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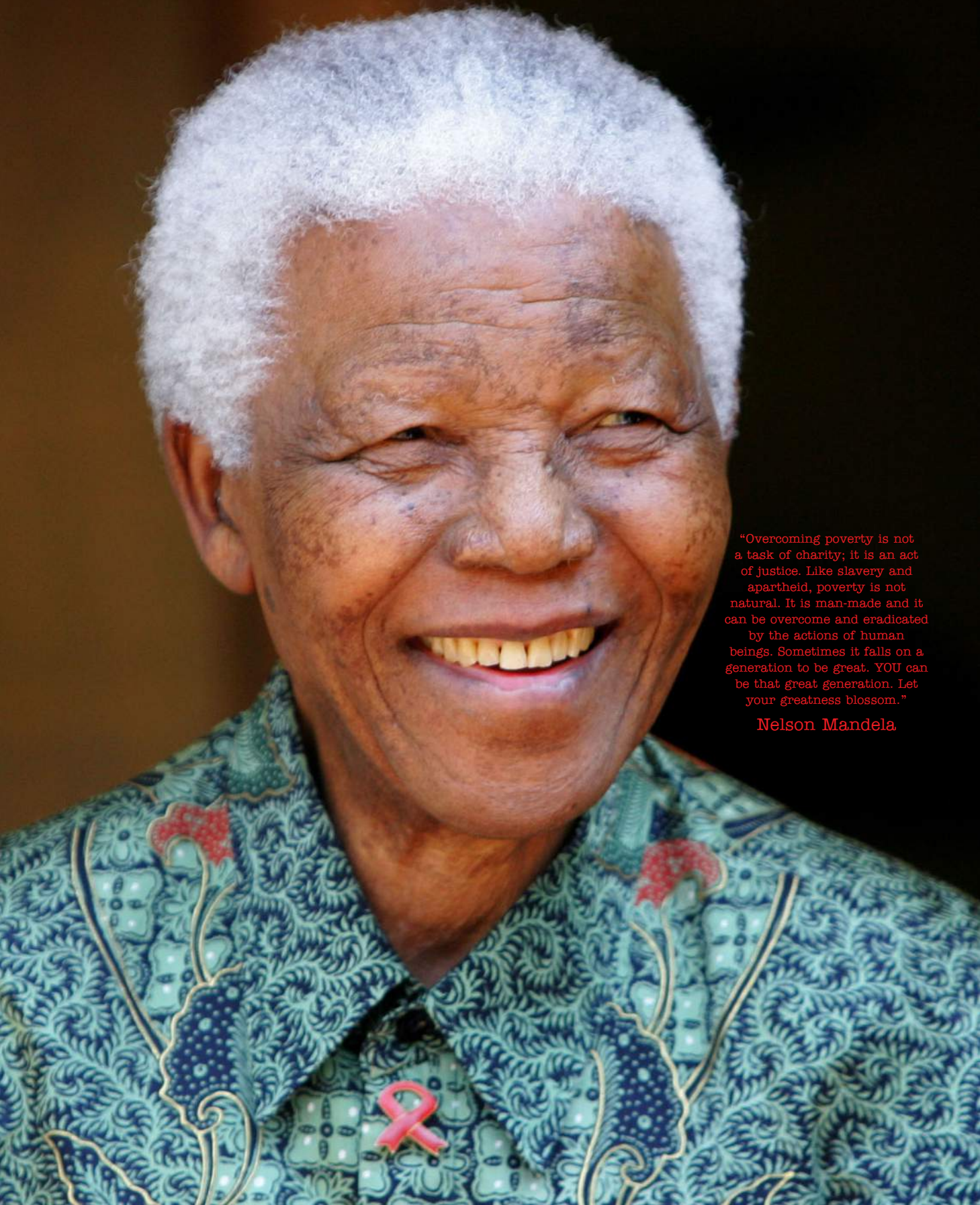


ANNUAL REPORT 2013

Harnessing Human Capabilities to
Embrace Rights and Improve Lives

Nelson Mandela (1918 - 2013)

ActionAid Uganda celebrates the life of a global icon and African hero, former president of South Africa and Nobel Peace Prize laureate, Nelson Rolihlahla Mandela. As the world mourned, we took time to get inspired and committed to sustain the values Mandela stood for



“Overcoming poverty is not a task of charity; it is an act of justice. Like slavery and apartheid, poverty is not natural. It is man-made and it can be overcome and eradicated by the actions of human beings. Sometimes it falls on a generation to be great. YOU can be that great generation. Let your greatness blossom.”

Nelson Mandela



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List of Acronyms

AADK	ActionAid Denmark
AAI	ActionAid International
AAIU	ActionAid International Uganda
ALPS	Accountability Learning and Planning Systems
CAADP	Comprehensive Africa Agriculture Development Programme
CSBAG	Civil Society Budget Advocacy Group
CSO	Civil Society Organizations
CSPIV	Country Strategy Paper IV
CSW	Commission on the Status of Women
DEI	Department of Ethics and Integrity
DFAT	Department for Foreign Affairs and Trade
DHMIS	District Health Management Information System
EC	European Commission
ELBAG	Economic Literacy and Budget Accountability in Governance
FOWODE	Forum for Women in Development
FRA	Food Rights Alliance
GBODC	Governance, Board and Organizational Development Committee
GMOs	Genetically Modified Organisms
HRBA	Human Rights Based Approach
ICGLR	International Conference of the Great Lakes Region
LRP	Local Rights Programme
MIS	Management Information System
MOU	Memorandum of Understanding
NAADS	National Agricultural Advisory Services
NARO	National Agricultural Research Organization
NGO	Non-Governmental Organizations
NUSAF	Northern Uganda Social Action Fund
PEP	Pre-Exposure Prophylaxis
PRDP	Poverty Reduction Development Program
QuAM	Quality Assurance and Management
RACs	Regional Anti-Corruption Coalitions
SACCO	Savings and Credit Cooperative Societies
SEATINI	Southern Eastern Africa Trade Institute and Negotiations
SIDA	Swedish International Development Agency
UWOPA	Uganda Women Parliamentary Association
VSLAs	Village Savings and Loan Associations
WORIA	Women Rights in Agriculture
WWW	Women Won't Wait

What we stand for

Our Vision

“A world without poverty and injustice in which every person enjoys their right to a life with dignity”

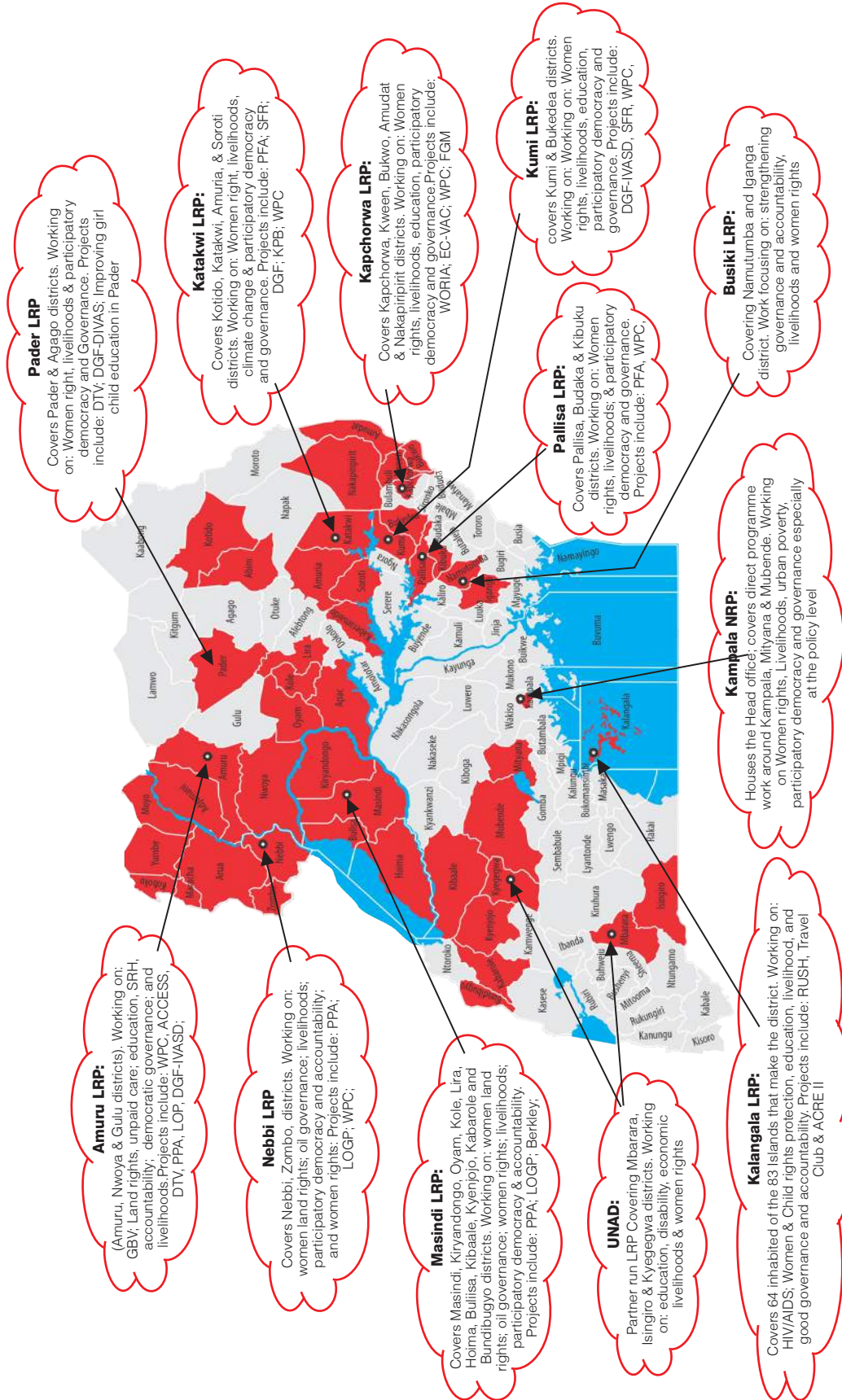
Our Mission

“To work with poor and excluded people to eradicate poverty and injustice”

Our Values

- **Mutual Respect**, requiring us to recognise the innate worth of all people and the value of diversity.
- **Equity and Justice**, requiring us to work to ensure equal opportunity to everyone, irrespective of race, age, gender, sexual orientation, HIV status, colour, class, ethnicity, disability, location and religion.
- **Honesty and Transparency**, being accountable at all levels for the effectiveness of our actions and open in our judgments and communications with others.
- **Solidarity with the Poor**, powerless and excluded will be the only bias in our commitment to the fight against poverty.
- **Courage of Conviction**, requiring us to be creative and radical, bold and innovative – without fear of failure – in pursuit of making the greatest possible impact on the causes of poverty.
- **Independence** from any religious or party-political affiliation.
- **Humility** in our presentation and behaviour, recognising that we are part of a wider alliance against poverty.

