



**VGF & Partners**

**NFOR GABRIEL TUMBONG**

CHARTERED CERTIFIED ACCOUNTANT | EXPERT COMPTABLE AGREE  
STATUTORY AUDITOR | COMMISSAIRE AUX COMPTES  
ACCA 1425392 | ECP-ONECCA 259 | EC-CEMAC 410  
Audit • Accounting • Advisory

**REACH OUT CAMEROON (ROC)**

**INDEPENDENT AUDITOR'S REPORT**

**Year ended 31 December 2022**

Our Ref: SAR.01.221223

Audit | Accounting | Advisory

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December 22<sup>nd</sup> 2023

**Attention:**

The Board of Directors  
REACH OUT Cameroon (ROC)  
P.O.Box 88, Small Soppo,  
Buea, South West Region  
Republic of Cameroon

**Subject:** Independent Auditor's Report- Year ended 31/12/2022

In line with our mandate as statutory auditors of Reach Out Cameroon (ROC), we hereby report to you for the year ended 31 December 2022, on

- The audit of the annual financial statements of Reach Out Cameroon as attached to this report;
- Report on other legal and regulatory requirements.

**I. Report on the Audit of Financial Statements**

**Opinion**

We have audited the financial statements of Reach Out Cameroon (ROC), which comprise the statement of Receipts and payments, the statement of activity (comprehensive income and expenses), the statement of financial position as at December 31, 2022, the cashflow statement, and notes to the financial statements, including a summary of significant accounting policies.

In our opinion, the accompanying financial statements present fairly, in all material respects the financial position of Reach Out Cameroon as at 31 December 2022 and of its financial performance and its cash flows for the year ended in accordance with international accounting standards for Small and Medium-sized entities (IFRS for SMEs), adapted for not-for-profit organisations (NPOs).

**Basis for Opinion**

We conducted our audit in accordance with International Standards on Auditing (ISA) . 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 Cameroon 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.

### **Key Audit Matters**

Key audit matters are those matters that, in our professional judgment, were of most significance in our audit of the financial statements of the current period. These matters were addressed in the context of our audit of the financial statements as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters.

### **Other Matters**

- **Bank balance confirmation**

We have reviewed bank statements presented to us by Reach Out and confirmed that the bank balances as per the financial report correspond to the statements presented. In line with the regulation in force and the standard governing the auditing profession in Cameroon, we conducted circularisation of all bank accounts through management of Reach Out Cameroon to confirm bank balances and also to independently confirm completeness of banking information provided. As at the date of our report, feedback from BICEC, UBA, First Trust, NTACCUL, Head office mobile money account and Ntarikon cooperative credit union were still awaited. We were able to confirm these balances through alternative means.

- **Applicable accounting framework**

We draw your attention to the fact that as of 31 December 2022, there was not accounting framework for not-for-profit entities in Cameroon. An accounting framework for the not-for-profit sector was promulgated on February 22, 2023. This framework is only applicable as from 1 January 2024. Management of Reach Out Cameroon continued to prepare its financial statements in line with IFRS framework for small and medium size entities adopted for the need of not-for-profit organisations.

- **Information provided**

We vouched expenses to their respective original supporting documents for the selected sample with the exception of supporting documents for the GIZ ProPASSAR project with total expenses of XAF 29,275,575 . As per information provided to us by management, originals of these supporting documents were submitted to the funder (GIZ) in line the funding agreement duly signed by both parties. We however reviewed photocopies of these supporting documents.

Our audit opinion is not modified in respect of the above-mentioned matters.

### **Responsibilities of management and those charged with governance for the financial statements**

Management is responsible for the preparation of the financial statements in accordance with financial reporting provisions of the cooperation agreement and for internal controls as management determines is necessary to enable the preparation of financial statements that are free from material misstatements, whether due to fraud or error.

In preparing the financial statements, management is responsible for assessing Reach Out Cameroon's ability to continue as a going concern, disclosing, as applicable, matters relating to going concern and using the going concern basis of accounting unless management either intends to liquidate Reach Out Cameroon or to cease operations, or has no realistic alternative but to do



so. Those charged with governance are responsible for overseeing Reach Out Cameroon's financial reporting process.

**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 misstatements, whether due to fraud or error, and to issue an auditor's report that includes our opinion.

Reasonable assurance is high level 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 decision of users taken on the basis of these financial statements.

