AFRICAN FINE COFFEES ASSOCIATION

ANNUAL REPORT 2020-2023

AFRICAN FINE COFFEES ASSOCIATION

AFCA REVISED STRATEGIC PLAN 2023 - 2028

VISION:
Sustainable Coffee Business

MISSION:
Delivering Transformational Coffee Services to Members

VALUES:
Integrity | Innovation | Commitment

SLOGAN:
"Home of The World's Finest Coffees"

AFCA STRATEGIC OBJECTIVES:

1. Membership
2. Coffee Institute
3. Coffee Conference & Expo
4. International Coffee Market Development
5. Regional Coffee Market Development
6. Policy Advocacy
7. Institutional Strengthening
8. Gender & Youth

The revised AFCA strategy

Focus on Membership growth to other countries both producing and consuming, entering in to partnership with other coffee based organizations such as ACRAM for mutual benefits, leveraging on technology to provide a robust platform for members to engage each other in coffee business continually as well as developing a Robust Research and marketing department that will provide a one stop coffee centre where all information on coffee can be found. This is very crucial as this will build up AFCA value proposition leading to increased member satisfaction thereby making it attractive to potential members. Further, the reviewed Strategic plan ensures that AFCA diversifies its income sources to avoid spread the risks as was experienced during the pandemic when Conferences being the main source of income, could not be held for two consecutive periods. Diversification of income sources while providing value for the members is key step in the right direction.

NOTICE AND AGENDA FOR THE 20TH AFCA MEMBERS' AGM

Notice is hereby given that the **20th AFCA Members Annual General Meeting** will be held on **Friday 17th February 2023 at Kigali Convention Centre, AD10 from 07:00am to 9:30am** to discuss the following;

Agenda

1. Preliminary matters

i. Welcome remarks & noting quorum

ii. Chairman's statement

iii. Receive minutes of the 19th Annual General Meeting held in Mombasa, Kenya

iv. Matters arising from the minutes of the 19th Annual General Meeting held in Mombasa, Kenya

2. Reports to members

i. AFCA members awards

ii. Receive the AFCA Annual Report for the year 2019 through to 2022

iii. Receive the audited accounts for the year 2019/20, 2020/21, 2021/22

iv. Confirmation of auditors for the year 2022/2023

3. AFCA Board of Directors for the year 2023 to 2025

Closing remarks

Yours sincerely

Nancy Cheruiyot
Executive Director

CHAIRMAN'S STATEMENT

Dear AFCA members,

On behalf of AFCA Board of Directors, it is with great pleasure that I present The African Fine Coffees Association Annual Report and Financial Statement for the year ending 30th sept 2022. In the financial year under review, AFCA emerged from the litigation challenges which saw all but one member of staff let go. For the better part of the period, the Board embarked on rebuilding AFCA, through recruitment of the ED, and two more staff and the preparation of the 19th AFCA Conference and Exhibitions. Despite these challenges, the Board has strived to ensure normal operations resumed within the shortest time possible.

19th AFCA Conference And Exhibitions

The 19th AFCA Conference and Exhibitions taking place between 15th and 17th February 2023, is a key milestone in the AFCA journey of recovery post pandemic. The success of this conference despite the very short period of planning, limited capacity and having not held any in the last two years, is a testament of AFCA's resilience against organizational shakings. The support by the members and partners during this time played a very huge role in ensuring that AFCA bounced back and can only continue in the upward trajectory.

Corporate Performance Overview

The performance of AFCA in 2020/2022 remained depressed largely due to legal challenges which barred the board from carrying its duties up until Dec 2022. The delayed ruling of the court meant that nothing much would take place and hence organization incurred expenditures while not generating any. The huge percentage of the expenditures included salaries for the staff as well as fees related to the investigations and litigation of the matters. Despite the above challenges, once the Board was cleared by the court, AFCA was able to immediately reorganise recruit an Executive Director and commence preparation of the AFCA conference.

The Board Composition

During the year under review, the board of directors comprised of the following:

Name	CHAPTER
Mr. Amir Hamza	Tanzania
Mr. Karugu Macharia	Kenya
Mr. Kenneth Barigye	Uganda
Mr. Gizat Worku	Ethiopia
Mr. Kambale Kisumba Kamungele	DR Congo
Mr. Bertrand Gako	Cameroon
Mr. Issa Nkurunziza	Rwanda
Mr. Alan Shenda Zukas	Zambia
Mr. Bernard B Kaunda	Malawi
Mr. Ephrem Sebatigita	Burundi

Challenges

While the Corona Pandemic had begun to slow down the activities of AFCA, it was the litigation by the former ED against the Board, who sought to carry out investigations into his conduct after they received a whistle blower report that completely shut down any meaningful operations for a period of one year. The time lost meant no conference was held for two subsequent periods thereby greatly affecting the income for the Association. During that period as well, expenditures continued to be incurred in form of salaries and litigation fees. Additionally, the preparation of the 19th AFCA conference and Exhibitions commenced very late and therefore mobilization of delegates and sponsorship was time barred. This therefore greatly affects the available finances to run the Association for the coming period.

However, the Association is back on track with 19th AFCA conference being a testament of this and AFCA is confident that it will have fully recovered by the end of the current period even as we plan in Good time for the 20th AFCA conference in Ethiopia. One of the most important outcome of these challenges were ensuring that AFCA policies and Strategic Plan was reviewed to strengthen the institution and minimize the recurrence of similar incidences in the future.

Way forward

The Association will continue seeking strategic partnerships as well and write funding proposals from social funders to support its technical capacity as it seeks to expand within the Continent. AFCA has it eyes in all African countries as requesting for resources from the government to supplement internal efforts to grow its portfolio with the aim of financing to other crops.

Conclusion

I would like to extend my appreciation to the Secretariat, my fellow Directors, our members and partners for their dedicated service and execution of the AFCA strategies towards achieving its Mandate, Vision and Mission. A special appreciation to the Uganda Chapter Management Committee who held the association afloat during the long challenging period.

Signed ……………………….
Chairman, Board of Directors

MINUTES

MINUTES OF THE 19TH AFCA ANNUAL GENERAL MEETING HELD ON THURSDAY 13 TH FEBRUARY 2020 AT SAROVA WHITESANDS BEACH RESORT & SPA MOMBASA. KENYA

AGENDA:

1. **Preliminary Matters**

i. Welcome remarks & noting Quorum
ii. Chairman's statement
iii. Receive minutes of the 18th Annual General Mee ting held in Kigali, Rwanda
iv. Matters aris ing from the minutes of the 18th Ann ual General Meeting held in Kigali, Rwanda.

2. **Reports to Members**

i. AFCA members awards
ii. Receive the AFCA Annual Report for the year 2018/2019
iii. Receive the audited accounts for the year 2018/2019
iv. Confirmation of auditors for the year 2019/2020

3. **AFCA Board of Directors for the years 2020 to 2022.**

Closing remarks.

MINUTE	ACTION BY:
1) AGM 19/1/2020: Preliminary Matters: **Minute 19/1 (i): Welcome Remarks - Attendance and Confirmation of Quorum:** The AFCA Executive Director called the meeting to order at 14:28 pm with 88 members present inclusive of a few guests. The members present were validated against the updated Members' Master list. He read out the notice and agenda, convening the 18th AFCA Annual General meeting which had been circulated to all AFCA members electronically prior to the meeting. The agenda was adopted. **Minute 19 /I (ii): Chairman's Statement::** The Chairman Board of Directors' welcomed members to the 19th Annual General meeting and appreciated their effort to attend. The Chairman introduced the new elected Board members. The Chairman informed members that this years' lifetime achievement awards go to Mr. Robert Waggwa Nsibirwa from Africa Coffee Academy, Uganda and Mr . Lionel de Roland-Phillips from I & M Smith (Pty) Ltd, South Africa for their amazing contribution to the growth of the African Coffee Industry, and the AFCA Institution. He added that they played a key role in the inception and nursing of the infant EAFCA in their various capacities . On behalf of the AFCA Board of Directors, the Chairman took the opportunity and recognized the new members who joined the institution in the year 2019. He also proudly recognized AFCA's long standing members, who have made 10 years and 5 years since joining AFCA. In a special way, the Chairman recognized Mckinnon India Private limited, who have been proud members for the past 15 years. The Chairman communicated that it has been a fruitful time at the Board of AFCA and that the outgoing Board have made significant progress in the years and extended his gratitude to the amazing team for a job well done. In conclusion, he wished the incoming Board members, a fruitful service to the AFCA members	

Minute 19/l(iii): Receive minutes of the 18th Annual General Meeting held in Kigali, Rwanda

Minutes of the 17th AFCA Annual General meeting (AGM) which was held on Thursday 14th February 2019 at Radisson Blu Hotel in Kigali, Rwanda Uganda reviewed and adopted as true record and representation of what transpired in the meeting.

