

**ASSOCIATION OF CHRISTIAN RESOURCE ORGANIZATIONS
SERVING SUDAN(ACROSS)
ANNUAL REPORT AND FINANCIAL STATEMENTS
FOR YEAR ENDED 31 DECEMBER 2016**

**MAZARS
Certified Public Accountants (Kenya)**

**Report of the independent auditor to the board members of ACROSS
For the year ended 31 December 2016**

Opinion

We have audited the annual report and financial statements of the Organisation, set out on pages 7-18 which comprise the statement of financial position as at 31 December 2016, and the statement of comprehensive income, statement of changes in funds and statement of cash flows for the year ended, and a summary of significant accounting policies and other explanatory notes.

In our opinion, the financial statements give a true and fair view of the state of financial affairs of the Organization as at 31 December 2016 and of its financial performance and cash flows for the year then ended in accordance with the International Financial Reporting Standards and Kenyan NGO's Act.

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 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

Other information

The directors are responsible for the other information. Other information comprises the information included in the annual report, but does not include the financial statements and our auditor's report thereon.

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.

Board members' responsibility for the financial statements

The board members are responsible for the preparation and fair presentation of the financial statements that give a true and fair view in accordance with International Financial Reporting Standards, and for such internal control as the board members determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, the board members 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 board members either intend to liquidate the organisation or to cease operations, or have no realistic alternative but to do so.

**Report of the independent auditor to the board members (continued)
For the year ended 31 December 2016**


Auditor's responsibilities for the audit of the financial statements

Our objectives are to obtain reasonable assurance about whether the annual report and financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with ISAs will always detect a material misstatement when it exists. 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.

- i) 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.
- ii) obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the company's internal control.
- iii) evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.
- iv) 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 company'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 the auditor's report. However, future events or conditions may cause the company to cease to continue as a going concern.
- v) 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.

The engagement partner responsible for this assignment resulting in this independent audit report is
CPA Evanson Ng'ang'a P/No.2146.


Mazars
Certified Public Accountants
Nairobi

 2017

Association of Christian Resource Organizations Serving Sudan (ACROSS)

**Statement of comprehensive income
For the year ended 31 December 2016**

	Note	2016 Kshs	2016 USD	2015 Kshs	2015 USD
Receipts					
Project income	4	410,943,153	4,048,674	715,983,049	7,261,491
Administration income	5	97,171,423	957,347	108,757,559	1,103,018
		<u>508,114,576</u>	<u>5,006,021</u>	<u>824,740,608</u>	<u>8,364,509</u>
Expenditure					
Project expenses	6	431,101,989	4,247,282	704,770,027	7,147,768
Administration expenses	7	79,837,776	786,574	103,486,085	1,049,555
Total expenditure		<u>510,939,765</u>	<u>5,033,856</u>	<u>808,256,112</u>	<u>8,197,323</u>
(Deficit)/Surplus for the year		<u>(2,825,189)</u>	<u>(27,835)</u>	<u>16,484,496</u>	<u>167,186</u>
Represented by					
Project (deficit)/surplus		(20,158,836)	(198,609)	11,213,022	113,723
Administration surplus		17,333,647	170,774	5,271,474	53,463
(Deficit)/Surplus for the year		<u>(2,825,189)</u>	<u>(27,835)</u>	<u>16,484,496</u>	<u>167,186</u>

Association of Christian Resource Organizations Serving Sudan (ACROSS)

Statement of financial position

As at 31 December 2016

	Note	2016 Kshs	2016 USD	2015 Kshs	2015 USD
Non current assets					
Property and equipment	8	148,230,328	1,446,350	143,971,911	1,407,350
Equity investments	9	1,230	12	1,228	12
		<u>148,231,558</u>	<u>1,446,362</u>	<u>143,973,138</u>	<u>1,407,362</u>
Current assets					
Cash and cash equivalents	10	122,503,304	1,195,320	189,761,831	1,854,954
Receivables and prepayments	11	9,764,744	95,279	41,244,762	403,174
		<u>132,268,048</u>	<u>1,290,599</u>	<u>231,006,593</u>	<u>2,258,129</u>
Current liabilities					
Trade and other payables	12	28,707,107	280,108	109,229,634	1,067,737
Net current assets		<u>103,560,941</u>	<u>1,010,491</u>	<u>121,776,959</u>	<u>1,190,391</u>
		<u>251,792,499</u>	<u>2,456,853</u>	<u>265,750,097</u>	<u>2,597,753</u>
Financed by:-					
Capital fund	13	148,230,328	1,446,350	143,971,911	1,407,350
General fund	14	76,554,342	746,976	58,945,418	576,202
Restricted funds	15	15,673,079	152,929	51,518,598	503,603
Vehicle renewal reserve fund	16	11,334,750	110,598	11,314,170	110,598
		<u>251,792,499</u>	<u>2,456,853</u>	<u>265,750,097</u>	<u>2,597,753</u>

