

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

**THE FINANCIAL REPORT FOR THE PERIOD OF
YEAR ENDED 31ST DECEMBER, 2024**

AUDITORS:-

SILA & ASSOCIATES,
CERTIFIED PUBLIC ACCOUNTANTS (K)
P.O. BOX 2436, [TEL:- 0722 302 021](tel:0722302021)
EMAIL: ptrcksila@yahoo.com
MACHAKOS.

CULTURE INFORMATION AND PASTORALIST DEVELOPMENT (CIPAD)

FINANCIAL REPORT FOR THE YEAR ENDED 31ST DECEMBER, 2024

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CULTURE INFORMATION AND PASTORALIST DEVELOPMENT (CIPAD)

FINANCIAL REPORT FOR THE YEAR ENDED 31ST DECEMBER, 2024

GENERAL INFORMATION

NAME	:	CULTURE INFORMATION AND PASTORALIST DEVELOPMENT (CIPAD) – OBBITU CHILDREN HOME – SOLOLO
ADDRESS	:	P.O. BOX 302 – 60700 <u>MOYALE</u>
OFFICIALS	:	MR. MATHEW GALGALO HALAKE - CHAIRMAN MRS. KAMILA GALGALO - TREASURER MR.GABRIEL G. GUYO - SECRETARY
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 21 (OBBITU) AND 336 CHILDREN & 98 FAMILIES UNDER HOME BASED SUPPORT (HBC)
BANKERS	:	KENYA COMMERCIAL BANK P.O. BOX 191 – 60700 <u>MOYALE</u>
AUDITORS	:	SILA & ASSOCIATES, CERTIFIED PUBLIC ACCOUNTANT (K) P.O. BOX 2436, TEL: 0722 302 021 EMAIL: ptrcksila@yahoo.com <u>MACHAKOS</u>

CULTURE INFORMATION AND PASTORALIST DEVELOPMENT (CIPAD)

FINANCIAL REPORT FOR THE YEAR ENDED 31ST DECEMBER, 2024

STATEMENT OF MANAGEMENT COMMITTEE'S 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 31st December 2024 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.

The Management Board acknowledges that the independent audit of the financial statements does not relieve them of their responsibilities.

Approved by the board on 25th February, 2025 signed on its behalf by:-

.....	Chairman	Name: Mathew Galgalo Halake
Signature		

.....	Treasurer	Name: Kamila Galgalo
Signature		

.....	Secretary	Name: Gabriel .G. Guyo
Signature		

SILA & ASSOCIATES
CERTIFIED PUBLIC ACCOUNTANT (K)

**AUDIT REPORT OF CULTURE INFORMATION AND PASTORALIST
DEVELOPMENT (CIPAD) FINANCIAL REPORT FOR YEAR ENDED 31ST
DECEMBER, 2024**

OPINION

We have audited the Financial Statements of CIPAD set out on pages 5 to 10, which comprise the statement of as at 31st December, 2024, and the statement of Income and expenditure, statement of changes in fund balances and statement of cash flows for the year then ended, and notes including a summary of significant accounting policies.

In our opinion, the accompanying financial statements presents fairly, in all material respects, the financial position of the organization as at 31st December 2024, 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.

BASIS OF OPINION

We conducted our audit in accordance with International Standards on Auditing. 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 organization in accordance with the International Ethics Standards Board for Accountants' International Code of Ethics for Professional Accountants (including International Independence Standards) (IESBA Code) together with the ethical requirements that are relevant to our audit of 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.

RESPONSIBILITIES OF MANAGEMENT FOR THE FINANCIAL STATEMENTS

The Management is responsible for the preparation and fair presentation, in all material respects, of the financial Statements in accordance with the International Financial Reporting Standard for Small and Medium-sized Entities set out on pages 5 to 10, and the requirements of International Standards on Auditing (ISAs) 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.

In preparing the financial statements, the management is responsible for assessing the organization's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using going concern basis of accounting unless the management either intends to liquidate the organization or to cease operations, or has no realistic alternative but to do so.