Our Reach and Focus



Letter from the Board Chairperson



Dear Readers and Friends,

A heartily welcome to ActionAid Uganda's 2013 Annual Report, a document that attempts to summarize our contribution to development and humanity and accomplishment for 12 months in a few pages.

As it has become a tradition for ActionAid, every year is a year of remarkable achievements and lessons learnt. ActionAid continues to be an important development player in Uganda and true to our mission and values, 2013 saw the organization get praise for its work. Like in 2012, we earned awards for what we do and stand for, most notably; ActionAid Uganda was voted as the best NGO in the country with regards to internal organizational performance and financial reporting when it won the 2013 FiRE Award, recording an improvement from the 1st Runner up position in 2012. In addition, our work on social accountability saw the organization jointly recognized with the famous Public Accounts Committee of Parliament, as frontline players in the fight against corruption in Uganda, an undertaking that not just requires courage but also internal ethical behavior.

As an Affiliate Member of the global federation that ActionAid International is, we played an active role as a fully grown member, effectively participating in shaping the future of the federation through spaces such as the International Assembly. We supported, by going on a learning and sharing visit to the Board of ActionAid Malawi where a member of the ActionAid Uganda Board sits as well as shared lessons with ActionAid Zambia and Tanzania.

Back home, we saw an external evaluation of the AA Uganda Board successfully completed, confirming significant progress in the performance of the board. ActionAid Uganda also successfully replaced 12 general assembly members whose terms had come to an end. From the vibrant AA Uganda General Assembly, we are confident that the board will successfully recruit 2 new members to replace our long serving colleagues Frank Nigel Othembi, and Ms. Mary Kusambiza whose tenure came to an end in December 2013.

As always expected, the year was not all rosy. The organization faced a number of challenges internally and externally. Internally, management continues to struggle with the systemic issue of staff turnover which while has improved from previous years, still continues to be a concern. Externally, ActionAid Uganda like many other civil society organizations continues to operate under a less than optimal political environment in which work on accountability and sometimes human rights is equated to undermining the authority of the state.

Despite all the challenges, we have so much more to celebrate from our work with women, farmers, youth and their organizations. I would like to thank management for their daily commitment to ensuring that ActionAid delivers on its mission. In the same way, I thank my colleagues on the Board for their priceless contribution to humanity through ActionAid in a voluntary capacity, and finally I thank our donors and sponsors for the critical financial patronage that has enabled this organization to achieve so much in advancing its mission. In both good and difficult times!

As an organisation, we remain unyielding in our commitment to work for a world free of the injustice of poverty, one in which everyone enjoys their right to a life with dignity.

James, AA Otto

Chairperson, ActionAid Uganda National Governing Board

Polly Ocola (right) and Joseph Akol care for trees in a nursery bed in Usuk, Katakwi District. The trees are for responding to climate change and income generation



1 Introduction and Overview

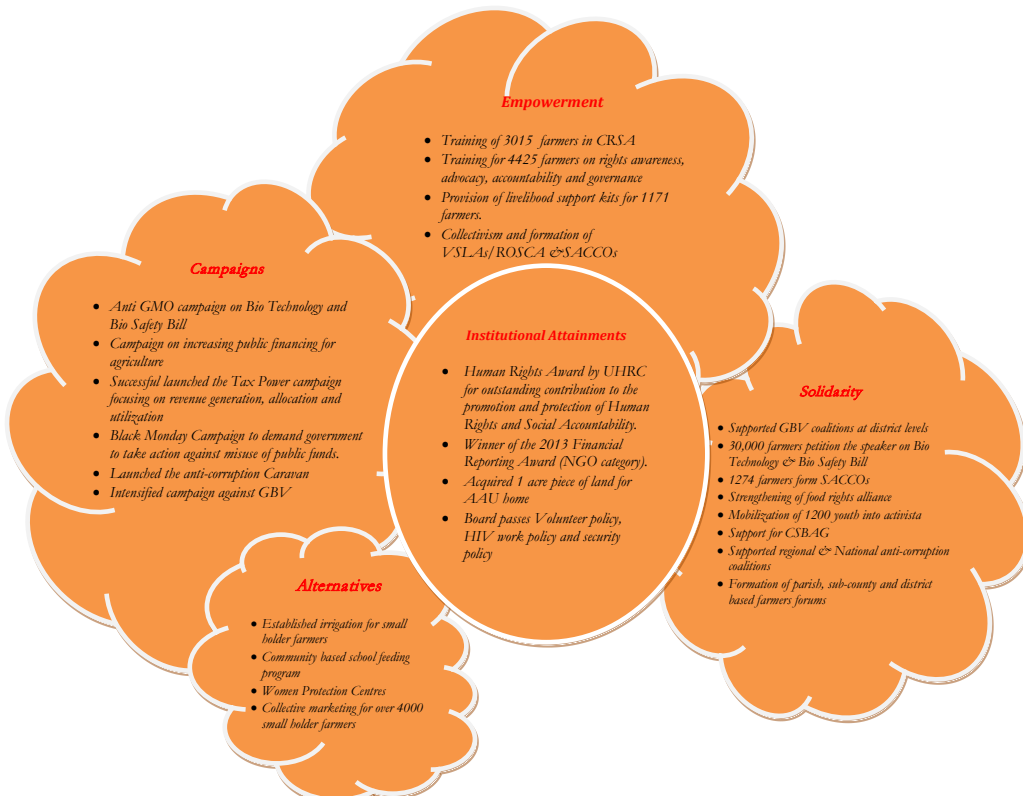
ActionAid's work in Uganda started in 1982 and 2013 marked 31 years of dedicated service to humanity. We are a National Development Organization registered under the laws of Uganda and an Affiliate Member of the Global Federation ActionAid International. This means we have a local Board that we are immediately responsible and accountable to. However, as an affiliate member of the global federation, ActionAid Uganda shares and commits to all the fundamentals of ActionAid International, most notably its vision, mission, values and programming approach all of which are shared globally by all the 47 ActionAid countries.

- The year 2013 was yet again a remarkable year for ActionAid Uganda. We recorded many successes as covered in the preceding and forthcoming pages. Some of the highlights include:
- **Campaign Success** - The year saw us become one of few countries in the AAI Federation to complete a strategy and launch the Tax Justice/Power Campaign. We also made vital knowledge, technical and resource contributions to other critical civil society wide campaigns notably the effort against the proposed GMO Bill as well success of the Black Monday Movement (BMM) which remains the defining face of a determined citizen resolve to bring to an end wanton theft of tax payer's money and donor aid with impunity and without shame.



- **Fundraising Success** - We all knew that 2013 would be a defining year for fundraising given the investments we had made in 2012 and the impending end of a number of projects. By the end of the year, we were celebrating several fundraising successes through various proposals most notably a 1 million Euro grant from the European Commission, a UGX 4.2 Billion grant from the Democratic Governance Facility and an estimated 900,000 Euro annual grant from AADK for the next 4-5 years, to mention three major ones. We must now ensure we deliver!
- **AA Uganda SACCO ready to roll** - We are aware of the difficult economic times not just for our supporters across the world, but also for us as citizens and so in 2012, we revived the idea of a Staff SACCO, successfully elected office bearers and were witness to a start off amount in excess of UGX 150 million. We believe that the SACCO will be a handy resource pool for staff to improve their economic situation starting 2014.
- **A concrete step to AA Uganda's Dream Institutional Home** - After several years of discussion and searching, with the support of the Board, we finally bought a 1 acre piece of land in a prime area on the road to Entebbe International Airport. We can now start the real work to build our dream Head Office which we hope will be standing in the not so distant future.
- **Recognition and Awards!** As testimony to all the hard work staff, management and Board have put into the organisation this year, we, in addition to getting a clean External Audit also won important awards, most notably the Human Rights and Social Accountability Award for our courageous and determined fight against corruption and for public accountability awarded by the Uganda Human Rights Commission and its UN Partners, and the Financial Reporting (FiRE) Awards where we emerged the best NGO in Uganda following a runners up position in 2012.

In programmatic terms, our work falls under the 4 key strands of our Human Rights Based Approach (HRBA), a unique framework that ensures our focus on both immediate needs (the condition) and the rights (the position) of the people we work with and for. In the illustration, we present our achievements at a glance.





