

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

**THE FINANCIAL REPORT FOR THE PERIOD OF  
YEAR ENDED 31<sup>ST</sup> DECEMBER, 2013**

**AUDITORS:-**

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

# **CULTURE INFORMATION AND PASTORALIST DEVELOPMENT (CIPAD)**

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## **FINANCIAL REPORT FOR THE YEAR ENDED 31<sup>ST</sup> DECEMBER, 2013**

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# **CULTURE INFORMATION AND PASTORALIST DEVELOPMENT (CIPAD)**

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## **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 23  
RESIDENTIAL, AND 400 ON HOME-BASED  
SUPPORT.

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

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

# **CULTURE INFORMATION AND PASTORALIST DEVELOPMENT (CIPAD)**

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## **STATEMENT OF MANAGEMENT COMMITTEE'S RESPONSIBILITIES YEAR ENDED 2013**

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 2013 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..... and signed on its behalf by:-

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

**SOLOLO, MOYALE**

# **CULTURE INFORMATION AND PASTORALIST DEVELOPMENT (CIPAD)**

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**RE: AUDIT REPORT OF CULTURE INFORMATION AND PASTORALIST  
DEVELOPMENT (CIPAD) FINANCIAL REPORT FOR YEAR ENDED 31<sup>ST</sup>  
DECEMBER, 2013**

## **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 children's home for the year ending on 31<sup>st</sup> December, 2013.

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, 2013.

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.

## **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, 2013 and financial performance for the year then ended in accordance with International Financial Reporting Standards.

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

**Machakos, Kenya  
31<sup>st</sup> January 2014**

## **CULTURE INFORMATION AND PASTORALIST DEVELOPMENT (CIPAD)**

### **STATEMENT OF INCOME & EXPENDITURE FOR THE YEAR ENDED 31<sup>ST</sup> DECEMBER, 2013**

	<b>2013</b>	<b>2012</b>
	<b><u>KSHS</u></b>	<b><u>KSHS</u></b>
<b><u>INCOME</u></b>		
Donations for operations	14,167,035.00	13,310,000.00
Deferred income	1,704,044.00	-
Miscellaneous	-	3,700.00
<b>Total receipt of funds</b>	<b><u>15,871,079.00</u></b>	<b><u>13,313,700.00</u></b>
<b><u>EXPENSES</u></b>		
Boarding Expenses (Obbitu Home)	1,335,640.00	1,285,790.00
Home Based Care-Food	3,699,950.00	1,968,445.00
Home Based Care-Stationary	553,920.00	221,433.00
Home Based Care-Uniforms	234,000.00	120,912.00
Home Based Beddings	276,000.00	-
Salaries	3,828,000.00	4,036,000.00
Uniform & clothing (Obbitu Home)	134,395.00	103,483.00
Administration costs	217,365.00	264,945.00
Educational materials (Obbitu)	31,715.00	30,812.00
Generator fuel & maintenance	379,450.00	260,210.00
Motorecycle fuel & maintenance	162,000.00	177,880.00
Firewood	208,990.00	102,275.00
Medical Expenses	815,830.00	702,905.00
Funds mobilization & Donors support	750,631.00	1,980,500.00
Repairs & maintenance	548,790.00	191,830.00
School fees for children	574,750.00	435,080.00
Management committee expense	13,250.00	19,000.00
Water	96,000.00	81,000.00
Audit fee	25,000.00	-
Mosquito net	193,600.00	-
Miscellaneous	180,210.00	131,340.00
Bank charges	31,245.00	24,148.00
Transport	15,000.00	92,400.00
Depreciation	1,704,044.00	1,055,650.00
	<b><u>16,009,775.00</u></b>	<b><u>13,286,038.00</u></b>
<b>Surplus / (Deficit) for the year</b>	<b><u>(138,696.00)</u></b>	<b><u>27,662.00</u></b>

