

**AFRICAN FORUM FOR AGRICULTURAL
ADVISORY SERVICES (AFAAS)
ANNUAL REPORT AND
FINANCIAL STATEMENTS
31 DECEMBER 2021**

AFRICAN FORUM FOR AGRICULTURAL ADVISORY SERVICES (AFAAS)
(A COMPANY LIMITED BY GUARANTEE)
ANNUAL REPORT AND FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2021

ACRONYMS AND ABBREVIATIONS

AFAAS	African Forum for Agricultural Advisory Services
AEAS	Agricultural Extension and Advisory Services
CAADP	Comprehensive Africa Agriculture Development Programme
CF	Country Fora
FARA	Forum for Agricultural Research in Africa
SROs	Sub Regional Research Organizations
IFAD	International Fund for Agricultural Development
GFRAS	Global Forum for Rural Advisory Services
LMP	Last Mile Project
EU	European Union
USD	United States Dollar
USHS	Uganda Shillings

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AFRICAN FORUM FOR AGRICULTURAL ADVISORY SERVICES (AFAAS)
(A COMPANY LIMITED BY GUARANTEE)
ORGANISATION INFORMATION
FOR THE YEAR ENDED 31 DECEMBER 2021

DIRECTORS

Dr. Patrice Djamén	Board Chairperson	Cameroonian
Dr. Paul Fatch	Vice Chairperson	Malawi
Prof. Moses Zinnah	Member	Sierra Leone
Dr Sidiki Cisse	Member	Cote d'Ivoire
Mr. Modibo G Coulibaly	Member	Malian
Dr. Kristin Elizabeth Davis	Member	American
Mrs. Mary Kamau	Member	Kenyan
Dr. Jeffreyson Mutimba	Member	Zimbabwean
Prof. Margret Mangheni	Member	Ugandan
Prof. Tunji Arokoyo	Member	Nigerian
Dr. Mercy Akeredolu	Member	Nigerian
Dr. Mahmoud Awad Mekki	Member	Sudan - ARC
Dr. Verona Parkinson	Member	South African
Mrs Yenenesh Egu Bezabih	Member	Ethiopian
Dr. Silim M Nahdy	Secretary	Uganda

MANAGEMENT

Dr. Silim Nahdy	Executive Director
Mr. Olupot Max	
Ms. Cate Mubiru	
Mr. Paddy Wanzala	

REGISTERED OFFICE

African Forum for Agricultural Advisory Services
House No. 26, Kigobe Road
Minister's Village - Ntinda
P. O. Box 34624
Kampala.

BANKERS

Housing Finance Bank Ltd
Nakasero Branch
P.O Box 1539
Kampala

Standard Chartered Bank
Speke Road
P.O. Box 7111
Kampala

LAWYERS

Kalenge, Bwanika, Ssawa & Company Advocates
KBS Chambers
Plot 15 A Clement Hill Road
1st Floor Ruth Towers
P.O. Box 8352
Kampala

AFRICAN FORUM FOR AGRICULTURAL ADVISORY SERVICES (AFAAS)
(A COMPANY LIMITED BY GUARANTEE)
ORGANISATION INFORMATION (CONTINUED)
FOR THE YEAR ENDED 31 DECEMBER 2021

ORGANISATION INFORMATION (CONTINUED)

AUDITORS

Ernst & Young
EY House
18 Clement Hill Road
P. O. Box 7215
Kampala.

SECRETARY

Dr. Silim Nahdy
House No. 26, Kigobe Road
Minister's Village - Ntinda
P. O. Box 34624
Kampala.

1. INTRODUCTION

1.1 Background**

The African Forum for Agricultural Advisory Services (AFAAS) is the umbrella organization for Agricultural Extension and Advisory Services (AEAS) in Africa. Its objective is to create efficient, effective and synergistic linkages and partnerships between AEAS of member countries to improve the delivery of AEAS to farmers. It operates within the framework of the Comprehensive Africa Agriculture Development Programme (CAADP), which has the objective of enhancing the livelihoods of African farmers and pastoralists.

1.2 Achievements during the period

The AFAAS network is made up the Secretariat, two (2) regional fora and 23 active CFs.

Pillar 1: Developing and sustaining network capacities

A number of Organizational and Staff Capacity Development initiatives have been undertaken to strengthen AFAAS including engagement of CIKM, CD, Audit and MEL, communication and engagement Junior Expert, Programme support, and subgrants and Resource mobilization experts.

The capacity of ten (10) country fora was developed in diverse areas in Knowledge Management, Finance, Procurement, M&E and resource mobilization to support use of Climate Relevant Science.

In addition, national technical working groups and staff were trained on Communications and Knowledge Management, Planning and MEL, Finance management, Procurement, and Resource mobilization.

Other stakeholder trainings included Agricultural Innovation Systems (AIS)- Policy Parity Index (PPI) Training, Capacity development on foresight, and Climate Smart Agriculture. Other trainings included: i) Training on Foresight in which 38 AEAS stakeholders participated; ii) The FAO training on the use of the TAP framework and the CDAIS concept; iii) Training on the use of Commonwealth of Learning (AGMOOCs).

Trainings of Experience Capitalization: Three (3) trainings on experience capitalization gathered 36 participants and helped to produce 25 case stories. Training of CIKM and other stakeholders gathered 30 participants on 5 topics: case storytelling, successful presentations, microblogging, photo shooting for storytelling 11 side events organized during the Extension Week.

Two (2) representatives from SARFAAS and RESCAR-AOC, respectively, were trained on Communications and Knowledge Management; MEL; Finance and Procurement; Resource mobilization and Planning M&E, and Foresight.

AFAAS Results Oriented Monitoring, Evaluation and Learning web system (ROMEL): The AFAAS-ROMEL is now up and running, and this complements the CAADP XP4 MEL system by collecting data from the project countries. The system's data collection tools are mobile based and one can collect data off the internet. Profiles for interoperating the AFAAS ROMEL system and the CAAD XP4 program MEL system discussed, and being implemented.

AFAAS leveraged on the collaborative project Sustain Sahel to enhance the capacity of RESCAR-AOC in policy advocacy on CSA. Continued building the capacity of SARFAAS through partner trainings.

1.1 Background (Continued)

The knowledge Management:

AFAAS is actively participating in the data capture strategy with other CAAPD XP4 organizations. The CFs have been trained on website management and interoperability issues; and the AFAAS KM portal revamped and new CSA knowledge contents ready for uploads, and ready for interoperability. Ten (10) countries (Cameroon, Ethiopia, Ghana, Kenya, Madagascar, Malawi, Mali, Nigeria, South Africa, Uganda) were supported through trainings. And of these, six (6) countries (Cameroon, Ghana, Madagascar, Mali, Nigeria, Uganda) were supported through small sub-grants to complete 4 work packages; and others including Cameroon, Ethiopia, Malawi, Nigeria, and Uganda were supported through the KM4AgD continental initiative.