The motion to adopt the minutes was proposed by Mr. Kenneth Barigye from Uganda and seconded by Mr. Amira Hamza from Tanzania.

Minute 9/1/iv: Matters arising from the minutes of the 18th Annual General Meeting held in Kigali, Rwanda

Matters arising from the minutes of the 17th AGM which were discussed and presented by Mr . Kamau as follows;

- The AFCA Secretariat adopted the adopted the request to develop various membership categories to accommodate various producer organizations. The proposed categorization will be reviewed by the Board in the next Board of Directors meeting.
- Price Water house Cooper (PWC), were appointed as auditors for the financial year 2018/2019.

Minute 19/2/2020: Reports to Members

Minute 19/2(i): AFCA Members Awards

Mr. Kamau informed members that eighteen new members would be awarded, thirteen members would receive the 5 years award, two members would receive the 10 years award, and one member would receive the 15 years award.

He introduced Doriane Kaze as the Membership Administration Officer and requested all members with membership concerns to reach out to her for assistance.

Minute 19 /2 (ii): Receive the AFCA Annual Report for the year 2018/2019

The AFCA ED informed members that the annual report was for the period 1st October 2018 to 30th September 2019. He reported that the report reviewed the seven strategic objectives set out in the AFCA Strategic Plan which came into operation in October 2016. The strategic objectives guide the operations of the AFCA Secretariat and are important in developing the annual budgets and work plans are aligned to these seven strategies.

The report was presented to members per strategic objective and commented on the same.

Minute 19/2 (iii): Receive the audited accounts for the year 2018/2019

The audited report for the financial year 2017/2018 was presented to the members by the AFCA Board of Treasurer Ms. Teija Lublinkhof. She reported a total Income of USD 1,178,162 which was realized during the period ended 30th September 2019. She reported that the total income comprised of a revenue of USD 1,046,281 maintaining the million-dollar mark, which had a 102% achievement in comparison to the 2018 audited revenue of USD 1,020,941 and other income of USD 131, 881. She also reported that the total expenses for the year ended 30th September 2019 were USD 1,217,882 and these represented a 94% in comparison to the 2018 audited (USD 1,293,819) and a 4% decrease.

PWC presented the auditor's report

Members received the reports and commented on the same. The motion to adopt the Audited Accounts for the year 2018/2019 was proposed by Mr. John Nuwagaba from ACPCU and seconded by Peter from Root Capital.

Minute 19/2 (iv) : Confirmation of Auditors for the financial year 2019/2020

Mr. Kamau informed members that the AFCA Board of Directors prefers having PWC as the confirmed a udit firm for the financial year 2019/ 20 20.

The motion to adopt the Audited PWC as the confirmed Audit ors was proposed by Grace Miani from Bollore Logistic, Kenya and seconded by Mr. David Lukwata from Kibinge Coffee in Uganda.

Minute 19 /3 / 2020: AFCA Board of Directors for the years 2020 to 2022	
The outgoing Board of Directors received certificates of appreciation for serving on the AFCA Board Mr. Kamau presented the incoming Board of Directors as follows; • Mr. Amir Hamza: Chairman of the Board of Directors, Tanzania • Mr. Karugu Macharia: Vice Chairman of the Board of Directors, Kenya • Dr Birgit Andrag: Treasurer, South Africa • Mr . Kenneth Barigye: Uganda • Mr. Alan Zukas: Zambia • Mr. Gizat Worku Kebede: Ethiopia • Mr . Kambale K. Kisumba : DRC • Mr. Ephrem Sebatigita: Burundi • Mr. Issa Nkurunziza: Rwanda • Mr. Bertrand Gako: Cameroon Closing Remarks and any other business: Mr. Kamau successfully adjourned the meeting at 16:27 pm.	

LIST OF NEW MEMBERS AS OF 1ST FEBRUARY 2023

No.	COMPANY NAME	COUNTRY
1	Akagera coffee project	Rwanda
2.	Yetem Trading PLC	Ethiopia
3.	Gitesi Coffee washing Station	Rwanda
4.	Honey Drip Trading PLC annual	Ethiopia
5.	Msc/Ociean Freight EA Limited	Kenya
6.	IITA project	Kenya
7.	Jotim Coffee Limited	Kenya
8.	Lima Group annual	Tanzania
9.	Ephtah coffee exporter	Ethiopia
10.	IDH the sustainable trade initiative	Kenya
11.	JKCC general Supplies	Uganda
12.	Ardent coffee export	Ethiopia
13.	Louis Dreyfus company Kenya	Kenya

AFRICAN FINE COFFEES ASSOCIATION LIMITED
ANNUAL REPORT AND FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 SEPTEMBER 2022

COMPANY INFORMATION

PRINCIPAL PLACE OF BUSINESS AND REGISTERED OFFICE

Plot 104, Block 5
Kibuga, Nsambya
P O Box 27405
Kampala

COMPANY SECRETARY

Mr. Kenneth Barigye
African Fine Coffees Association
P O Box 27405
Kampala

LEGAL ADVISOR

Okecha Baranyanga & Co. Advocates
5th Floor Umoja House
Plot 20 Nakasero Road
P.O. Box 27555
Kampala

BANKERS

Citibank Uganda Limited Ternan Avenue P O Box 7505 Kampala	**Commercial Bank of Ethiopia** P O Box 255 Addis Ababa Ethiopia
Orient Bank Limited Garden City Branch Plot 64-68, Yusuf Lule Road P O Box 3072 Kampala	**NC Bank Uganda Limited** P O Box 28707 Kampala Uganda
Barclays Bank Uganda Limited Plot 2-4, Hannington Road P O Box 7101 Kampala	**Equity Bank Uganda Limited** P O Box 10184 Kampala Uganda

INDEPENDENT AUDITOR

Ssesanga & Company
Certified Public Accountants
4th Floor Awaab Building
P O Box 10601
Kampala-Uganda

DIRECTORS' REPORT

The Directors submit their report together with the audited financial statements for the year ended 30 September 2022, which disclose the state of affairs of African Fine Coffees Association Limited (the "Company" or "AFCA").

INCORPORATION AND PRINCIPAL ACTIVITY

African Fine Coffees Association Limited (formerly The East African Fine Coffees Association Limited) was incorporated in 2000 as a Company limited by guarantee.

The Company also registered to operate as an International Non-Governmental Organisation for a period of 60 months effective 11 April 2017.

The principal activity of the Company is to support the development of a strategy to improve and promote high quality coffee production, processing and marketing in the African region.

RESULTS

The deficit for the year of US$ 223,867 (2021: Deficit of US$ 212,392) has been applied to the accumulated deficit.

DIRECTORS

The Directors who held office during the year and to the date of this report were:

Amir Hamza	Chairman
Karugu Macharia	Vice Chairman
Bernard Kaunda	Member
Allan Zukas	Member
Ephrem Sabatigita	Member
Issa Nkurunziza	Member
Kambale K Kamungele	Member
Betrand Gako	Member
Kenneth Barigye	Secretary
Gizat Worku	Treasurer

AUDITORS

The Company's Auditor, Ssesanga & Company Certified Public Accountants, continues in office in accordance with Section 167 (2) of the Ugandan Companies Act.

By Order of the Board

Mr. Kenneth Barigye
SECRETARY

………………………..2023

STATEMENT OF DIRECTORS' RESPONSIBILITIES

The Ugandan Companies Act requires the Directors to prepare financial statements for each financial year that give a true and fair view of the state of affairs of the Company as at the end of the financial year and of its surplus or deficit. It also requires the Directors to ensure that the Company keeps proper accounting records that disclose, with reasonable accuracy, the financial position of the Company. They are also responsible for safeguarding the assets of the Company.

The Directors accept responsibility for the annual financial statements, which have been prepared using appropriate accounting policies supported by reasonable estimates, in conformity with International Financial Reporting Standards and the requirements of the Ugandan Companies Act. 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 deficit in accordance with International Financial Reporting Standards. The Directors further accept responsibility for the maintenance of accounting records that may be relied upon in the preparation of financial statements, as well as designing, implementing and maintaining internal control relevant to the preparation and fair presentation of financial statements that are free from material misstatement.

Nothing has come to the attention of the Directors to indicate that the Company will not remain a going concern for at least the next twelve months from the date of this statement.

Approved by the Board of Directors on ……………………………...2023 and signed on its behalf by:

Director

Director

REPORT OF THE INDEPENDENT AUDITOR TO THE MEMBERS OF AFRICAN FINE COFFEES ASSOCIATION LIMITED

Report on the audit of the financial statements

Our opinion

In our opinion, the financial statements give a true and fair view of the state of the financial affairs of African Fine Coffees Association Limited (the "Company") as at 30 September 2022, and of its deficit and its cash flows for the year then ended in accordance with International Financial Reporting Standards and have been prepared in the manner required by the Ugandan Companies Act.