The financial statements on pages 7 to 18 were approved by the Board Members on 8/1/2017 and were signed on its behalf by:-

Dr Roger Shadand

[Signature]

Name and sign
Chairperson

FRANCIS N. MWANZI

[Signature]
Name and sign
Board member

Association of Christian Resource Organizations Serving Sudan (ACROSS)
Statement of changes in funds
As at 31 December 2016

	Capital Fund	Capital Fund	General Fund	General Fund	Restricted Fund	Restricted Fund	Vehicle renewal Reserve Fund	Vehicle renewal Reserve Fund	Total	Total
	Kshs	USD	Kshs	USD	Kshs	USD	Kshs	USD	Kshs	USD
At 1 January 2015	132,291,293	1,460,169	52,683,931	581,500	41,888,895	462,350	10,020,179	110,598	236,884,297	2,614,617
Purchase of assets	4,744,327	48,117	(4,744,327)	(48,117)	-	-	-	-	-	-
Equipment replacement	-	-	(8,194,993)	(83,114)	-	-	-	-	(8,194,993)	(83,114)
Depreciation charge	(9,952,301)	(100,936)	-	-	-	-	-	-	(9,952,301)	(100,936)
Transfer between funds	-	-	7,413,579	72,469	(7,413,579)	(72,469)	-	-	-	-
Surplus for the year	-	-	5,271,474	53,463	11,213,022	113,722	-	-	16,484,496	167,186
Currency translation adjustment	16,888,591	-	6,515,754	-	5,830,261	-	1,293,992	-	30,528,597	-
At 31 December 2015	143,971,911	1,407,350	58,945,418	576,202	51,518,598	503,603	11,314,170	110,598	265,750,097	2,597,753
At 1 January 2016	143,971,911	1,407,350	58,945,418	576,202	51,518,598	503,603	11,314,170	110,598	265,750,098	2,597,753
Purchase of assets	15,434,701	152,065	-	-	(15,434,701)	(152,065)	-	-	-	-
Depreciation charge	(11,476,189)	(113,065)	-	-	-	-	-	-	(11,476,189)	(113,065)
Surplus/(deficit) for the year	-	-	17,333,647	170,774	(20,158,836)	(198,609)	-	-	(2,825,189)	(27,835)
Currency translation adjustment	299,905	-	275,277	-	(251,983)	-	20,579	-	343,778	-
At 31 December 2016	148,230,328	1,446,350	76,554,342	746,976	15,673,079	152,929	11,334,750	110,598	251,792,499	2,456,853

Association of Christian Resource Organizations Serving Sudan (ACROSS)
Statement of cashflows
For the year ended 31 December 2016

	Note	2016 Kshs	2016 USD	2015 Kshs	2015 USD
Cash flows from operating activities					
(Deficit)/Surplus for the year		(2,825,189)	(27,835)	16,484,496	167,186
Adjustments for:-					
Equipment replacement fund		-	-	(8,194,993)	(83,114)
Currency translation adjustment		43,871	-	13,639,908	
Cash flow (used in)/from operating activities		(2,781,318)	(27,835)	21,929,411	84,072
Cash flow from working capital activities					
Decrease/(increase) in receivables & prepayments	11	31,480,019	307,895	(10,746,949)	(66,554)
(Decrease)/increase in payables	12	(80,522,527)	(787,629)	25,490,233	143,462
Net cash (used in)/from operating activities		(51,823,826)	(507,569)	36,672,695	160,980
Cash flows from investing activities					
Purchase of assets	8	(15,434,701)	(152,065)	4,744,327	(48,117)
Net cash used in investing activities		(15,434,701)	(152,065)	(4,744,327)	(48,117)
Net (decrease)/increase in cash and cash equivalents		(67,258,527)	(659,634)	31,928,368	112,863
Cash and cash equivalents as at 1 January		189,761,831	1,854,954	157,833,463	1,742,091
Cash and cash equivalents as at 31 December	10	122,503,304	1,195,320	189,761,831	1,854,954