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**BULAMU HEALTHCARE INTERNATIONAL
AUDITED FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2020
(US REPORTING)**

PKF Uganda
Certified Public Accountants
A member firm of PKF International

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MANAGEMENT INFORMATION

Registered Offices and Principal Place of Operation

1933 Waverley Street
Palo Alto, CA 94301
USA

Dembe Tower Apt 202, Mawanda Road
P.O. Box 34066
Kampala - Uganda.

US Board of Directors

Mr. Richard Chandler	:	Executive Chairman
Mr. Richard Siegler	:	President, CEO
Mr. Bonnie Ng	:	Audit Committee Chair
Ms. Christine Russell	:	Audit Committee member
Mr. John Schniedwind	:	Audit Committee member, CFO
Dr. Ronald Ariagno	:	Board member
Mr. Volker Kuebler	:	Board member
Dr. Andrew Griffin	:	Board member
Mr. Robert King	:	Board member
Dr. Patrick Kyamanywa	:	Board member

Uganda Board of Directors

Mr. Richard Chandler	:	Executive Chairman
Mr. Richard Siegler	:	President, CEO
Mr. John Schniedwind	:	Audit Committee member, CFO
Dr. Ronald Ariagno	:	Board Member
Mr. Gerald Atwine	:	Board Member, Founder
Mr. Mackay Masereka	:	Board member
Dr. Patrick Kyamanywa	:	Board member

Bankers

Stanbic Bank Uganda Limited
P. O. Box 7131
Kampala

Chase Bank
JPMorgan Chase Bank, N.A.
P O Box 182051
Columbus, OH 43218- 2051

Independent Auditor

PKF Uganda
Certified Public Accountants
Plot 1B Kira road
P.O Box 24544
Kampala

REPORT OF INDEPENDENT AUDITOR TO THE MEMBERS OF BULAMU HEALTHCARE INTERNATIONAL
Report on the Financial Statements

We have audited the accompanying financial statements of Bulamu Healthcare International which comprise the Statement of Financial Position as at 31 December 2020, Statement of Financial Activities, Statement of Functional Expenses and Statement of Cash Flows for the year then ended and the related notes to the consolidated financial statements.

Board Members' Responsibility for the Financial Statements

The Board is responsible for the preparation of the financial statements of Bulamu Healthcare International which give a true and fair presentation of these in accordance with accounting principles generally accepted in the United States of America. This includes the design, implementation and maintenance of internal control relevant for the fair presentation of the financial statements that are free from material misstatement, whether due to fraud and error.

Auditor's Responsibility

Our responsibility is to express an opinion on these consolidated financial statements based on our audit. We conducted our audit in accordance with auditing standards generally accepted in the United States of America. Those standards require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance whether the financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the consolidated financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the preparation and fair presentation of the financial statements 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 project's internal controls. Accordingly, we express no such opinion. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of accounting estimates made by management, as well as evaluating the overall presentation of the financial statements.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

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Partners: Charles Oguttu*, Frederick Kibbedi *, Alpesh Vadher**, Piyush Shah**, Gurmit Santokh**, Sumesh D'Cruz**, Ketan Shah***, Shilpa Cheda***
(*Ugandan, ** Kenyan, *** British)

Opinion

In our opinion, the accompanying financial statements referred to above present fairly in all material respects the financial position of Bulamu Healthcare International as at 31 December 2020 and of its net assets and its cash flows for the year then ended in accordance with accounting principles generally accepted in the **United States of America**.