What we have audited

African Fine Coffees Association Limited's financial statements comprise:

- the statement of financial position as at 30 September 2022;
- the statement of comprehensive income for the year then ended;
- the statement of changes in equity for the year then ended;
- the statement of cash flows for the year then ended; and
- the notes to the financial statements, which include a summary of significant accounting policies.

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 believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Independence

We are independent of the Company in accordance with the International Ethics Standards Board for Accountants' Code of Ethics for Professional Accountants ("IESBA Code"). We have fulfilled our other ethical responsibilities in accordance with the IESBA Code.

Other information

The Directors are responsible for the other information. The other information comprises the information included in the annual report but does not include the financial statements and our auditor's report thereon.

Our opinion on the financial statements does not cover the other information 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 the other information identified above and, in doing so, consider whether the other information is materially inconsistent with the financial statements 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.

The Directors are responsible for the preparation of financial statements that give a true and fair view in accordance with International Financial Reporting Standards and in the manner required by the Ugandan Companies Act, and for such internal control as the Directors determine 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, the Directors are responsible for assessing the Company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the Directors either intend to liquidate the Company or to cease operations, or have no realistic alternative but to do so.

Those Directors are responsible for overseeing the Company's financial reporting process.

Auditor's responsibilities for the audit of the financial statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material 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 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 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 the Directors;

- Conclude on the appropriateness of the Directors' use of the 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 on the Company'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 Company to cease to continue as a going concern; and

- 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.

Report on other legal and regulatory requirements

The Ugandan Companies Act requires that in carrying out our audit we consider and report to you on the following matters. We confirm that:

- 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;
- in our opinion proper books of account have been kept by the Company, so far as appears from our examination of those books; and
- the Company's statement of financial position and statement of comprehensive income are in agreement with the books of account.

The engagement leader on the audit resulting in this independent auditor's report is CPA Steven Ssesanga - P0323.

CPA Steven Ssesanga **P0323**

Certified Public Accountants

Kampala 2023

Statement of comprehensive income 2022

	Notes	2022 US$	2021 US$
Revenue	5 (a)	**13,341**	21,524
Other income	6	**-**	21,402
		13,341	42,926
Program activity costs	7	**(6,458)**	(12,349))
Employee benefits expense	8	**(115,516)**	(210,627))
Depreciation and amortisation		**(9,547)**	(10,434))
Other expenses	9	**(105,686)**	(30,906))
Operating (deficit)/ surplus		**(223,867)**	(221,392))
Finance income	10	**-**	4,221
(Deficit)/ surplus before income tax		**(223,867)**	(212,392)
Income tax expense	11	**-**	-
(Deficit)/ surplus for the year		**(223,867)**	(212,392)
Other comprehensive income, net of tax		**-**	-
Total comprehensive (loss)/ income for the year		**(223,867)**	(212,392)

Statement of comprehensive income 2021

	Notes	2021 US$	2020 US$
Revenue	5 (a)	**21,524**	953,284
Other income	6	**21,402**	163,126
		42,926	
			1,116,410
Program activity costs	7	**(12,349)**	(553,427)
Employee benefits expense	8	**(210,627)**	(425,147)
Depreciation and amortisation		**(10,434)**	(17,187)
Other expenses	9	**(30,906)**	(143,910)
Operating (deficit)/ surplus		**(221,392)**	(23,262)
Finance income	10	**4,221**	15,187
(Deficit)/ surplus before income tax		**(212,392)**	(8,075)
Income tax expense	11	**-**	(2,254))
(Deficit)/ surplus for the year		**(212,392)**	(10,329)
Other comprehensive income, net of tax		**-**	-
Total comprehensive (loss)/ income for the year		**(212,392)**	(10,329)

Statement of comprehensive income 2020

	Notes	2020 US$	2019 US$
INCOME			
Revenue	5 (a)	**953,284**	1,046,281
Other income	6	**163,126**	131,881
		1,116,410	1,178,162
Administrative Costs			
Conference Costs	7	**(553,427)**	(564,853)
Employee benefits expense	8	**(425,147)**	(405,319)
Depreciation and amortisation		**(17,187)**	(20,017)
Other expenses	9	**(143,910)**	(227,693)
Operating (deficit)/ surplus		**(23,262)**	(39,720)
Finance income	10	**15,187**	22,286
(Deficit)/ surplus before income tax		**(8,075)**	(17,434)
Income tax expense	11	**(2,254)**	(3,194)
(Deficit)/ surplus for the year		**(10,329)**	(20,628)
Other comprehensive income, net of tax		**-**	-
Total comprehensive (loss)/ income for the year		**(10,329)**	(20,628)

Statement of financial position 2022

Statement of financial position

	Notes	2022	2021
ASSETS		**US$**	**US$**
Non-current assets			
Property and equipment	12	**403,517**	413,065
Intangible assets	13	**-**	-
Total non-current assets		**403,517**	413,065
Current assets			
Fixed deposits	14	**-**	-
Receivables and prepayments	15	**-**	-
Cash and bank balances	16	**259,294**	560,793
Total current assets		**259,294**	560,793
TOTAL ASSETS		**662,812**	973,858
RESERVES AND LIABILITIES			
Reserves			
Accumulated surplus		**557,733**	779,601
Revaluation surplus		**35,608**	35,608
Total reserves		**591,341**	815,209
Non-current liabilities			
Contract liabilities	5(b)	**-**	-
Current liabilities			
Deferred income	17	**23,532**	48,532
Contracts liabilities	5(b)	**-**	-
Payables and accrued expenses	18	**47,938**	110,117
Total current liabilities		**71,471**	158,650
Total liabilities		**71,471**	158,650
TOTAL RESERVES AND LIABILITIES		**662,812**	973,858

The financial statements set out on pages 7 to 26 were approved by the Board of Directors on

……….........………........ 2023 and were signed on its behalf by:

Director **Director**

Statement of financial position 2021

	Notes	2021	2020
ASSETS		**US$**	**US$**
Non-current assets			
Property and equipment	12	**413,065**	424,889
Intangible assets	13	**-**	4,194
Total non-current assets		**413,065**	429,082
Current assets			
Fixed deposits	14	**-**	429,788
Receivables and prepayments	15	**-**	28,985
Cash and bank balances	16	**560,793**	299,886
Total current assets		**560,793**	758,659
TOTAL ASSETS		**973,858**	1,187,741
RESERVES AND LIABILITIES			
Reserves			
Accumulated surplus		**779,601**	996,771
Revaluation surplus		**35,608**	35,608
Total reserves		**815,209**	1,032,379
Non-current liabilities			
Contract liabilities	5(b)	**-**	14,824
Current liabilities			
Deferred income	17	**48,532**	83,676
Contracts liabilities	5(b)	**-**	-
Payables and accrued expenses	18	**110,117**	56,862
Total current liabilities		**158,650**	140,538
Total liabilities		**158,650**	155,362
TOTAL RESERVES AND LIABILITIES		**973,858**	1,187,741

The financial statements set out on pages 7 to 26 were approved by the Board of Directors on

…………..........……......... 2023 and were signed on its behalf by:

Director

Director

Statement of financial position 2020

	Notes	2020 US$	2019 US$
ASSETS			
Non-current assets			
Property and equipment	12	**424,889**	436,275
Intangible assets	13	**4,194**	5,661
Total non-current assets		**429,082**	441,936
Current assets			
Held to Maturity financial assets	14	**429,788**	640,537
Receivables and prepayments	15	**28,985**	115,694
Cash and bank balances	16	**299,886**	173,649
Total current assets		**758,659**	929,880
TOTAL ASSETS		**1,187,741**	1,371,816
RESERVES AND LIABILITIES			
Reserves			
Accumulated surplus		**996,771**	976,359
Revaluation surplus		**35,608**	35,608
Total reserves		**1,032,379**	1,011,967
Non- current liabilities			
Contract liabilities	5(b)	**14,824**	22,569
Current liabilities			
Deferred income	17	**83,676**	98,492
Contracts liabilities	5(b)	**-**	183,330
Accruals and other payables	18	**56,862**	55,458
Total current liabilities		**140,538**	337,280
Total liabilities		**155,362**	359,849
TOTAL RESERVES AND LIABILITIES		**1,187,741**	1,371,816

The financial statements set out on pages 7 to 26 were approved by the Board of Directors on

……….........……........ 2023 and were signed on its behalf by:

Director **Director**

Statement of changes in equity 2022

	Accumulated Surplus US$	Revaluation Surplus US$	Total US$
Year ended 30 September 2021			
At start of year	966,030	35,608	1,001,638
Surplus for the year	(217,171)	-	(217,171)
Other comprehensive income	-	-	-
Total comprehensive income	(217,171)	-	(217,171)
At end of year	**748,859**	**35,608**	**784,467**
Year ended 30 September 2022			
At start of year	748,859	35,608	784,467
Deficit for the year	(223,867)	-	(223,867)
Other comprehensive income	-	-	-
Total comprehensive loss	**(223,867)**	**-**	**(223,867)**
At end of year	**524,992**	**35,608**	**560,600**

Statement of changes in equity 2021

	Accumulated Surplus US$	Revaluation Surplus US$	Total US$
Year ended 30 September 2020			
At start of year	976,359	35,608	1,011,967
Surplus for the year	(10,329)	-	(10,329)
Other comprehensive income	-	-	-
Total comprehensive income	(10,329)	-	(10,329)
At end of year	**966,030**	**35,608**	**1,001,638**
Year ended 30 September 2021			
At start of year	966,030	35,608	1,001,638
Deficit for the year	(217,171)	-	(217,171)
Other comprehensive income	-	-	-
Total comprehensive loss	(217,171)	-	(217,171)
At end of year	**748,859**	**35,608**	**784,467**

Statement of changes in equity 2020

	Accumulated Surplus US$	Revaluation Surplus US$	Total US$
Year ended 30 September 2019			
At start of year	996,987	35,608	1,032,595
Surplus for the year	(20,628)	-	(20,628)
Other comprehensive income	-	-	-
Total comprehensive income	(20,628)	-	(20,628)
At end of year	**976,359**	**35,608**	**1,011,967**
Year ended 30 September 2020			
At start of year	976,359	35,608	1,011,967
Deficit for the year	(10,329)	-	(10,329)
Other comprehensive income	-	-	-
Total comprehensive loss	(10,329)	-	(10,329)
At end of year	**966,030**	**35,608**	**1,001,638**

Statement of cash flows

	Notes	2022 US$	2021 US$
Cash flows from operating activities			
(Deficit)/ surplus before income tax		(223,867)	(212,392)
Adjustment for:			
Interest income	10	-	(4,221)
Depreciation	12	9,547	11,828
Amortisation	13	-	4,193
Interest received		-	2,726
		(214,320)	(197,866)
Changes in working capital:			
- receivables and prepayments		-	28,985
- deferred income		(1,468)	-
- contract liabilities		(23,532)	-
- payables and accrued expenses		(62,179)	-
		(301,499)	(168,881)
Income tax paid	11	-	-
Net cash flows generated from/ (used in) operating activities		(301,499)	(168,881)
Cash flows from investing activities			
Purchase of property and equipment	12	-	-
Purchase of intangible assets	13	-	-
Purchase of fixed deposits	14	-	-
Proceeds from maturity of fixed deposits	14	-	(429,788)
Net cash flows used in investing activities		(301,499)	260,907
Net increase/ (decrease) in cash and bank balances		(301,499)	260,907
Cash and bank balances at start of year		560,793	299,886
Cash and bank balances at end of year	16	259,294	560,793

Statement of cash flows

	Notes	2021 US$	2020 US$
Cash flows from operating activities			
(Deficit)/ surplus before income tax		**(212,392)**	(8,075)
Adjustment for:			
Interest income	10	**(4,221)**	(15,187)
Depreciation	12	**11,828**	14,590
Amortisation	13	**4,193**	1,468
Interest received		**2,726**	28,063
		(197,866)	21,017
Changes in working capital:			
- receivables and prepayments		**28,985**	86,709
- deferred income		**-**	(14,816)
- contract liabilities		**-**	(191,075)
- payables and accrued expenses		**-**	1,404
		(168,881)	(96,761)
Income tax paid	11	**-**	(2,254)
Net cash flows generated from/ (used in) operating activities		**(168,881)**	(99,015)
Cash flows from investing activities			
Purchase of property and equipment	12	**-**	(2,465)
Purchase of intangible assets	13	**-**	(4,194)
Purchase of fixed deposits	14	**-**	-
Proceeds from maturity of fixed deposits	14	**(429,788)**	223,524
Net cash flows used in investing activities		**260,907**	126,237
Net increase/ (decrease) in cash and bank balances		**260,907**	126,237
Cash and bank balances at start of year		**299,886**	173,649
Cash and bank balances at end of year	**16**	**560,793**	299,886

Statement of cash flows

	Notes	2020 US$	2019 US$
Cash flows from operating activities			
(Deficit)/ surplus before income tax		**(8,075)**	(17,434)
Adjustment for:			
Interest income	10	**(15,187)**	(21,289)
Depreciation	12	**14,590**	16,798
Amortisation	13	**1,468**	3,218
Interest received		**28,063**	14,941
		21,017	(3,766)
Changes in working capital:			
- receivables and prepayments		**86,709**	61,614
- deferred income		**(14,816)**	64,871
- contract liabilities		**(191,075)**	4,766
- payables and accrued expenses		**1,404**	(27,332)
		(96,761)	100,153
Income tax paid	11	**(2,254)**	(3,194)
Net cash flows generated from/ (used in) operating activities		**(99,015)**	96,959
Cash flows from investing activities			
Purchase of property and equipment	12	**(2,465)**	(12,834)
Purchase of intangible assets	13	**(4,194)**	(4,500)
Purchase of fixed deposits	14	**-**	(1,258,462)
Proceeds from maturity of fixed deposits	14	**223,524**	1,244,012
Net cash flows used in investing activities		**126,237**	(31,784)
Net increase/ (decrease) in cash and bank balances		**126,237**	65,175
Cash and bank balances at start of year		**173,649**	108,474
Cash and bank balances at end of year	**16**	**299,886**	173,649

1 General information

African Fine Coffees Association Limited (formerly The East African Fine Coffees Association Limited) was incorporated in 2000 as a Company limited by guarantee and, an International Non-Government Organisation for 60 months effective 11 April 2017 and is domiciled in Uganda. The address of its registered office is:

Plot 104, Block 5
Kibuga, Nsambya
P O Box 27405
Kampala

For Ugandan Companies Act reporting purposes, the balance sheet is represented by the statement of financial position and the profit and loss account is represented by the statement of comprehensive income in the financial statements.

2 Summary of significant accounting policies

(a) Basis of preparation

The financial statements are prepared in compliance with International Financial Reporting Standards ("IFRS"). The measurement basis applied is the historical cost basis, except where otherwise stated in the accounting policies below. The financial statements are presented in United States Dollars (US$).

The preparation of financial statements in conformity with IFRS requires the use of certain critical accounting estimates. It also requires management to exercise its judgement in the process of applying the Company's accounting policies.

Changes in accounting policy and disclosures

(i) New and amended standards adopted by the Company

The following standards and amendments have been applied by the Company for the first time for the financial year beginning 1 October 2021:

IFRS 9 - ***Financial Instruments***

From 1 October 2021, to comply with IFRS 9, which replaced IAS 39, financial assets previously classified as 'Held to maturity' and 'Loans and receivables' (measure at amortised cost) were classified as 'Held to collect' and continue to be measured at amortised cost. The resulting classification has been applied retrospectively. In addition, the standard require provision to be made for either 12-month or lifetime expected credit losses (ECLs) for all financial assets measured at amortised cost, lease receivables, and debt instruments measured at fair value through other comprehensive income. The Directors have opted to apply the simplified approach for trade receivables whereby lifetime ECL are provided for from inception. Adoption of IFRS 9 has not had a material impact on the financial statements of the Company as at 1 October 2021 and consequently, the Directors have not restated the opening balances.

(ii) New standards and interpretations adopted (continued)

IFRS 15 -*Revenue from Contracts with Customers*

Under IFRS 15, revenue from sale of goods is recognised when the customer obtains control of the services.

Notes continued

Revenue from sales of services is recognised at a point in time provided the consumption of the service by the customer is simultaneous with the performance of the service by the Company. The application of the standard, retrospectively, in the current year has not had a material impact on the financial position or financial performance of the Company, and a prior period adjustment has, therefore, not been required.

(ii) New and revised standards that have been issued but are not yet effective

The Company has not applied any new or revised standards and interpretations that have been published but are not yet effective for the year beginning 1 October 2021, and the Directors do not plan to apply any of them until they become effective. These standards, which are set out below, are not expected to have a significant effect on the financial statements of the Company:

IFRS 16, 'Leases' After ten years of joint drafting by the IASB and FASB they decided that lessees should be required to recognise assets and liabilities arising from all leases (with limited exceptions) on the balance sheet. Lessor accounting has not substantially changed in the new standard.

The model reflects that, at the start of a lease, the lessee obtains the right to use an asset for a period of time and has an obligation to pay for that right. In response to concerns expressed about the cost and complexity to apply the requirements to large volumes of small assets, the IASB decided not to require a lessee to recognise assets and liabilities for short-term leases (less than 12 months), and leases for which the underlying asset is of low value (such as laptops and office furniture).