Women attending a Reflect Circle meeting in Pallisa district. Photo by Andrea Rosdahl

2 Programme Implementation and Key Achievements

2.1 Women Rights and Gender Equality

Protection of women rights and elimination of gender inequality are major strides in elimination of poverty and injustice. Women suffer the effects of gender based violence, the challenge of poor and inadequate sexual reproductive health services; unequal access to and control of productive resources and the burden of unpaid care work. All these manifest power imbalance at family, community, national and international level.

As ActionAid, our work under this mission priority within the context of our Country Strategy Paper (CSP IV) includes: running 10 Gender Based Violence shelters serving over 35 districts; advocacy for reform in legislations that hamper the full realization and recognition of the important role women play in society; support to the economic empowerment of women through access to and control over productive resources such as land, information, solidarity networks; and advocacy for recognition, reduction and redistribution of the unpaid care work for women.

In 2013, we worked with a total 7,000 of women in 35 of districts and achieved the following:

- Through our Gender Based Violence Centres across the country, we provided legal, psychosocial and mediation support to 1,882 people (1,658 women and 177 men) who reported incidences of violence to us. Out of these, 778 were resolved by AA Uganda and its partners through alternative dispute resolution; 168 were referred to the courts and of these 11 were disposed off while 374 were referred to other stakeholders and 550 cases are still pending.
- Acknowledging the important role that men must play in redressing structural, including cultural based obstacles to the empowerment of women, we in the course of the year devised a model

Spotlight

- 2000 model men rise above gender stereotypes to become champions of Women's Rights
- With a very high cost to our reputation, we stood by and enabled a 23 year old girl, allegedly gang raped by foreign nationals, find peace and smile again.

men initiative that saw us mobilize 884 model men, educated them on the importance of gender equality and through them, we reached a total of 1,131 other men to join the crusade for greater gender equality and women empowerment.

- Working with the Pre-Exposure Prophylaxis (PEP) Coalition as well as the Civil Society HIV Bill Coalition, we made important strides to influence legislations that we believe would have important implications for women. With the PEP Coalition, a position paper, press releases and engagement meetings with ministry of health officials led to adoption of the recommendations for strengthening the PEP policy guidelines.
- Working with re-known public policy research agencies like the Institute of Development Studies (IDS) in the UK, we deepened our insights and outreach with the women's unpaid care work initiative and a strategy has been developed to expand this critical aspect of our work. Reaching out to more policy makers and including men as critical stakeholder in the advocacy for greater recognition, reduction and redistribution of care work, we are sure that new frontiers will be reached.

My husband used to hit me with a panga but has stopped for fears of reprimand!



Night Opoko, 36, from Amuru sub-county, Amuru district, was abducted by the Lord's Resistance Army rebels when in primary two. After two months, she escaped but was shot in the leg. The bullet stayed for three weeks until it was removed in the Lacor Hospital. While her mother insisted she goes back to school, she feared to be abducted again and eloped with a man, thinking that marriage would give her the protection she never got from government or her parents.

It was fear, distress and resignation at the tender age that made her feel she had found a protector and guardian in the man, who later turned out to be the worst tormentor. Soon, the honeymoon was over. Night started getting daily beatings and abuse from her husband. "I would till land, plant crops but during and after the harvest, he would sell all the produce and waste money on alcohol," Night says, "every time I would questioned him, he would hit me with a machete. I suffered several injuries on the head and the shoulder"

Night persisted for 10 years but later gave up and quit the abusive marriage with three children. One year after her first marriage had ended, she met her second husband, but the situation was even worse with him. He threatened to kill her after she refused him to sell millet and maize she had harvested. She produced four children with the second husband but decided to end the second abusive relation and moved to the ActionAid Women Protection Centre for support. In addition to summoning the man, Night was empowered and she believed that all she had gone through was illegal, inhuman and the perpetrators had to face the wrath of the law.

"A lot has changed since ActionAid Intervened. Though still separated, my husband has purchased a piece of land for the children and pays for their upkeep. He has visited my parents twice, pleading for my forgiveness." Night is now an Ambassador against Gender Based Violence.

She moves to churches and women groups, urging them not to suffer in silence but to speak out against all forms of abuses that they are subjected to.

Night is also economically empowered. She boasts of the biggest gardens of Cassava, cabbages, onions, millet, maize and sweet potatoes in her locality.

Key Learning Points

- There is need to include men more as key actors and supporters in the quest for holistic transformation of structural impediments to women's empowerment.
- With proper care not to undermine women leadership and agency as frontline players in their own emancipation and consolidation of efforts in that line, we have learnt that men must make a serious mental and attitudinal shift in the way they view the empowerment of women.
- A focus on men as a deliberate target of engagement will support a 'do no harm' approach and at best 'recruit' them as champions in the quest for respect, dignity and solidarity with the cause for women's rights, which in itself is an agenda for societal transformation and human dignity.



Edith Okello in her orange garden in Kumi District. This has improved on her household income. Photo by A. Mugyema

2.2 Sustainable Livelihoods

Sustainable livelihood is central in changing the conditions and position of people living in poverty, discrimination and exclusion as it provides opportunity and means for them to secure the basic necessities of life; food, water, shelter and clothing in a sustainable way. Our major thrust in 2013 was to increase the viability of poor people's livelihoods by strengthening their capacities to tap into existing resources and to respond to opportunities and risks, minimize vulnerability and improving wellbeing. Our new line approach focused on enhancing capacities of poor people to draw on their assets to respond to opportunities and risks, minimising vulnerability and maintaining or improving wellbeing by adopting alternative livelihood strategies.

In 2013 ActionAid worked with over 30,000 farmers to improve livelihoods, better ecological production practices and resilience to climate change and harnessed the following results:

Alternative Livelihoods Support kits

ActionAid Uganda supported 1,171 farmers (including 732 women) with alternative livelihoods support kits including oxen to plough land; appropriate planting material and seeds for peanuts, cassava, orange-fleshed sweet potato, sorghum and cowpea; goats and heifers for milk, chicken; and bee keeping resulting into increased acreage of land cultivated with food and timely planting, with production growth of 40% and marketable surplus having increased by an average 33%. In addition, farmers have diversified their incomes and asset bases with improved capacity to cope with drought and reported improved living standards evidenced by good nutrition from milk and increased income.

Spotlight

ActionAid boosts efforts to revive the much desired cooperatives movement in Uganda

Piloting Small Irrigation in Kapchorwa

At the heart of our programmatic approach is providing and piloting alternatives. With the effects of climate change, farmers are faced with increasing challenges of unpredictable seasons, and droughts resulting in immense famine and malnutrition. Although potential irrigable area in Uganda is approximately 202,000 hectares only 20,000 hectares (10%) are being irrigated. With this view, ActionAid piloted a small irrigation project in Kapchorwa to demonstrate the potential in small scale irrigation for women farmers. In addition, the project procured land for women around the irrigation facilities to ensure their control over the proceeds. Through the pilot, AAU has demonstrated that with minimum investment, Uganda can support women farmers to sustainably produce food and escape the effects of climate change. The success of the pilot has also attracted many other development partners who have committed to scaling up.



Life changes through Reflect Circles

Having gotten married at an early age due to societal and environmental demands and environment, life seemed hopeless, but with ActionAid support of land, and high income value crops, I see a bright future ahead”, noted Grace

Grace Soyekwo a 42 year old mother of six (6) children and resident of Kere Parish, Kwoisir sub-county in Kween district narrates ‘In 2012, I joined a reflect group of Kere parish comprising 30 women. The group participated in fortnights lessons led by reflect circle facilitators supported by ActionAid Uganda, and Benette Lobby Group (BLG). The lessons included: record keeping, women rights, farming practices, savings and credit management and soil conservations.

ActionAid Uganda provided Kwoisir women groups land to grow high value crops. The land was divided in small portions for each of the five groups. In the first season, we planted cabbage and carrots in second season. We anticipate to get 10 bags of carrots which will earn us 700,000/= (eq. USD 280). The money will go into Kwoisir Women Development Association account in Finance Trust, Kapchorwa Branch. As agreed, the money will be reinvested into village savings and credit association where members will be borrowing to support household developmental plans. After becoming a member of a marketing group, I have learned how to get better prices for farm produce which we shall earn more in future. I plan to construct an energy saving stove to decrease wood consumption and iron sheet house. I intended to be among the first beneficiary to borrow to facilitate my business in basket making and buying and selling of produce. Much thanks for ActionAid Uganda, BLG and Australia for their support. The land has taught us that we too as women can manage personal assets, control proceeds of our sweat and participate in decision making processes which we have been for many years locked out from.

Collectivization for Sustainable Livelihoods

Working collectively, farmers have been able to negotiate for higher prices having received on average 27% higher prices, compared to open market prices. In 2013, we supported 15 groups/collective initiatives representing an estimated 3,017 farmers and women living in urban poverty through community revolving seed schemes, collective marketing, establishment of VSLAs and SACCOs. Three of these received grants to enhance access to credit by the members. Four additional collectives in form of SACCOs and primary cooperatives have been formed in Kapchorwa, Katakwi, Pallisa, Amuru and Nwoya. These have mobilised a total of 1,277 members (894 women and 283 men) working together, saving money for better production and marketing. Also three (3) SACCOs have established systems and guidelines and have reported improved effectiveness in managing their business.

Awakening the Sleeping Giant - Women Farmers Demand and hold Leaders Accountable

We supported communities living in distressed conditions and enhanced the power of the farmers to engage with the policy formulation processes at local, national and international level. AAU trained 177 smallholder women farmer groups (4,425 farmers) in rights, advocacy, social accountability and governance.