Charles Oguttu (P0141)
Engagement Partner



Certified Public Accountants
Kampala

Date

12/3/2021
Ref: CO/B088/0037/21

**Bulamu Healthcare International
Annual Report and Financial Statements
For the year ended 31 December 2020**

STATEMENT OF FINANCIAL POSITION AS AT 31 DECEMBER 2020

	Notes	2020 USD	2019 USD
ASSETS			
NON-CURRENT ASSETS			
Property and equipment	3	16,147	16,601
CURRENT ASSETS			
Inventory	7	1,562	3,254
Receivables	4	36,353	12,023
Cash and Bank Balances	5	177,927	126,058
		<u>215,842</u>	<u>141,335</u>
TOTAL ASSETS		<u>231,989</u>	<u>157,936</u>
LIABILITIES AND NET ASSETS			
CURRENT LIABILITIES			
Payables		19,482	16,911
NET ASSETS			
Without donor restrictions	6	212,507	141,025
TOTAL LIABILITIES AND NET ASSETS		<u>231,989</u>	<u>157,936</u>

The financial statements on pages 6 to 18 were approved by Board of Directors on 18 March 2021 and were signed on its behalf by:


Director


Director

The notes set out on pages 10-18 form an integral part of these financial statements

STATEMENT OF FINANCIAL ACTIVITIES

	Notes	2020 USD	2019 USD
SUPPORT AND REVENUE			
Contribution from Individuals		603,951	430,437
Contributions from Foundations		211,047	300,005
Other Income	8	<u>1,570</u>	<u>491</u>
Total Income		<u>816,568</u>	<u>730,933</u>
EXPENDITURE			
Program Expense (Uganda)			
Primary Care: Medical Camp and Clinical Support Teams	9 (a)	356,442	371,419
Acute Care: Surgery Intensives and Angel program	9 (b)	147,580	68,528
Health Centre Excellence (HCE) Program	9 (c)	<u>113,185</u>	<u>150,924</u>
Total Program Services		<u>617,207</u>	<u>590,871</u>
Support Activities (United States)			
General and Administrative	10 (a)	108,252	87,708
Fundraising	10 (b)	<u>19,627</u>	<u>12,520</u>
Total Support		<u>127,879</u>	<u>100,228</u>
Total expenditure		<u>745,086</u>	<u>691,099</u>
SURPLUS / (DEFICIT) FOR THE YEAR		<u>71,482</u>	<u>39,834</u>

*Bulamu Healthcare International
Annual Report and Financial Statements
For the year ended 31 December 2020*

STATEMENT OF FUNCTIONAL EXPENSES

Particulars	2020			2019			
	Supporting Activities			Supporting Activities			
	Program Activities	General and Administrative	Fundraising	Program Activities	General and Administrative	Fundraising	Total
US Salaries and Benefits	-	84,240	-	-	35,687	-	35,687
Uganda Salaries and Benefits	203,121	-	-	183,482	-	-	183,482
Medical and Other Equipment	12,709	-	-	32,511	-	-	32,511
Drugs and Medical Supplies	117,522	-	-	91,151	-	-	91,151
Travel	45,814	12,673	328	39,124	37,296	1,958	78,378
Meals and Accommodations	77,000	-	-	67,272	-	-	67,272
Other Operating	46,318	-	-	64,174	-	-	64,174
Services and Professional Fees	63,156	-	-	70,821	5,436	-	76,257
Office, Occupancy and Supplies	44,294	11,339	19,299	35,995	9,289	10,562	55,846
Depreciation	7,273	-	-	6,341	-	-	6,341
Total Expenses	617,207	108,252	19,627	590,871	87,708	12,520	691,099

