

Annual Accounts Report 2017

Ubumi Prisons Initiative

CVR.: 35298592



UBUMI PRISONS INITIATIVE

Contents

1. Independent Auditor's Report	6
2. Annual Accounts 2017 - The Chairman's Report	9
3. Budget and expenditure	11
4. Annual Accounts	12

Information about the organisation

The NGO: Ubumi Prisons Initiative

Tel.: +45 29 35 01 36 - CVR 35298592

The board:

Chairperson: Anne Egelund

Deputy Chairperson: Jette Egelund

Treasurer: Jens Skov-Spilling

Board member: Ida Thyregod

Board member: Mette Lund Sørensen

Management:

Director: Anne Egelund

Accountant:

Elley Revision Registreret Revisionsanpartsselskab, Ydingvej 1, 8752 Østbirk

Telefon 75 78 18 88 - CVR 10 93 86 94



Ubumi's presence captured by red dots



Management's report

The annual accounts for 2017 have been approved.

Birkerød den 17. Maj 2018

On behalf of the board,



Chairperson: Anne Egelund

1. Independent Auditor's Report

To the Board of UBUMI Prison Initiative

Opinion

We have audited the Financial Statements of UBUMI Prison Initiative for the financial year 1 January - 31 December 2017, which comprise income statement, balance sheet and notes, including a summary of significant accounting policies, for the Association. The Financial Statements are prepared in accordance with good practice and the Act for Foundations and certain Associations.

In our opinion, the Financial Statements give a true and fair view of the Associations financial position at 31 December 2017 and of the results of the Associations operations for the financial year 1 January - 31 December 2017 in accordance with good practice and the Act for Foundations and certain Associations.

Basis for Opinion

We conducted our audit in accordance with International Standards on Auditing (ISAs) and the additional requirements applicable in Denmark. Our responsibilities under those standards and requirements are further described in the "Auditor's Responsibilities for the Audit of the Financial Statements" section of our report. We are independent of the Company in accordance with the International Ethics Standards Board for Accountants' Code of Ethics for Professional Accountants (IESBA Code) and the additional requirements applicable in Denmark, and we have fulfilled our other ethical responsibilities in accordance with these rules and requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Emphasizing of matters about the audit

The association has included the budget of the project financed by the Obel Foundation in the Financial Report. Our audit does not include this budget.

Management's Responsibilities for the Financial Statements

Management is responsible for the preparation of Financial Statements that give a true and fair view in accordance with good practice and the Act for Foundations and certain Associations, and for such internal control as Management determines is necessary to enable the preparation of Financial Statements that are free from material misstatement, whether due to fraud or error.

In preparing the Financial Statements, Management is responsible for assessing the Associations ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting in preparing the Financial Statements unless Management either intends to liquidate the Association or to cease operations, or has no realistic alternative but to do so.

Auditor's Responsibilities for the Audit of the Financial Statements

Our objectives are to obtain reasonable assurance about whether the Financial Statements as a whole are free from material 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 ISAs and the additional requirements applicable in Denmark 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 of accounting information taken on the basis of these Financial Statements.

As part of an audit conducted in accordance with ISAs and the additional requirements applicable in Denmark, we exercise professional judgment 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 Management.
- Conclude on the appropriateness of Management's use of the going concern basis of accounting in preparing the Financial Statements and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Association's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the Financial Statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Association to cease to continue as a going concern.
- Evaluate the overall presentation, structure and contents of the Financial Statements, including the disclosures, and whether the Financial Statements represent the underlying transactions and events in a manner that gives a true and fair view.

We communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

Statement on Management's Review

Management is responsible for Management's Review.

Our opinion on the Financial Statements does not cover Management's Review, and we do not express any form of assurance conclusion thereon.

In connection with our audit of the Financial Statements, our responsibility is to read Management's Review and, in doing so, consider whether Management's Review is materially inconsistent with the

Financial Statements or our knowledge obtained during the audit, or otherwise appears to be materially misstated.

Moreover, it is our responsibility to consider whether Management's Review provides the information required under the Danish Financial Statements Act.

Based on the work we have performed, we conclude that Management's Review is in accordance with the Financial Statements and has been prepared in accordance with the requirements of the Danish Financial Statement Act. We did not identify any material misstatement of Management's Review.

Østbirk den 17. maj 2018

ELLEY REVISION

Registeret Revisionsanpartsselskab

Cvr. nr. 10938694

Claus Elley

Certified Auditor

mne236

2. Annual Accounts 2017 - The Chairman's Report

Prisoners and their children in African correctional facilities have been neglected for years, causing suffering and deaths for far too many. In recent years however, there has been growing attention to shifting the focus away from punishment and the extremely poor conditions to reform, which also entails an improvement of health and material conditions.