Two (2) country fora: Kenya and Nigeria were sensitized during the Extension week on Climate, markets and trade. AFAAS continues to build the capacity of the rest of the country fora. KeFAAS participated in online trainings on Climate Change, organized by the Ministry of Agriculture and FAO. In addition, KeFAAS worked with Kenya Meteorological Development and trained extension workers at the counties to interpret weather data into advisories for farmers, and scenario planning. GFAAS has built enough capacity in advocacy for CSA, that it now supports the Ministry of Agriculture in Ghana in conducting advocacy activities. They have supported the production of two (2) policy briefs.

The 5th Africa Wide Agricultural Extension Week (AAEW). This was organized as a hybrid event with more than 600 registered participants on the online platform. During the Africa Wide Extension week, a multitude of institutions were trained on CSA and are now willing to collaborate with the CAADP institutions on CSA. These include in the Ministries of Agriculture in Nigeria, Uganda, Kenya, AGRA, Oxfam-Uganda, Nile Basin, NARO and KALRO among others. Also during the extension week, a Declaration was produced highlighting the desirousness for policy and market, with the following policy issues highlighted:

- i) Promote linkage and access to wider regional and global markets of agricultural produce
 - ii) Provide support for scaling up mechanization across the agricultural value chain in order to assure quality and safety standards
 - iii) Support through mentorship, motivation, internships and scholarships to youth and women in to appreciate profitability of their business.
 - iv) To promote mindset and behavioral change for youths and adults towards viewing agriculture as a holistic value-chain system that facilitates development
 - v) Improve youths' decision-making, access to, and control of land resources at an early stage to motivate them and understand the processes and benefits that accrue from agriculture
- KeFAAS is engaged in evidence-based lobbying through policy briefs.

At country level, the Ghana Forum for Agricultural Advisory Services (GFAAS) organized training/discussion on climate change. They are also developing a catalogue of Climate Change interventions. Furthermore, FOSCAR Mali received online capacity building by AFAAS experts on the guidelines for resilience through digital Smart Agriculture, especially in the field of non-damaged rice cultivation.

1.1 Background (Continued)

Pillar 2: Providing outreach services

A number of multi-stakeholder partnerships signed to provide outreach services of development initiatives through partnerships;

A. North-South partnerships:

- i) Farm Radio International for radio dissemination of climate smart technologies
- ii) Letter of Agreement with FAO on integrating gender and nutrition into AEAS in Kenya,
- iii) The LoA with the Commonwealth of Learning to produce online material including CSA materials.

B. The South-South partnerships:

- i) AATF on uptake of improved Climate Smart varieties including beans and groundnuts
- ii) The Sasakawa Africa Association MoU has now been actualized to jointly build networks for national, regional and continental level for CSA.
- iii) The MoU with IIRR for capacity building and evidence generation on CSA;
- iv) The MoU with the Ministry of Agriculture, Animal Industry and Fisheries -Uganda- to jointly organize the extension week
- v) The AIRTEA partnership project for sustainable Agrarian livelihoods and rural transformation.
- vi) ADPLAC initiated a partnership with IFAD to promote Capacity Development for agriculture risk management tools and approaches in the three regions of Ethiopia (Afar, Amhara and Oromia) through the project- Platform for Agricultural Risk Management (PARM);
- vii) LoA between AFAAS and NRI on the implementation of the ecosystems-based services.

At country level; Kenya Forum for Agricultural Advisory Services (KeFAAS) together with Kenya Agricultural Research Organization (KARO) supported the validation of Technologies, Innovations and management practices (TIMPs including setting up of drip irrigation systems and market linkage for bananas. Over 40 stakeholders participated in the project. MaFAAS, ADPLAC, CAMFAAS, NIFAAS, UFAAS, FOSCAR-Mali, FCA-Madagascar, KeFAAS, GAFAAS, were strengthened to conduct stakeholder engagements in Climate relevant Innovations with strong linkage to universities and colleges. KeFAAS established an avocado Innovation platform in Muranga and Nyeri counties. An action plan was developed and implemented in the counties. Some of the members of GFAAS are members of the Sweet Potato Innovation Platform (IP) in the central region.

A number of initiatives are being implemented directly with regional, sub-regional and in-country farmer organizations, and these include: National Smallholder Farmers Association of Malawi (NASFAM) together with MAFAAS organized a joint event on CSA.

KeFAAS has worked with the Agricultural Council of Kenya that has a membership of 25 Institutions to organize a public- private dialogue on potatoes; and GFAAS in collaboration with the Central Region Farmers Network created a farmer's market. They jointly exhibited market solutions in one of the agricultural fairs. GFAAS offers a platform for interaction with Scientists for problem solving.

1.1 Background (Continued)

Farmer Field Schools

In Uganda, AFAAS-EA FFS hub in collaboration with MAAIF and the micro scale irrigation investment program supported the development and review of the curriculum for training master trainers and FFS facilitators on micro scale irrigation. The hub provided technical guidance and suggestions to all the modules/topics under the curriculum. The Hub together with the consultant recruited by FAO investment centre and MAAIF are currently holding discussions on pilot testing the curriculum. AFAAS-FS will be among the Trainers of District leaders planned for June- July 2022 at the Leadership Centre Kampiringisa, Uganda. The following table provides areas and form of support provided by the EA FS hub to investment programs in each country

In Kenya the Master Trainer was able to assist Pwani University on the development of FS short courses especially on content and training costing. This is in furtherance of the Institutionalization of FS in Institutions of Higher learning.

In Rwanda, the hub provided technical support in the MTs training organized by Rwanda Agriculture and Animal Resources Development Board (RAB) through Kayonza Irrigation and Integrated Watershed Management Project 1&2 (KIWP 1&2) where staff from local government and project staff participated was trained as part of long term training. During this session also project planned activities were presented, AFAAS-EA MTs promised to provide technical support in the FS activities planned for 2022.

In South Sudan (Jonglei and Eastern Equatorial States), under the Pathways to Resilience (P2R) project being implemented by CRS, the Ms. Jenifer Hire one of the Master trainers from Uganda has been engaged to provide a training of trainers on sustainable vegetable production systems by using an integrated crop management approach (ICM) through farmer field schools (FFS). The ToT will ensure that there are enough qualified FFS facilitators who will be permanently available in the two States to continue ensuring successful achievement of any training of trainers on vegetable production system through FFS extension approach. The ToTs/facilitators will thereafter roll out season-long FFS training sessions to support the vegetable producer groups. Some of the activities provided include:

- Developed and designed a comprehensive training curricula/module on integrated crop management (ICM) on sustainable vegetable production systems.
- Organize and conduct a training of trainers (ToT) on farmer field schools (FFS) approach to P2R agriculture staffs and government FEAs.
- Established demonstration sites that used as study plot for the ToT participants for hands on practices as well as organized and coordinated demonstration session on the use of the treadle pumps as part of small-scale irrigation in vegetable production system.
- Helped in the development the action plan (by the ToTs) to roll out the training of producer groups through season long FFS field learning activities; as well as the development of comprehensive monitoring and evaluation (M&E) mechanism to assess success and challenges for implementation of FFS activities and enhance their continuous improvements