STATEMENT OF CASHFLOWS

	2020	2019
	USD	USD
CASH FLOWS FROM OPERATING ACTIVITIES		
Surplus for the year	71,482	39,834
Adjustments to reconcile change in net assets to net cash provided by (used in) operating activities.		
Depreciation	7,213	6,341
Other/Exchange Difference Adjustment	-	(129)
	<u>78,695</u>	<u>46,046</u>
Change in assets and liabilities		
Increase /(decrease) in deferred contributions	-	(75,000)
Increase /(decrease) in payables	2,571	16,825
(Increase) /decrease in receivables	(24,332)	(1,493)
Increase/ (decrease) in Inventory	1,692	3,260
Net cash provided by (used in) operating activities	<u>58,627</u>	<u>(10,362)</u>
CASH FLOWS FROM INVESTING ACTIVITIES		
Purchase of property and equipment	<u>(6,759)</u>	<u>(7,829)</u>
Net cash flows from investing activities	<u>(6,759)</u>	<u>(7,829)</u>
Net Change in Cash and Cash Equivalents	51,869	(18,191)
Cash and Cash Equivalents at 1 January 2020	126,058	144,249
CASH AND CASH EQUIVALENTS AT 31 DECEMBER 2020	<u>177,927</u>	<u>126,058</u>
Represented by:		
Cash at Bank	<u>177,927</u>	<u>126,058</u>
	<u>177,927</u>	<u>126,058</u>

NOTES TO THE FINANCIAL STATEMENTS

1. General Information

Bulamu Healthcare International is a non-profit organization incorporated and domiciled in the United States and also registered in Uganda. The address of its registered office and principal place of business in the United States is in California and in Kampala in Uganda.

2. 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 of Bulamu Healthcare International are prepared in accordance with US Generally Accepted Accounting Principles basis of preparation.

b) Going Concern

The financial performance of the organization is set out in the statement of income and expenditure (income statement). The financial position of the organization is set out in the statement of financial position (balance sheet). Based on the financial performance and position of the organization and its risk management policies, the Board is of the opinion that the organization is well placed to continue in business for the foreseeable future and as a result the financial statements are prepared on a going concern basis.

Effect of COVID-19:

Towards the year end of 2019, a highly infectious respiratory disease COVID-19 caused by a new virus called corona virus broke out in China and was announced by the end of December 2019. The rate of spread of this disease has forced various governments and businesses to take serious actions to contain the disease. These actions may have a serious impact on financial statements. There will be estimates and assumptions that are of significant risk which may cause a material adjustment to the carrying amount of assets and liabilities within the next financial year.

c) Revenue Recognition

Revenue is shown as donations, interest earned and other income. In general, revenue is recognised when: the amount of revenue can be reliably measured, it is probable that future economic benefits will flow to the entity; and specific criteria have been met for each of the organization's activities. Specifically,

- i) All donor income is recognized when received
- ii) Interest income is recognized on a time proportion basis using the effective interest method.
- iii) All other miscellaneous income is recognized when received.
- iv) All donations are considered unrestricted unless stipulated by the donor.

d) Property and Equipment

All property and equipment (in excess of the threshold approved by the board of directors) is initially recorded at cost and thereafter stated at historical cost less depreciation. Historical cost comprises expenditure initially incurred to bring the asset to its location and condition ready for its intended use.

Subsequent costs are included in the asset's carrying amount or recognized as a separate asset, as appropriate, only when it is probable that future economic benefits associated with the item will flow to the organization and the cost can be reliably measured. All other repairs

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

and maintenance are charged to profit or loss during the financial period in which they are incurred.

Depreciation is calculated on straight line basis to write down the cost of each asset, to its residual value over its estimated useful life using the following annual rates:

	Rate %
Office Equipment	12.5%
Furniture and fittings	12.5%
Computer equipment	33.3%
Medical equipment	33.3%

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. The assets' residual values and useful lives are reviewed, and adjusted if appropriate, at each statement of financial position date.

Gains and losses on disposal of property, plant and equipment are determined by comparing the proceeds with the carrying amount and are taken into account in determining operating surplus/deficit.

e) Inventories

Inventories are stated at the lower of cost and net realizable value. Inventory cost is determined by first-in-first-out (FIFO) method.

f) Receivables

Receivables are initially recognized at the transaction price.

g) 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, and financial assets with maturities of less than 91 days, net of bank overdrafts, money market lines and restricted cash balances.

h) Payables

Payables are recognized initially at the transaction price. They are obligations on the basis of normal credit terms and do not bear interest. Payables denominated in a foreign currency are translated into the functional currency using the exchange rate at the reporting date. The resulting differences from conversion and translation are dealt with in the statement of income and expenditure in the year in which they arise.

i) Translation of Foreign Currencies

The functional currency is Uganda shillings while the reporting currency is United States dollars. Balances in foreign currencies during the year are converted into US dollars at the average mid-point exchange rate (as reported by the Bank of Uganda) for the reporting period.

