

THE KENYA KESHO TRUST

MOMBASA

**ANNUAL REPORT AND FINANCIAL STATEMENTS
FOR THE YEAR ENDED**

30TH SEPTEMBER, 2020

**WAMBUGU & ASSOCIATES
CERTIFIED PUBLIC ACCOUNTANTS**

**UPHL BUILDING - GROUND FLOOR
MIKINDANI STREET, OFF NKRUMAH ROAD**

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MOMBASA

The Kenya Kesho Trust
Report and financial statements
For the year ended 30th September, 2020

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THE TRUST INFORMATION

Trustees :

- : Mrs. A. L. Ruysenaars (Chairlady)
- : Mr. P.J. Ruysenaars (Hon. Treasurer)
- : Mr. D.Kisombe
- : Mr. D.B. Kipkorir (appointed 19th August, 2020)
- : Ms.B.M.Shah (appointed 11th September, 2020)

Registered office :

- The Kenya Kesho Trust
- Mombasa Lunga Lunga Road
- Plot 5029/3
- P O Box 84851
- Mombasa 80100**

Auditors :

- Wambugu & Associates
- Certified Public Accountants
- UPHL Building - Ground floor
- Mikindani Street - off Nkrumah Road
- P.O. Box 86895
- Tel: 041 222 4644
- Mombasa**
- Email: wambuguassociate@gmail.com
- mambo@wambuguassociates.com

***The Kenya Kesho Trust
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REPORT OF THE TRUSTEES

The trustees submit their annual report together with the audited financial statements for the year ended 30th September, 2020.

Objectives of the trust: -

The main objects of The Kenya Kesho Trust are the advancement of education for the benefit of the public in particular but not exclusively in the Pongwe/Kidimu Location, Kwale District, Coast Province, Kenya by providing and assisting in the provision of facilities, teachers and equipment.

Financial Review: -

The charity's financial results are set out on page 5 of the financial statements. During the year, the charity had a deficit of expenditure over income amounting to Kshs 173,056.

Trustees: -

The members of the board of trustees are named on page 1 of the report and financial statements. The appointment of the trustees is as per the guidelines of the Articles of Association.

BY ORDER OF THE BOARD



.....

**A. L. Ruysenaars
CHAIRLADY**

DATE.....*6th October*.....2020

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STATEMENT OF TRUSTEES' RESPONSIBILITIES

The trustees prepare financial statements for each financial year which give a true and fair view of the state of affairs of the charity and of the surplus of the charity for that year. In preparing these financial statements the trustees have: -


- Selected suitable accounting policies and applied them consistently
- Made judgements and estimates that are reasonable and prudent
- Stated whether applicable accounting standards have been followed, subject to any material departures disclosed and explained in the financial statements, and
- Prepared financial statements on the going concern basis.

The trustees are responsible for keeping proper accounting records which disclose at any time the financial position of the charity and enable them to ensure that the financial statements comply with the Companies Act Cap 486. They are also responsible for safeguarding the assets of the charity and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

The trustees certify that to the best of their knowledge and belief, the information furnished to the auditors for the purpose of the audit was correct and complete in every respect.

FOR THE TRUSTEES


.....
A. L. Ruysenaars
CHAIRLADY


.....
D. Kisombe
TRUSTEE


.....
P. J. Ruysenaars
HON. TREASURER

DATE: *6th October 2020*

DATE: *6th October 2020*

DATE: *6th October, 2020*

Kenya Kesho Trust

Report of the independent auditors to the members of Kenya Kesho Trust

For the year ended 30th September, 2020

Opinion

We have audited the accompanying financial statements of Kenya Kesho, set out on pages 5 to 9 which comprise the statement of financial position as at 30th September, 2020 and the statements of comprehensive income, statement of changes in equity and of cashflows statement for the year then ended, and, notes, including a summary of significant accounting policies.

In our opinion the accompanying financial statements give a true and fair view of the financial position of the trust as at 30th September, 2020 and of its financial performance and cash flows for the year then ended in accordance with the International Financial Reporting Standards for Small and Medium-sized Entities and the requirements of the Kenyan Companies Act 2015.