AFRICAN FORUM FOR AGRICULTURAL ADVISORY SERVICES (AFAAS)
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INTRODUCTION (CONTINUED)
FOR THE YEAR ENDED 31 DECEMBER 2021

1.1 Background (Continued)

Country	Investment program	Implementing organization	Form of support/Technical backstopping provided
Uganda	Irrigation for resilience project -Micro scale irrigation program	Ministry of Agriculture, Animal Industry and Fisheries	Review of micro scale irrigation curriculum
Kenya	National Agriculture and Rural Inclusive project (NARGIP)	Ministry Agriculture, Livestock, Fisheries and Cooperatives	Follow up on the County FS Facilitators offering technical backstopping, coaching on both FS methodology and specific applications based on the value chains
	Aquaculture Business Development Programme;	Ministry Agriculture, Livestock, Fisheries and Cooperatives	Assisted in drafting ToR for a grant management institution for the support of Aquaculture Field Schools
	Regional Pastoral Livelihoods Resilience Project (RPLRP)	Ministry Agriculture, Livestock, Fisheries and Cooperatives	The project has a no cost extension. The assistance here was about the sustainability of the FS established during the project by strengthening networks and beefing their income generating projects
	Kenya Climate Smart Agriculture Programme (KCSAP)	Ministry Agriculture, Livestock, Fisheries and Cooperatives	Worked with the M and E manager on developing a FS sensitization schedule for county project officers.
Rwanda	Kayonza Irrigation and Integrated Watershed Management Project 1&2 (KIIWP 1&2)	Rwanda Agriculture and animal resources Board (RAB)	Provided capacity support to MT attached to the program and made action plans for technical support for FFS in the program
Rwanda	Partnership for Resilient and Inclusive Small Livestock Markets Programme (PRISM)	Rwanda Agriculture and animal resources Board (RAB)	Contact has been established with PRISM, focal person for FS and discussions are underway for technical support
Rwanda	Rwanda Dairy Development Project (RDDP)	Rwanda Agriculture and animal resources Board (RAB)	Contact has been established with RDDP, focal person for FS and discussions are underway for technical support
	Sustainable Agricultural Productivity and Market Linkage Project (SAPMP).	Rwanda Agriculture and animal resources Board (RAB)	Contact has been established with SAPMP, focal person for FS and discussions are underway for technical support

AFRICAN FORUM FOR AGRICULTURAL ADVISORY SERVICES (AFAAS)
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INTRODUCTION (CONTINUED)
FOR THE YEAR ENDED 31 DECEMBER 2021

1.1 Background (Continued)

Country	Investment program	Implementing organization	Form of support/Technical backstopping provided
	Sustainable Agricultural Intensification and Food Security Project (SAIP)	Rwanda Agriculture and animal resources Board (RAB) & FAO	Contact has been established with SAIP, focal person for FS and discussions are underway for technical support
Ethiopia, Kenya, Uganda	Agriculture Climate Resilience Enhancement Initiative (ACREI)	World meteorological organization	The emphasis was put on the adoption and use of the Field manual on Climate Change adaptation into FS by the implementing counties/districts in the respective Countries

The Last Mile Project (LMP)

Through the project, CAMFAAS trained 30 youth and women training on agribusiness and cooperative management. The CF also organized a workshop to train staff on experience capitalization in order to start collecting information for experience capitalization document for the project. Two students at university of agriculture was engaged and the final report shows that, there is a need for more services delivered especially on post-harvest management in cocoa sector in centre Cameroon. It also shown that climate change significantly impacts the productivity and increase cocoa disease and attacks. A TV show and sensitization was achieved with satellite FM in Yaoundé

MaFAAS through the project, trained 15 RAS provider organizations and 120 District Agricultural Extension Coordinating Committees, and are anticipated to reach reach out to over 5, million farmers. Three (3) colleges chapters to be reached and strengthened, and the chapters are producing over 1000 extension workers who are reaching out to 1,000 farmers. The extension workers are expected to reach out to last mile of 1,500,000 farmers. 30 district directors of natural resources, 28 extension methodologies officers, 2MaFAAS representatives, CSOs, NGO representatives trained and expected to reach out to over 10,000,000 farmers national wide. Four (4) journalists and three (3) KM officers trained and these will reach out to over 2,000 farmers using media means of communication and Knowledge products developed and disseminated to the last mile, reaching out to over 2,000,000 farmers.

KeFAAS produced booklets, fliers, banners and T-shirts, with nutrition messages and webinar recording that have been uploaded on you-tube.

BIO4AFRICA project: AFAAS supported the data collection on the needs and context analysis with gender lens, and developed catalogues and profiles of the simple bio-based technologies in Uganda. AFAAS is working closely with Kabarole Research Centre (KRC) that is constructing the Bio-refinery in Kabarole District, in Uganda.

1.1 Background (Continued)

Pillar 3: Facilitating advancement of AEAS

Partnerships and collaborations on AEAS

Two (2) LoAs with FAO on Farmer Field School, Integration of Nutrition in Extension in Kenya, and Global Capacity Needs Assessment implemented; The FAO-TAP steering committee where AFAAS is a member of the Technical Committee, and participated in the general assembly.

In addition, AFAAS together with FAO HQ has designed studies, workshops and executed them with AFAAS Secretariat and CFs. GFRAS provides backstopping to AFAAS on forging linkages in Rural Advisory Services. Ag-connectors are working with AFAAS on resource mobilization. AFAAS and UFAAS signed a tripartite MoU with the Ministry of Agriculture, Animal Industry and Fisheries (MAAIF) and jointly organized the 5th AAEW. KeFAAS signed an MoU with the Ministry of Agriculture in Kenya, and one of the thematic areas in the MoU is the improvement of Agriculture amidst Climate Change.

Knowledge Products produced: Two key knowledge products were produced and these included; The Extension Week Declaration, the Extension Week report, the Case studies booklet on CSA by UFAAS, and the Communications guidelines were produced to support communication of CFs, RNs and key AFAAS stakeholders. KeFAAS produced a case study report on the Hackathon.

Communication and Visibility: A number of communication and visibility materials were developed inscribed with EU, IFAD and the CAADP XP4 logos. The materials include: pull up banners, backdrop banners and tear drops; brochures and fliers; newsletters; participant bags, pens and notebooks for the key events, and umbrellas. These have been distributed in key events to a broad spectrum of stakeholders at all geographical levels, at continental, regional and national levels. ii) AFAAS is working to improve visibility for the CAADP XP4, EU and IFAD at country level. iii) Trainings conducted included: compliance to EU/IFAD visibility norms and use of different communication tools iv) Jointly finalized the communication and visibility strategy, and developed a communication plan and various communication materials for the extension week. Following the joint communication and visibility strategy and guided by the EU/IFAD communications guidelines, a number of communication and visibility materials were developed inscribed with EU, IFAD and the CAADP XP4 logos. This was aimed at improving the EU and IFAD visibility at continental, regional and country levels. The materials that were developed included: pull up banners, backdrop banners and tear drops; brochures and fliers; newsletters; participant bags, pens and notebooks for the key events, and umbrellas. These were disseminated at key events and distributed to a broad spectrum of stakeholders at all geographical levels. iii) Trainings conducted included: compliance to EU/IFAD visibility norms and use of different communication tools iv) Jointly finalized the communication and visibility strategy, and developed a communication plan and various communication materials for the extension week. All AFAAS partners and network are adhering to EU-IFAD visibility guidelines.

