

# **JITEGEMEE CHILDRENS PROGRAM**

## **MACHAKOS COUNTY**

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### **BALANCE SHEET**

**AND**

**ACCOUNTS**

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**FOR THE YEAR ENDED**

**ON**

**31<sup>ST</sup> DECEMBER, 2013**

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**KAMILI & COMPANY**  
**CERTIFIED PUBLIC ACCOUNTANTS (K)**  
**P.O BOX 1512-90100**  
**TEL. 0733 - 905460**  
**MACHAKOS**



**JITEGEMEE CHILDRENS PROGRAM**  
**PROGRAM INFORMATION**

**MANAGEMENT BOARD**

1. Mrs. Terry Wavinya Mutuku - Chairperson
2. Dr. Peter Nthuli Nduulu - Vice Chairperson
3. Mr. Michael M. Kimeu - Secretary
4. Mr. Rasto Omollo - Treasurer
5. Mrs. Benedicta Musau - Member

**ADDRESS** : P.O BOX 1100 - 90100  
**MACHAKOS**

**COUNTRY OFFICE** : MACHAKOS MUNICIPALITY  
IN THE REPUBLIC OF KENYA.

**BANKERS** : BARCLAYS BANK  
MACHAKOS BRANCH

**AUDITORS** : KAMILI & COMPANY  
CERTIFIED PUBLIC ACCOUNTANTS (K)  
P.O. BOX 1512  
**90100 - MACHAKOS.**



**JITEGEME CHILDRENS PROGRAM**  
**MANAGEMENT BOARD'S REPORT**

The management submit their report and audited accounts for the year ended on 31<sup>st</sup> December, 2013.

**PRINCIPAL ACTIVITY**

The principal activity of the program is to empower street and destitute children in Machakos through education and skill development with the aim of attaining sustainable access to basic livelihood securities.

**RESULTS FOR THE YEAR**

The results for the year ended on 31<sup>st</sup> December, 2013 are shown on page 5 to 6

**MANAGEMENT BOARD**

The Board of management who served during the year are as set out on page one

**Mrs. Terry W. Mutuku**  
**Chairperson**  
**14<sup>th</sup> July, 2014**



**Mr. Michael M. Kimeu**  
**Secretary**  
**14<sup>th</sup> July, 2014**



**JITEGEMEE CHILDRENS PROGRAM**  
**STATEMENT OF MANAGEMENT RESPONSIBILITIES**

The modern public business ethics requires the Board of management to prepare financial statement for each financial period which give a true and fair view of the state of affairs of the program as at end of financial period and of the operating results of the program for the period. It also requires the Board to ensure that the program keeps proper accounting records which disclose with reasonable accuracy at any time the financial position of the program. They are also responsible for safeguarding the assets of the program.

The board accept responsibility for the financial statement, which have been prepared using appropriate accounting policies supported by reasonable and prudent judgment and estimates, in conformity with generally accepted accounting practices. The Board further accept responsibility for the maintenance of the accounting records which may be relied upon in the preparation of the financial statements as well as adequate system of internal control.

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

CHAIRPERSON..... TERRY W. MUTUKU

MEMBER..... MICHAEL M. KAREU

DATE..... 14/07/2014



**JITEGEMEE CHILDRENS PROGRAM**  
**AUDITORS REPORT**

We have audited the financial statements set out on pages 5 to 6 which have been prepared on the basis of the accounting policies set out in note 1. We have obtained all the information and explanations, which to the best of our knowledge and belief were necessary for the purpose of our audit and to provide a reasonable basis for our opinion. The accounts are in agreement with the books of accounts.

The Board Members are responsible for the preparation of accounts, which give a true and fair view of the state of affairs of the program and its operating results. Our responsibility is to express an independent opinion of the accounts based on our audit and to report our opinion to you.

In common with many organizations of similar size and organization, the program system of control is depended upon the close involvement of the Board of management , where independent confirmation of the completeness of the accounting records were not available. We have accepted assurances from the Board that all program's transactions have been reflected in the records.

We conducted audit in accordance with International Auditing Standards. Those standards require that we plan and perform an audit to obtain reasonable assurance about whether the accounts are free from material misstatements. An audit includes an examination, on a test basis of evidence supporting the amounts and disclosure in the accounts.

It also includes an assessment of the accounting policies used and significant estimates made by the management, as well as an evaluation of the overall presentation of the accounts. We believe that our audit provides a reasonable basis of our opinion.

