

**FREE HEARTS AFRICA REACH FOUNDATION
(FAROF)**

*AUDITED ACCOUNTS AND FINANCIAL STATEMENTS
FOR THE PERIOD ENDED
31ST DECEMBER, 2015*

KOLA BAMIWUYE & CO
(Chartered Accountants)
Suite 7, 4th Floor Nagwamatse House
48/50, Ahmadu Bello Way, Kaduna.

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FREE HEARTS AFRICA REACH FOUNDATION (FAROF)

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FREE HEARTS AFRICA REACH FOUNDATION (FAROF)

FINANCIAL STATEMENT FOR THE PERIOD

ENDED 31ST DECEMBER 2015

CORPORATE PROFILE

MISSION OFFICE

No. 6 Rahama Road,
Narayi High Cost,
Kaduna State,
Nigeria.

LEGAL STATUS

Registered under the Part C of the Allied Matter Act (1990) Corporate Affairs Commission, Abuja, Nigeria.

NAMES OF TRUSTEES

1. Ambassador Eunice Eburnola Adams
2. Isaac Ikelegbe
3. Adams Ederegba Michael
4. Labija Enemona Blessing
5. Al-Amin Ciroma
6. Henry Ezugwu Ikemefuna
7. Yusuf Shehu Idris
8. Usman Azom Tanko

BANKERS

First Bank of Nigeria

Diamond Bank

MISSION STATEMENT

Reaching out to the Vulnerable, through commitment to Children, Women and Youths under poverty, gender violence & health challenges into the Lime LIGHT of PROVISION of free Education, Health, empowerment and gender base programs that are sustainable and appropriate for Hard-To-Reach-Areas.

our major objectives are as follows:

1. To promote sexual reproductive health and rights programs in our society.
2. To build a stronger alliance with individuals, Partners, community stakeholders or Network Organisations whether national or international.
3. To end Gender based violence in terms of abuse, exploitation and human trafficking, among Children and Adolescents (girls) and young women in Nigeria and Africa at large.
4. To address the causes, preventive measure, support and treatment of opportunistic infections such as HIV/AIDS,/STI and, Tuberculosis (TB) that affects children, Adolescents and young people in our society
5. To Improved health condition and stop the spread of sanitation related diseases and dirty environment in Nigeria.
6. To strengthen clinical delivery service in hard to reach communities for children and young people to access quality and friendly services.
7. To improve the nutrition of mothers and children, as well as reduce the number of maternal death rate and illness from various disease/infection.
8. To strengthen the economic system of women and reduce the level of unemployment, poverty and hunger in our society through Agricultural practice, empowerment and life building skills programs.
9. To strengthen the educational system through capacity building, renovation, enrolling children, especially the girl child to schools and providing educational support materials.

FREEHEARTS AFRICA REACH OUT FOUNDATION



Head Office: No. 6 Rahama Road, Narayi Highcost, Barnawa - Kaduna
Branch office: No 29 Agades Street, Aminu Kano crescent, Wuse II, Abuja
2347001333333, 2348034157360,
Email: freeheartsafrica@gmail.com or info@farof-dionigeria.org
www.farof-dionigeria.org
Kaduna State P O Box:3350

End GBV, Fight HIV today
CAC/IT/NO 61548

2nd January 2016

REPORT OF THE BOARD OF TRUSTEES

The board of trustees has the pleasure in submitting its report together with the Audited Financial Statements for the year ended 30th December, 2015

1. ACTIVITIES

The activities of the organization continue to be the promotion of Health, Education and Empowerment programs and Gender Base Violence programs.
DONATIONS: all donations was made directly into the Naira account

2. RESULT FOR THE YEAR

Below is the summary of the results of the Organisation financial operations in both the **Diamond Bank account** and **First Bank Account** for the year ended 30th December, 2015

	2015(₦)
Total income generated	7, 058, 143
Less overhead costs and expense	6, 965, 143
Excess income over Expenditure for the year	93,000
Accumulated surplus carried forward	93,000

AUDITOR

The Auditors, **KOLA BAMIWUYE & CO** indicates their willingness to serve as auditor of the Foundation.

BY ORDER OF THE TRUSTEES.

January, 2016.





KOLA BAMIWUYE & CO

(Chartered Accountants)

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Abuja, Lagos,
Ibadan.

**AUDITORS REPORT TO THE BOARD OF TRUSTEE OF
FREE HEARTS AFRICA REACH FOUNDATION (FAROF)**

We have audited the financial statement of Free Hearts Africa Reach Foundation (FAROF) for the year ended 31st December, 2015 set out on pages 6 to 12 which have been prepared in accordance with the accounting policies set out on page 9.

**RESPECTIVE RESPONSIBILITIES OF FREE HEARTS AFRICA REACH FOUNDATION (FAROF)
AND AUDITORS**

In accordance with the provision of *section 335 of the Companies & Allied Matters Act, 2004*, FAROF is responsible for the preparation of the accounts which give true and fair view of the State of Affairs of the Project as at end of the accounting year.