The Management/those charged with governance are responsible for overseeing the organization's financial reporting process.

SILA & ASSOCIATES
CERTIFIED PUBLIC ACCOUNTANT (K)

AUDIT REPORT (CONTINUED)

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 International Standards on Auditing 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 the users taken on the basis of these financial statements.

As part of an audit in accordance with International Standards on Auditing, we exercise professional judgment and maintain professional scepticism 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 the 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 organization's internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the 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 organization'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 organization to cease to continue as 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 manner that achieves fair presentation, in all material respects.

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

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

SILA & ASSOCIATES
CERTIFIED PUBLIC ACCOUNTANTS (K)
Machakos, Kenya
25th February, 2025.

CULTURE INFORMATION AND PASTORALIST DEVELOPMENT (CIPAD)

FINANCIAL REPORT FOR THE YEAR ENDED 31ST DECEMBER, 2024

STATEMENT OF INCOME & EXPENDITURE FOR THE YEAR ENDED

31ST DECEMBER, 2024

	<u>2024</u>	<u>2023</u>
	<u>KSHS</u>	<u>KSHS</u>
<u>INCOME</u>		
Donations for operations	18,424,250.00	17,542,974.00
Deferred income	<u>891,347.00</u>	<u>943,978.00</u>
	<u>19,315,597.00</u>	<u>18,486,952.00</u>
<u>EXPENSES</u>		
<u>Home Based Care:-</u>		
-Food	3,727,200.00	3,906,140.00
-Education	2,450,352.00	2,003,436.00
-Shelters repairs	122,260.00	124,000.00
- Relief programme - water/food	-	193,320.00
- Kit kaza and others	364,390.00	6,000.00
-Clothes	275,200.00	117,700.00
-Welfare programs	1,048,730.00	1,121,050.00
<u>Obbitu Children's Home Expenses</u>		
- Food	1,113,330.00	1,391,430.00
- Firewood	144,000.00	144,000.00
- Clothing and other items (21)	171,010.00	255,590.00
- Education:-		
-Uniforms (21)	25,000.00	28,950.00
-Stationery (21)	24,500.00	13,640.00
-School Fees (21)	53,970.00	62,460.00
- Water	10,000.00	-
-Drugs	21,851.00	11,490.00
-Staff welfare	360,000.00	467,590.00
Health & Medical expenses	824,995.00	1,232,700.00
Salaries & Other related expenses	5,466,070.00	5,656,316.00
NSSF	463,980.00	341,640.00
Repair and Maintenance	1,192,202.00	542,611.00
Management Committee Expenses (OVC)	64,500.00	22,000.00
Administrative Expense	433,208.00	346,910.00
Audit Expenses	80,000.00	80,000.00
Depreciation	<u>891,347.00</u>	<u>943,978.00</u>
	<u>19,328,095.00</u>	<u>19,012,951.00</u>
 Surplus / (Deficit) for the year	 <u>(12,498.00)</u>	 <u>(525,999.00)</u>

CULTURE INFORMATION AND PASTORALIST DEVELOPMENT (CIPAD)

FINANCIAL REPORT FOR THE YEAR ENDED 31ST DECEMBER, 2024

STATEMENT OF FINANCIAL POSITION AS AT 31ST DECEMBER, 2024

	<u>NOTES</u>	<u>2024</u> <u>KSHS</u>	<u>2023</u> <u>KSHS</u>
A. <u>PROPERTY, PLANT & EQUIPMENT</u>			
Sundry Assets	2	<u>18,852,865.00</u>	<u>19,744,212.00</u>
B. <u>CURRENT ASSETS:</u>			
Cash at hand		20,589.00	20,333.00
Cash at Bank		136,011.00	21,328.00
Stores & unused material		<u>15,200.00</u>	<u>62,637.00</u>
		<u>171,800.00</u>	<u>104,298.00</u>
C. <u>CURRENT LIABILITIES</u>			
Supply of food		80,000.00	-
Audit fee & other creditors		<u>80,000.00</u>	<u>80,000.00</u>
		<u>160,000.00</u>	<u>80,000.00</u>
D. <u>NET WORKING CAPITAL (B-C)</u>		<u>11,800.00</u>	<u>24,298.00</u>
TOTAL CAPITAL EMPLOYED (D+A)		<u>18,864,665.00</u>	<u>19,768,510.00</u>
<u>FINANCED BY:-</u>			
<u>LIABILITIES</u>			
Donations - International Donors	4	18,637,293.00	19,528,640.00
Donation - Community		2,000,000.00	2,000,000.00
Surplus / (Deficit) to date	5	<u>(1,772,628.00)</u>	<u>(1,760,130.00)</u>
TOTAL LIABILITIES		<u>18,864,665.00</u>	<u>19,768,510.00</u>