As a result of increased interest and assertiveness of women, evidence from Kumi, Katakwi, Kapchorwa, Amuru, Pallisa, Namutumba indicates that 2,791 members (2102 women and 689 men) engaged duty-bearers in forums and articulated various agricultural policies and programming issues particularly those related to the National Agricultural Advisory Services, a demand-driven service co-funded by the Ugandan Government. This has led to increased responsiveness of the duty bearers to the demands of smallholder women farmers. A case in point is Katakwi and Kapchorwa where the district council resolved that 30% of NAADS beneficiaries in the commercial category should be women.

Edinas Finally Benefits from NAADS

Edina L. Ikadem (48) is a widow who has raised her children depending on agriculture as her only means of survival. She narrates "I am very happy that at last I have been considered to benefit from NAADS. For over ten years, my name would be taken but I end up receiving nothing. I am grateful to ActionAid and those who brought us this knowledge.

As a result of what the project has done for us, I got to know somebody had been using my name to divert NAADS inputs. The PFA monitors have followed up on the issue and I have been promised to benefit this time. Already I have received a bag of groundnuts although when I planted it, the yield was not good because the seeds were given out at a wrong timing of the rain season."

Demand for all Inclusive Extension System as Government Rethinks NAADS

The implementation of the private sector driven extension system under NAADS has had several public concerns relating to its impact on the livelihood of the beneficiaries and effectiveness in increasing agricultural output and incomes. Cognisant of these gaps and interactions with farmers, AAU undertook a national wide stakeholder consultative and campaign process to contribute to the growing pressure and call for the review of the program. As a result, government has made a commitment to review NAADS to address the gaps and align to agricultural sector investment strategy 2011. Also preliminary results indicate a merger of NAADS extensions and the traditional workers, an issue that is envisaged to promote and improve agricultural livelihoods.

Increasing Public Financing for Agriculture

Despite the centrality of Agriculture to Uganda's economy, the sector's performance declined from 7.1 percent in 2000/1 to less than 1 percent in 2005/6 and 2006/7 before recovering to 4.1 percent in 2012/13 due to little public investment in the sector amidst the Maputo commitment of at least 10% of the national budget. Cognisant of this gap, AAU together with other CSOs and the farmers

Women Farmers in Pallisa can now demand for Agricultural services; a testimony from IMESA Apulasi Kedi

IMESA Apulasi Kedi a 39 year mother of nine and councillor at Gogonyo Sub County is a farmer and one of those who have been empowered through the Public Funding for Agriculture (PFA) project in Pallisa district. ActionAid has in the past one year helped Gogonyo (Sub County) farmers to identify limitations faced in accessing government agricultural support. We used to think government was giving us (farmers) a favour for voting our leaders into power until ActionAid trained us. Now we know it is our right to demand for more support from government. The project has opened our eyes. Public agricultural funding is not for only men but women too and we can now ask for what we deserve from our leaders. We know the importance of collective budgeting; it helps the voices of all farmers to be heard. We now have the confidence to reject or accept what government sends to us and the sub-county agricultural staff are now responsive to our demands. We are more empowered to use the information to engage more effectively at the Sub County Council meetings. We have the confidence to demand for public accountability from our leaders and are more enriched on matters of transparent leadership and assertive on our rights."

undertook a campaign to ensure the plight of agriculture is brought back to the attention of the policy makers. As a result, there is a national renewed debate from policy makers, CSOs and academics on the need to give agriculture more public support and investments. Currently parliament is drafting a bill to establish agriculture and land bank targeting women farmers, ongoing government national consultations on reforms to extension systems. At district level and sub counties, budget allocation to agriculture is relatively high at 8-10% for Katakwi and Pallisa districts. Also in line with NEPAD's Comprehensive Africa Agriculture Development Programme (CAADP, AAU undertook a study to review performance of DSIP. The study has resulted in deeper discussions on the need to have a clear strategy for monitoring the plan.

Other Livelihood Interventions of the Year focused on:

- Seed Security where working with the Food Rights Alliance and ActionAid Uganda raised awareness among the citizen about the Biosafety and Biotechnology Bill; Genetically Modified Organisms (GMOs) and jointly reviewed the provisions of the bill. In the process, a petition signed by over 30,000 farmers to the speaker of parliament was presented resulting into the bill being deferred for further consultations.
- On deepening citizens engagement on climate change, AAU organised 6 regional awareness and engagement meetings and 4 radio talk shows in Teso and Acholi region to ignite debate on climate change, and its consequences and popularise the proposed climate change policy. A paper was produced on 'Innovative financing mechanisms for climate change response at the local government level' that informed a national debate on alternative options for financing for climate change under decentralisation. Two follow up national dialogues on the Policy and Climate Finance were organised to build consensus on financing for climate change and the policy leading to a statement being presented by EMLI Deputy E.D at the National Climate Change Forum in Kampala. These efforts led to the climate change policy being passed with minor amendments and our next focus on popularising the policy, piloting and monitoring its implementation.
- As part of our commitment to fulfil the interest of Ugandans expressed in the Citizens Manifesto, ActionAid in partnership with the Uhuru institute (TUI) and Centre for Basic Research (CBR) undertook a study on cooperative in Uganda. The findings provide an interesting reading on the historical role cooperatives played in strengthening solidarity and building welfare, and a theory of change and a framework for complementary triangular integration between producer (growers and processors), suppliers (storage and transporters) and financing (SACCOs and VSLAs) for revitalising the cooperatives.

Lessons Learnt

- Women economic empowerment is essential in advancing women leadership and this is linked to issues of access to land and water, production resources, credit, alternative energy sources, technology, information and markets.
- Economic empowerment should be accompanied with building consciousness of women on their rights and the structural causes of their disempowerment.

Challenges

- Drought - efforts to increase production and scale up of the community seed systems has been affected by drought leading to poor repayment of seed and sustainability of the seed revolving scheme.
- There is increased emergence of crop pests and diseases. For example Kapchorwa was invaded by qualea birds destroying cereals.
- The uncertain future of NAADs that may affect the level of extension services to support livelihood interventions in the communities.

Women, men and youth marching during the Tax Power Campaign launch on September 4th 2013 along Jinja Road . Photo by SD. Wobusobozi



2.3 Participatory Democracy and Governance

Delivering sustained benefits of poverty eradication interventions and securing human rights protection requires good governance and participatory democracy, with people at the centre and participating in making decisions that affect them. AAU focused on building a politically empowered electorate that makes informed choices and decisions; and demands accountability for improved public service delivery as well as human imagination to embrace rights and improve lives. In 2013, ActionAid Uganda registered the following successes.

- Increased civic rights consciousness and participation in government planning and budgeting process through training of over 600 women leaders and 120 local government officials on their roles and responsibilities as duty bearers in provision of accountable public services. These have made commitments in improving quality of services and to be accountable to the electorate. Also, 4,468 people (2,271 women and 2,197 men) were able to effectively participate and contribute to the local government planning and budgeting processes, community resource tracking and score cards to inform and influence resources allocation at sub-county and district levels receiving training in leadership; management skills and budget advocacy. District women councillors trained in Bukedea district on gender and budget advocacy have been elected to chair two committees of Production; Marketing and Finance in some of the districts, positions previously held by men.

Spotlight

ActionAid praised by the police for organising the first Anti-Corruption Caravan...



...as it takes the anti-corruption fight to rural areas.

- Over 1200 youth were engaged in demanding for accountability and quality services including roads, health, education and agriculture. 182 youth Activista groups were involved in media, campaigning and advocacy for rights while 100 youth were able to advocate for passing of the National Youth Policy and action planning for 2014. 120 youth in partnership with AAU and UYONET organised a youth camp in western Uganda in Mbarara and formed a loose coalition on electoral democracy whose principal aim is ensuring one collective voice on all youth political processes ahead of the 2016 general elections.
- 11,175 people (5,007 women and 6,168 men) were involved in social audits; (515 women and 1126 men) in accountability forums, and 4319 women and 5724 men in monitoring of NAADS, education and health services; and 1021 women and 559 men participated in ELBAG as a result of trainings provided to communities and accountability foras. In Rwenzori region, 30 monitors scrutinised projects within their sub-counties and established people's satisfaction with services. In Soroti and Kasese, social audits on the performance of 3 Health Centre III made the district leadership pledged to follow up with the issues that were raised by the communities. Linking CSO's monitoring corruption to the Department of Ethics and Integrity (DEI) has strengthened the exposure of corruption cases in local governments and has improved on the reporting by inter agency forum members with stewardship from DEI.
- ActionAid together with other CSOs amplified the quality of the public education campaign with emphasis on the universal primary and secondary programs under the branding of UPE and USE. This led to coining of key phrases like "stop pretending our children are not learning" hence attracting parents and foundational bodies like churches to be part of the campaign.