As part of an audit in accordance with ISAs, we exercise professional judgment and maintain professional scepticism throughout the audit. We also:

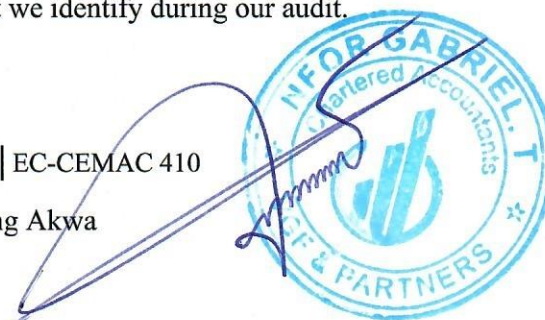
- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting 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 Reach out Cameroon'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 use of going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exist related to events or conditions that may cast significant doubt on Reach Out Cameroon'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 report. However, further events or conditions may cause Reach Out Cameroon to cease to continue as a going concern;

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 controls that we identify during our audit.

Nfor Gabriel Tumbong  
Chartered Certified Accountant  
ACCA 1425392 | ECP-ONECCA 259 | EC-CEMAC 410

Douala Cameroon, 785 Avenue King Akwa

The 22<sup>nd</sup> December, 2023





## II. Report on Other Legal and Regulatory Requirements

The regulations in force requires that in carrying out our audit, we consider and report to you on specific matters as follows.

### Other information

The Directors of Reach Out Cameroon are responsible for the other information. The other information comprises corporate information, Chairman's statement, the management report, report of the board of Directors, shareholder but does not include the annual financial statements and our auditor's report thereon, which we obtained prior to the date of this auditor's report.

Our opinion on the financial statements does not cover the other information and we do not and will not express an audit opinion or any form of assurance and conclusions thereon.

In connection with our audit of the financial statements, our responsibility is to read the other information identified above and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge in the audit, or otherwise appears to be materially misstated.

If, based on the work we have performed on the other information that we obtained prior to the date of this auditor's report, 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.

When we read Reach Out Cameroon annual report, if we conclude that there is a material misstatement therein, we are required to communicate the matter to those charged with governance.

### Going concern consideration.

Our evaluation of management's assessment of the organisation's ability to continue to adopt the going concern basis of accounting included:

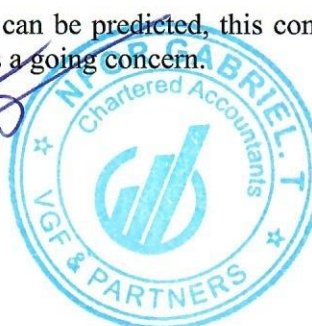
- using our knowledge of the organisation, the industry, the regulatory environment and the general economic environment to identify inherent risks in the operating model and how such risks might affect the financial resources or ability to continue operations over the going concern period;
- making enquiries of Reach Out Cameroon's management about their going concern assumptions, and assessing the reasonableness of those assumptions and historical forecasting accuracy;
- Reviewing correspondences with donor to assess commitments to continuous funding of the organisation and also assessing probability of compliance with contractual grants.

In auditing the financial statements, we have concluded that the management's use of the going concern basis of accounting in the preparation of the financial statements is appropriate.

However, because not all future events or conditions can be predicted, this conclusion is not a guarantee as to the organization's ability to continue as a going concern.

Done in Douala, December 22 , 2023

Nfor Gabriel Tumbong  
Chartered Certified Accountant  
ACCA 1425392 | ECP-ONECCA 259 | EC-CEMAC 410



### **III. Audited Financial Statement**





**REACH OUT CAMEROON**  
P.O. Box 88, Buea, South West Region, Cameroon

**Statement of Receipts and Payments**

		<b>Year Ended 31 December</b>	
		<b>2022</b>	<b>2021</b>
	<b>Note</b>	<b>Actual</b>	<b>Actual</b>
		<b>in XAF</b>	<b>in XAF</b>
<b>RECEIPTS</b>			
Donations Received	1	23,722,248	36,964,905
Grant Received	2	2,883,685,723	600,454,990
Other income Received	4	51,917,231	38,368,338
<b>Total Income</b>		<b>2,959,325,202</b>	<b>675,788,233</b>
<b>PAYMENTS</b>			
Program Cost	5	2,603,063,771	435,272,267
Administration & General	6	51,546,485	77,896,273
Fundraising	7	1,023,000	-
Asset and Investment Purchases	8	-	3,982,000
<b>Total Payments</b>		<b>2,655,633,256</b>	<b>517,150,540</b>
<b>Net Surplus/(Deficit)</b>		<b>303,691,946</b>	<b>158,637,693</b>
<b>Cash and advances Brought forward</b>			
		<b>360,980,949</b>	<b>168,654,715</b>
<b>Cash and advances Carried forward</b>			
		<b>664,672,895</b>	<b>360,980,949</b>
<b>Represented by:</b>			
Cash in hand, mobile money and bank balances		558,698,944	327,292,508
Unretired cash advances		105,973,951	33,688,441
<b>Cash and advances</b>		<b>664,672,895</b>	<b>360,980,949</b>

The notes 1-22 form an integral part of these financial statements

The financial statements were approved by the Board of Directors and signed on their behalf