In our opinion, proper books of accounts have been kept and the accounts give a true and fair view of the state of affairs of the program as at 31<sup>st</sup> December, 2013 and of its Surplus for the year then ended in accordance with International Accounting Standards and comply with the constitution of the Program.

  
**KAMILI & COMPANY,**  
**CERTIFIED PUBLIC ACCOUNTANTS (K)**

**P.O BOX 1512**

**90100 – MACHAKOS**

**14<sup>TH</sup> JULY, 2014**

**JITEGEMEE CHILDRENS PROGRAM**

**BALANCE SHEET AS AT 31<sup>ST</sup> DECEMBER, 2013**

<u>FIXED ASSETS</u>	<u>Notes</u>	<u>2013</u> <u>Kshs.</u>	<u>2012</u> <u>Kshs.</u>
<b><u>NON CURRENT ASSETS</u></b>			
At cost less depreciation	2.	11,041,199	3,465,938
<b><u>CURRENT ASSETS</u></b>			
Cash in hand		-	10,828
Staff advances		48,287	37,683
Barclays Bank Account No. 1012192		6,871	73,311
Barclays Bank Account No.1164340		634,664	1,243,936
<b><u>Total Current Assets</u></b>		<b>689,822</b>	<b>1,365,758</b>
<b><u>TOTAL ASSETS</u></b>		<b>11,731,021</b>	<b>4,831,696</b>
<b><u>FINANCED BY:</u></b>			
<b><u>CURRENT LIABILITIES</u></b>			
Accrued rent		-	60,000
Accrued Audit fees		30,000	30,000
Creditors		82,967	-
<b><u>Total Current Liabilities</u></b>		<b>112,967</b>	<b>90,000</b>
<b><u>ACCUMULATED FUNDS ACCOUNT</u></b>	3.	<b>11,618,054</b>	<b>4,741,696</b>
<b><u>TOTAL FUNDS AVAILABLE</u></b>		<b>11,731,021</b>	<b>4,831,696</b>



TEARY KI. MUTUKU

CHAIRPERSON

Michael



HON. SECRETARY

DATE.....

**JITEGEMEE CHILDRENS PROGRAM**  
**INCOME AND EXPENDITURE ACCOUNT**  
**FOR THE YEAR ENDED ON 31<sup>ST</sup> DECEMBER, 2013**

	2013	2012
<u>INCOME</u>	<u>Kshs.</u>	<u>Kshs.</u>
Grants received from sponsors	12,726,728	7,432,642
Interest on Savings Account – Barclays Bank	6,663	12,418
<b><u>TOTAL INCOME FOR THE YEAR</u></b>	<b>12,733,391</b>	<b>7,445,060</b>
 <b><u>LESS: OPERATING EXPENSES</u></b>		
Office expenses	138,936	293,263
Phone	19,000	27,500
Rent	240,000	240,000
Salary – Director Kenya	577,910	545,714
Honoraria	1,129,822	733,342
Professional development	137,835	178,000
Transportation	87,672	84,390
Government fees / statutory deductions	180,184	147,522
Bank fees / charges	28,439	19,110
Books	102,000	196,810
Shoes	135,000	95,131
Uniforms	209,453	218,045
Feeding program	400,756	706,642
Recreation	37,950	169,172
Exam. Fees	9,950	62,600
Tuition Fees	32,800	86,380
Teaching fees	1,234,819	1,168,863
Upkeep College and Secondary	456,627	703,246
Vocational Fees	211,260	149,182
Attachments	219,500	403,500
Trade materials	44,460	100,622
Food / Family assistance	15,500	31,570
Health care	129,380	183,867
Emergency	17,560	4,500
Audit fees	30,000	30,000
Depreciation (Note 2)	30,220	15,852
<b><u>TOTAL EXPENSES</u></b>	<b>5,857,033</b>	<b>6,594,823</b>
<b><u>NET SURPLUS OF INCOME OVER EXPENDITURE</u></b>	<b>6,876,358</b>	<b>850,237</b>



**JITEGEMEE CHILDRENS PROGRAM**  
**NOTES TO THE ACCOUNTS FOR THE YEAR**  
**ENDED ON 31<sup>ST</sup> DECEMBER, 2013**

**1. ACCOUNTING POLICIES**

**a) Basis of Accounting:**

The financial statements are prepared under the historical cost convention and are in compliance with international financial standards.

