

LIVING WORD UGANDA LIMITED (LWU)
A COMPANY LIMITED BY GUARANTEE
AND WITHOUT SHARE CAPITAL

AUDITED FINANCIAL STATEMENTS
FOR THE YEAR ENDED
31st JULY 2024

AUDITORS: DUHEN ASSOCIATES
Certified Public Accountants, Kampala

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GENERAL INFORMATION

a. ORGANIZATIONAL INFORMATION

The Living Word Uganda is registered under the Companies Act as a company limited by guarantee and not having share capital. It was registered as a non-Governmental Organization under the Non – Governmental Organizations Registration Act. CAP 113 and renewed on 15th March 2019 on Registration number (S. 5914/8581).

b. MEMBERSHIP OF THE BOARD OF DIRECTORS:

FULL NAMES

1. Rev.Milton Tweheyo
2. Rev. Rodgers Atwebembeire
3. Mr.Samuel Wang'ombe
4. Mrs.Barbara Majoli
5. Mr Dennis Kilama

1. Management Team xx

- | | |
|-------------------------|--------------------------------|
| 1. Mr Rugamba Derrick | National Team Leader |
| 2. Ms Pedun Loyce | Finance and Administration |
| 3. Mr Kuteesa Willam | AMT Lead |
| 4. Mr Ashabahebwa Allan | Student Ministry Lead |
| 5. Mr Paul Geno | Ministry Training Facilitator |
| 6. Mr Atuheire Boaz | Partnership and communications |
| 7. Ms Nuwemurungi Joan | Women's lead |

c. PRINCIPAL PLACE OF BUSINESS

Plot 3521, Block 222,
Nyende Close, Kyaliwajjala Namugongo
P.o. Box 200358,
Kampala - Uganda.
E- Mail: info@livingworduganda.org

d. BANKERS

Centenary Bank,
Kireka Branch

e. AUDITORS

Duhen Associates Certified Public Accountants,
P.O. Box 16622 Wandegaya Kampala

f. PRINCIPAL ACTIVITIES

- i. Serving Christian university students by equipping them with tools and skills for faithful bible handling and teaching.
- ii. To conduct bible seminars across the country

- iii. Offering apprentice ministry training to equip young men and women who have the desire and passion to be involved in full or part time ministry with skills to teach and handle God's faithful lock church

g. **RESULTS**

The results for the year are shown on the financial statements on pages 7 to 9 with accompanying notes that follow from page 10

The Auditor, Duhon Associates have expressed their willingness to continue in office.

**STATEMENT OF DIRECTORS AND MANAGEMENT'S RESPONSIBILITIES
FOR THE YEAR ENDED 31st July 2024**

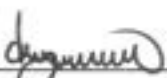
The Directors and Managers at Living Word Uganda (LWU) are responsible for keeping proper accounting records, which disclose with reasonable accuracy at any time the financial position of the organisation and to enable them, ensure that financial statements comply with the accounting policies and guidelines for LWU; and for taking reasonable steps for prevention and detection of fraud and other irregularities. They are also responsible to:

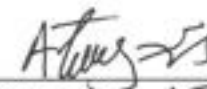
- Select suitable accounting policies for LWU and apply them consistently
- Make judgements and estimates for LWU that are reasonable and prudent
- State whether applicable accounting standards have been followed by the organisation.
- Prepare LWU's financial reports and statements in line with LWU's policies and related funding or Grant agreements and requirements.

The Directors and Managers accept responsibility for the annual financial report and statements which have been prepared following appropriate accounting policies supported by reasonable, prudent judgements and estimates in conformity with Generally Accepted Accounting Standards and in the manner required for Living Word Uganda (LWU). The Directors and Managers accept responsibility for maintenance of proper accounting records, and instituting adequate internal control.

The Managers and the members of the Board are of the view that LWU will remain a going concern for the foreseeable future.