**Name & Position :** *Njomo Pnam Esther*  
*Executive Director*

**Signature & Date :**



*20 DEC 2021*



**REACH OUT CAMEROON**  
P.O. Box 88, Buea, South West Region, Cameroon

**Statement of Financial Activities/Comprehensive Income & Expenses**

	Note	Year Ended 31 December			
		2022 in XAF	2022 in XAF	2022 in XAF	2021 in XAF
		Unrestricted	Restricted	Total Funds	Total Funds
<b>INCOME AND OTHER SUPPORT</b>					
Donations Received	1	-	23,722,248	23,722,248	36,964,905
Grant Received	2	-	2,883,685,723	2,883,685,723	600,454,990
Other Receipts	4	51,917,231	-	51,917,231	38,368,338
<b>Adjustments for:</b>					
Deferred Income Brought forward +	20	-	259,362,882	259,362,882	102,922,054
Deferred income carried forward -	20	-	494,922,200	494,922,200	259,362,882
Receipts for prior year receivables -		-	547,912,110	547,912,110	-
<b>Total Income</b>		<b>51,917,231</b>	<b>2,123,936,543</b>	<b>2,175,853,774</b>	<b>519,347,405</b>
<b>EXPENSES</b>					
<b>Program Cost</b>					
Health	5	-	2,168,153,881	2,168,153,881	184,906,582
Wealth creation	5	-	80,705,441	80,705,441	57,511,528
Human Rights and Governance	5	-	331,676,599	331,676,599	70,814,200
Humanitarian		-	-	-	122,039,957
Other Expenses ( pre-financed)		-	22,527,850	22,527,850	-
Administration & General Support	6	51,546,485	-	51,546,485	77,896,273
Fundraising	7	-	1,023,000	1,023,000	-
Depreciation and impairment	22	-	8,420,544	8,420,544	-
<b>Adjustments for:</b>					
Settlement of prior year payables -		-	547,912,110	547,912,110	-
<b>Total Expenditure</b>		<b>51,546,485</b>	<b>2,064,595,205</b>	<b>2,116,141,690</b>	<b>513,168,540</b>
Net Gains/losses on Investments		-	-	-	-
<b>Net income/(Expenditure)</b>		<b>370,746</b>	<b>59,341,338</b>	<b>59,712,084</b>	<b>6,178,865</b>
Other recognized gains/(losses)		-	-	-	-
Adjustments-unrecognised prior year depreciation		-	-	-	-
<b>Reconciliation of retained funds:</b>					
Retained funds brought forward		-	-	6,178,865	-
Distributions to members		-	-	-	-
<b>Retained funds carried forward</b>		<b>370,746</b>	<b>59,341,338</b>	<b>65,890,949</b>	<b>6,178,865</b>

The notes 1-22 form an integral part of these financial statements

The financial statements were approved by the Board of Directors and signed on their behalf by:

Name & Position :

*Miriam Oman Eshe*  
Executive Director

Signature and date

*[Signature]* 20 DEC 2023





**Reach Out****REACH OUT CAMEROON****P.O. Box 88, Buea, South West Region, Cameroon****Statement of Financial Position**

		<b>As at 31 December</b>	
		<b>2022</b>	<b>2021</b>
	<b>Note</b>	<b>XAF</b>	<b>XAF</b>
<b>ASSETS</b>			
<b>Non-Current Assets</b>			
Property, plant and Equipment	9	99,420,839	95,184,973
Intangible non current assets	10	840,000	1,050,000
Financial Investments	11	-	-
<b>Total non-current Assets</b>		<b>100,260,839</b>	<b>96,234,973</b>
<b>Current Assets</b>			
Inventories	12	-	-
Receivables/Advances	13	718,229,642	547,912,110
Other Current Assets	14	-	-
Cash and Cash Equivalent	15	558,698,944	327,292,508
<b>Total Current-Assets</b>		<b>1,276,928,586</b>	<b>875,204,618</b>
<b>TOTAL ASSETS</b>		<b>1,377,189,425</b>	<b>971,439,591</b>
<b>EQUITY AND LIABILITIES</b>			
<b>EQUITY</b>			
Net Assets	16	264,911,671	197,853,040
<b>Total Equity</b>		<b>264,911,671</b>	<b>197,853,040</b>
<b>Non Current Liabilities</b>			
Long-term borrowings	17	-	-
Endowment Funds	18	-	-
<b>Total non-current liabilities</b>		<b>-</b>	<b>0.00</b>
<b>Current Liabilities</b>			
Trade Payables	19	617,355,554	514,223,669
Outstanding Restricted Funds C/F	20	494,922,200	259,362,882
Short term borrowings	21	-	-
<b>Total current liabilities</b>		<b>1,112,277,754</b>	<b>773,586,551</b>
<b>Total Liabilities</b>		<b>1,112,277,754</b>	<b>773,586,551</b>
<b>TOTAL LIABILITIES AND EQUITY</b>		<b>1,377,189,425</b>	<b>971,439,591</b>