In Zambia, this has also meant change of name from Zambia Prisons Service to Zambia Correctional Service and with this change has come an increased focus on rehabilitation of offenders and a human rights-based approach to imprisonment. ZCS has opened up to outsiders to a never before seen degree, and now welcomes outside support, being acutely aware that they cannot solve issues alone. This does not mean that the goal of a rehabilitative environment in the prisons have been reached, but it does entail important changes in perspectives and actions.

Ubumi Prisons Initiative has for more than 10 years worked to improve conditions in Zambia's correctional facilities for vulnerable groups, particularly the circumstantial children aged 0-4 years of age, and the seriously ill patients. The projects for the children and their mothers improve children's welfare and promote healthy development. The projects for the seriously ill improve health in correctional facilities and save lives. The projects also build skills within the areas of health, farming and education. Our work empowers inmates to improve their own and others' lives, and it prepares them for the future after release.

2016 proved a turning point for Ubumi with the major funding from the Obel Family Foundation, which has meant a significant expansion of our work over the next couple of years, and with – for Ubumi internally – the vital achievement of no longer relying solely on volunteers. We now have an office in Denmark and in Zambia, which means a much stronger consolidation and expansion of activities.

2017 was the second year into the grant from the Obel Family foundation, and the year has entailed further consolidation and expansion of activities. We have worked hard to achieve our goals and we are pleased to report, that progress has been immense. We experience commitment and support from all actors involved, from the Zambia Correctional Service to the management at facility level, to health workers in the prisons, or partner organizations, and to all our inmate volunteers who work tirelessly to make a difference for others every single day.

We now work in 11 correctional facilities around Zambia:

1. Mukobeko Maximum Male
2. Mukobeko Maximum Female
3. Kamfinsa State Male
4. Kamfinsa State Female
5. Chipata Male
6. Chipata Female
7. Lusaka Central Male
8. Lusaka Central Female
9. Kamwala Remand (limited work on drinking water and hygiene)
10. Katombora Reformatory School for juveniles (nutrition only in 2017)
11. Chainama East (mental hospital/prison for inmates, both male and female in same facility) (nutrition only)

Each facility has its own program built on the foundations of the Ubumi Model, which entails volunteer inmate teams, who work to help others, be it circumstantial children (aged 0-4), juvenile education or basic care and support of seriously ill patients. It also entails specific activities relating to hygiene and drinking water, educational activities and so forth. We also have large vegetable gardens to feed children, juveniles and patients, and increasingly the general prison population. In two facilities we have poultry projects and in one facility we have a fish project as well.

In the below matrix, you can see a selection of the data we collect on our activities for 2017:

Number of inmates assisted with improved hygiene and safe drinking water (estimated daily number)	7300
Number of seriously ill male patients assisted with care and nutrition	557
Number of seriously ill female patients assisted with care and nutrition	29
Number of inmates dewormed	7343
Number of circumstantial children cared for (with food, play areas, training of mothers)	55
Patients treated for thiamine deficiency with B-complex vitamin	2405
Number of inmates receiving IT-education	90
Number of inmates receiving basic health care, support and nutrition training	50
Number of female and male inmates, correctional staff and government employees receiving nutrition and cooking training	147

On behalf of the Ubumi Team we wish to sincerely thank the Obel Family Foundation for believing in us. Bistrup Church deserves a big thank you as well, as well as CISU (Danida), and every one of our individual members and other supporters. None of this would be possible without your support.

I wish to thank Zambia Correctional Services at HQ level and in the individual correctional facilities for their commitment and unrelenting support. I also wish to thank our partner organisations for their commitment and excellent collaboration. Importantly, I also wish to thank everyone of our inmate volunteers for their hard work and commitment. Last, but not least I wish to extend a profound thank you to each and every member of staff in Ubumi. They are all exceptional in commitment and zeal.

Sincerely,



Anne Egelund
Chairperson

3. Budget and expenditure

	Budget 2017	Expenditure 2017	Variance
Administration in Denmark			
IT, tel, internet, office rent, furniture, other	64,000	60,001	3,999
Brochures, information campaigns	18,000	16,076	1,924
Insurance	8,000	5,462	2,538
Accounting course, Erik (admin officer), other courses	15,000	12,650	2,350
Admin personel costs	191,000	196,563	-5,563
Book keeper and accountant	44,000	41,838	2,162
Miscellaneous	10,000	11,423	-1,423
Subtotal	350,000	344,013	5,987
Project Office Zambia			
Office furniture, office rent, IT, phone, internet etc	42,000	34,014	7,986
Insurance	5,000	3,912	1,088
Printer/scanner	1,000	4,364	-3,364
Transport, office car, fuel, service etc	105,000	115,021	-10,021
Rental subsidy, Carol	12,000	0	12,000
Miscellaneous	5,000	7,336	-2,336
Sub total	170,000	164,647	5,353
Travel budget			
<i>Director/other staff from DK secretariat to/in Zambia</i>			
Flights, per per diem, transport, DK and ZM office	129,000	111,572	17,428
Sub total	129,000	111,572	17,428
Project expenses			
Mental Health Mapping	40,000	0	40,000
Nutrition and health projects - Kamfinsa State Prison, Kitwe	180,000	159,904	20,096
Nutrition and health projects - Mukobeko, Kabwe	199,000	147,428	51,572
Nutrition and health projects - Lusaka Central Prison	55,000	58,890	-3,890
Nutrition and health projects - Chipata	253,000	228,734	24,266
Chainama East, prison for mentally ill	6,000	3,815	2,185
Transport and project expenses , various	70,000	58,649	11,351
Accounting assistance costs	60,000	0	60,000
Partnership meetings, resourcepersons, Prisons Service health sta	37,500	5,210	32,290
Recycling for South - container transport	106,000	105,800	200
Course nutrition, health in emergency settings for Ubumi staff	15,000	0	15,000
Personnel costs	1,182,747	1,180,428	2,319
Miscellanenous, postage, bank charges, other fees	9,000	7,522	1,478
Sub total	2,213,247	1,956,380	256,867
TOTAL	2,862,247	2,576,612	285,635