The financial statements on page 5 – 10 were authorized for issues by the Board of management on 25th February, 2025 and signed on its behalf by:-

Chairman _____	Treasurer _____	Secretary _____
Name: Mathew Galgalo Halake.	Name: Kamila Galgalo.	Name: Gabriel G. Guyo.

CULTURE INFORMATION AND PASTORALIST DEVELOPMENT (CIPAD)

FINANCIAL REPORT FOR THE YEAR ENDED 31ST DECEMBER, 2024

STATEMENT OF CASH FLOWS FOR THE PERIOD ENDED 31ST DECEMBER, 2024

	<u>NOTES</u>	<u>2024</u> <u>KSHS.</u>	<u>2023</u> <u>KSHS.</u>
Cash flows from operating activities			
Donations for current operations	3	18,424,250.00	17,542,974.00
Payments to employees and supplies –page	4	(18,436,748.00)	(18,068,973.00)
		(12,498.00)	(525,999.00)
Increase / (decrease) in operating assets			
(Increase) /decrease receivables		-	-
Increase / (decrease) in payables		80,000.00	-
(Increase) /decrease in stores		47,437.00	37,460.00
Net cash from operating activities		<u>114,939.00</u>	<u>(488,539.00)</u>
Cash flows from (to) investing activities			
Donation for non –current assets	2 & 3	-	-
		-	-
Cash flows from (to) financing activities			
Acquisition of non –current assets	3 & 4	-	-
		-	-
Net increase/ decreases in cash and cash equivalent		114,939.00	(488,539.00)
Cash and cash equivalent at the beginning of the year		<u>41,661.00</u>	<u>530,200.00</u>
Cash and cash equivalent as at 31.12. 2024		<u><u>156,600.00</u></u>	<u><u>41,661.00</u></u>

CULTURE INFORMATION AND PASTORALIST DEVELOPMENT (CIPAD)

FINANCIAL REPORT FOR THE YEAR ENDED 31ST DECEMBER, 2024

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDING 31ST DECEMBER, 2024

1. SIGNIFICANT ACCOUNTING POLICIES:-

a) Accounting period

The organization prepares its accounts each year ending 31st 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 here below:-

<u>Particulars</u>	<u>Rate</u>	<u>Basis</u>
Land	Nil	N/A
Buildings	2.5%	Straight Line Method
Motor Vehicle & Cycle	25%	Reducing Balance Method
Computers	25%	Reducing Balance Method
Machinery & Equipment	10%	Reducing Balance Method
Furniture & Fitting	10%	Reducing Balance Method
Green House	20%	Straight Line Method
Mechanical Bay	2.5%	Straight Line Method
Water project	10%	Reducing Balance Method

CULTURE INFORMATION AND PASTORALIST DEVELOPMENT (CIPAD)

FINANCIAL REPORT FOR THE YEAR ENDED 31ST DECEMBER, 2024

(Notes to the financial statements for the year ending 31st December, 2024 cont.)