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 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 trustees are responsible for the other information. 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 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.

Trustees' responsibility for the financial statements

The trustees are responsible for the preparation and fair presentation of the financial statements that give a true and fair view in accordance with the International Financial Reporting Standards for Small and Medium-sized Entities and the requirements of the Kenyan Companies Act, 2015, and 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 trustees are responsible for assessing the trust'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 trustees either intend to liquidate the trust or to cease operations, or have no realistic alternative but to do so.

Auditor's responsibilities for the audit of the financial statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with ISAs will always detect a material misstatements when it exists. Misstatement 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

Kenya Kesho Trust

Report of the independent auditors to the members of Kenya Kesho Trust

For the year ended 30th September, 2020

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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 risk of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations or the override of internal control.
- . Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the company's internal control.
- . Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.
- . Conclude on the appropriateness of management's use of the going concern basis of accounting 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 the auditor's report. However, future events or conditions may cause the trust 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 present 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.

Report on other matters prescribed by the Kenya Companies Act, 2015

In our opinion the information given in the report of the directors on page 2 is consistent with the financial statements

The engagement partner responsible for the audit resulting in this independent auditor's report is CPA Cyprian Mambo Wambugu Practicing Certificate No. P/268

Cyprian Mambo
Certified Public Accountant
For Wambugu & Associates

Mombasa..... 08/10/..... 2020

UPHL Building - Ground Floor, Mifindani Street
Tel (041) 222 4644/0799 644 171

P. O. Box 86895, Mombasa - Kenya

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STATEMENT OF COMPREHENSIVE INCOME

	<u>Note</u>	<u>2020</u> <u>Kshs</u>	<u>2019</u> <u>Kshs</u>
INCOME			
Donations		6,024,801	4,051,920
Exchange gains		202,704	53,776
Total income		<u>6,227,505</u>	<u>4,105,696</u>
EXPENDITURE			
KENYA KESHO SCHOOL FOR GIRLS			
Bank charges		12,647	4,672
Cleaning expenses		35,834	6,252
Depreciation		201,327	-
Electricity		35,238	2,200
Feeding programme		88,982	28,271
Food relief programme		248,119	-
Gardens		55,365	-
Insurances		22,564	-
Internet costs		46,324	-
Legal expenses		7,077	-
Licenses		15,500	20,000
Marketing		385,396	406,496
Medical expenses		6,500	7,920
Miscellaneous expenses		55,750	-
Postage and telephone		15,594	3,900
Repairs		85,100	-
Salaries		3,395,794	329,000
School books		257,199	173,874
Software		-	24,000
Stationery		22,875	11,960
Teacher training		-	442,400
Transport expenses		37,694	18,720
Uniforms		48,284	-
		<u>5,079,163</u>	<u>1,479,665</u>
OTHER			
School fees		21,385	-
University fees		1,300,013	2,017,424
Total expenditure		<u>6,400,561</u>	<u>3,497,089</u>
Net (deficit) for the year		<u>(173,056)</u>	<u>608,607</u>

The auditors' report is on page 4

The notes on pages 7 and 8 form an integral part of these financial statements.

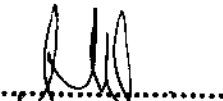
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STATEMENT OF AFFAIRS

As at 30th September, 2020

	Note	2020 Kshs	2019 Kshs
FIXED ASSETS	3	56,176,136	-
CURRENT ASSETS			
Building fund shortfall	4	-	1,500,983
Debtors and other receivables		153,187	864,779
Cash balances	5	232,591	146,604
Bank balance		4,515,129	3,129,313
		<u>4,900,906</u>	<u>5,641,679</u>
Fund accounts	6	2,270,441	1,656,638
		<u>2,630,465</u>	<u>3,985,041</u>
CURRENT LIABILITIES			
Other payables		5,404	-
NET CURRENT ASSETS		<u>2,625,061</u>	<u>3,985,041</u>
		<u>58,801,197</u>	<u>3,985,041</u>
FINANCED BY:			
Accumulated fund brought forward		3,985,041	3,376,434
(Deficit) surplus for the year		<u>(173,056)</u>	<u>608,607</u>
ACCUMULATED FUND		3,811,985	3,985,041
BUILDING FUND DONATIONS	7	17,989,212	-
LOAN - PJ RUYSENAARS	8	37,000,000	-
		<u>58,801,197</u>	<u>3,985,041</u>

