

CULTURE INFORMATION AND PASTORALIST DEVELOPMENT (CIPAD)  
P.O BOX 302 - 60700  
MOYALE

THE FINANCIAL REPORT FOR THE YEAR ENDED 31<sup>ST</sup> DECEMBER, 2014

**AUDITORS:-**

SILA & ASSOCIATES,  
CERTIFIED PUBLIC ACCOUNTANT (K)

P.O. BOX 2436, [TEL:- 0722 302 021](tel:0722302021)

EMAIL: [ptreksila@yahoo.com](mailto:ptreksila@yahoo.com)

**MACHAKOS.**

# CULTURE INFORMATION AND PASTORALIST DEVELOPMENT (CIPAD)

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## FINANCIAL REPORT FOR THE YEAR ENDED 31<sup>ST</sup> DECEMBER, 2014

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# CULTURE INFORMATION AND PASTORALIST DEVELOPMENT (CIPAD)

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## FINANCIAL REPORT FOR THE YEAR ENDED 31<sup>ST</sup> DECEMBER, 2014

### GENERAL INFORMATION

**NAME** : CULTURE INFORMATION AND PASTORALIST DEVELOPMENT (CIPAD) – OBBITU CHILDREN HOME – SOLOLO

**ADDRESS** : P.O. BOX 302 – 60700  
**MOYALE**

**CHIEF EXECUTIVE OFFICER** : MR. GABRIEL GUFU GUYO  
TEL. NO. 0722 920 562

**PHYSICAL ADDRESS/ LOCATION** : SOLOLO, MOYALE.

**OBJECTIVE** : PROVISION OF PARENTAL CARE, ACCOMMODATION, EDUCATION, HEALTH CARE, NUTRITION & CLOTHING TO ORPHANS AGED BETWEEN 2 AND 12 YEARS. CURRENTLY 22 RESIDENTIAL, AND 384 ON HOME-BASED SUPPORT.

**BANKERS** : KENYA COMMERCIAL BANK  
P.O. BOX 191 – 60700  
**MOYALE**

**AUDITORS** : SILA & ASSOCIATES,  
CERTIFIED PUBLIC ACCOUNTANT (K)  
P.O. BOX 2436, TEL: 0722 302 021  
EMAIL: [ptrksila@yahoo.com](mailto:ptrksila@yahoo.com)  
**MACHAKOS**

# CULTURE INFORMATION AND PASTORALIST DEVELOPMENT (CIPAD)

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## FINANCIAL REPORT FOR THE YEAR ENDED 31<sup>ST</sup> DECEMBER, 2014

### STATEMENT OF MANAGEMENT COMMITTEES' RESPONSIBILITIES

The International Financial Reporting Standard requires the directors to prepare financial statements for each financial year that gives a true and fair view of the state of affairs of the organization at the end of the financial year and its operating results for that year. It also requires the directors to ensure the organization maintains proper accounting records which disclose, with reasonable accuracy the financial position of the organization. The directors are also responsible for safeguarding the assets of the organization.

The directors accept responsibility for the financial statements, which have been prepared using appropriate accounting policies supported by reasonable and prudent judgments and estimates, in conformity with International Financial Reporting Standards. 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 organization as at 31<sup>st</sup> December 2014 and of its operating results for the year then ended. The directors further accept responsibility for the maintenance of accounting records which may be relied upon in the preparation of financial statements, as well as adequate systems of internal financial control.

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

Approved by the board on 15<sup>th</sup> January, 2015 and signed on its behalf by:-

.....gufu.....

MR. GABRIEL G. GUYO  
**CHIEF EXECUTIVE OFFICER**

**SOLOLO, MOYALE**

**SILA & ASSOCIATES**  
**CERTIFIED PUBLIC ACCOUNTANT (K)**

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**RE: AUDIT REPORT OF CULTURE INFORMATION AND PASTORALIST DEVELOPMENT (CIPAD) FINANCIAL REPORT FOR YEAR ENDED 31<sup>ST</sup> DECEMBER, 2014**

**INTRODUCTION AND GENERAL INFORMATION**

We have been instructed by Mr. Gabriel G. Guyo, on behalf of the Board of Culture Information and Pastoralist Development (CIPAD), located at Sololo, in Moyale District to carry out audit on the financial records of position and operations of the childrens' home for the year ending on 31<sup>st</sup> December, 2014.

