

# **A**udit **R**eport

MUMIAS KIDS CENTRE

ANNUAL REPORT AND FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 ST DECEMBER, 2022



***Khoya and Co.***  
Certified Public Accountants (K)



**CONTENTS**

|   | <b>PAGE</b> |
|---|-------------|
| Organisation information                  | 1           |
| Report of the management                  | 2           |
| Statement of Management Responsibilities' | 3 - 4       |
| Report of the independent auditor         | 5 - 6       |

**FINANCIAL STATEMENTS:**

|                                     |         |
|-------------------------------------|---------|
| Statement of income and expenditure | 7       |
| Statement of financial position     | 8       |
| Statement of changes in funds       | 9       |
| Statement of cash flows             | 10      |
| Notes                               | 11 - 16 |



**STATEMENT OF ACCOUNTABILITY STRUCTURE MEMBERS RESPONSIBILITIES**

**The board Accountability Structure members** : Elizabeth Mutimba Wahl - Chairperson  
: Mercy Zawadi - Secretary  
: Michael Andreas Merkt - Treasurer

**PRINCIPAL PLACE BUSINESS** : Mumias - Musanda Road  
: Plot No. 3338  
: P.O. Box 371 - 50102  
: Mumias

**INDEPENDENT AUDITOR** : Khoya and Company  
: Certified Public Accountants  
: P.O. Box 6430-40103  
: KISUMU

**PRINCIPAL BANKER** : Equity Bank  
: Mumias Branch.



## STATEMENT OF BOARD MEMBERS RESPONSIBILITIES

The board members are required to prepare the financial statements which give a true and fair view of the state of affairs of the organisation as at the end of the financial year and of the results for that year. They are also required to ensure that the organisation maintains proper accounting records which disclose with reasonable accuracy the financial position of the organisation. The board of trustees are also responsible for safeguarding the assets of the organisation.

The organisation is non-profit seeking NGO registered under section 10 of the Non-Governmental Organizations Co-ordination Act.

responsibility for:

- i. Designing, implementing and maintaining such internal control as they determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether this is due to fraud or error;
- ii. Selecting and applying appropriate accounting policies; and
- iii. Making accounting estimates and judgements that are reasonable in the circumstances.

The board of directors is of the opinion that the financial statements give a true and fair view of the financial position of the organisation as at 31st December, 2022 and of the organisation's financial performance and cash flows for the year then ended in accordance with International Financial Reporting Standards for Small and Medium sized Entities (IFRS for SMEs) and the requirements of the Non Governmental Organisations Co-ordination Act.

In preparing these financial statements management have assessed the organisation's ability to continue as a going concern. Nothing has come to the attention of management to indicate that the organisation will not remain a going concern for at least the next twelve months from the date of this statement.

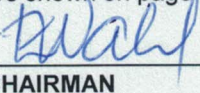
Management acknowledge that the independent audit of the financial statements does not relieve them of their responsibilities.

So far as each of management is aware, there is no relevant audit information which the auditor is unaware of, and each of the management team has taken all the steps that ought to have been taken in order to become aware of any relevant audit information and to establish that the auditor is aware of that information.

Approved by the board of directors on 3.6.23 2023 signed on its behalf by:

### ACCOUNTABILITY STRUCTURE MEMBERS

The Accountability Structure members who held office during the year and to the date of this report are shown on page 1.

  
\_\_\_\_\_

CHAIRMAN

  
\_\_\_\_\_

SECRETARY

With respect to each Accountability Structure member at the time this report was approved:



## STATEMENT OF BOARD MEMBERS RESPONSIBILITIES

The board members are required to prepare the financial statements which give a true and fair view as at 31 st December 2022, which disclose the state of affairs of the organisation.

## PRINCIPAL ACTIVITY

The organisation is non-profit seeking and community based organisation, with a mission to:-

- Provide home and shelter for the orphaned children
- Provide food and clothing for the orphaned children
- Provide educational and learning assistance
- provide spiritual nourishment to the children aiming to transform their lives.

**The hallmarks of the organisation's strategic direction are the strategic areas below:**

- : Medical
- : Bio sand Water filter
- : Caring for opharns
- : Jigger Eradication

## BUSINESS REVIEW

During the year ended 31 st December 2022 the total grant income of the organisation was  
**Shs. 15,160,837**

| <b>Key performance indicators</b> | <b>2022<br/>Ksh</b> | <b>2021<br/>Ksh</b> |
|-----------------------------------|---------------------|---------------------|
| Grant income (Shs)                | 15,160,837          | 14,699,779          |
| Net assets (Shs)                  | (66,282)            | (68,870)            |

## BOARD MEMBERS

The board members who held office during the year and to the date of this report are shown on page 1.