In securing accountability in the provision of quality and gender responsive public services, we achieved the following:

- Women and men have been at the forefront of change in monitoring public services and reporting corruption cases as well demanding accountability. Through Women Action Groups (WAGs), the monitors have yielded a lot of success stories in the districts of Iganga, Mbarara, Soroti, Dokolo, Apac, Arua Hoima and Kyenjonjo. In Busoga, a social audit was conducted and this created an opportunity for the community monitors to interface with officials from Iganga District local government, to share their findings on the local community's perception on health centres and overall health service delivery which they concluded as inadequate. With follow up from the audits, the culprits will be brought to book and an estimated 100m Uganda Shillings will be recovered/saved.
- ActionAid trained 200 Smallholder farmers in the districts of Katakwi, Kumi, Amuru, Nwoya, Pader, Kapchorwa, Pallisa and 32 CSOs on tools such as the Economic Literacy and Budget Accountability in Governance (ELBAG), Community Score cards, public expenditure tracking that are being utilized to track public spending on agriculture in their areas. The increased vigilance and follow up on agricultural programs has resulted in better use of resources and with more evidence on the need for increased allocation of resources to specific areas in the sector
- 170 women and men farmers in Amuru District were involved in evidence collection and were able to present evidence of graft in construction of a health centre staff house resulting a government official being charged by the Grade I magistrates court in Amuru and the reconstruction and completion of the staff house.
- 3,889 people (1,611 women and 2,278men) were involved in campaign activities at national and district level. Some campaigns such as Black Monday campaign against theft of public funds have spread across the country and internationally. The Black Monday Movement has contributed to citizen mobilisation against corruption. Over 200,000 fliers and 10,000 newsletters and a



Josephine Bayoa, 64 year former Nurse at Moyo Hospital calling on government to pay her retirement.

media campaign with analytical information were designed and distributed to publicise the magnitude and alarming trends of theft of public funds. There is a wave of social movement attracting the various stakeholders (civil society organisations in broader terms) for collective efforts against the theft of public funds. There is an increasing recognition of the gravity of corruption on development and access to quality social services.

Oil in Uganda Continues to Set Records

- Since the discovery of oil and gas in Uganda, the government has conducted its affairs relating to the sector in a suspicious manner. Many believe that the rampant corruption that has bedevilled numerous other sectors of the Ugandan economy will extend to the oil and gas sector as well. For example, some of the 7118 residents in the 29 square km area in Kabaale parish of Hoima district where the government plans to set up a refinery are complaining that they have not been adequately compensated and prepared for their relocation as well as cases of land grabbing all over the Albertine Region that are leaving women and children landless.
- ActionAid Uganda has continued to expose the injustices in the country's nascent oil and gas sector and influencing policy formulation that is pro-people and communities in the resource rich areas. We produced four newsletters on oil with one exclusively dedicated to the plight of women in the oil producing areas and land issues.
- The Oil in Uganda website whose readership is about 8000 readers, has also continued to provide the public with information on the now rapid development of Uganda's oil sector and the current and potential problems that this may pose. A special report on the impact of oil on the human rights of Albertine communities was also compiled.



ActionAid Launches Tax Power Campaign

A research on tax justice titled "Race to the Bottom" was carried out in conjunction with Africa Tax Justice Network to highlight the implication of tax incentives on revenue loss in the region. The study highlighted gaps on knowledge on taxation systems among various stakeholders including CSOs, Government agencies and citizens and this has contributed to the design of the tax justice campaign strategy.

A Tax Power campaign was launched with communities highlighting social contracts and the duty of citizens to pay taxes and the state to provide and ability of citizens to demand for quality services. At national level, a Tax Campaign strategy was launched with representatives from Uganda Revenue Authority, Local Government, private sector such as Uganda Manufacturers Association, Kampala City Traders Association other Civil Society Organisations, Economic Policy and Research and Southern Eastern Africa Trade Institute and negotiations(SEATINI).



What ActionAid Paid in Taxes in 2013?

As we launched the Tax Power Campaign, we wanted to lead by example. Our finance team spent some time to reflect on how much we pay in taxes and 2013 was very revealing.

Taxes and NSSF Benefits Paid by ActionAid Uganda in 2013

MONTH	TAX			NSSF contribution
	Pay As You Earn (PAYE)	Withholding Tax	Local Service Tax 2013/14	
January	91,083,824	4,529,498		42,549,557
February	92,762,338	4,488,480		43,201,131
March	95,667,311	4,067,700		43,085,497
April	91,296,453			41,861,155
May	92,621,299	3,395,700		43,741,711
June	95,979,447	5,502,000		43,156,492
July	97,250,725	1,560,952		44,281,481
August	147,697,943	6,565,773		43,128,736
September	104,146,060	8,428,656		42,756,913
October	102,120,016	12,712,912		42,634,693
November	108,115,085	20,462,179		45,744,060
December	206,306,098	19,831,329		75,889,293
Total	1,325,046,599	91,545,179	10,105,000	552,030,719

Behind the figures above are even more profound realities: a) That ActionAid employs a considerable number of Ugandans who contribute to the health Uganda's economy as seen in the PAYE; b) We are a tax and law abiding entity withholding tax and contributing to social security; and c) We practice what we preach and therefore earn the moral authority to engage in campaigns for accountability and tax power.

Anti-Corruption Campaign Goes Rural as Police Applauds ActionAid

An anti-corruption caravan was organised across the country generating over 26 cases of corruption and mismanagement from the communities. These cases have been submitted to police and the office of the IGG for investigations and action. This was done with strong cooperation from the police, with whom we have struck a respectful cooperation and appreciation as seen from the email below from a highly placed leader in the Uganda Police Force.



"... This is afande I write this email with a lot of gratitude for you and your organization.

Thank you for organizing such a very important activity for this country very peacefully. I kept on monitoring this, considering the to and fro discussions we had with you and the IGP. All I got from my contacts were thumbs up for you.

Being the big organization you are, we ask you to influence smaller organizations that you work with to learn from you on how to organize such events. Let people not be used by politicians and aspiring politicians. This is where we always disagree.

Your cause is noble and patriotic, your methods are peaceful and law abiding, and your people. ...have a lot of integrity, kind and bear a lot of humility.

Next time you come to my office, I will be more than glad to serve you"

Yours Afande (Senior Police Officer, Kampala)

Black Monday Continues to Amplify War Against Corruption

The Black Monday Campaign under the umbrella Black Monday Movement energized and amplified the campaign against theft of public funds by increasing the visibility and magnitude of corruption and its impact on national economy and people's welfare. In a show of consistency and dedication, the movement sustained public discourse on corruption through publication of 12 Newsletter editions. ActionAid, while supporting the growth of this nascent movement, led in the production of 4 out of the 12 Editions. These were directly related to our work on Tax, Agriculture and Oil and the Anti-Corruption Caravan as illustrated.

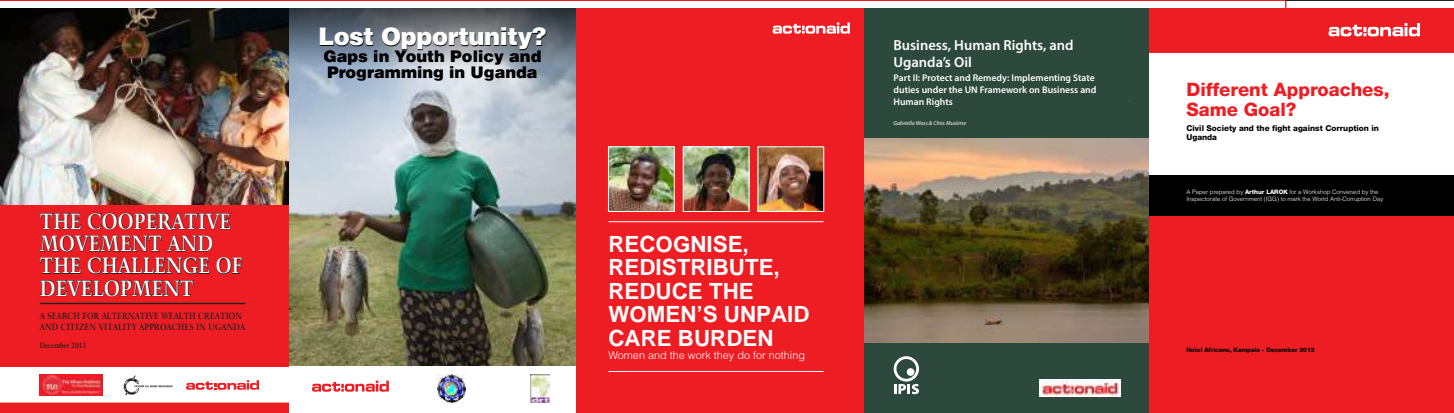


Lessons Learnt

- Foundational bodies are good allies for successful campaigning.
- Cultural leaders hold a lot of hidden power and influence necessary for changing harmful traditional values.

Challenges

- The civil society is working within restrictive legal and regulatory framework which provides a challenge in building and sustaining rights' holders' capacity for action on socio economic transformation for instance the passing of the Public Order Management Act that necessitates seeking Police "permission" to hold a public gathering by notifying it three days prior to the activity.
- Gender inequalities acutely limit opportunities of women and girls making them most vulnerable to effects of corruption. The women movement is weakened by the struggle over resources which makes its unable to champion the women rights agenda



2.4 Knowledge, Capacity Building and Learning

NGOs and Civil Society on account of their proximity and work close to ordinary citizens should be at the centre of generating and/or building knowledge about development. At ActionAid Uganda, we took stock of researches we have commissioned or undertaken in the last three years and realised that there is so much knowledge archived which is still very current. We thus made a commitment to annually showcase researches and perspectives on different topical issues of our work and interest.

