
**ASSOCIATION FOR THE PHYSICALLY
DISABLED OF KENYA**

**CONSOLIDATED ANNUAL FINANCIAL REPORT
AND ACCOUNTS FOR THE YEAR ENDED 31ST
DECEMBER 2018**

***Association For The Physically Disabled Of Kenya
Annual Report and Financial statements
For the year ended 31st December 2018***

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Association For The Physically Disabled Of Kenya
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ASSOCIATION INFORMATION

Hon. A A Moody Awouri EBS, EGH – Patron

BOARD OF DIRECTORS

- : BOARD OF DIRECTORS**
- : Mr. Fred Owako - Chairman
- : Dr. Lumbi Wa M'Nabea - 1st Vice chairman
- : Mr. Peter Kathambara HSC - 2nd Vice chairman
- : Mr. Jonathan Higgs – Outgoing 3rd Vice Chairman-left in August 2018
- : Dr. Melckzedek K. Osore – Current 3rd Vice Chairman
- : Madam Jane Misee – Hon Treasurer
- : Mr. Isaac Kotut - Hon. Assistant Treasurer

CHIEF OPERATING OFFICERS

- : Mr. Gideon Muga - National Director
- : Madam Joyce Munyua - Chief Accountant
- : Mr. Benson Kiptum – National Programs Manager

REGISTERED OFFICE

- : P. O. Box 46747 - 00100
- : Nairobi
- : Tel No. 254-20-4151523/4/5
- : Office Mobile 254 0722 334 677
- : E-mail: nat@apdk.org

INDEPENDENT AUDITOR

- : Menya and Associates
- : Certified Public Accountants
- : P. O. Box 10055-00100
- : Nairobi

PRINCIPAL BANKERS

- : Commercial Bank of Africa Limited
- : Nairobi
- : Barclays Bank (K) Limited
- : Nairobi

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EXECUTIVE COMMITTEE'S REPORT

The executive committee submit their report and the audited financial statements for the Year ended 31 December 2018, which disclose the state of affairs of the association.

PRINCIPAL ACTIVITIES

The primary activity is to offer rehabilitation services to persons with disabilities in partnership with the Ministry of Health Services, Ministry of Labour and Social Protection and Ministry of Education.

RESULTS

	2018 Shs	2017 Shs
(Deficit)/surplus for the year	<u>(31,373,407)</u>	<u>(32,767,810)</u>

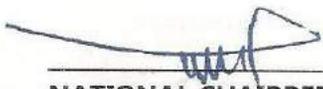
EXECUTIVE COMMITTEE

The executive committee who held office at the date of this report are shown on page 3.

INDEPENDENT AUDITOR

The association's Auditor, Menya and Associates, has indicated willingness to continue in office.

BY ORDER OF THE EXECUTIVE COMMITTEE



NATIONAL CHAIRPERSON



NATIONAL TREASURER

2019 2019

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STATEMENT OF EXECUTIVE COMMITTEE'S RESPONSIBILITIES

The Executive Committee ensures that the association maintains proper accounting records which disclose with reasonable accuracy the financial position of the association. The Executive Committee is also responsible for safeguarding the assets of the association.

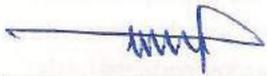
The Executive Committee accept responsibility for the preparation and fair presentation of financial statements that are free from material misstatement whether due to fraud or error. They also accept responsibility for:

- i) designing, implementing and maintaining internal control relevant to the preparation and fair presentation of the financial statements;
- ii) selecting and applying appropriate accounting policies; and
- iii) making accounting estimates and judgements that are reasonable in the circumstances.

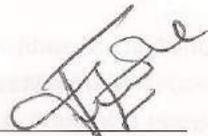
The Executive Committee is of the opinion that the financial statements give a true and fair view of the state of financial affairs of the association as at 31st December 2018 and of its financial position and cash flows in accordance with the International Financial Reporting Standard for Small and Medium-sized Entities, for the year then ended. The Executive Committee further confirm the accuracy and completeness of the accounting records maintained by the association which have been relied upon in the preparation of the financial statements, as well as on the adequacy of the systems of internal financial controls. Adequacy of the systems of internal financial controls.

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

Approved by the Executive Committee on 05.04 2019 and signed on its behalf by:



NATIONAL CHAIRMAN



NATIONAL TREASURER

MENYA AND ASSOCIATES

CERTIFIED PUBLIC ACCOUNTANTS OF KENYA

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CELLPHONE: 0722-808804
Email: menyaassociates@gmail.com
PILI TRADE CENTER
OFF MOMBASA ROAD
NAIROBI-KENYA

REPORT OF THE INDEPENDENT AUDITORS TO MEMBERS OF ASSOCIATION FOR THE PHYSICALLY DISABLED OF KENYA

Opinion

We have audited the accompanying financial statements of Association for the Physically Disabled of Kenya for the year ended 31 December 2018, set out on pages 10 to 33, which comprise the statement comprehensive income, statement of changes in equity and statement of cash flows for the year the ended and a summary of significant accounting policies and other explanatory information.

In our opinion, the accompanying financial statements give a true and fair view in all material respects, the financial position of the association and of its financial performance and its cash flows for the year then ended in accordance with International Financial Reporting Standards (IFRS).

Basis of Opinion

We conducted our audit in accordance with International Standards on Auditing. Our responsibility under those standards is further described in the *Auditors Responsibilities for the Audit of the Financial Statements* section of our report. We are independent of the Association in accordance with the *International Ethics Standards Board for Accountants* together with the ethical requirements that are relevant to our audit of the financial statements in Kenya, and we have fulfilled our 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.