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

j) Current Income Tax

The organization is exempt from paying income tax and in the process of obtaining an exemption certificate as it is a charitable organization geared toward provision of health services under the National Bureau for Non- Governmental Organizations.

k) Employee Benefit Obligations

Pension Obligations

In Uganda, the organization and its employees contribute to the National Social Security Fund (NSSF), a statutory defined contribution scheme registered under the NSSF Act. The company's contributions to the defined contribution scheme are charged to profit or loss in the year to which they relate. In the US, the organization contributes to the Social Security and Medicare funds as determined by law. In addition, a fixed portion of an employee's annual salary is given to the employee for contribution to a self-directed retirement account. The contribution percentage is determined annually by senior management.

l) Impairment of Assets

The carrying amounts of the organisation's assets are reviewed at each balance sheet date to determine whether there is any indication of impairment. If such condition exists, the assets recoverable amount is estimated and an impairment loss recognised whenever the carrying amount of an asset exceeds its recoverable amount.

m) Comparatives

Previous year's figures have been regrouped / reclassified in order to make them comparable with that of current financial period, wherever necessary.

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

3. PROPERTY AND EQUIPMENT

Particulars	Computers	Furniture & Fittings	Office Equipment	Medical Equipment	Total
	USD	USD	USD	USD	USD
Cost					
At 1 January 2020	13,591	3,650	6,984	2,891	27,116
Additions	-	-	-	6,759	6,759
At 31 December 2020	13,591	3,650	6,984	9,650	33,875
Depreciation					
At 1 January 2020	8,131	540	938	906	10,515
Charge for the year	4,043	453	864	1,854	7,213
At 31 December 2020	12,174	993	1,802	2,760	17,728
Net Book Value					
At 31 December 2020	1,417	2,657	5,182	6,890	16,147
At 31 December 2019	5,460	3,110	6,046	1,985	16,601

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

	2020	2019
	USD	USD
4. RECEIVABLES		
Activity advance	492	1,484
Donations receivable	35,861	10,539
Total	36,353	12,023
5. CASH AT BANK		
Chase Bank	130,030	36,472
Stanbic Bank - Main Account	6,647	966
Stanbic Bank - NGO Account	31,213	5,960
Stanbic Bank - Medical Camp	250	1,737
Stanbic Bank - HCE/Clinic Management	643	4,087
American Century Brokerage	9,143	76,836
Total	177,927	126,058
6. PAYABLES		
Credit Card Payable	-	218
Sara OHara	-	113
Grazitti	7,425	3,750
CURE	2,222	3,069
CORSU	46	1,512
NSSF	854	712
PAYE	1,546	1,291
KMT Advocates	-	810
PKF Uganda	5,517	5,436
Alyssa Looney	1,020	-
Ebenezer	852	-
Total	19,482	16,911
7. INVENTORY		
Drugs	1,562	3,254