**b) Revenue Recognition:**

Revenue represents amount of grants received during that particular year.

**c) Foreign currencies**

Assets and liabilities denominated in foreign currencies at the period end are translated at the rates of exchange ruling at the balance sheet date. Transactions during the period are translated at the dates of the transaction. Gains or losses on exchange are dealt with in the income statement.

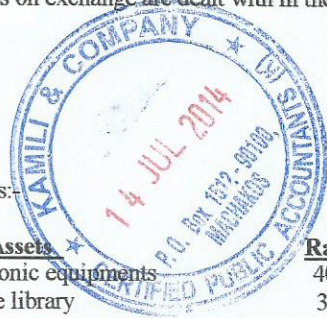
**d) Creditors and accruals**

Trade payables are stated at their normal value.

**e) Depreciation of Fixed Assets**

Fixed Assets depreciation is calculated using the reducing balance method at the following rates:-

<u>Assets</u>	<u>Rate</u>	<u>Assets</u>	<u>Rate</u>
Land	NIL	Electronic equipments	40%
Water Tank	12 ½ %	Office library	33½%
Equipment and Machinery	12 ½ %	Temporary structures	20%
Furniture and fittings	12 ½ %		



**2. FIXED ASSETS DEPRECIATION SCHEDULE.**

ASSETS TYPE	W.D.V 1.1.2013 Kshs.	ADDITIONS (DISPOSALS) Kshs.	TOTALS Kshs.	DEPRECIATION		W.D.V 31.12.2013 Kshs.
				Rate %	Amount Kshs.	
Furniture and Fittings	34,343	18,700	53,043	12 ½	6,630	46,413
Office Library	3,991	12,000	15,991	33 ½	5,277	10,714
Loose Tools	4,025	5,000	9,025	12 ½	1,128	7,897
Electronic Equipment	661	2,800	3,461	40	1,384	2,077
Temporary Kitchen	5,457	-	5,457	20	1,091	4,357
LAND Mks./Block 11/670	2,468,000		2,468,000	-	-	2,468,000
Building (W.I.P)	903,579	7,495,181	8,398,760	-	-	8,398,760
Water Tank	36,169	71,800	107,969	12 ½	13,496	94,473
Water Pump	9,713	-	9,713	12 ½	1,214	8,499
<b>TOTALS</b>	<b>3,465,938</b>	<b>7,605,481</b>	<b>11,071,419</b>	<b>-</b>	<b>30,220</b>	<b>11,041,199</b>

**3. ACCUMULATED PROGRAM FUNDS**

Opening balance brought forward

2013	2012
<b>Kshs.</b>	<b>Kshs.</b>
<b>4,741,696</b>	<b>3,891,459</b>

**Add:** surplus of Income over expenditure for the year

6,876,358	850,237
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**BALANCE CARRIED**

<b>11,618,054</b>	<b>4,741,696</b>
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**JITEGEMEE CHILDREN'S PROGRAM**

**SOURCES AND APPLICATION OF FUNDS STATEMENT**

**FOR THE YEAR ENDED ON 31<sup>ST</sup> DECEMBER , 2013**

	<b>2013</b>	<b>2012</b>
	<b><u>Kshs.</u></b>	<b><u>kshs.</u></b>
<b><u>SOURCES OF FUNDS (INFLOW)</u></b>		
Net operating surplus	6,876,358	850,237
Depreciation	30,220	15,852
<b><u>TOTAL FUND SOURCES</u></b>	<b>6,906,578</b>	<b>866,089</b>

**APPLICATION OF FUNDS (OUTFLOW)**

Purchase of fixed assets	7,605,481	903,579
<b><u>TOTAL APPLICATION OF FUNDS</u></b>	<b>7,605,481</b>	<b>903,579</b>

**SURPLUS FUNDS**

**(698,903)**                      **(37,490)**

**MOVEMENT IN FUND ITEMS**

Increase/(Decrease) in Cash and Bank balances	(686,540)	33,331
Increase/ (Decrease) in Debtors	10,604	(5,821)
Decrease/Increase) in Creditors	(22,967)	(65,000)
<b><u>NET CHANGES IN FUND ITEMS</u></b>	<b><u>(698,903)</u></b>	<b><u>(37,490)</u></b>