4. Annual Accounts

INCOME 2017:

Grants	2,096,555.37
Membership Fees	8,467.30
Donations	54,407.10
Sales, income by sales or loss	16,643.43
Income total	2,176,073.20

UDGIFTER FOR PERIODEN:

Projektomkostninger:

Mukobeko Correctional Facility		147,427.78
Kamfinsa Correctional Facility		1,058.73
Lusaka Correctional Facility		58,889.56
Chipata Correctional Facility		34,310.30
Chainama Correctional Facility		3,814.75
Project visits	Note 1	111,572.49
Personel expenses	Note 2	1,180,427.78
Car and transport, including depreciation provision	Note 3	81,184.93
Partnership activities		5,210.17
Other project activities		123,600.32

Operational costs and administration, DK

Office	Note 4	76,886.50
Accountant and book keeper		41,837.50
Courses/education		12,650.00
External communication		9,669.18
Personel expenses	Note 5	196,563.65

Administration, Zambia

Office	Note 6	31,923.64
External communication		6,407.49
Various		929.24

Expenses in total	2.124.364,01
--------------------------	---------------------

Financial expenses	8.138,00
Financial income	616,48

Annual results total		44,187.67
-----------------------------	--	------------------

Assets:

Fixed assets	Note 7	103,750.45
Grant receivable		50,500.00
Liquid funds	Note 8	1,333,372.14

Assets total		1,487,622.59
---------------------	--	---------------------

Liabilities:

Networth (primo)		134,109.23
Year's result		44,187.67
Net worth ultimo		178,296.90

Unused funds	Note 9	1,044,997.19
Outstanding A tax and AM contribution		33,563.00
Outstanding ATP		1,988.01
Outstanding commitments		23,000.00
VAT due		158.19
Personel vacation savings		189,675.00
Accruals and deferred income		15,944.30

Liabilities total		1,487,622.59
--------------------------	--	---------------------

Notes

Note 1) Expenses relating to all travel from Denmark to Zambia and travel in Zambia for all Ubumi staff

Note 2) Salary expenses for executive director, project manager, project officers in DK and Zambia, including salary, pension, vacation, social contributions (by Danish law), including vacation provisions (savings)

Note 3) Running costs for car, fuel (DKK 25.360,96), maintenance 12.759,94, public motor vehicle tax (DKK 2.780,54), annual depreciation allowance of office car (DKK 40.283,49). Depreciation rate: 25% as per Danish regulations

Note 4) Office rent DKK 32.278,50, inventory (DKK 2.137,60), phone and internet (DKK 3.719,32), computers and phone kr. 12.814,23, research/books/CISU/Globalt Fokus membership 9.000,00, website (DKK 290.40), e-mail DKK (143.20), insurance in ZM and DK (DKK 5,462.71), various office supplies, including toner, various charges and fees (DKK 3,285.52)

Note 5) Expenses for admin officer, accountant and executive director, including salary, pension, vacation, social contributions (by Danish law), including vacation provisions (savings)

Note 6) Office rent (DKK 15,597.71), painting and renovations (DKK 2,285.64), Furniture (DKK 5,281.25), phone and internet (DKK 6,891.69), insurance (DKK 3,912.43), research/books (DKK 1,157.72), office supplies, including toner (DKK 4,364.09)

Note 7) Car in Zambia

Note 8) Earmarked project and operational costs

Note 9) Received grant from the Obel family Foundation in 2017 (DKK 2,453,050.00). Unused funds from earlier year (DKK 885,471.62).

Expenditure in 2017 in Denmark: DKK 1,467,354.74 (incl personnel expenses). Expenditure in Zambia in all in 2017 DKK 523,400.62. Transferred to Zambian partner organisations in 2017 DKK 353,269.06. Unused funds in all as per 31.12.2017 DKK 994,497.19.

Received grant from Recycling for South (GTS) DKK 156,300.00. Expenditure of grant in 2017 DKK 105,800. Unused funds from GTS kr. 50,500.00.