ JHPIEGO	109,492	188,350	299,950	(2,108)	-
ISDP - MCHIP - Ibba County	102	USAID/ JHPIEGO	16,625	149,723	156,816	9,527	-
ISDP - MCHIP - Mundri West County	104	USAID/ JHPIEGO	78,942	141,340	224,447	(4,165)	-
ISDP - MCHIP - Mundri West County	109	USAID/ JHPIEGO	7,641	125,084	124,045	8,735	-
Emergency food crisis response - Tali	112B	MAF	144,203	133,624	258,272	(763)	20,319
Emergency food crisis response - Nagero	115B	MAF	173,669	134,603	250,286	6,544	51,442
Photovoltaic - solar projects	117	BFTW	(30,305)	26,975	306	-	(3,636)
Capacity Building for post-conflict reintegration	118	BFTW	18,371	222,793	224,773	-	16,391
Logistics Support 2015	119	UNHCR	1,461,502	(40,778)	1,278,262	142,462	-
Logistics Support 2015	120	UNICEF	(185,400)	144,468	178	(41,110)	-
Regional Primary Health Care	121	BFTW	127,075	697,577	732,273	807	91,572
Maridi Nurses Training School	122	BFTW	107,094	326,070	368,969	(102)	64,297
ISDP - MCHIP - Morobo County	123	BFTW	(129,967)	261,826	131,856	3	-
Safety Network and Skills Development	124	MAF	(5,764)	753,920	974,383	(26,653)	(199,573)
Feasibility study for water	125	DIAKONIE	3,197	-	25	3,172	-
School feeding - Cuibet	126	DIAKONIE	-	85,973	136,225	4,168	(54,420)
Logistics Support - 2016	127	UNHCR	-	8,355,744	7,070,605	171,703	1,113,436
Health Pooled Fund - Yei	128A	Crown Agents	-	445,130	658,272	(13,312)	(199,830)
Health Pooled Fund - Ibba	128B	Crown Agents	-	251,225	405,065	(2,690)	(151,150)
Health Pooled Fund Mundri West	128C	Crown Agents	-	234,966	366,134	(338)	(130,830)
Health Pooled Fund Morobo	128D	Crown Agents	-	305,158	472,572	2,798	(170,212)
Health Pooled Fund Maridi	128E	Crown Agents	-	299,310	472,938	125	(173,754)
Health Pooled Fund Lot 20/Yei/ Morobo/Lainya/Kachokeji	128F	Crown Agents	-	-	105,136	(964)	(104,173)
Health pooled Fund Lot 21/Maridi/ Mundri E/Mundri W/Morobo	128G	Crown Agents	-	-	114,980	-	(114,980)
Health Pooled Fund Lot 23/Ibba County	128H	Crown Agents	-	-	15,725	-	(15,725)
Logistics Support 2016	129	UNICEF	-	870,224	723,713	100	146,412
Emergency Primary Health Care Intervention (130)	130	UNICEF	-	73,426	4,098	-	69,328
<b>Sub-total - South Sudan</b>			<b>1,896,375</b>	<b>14,186,731</b>	<b>15,570,304</b>	<b>257,939</b>	<b>254,913</b>

## NOTES (CONTINUED)

14. Restricted funds balances							
Project Title	AAH-I Project No.	Donor	Unspent funds/ (receivable) as at 01-01-2016	Receipts during the period	Expenditure during the period	Exchange difference gains/(losses) and bank interest	Unspent funds/ (receivable) as at 31-12-2016
<b>Uganda Country Programme</b>			<b>USD</b>	<b>USD</b>	<b>USD</b>	<b>USD</b>	<b>USD</b>
Multi-Sector Assistance M/A/K 2012 (Ugx)	278	UNHCR	-	-	-	-	-
Water pipeline extension - Kyangwali	288	UNICEF	(5,317)	15,703	(21,640)	(2,501)	34,527
Multi-Sector Assistance M/A/K 2013 (Ugx)	279	UNHCR	-	-	17,793	(17,793)	-
Enhancing local capacities of Refugees in SW Uganda	276	European Commission	-	-	8,446	(8,446)	-
Multi-Sector Assistance M/A/K 2014 (Ugx)	280	UNHCR	-	-	100,440	(100,440)	-
Multi-Sector Assistance M/A/K 2015 (Ugx)	281	UNHCR	-	(26,015)	123	(26,138)	-
Multi-Sector Assistance M/A/K 2015 (Ugx)	282	UNHCR	103,791	(1,996)	29,439	72,356	-
Multi-Sector Assistance M/A/K 2016 (Ugx)	283	UNHCR	-	2,421,786	2,243,556	(6,476)	184,706
Supplementary feeding - M and C nutrition	284	WFP	-	73,980	109,689	(625)	(35,084)
KEEP Phase1	285	UN Women	-	51,729	52,630	1	(902)
<b>Sub-total - Uganda</b>			<b>98,474</b>	<b>2,535,187</b>	<b>2,540,476</b>	<b>(90,062)</b>	<b>183,247</b>