The financial statements were approved by the trustees on 6th October, 2020
and were signed on their behalf by: -


.....
A. L. Ruysenaars
CHAIRLADY


.....
D. Kisombe
TRUSTEE


.....
P. J. Ruysenaars
HON. TREASURER

The Kenya Kesho Trust
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NOTES TO THE FINANCIAL STATEMENTS

1. BASIS OF ACCOUNTING

The financial statements have been prepared under the historical cost convention, and have been prepared in accordance with the Statement of Recommended Practice (SORP' 2000), "Accounting and Reporting by Charities" and applicable accounting standards.

2. ACCOUNTING POLICIES

(a) Income and expenditure: -

All income and expenditure are accounted for on cash basis. Costs incurred are allocated directly to the activity to which they are attributable.

(b) Fund accounting: -

General funds are available for use at the discretion of the trustees in furtherance of general objectives of the charity.

Restricted funds are funds subject to specific restrictive conditions imposed by donors or by the appeal.

(c) Fixed assets: -

Fixed assets are stated at cost. Depreciation is charged on the straight line method. The rates used are as follows;

Buildings	NIL
Furniture, fittings and equipment	10%

(d) Company (charity) status

The charity is a registered trust.

(f) Debtors

Debtors of the Trust are all considered to be fully collectible.

(g) Currency: -

The financial statements are stated in Kenya Shillings (Kshs).

3. FIXED ASSETS

	Buildings	Furniture, Fittings & Equipment	Total
	Kshs	Kshs	Kshs
At cost 30th September, 2020	54,364,189	2,013,274	56,377,463
Depreciation	-	(201,327)	(201,327)
Net book value 30th September, 2020	<u>54,364,189</u>	<u>2,214,601</u>	<u>56,176,136</u>

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4	BUILDING FUND SHORTFALL	2020	2019
		Kshs	Kshs
	Land and building costs to date	-	57,398,039
	Receipts to date	-	55,897,056
		-	1,500,983
		<u> </u>	<u> </u>
5	CASH BALANCES		
	This represents cash on hand at the close of the year	232,591	146,604
		<u> </u>	<u> </u>
6	FUND ACCOUNTS		
	University fund	1,151,767	416,138
	Twiga Trek	-	220,500
	Building	-	1,020,000
	Girl sponsorship	391,667	-
	Food fund	727,007	-
		<u>2,270,441</u>	<u>1,656,638</u>
7	BUILDING FUND DONATIONS		
	Restricted funds - towards building costs	17,989,212	-
		<u> </u>	<u> </u>
8	LOAN BY TRUSTEES		
	Interest free with no fixed date for repayment		
	P.J Ruysenaars	37,000,000	-
		<u> </u>	<u> </u>
9	CASH GENERATED FROM OPERATIONS		
	Profit (loss) before tax	(173,056)	608,607
	Adjustments for:		
	Depreciation	201,327	-
	Changes in working capital:		
	Building fund shortfall	1,500,982	(425,097)
	Debtors and other receivables	711,593	(864,779)
	Creditors and other payables	5,404	-
		<u> </u>	<u> </u>
	Cash generated from operations	<u>2,246,250</u>	<u>(681,269)</u>

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CASH FLOW STATEMENT

	<u>Note</u>	<u>2020</u> Kshs	<u>2019</u> Kshs
Operating activities			
Cash generated from operations	9	2,246,250	(681,269)
Investing activities			
Purchase of fixed assets	3	(56,377,463)	-
Financing activities			
Donations received as restricted funds	7	17,989,212	-
Loan from a Trustee	8	37,000,000	-
		<u>857,999</u>	<u>(681,269)</u>
Movement in cash and cash equivalents			
As at 1st October, 2019		1,619,279	2,300,548
Increase (decrease)		<u>857,999</u>	<u>(681,269)</u>
As at 30th September, 2020		<u>2,477,278</u>	<u>1,619,279</u>