A lessee measures lease liability at the present value of future lease payments. A lessee measures lease asset, initially at the same amount as lease liabilities, and also includes costs directly related to entering into the lease. Lease assets are amortised in a similar way to other assets such as property and equipment.

This approach will result in a more faithful representation of a lessee's assets and liabilities and, together with enhanced disclosures, will provide greater transparency of a lessee's financial leverage and capital employed.

One of the implications of the new standard is that there will be a change to key financial ratios derived from a lessee's assets and liabilities (for example, leverage and performance ratios).

IFRS 16 supersedes IAS 17, 'Leases', IFRIC 4, 'Determining whether an Arrangement contains a Lease', SIC 15, 'Operating Leases – Incentives' and SIC 27, 'Evaluating the Substance of Transactions Involving the Legal Form of a Lease'. The standard is effective for annual periods beginning 1 January 2021. Early adoption is permitted only if IFRS 15 is adopted at the same time.

IFRIC 23 ***Uncertainty over Income Tax Treatments*** (issued in June 2017)

The Interpretation, applicable to annual periods beginning on or after 1 January 2021, clarifies how to apply the recognition and measurement requirements of IAS 12 when there is uncertainty over income tax treatments.

There are no other IFRSs or IFRIC interpretations that are not yet effective that would be expected to have a material impact on the Company.

(b) Revenue recognition

The Company recognises revenue from services it offers to its customers. The Company recognises revenue as and when it satisfies a performance obligation by transferring control of a service to a customer. The amount of revenue recognised is the amount the Company expects to receive in accordance with the terms of the contract, and excludes amounts collected on behalf of third parties, such as Value Added Tax.

Conference income

This is income generated from the annual conference. The Company recognises conference income at a point in time when delegates attend the conference meeting. Any amounts received in excess of the revenue recognised are presented as contract liabilities.

Membership income

This relates to membership fees paid by members. Membership income is recognised over time as the customer continues to enjoy the right to the Company's services over the term of the membership. Any amounts received in excess of the revenue recognised are presented as contract liabilities.

(c) Other income

Grant income

Grant income is recognised on a systematic basis over the periods in which the Company recognises expenses, the related costs for which the grants are intended to compensate.

Interest income

Interest income is recognised on a time proportion basis using the effective interest method.

d) Deferred income

Income relating to more than one year is recognised as deferred income and released to the statement of comprehensive income over the period to which it relates.

e) Foreign currency translation

i) Functional and presentation currency

Items included in the financial statements are measured using the currency of the primary economic environment in which the entity operates (the "Functional Currency"). The financial statements are presented in United States Dollar ("US$") which is the Company's Functional Currency

ii) Transactions and balances

Foreign currency transactions are translated into the Functional Currency using the exchange rates prevailing at the dates of the transactions. Foreign exchange gains and losses resulting from the settlement of such transactions and from the translation at year-end exchange rates of monetary assets and liabilities denominated in foreign currencies are recognised in the statement of comprehensive income.

All foreign exchange gains and losses are presented in the profit and loss account within finance income or cost.

f) Property and equipment

Property and equipment is stated at cost, net of accumulated depreciation and/or accumulated impairment losses, if any.

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 the Company and the cost can be reliably measured. The carrying amount of the replaced part is derecognised. All other repairs and maintenance are charged to the statement of comprehensive income during the financial period in which they are incurred.

Motor vehicles are measured at fair value less accumulated depreciation at the date of revaluation. Valuations are performed with sufficient frequency to ensure that the carrying amount of a revalued asset does not differ materially from its fair value. A revaluation surplus is recorded in OCI and credited to the asset revaluation surplus in equity. However, to the extent that it reverses a revaluation deficit of the same asset previously recognised in profit or loss, the increase is recognised in profit or loss. A revaluation deficit is recognised in the statement of profit or loss, except to the extent that it offsets an existing surplus on the same asset recognised in the asset revaluation reserve. Accumulated depreciation as at the revaluation date is eliminated against the gross carrying amount of the asset and the net amount is restated to the revalued amount of the asset.

The Company has elected to transfer the revaluation surplus to retained earnings in full, upon disposal of the assets.

Freehold land is not depreciated. Depreciation is calculated on a straight-line basis over the estimated useful life of the asset as follows:

Computers and office equipment	3 years
Furniture and fixtures	8 years
Machinery	5 years
Motor vehicles	4 years

An item of property and equipment and any significant part initially recognised is derecognised upon disposal or when no future economic benefits are expected from its use or disposal. Any gain or loss arising on derecognition of the asset (calculated as the difference between the net disposal proceeds and the carrying amount of the asset) is included in the statement of comprehensive income when the asset is derecognised.

The assets' residual values, useful lives and methods of depreciation are reviewed at each financial year end, and adjusted prospectively, if appropriate.

g) Intangible assets

Intangible assets acquired separately are measured on initial recognition at cost. Following initial recognition, intangible assets are carried at cost less any accumulated amortisation and accumulated impairment losses.

The useful lives of intangible assets are assessed as either finite or indefinite. Intangible assets with finite lives are amortised over the useful economic life and assessed for impairment whenever there is an indication that the intangible asset may be impaired. Amortization is calculated on a straight line basis over four years for accounting software which is the only intangible asset held by the Company.

The amortisation period and the amortisation method for an intangible asset with a finite useful life are reviewed at least at the end of each reporting period. Changes in the expected useful life or the expected pattern of consumption of future economic benefits embodied in the asset are considered to modify the amortisation period or method, as appropriate, and are treated as changes in accounting estimates.

h) Employee benefits

The Company has a defined contribution plan. A defined contribution plan is a pension plan under which the Company pays fixed contributions into a separate entity and has no legal or constructive obligations to pay further contributions if the fund does not hold sufficient assets to pay all employees the benefits relating to employee service in the current and prior periods.

Notes continued

The Company contributes to the statutory National Social Security Fund (NSSF). This is a defined contribution scheme registered under the National Social Security Act. The Company's obligations under the scheme are limited to specific contributions legislated from time to time and are currently 10% of the employees' gross salary. The Company's contributions are charged to the statement of comprehensive income in the period to which they relate.

i) Cash and cash equivalents

Cash and cash equivalents includes cash in hand, deposits held at call with banks, other short term highly liquid investments with original maturities of three months or less, and bank overdrafts. Bank overdrafts are shown within borrowings in current liabilities on the balance sheet.

j) Financial instruments

Initial recognition
Financial instruments are recognised when, and only when, the Company becomes party to the contractual provisions of the instrument. All financial assets are recognised initially using the trade date accounting which is the date the Company commits itself to the purchase or sale.

Classification
The Company classifies its financial instruments into the following categories:

Financial assets that are held within a business model whose objective is to hold assets in order to collect contractual cash flows, and for which the contractual terms of the financial asset give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding, are classified and measured at amortised cost; and

All financial liabilities are classified and measured at amortised cost.

Financial instruments held during the year were classified as follows:

Fixed deposits with banking institutions, bank balances and receivables were classified as at amortised cost.

Payables and accrued expenses were classified at amortised cost.

Initial measurement
On initial recognition, receivables are measured at their transaction price and all other categories of financial assets and financial liabilities are measured at the fair value plus or minus transaction costs that are directly attributable to the acquisition or issue of the instrument.

Subsequent measurement
Subsequent measurement of the Company's financial assets and liabilities is at amortised cost, which is the amount at which the financial asset or liability is measured on initial recognition minus principal repayments, plus or minus the cumulative amortisation using the effective interest method of any difference between the initial amount and the maturity amount. For financial assets, the amortised cost is adjusted for any loss allowance.

Impairment
The Company recognises a loss allowance for expected credit losses on debt instruments that are
measured at amortised cost. The loss allowance is measured at an amount equal to the lifetime expected credit losses for receivables and for financial instruments for which: (a) the credit risk has increased significantly since initial recognition; or (b) there is observable evidence of impairment (a credit-impaired financial asset). If, at the reporting date, the credit risk on a financial asset other than a trade receivable has not increased significantly since

Notes continued

initial recognition, the loss allowance is measured for that financial instrument at an amount equal to 12-month expected credit losses. All changes in the loss allowance are recognised in profit or loss as impairment gains or losses.

Lifetime expected credit losses represent the expected credit losses that result from all possible default events over the expected life of a financial instrument. 12-month expected credit losses represent the portion of lifetime expected credit losses that result from default events on a financial asset that are possible within 12 months after the reporting date.

Expected credit losses are measured in a way that reflects an unbiased and probability-weighted amount determined by evaluating a range of possible outcomes, the time value of money, and reasonable and supportable information that is available without undue cost or effort at the reporting date about past events, current conditions and forecasts of future economic conditions.