## STATEMENT AS TO DISCLOSURE TO THE ORGANISATION'S AUDITOR

With respect to each Board member at the time this report was approved:

- (a) there is, so far as the person is aware, no relevant audit information of which the organisation's auditor is unaware; and
- (b) the person has taken all the steps that the person ought to have taken as a member of the board of trustees so as to be aware of any relevant audit information and to establish that the organisation's auditor is aware of that information.



**STATEMENT OF ACCOUNTABILITY STRUCTURE MEMBERS RESPONSIBILITIES**

The organisation's auditor, Khoya and Company, continue in office.

D. Wall CHAIRMAN

Shs. 3.6.2023 2023





**Khoya and Co.**

Certified Public Accountants (K)

Awori House, 1st Floor Door 43, Bank Street.  
P.O. BOX 6430 - 40103, Kisumu-Kenya  
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Email: khoyaacpaks@gmail.com

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**REPORT OF THE INDEPENDENT AUDITOR TO THE BOARD MEMBERS FOR MUMIAS KIDS CENTRE**

**Opinion**

We have audited the organisation financial statements of **Mumias Kids Centre** set out on pages 6 to 13 which comprise the statement of financial position as at 31st December 2022, Statement of income and expenditure, statement of changes in reserves and statement of cash flows for the year then ended and a summary of significant accounting policies and other explanatory information.

In our opinion, the accompanying financial statements give a true and fair view of the state of financial position of Mumias Kids Centre as at 31 December 2022 and of its financial performance and cash flows for the year then ended in accordance with the International Financial Reporting Standard for Small and Medium-sized Entities (IFRS for SMEs) and the requirements of the Non Governmental Organisations Co-ordination Act.

**Basis for opinion**

We conducted our audit in accordance with International Standards on Auditing (ISAs). Our responsibilities under those standards are further described in the auditor's responsibilities for the audit of the financial Statements section of our report. We are independent of the company in accordance with the International Ethics Standards Board for Accountants' Code of Ethics for Professional Accountants (IESBA Code) together with the ethical requirements that are relevant to our audit of the financial statements in Kenya, and we have fulfilled our other ethical responsibilities in accordance with these requirements and the IESBA Code. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

**Other information**

The management is responsible for the other information. The other information comprises the report of the management 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 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.

**Responsibilities of management for the financial statements**

The management is responsible for the preparation of the financial statements that give a true and fair view in accordance with the International Financial Reporting Standard for Small and Medium-Sized Entities (IFRS for SMEs) and the requirements of the Non Governmental Organisations Co-ordination Act and for such internal control as the management determines is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

**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.



## REPORT OF THE INDEPENDENT AUDITOR TO THE BOARD MEMBERS FOR MUMIAS KIDS CENTRE

### Auditor's responsibilities for the audit of the financial statements (continued)

As part of an audit in accordance with ISAs, we exercise professional judgement and maintain professional skepticism throughout the audit. We also:

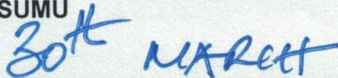
- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the organisation's internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the board of trustees.
- Conclude on the appropriateness of board of trustees' 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 organisation's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to 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 organisation to cease to continue as a going concern.
- 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 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.

  
**KHOYA & COMPANY**  
Certified Public Accountants  
P. O. Box 6430 - 40103  
Tel: 0722 328769

**Kisumu**  
Certified Public Accountants

KISUMU

 2023



**STATEMENT OF INCOME AND EXPENDITURE**

| <b>Income</b>                  | <b>Notes</b> | <b>2022<br/>Shs</b> | <b>2021<br/>Shs</b> |
|--------------------------------|--------------|---------------------|---------------------|
| Grants                         | 3            | <u>15,160,837</u>   | <u>14,699,779</u>   |
| <b>Less: expenses</b>          |              |                     |                     |
| Programme expenses             | 4            | (8,016,747)         | (7,915,240)         |
| Employment Expenses            | 5            | (5,330,710)         | (4,895,304)         |
| Administrative expenses        | 6            | <u>(1,810,793)</u>  | <u>(1,724,100)</u>  |
| <b>Total expenses</b>          |              | <u>(15,158,250)</u> | <u>(14,534,644)</u> |
| <b>Income Over Expenditure</b> |              | <u>2,587</u>        | <u>165,135</u>      |

The notes on pages 11 to 16 form an integral part of these financial statements.