2. PROPERTY, PLANT AND EQUIPMENT

FIXED ASSETS	LAND KSHS.	BUILDING KSHS.	MOTOR VEHICLE & CYCLE KSHS.	COMPUTERS KSHS.	MACHINERY EQUIPMENT KSHS.	FURNITURE & FITTINGS KSHS.	GREEN HOUSE KSHS.	MECHANICAL BAY KSHS.	WATER PROJECTS KSHS.	TOTALS KSHS.
<u>COST/VALUATION</u>										
Bal. b/f. on 01.01.2023	2,000,000.00	17,874,627.00	1,214,000.00	746,700.00	4,522,465.00	1,748,114.00	5,469,270.00	970,520.00	3,311,480.00	37,857,176.00
Additions	-	-	-	-	-	-	-	-	-	-
Disposals	-	-	-	-	-	-	-	-	-	-
Bal. b/f. on 01.01.2024	2,000,000.00	17,874,627.00	1,214,000.00	746,700.00	4,522,465.00	1,748,114.00	5,469,270.00	970,520.00	3,311,480.00	37,857,176.00
Additions	-	-	-	-	-	-	-	-	-	-
Disposals	-	-	-	-	-	-	-	-	-	-
Bal. c/f on 31.12.2024	2,000,000.00	17,874,627.00	1,214,000.00	746,700.00	4,522,465.00	1,748,114.00	5,469,270.00	970,520.00	3,311,480.00	37,857,176.00
<u>DEPRECIATION</u>										
Bal. b/f. on 01.01.2023	-	4,526,021.00	1,131,472.00	686,667.00	2,852,655.00	1,191,608.00	5,469,270.00	145,578.00	1,165,715.00	17,168,986.00
Disposals	-	-	-	-	-	-	-	-	-	-
Charge for the year	-	446,866.00	20,632.00	15,008.00	166,981.00	55,651.00	-	24,263.00	214,577.00	943,978.00
Bal. b/f. on 01.01.2024	-	4,972,887.00	1,152,104.00	701,675.00	3,019,636.00	1,247,259.00	5,469,270.00	169,841.00	1,380,292.00	18,112,964.00
Disposals	-	-	-	-	-	-	-	-	-	-
Charge for the year	-	446,866.00	15,474.00	11,256.00	150,283.00	50,086.00	-	24,263.00	193,119.00	891,347.00
Bal. c/f on 31.12.2024	-	5,419,753.00	1,167,578.00	712,931.00	3,169,919.00	1,297,345.00	5,469,270.00	194,104.00	1,573,411.00	19,004,311.00
<u>NET BOOK VALUE</u>										
Bal. as at 01.01.2024	2,000,000.00	12,901,740.00	61,896.00	45,025.00	1,502,829.00	500,855.00	-	800,679.00	1,931,188.00	19,744,212.00
Bal. as at 31.12.2024	2,000,000.00	12,454,874.00	46,422.00	33,769.00	1,352,546.00	450,769.00	-	776,416.00	1,738,069.00	18,852,865.00

CULTURE INFORMATION AND PASTORALIST DEVELOPMENT (CIPAD)

FINANCIAL REPORT FOR THE YEAR ENDED 31ST DECEMBER, 2024

(Notes to the financial statements for the year ending 31st December, 2024 cont.)

3. DONATIONS DURING THE YEAR

	<u>Kshs.</u>	<u>Transferred To</u>
Donations for Operations	18,424,250.00	Income & Expenditure Statement
Donations for Capital Expenditure	-	Donation – Liabilities
	<u>18,424,250.00</u>	

4. DONATION – LIABILITIES (INTERNATIONAL DONORS)

	<u>2024</u> <u>KSHS.</u>	<u>2023</u> <u>KSHS.</u>
Donation B/F	19,528,640.00	20,472,618.00
Donation for the year (Note 3)	-	-
Total	19,528,640.00	20,472,618.00
Less- Deferred Income (note 2) (Year's Depr.)	(891,347.00)	(943,978.00)
	<u>18,637,293.00</u>	<u>19,528,640.00</u>

5. SURPLUS / (DEFICIT)

	<u>2024</u> <u>KSHS</u>	<u>2023</u> <u>KSHS</u>
Balance B/F	(1,760,130.00)	(1,234,131.00)
Surplus/ (deficit) for the year	(12,498.00)	(525,999.00)
Balance C/F	<u>(1,772,628.00)</u>	<u>(1,760,130.00)</u>