Presentation
All financial assets are classified as non-current except those with maturities of less than 12 months from the balance sheet date, those which management has the express intention of holding for less than 12 months from the balance sheet date or those that are required to be sold to raise operating capital, in which case they are classified as current assets.

All financial liabilities are classified as non-current except those expected to be settled in the Company's normal operating cycle, those payable or expected to be paid within 12 months of the balance sheet date and those which the Company does not have an unconditional right to defer settlement for at least 12 months after the balance sheet date.

Derecognition/write off
Financial assets are derecognised when the rights to receive cash flows from the financial asset have expired, when the Company has transferred substantially all risks and rewards of ownership, or when the Company has no reasonable expectations of recovering the asset.

Financial liabilities are derecognised only when the obligation specified in the contract is discharged or cancelled or expires.

Offsetting

Financial assets and liabilities are offset, and the net amount reported in the balance sheet only when there is a legally enforceable right to set off the recognised amounts and there is an intention to settle on a net basis or realise the asset and settle the liability simultaneously.

(l) Impairment of non-financial assets

The Company assesses at each reporting date whether there is an indication that an asset may be impaired. If any indication exists, or when annual impairment testing for an asset is required, the Company estimates the asset's recoverable amount.

An asset's recoverable amount is the higher of an asset's fair value less costs to sell and its value in use and is determined for an individual asset, unless the asset does not generate cash inflows that are largely independent of those from other assets or groups of assets. Where the carrying amount of an asset exceeds its recoverable amount, the asset is considered impaired and is written down to its recoverable amount.

Impairment losses are recognised in the statement of comprehensive income in those expense categories consistent with the function of the impaired asset, except for property previously revalued where the revaluation was taken to other comprehensive income. In this case, the impairment is also recognised in other comprehensive income up to the amount of any previous revaluation.

(m) Provisions

Provisions are recognised when the Company has a present obligation (legal or constructive) as a result of a past event, it is probable that an outflow of resources embodying economic benefits will be required to settle the obligation and a reliable estimate can be made of the amount of the obligation. Where the Company expects some or all of a provision to be reimbursed, for example under an insurance contract, the reimbursement is recognised as a separate asset but only when the reimbursement is virtually certain. The expense relating to any provision is presented in the statement of comprehensive income net of any reimbursement.

3 Significant accounting judgments, estimates and assumptions

The preparation of the Company's financial statements requires management to make judgments, estimates and assumptions that affect the reported amounts of revenues, 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.

Assumptions and estimates/judgment

There were no areas requiring a higher degree of assumptions/judgments that are significant to the financial statements.

4 Financial risk management

The Company's principal financial liabilities comprise other payables. The Company also has financial assets that include cash and bank balances, short-term deposits and other receivables that arise directly from its operations.

The main risks arising from the Company's financial instruments are market risk (interest rate risk and foreign currency risk) and credit risk. The Company's Directors and management review and agree policies for managing each of these risks as follows:

Market risk

i) Cash flow and fair value interest rate risk

Interest rate risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in market interest rates. However, the exposure is minimal because the Company's fixed deposits are at fixed rates.

ii) Foreign currency risk

Foreign currency risk is the risk that the fair value or future cash flows of financial instruments will fluctuate because of changes in foreign currency. The Company's exposure to the risk of changes in foreign exchange rates relates primarily with respect to the Uganda Shilling. However, the risk is minimal as most of the payments are also made in US Dollars. In addition, foreign exchange spot rates are negotiated with bankers on a competitive basis where required.

At 30 September 2022, if the United States Dollar had weakened/strengthened by 1% against the Ugandan Shilling with all other variables held constant, post-tax deficit for the year would have been US$ 2,316.8 (2021: post-tax surplus of US$ 1,042.2) higher, mainly as a result of Ugandan Shilling denominated receivables, bank balances and payables.

Notes continued

Credit risk

Credit risk is the risk that a counter party will not meet its obligations under a financial instrument or customer contract, leading to financial loss. The Company's credit risk arises from bank balances, fixed deposits with financial institutions as well as outstanding receivables, which are carried at amortised. The credit risk exposure is managed through management's constant monitoring of the status of financial institutions where the fixed deposits are held. In addition, other receivables are spread out across different Chapters.

The amount that best represents the Company's maximum exposure to credit risk at 30 September 2022 and 2021 is as per the table below:

	2022 US$	2021 US$
Bank balances (Note 16)	**259,294**	560,793
Fixed deposits (Note 14)	**-**	-
Other receivables (Note 15)	**-**	-
	259,294	560,793

None of the assets are either past due or impaired except for the following amounts in trade receivables.

	2022 US$	2021 US$
Past due but not impaired:		
- 90 to 180 days	**-**	-
- 180 to 365 days	**-**	-
	-	-
Receivables individually determined to be impaired:		
Carrying amount before provision for impairment loss	**-**	-
Provision for impairment losses	**-**	-
Net carrying amount	**-**	-

Liquidity risk

Prudent liquidity risk management implies maintaining sufficient cash and short-term deposits and the availability of the funding through an adequate amount of committed credit facilities to meet obligations when due. Management monitors rolling forecasts of the Company's liquidity reserve on the basis of expected cash flow.

The table below analyses the Company's financial liabilities that will be settled on a net basis into relevant maturity groupings based on the remaining period at the balance sheet date to the contractual maturity date. The amounts disclosed in the table below are the contractual undiscounted cash flows. Balances due within 12 months equal their carrying balances, as the impact of discounting is not significant.

	2022 US$	2021 US$
Payables and accrued expenses (Note 18)	**-**	-

5 (a) Revenue from contracts with customers

	2022 US$	2021 US$
Conference income	**-**	-
Membership fees	**13,341**	21,524
	13,341	21,524

(b) Contract assets and contract liabilities

The contract assets at year-end amounted to Nil (2021: Nil). Contract assets represent costs that have been incurred in respect of the preparations of the conference that will be held in February 2023.

The contract liabilities represent the cash receipts from the customers in respect to performance obligations to be satisfied in subsequent years. The contract liabilities as of year-end were as shown below:

	2022 US$	2021 US$
Current contract liabilities	**23,532**	48,532
Non-current contract liabilities	**-**	-
	23,532	48,532

The movement in the contract liabilities was as shown below:

	2022 US$	2021 US$
At start of year	**98,500**	201,269
Additions	**-**	-
Credit to profit or loss	**-**	(102,769)
At end of year	**98,500**	98,500

6 Other income

	2022 US$	2021 US$
Grants	**-**	20,088
Program Funds (GCP)	**-**	1,313
Other program funds	**-**	-

Notes continued

	-	21,402

7	Program activity costs	2022 US$	2021 US$
	Delegate	**-**	-
	Training and field activities	**-**	-
	Sponsorship	**-**	-
	Participation competitiveness	**-**	-
	Exhibition	**-**	-
	Program costs	**6,458**	12,350
	Other conference costs	**-**	-
		6,458	12,350

8	Employee benefits expense		
	Salaries and wages	**85,175**	170,958
	National Social Security Fund (NSSF)	**9,287**	30,564
	Other staff costs	**21,053**	9,105
		115,516	210,627

9	Other expenses		
	Board meeting expenses	**44,633**	-
	AFCA Chapter expenses	**915**	12,278
	Global Coffee Platform Council meetings	**-**	-
	Auditor's remuneration	**12,390**	-
	Other professional fees	**32,812**	3,590
	Bank charges	**1,771**	1,454
	Rent	**-**	-
	Provision for impairment losses	**-**	5,582
	Miscellaneous expenses	**13,164**	8,003
		105,686	30,907

10	Finance income		
	Interest income	**-**	**4,221**
	Foreign exchange gains	**-**	**-**
		-	**4,221**

11 Income tax

a) Income tax expense

The Company applied and received an income tax exemption certificate from Uganda Revenue Authority (URA) for 2 years, effective 1 October 2018 to 30 September 2021. Accordingly, no income tax provision has been recognised in the financial statements for the year ended 30 September 2021.

	2022 US$	2021 US$
b) Withholding tax on interest income from fixed deposits	-	-

The tax on the (deficit)/ surplus before income tax of the Company differs from the theoretical amount that would arise using the statutory income tax rate as follows:

	2022 US$	2021 US$
(Deficit)/ surplus before income tax	(223,867)	(212,392)
Tax calculated at the statutory income tax rate of 30% (2021: 30%)		
Tax effect of:		
- Income exempt from taxation	-	-
- Income subject to tax at 15%	-	-
- Expenses not deductible for tax purposes	-	-
Income tax expense	-	-

The Company's income is not subject to income tax since it has been exempted from taxation. The income tax expense arises from the withholding tax at source for the interest income earned on fixed deposits.