Policy on AEAS: AFAAS participated in the Joint CSA technical and policy dialogue organized by FARA, whereby GFAAS, KeFAAS, and CAMFAAS participated. AFAAS is working with NRI to develop the capacity of AFAAS in ecosystems services, and also working with Prof. Alexandre Cocchi from University of Bologna hence working with the AFAAS Secretariat to enhance their capacity in climate mapping.

AFRICAN FORUM FOR AGRICULTURAL ADVISORY SERVICES (AFAAS)
(A COMPANY LIMITED BY GUARANTEE)
INTRODUCTION (CONTINUED)
FOR THE YEAR ENDED 31 DECEMBER 2021

1.1 Background (Continued)

AFAAS and its members participated in the UNFCCC processes.

countries. Four (4) country fora (CFs) participated in the CSA policy dialogue organized by FARA. KeFAAS organized national dialogues and sensitization meetings on climate change and developed a policy recommendation in four countries of Nyeri, Muranga, Tetetaveta and Nakuru and made policy recommendation for the different agro-ecological zones. CAMFAAS and NIFAAS organized CSA policy dialogues in their respective.

The AFAAS Technical working Groups especially the CSA TWG now interface with national stakeholders on TIMPs and thus contributing to NAIPs.

AFAAS together with SEATINI organized a joint policy dialogue on the outcomes of the extension week with regard to markets, trade and climate relevance agriculture in light of AEAS. AFAAS' participation in the policy dialogues influencing trade and markets scenarios for EAC.

GFAAS organized one policy dialogue on Climate Change and government subsidies.

Thematic Working Groups established: A number of Thematic Working Groups were strengthened including: The Nutrition TWGs on sub grants that reactivated the group by developing key documents, The Gender TWG, Nutrition TWG formed. GFAAS created a TWG on Climate Change that has a membership of eight (8) members, and have conducted trainings on CSA that targeted 55 extension workers.

The hackathone: More than 20 teams from 6 countries competed in the hackathon and 9 solutions were finally retained.

Lessons Learnt and Experiences under COVID-19

Difficulties/challenges	Measures taken
The limited capacity of the country stakeholders and experts in the use of ICT tools for work performance.	Trainings and support to access and use of existing available ICT tools undertaken.
Individual members expertise in the country fora not yet fully harnessed to deliver on the program outputs	Involvement all members of the AFAAS Network in program implementation.
Limited resources for the country and Regional for a for the implementation of program activities.	Enhancing resource mobilization and formalized partnerships in the countries.
Low absorption capacity for sub grants by some CFs, hence delaying delivery process.	Continued training on financial systems and accountability. Joint planning and priority setting.
Establishing partnerships with other organizations in CFs is faced with bureaucracy, and therefore time consuming	Early and continuous engagements with potential partners
Inadequate operational and administrative resources (financial, human capital, equipment, etc.) for the CFs within the project. These are not catered for in the sub grants.	Use of country level champions, volunteers and Interns. However, this may not be sustainable.
A lean team at the AFAAS Secretariat and the CFs to manage demands of the project.	Bolstering capacity through short term and long-term consultants.

1.1 Background (Continued)

What are the trends in the field?

Whereas COVID-19 is still a threat in many countries, AFAAS and stakeholders in Extension and Advisory Services have had to learn to live with it. Following the implementation delays occasioned by COVID-19 pandemic, and the lifting of restrictions across the globe, AFAAS secretariat and its stakeholders including the Regional and Country Forum (CFs) accelerated implementation of the project activities. Most of the AFAAS activities are taking a hybrid mode of implementation; with a physical and virtual presence.

** The above information is as provided by management and is not audited

1.2 Audit Objectives

Ernst & Young (EY) was engaged by AFAAS to perform an audit of the financial statements for the year ended 31 December 2021.

The audit was performed in accordance with the International Standards on Auditing.

The objectives of this engagement were to:

- Express an independent professional opinion on whether the financial statements present fairly, in all material aspects, the financial position of the AFAAS as at 31 December 2021, and or the results of its operations and its cash flows for the period, in conformity with the IFRS for SMES.
- Report in a management letter, any areas of weaknesses noted during the audit process in the internal control over financial reporting.

1.3 Audit Approach

The audit was performed using the Ernst & Young audit approach, which requires general planning and identification of areas of audit significance, as well as evaluating risk inherent in significant accounts.

AFRICAN FORUM FOR AGRICULTURAL ADVISORY SERVICES (AFAAS)
(A COMPANY LIMITED BY GUARANTEE)
REPORT OF THE DIRECTORS
FOR THE YEAR ENDED 31 DECEMBER 2021

REPORT OF DIRECTORS

The directors present their report together with the audited financial statements of the organisation for the year ended 31 December 2021.

PRINCIPAL ACTIVITIES

AFAAS has the mandate to implement the Agricultural Advisory Services aspects of comprehensive Africa Agricultural Development Programme (CAADP) – an African-owned and Africa led initiative through which interventions to transform agriculture are coordinated.

FINANCIAL RESULTS

	Year ended 31 December 2021 USD	Year ended 31 December 2020 USD
Income	1,299,249	1,027,439
Expenditure	<u>(1,304,054)</u>	<u>(1,015,814)</u>
(Deficit)/surplus for the period	<u>(4,805)</u>	<u>11,625</u>

DIRECTORS

The current membership of the board is shown on page 1.

MANAGEMENT

The current membership of the management team at the secretariat are shown on page 1.

BY ORDER OF THE BOARD


.....
SECRETARY

Date 14 July 2022


AFRICAN FORUM FOR AGRICULTURAL ADVISORY SERVICES (AFAAS)
(A COMPANY LIMITED BY GUARANTEE)
STATEMENT OF DIRECTORS' RESPONSIBILITIES
FOR THE YEAR ENDED 31 DECEMBER 2021

The Companies Act of Uganda, 2012 requires the directors to prepare financial statements for each financial period, which give a true and fair view of the state of financial affairs of the company as at the end of the financial period and of its operating results for that period. It also requires the directors to ensure the Company keeps proper accounting records which disclose with reasonable accuracy, at any time, the financial position of the company. They are also responsible for safeguarding the assets of the Company.