For 2013, our research and analytical work are highlighted in the table below:

Title of Research or Paper	Theme (s)	Brief Description
The Cooperative Movement and the Challenge of Development: A Search for Alternative Wealth Creation and Citizen Vitality Approaches in Uganda.	Livelihoods	Traces the history of cooperatives, generates a theory of change and framework for integration and revitalisation of cooperatives.
Impact of Arbitrary Large Scale Land Acquisitions on Women's Right to Land Access, Usage and Control in Uganda	W o m e n Rights	This study summarises the nature of Land grabs; factors fuelling it and its impact on women right to land.
National Policy Scoping Study on Women's Unpaid Care Work Programme	W o m e n Rights	The study attempts to summarise existing policies, programs and interventions that recognise, reduce and redistribute unpaid care work.
Lost Opportunity? Gaps in Youth Policy and Programming in Uganda By AAU and DRT	Governance	Scrutinises the development challenge facing the youth and barriers that prevent them from gainfully participating in existing government and non-government youth focused programs
A Contaminated Discourse reflecting a larger failure of Leadership: Reflections on the Marriage and Divorce Bill in Uganda By Arthur LAROK	W o m e n 's Rights and Legal Reform	This paper was written in the wake of Parliament effectively throwing out the Marriage and Divorce Bill. Its central thesis is that the Marriage and Divorce Bill is necessary and while a few amendments can be made, this bill is justifiable.
Assessment of the implementation of Uganda's Agricultural Sector development strategy and investment Plan DSIP (2010-2015)	Livelihoods	The report analyses Uganda's progress in implementing its commitments in the Agriculture Sector Development Plan from 2010 to 2013.

Title of Research or Paper	Theme (s)	Brief Description
Walking the talk: Why and how African governments should transform their agriculture spending	Livelihoods	The paper assesses the extent to which African governments have lived to their commitment to revamping the performance of Agricultural sector including at least 10% allocation of national budget.
Tax Competition in East Africa; A race to the bottom?	Governance	Analyses how East African countries use tax incentives to attract foreign investment.
Baseline Study on Public Financing for Agriculture & an Assessment of Smallholder Farmers Participation in Budgetary Processes and Capacity Needs for Effective Engagement	Livelihoods	Summarises allocation of funds to agriculture sector at local and national government level and the extent to which farmers engage with the budget and planning processes.
Baseline study for women Land Rights in the oil region	Women Rights/ Livelihoods	Explores the nature of Land tenure system and extent to which women land rights are violated in the Albertine region.
Vegetable and Garlic Value chain study in Kapchorwa and Kween districts, Sebei sub region	Livelihoods	Assesses the potential of high value crops like garlic and other vegetables in Mt. Elgon region and proposes value chain approach that incorporates the private sector.
Tax Scooping Study	Governance	Analyses the impact of tax incentives on social service delivery.
Public service gap analysis Study	Governance	Focuses on gaps in delivery of public services in Uganda within a decentralised framework.
Civil Society and the Socio-Political Accountability Agenda in Uganda	Governance	The paper highlights the importance of civil society in fostering accountability of the state. It explains the accountability agenda in Uganda's context and proposes the role of civil society in that context.
Different Approaches Same Goal: Civil Society and the Fight against Corruption	Governance	This paper was presented as a key note in a meeting organised by the inspectorate of government. It argues that different actors are interested in a corrupt-less society. That while civil society, government, private sector and donors might have different approaches, the end goal is the same. Finally the paper call for mutual respect for different approaches.
Civil Society and the changing Political Context in Uganda	Governance	This paper examines the role of civil society in shaping political trends without being partisan. It explains the nexus between social and political responsibility and argues that civil society ought to play both.
Climbing the credibility ladder: Civil Society, Donor Support and the Accountability Agenda in Uganda	Governance	The paper interrogates the rationale as to why donors support civil society. It highlights that fostering accountability is one such reason. For civil society to play that role it has to be internally accounting. It presents five best practices for civil society in Uganda.

People for Change (P4C)



What is the People4Change Programme?

The People4Change Programme approach lies in making external professional expertise available to ActionAid units and partner organizations and it offers the opportunity to receive experienced development practitioners in the form of Inspirators or Advisors, providing capacity building inputs for activities and outputs as per partnership agreements with both ActionAid International and ActionAid Denmark. Advisors are highly specialized, theoretically and practically experienced and work on long term basis of between 6 months to 5 years. The Inspirators are highly experienced development practitioners and work on a short term basis of between 3 to 9 months. Further, to enhance International solidarity, it operates with volunteers, Global Contacts, who comes for three months, works with a local partner organization or community project and lives with a local family in the area of work.

Achievements during 2013

The programme was piloted in Uganda in 2010 and has since grown steadily. In 2013, ActionAid Uganda (AAU) alone contracted a high number of 12 Inspirators who supported with capacity building initiatives closely aligned with the AAU Country Strategy Paper and with a selection of ActionAid International Key Change Promises. The Inspirators were placed with five partner organizations and with seven of AAU's Local Rights Programmes (and their partners). AAU also successfully recruited as much as five Advisors to support in AAU's focus on youth, governance and tax justice on a more strategic level where four are based at headquarter and one is based with a partner organization. The number of Global Contacts nearly doubled in 2013 from 59 placements in 2012 to over 100 recruits in 2013, where approximately 25% of all placements were within AAU partner organizations.

Looking forward

Given the high number of recruits and positive feedback from ActionAid staff and partner organizations, it is an opportunity to take a step back and reflect, share learnings and knowledge for further improvement and development of the programme. There will be specific emphasize on broadening the awareness of the programme amongst AAU partner organizations and Local Rights Programmes, and further nurture its integration and mainstreaming and to avail capacity and focus for expanded quality documentation and Monitoring and Evaluation. In 2014, expectations are to recruit fifteen Inspirators with a main focus on Governance work and one Advisor within Monitoring and Evaluation.



3 Highlights of Institutional Developments

Human Resource and Organization Effectiveness

a) Staff Training and Development

Human Resource is one of the most valuable assets of any organisation. If goals and objectives have to be achieved, it is important to have a capacity building plan for all staff to keep abreast with global trends but also to encourage personal growth and motivation. AAU had a consolidated annual staff development plan for 2013. There have been several in house coaching and mentoring between line managers and staff. Several trainings were offered to staff including: defensive driving; security training; finance for non-finance training; Performance management; Introduction to Information Technology; Administrative Law; HRBA; Organisational Leadership and Desk top Publisher for Administration officers.

b) Staffing Levels

The number of AAU staff increased from 106 in 2012 to 128 in 2013. This was largely ascribed to the people for change programme supported by ActionAid Denmark. The country was faced with a high turnover with 5 staff leaving voluntarily and 6 involuntary especially in the 3rd quarter of the year. Of these 4 exits were due to disciplinary proceedings, 1 involuntary termination of employment contract, 1 contract expiration and 4 voluntary resignations. 95% of these positions have been successfully recruited. One staff was recommended for a secondment to ActionAid Lesotho from June to December 2013.

Staff Category	Female	Male	Total	Staff Category	Female	Male	Total
Top	2	3	5	Regular officers (LRP)	4	11	15
Directors	2	3	5	Trainees	2	1	3
Middle	9	14	21	Trainees LRP	4	2	6
Managers	0	4	4	Project officers (Kampala)	2	0	2
Coordinators (Kampala)	4	3	7	Project Officers LRP	16	7	23
LRP Coordinators	3	6	9	Volunteers	3	0	3
Project coordinators	0	1	1	Drivers & security assistant (Kampala)	0	5	5
Lower	43	40	83	Drivers (LRPS)	1	8	9
Regular officers (Kampala)	11	6	17	International Staff	3	5	8
				Inspirators	0	9	9
				Total	57	71	128

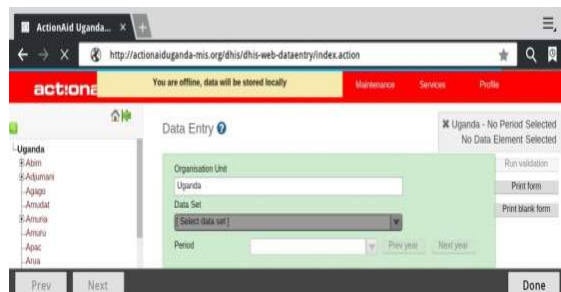
c) Reporting, Organisation Policies/ Procedures Developed and Rolled Out

The Annual Performance appraisal tool with guidelines was rolled out to all staff. The amended Motor vehicle Management policy was approved by the board and will be rolled out in Quarter 1 of 2014.

Measuring Our Impact

To improve the quality of our programming, AAU invested to improve systems and frameworks for program design, planning, monitoring and evaluation. We finalized the National M&E framework for our fourth Country Strategy Paper (CSPIV), initiated the development of an information management system using the District Health Management Information System (DHMIS) software.

We facilitated programme reflection and learning through the participatory review and reflection processes for 10 local rights programs. This has helped to improve planning and management of our interventions. Several stories of change have been documented and shared on the impact of our work in Uganda. Baseline studies for all LRP strategies, CSPIV and project were conducted to provide adequate pace and reference point for measuring impact and guiding our policy and campaign work. We shall continue to improve systems and skills for improved program quality; impact assessment and shared learning.



Media Engagements

Communication plays a great roll in AAU with an objective of increasing the visibility of our work by improving our relations with the media, engaging more with digital platforms, integrating documentation processes in programme implementation and facilitating community based communication approaches. In 2013 ActionAid Uganda improved the profiling of its work on women rights; livelihoods especially on public financing for agriculture and GMO work; and participatory democracy

and governance especially focusing on accountability, anti-corruption and tax campaigning. The media took interest in our work, knowledge and advocacy on critical issues. Our media work involved campaigns, AAU newsletters; ActionAid weekly and popularization of the smile again.

We were able to reach a wide spectrum of the community in over 40 radio talk shows on various topical issues; over 15 times in TV talk shows especially on NTV; WBS; NBS and Record TV. This helped to profile the work being done on critical areas around women rights; public financing for agriculture; education; corruption and accountability; marriage and divorce bill; the Bio Technology and Bio Safety bill among others. These featured on several local radio stations including Capital Radio, KFM, and Radio Simba in Kampala. Media engagements were also made on the fight against GBV, popularizing the Women Protection Centres and making unpaid care visible with news features aired on NTV and WBS televisions; and in the print media.

