

**REAL PARTNERS UGANDA, INC.**

**FINANCIAL STATEMENTS**

**DECEMBER 31, 2021**



LUTZ AND GARR

CERTIFIED PUBLIC ACCOUNTANTS, LLP

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## INDEPENDENT AUDITORS' REPORT

To the Board of Directors of  
Real Partners Uganda, Inc.

### Opinion

We have audited the accompanying financial statements of Real Partners Uganda, Inc. (a nonprofit organization), which comprise the statement of financial position as of December 31, 2021 and the related statements of activities, functional expenses, and cash flows for the year then ended, and the related notes to the financial statements.

In our opinion, the financial statements referred to above present fairly, in all material respects, the financial position of Real Partners Uganda, Inc. as of December 31, 2021, and the changes in 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.

### Basis for Opinion

We conducted our audit in accordance with auditing standards generally accepted in the United States of America. Our responsibilities under those standards are further described in the Auditors' Responsibilities for the Audit of the Financial Statements section of our report. We are required to be independent of Real Partners Uganda, Inc. and to meet our other ethical responsibilities in accordance with the relevant ethical requirements relating to our audit. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

### Responsibilities of Management for the Financial Statements

Management is responsible for the preparation and fair presentation of the financial statements in accordance with accounting principles generally accepted in the United States of America, and for the design, implementation, and maintenance of internal control relevant to the preparation and fair presentation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, management is required to evaluate whether there are conditions or events, considered in the aggregate, that raise substantial doubt about Real Partners Uganda, Inc.'s ability to continue as a going concern within one year after the date that the financial statements are available to be issued.

## **Auditors' 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 auditors' report that includes our opinion. Reasonable assurance is a high level of assurance but is not absolute assurance and therefore is not a guarantee that an audit conducted in accordance with generally accepted auditing standards will always detect a material misstatement when it exists. 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. Misstatements, including omissions, are considered material if there is a substantial likelihood that, individually or in the aggregate, they would influence the judgment made by a reasonable user based on the financial statements.

In performing an audit in accordance with generally accepted auditing standards, we:

- Exercise professional judgment and maintain professional skepticism throughout the audit.
- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, and design and perform audit procedures responsive to those risks. Such procedures include examining, on a test basis, evidence regarding the amounts and disclosures in the financial statements.
- 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 Real Partners Uganda, Inc.'s internal control. Accordingly, no such opinion is expressed.
- Evaluate the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluate the overall presentation of the financial statements.
- Conclude whether, in our judgment, there are conditions or events, considered in the aggregate, that raise substantial doubt about Real Partners Uganda, Inc.'s ability to continue as a going concern for a reasonable period of time.

We are required to communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit, significant audit findings, and certain internal control related matters that we identified during the audit.

*Lutz + Carr, LLP*

**REAL PARTNERS UGANDA, INC.**  
**STATEMENT OF FINANCIAL POSITION**  
**DECEMBER 31, 2021**

<b>Assets</b>	
Cash (Note 4a)	<u>\$124,773</u>
Net Assets	
Without donor restrictions	\$ 83,598
With donor restrictions (Note 3)	<u>41,175</u>
<b>Total Net Assets</b>	<u>\$124,773</u>

See notes to financial statements.

**REAL PARTNERS UGANDA, INC.**  
**STATEMENT OF ACTIVITIES**  
**YEAR ENDED DECEMBER 31, 2021**

	<u>Without Donor Restrictions</u>	<u>With Donor Restrictions</u>	<u>Total</u>
<b>Changes in Net Assets</b>			
Revenue and Support Contributions (Note 4b)	<u>\$ 509,545</u>	<u>\$ 40,000</u>	<u>\$549,545</u>
Expenses			
Program Services	<u>467,555</u>	<u>-</u>	<u>467,555</u>
Supporting Services			
Management and general	17,935	-	17,935
Fundraising	<u>1,344</u>	<u>-</u>	<u>1,344</u>
Total Supporting Services	<u>19,279</u>	<u>-</u>	<u>19,279</u>
Total Expenses	<u>486,834</u>	<u>-</u>	<u>486,834</u>
Increase in net assets	22,711	40,000	62,711
Net assets, beginning of year	<u>60,887</u>	<u>1,175</u>	<u>62,062</u>
 <b>Net Assets, End of Year</b>	 <u><u>\$ 83,598</u></u>	 <u><u>\$ 41,175</u></u>	 <u><u>\$124,773</u></u>

See notes to financial statements.

**REAL PARTNERS UGANDA, INC.**  
**STATEMENT OF FUNCTIONAL EXPENSES**  
**YEAR ENDED DECEMBER 31, 2021**

	<b>Program Services</b>	<b>Supporting Services</b>		<b>Total Expenses</b>
		<b>Management and General</b>	<b>Fundraising</b>	
Grant expense	\$467,555	\$ -	\$ -	\$467,555
Contracted services	-	150	1,344	1,494
Office expense	-	8,439	-	8,439
Travel	-	5,102	-	5,102
Advertising	-	2,189	-	2,189
Information technology	-	1,977	-	1,977
Conferences and meetings	-	40	-	40
Other expenses	-	38	-	38
<b>Total Expenses</b>	<b>\$467,555</b>	<b>\$ 17,935</b>	<b>\$ 1,344</b>	<b>\$486,834</b>

See notes to financial statements.