The directors are ultimately responsible for the internal control. The directors delegate responsibility for internal control to management. Standards and systems of internal control are designed and implemented by management to provide reasonable assurance as to the integrity and reliability of the financial statements and to adequately safeguard, verify and maintain accountability of the company's assets. Appropriate accounting policies supported by reasonable and prudent judgments and estimates, are applied on a consistent and using the going concern basis. These systems and controls include the proper delegation of responsibilities within a clearly defined framework, effective accounting procedures and adequate segregation of duties.

The directors accept responsibility for the period's financial statements, which have been prepared using appropriate accounting policies supported by reasonable and prudent judgments and estimates, in conformity with AFAAS accounting policies. The directors are of the opinion that the financial statements give a true and fair view of the state of the financial affairs of the Company and of its operating results. The directors further accept responsibility for the maintenance of accounting records which may be relied upon in the preparation of financial statements, as well as adequate systems of internal financial control.

Management accepts the responsibility that the funds have been expended in accordance with the intended purposes as specified in the grant agreements.



.....
Board Chairperson - AFAAS



.....
Executive Director - AFAAS

Date 14 July 2022

INDEPENDENT AUDITORS' REPORT TO THE BOARD OF DIRECTORS OF AFRICAN FORUM FOR AGRICULTURAL ADVISORY SERVICES (AFAAS)

Audit Opinion

We have audited the financial statements of AFAAS set out on pages 17 to 30, which comprise the statement of financial position as at 31 December 2021, and the statement income and expenditure, statement of changes in accumulated fund and statement of cash flows for the period ended, and notes to the financial statements, including a summary of significant accounting policies.

In our opinion, the financial statements present fairly, in all material respects, the financial position of AFAAS as at 31 December 2021, and its financial performance and cash flows for the period then ended in accordance with International Financial Reporting Standards for Small and Medium sized Entities (IFRS for SMEs), and the requirements of the companies Act, 2012.

Basis for Opinion

We conducted our audit in accordance with International Standards on Auditing (ISAs). 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 organization in accordance with the International Ethics Standards Board for Accountants' Code of Ethics for Professional Accountants (IESBA code) and other independence requirements applicable to performing audits of financial statements in Uganda. We have fulfilled our other ethical responsibilities in accordance with the IESBA Code, and in accordance with other ethical requirements applicable to performing the audit of African Forum for Agricultural Advisory Services (AFAAS). We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Other Information

The Directors are responsible for the other information. The other information comprises the programme report which includes organization background and achievements. The other information does not include the financial statements and our auditor's report thereon.

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

In connection with our audit of the financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the statement of income and expenditure or our knowledge obtained in the audit, or otherwise appears to be materially misstated. If, based on the work we have performed, 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.

Responsibilities of Directors for the Financial Statements

Directors are responsible for the preparation and fair presentation of the financial statements in accordance with the International Financial Reporting Standards for Small and Medium-sized Entities (IFRS for SMEs) and the requirements of the Companies Act of Uganda 2012 and for such internal control as the Directors determines is necessary to enable the preparation of the financial statements and notes that are free from material misstatement, whether due to fraud or error.

REPORT ON THE AUDIT OF THE FINANCIAL STATEMENTS (CONTINUED)

Auditor's Responsibilities for the Audit of the Financial Statements

Our objectives are to obtain reasonable assurance about whether the financial statements are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance but is not a guarantee that an audit conducted in accordance with International Standard on Auditing 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 decisions of users taken on the basis of these financial statements. As part of an audit in accordance with ISAs, we exercise professional judgement and maintain professional skepticism 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 the company's internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the directors.
- Evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.
- We communicate with the directors regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.
- Conclude on the appropriateness of the Directors' use of going concern basis of accounting and based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt of the Organisation'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 modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the organisation to cease to continue as a going concern.

REPORT ON THE AUDIT OF THE FINANCIAL STATEMENTS (CONTINUED)

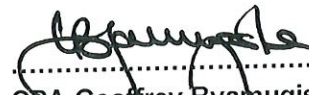
REPORT ON OTHER LEGAL REQUIREMENTS


As required by the Companies Act of Uganda, 2012, we report to you, based on our audit that:

- i) we have obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purposes of our audit;
- ii) in our opinion, proper books of account have been kept by the company, so far as appears from our examination of those books; and
- iii) the company's statement of financial position and statement of income and expenditure are in agreement with the books of account.

The engagement partner on the audit resulting in this independent auditor's report is CPA Geoffrey Byamugisha – P0231.


Ernst & Young
Certified Public Accountants of Uganda
Kampala, Uganda


CPA Geoffrey Byamugisha
Partner


14 July 2022

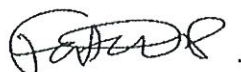
AFRICAN FORUM FOR AGRICULTURAL ADVISORY SERVICES (AFAAS)
(A COMPANY LIMITED BY GUARANTEE)
STATEMENT OF INCOME AND EXPENDITURE
FOR THE YEAR ENDED 31 DECEMBER 2021

		2021	2020
	Note	USD	USD
Income			
Grant income	3	1,276,055	1,014,639
Other income	4	<u>23,194</u>	<u>12,800</u>
		<u>1,299,249</u>	<u>1,027,439</u>
Expenditure			
Staff costs	5	409,634	399,534
Office costs	6	127,672	100,874
Professional fees		294,640	381,678
Travel costs	7	121,584	37,790
Country Fora establishments		-	3
Meetings and workshops		148,883	46,826
Advertisements		561	2,726
Audit costs		11,800	12,090
Recruitment costs			100
Legal costs		1,500	1,500
Exhibitions/Sensitization		9,863	-
Innovations		80,284	-
Reconciliation discrepancies		5	-
Goods and Service		93,482	7,183
Survey		<u>4,146</u>	<u>25,510</u>
		<u>1,304,054</u>	<u>1,015,814</u>
(Deficit)/surplus for the period		<u>(4,805)</u>	<u>11,625</u>

AFRICAN FORUM FOR AGRICULTURAL ADVISORY SERVICES (AFAAS)
(A COMPANY LIMITED BY GUARANTEE)
STATEMENT OF FINANCIAL POSITION
AS AT 31 DECEMBER 2021

		2021	2020
	Note	USD	USD
Non-current assets			
Property and equipment	8	<u>59,912</u>	<u>3,794</u>
		<u>59,912</u>	<u>3,794</u>
Current assets			
Receivables	9	144,481	204,000
Cash and bank balances	10	<u>1,938,197</u>	<u>1,103,077</u>
		<u>2,082,678</u>	<u>1,307,077</u>
Current liabilities			
Payables	11	94,225	100,514
Grant liability	12	<u>2,066,695</u>	<u>1,223,882</u>
		<u>2,160,920</u>	<u>1,324,396</u>
Net current assets		<u>(78,243)</u>	<u>(17,319)</u>
Net Total Assets		<u>(18,330)</u>	<u>(13,525)</u>
Presented by:			
Accumulated fund			
General fund		<u>(18,330)</u>	<u>(13,525)</u>
Total Funds		<u>(18,330)</u>	<u>(13,525)</u>

The financial statements were approved by the Board on 14 July..... 2022 and were signed on its behalf by:



Board Chairperson - AFAAS



Executive Director - AFAAS

AFRICAN FORUM FOR AGRICULTURAL ADVISORY SERVICES (AFAAS)
 (A COMPANY LIMITED BY GUARANTEE)
 STATEMENT OF CHANGES IN ACCUMULATED FUND
 FOR THE YEAR 31 DECEMBER 2021

	General Fund	Total
	USD	USD
Opening fund balance as at 1 January 2020	(25,150)	(25,150)
Surplus for the period	<u>11,625</u>	<u>11,625</u>
Fund balance as at 31 December 2020	<u>(13,525)</u>	<u>(13,525)</u>
Opening fund balance as at 1 January 2021	(13,525)	(13,525)
Deficit for the period	<u>(4,805)</u>	<u>(4,805)</u>
Fund balance as at 31 December 2021	<u>(18,330)</u>	<u>(18,330)</u>

AFRICAN FORUM FOR AGRICULTURAL ADVISORY SERVICES (AFAAS)
(A COMPANY LIMITED BY GUARANTEE)
STATEMENT OF CASH FLOWS
FOR THE YEAR ENDED 31 DECEMBER 2021

	Note	2021	2020
		USD	USD
Cash flows from operating activities			
(Deficit)/surplus for the period		(4,805)	11,625
Adjusted for;			
Depreciation	9	23,367	1,907
Working capital changes			
Decrease/(increase) in receivables	10	59,519	(168,862)
Decrease/(increase) in payables	12	(6,289)	57,585
Increase/(decrease) in grant liability	14	<u>842,813</u>	<u>(665,691)</u>
Net cash generated from operating activities		<u>914,605</u>	<u>(763,436)</u>
Cash flows from investing activities			
Purchase of computers and equipment	9	<u>(79,485)</u>	<u>(1,807)</u>
Net cash used in investing activities		<u>(79,485)</u>	<u>(1,807)</u>
Increase/(decrease) in cash and cash equivalents		835,120	(765,243)
Cash and Cash equivalents at 31 December 2020		<u>1,103,077</u>	<u>1,868,320</u>
Cash and Cash equivalents 31 December 2021	11	<u>1,938,197</u>	<u>1,103,077</u>

AFRICAN FORUM FOR AGRICULTURAL ADVISORY SERVICES (AFAAS)
(A COMPANY LIMITED BY GUARANTEE)
NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2021

1. Company Information

African Forum for Agricultural Advisory Services (AFAAS) was incorporated on 20 June 2007 as a company limited by guarantee and registered as Non-Governmental Organisation on 18 July 2019. The company is domiciled in Uganda.

The financial statements of African Forum for Agricultural Advisory Services (AFAAS) for the year ended 31 December 2021 were authorised for issue in accordance with a resolution of the directors on 14 July 2022.

2. Significant accounting policies

a) Basis of preparation

The financial statements are prepared in compliance with International Financial Reporting Standard for Small and Medium-sized Entities (IFRS for SMEs). The financial statements are presented in United States Dollars (USD),

The financial statements comprise the statement of income and expenditure, statement of financial position, statement of changes in accumulated fund, statement of cash flows, and notes. Income and expenses are recognised in profit or loss.

The preparation of financial statements in conformity with IFRS for SMEs requires the use of estimates and assumptions. It also requires the directors to exercise judgment in the process of applying the company's accounting policies. Although these estimates are based on the directors' best knowledge of current events and actions, actual results may differ from those estimates. The judgements and estimates are reviewed at the end of each reporting period, and any revisions to such estimates are recognised in the year in which the revision is made.

The financial statements have been prepared on a historical cost basis, except where otherwise stated and are presented in United States Dollars, which is the Company's reporting currency.

Changes in accounting policy and disclosures

- New and amended standards and interpretations effective during the year
The new and amended standards and interpretations which were effective during the year did not have a significant impact on the Company's financial statements.
- New and amended standards issued but not yet effective
A number of new and amended standards and interpretations were issued up to the date of issuing these financial statements but were not yet effective. These are not expected to have a significant impact on the Company's financial statements. The Company has not early adopted any standards, interpretations or amendments that have been issued but were not yet effective on 1 January 2021.

b) Income recognition

The Organisation uses funds received from donors for implementation of its activities. Income represents amounts that have been spent and accounted for as per the approved budgets/workplans by the donors. Funds received by the entity are recognised as a grant liability/deferred income in the entity's financial statements as income on a systematic basis over the periods that the related costs. When the grant relates to an asset, it is also recognised as grant liability/deferred income and the income/expenditure recognised over the shorter of the project life or as per the entity's depreciation policy.

Other income includes receipts from the Company's non-core activities. Other income is recognised upon receipt.

AFRICAN FORUM FOR AGRICULTURAL ADVISORY SERVICES (AFAAS)
(A COMPANY LIMITED BY GUARANTEE)
NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)
FOR THE YEAR ENDED 31 DECEMBER 2021

2. Significant accounting policies (continued)

c) Taxes

Current Income tax

The Organisation is registered as a Non-Government Organisation. The Income Tax Act states that for an Organisation to be tax exempt, it is granted a written ruling by the Commissioner of Uganda Revenue Authority. AFAAS doesn't have a tax exemption certificate however the entity files nil returns with the Uganda Revenue Authority. The Organisation therefore doesn't provide for current or deferred taxes.

d) Provisions and contingencies

Provisions are recognized when the Organisation has a present legal or constructive obligation as a result of past events and it is probable that an outflow of resources will be required to settle the obligation, and a reliable estimate of the amount can be made. When the Organisation expects some or all of a provision to be reimbursed, the reimbursement is recognized as a separate asset but only when the reimbursement is virtually certain. The expense relating to a provision is presented in the statement of income and expenditure net of any reimbursement.

e) Functional currency and translation of foreign currencies

The financial statements are presented in United States Dollars (USD). Expenditure transactions are largely carried out in the local currency. Transactions during the year are converted into USD at rates ruling at the transactions dates. Monetary assets and liabilities at the reporting date, which are expressed in foreign currencies, are translated into USD at rates ruling at that date. The resulting differences from conversion and translation are dealt with in the statement of income and expenditure in the year in which they arise.

f) Property and equipment

All categories of property and equipment are initially recorded at cost and subsequently stated at historical cost less depreciation and impairment losses. Historical cost includes expenditure that is directly attributable to the acquisition of the items.

The cost of property and equipment includes expenditure that is directly attributable to the acquisition of the assets, any other costs directly attributable to bringing the assets to the location and condition for their intended use and the present value of estimated decommissioning costs. All categories of property and equipment are initially recorded at cost and subsequently stated at historical cost less depreciation and impairment losses. Historical cost includes expenditure that is directly attributable to the acquisition of the items.

Subsequent costs are included in the asset's carrying amount or recognised as a separate asset, as appropriate, only when it is probable that future economic benefits associated with the item will flow to AFAAS and the cost of the item can be measured reliably. All other repairs and maintenance are charged to the statement of comprehensive income during the financial period in which they are incurred.