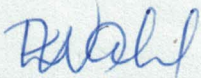
Report of the independent auditor - pages 5 and 6.




**STATEMENT OF FINANCIAL POSITION**

| <b>RESERVES</b>                | <b>Notes</b> | <b>31st Dec<br/>2022<br/>Shs</b> | <b>31st Dec<br/>2021<br/>Shs</b> |
|--------------------------------|--------------|----------------------------------|----------------------------------|
| Accumulated fund               |              | <u>19,005,001</u>                | <u>18,883,104</u>                |
| Property and equipment         | 6            | <u>19,071,283</u>                | <u>18,951,974</u>                |
| Trade and other receivables    |              | -                                | -                                |
| Cash and cash equivalents      |              | <u>971,870</u>                   | <u>464,283</u>                   |
|                                |              | <u>971,870</u>                   | <u>464,283</u>                   |
| <b>Current liabilities</b>     |              |                                  |                                  |
| Trade and other payables       | 8            | <u>1,038,152</u>                 | <u>533,153</u>                   |
| <b>Net current liabilities</b> |              | <u>(66,282)</u>                  | <u>(68,870)</u>                  |
|                                |              | <u>19,005,001</u>                | <u>18,883,104</u>                |

The financial statements on pages 7 to 14 were approved and authorised for issue by the board of directors on 03.6.2023 2023 and were signed on its behalf by:

  
**CHAIRMAN**

 **SECRETARY**

The notes on pages 11 to 16 form an integral part of these financial statements.



**STATEMENT OF CHANGES IN GENERAL FUNDS**

|                                | <b>Utilised<br/>funds<br/>Shs</b> | <b>Capital<br/>Reserves<br/>Shs</b> | <b>Total<br/>Shs</b> |
|--------------------------------|-----------------------------------|-------------------------------------|----------------------|
| <b>At start of year 2022</b>   | <b>17,405,428</b>                 | <b>1,477,676</b>                    | <b>18,883,104</b>    |
| Additions                      | -                                 | 486,999                             | 486,999              |
| Depreciation                   | -                                 | (367,689)                           | (367,689)            |
| Surplus/(deficit) for the year | 2,587                             | -                                   | 2,587                |
| <b>At end of year 2022</b>     | <b>17,408,015</b>                 | <b>1,596,986</b>                    | <b>19,005,001</b>    |

|                                | <b>Utilised<br/>funds<br/>Shs</b> | <b>Capital<br/>Reserves<br/>Shs</b> | <b>Total<br/>Shs</b> |
|--------------------------------|-----------------------------------|-------------------------------------|----------------------|
| <b>At start of year 2021</b>   | <b>17,240,293</b>                 | <b>538,156</b>                      | <b>17,778,449</b>    |
| Additions                      | -                                 | 1,343,300                           | 1,343,300            |
| Depreciation                   | -                                 | (403,780)                           | (403,780)            |
| Surplus/(deficit) for the year | 165,135                           | -                                   | 165,135              |
| <b>At end of year 2021</b>     | <b>17,405,428</b>                 | <b>1,477,676</b>                    | <b>18,883,104</b>    |



**STATEMENT OF CASH FLOWS**

|   | Note | 2022<br>Shs           | 2021<br>Shs           |
|---|------|-----------------------|-----------------------|
| <b>Operating activities</b>                             |      |                       |                       |
| Surplus/(deficit) before tax                            |      | 2,587                 | 165,135               |
| Changes in working capital                              |      |                       |                       |
| trade and other receivables                             |      | -                     | -                     |
| Depreciation  |      | -                     |                       |
| trade and other payables                                |      | 504,999               | (14,007)              |
|   |      | <u>507,586</u>        | <u>151,128</u>        |
| <b>Net cash from/(used in) operating activities</b>     |      | <u>507,586</u>        | <u>151,128</u>        |
| Purchase of property and equipment                      | 7    | -                     | -                     |
| prior year adjustments                                  |      | -                     | -                     |
| <b>Net cash (used in) investing activities</b>          |      | <u>-</u>              | <u>-</u>              |
| <b>Increase/(decrease) in cash and cash equivalents</b> |      | 507,586               | 151,128               |
| <b>Movement in cash and cash equivalents</b>            |      |                       |                       |
| At start of year  |      | 464,283               | 313,155               |
| Increase/(decrease)                                     |      | <u>507,586</u>        | <u>151,128</u>        |
| <b>At end of year</b>                                   | 9    | <u><u>971,870</u></u> | <u><u>464,283</u></u> |

**ACCOUNTABILITY STRUCTURE MEMBERS**

The Accountability Structure members who held office during the year and to the date of this report are shown on page 1.