This statement is approved by the Directors and Managers on this.....day of the month ofin the year and signed on behalf the Board of Directors and Management by:

Sign: 
Name: _____
Secretary - Board of Directors

Sign: 
Name: RODGERS ATWEBEMBEKE
Board Chairman



DUHEN ASSOCIATES

CERTIFIED PUBLIC ACCOUNTANTS

P. O. Box 16622, Wandegeya - Kampala, Kasangati - Kazinga Zone

Along Kasangati - Kiira Road, Tel: +256 712-870243

Email: dukuhenry@gmail.com

AF0145

Your Ref:

Date: 8/01/23

Our Ref:

REPORT OF THE INDEPENDENT AUDITORS

To the Members

Living Word Uganda Limited (LWU),

Opinion

We have audited the financial statements of Living Word Uganda Limited (LWU); comprising of the Statement of Financial Position as at 31st July 2024, the Income Statement, and the Cash Flow Statement for the year ending on 31st July 2024; as well as notes to the financial statements, including a summary of significant accounting policies.

In our opinion, the financial report and statements give a true and fair view of the financial position of Living Word Uganda (LWU) as at 31st July 2024, and of the results of its operations including its cash flow statement for the year ended 31st July 2024. The financial statements were prepared in accordance with legal provisions and regulations in Uganda and are in line with International Financial Reporting Standards for Small and Medium sized Entities (SMEs); as well as Living Word Uganda (LWU)'s policies and guidelines.

Basis for Qualification of Opinion

We conducted our audit in accordance with International Standards on Auditing, issued by International Federation of Accountants (IFAC) through the International Auditing and Assurance Standards Board (IAASB). Our responsibilities under those standards are further described under the heading auditor's responsibilities.

We also confirm that we are independent of the audited organization in accordance with the ethical requirements that are relevant to our audit of the financial statements in Uganda and we have fulfilled our responsibilities in accordance with these requirements.

Key Audit Matters

Key audit matters are those matters that, in our professional judgment, are of most significance in our audit of the financial statements of the current year. These matters were addressed in the context of our audit as a whole, and in forming our opinion thereon. We have determined that there is no key audit matter to communicate separately in our report.

This firm is licensed and regulated by the Institute of Certified Public Accountants of Uganda

DUKU HENRY (CPA, CIA, MSC, ACC. & FIN BBA, DIP. ACC)

LULE FRANCIS SEMALULU (CPA)

KIIZA CHARLES (CPA, FCCA, MSC, ACC. & FIN)

Board of Directors and management's Responsibility for Financial Statements.

LWU's Board and Management are responsible for the preparation and fair presentation of these financial statements in accordance with International Financial Reporting Standards for Small and Medium sized Entities, Laws and Regulations in Uganda and LWU's Partners' Funding agreement and guidelines. This responsibility includes designing, implementing and maintaining internal controls relevant to the preparation and fair presentation of the LWU's financial reports and statements that are free from material misstatements, whether due to fraud or error; selecting and applying appropriate accounting policies; making accounting estimates that are reasonable in the project's circumstances.

Auditor's Responsibilities for the Audit of the Financial Statements

Our responsibilities and objectives are to obtain reasonable assurance about whether the financial report and statements are free from material misstatement, whether due to fraud, impropriety 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) 800, we exercise professional judgment and maintain professional scepticism throughout the audit exercise. 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 organization's internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.
- Conclude on the appropriateness of management's project implementation approach, based on the audit evidence obtained to evaluate significant uncertainty on the attainment of the project's objectives.
- 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 the audit.

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 our audit;
- ii. In our opinion proper books of accounts have been kept by the organisation so far as appears from our examination of those books and
- iii. The organisation's annual financial report, Statement of Financial Position and Statement of Income and Expenditure are in agreement with the books of account.

The engagement partner on the audit resulting in this independent auditor's report is CPA. Duku Henry holding practice certificate No. P0194, whose signature and seal are hereby affixed.