<b>Zambia Country Programme</b>							
Community-Led Prevention Initiative (COPI) Extension	450	PACF	41,819	95,502	63,601	-	73,720
DAFI 2015	436	UNHCR	(1,961)	-	-	(1,961)	-
Urban Refugee management (ZKw) 2016	448	UNHCR	4,710	461,998	442,386	-	24,322
Sustaining Environment and Natural Resources (SENARK) in Kawambwa District	452	CESF	-	86,611	69,804	-	16,807
Gender Based Violence	451	IOM	(2,410)	15,378	13,346	-	(378)
Construction of refugee center	453	USAID	-	24,964	12,767	-	12,197
Harvard University - Research	454	Harvard University	-	27,670	24,521	-	3,149
Global Refugee Youth Consultations	455	WRC	-	28,345	23,859	-	4,486
<b>Sub-total - Zambia</b>			<b>42,158</b>	<b>740,468</b>	<b>650,284</b>	<b>(1,961)</b>	<b>134,303</b>

## NOTES (CONTINUED)

### 14. Restricted funds balances (continued)

Project Title	AAH-I Project No.	Donor	Unspent funds/ (receivable) as at 01-01-2016	Receipts during the period	Expenditure during the period	Exchange difference gains/(losses) and bank interest	Unspent funds/ (receivable) as at 31-12-2016
Kenya Country Programme			USD	USD	USD	USD	USD
FARM2	180B	USAID/Abt Associates	(323,512)	759,733	445,735	(9,514)	-
Mara Enterprise and Market Development - Phase 2	615	BFTW	85,897	106,536	217,271	(237)	(24,601)
Livelihood- Kakuma 2015	616	UNHCR	11,450	(13,597)	-	(2,146)	(1)
KRAP and Logistics Project	616B	UNHCR	-	638,151	637,748	404	(1)
Support refugees and host communities livelihoods	617	GIZ	27,615	12,907	30,374	(13)	10,161
Norwegian Refugee council (DFID) - SPARK	618	DFID	-	160,392	-	-	160,392
<b>Sub-total - Kenya</b>			<b>(195,550)</b>	<b>1,664,122</b>	<b>1,331,128</b>	<b>(11,506)</b>	<b>145,950</b>

### Somalia Country Programme

	511	UNHCR	-	-	(504)	-	504
	512	UNHCR	-	-	-	-	-
Livelihoods - Hargesia	511B	UNHCR	(100,834)	117,358	15,940	-	584
Livelihoods - Hargesia	511C	UNHCR	(16,092)	14,259	(2,383)	-	550
Livelihoods - Hargesia	511D	UNHCR	-	291,251	420,284	(38,503)	(90,530)
Logistics - 2015 Mogadishu	512B	UNHCR	9,572	(5,580)	2,834	-	1,158
Logistics - 2015 Mogadishu	512C	UNHCR	91,120	(41,944)	17,983	-	31,193
Logistics - 2015 Mogadishu	512D	UNHCR	55,874	(69,603)	22,776	-	(36,505)
Logistics - 2016 Mogadishu	512E	UNHCR	-	375,430	374,771	-	659
Logistics - 2016 Mogadishu	512F	UNHCR	-	284,588	284,539	-	49
Livelihoods - Elwak	513	UNHCR	405,797	212,704	541,917	1,482	75,102
Unknown			-	-	-	2,596	(2,596)
<b>Sub-total - Somalia</b>			<b>445,437</b>	<b>1,178,463</b>	<b>1,678,157</b>	<b>(34,425)</b>	<b>(19,832)</b>
<b>Total restricted funds</b>			<b>2,283,894</b>	<b>20,304,970</b>	<b>21,770,349</b>	<b>119,985</b>	<b>698,580</b>

### 15. Taxation

No provision for taxation has been recognised in these financial statements, as directors of the organisation consider it to be exempt from tax on its entire income. In arriving at this conclusion, the directors have taken into consideration Section 10 of the First Schedule of the Kenya Income Tax Act. Section 10 exempts organisation that are established solely for the purpose of relief of poverty or distress of the public or for advancement of religion or education for the benefit of residents in Kenya. The organization has also considered the fact that part of the income is for activities in other countries which do not fall under the Kenyan Income Tax regime.

### 16. Incorporation

Action African Help International (AAH-I) is a non-governmental organization registered in Nairobi, Kenya, in December 2003 under Section 10 of the Kenya Non-Governmental Organizations Co-ordination Act of 1990.

### 17. Presentation currency

The financial statements are presented in USD.

## SCHEDULE OF PROGRAMME AND OTHER EXPENDITURE

							2016	2015
	South Sudan	Uganda	Zambia	Somalia	HQ	Kenya	Total	Total
Programme expenditure	USD	USD	USD	USD	USD	USD	USD	USD
Basic services - Primary health care, water and sanitation and education	3,532,103	52,620	37,867	-	-	-	3,622,590	4,772,386
Food and income security and environmental management and protection	1,417,010	-	-	523,236	-	30,374	1,970,621	2,433,150
Refugee management programme	8,789,842	2,188,471	443,472	735,758	-	-	12,157,544	13,808,151
Civil society strengthening and peace building	214,621	-	69,804	-	-	824,855	1,109,280	735,609
	<b>13,953,577</b>	<b>2,241,091</b>	<b>551,143</b>	<b>1,258,994</b>	<b>-</b>	<b>855,229</b>	<b>18,860,035</b>	<b>21,749,296</b>
Administration and support costs	1,584,665	304,672	99,141	-	1,352,217	66,679	3,407,373	3,390,907
<b>Total</b>	<b>15,538,242</b>	<b>2,545,763</b>	<b>650,284</b>	<b>1,258,994</b>	<b>1,352,217</b>	<b>921,908</b>	<b>22,267,408</b>	<b>25,140,203</b>