The notes 1-22 form an intergral part of these financial statements

The financial statements were approved by the Board of Directors and signed on their behalf by:

Name & Position :

*Miriam Duman Esther*  
Executive Director



Signature & Date :

*[Signature]* 20 DEC 2023





**REACH OUT CAMEROON**  
P.O. Box 88, Buea, S.W. Region, Cameroon  
**Statement of Cash Flows**

	Year ended 31 December	
	2022	2021
	in XAF	in XAF
<b>CASH FLOW FROM OPERATING ACTIVITIES</b>		
Net cash provided by( used) in operating activities	343,941,946.00	196,308,234.00
<b>Net cash from operating activities</b>	<b>343,941,946.00</b>	<b>196,308,234.00</b>
<b>CASH FLOW FROM INVESTING ACTIVITIES</b>		
Dividends , and investment income	0.00	0.00
Proceeds from sale of property plants and equipment	0.00	0.00
Purchase of Property , Plants and Equipment	- 40,250,000.00	- 3,982,000.00
Purchase of investments	0.00	0.00
Proceeds from sale of investments	0.00	0.00
<b>Net cash from investing activities</b>	<b>- 40,250,000.00</b>	<b>- 3,982,000.00</b>
<b>CASH FLOW FROM FINANCING ACTIVITIES</b>		
Repayment of borrowing	0.00	0.00
Cash flow from new borrowing	0.00	0.00
Proceeds from Endowment Funds	0.00	0.00
<b>Net cash from financing activities</b>	<b>0.00</b>	<b>0.00</b>
<b>Increase/(decrease) in cash and equivalents</b>	<b>303,691,946.00</b>	<b>192,326,234.00</b>
Cash and Equivalents brought forward	360,980,949.00	168,654,715.00
<b>Cash and Equivalents carried forward</b>	<b>664,672,895.00</b>	<b>360,980,949.00</b>
<b>Adjustments for:</b>		
Unretired cash advances carried forward	- 105,973,951.00	- 33,688,441.00
<b>Net Adjustment</b>	<b>- 105,973,851.00</b>	<b>- 33,688,441.00</b>
<b>Adjusted Cash and cash equivalent at year end</b>	<b>558,698,944.00</b>	<b>327,292,508.00</b>

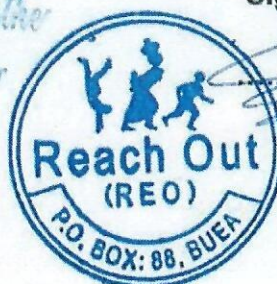
The notes 1-22 form an intergral part of these financial statements

The financial statements were approved by the Board of Directors and signed on their behalf by:

Name & Position : *Njomo Pnam Esther*  
Executive Director

Signature & Date :

20 DEC 2022



#### **IV. Accounting policies**



## **1. General information and Background**

Reach Out Cameroon supports underprivileged groups within the communities on health issues, wealth creation, human rights and governance. It provides capacity building for improved livelihood using a community centred approach and advocacy.

Started in 1996, the organisation became legalized in 2000. Reach Out was founded by a group of medical doctors, gender specialists, social workers, nurses, community relay agents and agronomists who were concerned with the plight of the rural people, especially those in hard-to-reach areas and those rendered vulnerable. These include, but are not limited to minority groups such as widows, displaced women and their families, school drop-outs, orphans and vulnerable children (OVC) as well as HIV and AIDS infected and affected persons who are all main beneficiaries of Reach Out's programs.

The organisation was born in response to the wide-spread HIV epidemic in Fako district, particularly among rural communities which were left unattended. The pioneer group of social workers, agricultural experts, doctors and nurses and other well-wishers decided to focus on serving the rural populations with information about the virus and on how to build up immune systems with natural recipes.

The organisation quickly became interested on not only serving those rendered vulnerable, but advocating for them and raised its voice to denounce the injustices people living with HIV were suffering in our Country. Experiencing the HIV pandemic was unevenly targeting women, with other specific challenges such as gender-based violence, inequality, property expropriation and little access to leadership positions, the organisation broadened its focus and included aspects of Gender, human rights and training. This saw the birth of the second department within the organisation – Gender and Capacity Building. In the course of carrying out activities in the Gender and Capacity Building Department, the organisation realised that its sensitisation and capacity building efforts required a third leg. Thus, the Wealth Creation Department was born to take care of the economic empowerment of women and underprivileged groups. Today these three departments have separated focuses on interconnected issues, and work closely to bring the best impact to communities all over Cameroon, Kivu in the Democratic Republic of Congo, and North-Eastern Nigeria.