Notes continued

12 Property and equipment

	Computer & Equipment US$	Furniture & Fittings US$	Machinery US$	Motor Vehicles US$	Work in Progress US$	Buildings US$	Land US$	Total US$
At 1 October 2020								
Cost or valuation	91,131	23,786	39,397	35,068	-	245,629	179,034	613,945
Accumulated depreciation	(89,739)	(21,391)	(28,861)	(35,068)	-	(14,737)	-	(189,795)
Net book amount	**1,392**	**2,395**	**10,436**	**-**	**-**	**230,892**	**179,034**	**424,150**
Year ended 30 September 2021								
Opening net book amount	91,131	23,786	39,397	35,068	-	245,629	179,034	613,945
Impairment loss	(1,392)	-	-	-	-	-	-	(1,392)
Depreciation charge	-	(1,378)	(4,144)	(35,068)	-	(4,912)	-	(10,434)
Closing net book amount	-	22,768	33,005	-	-	240,717	179,034	412,323
At 30 September 2021								
Cost or valuation	91,131	23,786	39,397	35,068	-	245,629	179,034	613,945
Accumulated depreciation	(91,131)	(22,768)	(33,005)	(35,068)	-	(19,649)	-	(201,622)
Net book amount	**-**	**1,017**	**6,292**	**-**	**-**	**225,980**	**179,034**	**412,323**

The motor vehicle has been fully depreciated but still in use.

12 Property and equipment

	Computer & Equipment US$	Furniture & Fittings US$	Machinery US$	Motor Vehicles US$	Work in Progress US$	Buildings US$	Land US$	Total US$
At 1 October 2021								
Cost or valuation	91,131	23,786	39,397	35,068	-	245,629	179,034	613,945
Accumulated depreciation	(91,131)	(22,768)	(33,005)	(35,068)	-	(19,649)	-	(201,622)
Net book amount	**-**	**1,017**	**6,292**	**-**	**-**	**225,980**	**179,034**	**412,323**
Year ended 30 September 2022								
Opening net book amount	-	1,017	6,292	-	-	225,980	179,034	412,323
Impairment loss	-	-	-	-	-	-	-	-
Depreciation charge	-	(490)	(4,145)	-	-	(4,913)	-	(9,547)
Closing net book amount	-	527	2,147	-	-	221,067	179,034	402,776
At 30 September 2022								
Cost or valuation	91,131	23,786	39,397	35,068	-	245,629	179,034	613,945
Accumulated depreciation	(91,131)	(23,258)	(37,150)	(35,068)	-	(24,562)	-	(211,169)
Net book amount	**-**	**528**	**2,247**	**-**	**-**	**221,067**	**179,034**	**402,776**

The motor vehicle has been fully depreciated but still in use.

13	**Intangible assets**	**2022 US$**	**2021 US$**
	Cost		
	At start of year	-	-
	Additions	-	-
	At end of year	-	-
	Amortisation		
	At start of year	-	-
	Charge for the year	-	-
	At end of year	-	-
	Net book amount	-	-

The intangible asset was written off due to obsolete.

14	**Fixed deposits**		
	Deposits after 3 months from the acquisition date	-	-
	The movement in fixed deposits during the year is as follows:		
	At start of year	-	**429,788**
	Additions	-	-
	Accrued interest	-	-
	Maturity proceeds	-	**(429,788)**
	At end of year	-	-

Fixed Assets were not rolled over in 2022

15	**Receivables and prepayments**	**2022 US$**	**2021 US$**
	Sponsorship and other receivables		
	Less: provision for impairment losses	-	**(5,582)**
	Net receivables		
	Advances to Chapters (Note 19)		
	Travel and staff advances		

Notes continued

Prepayments

16 Cash and bank balances

	2022 US$	2021 US$
Cash in hand	-	-
Cash at bank	259,294	560,793
	259,294	560,793

17 Deferred income

The movement in deferred income in the year was as shown below:

At start of year	98492	98,492
Additions		-
Credit to profit or loss	(1,468)	-
At end of year	97,024	98,492

Grant liability relates to UTZ, Global Coffee Platform and World Coffee Research funds not utilised as at year-end.

18 Payables and accrued expenses

	2022 US$	2021 US$
Accounts payable	-	-
Accruals and other payables	-	-
	-	-

19 Related parties

The Company is limited by guarantee. However, there are related parties through common Directorships.

Key management compensation	2022 US$	2021 US$
Short-term employee benefits	-	-
Directors' sitting allowances	-	-

Notes continued

Amounts due from related parties

Advances to Chapters (Note 15)	-	-

20 Contingent liabilities and commitments

There are no commitments and contingencies as at 30 September 2022 (2021: Nil).

CONFIRMATION OF AUDITORS

APPOINTMENT OF AUDITORS FOR THE FINANCIAL YEAR 2022 /2023

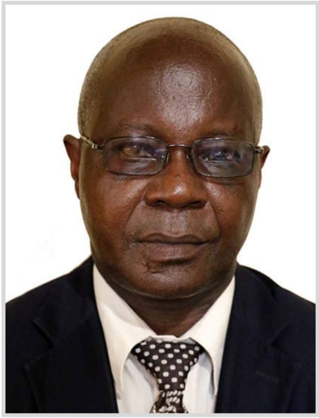
The Company's Auditors, Ssesanga & Co Certified Public Accountants expressed their interest to continue in office for the financial year 2022/23in accordance with Section 167 (2) of the Ugandan Companies Act

The AFCA Board of Directors request that the AGM allows them to evaluate 3 possible auditors and select the most suitable for appointment as AFCA's auditors for the financial year 2022/23

AFCA BOARD OF DIRECTORS

OUTGOING AFCA BOARD MEMBERS

Issa Nkurunziza
Rwanda



Bernard B. Kaunda
Malawi

INCOMING AFCA BOARD MEMBERS

Alexis Nkurunziza
Rwanda

Mackson Darwin Ng'ambi
Malawi

AFCA BOARD OF DIRECTORS

KENNETH M. BARIGYE, Uganda Chapter Chairman

He is the Managing Director of Mountain Harvest Limited, an Arabica coffee company working on an integrated basis sourcing Arabica coffee from smallholder farmers in Uganda and employing an inclusive business model, engaging its smallholder suppliers as an integral part of the coffee supply chain.

He is a commercial arabica farmer and a member of the Uganda Large Scale Coffee Farmers Association.

He is a member of the Advisory Council of the National Coffee Research Institute of Uganda.

He is a graduate of Development Studies of Makerere University [2003] and holds a Masters of Development Studies [2009] from Uganda Martyrs' University; a Post Graduate Diploma in Organizational Development (2010) from Uganda Management Institute; a Post Graduate Diploma in Advocacy and Lobbying (2012) from Uppsala University in Sweden; and a Masters of Business Management (2018) from Makerere University.

KARUGU MACHARIA, Kenya Chapter Chairman

He has served in various capacities in the agricultural sector for over 35 years spanning from the early eighties until the time his voluntary retirement in 2018. As an agronomist from Egerton University he has worked as an agricultural officer in Nyeri District. Area Manager Coffee Board of Kenya worked as a consultant with Kenya Planter's Cooperative Union managing large, medium coffee estates, Cooperative Societies and Unions before holding the position of Head Field Services Department during the time when Kenya attained its highest production of around 130,000 Tonnes.

Karugu worked both as a consultant for Coffee Support Network of Solidaridad Netherlands in East and Central Africa and served as the Regional Manager-Africa and India for UTZ Certified www.utzcertified.org and was instrumental in introducing certification standards in Africa and India.

He then set up a Regional office for Solidaridad East and Central Africa www.solidaridadnetwork.org and established offices in Ethiopia, Kenya, Uganda and Tanzania and served as the Regional Director until his voluntary retirement in 2018. He was a founder member of the Kenya Coffee Platform together with AFCA, RA/UTZ Certified, GCP and has worked closely with AFCA in hosting the last Conference held in Kenya.

ALAN ZUKAS, Zambia Chapter Chairman

Educated in both Zambia and the United Kingdom, Alan Zukas is the second generation working in the coffee business on Balmoral Farm, located in Zambia.

Alan has over 25 years in coffee cultivation, operating a commercial farm that mainly focused livestock farming, cash crops such as maize, wheat, cotton and soya but diversified to include commercial Arabica coffee production and export in 1995 to date, increasing the coffee hectarage from 3 ha's to 60 ha's, setting up a wet processing plant in 1997 and a coffee mill in 1998 and successfully transitioning the business into a profit making entity. Responsibilities as General Manager of the farm included all the planning, execution and monitoring of the resources – human, technical financial and knowledge and training. In charge of a total staff compliment of 50 permanent workers and up to 300 pickers in season, overseeing the farm-built wet processing plant - processing harvested cherry, de-pulping, fermenting, and drying the coffee, to the micro-mill for de-hulling cleaning and grading parchment to a finished export product of graded green bean.