AAU had an ActionAid Weekly, an innovation and weekly mini online news piece that has helped keep all staff and board updated with what is going on in and around the organization. AAU invested in Social media and website to increase the coverage of our work.

Internal Audit

Internal audit is an independent department established by the board to evaluate and report on the risks that may prevent the organisation from achieving its strategic objectives and it derives its mandate from the AAU's audit charter and Accountability Learning and Planning Systems. To fulfill the above mandate, in 2013 the Internal Audit planned and executed 37 risk based assignments during year 2013 and two investigation exercises leading to sanctioning of 4 staff, and strengthening controls at all levels of the organisation. This has resulted in increased control and governance in AA Uganda.

Our major highlights of 2013 work in addition to increased control among others the audit of sponsorship that has led to massive results as a result of the implementation of the recommendation to train and give rights to LRP Coordinators. This has helped these coordinators to access information from NK concerning message collection and reporting the children's messages in time amongst other benefits.

Also during the audit of the programme department, we identified that the department needed a data-base for evidence based impact collection and reporting and the department has implemented our recommendation with the development of Management Information System (MIS) which we hope will benefit not only the program department but the whole organisation at large. All in all, internal audit reviews all the departments and units at head office, the local rights programs (branches) and then the partners (both national and community) who receive funds from AAU, and we have helped to shape up the control at all levels.

2013 Finance Performance and Extracts from the External Audit

ActionAid International Uganda (AAIU) total income in 2013 was UGX 24 billion. This is an impressive result in the context of the continuing global recession environment, and our exposure to European sources of funding which is the main driver for the increase of 26% compared to prior year. Total expenditure was USHS 22.5 billion, a 4% increase resulting in a surplus of USHS1.7 billion after exchange gains/losses are considered.

Income

The performance on total income increased in 2013 to 26% compared to prior year. This was derived mainly from Child sponsorship, official and non-official fundraising and other donors through ActionAid International during the year ended 31 December 2013. Official and non-official income also includes income from Trusts, Foundations, Corporate Bodies, some individuals and other NGOs. This income has increased and more than doubled due to remarkable effort from fundraising department. The most significant non child-sponsorship funders were Ford Foundation at USH 455 million, AusAid through ActionAid Australia at USH 1.4billion; ActionAid Denmark at UGX 4.3 billion, ActionAid UK (DFID UK- additional PPA grant) at USH 1.5 billion, DFID-Uganda at USH 1.6 billion; UNFPA at USH 516 million, Democratic Governance Facility at USH 749 million and European Union at USH 1.5 billion. Strong performance of child sponsorship income resulted from expansion in new markets of Brazil which offset declines in Greece, Sweden and Ireland.

Expenditure

Total expenditure at Ushs 22.5 billion is 4% higher than 2012. Direct programme costs increased by 2%, transport and travel increased by 47% due to high cost of fuel, repair and maintenance of an old fleet of vehicles and staff costs increased by 13% due to increase in head count as a result of new projects, the staff compliment increased from 106 in 2012 to 111 in 2013. Service costs increased by 17% due to reclassification and coding of community intermediary costs (under program) to other fees (service costs), 7% increase in office costs is because the cost of doing business has also been raising especially for goods (fuel, stationary, tyres, vehicle, spares) and 48% decrease in capital costs because of decrease in depreciation and amortization.

Audit and Risk Management

The Finance and Audit Committee (FAC) meets four times a year or as necessary. This has greatly improved the understanding and strengthened the relationship between Finance and Programs at the Board level. FAC's responsibilities include review of the integrity of the financial statements and financial performance, compliance with accounting standards, and maintaining oversight on internal control systems. The internal auditors, the Country Director and Finance Director attend all meetings of the committee. Other management staffs and External Auditor attend as may be required.

AAI Uganda has defined procedures and financial controls to ensure the reporting of complete and accurate accounting information. These cover systems for obtaining authority for major transactions and for ensuring compliance with laws and regulations that have significant financial implications. Procedures are also in place to ensure that assets are subject to proper physical controls and that the organization remains structured to ensure appropriate segregation of duties.

In reviewing the effectiveness of the systems of internal control, the Board takes into account the results of all the work carried out by Internal Audit and review the activities of AA Uganda. Also, a comprehensive management accounting system is in place providing financial and operational performance and the financial position of AA Uganda remained stable and healthy over the period.

Outlook for 2014

Given the foregoing and indeed what will be presented by our External Auditors, we are confident to report that AAI Uganda continues to run in ways that reinforce our credibility and financial standing. Two key challenges relate to the need to consolidate fundraising efforts with an ambition to launch and complete a fundraising strategy by mid-2014, and secondly, the need to prioritize partner capacity development support to minimize any risks that may emerge to the organization because of partnership issues.

ACTIONAID INTERNATIONAL UGANDA
Summarised Financial Statements for the year ended 31 December 2013

INDEPENDENT EXTERNAL AUDITORS' REPORT

The accompanying summary financial statements, which comprise the statement of financial position at 31 December 2013 and the statement of comprehensive income, are derived from the audited financial statements of ActionAid International Uganda for the year ended 31 December 2013. We have expressed an unmodified opinion on those financial statements in our report dated 22 April 2014. Those financial statements and the summary financial statements do not reflect the effects of events that may have occurred subsequent to the date of our report on the financial statements.

The summary financial statements do not contain all the disclosures required by the International Financial Reporting Standards, and the Uganda Companies Act. Reading the summary financial statements therefore, is not a substitute for reading the audited financial statements of ActionAid International Uganda.

Board members' responsibilities for the Summary Financial Statements

The board members are responsible for the preparation and fair presentation of the summary of the audited financial statements.

Auditor's responsibility

Our responsibility is to express an opinion on the summary financial statements based on our procedures, which were conducted in accordance with International Standards on Auditing (ISA) 810, "Engagements to Report on Summary Financial Statements."

Opinion

In our opinion, the summary financial statements derived from the audited financial statements of ActionAid International Uganda for the year ended 31 December 2013 are consistent, in all material respects, with those financial statements.



KPMG

Certified Public Accountants

P.O. Box 3509

Kampala, Uganda

Date: 7 May 2014

ACTIONAID INTERNATIONAL UGANDA
SUMMARY FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2013

STATEMENT OF COMPREHENSIVE INCOME FOR THE YEAR ENDED

31 DECEMBER 2013

	2013	2012
	Ushs'000	Ushs'000
Income		
Local income	1,981,056	801,264
ActionAid International	18,388,969	17,015,470
DFID	1,587,872	1,562,470
EC	1,506,701	-
DGF	<u>749,771</u>	<u>-</u>
Total income	<u>24,214,369</u>	<u>19,379,204</u>
Expenses		
Staff costs	4,805,749	4,236,071
Office costs	1,144,728	1,068,783
Transport and travel	502,036	342,649
Service costs	292,319	248,804
Capital costs	391,311	755,706
Direct programme costs	14,658,137	14,348,667
Flexible fund levy by AAI	717,086	-
Exchange (gains) / losses	<u>(34,480)</u>	<u>509,142</u>
Total expenses	<u>22,476,886</u>	<u>21,509,822</u>
Surplus / (deficit) for the year	<u>1,737,483</u>	<u>(2,130,618)</u>
Other comprehensive income	<u>-</u>	<u>-</u>
Total comprehensive income / (deficit)	<u>1,737,483</u>	<u>(2,130,618)</u>

ACTIONAID INTERNATIONAL UGANDA
SUMMARY FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2013

STATEMENT OF FINANCIAL POSITION AS AT 31 DECEMBER 2013

	2013	2012
	Ushs'000	Ushs'000
Assets		
Non-current assets		
Property and equipment	672,001	253,023
Prepaid lease rentals	<u>9,654</u>	<u>9,878</u>
Total non-current assets	<u>681,655</u>	<u>262,901</u>
Current assets		
Receivables	11,180,792	12,171,463
Bank and cash balance	<u>4,812,196</u>	<u>3,092,649</u>
Total current assets	<u>15,992,988</u>	<u>15,264,112</u>
Total assets	<u>16,674,643</u>	<u>15,527,013</u>
Reserves and Liabilities		
Reserves		
Revaluation reserves	9,632	57,878
Other reserves (AAI)	9,933,341	12,961,744
Accumulated reserves	<u>5,097,632</u>	<u>148,380</u>
Total reserves	<u>15,040,605</u>	<u>13,168,002</u>
Liabilities		
Payables and accrued liabilities	<u>1,634,038</u>	<u>2,359,011</u>
Total liabilities	<u>1,634,038</u>	<u>2,359,011</u>
Total reserves and liabilities	<u>16,674,643</u>	<u>15,527,013</u>

Message from board members

The above Statement of Financial Position and Statement of Comprehensive income were audited by KPMG.