These responsibilities include ensuring that:

- 1) Adequate internal control procedures are instituted to safeguard assets, prevent and detect fraud and other irregularities.
- 2) Proper accounting records are maintained.
- 3) Applicable accounting standards are followed.
- 4) Suitable accounting policies are used and consistently applied.
- 5) The accounts are prepared on the going concern basis unless it is inappropriate to presume that company will continue in business.

It is our responsibility to form an independent opinion, based on our audit, on the financial statement prepared by FAROF and to report our opinion to you.

BASIS OF OPINION

We conducted the audit in accordance with generally accepted auditing standards. An audit includes examination, on a test basis of evidence relevant to the amounts and disclosures in the financial statements. It also includes an assessment of the significant estimates and judgment made by the Executing Board in the preparation of the financial statements and of whether the accounting policies are appropriate to the circumstances of the Corporation, consistently applies and adequately disclosed.

We planned and performed the audit so as to obtain all the information and explanations, which we considered necessary in order to provide us with sufficient evidence to give reasonable assurance that the Financial Statements are free from material misstatement. In forming our opinion, we also evaluated the overall adequacy of the presentation of information in Financial Statements.

OPINION

In our opinion, the Financial Statements give a true and fair view of the State of Affairs of the Project and of Cash flow for the year ended 31st December, 2015, and are in agreement with the provisions of the various agreements made with Donor organizations and the *Companies & Allied Matters Act, 2004* as amended.



K. O. Bamiwuye
Kola Bamiwuye & Co
(Chartered Accountants)
FRC/2013/ICAN/00000001236

FREE HEARTS AFRICA REACH FOUNDATION (FAROF)

AUDITORS REPORT ON DISBURSEMENT ACCOUNTS

AS AT 31ST DECEMBER 2015

We have audited the Statement of Disbursements Accounts.

Our audit was carried out in accordance with the International Accepted Auditing Standards.

The accompanying Disbursement Accounts were prepared on the basis of cash deposit by the Free Hearts Africa Reach Foundation (FAROF) for the purpose of complying with the Agreement.

In our opinion, the accompanying Disbursements Accounts were prepared on the basis of confirmation of receipts of the amounts through the sub-recipient, First Bank of Nigeria Plc. and Diamond Bank Plc.

In our opinion, the receipts of the Disbursement Accounts have been properly accounted for in accordance with the Agreements and in view of the movement on the accounts for the year ended 31st December, 2015.



Kola Bamiwuye & Co
(Chartered Accountants)
FRC/2013/ICAN/00000001236

FREE HEARTS AFRICA REACH FOUNDATION (FAROF)

AUDITORS OPINION ON THE STATEMENT OF

EXPENDITURE – SOE

We have examined the expenditure, in respect of which withdrawals from the Grants and other income were made during the year ended 31st December, 2015.

In our opinion, the Internal control Procedures involved in the preparation of the Statements of Expenditures are adequate and all expenditures were wholly, necessarily, reasonably and exclusively incurred for the project.



Kola Bamiwuye & Co
(Chartered Accountants)
FRC/2013/ICAN/00000001236

FREEHEARTS AFRICA REACH OUT FOUNDATION


STATEMENT OF FINANCIAL POSITION

AS AT 31ST DECEMBER, 2015

	NOTES	2015 N	2014 N
NON-CURRENT ASSETS			
Fixed Assets	2	14,092,000	9,930,000
CURRENT ASSETS			
Cash in hand and at bank	3	64,500	55,000
NET ASSETS		14,156,500	9,985,000
 FINANCED BY			
Accumulated Funds	4	14,156,500	9,985,000
		14,156,500	9,985,000

 chairman

Trustee

 - secretary

The notes on pages 8 to 10 form integral part of these financial statements.


FREEHEARTS AFRICA REACH OUT FOUNDATION

INCOME AND EXPENDITURE ACCOUNT

FOR THE YEAR ENDED
31ST DECEMBER, 2015

	NOTE	2015 N	2014 N
INCOME:			
Grant	5	6,625,143	4,920,000
Donations	6	433,000	328,000
		7,058,143	5,248,000
EXPENDITURE:			
Project and Other Expenses	6	6,965,143	5,179,000
		6,965,143	5,179,000
EXCESS OF INCOME OVER EXPENDITURE		93,000	69,000

 - chairman

 - secretary

The notes on pages 8 to 10 form integral part of these financial statements.

