

KENYA KESHO TRUST

MOMBASA

ANNUAL REPORT AND FINANCIAL STATEMENTS FOR THE YEAR ENDED

30TH SEPTEMBER, 2021

**WAMBUGU & ASSOCIATES
CERTIFIED PUBLIC ACCOUNTANTS**

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MOMBASA

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The Kenya Kesho Trust
Report and financial statements
For the year ended 30th September, 2021

THE TRUST INFORMATION

Trustees : Mrs. A. L. Ruysenaars (Chairlady)
: Mr. P.J. Ruysenaars (Hon. Treasurer)
: Mr. D.Kisombe
: Mr. D.B. Kipkorir
: Ms.B.M.Shah

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
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Tel: 041 222 4644

Mombasa

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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, 2021.

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 surplus of income over expenditure amounting to Kshs 154,194

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 *16th October*2021

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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 Sec.719 of the Companies Act, 2015. 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.

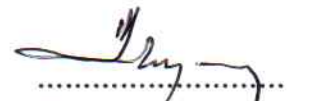
FOR THE TRUSTEES



A. L. Ruysenaars
CHAIRLADY



D. Kisombe
TRUSTEE



P. J. Ruysenaars
HON. TREASURER

DATE: 16th October 2021

DATE: 16th October 2021

DATE: 16th October 2021

Kenya Kesho Trust

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

For the year ended 30th September, 2021

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, 2021 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, 2021 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, 2021

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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.

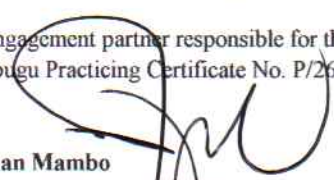
. Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the 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

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..... 18/10/..... 2021

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The Kenya Kesho Trust
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STATEMENT OF COMPREHENSIVE INCOME

	<u>Note</u>	<u>2021</u> <u>Kshs</u>	<u>2020</u> <u>Kshs</u>
INCOME			
Donations		10,591,465	6,024,801
Exchange gains		170,710	202,704
Total income		<u>10,762,175</u>	<u>6,227,505</u>
EXPENDITURE			
KENYA KESHO SCHOOL FOR GIRLS			
Bank charges		41,299	12,647
Cleaning expenses		43,525	35,834
Depreciation		702,800	201,327
Electricity		55,511	35,238
Farming expenses		98,643	-
Feeding programme		59,618	88,982
Food relief programme		-	248,119
Gardens		-	55,365
Insurances		206,051	22,564
Internet costs		73,658	46,324
Legal expenses		111,702	7,077
Licenses		20,100	15,500
Marketing		785,807	385,396
Medical expenses		23,900	6,500
Miscellaneous expenses		98,275	55,750
Postage and telephone		23,850	15,594
Repairs		44,397	85,100
Salaries		5,346,075	3,395,794
School books		441,913	257,199
Stationery		34,950	22,875
Teacher training		5,000	-
Transport expenses		93,668	37,694
Uniforms		83,604	48,284
		<u>8,394,345</u>	<u>5,079,163</u>
OTHER			
School fees		42,000	21,385
University fees		2,171,635	1,300,013
Total expenditure		<u>10,607,980</u>	<u>6,400,561</u>
Net income (deficit) for the year		<u>154,194</u>	<u>(173,056)</u>

The auditors' report is on page 4

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

The Kenya Kesho Trust
Report and financial statements
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STATEMENT OF AFFAIRS

As at 30th September, 2021

	<u>Note</u>	<u>2021</u> <u>Kshs</u>	<u>2,020</u> <u>Kshs</u>
FIXED ASSETS	3	58,412,785	56,176,136
CURRENT ASSETS			
Debtors and other receivables		483,369	153,187
Cash balances	4	153,552	232,591
Bank balance		5,228,732	4,515,129
		<u>5,865,653</u>	<u>4,900,906</u>
Fund accounts	5	2,780,540	2,270,441
		<u>3,085,113</u>	<u>2,630,465</u>
CURRENT LIABILITIES			
Other payables		-	5,404
NET CURRENT ASSETS		<u>3,085,113</u>	<u>2,625,061</u>
		<u>61,497,898</u>	<u>58,801,197</u>
FINANCED BY:			
Accumulated fund brought forward		3,811,985	3,985,041
(Deficit) surplus for the year		<u>154,194</u>	<u>(173,056)</u>
ACCUMULATED FUND		3,966,179	3,811,985
BUILDING FUND DONATIONS	6	21,781,719	17,989,212
LOAN - PJ RUYSENAARS	7	<u>35,750,000</u>	<u>37,000,000</u>
		<u>61,497,898</u>	<u>58,801,197</u>