We have examined the financial report prepared by the Home which includes, funds donations and expenditure statements for the period and financial position as at 31<sup>st</sup> December, 2014.

The report is mainly prepared on cash-in and cash-out basis, although there were no material accrued expenses or prepayments.

We obtained all the information and explanations which we considered necessary for our audit and to provide a reasonable basis for our opinion. The provided receipt of funds and expenditure records do tie with the recorded receipts and expenditures on the report.

**RESPECTIVE RESPONSIBILITIES OF THE BOARD AND THE AUDITORS**

The Board is responsible for the preparation of the financial report, which gives a true and fair view of the operation's transactions during the period. Our responsibility is to express an independent opinion on the financial report based on our audit and to report our opinion, in line with the applicable International Standards on Auditing (ISAs).

**BASIS OF OPINION**

We conducted our audit in accordance with International Standards on Auditing. Those standards require that we plan and perform the audit to obtain reasonable assurance that the financial report is free of material misstatement. An audit includes examining on test basis, evidence supporting the amounts in the financial report. It also includes assessing the accounting principles used and significant estimates made by the Board as well as evaluating the overall financial report presentation. We believe that our audit provides a reasonable basis for our opinion.

**OPINION**

In our opinion the financial report give a true and fair view of the financial position of the Home as at 31<sup>st</sup> December, 2014 and financial performance for the year then ended in accordance with International Financial Reporting Standards.

The engagement partner responsible for the audit resulting in this independent auditor's report is CPA – Patrick M. Sila P/NO.1317.

**SILA & ASSOCIATES**  
**CERTIFIED PUBLIC ACCOUNTANT (K)**  
**P.O BOX 2436 – 90100 Tel: 0722 302 021/0734 621 573**  
**MACHAKOS.**

**Machakos, Kenya**  
**20<sup>th</sup> January 2015**

# CULTURE INFORMATION AND PASTORALIST DEVELOPMENT (CIPAD)

## FINANCIAL REPORT FOR THE YEAR ENDED 31<sup>ST</sup> DECEMBER, 2014

### STATEMENT OF INCOME & EXPENDITURE FOR THE YEAR ENDED 31<sup>ST</sup> DECEMBER, 2014

	<b>2014</b>	<b>2013</b>
	<b><u>KSHS</u></b>	<b><u>KSHS</u></b>
<b><u>INCOME</u></b>		
Donations for operations	13,667,913.00	14,167,035.00
Deferred income	<u>2,032,546.00</u>	<u>1,704,044.00</u>
<b>Total receipt of funds</b>	<b><u>15,700,459.00</u></b>	<b><u>15,871,079.00</u></b>
<b><u>EXPENSES</u></b>		
Boarding Expenses (Obbitu Home)	1,188,175.00	1,335,640.00
Home Based Care-Food	3,835,220.00	3,699,950.00
Home Based Care-Stationary	158,400.00	553,920.00
Home Based Care-Uniforms	110,000.00	234,000.00
Home Based Beddings	-	276,000.00
Salaries	3,482,130.00	3,828,000.00
Uniform & clothing (Obbitu Home)	129,930.00	134,395.00
Administration costs	174,909.00	217,365.00
Educational materials (Obbitu)	98,210.00	31,715.00
Generator fuel & maintenance	419,220.00	379,450.00
Motorcycle fuel & maintenance	156,600.00	162,000.00
Firewood	171,840.00	208,990.00
Medical Expenses	800,910.00	815,830.00
Funds mobilization & Donors support	2,175,500.00	750,631.00
Repairs & maintenance	333,626.00	548,790.00
School fees for children	140,250.00	574,750.00
Management committee expense	16,000.00	13,250.00
Water	51,000.00	96,000.00
Audit fee	35,000.00	25,000.00
Mosquito net	-	193,600.00
Miscellaneous	175,960.00	180,210.00
Bank charges	50,065.00	31,245.00
Transport	245,650.00	15,000.00
Depreciation	<u>2,032,546.00</u>	<u>1,704,044.00</u>
	<b><u>16,181,141.00</u></b>	<b><u>16,009,775.00</u></b>
<b>Surplus / (Deficit) for the year</b>	<b><u>(480,682.00)</u></b>	<b><u>(138,696.00)</u></b>