## **CULTURE INFORMATION AND PASTORALIST DEVELOPMENT (CIPAD)**

### **STATEMENT OF FINANCIAL POSITION AS AT 31<sup>ST</sup> DECEMBER, 2013**

		<b><u>2013</u></b>	<b><u>2012</u></b>
	<b><u>NOTES</u></b>	<b><u>KSHS</u></b>	<b><u>KSHS</u></b>
<b>A. <u>PROPERTY, PLANT &amp; EQUIPMENT</u></b>			
Sundry Assets	2	<b><u>20,771,006.00</u></b>	<b><u>18,689,550.00</u></b>
<b>B. <u>CURRENT ASSETS:</u></b>			
Cash at hand		43,910.00	23,545.00
Cash at Bank		1,551,865.00	1,714,195.00
Stores		<u>190,769.00</u>	<u>36,800.00</u>
		<b><u>1,786,544.00</u></b>	<b><u>1,774,540.00</u></b>
<b>C. <u>CURRENT LIABILITIES</u></b>			
Trade payables		-	75,600.00
Dev. Funds Donation (green house) bal.	2&3	<u>113,150.00</u>	-
		<b><u>113,150.00</u></b>	<b><u>75,600.00</u></b>
<b>D. <u>NET WORKING CAPITAL (B-C)</u></b>		<b><u>1,673,394.00</u></b>	<b><u>1,698,940.00</u></b>
<b>TOTAL CAPITAL EMPLOYED (D+A)</b>		<b><u>22,444,400.00</u></b>	<b><u>20,388,490.00</u></b>
 <b><u>FINANCED BY:-</u></b>			
<b><u>LIABILITIES</u></b>			
Donations - International Donors	4	20,555,434.00	18,360,828.00
Donation - Community		2,000,000.00	2,000,000.00
Surplus / (Deficit) to date	5	<u>(111,034.00)</u>	<u>27,662.00</u>
<b>TOTAL LIABILITIES</b>		<b><u>22,444,400.00</u></b>	<b><u>20,388,490.00</u></b>

*CERTIFIED TRUE & CORRECT*

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

Machakos, Kenya  
31<sup>st</sup> January, 2014

# **CULTURE INFORMATION AND PASTORALIST DEVELOPMENT (CIPAD)**

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## **NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDING 31<sup>ST</sup> DECEMBER, 2013**

### **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)**

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*(Notes to the financial statements for the year ending 31<sup>st</sup> December, 2013 cont....)*

### **3. DONATIONS DURING THE YEAR**

Donations for Operations	<u>Kshs.</u> 14,167,035.00	<u>Transferred To</u> Statement of Comprehensive Income
Donations for Development- Green Hse	<u>3,728,650.00</u>	Donation – Liabilities
<b>Total of Cash donations</b>	<b><u>17,895,685.00</u></b>	
Donations in Kind – Computer & Laptops	<u>170,000.00</u>	Donations – Liabilities
Total Donations Received	<b><u>18,065,685.00</u></b>	

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

	<u>2013</u> <u>KSHS</u>	<u>2012</u> <u>KSHS</u>
Donation B/F	18,360,828.00	-
Donation for the year (Note 3)	<u>3,898,650.00</u>	<u>18,360.828.00</u>
<b>Total</b>	<b><u>22,259,478.00</u></b>	<b><u>18,360,828.00</u></b>
Less- Deferred Income (Year's Depreciation)	<u>1,704,044.00</u>	-
Balance C/F	<b><u>20, 555,434.00</u></b>	<b><u>18,360,828.00</u></b>

### **5. SURPLUS / (DEFICIT)**

	<u>2013</u> <u>KSHS</u>	<u>2012</u> <u>KSHS.</u>
Balance B/F	27,662.00	-
Surplus/deficit for the year	<u>(138,696.00)</u>	<u>27,662.00</u>
Balance C/F	<b><u>(111,034.00)</u></b>	<b><u>27,662.00</u></b>