Duhem Associates
Certified Public Accountants
Kampala - Uganda



CPA.Duku Henry
Engagement Partner

LIVING WORD UGANDA LIMITED (LWU)

CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME
FOR THE PERIOD ENDING 31st JULY 2024

Particulars	Note	Restricted		Capital Fund		2024		2023	
		UGX	Not Restricted UGX	UGX	UGX	UGX	UGX	UGX	UGX
INCOME									
Program Income	2	266,628,950	-	-	266,628,950	-	310,649,967		
Transfer to Capital Fund		(3,900,000)	-	3,900,000	-	-	-		
AVAILABLE FOR OPERATIONS		262,728,950	-	3,900,000	266,628,950	310,649,967			
EXPENSES									
Programme Activities	3	100,624,700	-	-	100,624,700	50,998,500			
Employment Costs.	4	156,196,463	-	-	156,196,463	142,866,323			
Administration Costs	5	54,962,780	-	-	54,962,780	61,270,055			
Governance	6	3,155,000	-	-	3,155,000	1,816,000			
Capital Expenditure	7	(1,300,000)	-	1,300,000	-	5,145,000			
TOTAL Payments		313,638,943	-	1,300,000	314,938,943	262,095,878			
Adjust for Capital									
Depreciation				(1,300,000)					
Total Expenditure		313,638,943	-	6,576,754	320,215,697	284,180,223			
Ordinary Surplus /((Deficit)		(50,909,993)	-	(2,676,754)	(53,586,747)	26,469,744			
Loss on Disposal of Printer			-	-	-	-			
Extra Ordinary Surplus /((Deficit)		(50,909,993)	-	(2,676,754)	(53,586,747)	26,469,744			

LIVING WORD UGANDA LIMITED (LWU)

**CONSOLIDATED STATEMENT OF FINANCIAL POSITION
AS AT 31st July 2024**

Descriptions	Notes	2024	2023
		UGX	UGX
Assets			
Cash and Cash Equivalents	8	75,848,873	126,836,866
Debtors and Prepayments	9	-	322,000
Total Current Assets		75,848,873	127,158,866
Non-Current Asset			
Property, Plant and Equipment	10	2,484,005	5,160,758
Total Assets		78,332,878	132,319,625
Liabilities and Fund Balances			
Payables	11	1,800,000	2,200,000
Fund Balances			
Accumulated fund		76,532,878	130,119,626
Total Liabilities and Reserves		78,332,878	132,319,626

The Financial statements on pages 7 and 8 along with the accompanying cash flow statement and notes were approved by the Directors of Living Word Uganda Limited (LWU) on this 9th day of the month of January in the year 2025 and signed on their behalf by:

Sign: _____

Treasurer

Sign: _____

Chairperson

LIVING WORD UGANDA LIMITED (LWU)

**STATEMENT OF CHANGES IN FUND BALANCES
FOR THE PERIOD ENDING 31st July 2024**

Particulars	Capital Fund	Accumulated fund	Total
		Restricted	
	UGX	UGX	UGX
Balance b/f 01.08.2023	5,160,758	124,958,867	130,119,625
Transfer to Capital Fund	3,900,000	-	3,900,000
Surplus/(Deficit) for the year	(6,576,754)	(50,909,993)	(57,486,747)
Total	2,484,004	74,048,874	76,532,878

LIVING WORD UGANDA LIMITED (LWU)