When parts of an item of property and equipment have different useful lives, they are accounted for as separate items (major components) of property and equipment.

Depreciation is calculated using the straight-line method to write down the cost of property and equipment items to their residual values over their estimated useful lives. In determining residual values, AFAAS uses management's best estimate based on market prices of similar items.

AFRICAN FORUM FOR AGRICULTURAL ADVISORY SERVICES (AFAAS)
(A COMPANY LIMITED BY GUARANTEE)
NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)
FOR THE YEAR ENDED 31 DECEMBER 2021

2. Significant accounting policies (continued)

f) Property and equipment (continued)

The estimated useful lives of property and equipment are as follows;

Category	Useful life	Rate
Motor Vehicles	4 years	25%
Computers & Printers	3 Years	33.3%
Office equipment	5 years	20%
Office Furniture	5 years	20%

AFAAS charges a full year's depreciation on all additions during the year and no depreciation is charged in the year of disposal.

For assets acquired using donor funds, a grant liability equivalent to the cost of the asset is recognised and the cost amortized by way of writing it off against the grant liability and income/expenditure recognised overtime.

g) Cash and cash equivalents

Cash and bank balances in the statement of financial position comprise cash at bank and on hand, that are readily convertible to a known amount of cash and subject to an insignificant risk of change in value. For the purpose of the statement of cash flows, cash and cash equivalents consist of cash on hand, cash at bank.

h) Receivables

Receivables are stated at nominal value net of provision for any amounts expected to be irrecoverable. Provisions are made when in management's assessment there is objective evidence the Organisation will not be able to collect all amounts due according to the original terms of the receivables. If so, an impairment loss is recognised in the statement of income and expenditure.

i) Payables

Accounts payable are obligations on the basis of normal credit terms offered to the Organisation and do not bear interest. Payables are recognised at the transaction price. Payables denominated in a local currency are translated into USD using the exchange rate at the reporting date. Foreign exchange gains or losses are included in the statement of income and expenditure.

j) Grant liabilities

The Organisation receives funds from various donors for implementation of project activities. Funds received by the entity are recognised as a grant liability/deferred income in the entity's statement of financial position and income on a systematic basis over the periods that the related costs, for which it is intended to compensate, are expensed. When the funds spent relate to an asset, the amount is recognised as income in equal amounts over the expected useful life of the related asset. *(Refer to note 14 for a reconciliation of the grant liability to grant income).*

AFRICAN FORUM FOR AGRICULTURAL ADVISORY SERVICES (AFAAS)
(A COMPANY LIMITED BY GUARANTEE)
NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)
FOR THE YEAR ENDED 31 DECEMBER 2021

2. Significant accounting policies (continued)

k) Significant accounting judgments, estimate and assumptions

The preparation of the Organisation's financial statements requires management to make judgments, estimates and assumptions that affect the reported amounts of expenses, assets and liabilities, and the disclosure of contingent liabilities, at the end of the reporting period. However, uncertainty about these assumptions and estimates could result in outcomes that require a material adjustment to the carrying amount of the asset or liability affected in future periods as discussed below.

Property and equipment

Critical estimates are made by the management in determining the useful lives and residual values to property and equipment based on the intended use of the assets and the economic lives of those assets. Subsequent changes in circumstances or prospective utilisation of the assets concerned could result in the actual useful lives or residual values differing from initial estimate.

Going concern

In preparing the financial statements, the directors have assessed the Company's ability to continue as a going concern. In performing this assessment, the directors have considered all available information and funding options and are satisfied that the Company will have the resources to continue in business for the foreseeable future. On this basis, the financial statements have been prepared on a going concern basis.

3. Grant income

	2021	2020
	USD	USD
Grant income	<u>1,276,055</u>	<u>1,014,639</u>

4. Other income

	2021	2020
Other income	<u>23,194</u>	<u>12,800</u>

5. Staff costs

	2021	2020
Staff salaries	317,193	335,536
Fringe benefits	57,182	30,444
10% AFAAS NSSF contribution	<u>35,259</u>	<u>33,554</u>
	409,634	399,534
Total personnel costs	<u>409,634</u>	<u>399,534</u>

AFRICAN FORUM FOR AGRICULTURAL ADVISORY SERVICES (AFAAS)
(A COMPANY LIMITED BY GUARANTEE)
NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)
FOR THE YEAR ENDED 31 DECEMBER 2021

6. Office costs

	2021	2020
	USD	USD
Office Rent	19,800	19,800
Printing Binding & Reproduction	24,830	16,932
Stationery	3,967	4,476
Depreciation Expense	23,367	1,907
Office Expense	20,265	9,639
Miscellaneous Expense	1,216	-
Internet & Web Hosting	11,141	16,512
Bank Charges	5,487	4,946
Telephone	2,328	2,919
Vehicle Expense	3,490	12,858
Repairs & Maintenance - Equip	1,189	-
Insurance Expense	1,350	-
Security services	4,048	3,930
Exchange Loss	3,618	5,762
Electricity	687	813
Postage and Delivery	538	168
Water	<u>352</u>	<u>211</u>
	<u>127,672</u>	<u>100,874</u>

7. Travel costs

	2021	2020
Daily Subsistence Allowance (DSA)	54,138	18,374
International Travel	25,843	10,203
Internal Travel	<u>41,603</u>	<u>8,853</u>
	<u>121,584</u>	<u>37,790</u>

AFRICAN FORUM FOR AGRICULTURAL ADVISORY SERVICES (AFAAS)
(A COMPANY LIMITED BY GUARANTEE)
NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)
FOR THE YEAR ENDED 31 DECEMBER 2021

8. Property and equipment

	Computers USD 33.30%	Equipment & Furniture USD 20%	Vehicle 25%	Total USD
Cost				
1 January 2020	31,141	8,363	-	39,504
Additions 2020	-	1,807	-	1,807
As at 31 December 2020	31,141	10,170	-	41,311
1 January 2021	31,141	10,170	-	41,311
Additions 2021	26,882	10,603	42,000	79,485
As at 31 December 2021	58,023	20,773	42,000	120,796
Depreciation				
1 January 2020	30,266	5,344	-	35,610
Charge for the period	355	1,552	-	1,907
At 31 December 2020	30,621	6,896	-	37,517
1 January 2021	30,621	6,896	-	37,517
Charge for the period	9,267	3,600	10,500	23,367
At 31 December 2021	39,888	10,495	10,500	60,884
Net book value				
As at December 2021	18,135	10,278	31,500	59,912
As at December 2020	520	3,274	-	3,794

AFRICAN FORUM FOR AGRICULTURAL ADVISORY SERVICES (AFAAS)
(A COMPANY LIMITED BY GUARANTEE)
NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)
FOR THE YEAR ENDED 31 DECEMBER 2021