**REAL PARTNERS UGANDA, INC.**  
**STATEMENT OF CASH FLOWS**  
**YEAR ENDED DECEMBER 31, 2021**

<b>Cash Flows From Operating Activities</b>	
Increase in net assets	\$ 62,711
Adjustments to reconcile increase in net assets to net cash provided by operating activities:	
Decrease in accounts receivable	<u>4,130</u>
Net Cash Provided By Operating Activities - Net Increase in Cash	66,841
Cash, beginning of year	<u>57,932</u>
 <b>Cash, End of Year</b>	 <u><u>\$124,773</u></u>

See notes to financial statements.

**REAL PARTNERS UGANDA, INC.**  
**NOTES TO FINANCIAL STATEMENTS**  
**DECEMBER 31, 2021**

**Note 1 - Organization and Summary of Significant Accounting Policies**

a - Organization

Real Partners Uganda, Inc. (the "Organization") is a nonprofit organization that provides grants to support schools, feeding programs, training, and farming efforts in Uganda.

b - Contributions

Contributions are recognized when the donor makes a promise to give to the Organization, that is, in substance, unconditional. Conditional promises to give, that is, those with a measurable performance or other barrier and a right of return, are not recognized until the conditions on which they depend have been met. Contributions that are restricted by the donor are reported as increases in net assets without donor restrictions if the restrictions expire in the fiscal year in which the contribution is recognized. All other donor restricted contributions are reported as increases in net assets with donor restrictions depending on the nature of the restrictions. When a restriction expires, net assets with donor restrictions are reclassified to net assets without donor restrictions.

c - Financial Statement Presentation

The financial statements of the Organization has been prepared in accordance with accounting principles generally accepted in the United States (U.S. GAAP), which require the Organization to report information regarding its financial position and activities according to the following net asset classifications.

Net Assets Without Donor Restrictions

Net assets that are not subject to donor-imposed restrictions and may be expended for any purpose in performing the primary objectives of the Organization. These net assets may be used at the discretion of the Organization's management and Board of Directors.

Net Assets With Donor Restrictions

Net assets subject to stipulations imposed by donors and grantors. Some donor restrictions are temporary in nature, those restrictions will be met by actions of the Organization or the passage of time. Other donor restrictions are perpetual in nature, whereby the donor has stipulated the funds be maintained in perpetuity.

d - Grants and Appropriations

Unconditional grants and appropriations are recognized as expenses at the time authorized.

**REAL PARTNERS UGANDA, INC.**  
**NOTES TO FINANCIAL STATEMENTS**  
**DECEMBER 31, 2021**

**Note 1 - Organization and Summary of Significant Accounting Policies (continued)**

e - Estimates

The preparation of financial statements in conformity with generally accepted accounting principles requires management to make estimates and assumptions that affect certain reported amounts and disclosures. Accordingly, actual results could differ from those estimates.

f - Functional Allocation of Expenses

The cost of providing the various program and supporting services has been summarized on a functional basis in the statement of activities. All of the Organization's expenses are directly related to program or supporting services.

g - Tax Status

Real Partners Uganda, Inc. is a not-for-profit corporation exempt from federal income taxes under Section 501(c)(3) of the Internal Revenue Code and has been designated as a corporation which is not a private foundation.

h - Subsequent Events

The Organization has evaluated subsequent events through December 9, 2022, the date that the financial statements are available to be issued.

**Note 2 - Information Regarding Liquidity and Availability**

The Organization operates with a balanced budget for each fiscal year based on the revenues expected to be available to fund anticipated expenses. The Organization considers general expenditures to consist of all expenses related to its ongoing program activities, and the expenses related to general and administrative and fundraising activities undertaken to support those activities.

The Organization regularly monitors liquidity to meet its operating needs and other commitments and obligations, while seeking to maximize the investment of its available funds. Management prepares regular cash flow projections to determine liquidity needs, and has a policy to maintain liquid financial assets on an ongoing basis sufficient to cover 90 days of general expenditures.

The Organization's financial assets as of December 31, 2021 available within one year to meet cash needs for general expenditures consist of cash in the amount of \$124,773.

**REAL PARTNERS UGANDA, INC.**  
**NOTES TO FINANCIAL STATEMENTS**  
**DECEMBER 31, 2021**

**Note 3 - Net Assets With Donor Restrictions**

Net assets with donor restrictions are restricted for future programs and activities.

**Note 4 - Concentrations**

- a - The Organization maintains its cash and cash equivalents in a financial institution in New Jersey. The cash balances, at times, may exceed federally insured limits.
- b - Approximately 25.5% of contribution revenue for 2021 was received from two donors.