**STATEMENT OF CASH FLOWS
FOR THE PERIOD ENDING 31st July 2024**

Particulars	Notes	2024	2023
		UGX	UGX
Cashflows from operating activities			
Surplus for the year (Excluding Capital Fund)		(53,586,747)	26,469,744
Adjustments for non-cash items;			
Donations in kind		(2,600,000)	1,255,600
Depreciation of property and equipment	10	6,576,754	22,084,345
Loss on disposal of fixed asset		-	-
Cash flow included in investing activities:			
Changes in operating assets and liabilities;			
Increase in advances and receivables		322,000	37,000
Increase/(Decrease) in payables		(400,000)	-
Net cash flow from operating activities		(49,687,993)	49,846,689
Cash flows from investing activities:			
Proceeds from sale of equipment		-	-
Purchase of equipment	7	(1,300,000)	(5,145,000)
Net cash flows used in investing activities		(1,300,000)	(5,145,000)
Cash flows from financing activities;			
Capital Fund	7	-	5,145,000
Net cash flows used in financing activities		-	5,145,000
Net increase (Decrease) in cash and cash equivalents		(50,987,993)	49,846,689
Cash and cash equivalents 01 st Aug 2023		126,836,866	76,990,177
Cash and cash equivalents 31st July 2024	8	75,848,873	126,836,866

NOTES TO THE FINANCIAL STATEMENTS

Significant accounting policies

1. Accounting Policy

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

a. Basis of preparation

The financial statements have been prepared in line with the organization's financial guidelines contained in the accounting and finance policy and procedures manual as summarized in the accounting policies below.

The financial statements are prepared in accordance with Generally Accepted Accounting Principles and the historical cost convention.

Going Concern.

The financial performance of the organization is set out in the Statements of the Income and Expenditure. The Financial Position of the organization is set out in the Statement of Financial Position. The Financial Statements have been prepared on the going concern basis.

b. Comparatives

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

c. Non – Current assets.

Expenditure on non-current assets is capitalized in the year in which it's incurred and subsequently capitalized by crediting the Capital Fund with the actual cost of acquisition.

Depreciation is charged against the Capital Fund at rates estimated to write off the value of the assets over their expected useful lives using the reducing balance method, with a full charge in the year of acquisition. The annual rates used are as follows.

Asset Class	Annual Rate
Motor Vehicles	25%
Computers and Accessories	33.33%
Furniture and fittings	20%

d. Functional Currency

The functional currency of Living Word Uganda Limited (LWU) is the Uganda Shillings. Transactions in foreign currencies are initially recorded in the functional currency using the spot rate at the date of the transaction. Foreign currency monetary items at the reporting date are translated using the rate of exchange ruling at the Statement of Financial Position date.

e. Revenue

Revenue represents grants from donors that are recognized when received and donations in kind.

f. Receivables

Receivables are stated at their estimated realizable value. An estimate is made for bad and doubtful receivables based on a review of the outstanding amounts at the year end and bad debts are written off when all reasonable steps to recover have proved futile.

g. Payables

These and other payables are stated at amounts expected to be paid out.

h. Capital Fund

This represents funds of LWU that are tied up in non – current asset.

i. Taxation

The organization did not have any taxable income during the year.

j. Retirement Benefit obligation

LWU contributions to the National Social Security Fund. The contribution is 10% besides the employees' contribution of 5% of the salary.

k. Cash and Cash Equivalentents

Cash and cash equivalentents comprise cash at bank and in hand, bank overdrafts and short term deposits with an original maturity of three months or less.

2. Revenue and Other Income

Particulars	2024	2023
	UGX	UGX
Amazing Grace School	11,888,000	12,176,000
AMT Contributions	4,225,000	14,310,000
Board Contributions	-	2,000,000
Book Distribution	12,360,600	7,464,000
Conference Fees	4,115,500	-
Donations from Individuals Churches	920,000	7,164,177
Living Word International	221,492,850	259,421,290
LWU Printer	304,000	188,500
Ministry van hire	30,000	150,000
Equip The Church Fees	7,538,000	7,460,000
Regional conference fees	-	316,000
T-shirt Sales	745,000	-
At his feet fees	410,000	-
Total Cash Donations	264,028,950	310,649,967
Donations in Kind		
Laptops	2,600,000	-
Total Donation in kind	2,600,000	-
Total Donations	266,628,950	310,649,967