# CULTURE INFORMATION AND PASTORALIST DEVELOPMENT (CIPAD)

## FINANCIAL REPORT FOR THE YEAR ENDED 31<sup>ST</sup> DECEMBER, 2014

### STATEMENT OF FINANCIAL POSITION AS AT 31<sup>ST</sup> DECEMBER, 2014

	<u>NOTES</u>	<u>2014</u> <u>KSHS</u>	<u>2013</u> <u>KSHS</u>
<b>A. <u>PROPERTY, PLANT &amp; EQUIPMENT</u></b>			
Sundry Assets	2	<u>23,570,110.00</u>	<u>20,771,006.00</u>
<b>B. <u>CURRENT ASSETS:</u></b>			
Cash at hand		44,095.00	43,910.00
Cash at Bank		1,091,173.00	1,551,865.00
Stores		<u>57,444.00</u>	<u>190,769.00</u>
		<u>1,192,712.00</u>	<u>1,786,544.00</u>
<b>C. <u>CURRENT LIABILITIES</u></b>			
Trade payables		-	-
Dev. Funds Donation (green house)		<u>-</u>	<u>113,150.00</u>
			<u>113,150.00</u>
<b>D. <u>NET WORKING CAPITAL (B-C)</u></b>		<u>1,192,712.00</u>	<u>1,673,394.00</u>
<b>E.</b>			
<b>TOTAL CAPITAL EMPLOYED (D+A)</b>		<u>24,762,822.00</u>	<u>22,444,400.00</u>
<b><u>FINANCED BY:-</u></b>			
<b><u>LIABILITIES</u></b>			
Donations - International Donors	4	23,354,538.00	20,555,434.00
Donation - Community		2,000,000.00	2,000,000.00
Surplus / (Deficit) to date	5	<u>(591,716.00)</u>	<u>(111,034.00)</u>
<b>TOTAL LIABILITIES</b>		<u>24,762,822.00</u>	<u>22,444,400.00</u>

***CERTIFIED TRUE & CORRECT***

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**GABRIEL GUFU GUYO**  
**CHIEF EXECUTIVE OFFICER**

Machakos, Kenya  
20<sup>th</sup> January, 2015

# CULTURE INFORMATION AND PASTORALIST DEVELOPMENT (CIPAD)

## FINANCIAL REPORT FOR THE YEAR ENDED 31<sup>ST</sup> DECEMBER, 2014

### NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDING 31<sup>ST</sup> DECEMBER, 2014

#### **1. SIGNIFICANT ACCOUNTING POLICIES:-**

##### **a) Accounting period**

The organization prepares its accounts each year ending 31<sup>st</sup> December.

##### **b) Basis of accounting:-**

The organization prepares its accounts based on historical cost convention, modified to include the revaluation of certain assets should this become necessary.

##### **c) Property, plant & Equipment and depreciation:-**

Property and equipment are stated at cost less accumulated depreciation.

Depreciation is calculated at annual rates estimated to write off each asset over the term of its useful life.

The basis and rates at which depreciation has been calculated are shown herebelow:-

<b><u>Particulars</u></b>	<b><u>Rate</u></b>	<b><u>Basis</u></b>
Land	Nil	N/A
Buildings	2.5%	Straight Line Method
Motor Vehicle & Cycle	25%	Reducing Balance Method
Computers	30%	Reducing Balance Method
Machinery & Equipment	12.5%	Reducing Balance Method
Furniture & Fitting	12.5%	Reducing Balance Method
Green House	20%	Straight Line Method



# CULTURE INFORMATION AND PASTORALIST DEVELOPMENT (CIPAD)

## FINANCIAL REPORT FOR THE YEAR ENDED 31<sup>ST</sup> DECEMBER, 2014

*(Notes to the financial statements for the year ending 31<sup>st</sup> December, 2014 cont....)*

### 3. DONATIONS DURING THE YEAR

	<u>Kshs.</u>	<u>Transferred To</u>
Donations for Operations	13,667,913.00	Income & Expenditure Statement
Donations for Capital Expenditure (See Note 2)	<u>4,831,650.00</u>	Donation – Liabilities
<b>Total</b>	<b><u>18,499,563.00</u></b>	

### 4. DONATION – LIABILITIES (INTERNATIONAL DONORS)

	<u>2014</u>	<u>2013</u>
	<u>KSHS</u>	<u>KSHS</u>
Donation B/F	20,555,434.00	18,360,828.00
Donation for the year (Note 3)	<u>4,831,650.00</u>	<u>3,898,650.00</u>
<b>Total</b>	<b><u>25,387,084.00</u></b>	<b><u>22,259,478.00</u></b>
Less- Deferred Income (Year's Depreciation)	<u>2,032,546.00</u>	<u>1,704,044.00</u>
Balance C/F	<b><u>23,354,538.00</u></b>	<b><u>20,555,434.00</u></b>