The financial statements of ActionAid International Uganda, as indicated above, were approved by the National Governance board members on 29 March 2014 and was signed on its behalf by:



Board Chairperson



Treasurer



Country Director

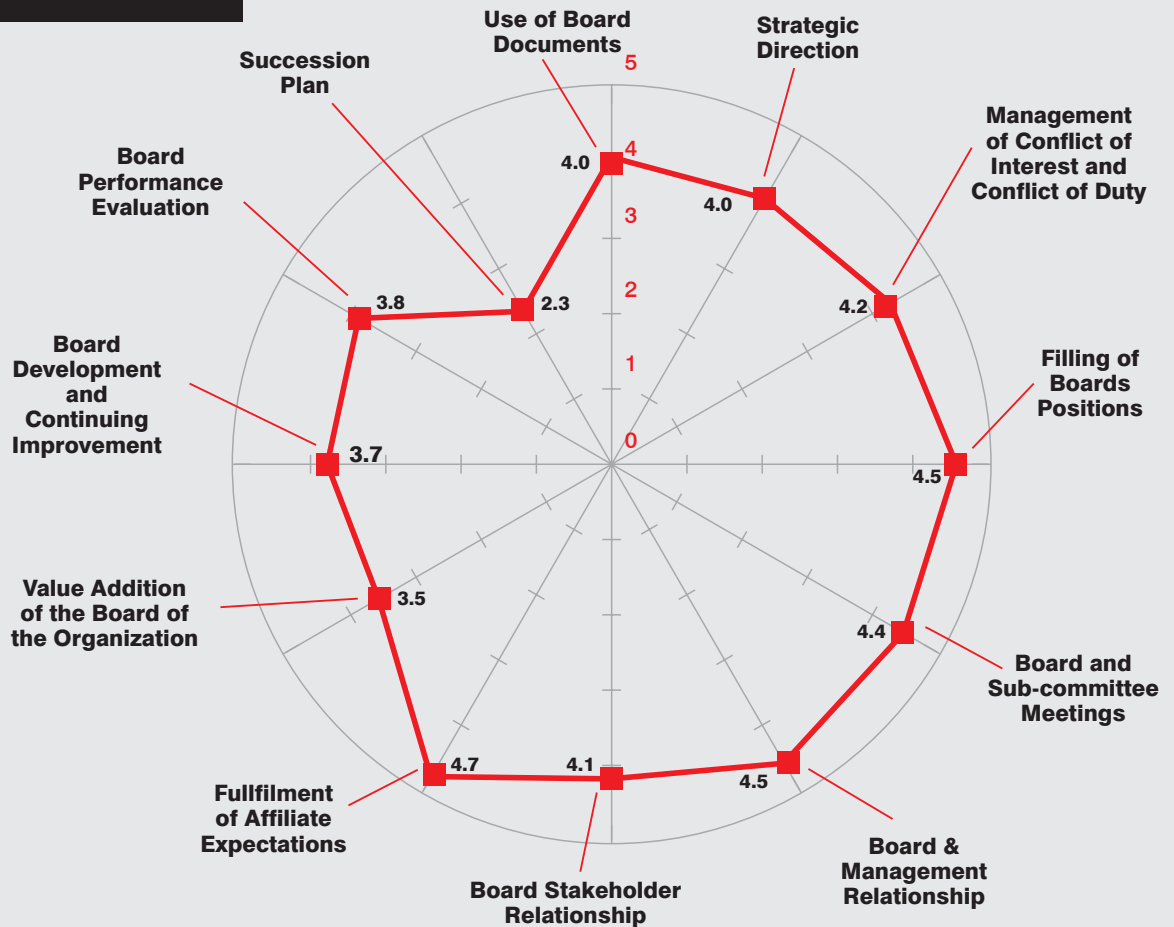
Corporate Governance



- Our corporate governance commitment enjoins us to strengthen the corporate image of the organization through both internal and external actions all aimed at delivering on our mission and vision in a manner that fulfils our value commitments. The board and general assembly are key corporate organs of ActionAid Uganda, an Affiliate Member of the ActionAid International Federation.
- In 2013, in addition to the routine mandate of the board and the general assembly, we sought to: a) strengthen the knowledge base of the board to ensure they provide more effective oversight on quality issues in our programming; b) we planned to complete an external board evaluation to provide an independent feedback on board performance; and finally c) planned for stability of our governance bodies given the expected transitions both at the board and general assembly levels. By December 2013, most of these critical undertakings were achieved as highlighted below:
- All mandatory board and committee meetings took place with at least an 85% attendance by board members. This was a remarkable achievement given the challenges in the past.
- The general assembly was successfully held and preceded by a highly successful membership day and open day where various partners from Civil Society, the donor community and government joined ActionAid to dialogue on the issue of the Marriage and Divorce Bill graced by the high powered delegation that included the Chairperson of Uganda Women's Parliamentary Association, Judge and other important dignitaries.
- We successfully replaced 12 exiting general assembly members through a process that brought in fresh faces and new energy to our foremost governance organ.
- The external evaluation of the board was concluded in June 2013 after an extensive examination of AA Uganda's corporate governance credentials. At a time when governance is not just a matter

of central importance to NGOs but the country at large, it was very re-assuring that an external scrutiny gave AA Uganda's Board a very good performance rank on most of the areas of their mandate as defined both in the constitution and the board manual. The summary is below:

Average scores for each performance criteria rated by BoDs



- | | | |
|------------------------|-----------------------|------------------|
| 1 Not Achieved | 3 Some/being Achieved | 5 Fully achieved |
| 2 Very little achieved | 4 Mostly Achieved | —■— Scale |

The Board has since adopted actions suggested to it by the Governance, Board and Organizational Development Committee (GBODC) on areas that require attention for an even better performance. Of particular priority is the area of fundraising and succession planning. A comprehensive Development Plan for the next 3 years will be completed by June of 2014.

Celebrating Partnerships

A key approach to ActionAid's programming is working with and sometimes through development associates or partners as they are commonly referred to. In many cases, though not all, ActionAid extends financial resources to these organizations which range from small community based groups to national level organizations. Through the partnership approach we strengthen capacities and engender both local ownership and contribute to the sustainability of our work.

In 2013, we worked with the following organizations for whom we share collective achievements and lessons. We look forward to strengthening our working relations with them.





Conclusion and Looking Into 2014

There is no doubt that 2013 was yet again a remarkable year for ActionAid Uganda. We recorded many successes in various areas as articulated in the preceding pages. However, as expected the year was not without challenges and two critical ones encountered were: a) staff turnover and unceremonious exist of some of former staff colleagues - 4 out of staff departures were involuntary; b) contract management remained a challenge especially for projects and in particular absorption and utilization of donor funds largely explained by partnership challenges as well as lack of strict adherence to agreed work plans.

Looking to the Year Ahead

As a learning organisation, taking stock of our achievements, reflecting on challenges and changes in the environment, we must look forward with optimism and hope our very existence as an organisation, is not so much about us but about the service we render to humanity. To be able to deliver on our mandate, I would like to outline the following critical areas of focus in 2014.

- a) **Performance Management:** In the course of 2013 there were instances of lapses in line management of staff performance as well as individual's staff accountability for their functions. We must progressively strengthen a performance culture in AA Uganda.
- b) **Strengthen Projects and Contracts Management:** As already noted in our CSP IV we must diversify our efforts, and projects are becoming a major source of income, and programming as seen in the over 30 projects at present. We must demonstrate greater competence to manage big projects, but also sustain the gains with our current donors.
- c) **Consolidate Fundraising Efforts:** While the gains over the years must be celebrated, in the same breadth, we must do more in 2014 to consolidate. A very urgent priority this year is the completion of a robust Fundraising Strategy that will guide fundraising.
- d) **Develop a Business Case for AA Uganda's Home:** We have come a long way in acquiring the space for the dream home as mentioned earlier. Working with the board and the IS, we shall make a compelling business case and search for appropriate financing options for this.

Thank You to Our Donors and Supporters

- ActionAid is indebted to several institutional and individual donors without whom we would not be delivering to the extent to which we are. Below are our main donors, sponsors and supporters in 2013.

Key Donor/Supporter	Supporting Work on
ActionAid USA	<ul style="list-style-type: none"> Action for Children's Rights in Education
ActionAid Demark(AADK)	<ul style="list-style-type: none"> Empowering Formerly Displaced Women and Youth Improve their Livelihoods Governance Accountability Gender Social Accountability in Health People for Change-Inspirators and Volunteers
ActionAid Australia/DFAT	<ul style="list-style-type: none"> Accelerating the Abandonment of Female Genital Mutilation Securing Food Rights Project (AACES) Women Rights in Agriculture -WORIA Making Justice Work for Women
Institute of Development Studies (IDS)	<ul style="list-style-type: none"> Making the Care Economy More Visible
Democratic Governance Facility(DGF)	<ul style="list-style-type: none"> Information! Voice! Accountability! Service delivery
UNFPA	<ul style="list-style-type: none"> Women Protection Centres Against Gender Based Violence [Gulu and Lira]
ActionAid UK(AAUK)	<ul style="list-style-type: none"> Giriki Women Reflect Income Generation Project Private Partnership Agreement Improving Basic Health and Sanitation Conditions and Providing Employment Opportunities for People Living in Slums
Ford Foundation	<ul style="list-style-type: none"> Land and Oil Governance Project
<ul style="list-style-type: none"> Rush Foundation 	<ul style="list-style-type: none"> Mitigating Impact HIV/AIDS and Health Services
<ul style="list-style-type: none"> Bill and Melinda Gates Foundation 	<ul style="list-style-type: none"> Public Financing for Agriculture
Ayuda en Accion(AEA)	<ul style="list-style-type: none"> Promoting Girls Access to Quality Education in Kalangala District
European Union	<ul style="list-style-type: none"> Violence Against Children in Eastern Uganda
<ul style="list-style-type: none"> Alistair Berkley Charitable Trust 	<ul style="list-style-type: none"> Promoting Women's Land Rights and Livelihoods in Northern Uganda
DFID	<ul style="list-style-type: none"> Protection Shelters for GBV Survivors in Uganda [Bwaise, Mubende, Nebbi, Amuru, Pallisa, Kumi, Katakwi and Kween]
Dr Bhati and ActionAid UK	<ul style="list-style-type: none"> Tusitukirewamu Home Based Care/OVC



ActionAid is a global movement of people working to achieve greater human rights for all and defeat poverty. We believe people in poverty have the power within them to create change for themselves, their families and communities.

ActionAid is a catalyst for that change

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