3. Direct Program Costs

Particulars	Appendix	2024	2023
		UGX	UGX
Annual Student Conference	3.1	33,770,000	125,000
Area Bible Seminars	3.2	5,670,500	-
Apprentice Ministry Training (AMT)	3.3	13,806,300	16,061,100
Networking and Partnerships	3.4	14,823,400	2,071,400
Retreat/ Conferences/ Visits	3.5	3,396,600	3,895,000
Rooted Bible Studies	3.6	2,461,000	1,454,000
Book Distribution	3.7	1,514,000	2,327,500
Equip The Church	3.8	20,201,000	17,492,000
Womens Ministry	3.9	3,508,900	5,482,000
Graphics and Multimedia		1,473,000	-
Total Direct Program Cost		100,624,700	48,908,000

4. Employment Costs

Particulars	2024	2023
	UGX	UGX
Wages	97,000,000	100,400,000
NSSF	23,807,445	15,080,908
PAYE	35,389,018	26,220,715
Staff Welfare	-	1,164,700
Sub Total	156,196,463	142,866,323

5. General Administration costs

Particulars	Appendix	2024	2023
		UGX	UGX
Office Operations	5.1	36,109,800	26,059,500
Other Administration	5.2	18,852,980	24,396,055
International Trips & Training	5.3	-	10,814,500
Total Support Cost		54,962,780	61,270,055

6. Governance Costs

Particulars	2024	2023
	UGX	UGX
Board Transport & Refreshments	3,155,000	1,816,000
Total Governance Cost	3,155,000	1,816,000

7. Capital Expenditure

Particulars	2024	2023
	UGX	UGX
Computers	-	2,250,000
Furniture	-	2,895,000
UPS	850,000	-
Sound recorder	450,000	-
Total	1,300,000	5,145,000

8. Cash and Cash Equivalentents

Particulars	2024	2023
	UGX	UGX
CASH	12,667,000	840,000
CENTENARY	63,181,873	125,996,866
Sub Total	75,848,873	126,836,866

9. Advances, Prepayments and Other Receivables

Particulars	2024	2023
	UGX	UGX
Debtors	322,000	322,000
Sub Total	322,000	322,000

10. Property, Plant and Equipment

Particulars	Furniture & Fittings UGX	Motor Vehicles UGX	Computer, Software and Electronics UGX	Total UGX
Acquisition Cost				
Opening Bal 01/08/2023	10,586,000	52,564,645	20,480,000	83,630,645
Additions	-	-	3,900,000	3,900,000
Disposals	-	-	(11,000,000)	(11,000,000)
Closing Bal 31/07/2024	10,586,000	52,564,645	13,380,000	76,530,645
Depreciation and Impairment				
Annual depreciation rates	20.00%	25.00%	33.33%	
Opening Bal 01/08/2023	7,327,100	52,564,645	18,578,142	78,469,887
Annual depreciation	2,117,200	-	4,459,554	6,576,754
Less accumulated depreciation on assets disposed	-	-	(11,000,000)	(11,000,000)
Closing Bal 31/07/2024	9,444,300	52,564,645	12,037,696	74,046,641
Carrying Amount				
Closing Bal 31/07/2024	1,141,700	-	1,342,304	2,484,005
Closing Bal 31/07/2023	3,258,900	-	1,901,858	5,160,758

11. Payables

Particulars	2024	2023
	UGX	UGX
Barbara - Laptop	-	400,000
Duhen Associates	1,800,000	1,800,000
Sub Total	1,800,000	2,200,000

Appendix

3.1 Annual Students Conference

Particulars	2024	2023
	UGX	UGX
Conference Mobilization	133,000	-
Conference Preparations	903,200	125,000
Conference running	19,720,800	-
Conference Transport	4,053,000	-
Conference Transport Refunds	5,175,000	-
Small Group Leaders Training	3,785,000	-
Sub Total	33,770,000	125,000