## **2. Summary of significant accounting policies**

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

### **2.1. Basis of Accounting**

#### **Historical Cost convention**

The financial statements have been prepared under the historical cost convention and in compliance with the accounting framework in force.

#### **Basis of Preparation**

The financial statements have been prepared in accordance with the cash basis of accounting. The cash basis of accounting has been supplemented with accounting for; a) receivables that include payments due to Reach Out Cameroon from donors for projects executed, and b) payables that include amounts due to third parties for services rendered awaiting payments. This has been reported in the balance sheet



## **Statement of Compliance**

As per article 15 of law number 99/014 of 22 December 1999, all not for profit entities in Cameroon are required to prepare a statement of receipt and payments as well as a recapitulative table of assets non-current assets. Reach out Cameroon has fully complied with this regulatory exigency for the year ended 31 December 2022.

## **Going concern**

The financial statements have been prepared on a going concern basis. Management has prepared the financial statements with the assumption that Reach Out Cameroon will continue as a going concern for the foreseeable future being a minimum of 12 months from the reporting date

## **Reporting Currency**

The financial statements are presented in XAF/Francs CFA, which is the functional and reporting currency of Reach out Cameroon and all values are rounded to the nearest francs CFA

### **2.2. Recognition of Receipts**

The organisation's income is derived principally from grants and donations from external parties and partners. Grants, donations and contributions are recognised when received and measured at the fair value of the contribution. Receipt is recognised from the various sources when the event occurs and the related cash has been received by Reach out Cameroon

Grants and donations are recognized in the books of accounts when cash is received. Cash is considered as received when a payment advice is received by the recipient entity.

#### **2.2.1. In-kind Donations and Grants**

In-kind donations and contributions are donations that are made to the entity in the form of actual goods and/or services rather than in money or cash terms. These donations may include vehicles or equipment etc. Where the financial value received for in kind contributions can be reliably determined, the Project includes such value in the statement financial position; otherwise, the contribution is not recorded.

Grant income received in kind do not form part of the statement of receipt and payment. However, grant income received in kind which is operational in nature is disclosed as notes to the financial statements

#### **2.2.2. Undrawn external assistance**

These are grants at reporting date as specified in a binding agreement and relate to funding for the Project currently under development where conditions have been satisfied or their ongoing satisfaction is highly likely and the project is anticipated to continue to completion. Where undrawn assistance relates to projects already executed by Reach Out, such amounts due is reported as receivables and the corresponding payments due to third parties for the project reported as payables.

#### **2.2.3. Other receipts /Income**

These include other income received by Reach Out Cameroon not linked to donations and grants from external donors. These are recognised in the financial statements the time associated cash is received



### **2.3. Recognition of Payments**

The organisation recognises all payments when the event occurs and the related cash has actually been paid out by the Projects or the entity.

- **Compensation of Employees**

Salaries and Wages, Allowances, Statutory Contribution for employees are recognized in the period when the compensation is paid.

- **Use of goods and services**

Goods and services are recognized as payments in the period when the goods/services are consumed and paid for. If not paid for during the period where goods/services are consumed, they shall be disclosed as pending bills and recognised in payables.

### **2.4. Property, Plants and Equipment**

#### **2.4.1. Acquisition of Fixed Assets**

The payment on acquisition of property plant and equipment items is not capitalized initially. The cost of acquisition and proceeds from disposal of these items are treated as payments and receipts items respectively. A fixed asset register is maintained by the entity and a summary provided for purposes of consolidation.

#### **2.4.2. Recognition and measurement**

In the balance sheet, Items of property, plant and equipment are measured at cost less accumulated depreciation and accumulated impairment losses.

Cost includes expenditure that is directly attributable to the acquisition of the asset. The cost of construction recognised includes the cost of materials and direct labour, any other costs directly attributable to bringing the assets to a working condition for their intended use.

#### **2.4.3. Depreciation**

Depreciation is calculated over the depreciable amount, which is the cost of an asset, or other amount substituted for cost, less its residual value.

Depreciation is recognized on a straight-line basis over the estimated useful lives of each part of an item of property, plant and equipment which reflects the expected pattern of consumption of the future economic benefits embodied in the asset. The statement of receipt and payments does not include depreciation expenses. However, property plants and equipment stated on the balance sheet is net of accumulated depreciation

### **2.5. Cash and cash equivalents**

Cash and cash equivalents comprise cash on hand, cash balances with banks, and mobile money balances. cash and cash equivalent does not include cash advances which were not yet surrendered or accounted for at the end of the financial year.

### **2.6. Accounts receivable**

For the purposes of these financial statements, imprests and advances to authorised employees which were not surrendered or accounted for at the end of the financial year is treated as receivables. This is equally the case with projects executed either with prefinance from Reach Out or not pending payments from the donors. This is an enhancement to the cash accounting policy. Other accounts receivables are disclosed in the financial statements.