With respect to each Accountability Structure member at the time this report was approved:



## NOTES TO THE FINANCIAL STATEMENTS:

### The General information

Connect Africa is registered in Kenya as a Non-Governmental Organization under section 10 of the Non-Governmental Organizations Co-ordination Act, and is domiciled in Kenya. The address of its registered office and principal place of business is indicated on page 1. The principal accounting policies adopted in the preparation of these financial statements are set out below. These policies have been consistently applied to all the years presented, unless otherwise stated.

### Basis of preparation

The financial statements have been prepared in accordance with the International Financial Reporting Standard for Small and Medium-sized Entities (IFRS for SMEs).

The preparation of financial statements in conformity with the IFRS for SMEs 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. There are no areas involving a higher degree of judgement or complexity, or areas where assumptions and estimations are significant to the financial statements.

### Going concern

The financial performance of the organisation is set out in statement of income and expenditure. The financial position of the organisation is set out in the statement of financial position.

Based on the financial performance and position of the organisation and its risk management policies, the management is of the opinion that the organisation is well placed to continue in operation for the foreseeable future and as a result the financial statements are prepared on a going concern basis.

### b) Revenue including grants and donations received

Revenue comprises the fair value of the consideration received or receivable from donors.

- (i) Grants for restricted purposes and for specified funded projects are recognised when receivable and spent on qualifying activities. Any unutilised grants are recognised as deferred income and any excess expenditure over income is recorded as grants receivable at year end where there is commitment of additional funds from grant providers.

### Capital grants

This represents funds received for purchase of property and equipment. The initial amount is credited to a deferred income account known as capital grants. The grant balance is amortised annually at an amount equal to that of depreciating the assets purchased with the grants.

### d) Translation of foreign currencies

Transactions in foreign currencies during the year are converted into Kenya Shillings at rates ruling at the transaction dates. Assets and liabilities at the date of this report which are expressed in foreign currencies are translated into Kenya Shillings at rates ruling at that date. The resulting differences from conversion and translation are dealt with in surplus or deficit in the year in which they arise.

Where there is a foreign currency gain or loss on restricted funds and there is no provision in the donor agreement on how to treat it, then the exchange gain or loss is transferred to the unrestricted funds.



## NOTES TO THE FINANCIAL STATEMENTS: (CONTINUED)

### The Significant accounting policies (continued)

#### e) Property and equipment

All property and equipment acquired from unrestricted funds are initially recorded at cost and thereafter stated at historical cost less depreciation. Historical cost comprises expenditure initially incurred to bring the asset to its location and condition ready for its intended use. Property and equipment acquired 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.

Depreciation is calculated on straight line method to write down the cost of each asset, to its residual value over its estimated useful life using the following annual rates:

|                      | <u>Rate %</u> |
|----------------------|---------------|
| Building             | 0             |
| Motor Vehicle        | 25            |
| Computer & Printer   | 25            |
| Furniture & Fixtures | 10            |

All depreciation costs are charged and written off against the specific project it was acquired for.

The assets residual values and useful lives are reviewed, and adjusted if appropriate, at the end of each reporting period.

An asset's carrying amount is written down immediately to its recoverable amount if the asset's carrying amount is greater than its estimated recoverable amount.

Gains and losses on disposal of equipment are determined by comparing the proceeds with the carrying amount and are taken into account in determining operating profit or loss.

#### f) Cash and cash equivalents

For the purposes of the statement of cash flows, cash and cash equivalents comprise cash in hand and deposits held at call with banks.

#### g) Taxation

A No taxation has been provided in these financial statements as discussed further in Note 14 to the financial statements.

The Accountability Structure members who held office during the year and to the date of this report are shown on page 1.

#### h) Deferred income

Grant income is deferred where it has been received to fund specific future expenditure. With respect to each Accountability Structure member at the time this report was approved:

##### i) Other payables

Other payables are obligations on the basis of normal credit terms and do not bear interest.

##### j) Comparatives

Where necessary, comparative figures have been adjusted to conform with changes in presentation in the current year.