3.2 Area Bible Seminars

Particulars	2024	2023
	UGX	UGX
Central Area seminar		2,513,000
West Nile area seminar	2,185,000	-
Northern area seminar	1,897,500	1,487,500
Western Area seminar	1,588,000	
Area seminar		900,000
Total	5,670,500	4,900,500

3.3 Apprentice Ministry Training (AMT)

Particulars	2024	2023
	UGX	UGX
AMT Meetings	20,000	105,000
AMT Retreat	-	1,183,500
AMT Running	2,031,100	1,182,200
AMT Stipends	4,958,000	6,805,000
AMT Thanksgiving	100,000	2,623,000
AMT Catering	5,527,200	3,107,400
AMT Guest Lecturer Facilitation	1,170,000	1,055,000
Total	13,806,300	16,061,100

3.4 Networking and Partnerships

Particulars	2024	2023
	UGX	UGX
Public Relations & Partnerships	3,669,500	1,948,200
Partners Dinner	5,398,900	123,200
Volunteers Training	5,755,000	-
Total	14,823,400	2,071,400

3.5 Retreat/ Conferences/ Visits

Particulars	2024	2023
	UGX	UGX
Annual Planning Retreat	3,396,600	3,338,000
Staff Team Building	-	557,000
Total	3,396,600	3,895,000

3.6 Rooted Bible studies

Particulars	2024	2023
	UGX	UGX
Rooted Bible Studies	2,461,000	1,454,000
Total	2,461,000	1,454,000

3.7 Book distribution

Particulars	2024	2023
	UGX	UGX
Book Distribution Transport	857,000	1,247,000
Book Stall Manning	639,000	252,000
Book Stall Set up	18,000	208,500
Other Office Set up	-	620,000
Total	1,514,000	2,327,500

3.8 Equip The Church

Particulars	2024	2023
	UGX	UGX
ETC	20,201,000	17,492,000
Total	20,201,000	17,492,000

3.9 Women's Ministry

Particulars	2024	2023
	UGX	UGX
At his feet womens	3,508,900	1,245,000

5.1 Other Administration Costs

Particulars	2024	2023
	UGX	UGX
Rent	19,200,000	8,000,000
Catering (Office)	7,494,500	7,492,600
Security	3,600,000	2,899,000
Utilities	1,361,500	1,230,500
Cleaning	481,600	642,600
Telephone	-	30,000
Internet	2,210,000	2,340,000
Staff Transport	1,089,000	1,080,000
Stationary	661,200	2,344,800
Other Office Operations	90,000	-
Sub Total	36,187,800	26,059,500

5.2 Other Office Costs

Particulars	2024	2023
Equipment Maintenance & Repair	1,910,000	727,000
Ministry Van	1,885,000	12,167,000
Income Generating Costs	-	-
Auditing	1,800,000	1,800,000
Bank Charges	426,780	507,055
Staff Medical Insurance	2,055,300	-
Staff Team Building	1,425,000	-
Regulatory Fees	25,000	-
Development Planning	3,350,000	2,117,000
Other Admin Expenses	3,970,900	1,620,000
Office Setup	1,865,000	-
Regulatory Fees	-	5,433,000
New Equipment	-	25,000
Computers	140,000	-
Sub Total	18,852,980	24,396,055

5.3 International Trips

Particulars	2024	2023
Regional Trips	-	800,000
Regional Conference	-	10,014,500
Sub Total	-	10,814,500

9.1 Debtors

Name	Other Names	Amount
Less than one year		
Sub Total less than one year		-
More than one year		
Allan		10,000
Rev Gideon	Muhima	25,000
Manzi	Kagina	25,000
Rev.Moses	M.	25,000
Mumbere		64,000
St James Mubs		35,000
Mr Manano		20,000
Owen	Raph	21,000
Owen	Raph	14,000
Hubote		9,000
Nafuna	S	20,000
Mavin		54,000
Sub Total more than one year		322,000
TOTAL		322,000