FREEHEARTS AFRICA REACH OUT FOUNDATION

CASHFLOW STATEMENT

**FOR THE YEAR ENDED
31ST DECEMBER, 2015**

	2015 N	2014 N
CASH FLOW FROM OPERATING ACTIVITIES		
Excess of Income over Expenditure for the Year	93,000	69,000
Depreciation on Fixed Assets	1,003,000	620,000
CHANGES IN WORKING CAPITAL	1,096,000	689,000
Changes in Working Capital		
Increase / Decrease in Creditors	-	-
Net Cash Flow from Operating Activities	1,096,000	689,000
CASH FLOW FROM INVESTING ACTIVITIES		
Purchase of Fixed Assets	(5,165,000)	(10,550,000)
	(4,069,000)	(9,861,000)
CASH FLOW FROM FINANCING ACTIVITIES		
Members Contributions	4,078,500	9,869,000
Net Increase / Decrease in Cash and Cash Equivalents	9,500	8,000
Cash and Cash Equivalent at 1 st January	55,000	47,000
Cash and Cash Equivalent at 31 st December,	64,500	55,000

The notes on pages 8 to 10 form integral part of these financial statements.

FREEHEARTS AFRICA REACH OUT FOUNDATION

NOTES TO THE ACCOUNTS

FOR THE YEAR ENDED
31ST DECEMBER, 2015

1) STATEMENT OF SIGNIFICANT ACCOUNTING POLICIES:

a) Accounting Convention:

The Financial Statements are prepared under the historical cost convention as modified by the revaluation of Land and Buildings.

b) Income

This presents members' subscriptions, registration fees and sundry donations received from kind hearted philanthropist, Non - Government Organization, Government Agencies and Members Donation.

c) Depreciation

No depreciation has been provided on land and buildings however, depreciation is calculated on other fixed assets on straight line basis at annual rates, estimated to write off the assets over their estimated useful lives at the following annual rates:

Land and Building	2%
Office Furniture and Equipment	10%
Motor Vehicle	20%
Plant and Machinery	20%

FREEHEARTS AFRICA REACH OUT FOUNDATION

NOTES TO THE ACCOUNTS

**FOR THE YEAR ENDED
31ST DECEMBER, 2015**

2. FIXED ASSETS

	LAND	OFFICE FURNITURE & EQUIPMENT	PLANT & MACHINERY	TOTAL
	N	N	N	N
COST				
As at 01-12-14	4,500,000	5,900,000	150,000	10,550,000
Additions during the year	1,500,000	3,500,000	165,000	5,165,000
Disposal	-	-	-	-
As at 01-12-15	<u>6,000,000</u>	<u>9,400,000</u>	<u>315,000</u>	<u>15,715,000</u>
DEPRECIATION				
As at 1/01/2015	-	590,000	30,000	620,000
Charge for the year	-	940,000	63,000	1,003,000
As at 31/12/2014	<u>-</u>	<u>1,530,000</u>	<u>93,000</u>	<u>1,623,000</u>
NET BOOK VALUE				
At 31 December, 2015	<u>6,000,000</u>	<u>7,870,000</u>	<u>222,000</u>	<u>14,092,000</u>
At 31 December, 2014	<u>4,500,000</u>	<u>5,310,000</u>	<u>120,000</u>	<u>9,930,000</u>

FREEHEARTS AFRICA REACH OUT FOUNDATION

NOTES TO THE ACCOUNTS

FOR THE YEAR ENDED
31ST DECEMBER, 2015

	2015 N	2014 N
3. CASH IN HAND AND AT BANK		
First Bank of Nigeria	63,000	45,000
Diamond Bank Plc	<u>1,500</u>	<u>10,000</u>
	<u>64,500</u>	<u>55,000</u>
4. ACCUMULATED FUNDS		
Brought Forward	9,985,000	47,000
Members Contribution	4,078,500	9,869,000
Excess of Income over Expenditure for the Year	93,000	69,000
	<u>14,156,500</u>	<u>9,985,000</u>
Accumulated Funds Carried Forward to Balance S	<u>14,156,500</u>	<u>9,985,000</u>
5. GRANT		
Grant Received	<u>6,625,143</u>	<u>4,920,000</u>
	<u>6,625,143</u>	<u>4,920,000</u>
6. DONATION		
Members Donations	294,000	224,000
Sundry Donations	<u>139,000</u>	<u>104,000</u>
	<u>433,000</u>	<u>328,000</u>

2015 - Chairman
[Signature] - Secretary

FREEHEARTS AFRICA REACH OUT FOUNDATION

NOTES TO THE ACCOUNTS

FOR THE YEAR ENDED
31ST DECEMBER, 2015

	2015 N	2014 N
7. PROJECT AND OTHER EXPENSES		
Salaries and Allowances	1,010,000	980,000
Transport and Travelling	902,000	770,000
Stationary and Printing	70,000	63,000
Repairs and Maintenance	102,000	94,000
Educational Support (Materials/Renovation)	1,105,000	950,000
Gender Norms & Analysis	651,000	59,000
Depreciation	1,103,000	620,000
Capacity Building/Training/Meeting	1,035,000	904,500
Audit fee	80,000	65,000
Empowerment (Enterprise Development)	745,000	530,250
Internet Subscription	45,000	38,000
Miscellaneous Expenses	105,000	95,000
Bank Charges	12,143	10,250
	6,965,143	5,179,000