9. Receivables

	2021	2020
	USD	USD
Advance to CF		
LIFAAS	17,727	-
Ethiopia CF	90	6,843
Madagascar CF	18,869	6,843
GHAFAAS	14,416	6,843
KeFAAS CF	26,326	34,624
CAMFAAS	14,157	17,793
MAAFAAS	1,307	17,543
UFAAS	18,191	37,530
Mali CF	11,900	6,999
Nigeria CF	<u>31</u>	<u>24,807</u>
	123,014	159,825
Other receivables		
ANADER RESCAR AOC	432	432
Prepaid expenses	19,917	19,508
Church of Uganda TEDDO	-	9,000
Camkwoki	-	3,429
Kenya	-	7,373
INRA	-	313
Staff advances	<u>1,117</u>	<u>4,120</u>
	21,467	44,175
Total receivables	<u>144,481</u>	<u>204,000</u>

10. Cash and Bank balances

	2021	2020
EXTENSION WEEK ACCOUNT	21,836	-
AFAAS-FFS ACCOUNT	104,920	-
Imprest	112	-
IFAD (PARTNERSHIP)	260	96,845
MDTF (LMP PROJECT)	35,375	40,562
MDTF OPERATIONS	6,543	4,923
PHM	8,315	348
AFAAS RESERVE ACCOUNT	51,671	14,402
Gratuity Account	176	13,705
CAADP XP IV	1,698,582	925,021
CAADP XP IV operations	<u>10,408</u>	<u>7,631</u>
	<u>1,938,197</u>	<u>1,103,077</u>

AFRICAN FORUM FOR AGRICULTURAL ADVISORY SERVICES (AFAAS)
(A COMPANY LIMITED BY GUARANTEE)
NOTES TO THE FINANCIAL STATEMENTS (Continued)
FOR THE YEAR ENDED 31 DECEMBER 2021

11. Payables

	2021 USD	2020 USD
Accrued expenses	53,192	81,387
Withholding Tax	3,124	3,002
Refunds (Silim Nahdy)	-	229
NSSF Liability	10,831	-
PAYE Liability	22,089	-
Salary liability	<u>4,989</u>	<u>15,896</u>
	<u>94,225</u>	<u>100,514</u>

12. Grant liability reconciliation

	2021 USD	2020 USD
Grant liability		
At 1 January	1,223,882	1,889,573
Received during the period	2,118,868	361,292
Refunds to donors	-	(12,344)
Grant Income (Note i)	<u>(1,276,055)</u>	<u>(1,014,639)</u>
At 31 December	<u>2,066,695</u>	<u>1,223,882</u>

Note i)

	2021 USD	2020 USD
Grant Income		
Amortisation of grant liability	<u>1,276,055</u>	<u>1,015,814</u>

***Donor Receipts**

Receipts during the Period	Dec-21 USD	Dec-20 USD
LMP Project	-	39,754
IFAD (FFS)	-	174,500
LGNA	-	2,834
ACREIL	-	26,342
SAHEL PROJECT	-	56,339
ATTF	53,056	36,247
GFRAS (COVID)	-	2,250
GFRAS	-	4,590
GFRAS(COP)	-	14,980
CAADP (ISO)	-	3,456
CAADP XP 4	1,797,920	-
FAO NUTRITION	20,682	-
ASARECA	1,500	-
COL	14,299	-
FARA	4,980	-
AGRIDEA 19	2,508	-
FAO (FFS-19)	54,957	-
FAO (FFS-20)	105,000	-
BIO 4 AFRICA	<u>63,966</u>	-
TOTAL	<u>2,118,868</u>	<u>361,292</u>

13. Covid-19 Pandemic

The World Health Organisation declared coronavirus and COVID-19 a global health emergency on 30 January 2020. On 18 March 2020, the Government of Uganda announced lockdown and restrictions as a countermeasure against the spreading of COVID-19. By the year-end, most of the restrictions had been eased. The Company's operations continued during the lockdown period but with some of the general restrictions arising from the local and global disruptions caused by the pandemic. These include market, services and supply chain disruptions, non-performance by counter parties, unavailability of key people resources, inability to access some locations, among others.

Consequently, the Company's operations for example; meetings, trainings, travels among others which to delay of some project activities during the period.

The following were some of the effects of the pandemic;

- Gathering restrictions: trainings, meetings, exchanges, fairs, shows are limited or none, with less participants, if any, and with the need for more preparation and precautions.
- Travel restrictions and social distancing: extension workers and institutions (from AFAAS Secretariat, RF, to CF, the Provincial, District and community levels) are limited in their movements and travelling from one country/place to another;
- Increasing appreciation of the new normal of a virtual world: adopting online working modalities and ICT including use of radio, TV and webinars, and other online communication media.

AFAAS implemented the following as a response to the effects of the pandemic;

AFAAS initiated and launched a "Digitalisation of AFAAS" initiative. Capitalising from others experience and taking advantage of the trends in ICT for Agriculture, AFAAS has engaged in planning the development and integration of a set of digital tools to support the work of AEAS actors and to reach the last mile - up to farmers' level.

To continue engaging with its' members and beneficiaries, AFAAS is set to enhance information sharing and communication using digital tools. In this context, AFAAS portal is in the process of being revamped and populated with more content and with more structured components. The portal will be the main entry point to access a set of e-tools, applications and sub-sites including knowledge products. Social media, discussion groups and survey tools are also generalised to interact with members and to collect information.

Training and coaching are among the key activities of AEAS workers. AFAAS is in the process of developing e-learning materials and is starting to train members to produce and use audio and video files to enable distant extension work reducing the need for face-to-face meetings.

To reach a broad audience up to the last mile, AFAAS and its' constituents intend to use audio and video files and partner with radio and TV stations and other stakeholders.

Use of estimates and judgements

There have been no material revisions to the nature and estimates of amounts reported in prior periods. However, the effects of COVID-19 have required significant judgments and estimates to be made, including:

- Determining which information obtained subsequent to period end provides evidence of conditions that existed as at the end of the reporting period ('adjusting events after the reporting period') and which do not ('non-adjusting events after the reporting period').

13. Covid-19 Pandemic (Continued)

Use of assumptions

At the time of issuing these financial statements, the COVID-19 pandemic continued to affect the Company and its partners/country foras. Nonetheless, the directors expect that the Company's operations will continue despite the operational challenges brought about by the pandemic.

The directors also assessed that:

- The going concern status of the Company will not be affected by this event in the foreseeable future and the Company will continue to operate as a going concern. The Company's management and directors are closely monitoring the developments in the different countries it operates. This enables the Company's management and directors to take appropriate actions where necessary, including enhanced monitoring.
- No adjusting events or conditions existed at the reporting date affecting the financial statements.

It is reasonably possible, based on existing knowledge, that outcomes within the next financial period that are different from the judgements and assumptions used, could require a material adjustment to the carrying amounts of the assets or liabilities reported in these financial statements. The directors and management will continue to monitor the measures taken by the Government of Uganda and adjust the Company's strategies and plans accordingly.

14. Events after reporting date

There were no material events occurring after the reporting date which had an impact on the financial position or results of the Company.