Additionally, Alan has experience collaborating with both private, public sector, farmers trade and industry. He is a former board member of the Zambia Coffee Growers Association [ZCGA]. He is currently Director and Coffee Consultant of Balmoral Farm.

GIZAT WORKU KEBEDE, Ethiopia Chapter Chairman

He is a graduate in Economics, Development Economics (RLDS – Regional & Local Development Studies), both from Addis Ababa University.

He is currently the General Manager of Ethiopian Coffee Exporters Association.
Prior to his current position, he served with Yheanu PLC – Sesame and pulses exporter as the General Manager from August 2015 to April 2017, General Manager at Friendship Agro Industry PLC – Poultry farm and animal feed production since May 2014 to August 2015, worked as the Commercial Manager and General Manager – Ambassador Garment PLC – men's suit manufacturer. From December 2009 to January 2013.

Gizat also worked with Ethiopian Postal Service as the Corporate Planning and EMS Manager since May 2006 to December 2009. From December 2004 to May 2006, he served with Addis Ababa Messobo Cement Factory (The 2nd largest cement factory in Ethiopia.) as the Liaison Office Head.

From January 2003 to July 2003, he joined Sirara Universal Trading – Importer of engines, granite and ceramics. As the General Manager.

In January 2000 to December 2002, Gizat served as the Deputy General Manager at Amdehun General Trading – importer of different consumer goods.
Gizat also worked with Bure Baguna Mineral Water Factory from July 1997 to January 2000 as the Marketing and Procurement Department Manager

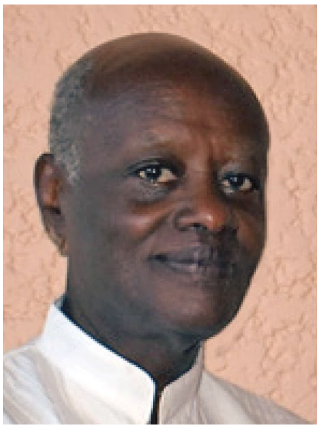
From November 1988 to July 1997 he worked as the Market Analyst and Foreign Exchange Auction unit head at National Bank of Ethiopia.

KAMBALE KISUMBA KAMUNGELE, DRC Chapter Chairman

He is a coffee specialist with over 15 years in procurement, processing and trading of green coffee. He is currently the Export Director of Ets. TSONGO KASEREKA, a family business that has been exporting Congo coffee for the last four decades. He is the acting Executive Director of the Café Africa RDC, a non-profit organization whose mission is to revitalize the Congolese Coffee Industry.

Kamungele has been involved in many initiatives aiming to revamp the DRC coffee sector. He pioneered the formation of the DRC Exporters' Association (ASSECCAF). He has been playing key roles in implementing Robusta production rehabilitation projects the western part of the DRC. His presentations of the DRC coffee industry in regional and international fora, has made him a true Congo Coffee Ambassador.

Kamungele holds a B.Sc. (Purdue University, Indiana, USA), a M.Sc. (Université Laval, Québec, Canada) and a Master in Coffee Economics and Science, Ernesto Illy (University of Trieste, Italy).

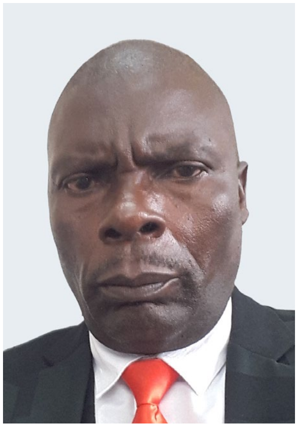


EPHREM SEBATIGITA, Burundi Chapter Chairman

He is a co-founder Coffee Belt East Africa which focuses on specialty coffees production and export.

He officially joined the coffee industry in 1984 working at Office du Café du Burundi (OCIBU) after studying electronics engineering, in France. Since then, his passion for the coffee industry has continued growing. He has run several coffee dry mills and coffee washing stations owned by the Government, private operators and cooperatives, in Burundi.

He is interested in new coffee processing methods and would like to dedicate part of his time training young people so that they can be engaged in the coffee Industry.



MACKSON, DARWIN NG'AMBI, Malawi Chapter Chairman

Highly accomplished dynamic finance professional wielding more than 10 years' experience and exposure in Accounting, Auditing and Financial Management with comprehensive knowledge, skill and insight in financial reporting, internal controls design and implementation, bookkeeping, project management and reporting, accounting systems control and strategic business administration.

He is a Councillor for Malawi Confederation of Chamber of Commerce and Industry, a Financial Advisor and Project Treasurer for Seventh Day Adventist Church, North Malawi Field and has been key in training Cooperatives and SACCOS in Dwangwa and Mulanje in Financial Management under UK Shared Interest Programme. In addition he has trained over 20 Accountants in pastel accounting systems, inventory Integration and management, Financial Management, pastel accounting company set up, financial reporting and production of statutory accounts.

AMIR HAMZA, Tanzania Chapter Chairman

He is the Chairman and CEO of Amir Hamza (T) Limited which he owns with his family. He has a lot of experience in the coffee industry which spans over 40 years and is committed to the development thereof. The company has the largest and most modern with state-of-the-art factory in East and Central Africa that produces spray dried instant coffee. The company is also involved in trading of green coffee beans.
Amir Hamza has sat on some of the following boards:

- National Coffee Input Voucher Scheme
- Tanzania Coffee Development Trust Fund
- Tanzania Coffee Research Institute
- Bukoba Urban Water and Sewerage Authority
- Kagera Sports Committee
- The Tax Appeal Board.

In the past, he served as the Chairman of the Tanzania Coffee Association and he has also been on the board of the Tanzania Chamber of Commerce, Industries and Agriculture Kagera Region, as Vice Chairman.

He was also appointed by the Ministry of Agriculture on the Board of Tanzania Coffee Board and Chairman of the Tanzania Coffee Board. He is also the Interim Chairman of National Quality Association of Tanzania. Regionally, Amir Hamza also sits on the Board of Kagera Regional Hospital.

Amir Hamza has attended and continues to attend many conferences, exhibitions and seminars related to the coffee industry which are held in different countries worldwide.

NKURUNZIZA ALEXIS, Rwanda Chapter Chairman

His education background is in agribusiness with a master degree in Agriculture and applied Economics from Jomo Kenyatta University of Agriculture and Technology.

Nkurunziza is currently the head of Traditional Commodities Division at National Agricultural Export Development Board (NAEB) from August 2020, responsible to regulate and provide services as well as advocacy for four commodities namely coffee, tea, pyrethrum and essential oil.

From August, 2014 to June, 2019, He worked as Zone Export Coordinator and from July 2019 up to August 2020 as Coffee Value Chain Specialist in the same institution.

BERTRAND GAKO, Cameroon Chapter Chairman

He is a son of a factory worker, exporter and roaster, he has been in the coffee industry since childhood and an engineer by profession.

He is the founder of à BRÛLERIE DU MOUNGO sarl founded in 201, a member of the college of processors at the Interprofessional Council of Cocoa and Coffee (CICC).
He is also the Managing Director of GKB FOODS INDUSTRY Sarl which is an agri-food company.

Bertrand has served as the General Secretary of the Union of Cocoa and Coffee Processors of Cameroon (UT3C) since 2016. Previously, he represented local processing industries on the management committee of the Cocoa and Coffee Development Fund (FODECC) from 2016 to 2019.

AFRICAN FINE COFFEES REVIEW MAGAZINE

AFCA
AFRICAN FINE COFFEES ASSOCIATION

MAGAZINE ADVERTISING RATES

Use our magazine to push your brand to the next level
by reaching out to international and local audiences.

NO.	POSITION	MEMBER RATES (USD)	NON – MEMBER RATE (USD)
1.	Back cover & center page	850	950
2.	Front page strip	400	500
3.	Inside front, Inside facing & inside back cover	750	850
4.	Full pages (exclusive of center & cover pages)	700	800
5.	Half page	400	450
6.	Quarter page	220	250

For advertising inquiries, contact;
phiona.mbabazi@afca.coffee

Some of our Sponsors and Partners for the 19th AFCC&E

Member Countries

BURUNDI
CAMEROON
DRC
ETHIOPIA
KENYA
MALAWI
RWANDA
SOUTH AFRICA
TANZANIA
UGANDA
ZAMBIA

AFRICAN FINE COFFEES ASSOCIATION

The 20th African Fine Coffee Conference And Exhibition

ETHIOPIA 2024

Register now and enjoy super earlybird discounts

BURUNDI | CAMEROON | DRC | ETHIOPIA | KENYA | MALAWI | RWANDA | SOUTH AFRICA | TANZANIA | UGANDA | ZAMBIA