

**MUTINO FRIENDS RURAL LIVELIHOOD  
SUPPORT PROGRAMME  
P. O. BOX 554 – 60400  
CHUKA – KENYA**

**FINANCIAL STATEMENTS  
AS AT 31ST DECEMBER 2020**

**Ndubi Mugambi & Company  
Certified Public Accountants (K)  
Meru Teachers House  
P. O. Box 1366 – 60200, MERU  
Tel. 020 2064730, 064 3130253**

NDUBI MUGAMBI & CO.  
CERTIFIED PUBLIC ACCOUNTANTS OF KENYA  
P. O. Box 1366 - 60200  
MERU

**NOTES TO THE ACCOUNTS  
FOR THE YEAR ENDED 31ST DECEMBER 2020**

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## REPORT OF THE MEMBERS

The Members are pleased to submit its report and the audited accounts of the Programme for the year ended 31st December 2020.

### 1. PRINCIPAL ACTIVITIES

Mutino Friends Rural Livelihood Support Programme receives money from friends in Holland, which they use in three main areas of children's feeding programme, children's sponsorship and supporting community projects in Mutino area. They also operate a Slaughter House, Water and Poultry Projects at Kathwana market.

### 2. LIST OF MEMBERS

Those who served in the list of members during the year were:-

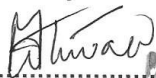
<u>NO</u>	<u>NAME</u>	<u>GENDER</u>	<u>POSITION</u>
1.	Jane Kiura	F	Chair Person
2.	Gilbert Kiganka	M	Vice-Chair Person
3.	Andrew Munyua	M	Secretary
4.	Nancy Gitonga	F	Asst. Secretary
5.	Peter Kathiga	M	Treasurer
6.	Japhet Mitugo	M	Co-ordinator
7.	John Cinuru	M	Deputy Co-ordinator
8.	Priscilla Karigu	F	Member
9.	Regina Gitonga	F	Member
10.	David Kanampiu	M	Member
11.	Nicholas Munene	M	Member
12.	Emma Wanjiku	F	Member
13.	Mrs. Murithi	F	Member
14.	Ann Mwendu	F	Member
15.	Mrs. Makindu	F	Member
16.	Mrs. Mwati	F	Member

### 3. AUDITORS

Ndubi Mugambi & Company  
Certified Public Accountants (K)  
P. O. Box 1366 – 60200

MERU

Confirmed by:



MUTINO FRIENDS RURAL LIVELIHOOD  
SUPPORT PROGRAMME  
P.O. Box 554 - 60400, CHUKA - KENYA

JAPHET MITUGO  
CO-ORDINATOR

Date 24/9/2021

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**AUDITORS REPORT**

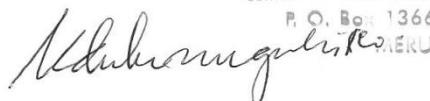
1. We have audited the accounts set out on pages 3 to 9. The accounts are in agreement with the books of account. We obtained the information and explanations which to the best of our knowledge and belief were necessary for the purposes of our audit.
  
2. **Basis of Opinion**  

We conducted our audit in accordance with International Standards on Auditing. These standards require that we plan and perform our audit to obtain reasonable assurance that the accounts are free from material misstatement. An audit includes an examination on a test basis, of evidence supporting the amounts and disclosures in the accounts. It also includes an assessment of accounting policies used and significant estimates made by the proprietor, as well as an evaluation of the overall presentation of accounts.
  
3. **Opinion**  

In our opinion, proper books of account have been kept and the accounts which have been prepared on the basis of the accounting policies set out on page 7, give a true and fair view of the state of affairs of the programme as at 31st December 2020 and of the results and cash flows for the year to that date.