### **2.7. Pending bills /Payables**

Pending bills or payables consist of unpaid liabilities at the end of the financial year arising from contracted goods or services during the year or in past years. As pending bills do not involve the payment of cash in the reporting period, they recorded as 'memorandum' or 'off balance' items to provide a sense of the overall net cash position of the organisation at the end of the year. When the pending bills are finally settled, such payments are included in the statement of receipts and payments in the year in which the payments are made. However, pending bills as at 31 December are reported as liabilities in the statement of financial position

### **2.8. Taxation**

As a not-for-profit organisation and in line with law number 99/014 of 22 December 1999 on not-for-profit entities and as required by the General tax code, Reach Out Cameroon is fully exempted from payment of taxes on its net results for the not for profit section of its activities. The organisation is however expected to pay taxes on its commercial activities

### **2.9. Errors**

Material prior period errors are corrected retrospectively in the first set of financial statements authorized for issue after their discovery by: i. Restating the comparative amounts for prior period(s) presented in which the error occurred; or ii. If the error occurred before the earliest prior period presented, restating the opening balances of assets, liabilities and net assets/equity for the earliest prior period presented.



## **V. Notes to the financial statements**

Note	Year ended 31 December	
	2022	2021
	in XAF	in XAF
<b>1 Donations Received</b>		
GLOBAL GIVING PLATFORM	21,197,203	30,945,965
FREIDRICH HERBET	-	2,720,000
DONOR SEE	1,107,645	1,758,540
RTG SOUTH WEST REGION	1,417,400	1,540,400
<b>Total Donations Received</b>	<b>23,722,248</b>	<b>36,964,905</b>
<b>2 Grants Received</b>		
GLOBAL FUND	1,990,420,763	-
EXPERTISE FRANCE	188,752,076	310,527,001
GLOBAL AFFAIRS CANADA	127,904,334	-
AMPLIFY CHANGE-Network Grant-UXDS-6VJG-PK	124,129,034	44,537,648
EUROPEAN UNION	79,507,000	1,800,000
WPHF	57,819,681	-
ELRHA	29,411,443	37,913,188
GERMAN EMBASSY	45,796,951	-
PISCA	31,099,375	-
ICAN	30,470,681	532,532
NED	29,677,978	-
GIZ-PROPASSER	29,275,675	-
AMPLIFY CHANGE-Strengthening grant TVCH-72ES-B5	23,151,822	-
MANOS UNIDAS	28,169,417	-
ADDAX	24,944,890	750,000
MEA (CSO Networking)	21,958,496	1,846,741
GIZ-GOPA	11,996,400	2,886,200
NCPBM	3,000,000	-
STREET CHILD	2,050,750	14,174,950
WFP	4,148,957	97,058,202
CDCS	-	38,098,199
UNESCO	-	10,287,820
NEW AGE	-	8,526,450
PROMUD	-	6,892,800
US EMBASSY	-	4,476,863
WMC	-	6,896,645
IMPACT SANTE (CS4ME)	-	1,897,363
MICRO CREDIT	-	1,843,500
CARE CAMEROON	-	691,683
BRITISH HIGH COMMISSION	-	1,000,000
GCC	-	5,813,645
CANADIAN EMBASSY	-	2,003,560
<b>Total grants received</b>	<b>2,883,685,723</b>	<b>600,454,990</b>
<b>3 Endowment Funds</b>		
	-	-



**4 Admin/Other Income**

Consultancy Income  
Bank interest Income  
Administrative fees ADDAX  
Administrative fees SWISS PEACE  
Administrative fee GLOBAL Fund  
Other sundry income

1,333,000	
906,618	205,883
3,500,000	
100,000	
46,077,613	22,897,433
	15,265,022
<b>51,917,231</b>	<b>38,368,338</b>

**5 Program Cost**

**I. Health Programs**

BREAKING BARRIERS  
GLOBAL FUND  
ELRHA  
GG  
PRoPASAR

**II. Wealth Creation Programs**

MANOS  
GG  
PISCCA  
DONORSEE  
ADDAX  
WFP

**III. Human Right and Governance**

GAC  
GG  
WPHF  
NED  
ICAN  
MEA  
CDA  
GOPA  
AMPLIFY CHANGE-Strengthening grant TVCH-72ES-B5  
AMPLIFY CHANGE-Network Grant-UXDS-6VJG-PK  
NCPBM  
GERMAN EMBASSY  
ProMUD  
EU  
Street Child