**NOTES (CONTINUED)**

|  | <b>2022</b>             | <b>2021</b>             |
|--|-------------------------|-------------------------|
|  | <b>Shs</b>              | <b>Shs</b>              |
| <b>3. a) Grant income</b>                    |                         |                         |
| Mumias Kids Centre Association - Switzerland | 15,160,837              | 14,699,779              |
| Restricted revenue grants                    | 15,160,837              | 14,699,779              |
| <b>b) Other Income</b>                       |                         |                         |
| Local donations                              | -                       | -                       |
| <b>Total Income Received</b>                 | <b>15,160,837</b>       | <b>14,699,779</b>       |
| <b>4. Programme Expenses</b>                 |                         |                         |
| <b>a) Home Based Care Support</b>            |                         |                         |
| Food & Other consumables                     | 4,905,000               | 4,231,000               |
| Clothing & Beddings                          | 118,200                 | 103,100                 |
| Fuel ( Charcoal & gas)                       | 64,000                  | 82,700                  |
| Medical costs                                | 532,813                 | 658,750                 |
|  | <u>5,620,013</u>        | <u>5,075,550</u>        |
| <b>b) Education Support</b>                  |                         |                         |
| School & Exam fee                            | 1,520,610               | 1,315,000               |
| School uniforms & supplies                   | 346,275                 | 147,000                 |
|  | <u>1,866,885</u>        | <u>1,462,000</u>        |
| <b>c) Farm Expenses</b>                      |                         |                         |
| Ploughing & planting costs                   | 42,850                  | 34,390                  |
|  | <u>42,850</u>           | <u>34,390</u>           |
| <b>d) Capital Expenditure</b>                |                         |                         |
| Motor Bike & M/Vehicle Pick - up             | 165,000                 | 990,000                 |
| Computers & printers                         | -                       | 152,600                 |
| Furniture & fixtures                         | 136,999                 | 200,700                 |
| Building costs & repairs                     | 185,000                 | -                       |
|  | <u>486,999</u>          | <u>1,343,300</u>        |
| <b>TOTAL PROGRAMME EXPENSES</b>              | <b><u>8,016,747</u></b> | <b><u>7,915,240</u></b> |



**NOTES (CONTINUED)**

|  | <b>2022</b>      | <b>2021</b>      |
|--|------------------|------------------|
|  | <b>Shs</b>       | <b>Shs</b>       |
| <b>5. Employment expenses</b>              |                  |                  |
| Salaries & Wages                           | 3,408,600        | 3,532,400        |
| Support to Elizabeth Wahl staff            | 288,000          | 168,000          |
| Security charges                           | 290,200          | -                |
| Payroll expenses                           | 780,000          | 670,000          |
| Staff uniforms / welfare                   | 546,660          | 524,904          |
|  | 17,250           | -                |
|  | <u>5,330,710</u> | <u>4,895,304</u> |
| <b>6. Administrative expenses</b>          |                  |                  |
| Electricity & water                        | 502,850          | 392,400          |
| Insurance & licences                       | 154,740          | 56,000           |
| Registration / Inspection Renewal          | 31,000           | -                |
| Stationery & consumables                   | 36,820           | -                |
| Telephone, postages & internet             | 97,500           | 46,500           |
| Motor Vehicle running costs                | 627,540          | 542,050          |
| Travelling & transport                     | 35,210           | 28,000           |
| Audit & accountancy fee                    | 165,000          | 165,000          |
| Christmas Gift Expenses                    | 42,600           | 33,000           |
| Repairs & maintenance                      | 28,115           | 351,378          |
| Office expenses                            | 48,200           | 16,900           |
| Generator Fuel & lamps                     | 16,500           | 12,000           |
| Funeral expenses                           | -                | 40,000           |
| Bank charges & interest                    | 24,718           | 40,873           |
| <b>Total other administrative expenses</b> | <u>1,810,793</u> | <u>1,724,100</u> |
| <b>Total administrative expenses</b>       | <u>7,141,503</u> | <u>6,619,404</u> |