The engagement Partner responsible for the audit resulting in this independent auditor's report is **CPA Michael Ndubi – P/No. 911.**

NDUBI MUGAMBI & CO.  
CERTIFIED PUBLIC ACCOUNTANTS OF KENYA  
P. O. Box 1366 - 60200



**NDUBI MUGAMBI & COMPANY  
CERTIFIED PUBLIC ACCOUNTANTS (K)  
MERU**

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DATED..... 22/09/2021 .....

**STATEMENT OF COMPREHENSIVE INCOME**  
**FOR THE YEAR ENDED ON 31ST DECEMBER 2020**

<b><u>INCOME</u></b>	<b><u>Notes</u></b>	<b><u>2020 Kshs</u></b>	<b><u>2019 Kshs</u></b>
Donation from Friends in Holland	3	2,265,200	2,277,415
Other Incomes	4	700,000	800,500
<b>TOTAL INCOME</b>		2,965,200	3,077,915
<b><u>DEDUCT: OPERATING EXPENSES</u></b>			
Friend in Holland Funds Expenses	5	2,920,033	2,949,272
Slaughter House Expenses	6	2,688	2,829
Water Project Expenses	7	5,711	6,526
School Uniform Project Expenses	8	-	56,500
Project Support	9	90,000	-
<b>TOTAL EXPENSES</b>		3,018,432	3,015,127
<b>SURPLUS/(DEFICIT) FOR THE YEAR</b>		(53,232)	62,788

**STATEMENT OF FINANCIAL POSITION AS AT 31ST DECEMBER 2020**

<b><u>NON-CURRENT ASSETS</u></b>	<b><u>Notes</u></b>	<b><u>2020</u></b>	<b><u>2019</u></b>
		<b><u>Kshs</u></b>	<b><u>Kshs</u></b>
Other Financial Assets		100,000	100,000
Property, Plant & Equipment	2	861,606	912,218
<b>Total Non-Current Assets</b>		<u>961,606</u>	<u>1,012,218</u>
<b><u>CURRENT ASSETS</u></b>			
Cash and Bank Balances		560,000	580,000
<b>Total Current Assets</b>		<u>560,000</u>	<u>580,000</u>
<b><u>CURRENT LIABILITIES</u></b>			
Trade Creditors		296,982	315,892
Audit Fees		22,620	21,090
<b>Total Current Liabilities</b>		<u>319,602</u>	<u>336,982</u>
<b>NET CURRENT ASSETS / (LIABILITIES)</b>		<u>240,398</u>	<u>243,018</u>
<b>NET ASSETS</b>		<u>1,202,004</u>	<u>1,255,236</u>
<b><u>CAPITAL AND LIABILITIES</u></b>			
<b><u>ACCUMULATED FUND</u></b>			
Balance Brought Forward		1,255,236	1,192,448
Surplus for the Year		(53,232)	62,788
<b>BALANCE CARRIED FORWARD</b>		<u>1,202,004</u>	<u>1,255,236</u>

The financial statements on page 3 - 9 were approved on .....  
and signed on its behalf by:

MUTINO FRIENDS RURAL LIVELIHOOD  
SUPPORT PROGRAMME  
P. O. Box 554 - 60400, CHUKA - KENYA

.....  
**CHAIRMAN**

.....  
**TREASURER**

.....  
**CO-ORDINATOR**

**CASHFLOW STATEMENT FOR THE YEAR ENDED 31ST DECEMBER 2020**

	<b>2020</b>	<b>2019</b>
	<b><u>Kshs</u></b>	<b><u>Kshs</u></b>
<b><u>CASHFLOW FROM OPERATING ACTIVITIES</u></b>		
Donation Received	2,265,200	2,277,415
Other Operating Income	700,000	800,500
Payment to Suppliers	<u>(2,967,820)</u>	<u>(2,959,440)</u>
	(2,620)	118,475
<b>(Increase)/Decrease in Operating Liabilities</b>		
Increase in Creditors & Accruals	<u>(17,380)</u>	<u>(138,475)</u>
<b>Net Cash from Operating Activities before Income Taxes</b>	(20,000)	(20,000)
Income Tax Paid	<u>-</u>	<u>-</u>
<b>Net Cash from Operating Activities</b>	<u>(20,000)</u>	<u>(20,000)</u>
<b><u>CASHFLOW FROM FINANCING ACTIVITIES</u></b>		
Purchase of Fixed Assets	<u>-</u>	<u>-</u>
<b>Net Cashflow from Financing Activities</b>	<u>-</u>	<u>-</u>
Net Increase/(Decrease) in Cash and Equivalents	(20,000)	(20,000)
Cash and Cash Equivalent at the Beginning of the Year	<u>580,000</u>	<u>600,000</u>
<b>CASH AND CASH EQUIVALENT AT END OF THE YEAR</b>	<u><u>560,000</u></u>	<u><u>580,000</u></u>

**FIXED ASSETS SCHEDULE  
FOR THE YEAR ENDED ON 31ST DECEMBER 2020**

	Land Kshs	Buildings Kshs	Slaughter House Kshs	Furniture & Fittings Kshs	Machinery & Equipment Kshs	Water Installation Kshs	Water Pump Kshs	Computer & Accessories Kshs	Bicycle & Motor Cycle Kshs	TOTAL Kshs
<b>FIXED ASSETS</b>										
<b>COSTS</b>										
At 1st January 2020	150,000	920,000	150,000	9,000	80,000	70,000	250,000	35,000	112,000	1,776,000
Additions	-	-	-	-	-	-	-	-	-	-
At 31st December 2020	150,000	920,000	150,000	9,000	80,000	70,000	250,000	35,000	112,000	1,776,000
<b>COSTS</b>										
At 1st January 2019	150,000	920,000	150,000	9,000	80,000	70,000	250,000	35,000	112,000	1,776,000
Additions	-	-	-	-	-	-	-	-	-	-
At 31st December 2019	150,000	920,000	150,000	9,000	80,000	70,000	250,000	35,000	112,000	1,776,000
<b>DEPRECIATION</b>										
At 1st January 2020	-	340,545	96,220	7,415	12,000	57,663	216,644	33,985	99,310	863,782
Charge for the Year	-	28,973	2,688	198	10,200	1,542	4,169	305	2,538	50,612
At 31st December 2020	-	369,518	98,908	7,613	22,200	59,205	220,813	34,290	101,848	914,394
<b>DEPRECIATION</b>										
At 1st January 2019	-	310,047	93,391	7,188	-	55,901	211,880	33,550	96,138	808,095
Charge for the Year	-	30,498	2,829	227	12,000	1,762	4,764	435	3,172	55,687
At 31st December 2019	-	340,545	96,220	7,415	12,000	57,663	216,644	33,985	99,310	863,782
<b>NET BOOK VALUE</b>										
At 31st December 2020	150,000	550,482	51,092	1,387	57,800	10,795	29,188	711	10,152	861,606
At 31st December 2019	150,000	579,455	53,780	1,585	68,000	12,337	33,356	1,015	12,690	912,218

Depreciation as been expensed as follows:

Slaughter House  
Water Project  
Friends in Holland

	2020 Kshs	2019 Kshs
	2,688	2,829
	5,711	6,526
	42,213	46,332
	50,612	55,687



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**NOTES TO THE ACCOUNTS FOR THE YEAR ENDED 31ST DECEMBER 2020**

**1) PRINCIPAL ACCOUNTING POLICIES**

The financial statements are prepared in accordance with International Financial Reporting Standards. The principal accounting policies adopted are set out below.

**a) Basis of Preparation**

The financial statements have been prepared under the historical cost convention as modified to include the revaluation of certain properties.

**b) Income**

Income comprises of donations from friends from Holland, AMREF Maanisha, Wild Geese, slaughter and water sales received during the year.

**c) Depreciation**

Depreciation on the fixed assets is provided so as to write off the cost of these assets on a reducing balance basis over the expected useful lives of the assets concerned.