The financial statements were approved by the trustees on 16th October 2021
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%
Computers	25%
Motor vehicle	25%

(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).

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3. FIXED ASSETS	Buildings	Furniture, Fittings & Equipment	Computers	Motor Vehicle	Total
	Kshs	Kshs	Kshs	Kshs	Kshs
Cost					
At 1st October, 2020	54,364,189	2,013,274	-	-	56,377,463
Additions	861,796	119,600	608,053	1,350,000	2,939,449
At 30th September, 2021	<u>55,225,985</u>	<u>2,132,874</u>	<u>608,053</u>	<u>1,350,000</u>	<u>59,316,912</u>
Depreciation					
At 1st October, 2020	-	201,327	-	-	201,327
Charge 2021	-	213,287	152,013	337,500	702,800
At 30th September, 2021	<u>-</u>	<u>414,614</u>	<u>152,013</u>	<u>337,500</u>	<u>904,127</u>
Net book value					
At 30th September, 2021	<u>55,225,985</u>	<u>1,718,260</u>	<u>456,040</u>	<u>1,012,500</u>	<u>58,412,785</u>
At 30th September, 2020	<u>54,364,189</u>	<u>1,811,947</u>	<u>-</u>	<u>-</u>	<u>56,176,136</u>
4 CASH BALANCES					
This represents cash on hand at the close of the year			<u>153,552</u>	<u>232,591</u>	
5 FUND ACCOUNTS					
University fund			2,359,340	1,151,767	
Girl sponsorship			421,200	391,667	
Food fund			-	727,007	
			<u>2,780,540</u>	<u>2,270,441</u>	
6 BUILDING FUND DONATIONS					
Restricted funds - towards building costs					
At the start of the year			17,989,212	17,989,212	
Increase / decrease during the year			<u>3,792,507</u>	<u>-</u>	
At the close of the year			<u>21,781,719</u>	<u>17,989,212</u>	
7 LOAN BY TRUSTEES					
Loan advanced by Trustee, P.J Ruysenaars					
At the start of the year			37,000,000	37,000,000	
Increase / decrease during the year			<u>(1,250,000)</u>	<u>-</u>	
At the close of the year			<u>35,750,000</u>	<u>37,000,000</u>	

The loan is interest free with no fixed date for repayment

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8 CASH GENERATED FROM OPERATIONS

Profit (loss) before tax	154,194	(173,056)
Adjustments for:		
Depreciation	702,800	201,327
Changes in working capital:		
Building fund shortfall	-	1,500,982
Debtors and other receivables	(330,182)	711,593
Creditors and other payables	(5,404)	5,404
	<u>521,408</u>	<u>2,246,250</u>
Cash generated from operations	<u>521,408</u>	<u>2,246,250</u>

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CASH FLOW STATEMENT

	<u>Note</u>	<u>2021</u> <u>Kshs</u>	<u>2020</u> <u>Kshs</u>
Operating activities			
Cash generated from operations	8	521,408	2,246,250
Investing activities			
Purchase of fixed assets	3	(2,939,449)	(56,377,463)
Financing activities			
Donations received as restricted funds	6	3,792,507	17,989,212
Loan from a Trustee	7	<u>(1,250,000)</u>	<u>37,000,000</u>
		<u>124,466</u>	<u>857,999</u>
Movement in cash and cash equivalents			
As at 1st October, 2020		2,477,278	1,619,279
Increase (decrease)		<u>124,466</u>	<u>857,999</u>
As at 30th September, 2021		<u>2,601,744</u>	<u>2,477,278</u>