### 5. SURPLUS / (DEFICIT)

	<u>2014</u>	<u>2013</u>
	<u>KSHS</u>	<u>KSHS.</u>
Balance B/F	(111,034.00)	27,662.00
Surplus/deficit for the year	<u>(480,682.00)</u>	<u>(138,696.00)</u>
Balance C/F	<b><u>(591,716.00)</u></b>	<b><u>(111,034.00)</u></b>

## CULTURE INFORMATION AND PASTORALIST DEVELOPMENT (CIPAD)

### FINANCIAL REPORT FOR THE YEAR ENDED 31<sup>ST</sup> DECEMBER, 2014

*(Notes to the financial statements for the year ending 31<sup>st</sup> December, 2014 cont...)*

#### 2. PLANT, PROPERTY AND EQUIPMENT

FIXED ASSETS	LAND KSHS.	BUILDING KSHS.	MOTOR VEHICLE & CYCLE KSHS.	COMPUTERS KSHS.	MACHINERY & EQUIPMENT KSHS.	FURNITURE & FITTING KSHS.	GREEN HOUSE KSHS.	TOTAL KSHS.
<b><u>COST/VALUATION</u></b>								
Bal. B/F on 1.1.2013	2,000,000.00	13,000,000.00	1,100,000.00	-	2,145,200.00	1,500,000.00	-	19,745,200.00
Additions	-	-	-	170,000.00	-	-	3,615,500.00	3,785,500.00
Disposals	-	-	-	-	-	-	-	-
Bal. B/F on 1.1.2014	2,000,000.00	13,000,000.00	1,100,000.00	170,000.00	2,145,200.00	1,500,000.00	3,615,500.00	23,530,700.00
Additions	-	2,977,880.00	-	-	-	-	1,853,770.00	4,831,650.00
Disposals	-	-	-	-	-	-	-	-
<b>Bal. C/F on 31.12.2014</b>	<b>2,000,000.00</b>	<b>15,977,880.00</b>	<b>1,100,000.00</b>	<b>170,000.00</b>	<b>2,145,200.00</b>	<b>1,500,000.00</b>	<b>5,469,270.00</b>	<b>28,362,350.00</b>
<b><u>DEPRECIATION</u></b>								
Bal. B/F on 1.1.2013	-	325,000.00	275,000.00	-	268,150.00	187,500.00	-	1,055,650.00
Charge for the year	-	325,000.00	206,250.00	51,000.00	234,631.00	164,063.00	723,100.00	1,704,044.00
Bal. B/F on 1.1.2014	-	650,000.00	481,250.00	51,000.00	502,781.00	351,563.00	723,100.00	2,759,694.00
<b>Charge for the year</b>	<b>-</b>	<b>399,447.00</b>	<b>154,688.00</b>	<b>35,700.00</b>	<b>205,302.00</b>	<b>143,555.00</b>	<b>1,093,854.00</b>	<b>2,032,546.00</b>
<b>Bal. C/F on 31.1.12.2014</b>	<b>-</b>	<b>1,049,447.00</b>	<b>635,938.00</b>	<b>86,700.00</b>	<b>708,083.00</b>	<b>495,118.00</b>	<b>1,816,954.00</b>	<b>4,792,240.00</b>
<b><u>NET BOOK VALUE</u></b>								
<b>Bal. As at 31.12.2014</b>	<b>2,000,000.00</b>	<b>14,928,433.00</b>	<b>464,062.00</b>	<b>83,300.00</b>	<b>1,437,117.00</b>	<b>1,004,882.00</b>	<b>3,652,316.00</b>	<b>23,570,110.00</b>
Bal. As at 1.1.2014	2,000,000.00	12,350,000.00	618,750.00	119,000.00	1,642,419.00	1,148,437.00	2,892,400.00	20,771,006.00

**NB. Additions during the year are:-**

- Specific Donation for construction of additional Green House at a cost of Kshs. 1,853,770.00.
- Specific Donation for construction of Mechanical Workshops at Ksh. 1,551,180.00 and living House at Ksh. 1,426,700.00.