The annual depreciation rates in use are:

Land	Nil
Buildings	5.0%
Slaughter House	5.0%
Furniture and Fittings	12.5%
Machinery & Equipments	15.0%
Water Installation	12.5%
Water Pump	12.5%
Computer and Accessories	30.0%
Bicycles and Motor Cycles	20.0%

**2) FIXED ASSETS SCHEDULE**

Fixed assets schedule is shown on page 6.

**NOTES TO THE ACCOUNTS  
FOR THE YEAR ENDED ON 31ST DECEMBER 2020**

	<b>2020</b>	<b>2019</b>
	<b><u>Kshs</u></b>	<b><u>Kshs</u></b>
<b>3) INCOME FROM DONORS</b>		
<b><u>FRIEND IN HOLLAND</u></b>		
Donation During the Year	2,260,000	2,200,000
Bank Interest Earned	5,200	77,415
<b>TOTAL</b>	<b><u>2,265,200</u></b>	<b><u>2,277,415</u></b>
<b>4) OWN/INCOME</b>		
Slaughter House	160,000	165,000
Tailoring Project	-	215,500
Fund Raising Funds	-	420,000
Parents Contribution	540,000	-
<b>TOTAL</b>	<b><u>700,000</u></b>	<b><u>800,500</u></b>
<b>5) FRIEND IN HOLLAND FUND EXPENSES</b>		
<b>a) <u>Children Nutrition Centre</u></b>		
Purchase of Food	398,000	212,000
Transport	-	3,500
<b>Sub-Total</b>	<b><u>398,000</u></b>	<b><u>215,500</u></b>
<b>b) <u>School Feeding Program</u></b>		
Purchase of Food Stuff	1,200,000	1,000,000
Transport	33,000	22,500
<b>Sub-Total</b>	<b><u>1,233,000</u></b>	<b><u>1,022,500</u></b>
<b>c) <u>Children Sponsorship</u></b>		
School Uniform	140,000	150,000
Medical Expenses		150,000
Christmas Gifts	300,000	300,000
Secondary School & Polytechnic Fees	330,000	600,000
Parents Houses	161,000	145,000
School Leavers Support	100,000	100,000
<b>Sub-Total</b>	<b><u>1,031,000</u></b>	<b><u>1,445,000</u></b>

**NOTES TO THE ACCOUNTS  
FOR THE YEAR ENDED ON 31ST DECEMBER 2020**

	<b>2020 Kshs</b>	<b>2019 Kshs</b>
<b>5) <u>FRIEND IN HOLLAND FUND EXPENSES</u></b>		
<b>d] <u>Other Expenses</u></b>		
Workers Salaries	120,000	72,000
Local Transport	20,000	29,000
Office Administration	30,000	60,000
Miscellaneous Expenses	19,300	34,000
Bank Charges	3,900	3,850
Audit Fees	22,620	21,090
Depreciation	42,213	46,332
<b>Sub-Total</b>	<b>258,033</b>	<b>266,272</b>
<b>TOTAL EXPENSES ON FRIEND IN HOLLAND FUND</b>	<b>2,920,033</b>	<b>2,949,272</b>
<b>6) <u>SLAUGHTER HOUSE EXPENSES</u></b>		
Depreciation	2,688	2,829
<b>TOTAL</b>	<b>2,688</b>	<b>2,829</b>
<b>7) <u>WATER PROJECT EXPENSES</u></b>		
Depreciation	5,711	6,526
<b>TOTAL</b>	<b>5,711</b>	<b>6,526</b>
<b>8) <u>SCHOOL UNIFORM PROJECT</u></b>		
Tailoring Materials	-	56,500
	-	56,500
<b>9) <u>PROJECT SUPPORT</u></b>		
Dispensary Shade	30,000	-
Nutrition Centre Toilet	60,000	-
	<b>90,000</b>	<b>-</b>