**STATEMENT OF BOARD MEMBERS RESPONSIBILITIES**

**YEAR ENDED 31 DECEMBER, 2022**

| 7.                    | Land & Building<br>Ksh | M/Vehicle & M/Bike<br>Ksh | Computers & Printers<br>Ksh | Furniture & Fixtures<br>Ksh | TOTALS<br>Ksh     |
|-----------------------|------------------------|---------------------------|-----------------------------|-----------------------------|-------------------|
| <b>Cost</b>           |                        |                           |                             |                             |                   |
| At start of year      | 17,344,464             | 2,814,450                 | 238,413                     | 1,372,169                   | 21,769,496        |
| Additions             | 185,000                | 165,000                   | -                           | 136,999                     | 486,999           |
| At end of year        | <u>17,529,464</u>      | <u>2,979,450</u>          | <u>238,413</u>              | <u>1,509,168</u>            | <u>22,256,495</u> |
| <b>Depreciation</b>   |                        |                           |                             |                             |                   |
| At start of year      | -                      | 1,919,357                 | 120,253                     | 777,913                     | 2,817,523         |
| Charge for the year   | -                      | 265,024                   | 29,540                      | 73,126                      | 367,689           |
| At end of year        | -                      | <u>2,184,381</u>          | <u>149,793</u>              | <u>851,039</u>              | <u>3,185,212</u>  |
| <b>Net book value</b> |                        |                           |                             |                             |                   |
| As at 31 December .   | <u>17,529,464</u>      | <u>795,070</u>            | <u>88,620</u>               | <u>658,130</u>              | <u>19,071,283</u> |

**YEAR ENDED 31 DECEMBER, 2021**

|                       | Land & Building<br>Ksh | Motor Vehicle<br>Ksh | Computers & Printers<br>Ksh | Furniture & Fixtures<br>Ksh | TOTALS<br>Ksh     |
|-----------------------|------------------------|----------------------|-----------------------------|-----------------------------|-------------------|
| <b>Cost</b>           |                        |                      |                             |                             |                   |
| At start of year      | 17,344,464             | 1,824,450            | 85,813                      | 1,171,469                   | 20,426,196        |
| Additions             | -                      | 990,000              | 152,600                     | 200,700                     | 1,343,300         |
| At end of year        | <u>17,344,464</u>      | <u>2,814,450</u>     | <u>238,413</u>              | <u>1,372,169</u>            | <u>21,769,496</u> |
| <b>Depreciation</b>   |                        |                      |                             |                             |                   |
| At start of year      | -                      | 1,620,992            | 80,866                      | 711,884                     | 2,413,742         |
| Charge for the year   | -                      | 298,365              | 39,387                      | 66,029                      | 403,780           |
| At end of year        | -                      | <u>1,919,357</u>     | <u>120,253</u>              | <u>777,913</u>              | <u>2,817,522</u>  |
| <b>Net book value</b> |                        |                      |                             |                             |                   |
| As at 31 December     | <u>17,344,464</u>      | <u>895,094</u>       | <u>118,160</u>              | <u>594,256</u>              | <u>18,951,974</u> |



**STATEMENT OF BOARD MEMBERS RESPONSIBILITIES**

|                                | <b>2022</b>      | <b>2021</b>    |
|--------------------------------|------------------|----------------|
|                                | <b>Ksh</b>       | <b>Ksh</b>     |
| <b>7. Trade &amp; Payables</b> |                  |                |
| Audit fees                     | 165,000          | 165,000        |
| Payroll expenses               | 45,000           | 19,442         |
| Deferred Income                | 703,840          | -              |
| Other payables                 | 124,312          | 348,711        |
|                                | <u>1,038,152</u> | <u>533,153</u> |

**8. Cash and cash equivalents**

|                          |                |                |
|--------------------------|----------------|----------------|
| Cash at bank and in hand | <u>971,870</u> | <u>464,283</u> |
|--------------------------|----------------|----------------|

For the purposes of the statement of cash flows, the year end cash and cash equivalents comprise the above.

**9. Deferred Income**

Grant Income is deferred where it has been received to fund specific future expenditure. The deferred income for 2023 is Kshs. 703,840.00

|  | <b>2022</b>    | <b>2021</b>      |
|--|----------------|------------------|
|  | <b>Shs</b>     | <b>Shs</b>       |
| <b>10. Programme capital expenditure</b> |                |                  |
| Land & Building                          | 185,000        | -                |
| Motor Vehicle pick-up                    | 165,000        | 990,000          |
| Computer & Printer                       | 136,999        | 152,600          |
| Furniture & Fixtures                     | -              | 200,700          |
|  | <u>486,999</u> | <u>1,343,300</u> |

**11. Taxation**

No provision for taxation has been recognised in these financial statements as the organisation is considered to be exempt from tax on its income. While the organisation does not have a current tax exemption certificate issued by the Kenya Revenue Authority, the management is of the view that such an exemption would be forthcoming based on the not-for profit nature of operations of the entity.