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

	2020	2019
	USD	USD
8. OTHER INCOME		
Interest earned	171	491
Realized/Unrealized Gains /(Losses)	1,130	-
Sales from iPad and old laptops	269	-
Total	1,570	491
9. PROGRAM EXPENSES (UGANDA)		
A) Primary Care: Medical Camp and Clinical Support Teams.		
Medical and Other Equipment	5,728	17,072
Drugs & Medical Supplies	91,655	86,046
Other Equipment	269	-
Office and Administrative Expenses	4,280	7,009
Diagnostic Services	2,860	-
Medical Treatment	124	7,482
District Facilitation	-	651
Staff Wages	74,161	100,607
Local Transportation & Upkeep	26,007	19,986
Meetings & Workshops	191	-
Meals and Accommodations	56,171	55,918
Utilities	-	-
Phone & Internet	1,825	-
Operating Expenses	18	5,571
Stationary & Printing	16,139	12,604
Advertising and Promotion	1,835	9,365
Bank Charges & Fees	25	257
Other expenses	4,677	6,006
Program Management Allocation	70,477	42,845
Total	356,442	371,419

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

	2020	2019
	USD	USD
B) Acute Care: Surgery Intensives and Angel program		
Medical Equipment Expense	3,323	67.00
Drugs & Medical Supplies	24,977	5,050.00
Office & Other Supplies	1,731	31.00
Diagnostic Services	4,134	9,605.00
Medical Treatment	16,502	29782
Staff Wages	33,370	5,499.00
Local Transportation & Upkeep	14,505	5,155.00
Accommodations	16,540	615.00
Phone & Internet	206	143.00
Operating Expenses	-	159
Stationary & Printing	810	215
Advertising and Promotion	104.91	161
Office & Admin Expenses	-	30.00
Bank Charges & Fees	19	25.00
Meals & Entertainment	357	1,261.00
Other expenses	1,691	19
Utilities	129	-
Program Management Allocation	29,181	10,711
Total	147,580	68,528
C) Health Centre Excellence (HCE) Program.		
Medical Equipment Expense	3,389	10340
Other Equipment	-	4,242.00
Drugs & Medical Supplies	891	28
Office & Other Supplies	45	3,511.00
District Facilitation	-	1104
Staff Wages	10,216	10,005.00
Local Transportation & Upkeep	5,302	10,884.00
Accommodations	1,464	3,089.00
Phone & Internet	4,452	2,413.00
Operating Expenses	-	8781
Stationary & Printing	21,927	15,017.00
Advertising and Promotion	-	14
Office & Admin Expenses	-	4057
Bank Charges & Fees	22	52.00
Meals & Entertainment	2,468	4,183.00
Other expenses	1,056	1,246.00
Utilities	36	-
Software and Applications Development	39,537	18402
Program Management Allocation	22,380	53,556
Total	113,185	150,924

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

	2020	2019
	USD	USD
10. SUPPORT ACTIVITIES (U.S)		
A) General & administrative		
Bank/Currency Exchange Fees	253	295
Travel to/from Uganda	12,673	35,330
Bank Fees US	1,120	1,222
Audit fees	-	5,436
Office Expenses US Admin	631	1,472
Software and Software Support	969	416
Travel and Entertainment US Admin	-	1,966
Board and Advisory Council	428	5,789
State and Federal Registration Fees	85	95
Staff Compensation US	84,240	35,687
Payroll and Benefits Service Fees	1,133	-
Employer Payroll Taxes	6,649	-
Credit Card Fees	71	-
Total	<u>108,252</u>	<u>87,708</u>

	2020	2019
	USD	USD
B) Fundraising		
Communications US	4,848	2,537
Office Expenses Fundraising	4,731	2,388
Website Design & Maintenance	993	1,005
Travel and Entertainment Fundraising	328	1,958
Strip/Donation Fees	459	922
Comm/Fees on Security donations	-	10
Losses on Securities Transactions	8,268	3,700
Total	<u>19,627</u>	<u>12,520</u>

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

11. CONTINGENT LIABILITIES

There were no known contingent liabilities

12. COMMITMENT

There were no contractual commitments

13. PERIOD OF REPORTING

The financial statements have been prepared and audited for a period of 12 months to 31 December 2020.

14. EVENTS AFTER REPORTING DATE

The management is not aware of any events after the reporting period and up to the date of this report; which requires adjustments to or disclosures in the financial statements