**Humanitarian Programs**

<b>2,168,153,881</b>	<b>184,906,582</b>
220,720,169	
1,857,882,304	
58,497,746	
1,778,087	
29,275,575	
<b>80,705,441</b>	<b>57,511,528.00</b>
1,238,000	
2,706,500	
11,071,150	
650,895	
24,944,890	
40,094,006	
<b>331,676,599</b>	<b>70,814,200.00</b>
29,411,099	
2,588,200	
39,617,500	
20,764,200	
21,151,300	
13,973,146	
31,404,499	
7,052,817	
37,287,500	
1,395,000	
2,990,000	
45,803,010	
7,418,500	
68,769,828	
2,050,000	
	<b>122,039,957.00</b>

**Pre-finance Cost**

Pre-financed Expenses ADDAX

<b>22,527,850</b>	
22,527,850	0.00

**2,603,063,771 435,272,267.00**

**6 Administration & General**

Staff Cost  
Bank charges  
Sundry expenses

43,718,969	35,560,971.00
2,923,747	
4,903,769	42,335,302.00
<b>51,546,485</b>	<b>77,896,273.00</b>

**7 Fund Raising**

General Fund raising expenses	1,023,000	0.00
	1,023,000	0.00
<b>8 Investment in Assets</b>		
Cash Purchase of Fixed Assets	-	3,982,000.00
	-	<b>3,982,000.00</b>
<b>9 Property, plant and Equipment</b>		
Land	6,910,000.00	6,910,000.00
Building	28,496,688.13	43,514,165.00
Auto mobiles	55,907,982.25	29,810,643.00
Equipment	8,106,168.80	14,950,165.00
	<b>99,420,839.18</b>	<b>95,184,973.00</b>
<b>10 Intangible non current assets</b>		
Accounting Software (Quickbooks)	840,000.00	1,050,000.00
	<b>840,000.00</b>	<b>1,050,000.00</b>
<b>11 Financial Investments</b>		
	0.00	0.00
<b>12 Inventories</b>		
	0.00	0.00
<b>13 Receivables and Advances</b>		
Donation Receivable		
Operating Grant Receivable Global Fund	612,255,691.00	509,457,649.00
Operating Grant Receivable ADDAX		3,162,000.00
Operating Grant Receivable MEA		1,604,020.00
Unretired Advances	105,973,951.00	33,688,441.00
	<b>718,229,642.00</b>	<b>547,912,110.00</b>
<b>14 Other Current Assets</b>		
	-	0.00
<b>15 Cash and Cash Equivalent</b>		
BICEC Buea - Reach Out "REO" - 20	128,902,443.00	159,287,735.00
BICEC Buea - Reach Out PNS OVC - 43	64,852,055.00	18,811,382.00
BICEC Buea - Reach Out Cameroon 17	35,539,408.00	31,937,111.00
BICEC Buea - Reach Out Cameroon 14	12,543,125.00	7,631,427.00
BICEC Buea - Reach Out Cameroon 08	- 5,800.00	200,328.00
First Trust Buea - REACH OUT "OFFICE"	24,907,828.00	2,718,231.00
First Trust Buea - REACH OUT "DROMBAYA"	988,588.00	1,112,005.00
NFC - REACH OUT CAMEROON - PACF	123,468,721.00	38,808,244.00
NFC - REACH OUT CAMEROON - GBV	10,694,982.00	58,236,411.00
NFC - REACH OUT CAMEROON - GCC	95,961,559.00	6,782,953.00
NTACCUL- REACH OUT CAMEROON	330,651.00	
UBA Limbe- Reach Out Cameroon	18,711,283.00	0.00
CASH IN HAND HQ	-	
CASH IN HAND GF	189,717.00	399,095.00
MOBILE MONEY BALANCE HQ	1,136,824.00	1,367,586.00
MOBILE MONEY BALANCE GF	40,477,560.00	
	<b>558,698,944.00</b>	<b>327,292,508.00</b>
<b>16 Net Assets</b>		



Net Assets brought forward	197,853,040.00	138,586,034.00
Increase/decrease in net assets in the year	67,058,631.18	59,267,006.00
	264,911,671.18	197,853,040.00
<b>17 Long term Borrowing</b>		
	-	0.00
<b>18 Endowment Funds</b>		
	-	0.00
<b>19 Payables and other liabilities</b>		
Wages and Salaries payable Global Fund		85,673,621.00
National Insurance Fund	5,099,863.00	7,583,030.00
Withholding taxes on wages		9,285,621.00
Program cost payable Global Fund	612,255,691.00	406,915,377.00
Other Expenses payable ADDAX		3,162,000.00
Other Expenses payable MEA		1,604,020.00
	<b>617,355,554.00</b>	<b>514,223,669.00</b>
<b>20 Outstanding restricted funds</b>		
BREAKING BARRIERS	128,619,407.00	158,360,438.00
AMPLIFY CHANGE	122,734,034.00	
GLOBAL FUND	59,188,843.00	
GAC	46,595,734.00	
ELRHA	29,193,763.00	35,492,588.00
MANOS	26,931,417.00	
PISCCA	21,298,975.00	
WPHF	11,242,181.00	
NED	8,936,778.00	
ICAN	8,379,913.00	
MEA	7,985,350.00	
GG	7,410,764.00	3,823,008.00
CDA	6,245,311.00	31,398,199.00
PRoPASAR	5,925,824.00	
GOPA	1,528,350.00	2,237,700.00
DONORSEE	1,107,645.00	1,138,965.00
WFP	1,029,512.00	
STREET CHILD	895,806.00	632,050.00
CARE CAMEROON	571,897.00	571,897.00
AMPLIFY CHANGE	168,255.00	18,181,808.00
GERMAN EMBASSY	93,941.00	
ProMUD	- 1,155,700.00	6,202,800.00
EU	- 5,800.00	285,114.00
Micro Credit		1,038,315.00
	<b>494,922,200.00</b>	<b>259,362,882.00</b>
<b>21 Short term borrowings</b>		
	-	0.00
<b>22 Depreciation Expense</b>		
Depreciation of Tangible non current Assets	8,210,543.82	
Depreciation of intangible non current Assets	210,000.00	
	<b>8,420,543.82</b>	

## **VI. Management Representation letter**



Our Ref: \_\_\_\_\_ REO/VOL.15/B/SW 023

Date: 20<sup>th</sup> December 2023

**Attention**

Nfor Gabriel Tumbong  
VGF & Partners  
785 Avenue King Akwa  
Douala, Cameroon

**Subject:** Management Representation Letter

This representation letter is provided in connection with your statutory audit of the financial statements of Reach Out Cameroon for the year ended December 31, 2022 for the purpose of expressing an opinion as to whether the financial statements are presented fairly, in all material respects, (or give a true and fair view) in accordance with the applicable accounting framework.

We confirm that (to the best of our knowledge and belief, having made such inquiries as we considered necessary for the purpose of appropriately informing ourselves):

**A. Financial statements**

- We have fulfilled our responsibilities, as set out in the terms of the audit engagement dated June 18, 2022, for the preparation of the financial statements in accordance with the accounting framework in force; in particular the financial statements are fairly presented (or give a true and fair view) in accordance therewith;
- Related party relationships and transactions have been appropriately accounted for and disclosed in accordance with requirements of International Financial Reporting Standards;
- All events subsequent to the date of the financial statements and for which International Financial Reporting Standards require adjustment or disclosure have been adjusted or disclosed;
- The effects of uncorrected misstatements are immaterial, both individually and in the aggregate, to the financial statements as a whole.

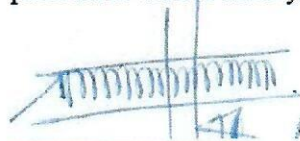
**B. Information Provided**

- We have provided you with:
  - Access to all information of which we are aware that is relevant to the preparation of the financial statements, such as records, documentation and other matters;
  - Additional information that you have requested from us for the purpose of the audit;
  - Unrestricted access to persons within the entity from whom you determined it necessary to obtain audit evidence; and
  - All requested information, explanation and assistance for the purpose of the audit
- All transactions have been recorded in the accounting records and are reflected in the financial statements;





- We are responsible for the design, implementation and maintenance of internal controls to prevent and detect fraud;
- There has been no fraud or suspected fraud affecting the entity involving management, employees who have significant roles in internal controls or others where the fraud could have a material effect on the financial statements;
- There has been no allegation of fraud, or suspected fraud, affecting the entity's financial statements communicated by employees, former employees, regulators or others;
- We have disclosed to you all known instances of non-compliance or suspected non-compliance with laws and regulations whose effects should be considered when preparing financial statements;
- We have disclosed to you the identity of the entity's related parties and all the related party relationships and transactions of which we are aware;
- In respect of other information, we have informed you of all the documents that we expect to issue that may comprise other information;
- The selection and application of accounting policies as described in notes to the financial statements are appropriate;
- We have no plans or intentions that may affect the carrying amount or classification of assets and liabilities
- Liabilities both actual and contingent have been properly recorded and, when appropriate, adequately disclosed in the financial report;
- The entity has satisfactory title to, or control over all assets and there are no liens or encumbrances on such assets that have not been disclosed nor has any asset been pledged as collaterals;
- We have properly recorded and, when appropriate, adequately disclosed in the financial statements the effect of any law, regulation and contractual agreement on the financial report, including non-compliance;
- We have communicated to you all deficiencies in internal control of which we are aware;
- There has been no legal claims during the year

We understand that your audit was conducted in accordance with international standard on Auditing and was therefore designed primarily for the purpose of expressing an opinion on the financial statements of Reach Out Cameroon taken as a whole, and that your test of the financial records and other auditing procedures were to those you considered necessary for that purpose.



Eko Ngomba John  
Chief Finance Officer



Omam Esther Njomo  
Executive Director