Going Concern

Our responsibility as auditors was to obtain sufficient, appropriate audit evidence about the appropriateness of the Executive Committee use of the going concern assumption in the financial statements and to conclude whether there is a material uncertainty about the association's ability to continue as a going concern basis. The assumption is that the association will carry out activity in the same way for the foreseeable future.

We tested these assumptions and were satisfied that the association had the cash to fund its operations, the suppliers will continue to supply it and products will continue to be bought by the customers.

Other information

The Executive Committee is responsible for the other information; the other information comprises the chairman's report and the supervisory report. Our opinion on the financial statements does not cover the other information and we do not express any form of assurance conclusion thereon.

In connection with our audit of the financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the audit, or otherwise appears to be materially misstated. If based on the work we have performed, we conclude that there is a material misstatement of this other information; we are required to report that fact. We have nothing to report in this regards

Responsibilities of Executive Committee and those charged with Governance for the Financial Statements

The Executive Committee are responsible for the preparation and fair presentation of the financial statements in accordance with International Financial Reporting Standards, and for such internal control as the Executive Committee determine 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 Executive Committee are responsible for assessing the Association's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the Executive Committee either intend to liquidate the Association or to cease operations, or have no realistic alternative but to do so. Those charged with governance are responsible for overseeing the Association's financial reporting process.

Auditor's Responsibility 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 ISAs will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

As part of an audit in accordance with ISAs, we exercise professional judgement and maintain professional skepticism 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 of our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations or the override on internal control.

Auditor's Responsibility for the Audit of the Financial Statements(continued)

- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstance, but not for their purpose of expressing an opinion on the effectiveness of the Association's internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the Executive Committee.
- Conclude on the appropriateness of the Executive Committee use of the going concern basis of accounting and based on the audit evidence obtained, whether material uncertainty exists related to events or conditions that may cast significant doubt on the Association'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 Association to cease to continue as a going concern
- And whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation
- Obtain sufficient appropriate audit evidence regarding the financial information of the entities or business activities within the Association to express an opinion on the financial statements. We are responsible for the direction, supervision and performance of the Association audit. We remain solely responsible for our audit

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.

We also provide those charged with governance with a statement that we have complied with relevant ethical requirements regarding independence, and to communicate with them all relationships and other matters that may reasonably be thought to bear on our independence and where applicable related safeguards.

From the matters communicated with those charged with governance, we determine those matters that were of most significance in the audit of the financial statements of the current period and are therefore the key audit matters. We describe these matters in our auditor's report unless law or regulation precludes public disclosure about the matter should not be communicated in our report because the adverse consequences of doing so would reasonably be expected to outweigh the public interest benefits of such communication.

The engagement partner responsible for the audit resulting in this independent auditor's report is CPA Lenard Menya Ong'onge - P/NO 2761.



MENYA & ASSOCIATES
CERTIFIED PUBLIC ACCOUNTANTS (K)
NAIROBI

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CONSOLIDATED INCOME AND EXPENDITURE ACCOUNT

	Notes	2018 Shs	2017 Shs
Revenue	2	248,089,353	260,106,005
Direct costs	15	<u>(91,724,507)</u>	<u>(91,135,716)</u>
Gross surplus		156,364,846	168,970,289
Rehabilitation expenses	16	(8,239,771)	(9,943,345)
Administrative expenses	17	(111,434,291)	(100,385,588)
Establishment expenses	18	(22,910,689)	(27,577,632)
Access program expenses	Annex I	-	(9,029,852)
CBMI program expenses	Annex II	(29,418,842)	(35,498,689)
Kindernothlife program expenses	Annex III	(13,524,006)	(16,950,152)
Selling and distribution expenses		(2,210,654)	(2,352,847)
Surplus/(deficit) for the year	3	<u><u>(31,373,407)</u></u>	<u><u>(32,767,816)</u></u>

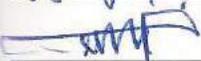
The notes on pages 14 to 17 form an integral part of these financial statements.

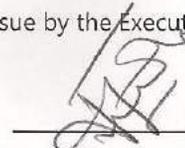
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CONSOLIDATED STATEMENT OF FINANCIAL POSITION

FUNDS	Notes	2018	2017
		Shs	Shs
Accumulated fund		230,869,131	261,968,948
Revolving fund		8,118,775	8,118,775
Non-current liabilities			
Capital Fund	4	10,134,996	11,538,099
Designated funds	5	7,985,154	9,358,100
		257,108,056	290,983,922
REPRESENTED BY			
Non-current assets			
Property, plant and equipment	6	159,427,754	161,071,319
Financial investments	7	72,513,306	94,633,950
		231,941,060	255,705,270
Current assets			
Inventories	8	30,259,132	41,675,400
Trade and other receivables	9	64,169,646	59,742,965
Cash and cash equivalents	10	11,389,765	5,832,140
		105,818,543	107,250,504
Current liabilities			
Trade and other payables	11	70,825,247	62,263,151
Customer deposits		3,472,529	3,472,529
Cashbook balance	12	6,353,771	6,236,172
		80,651,547	71,971,852
Net current assets		25,166,995	35,278,652
		257,108,056	290,983,922

The financial statements on pages 10 to 40 were approved for issue by the Executive Committee on 05.04.2019 and were signed on its behalf by:


 NATIONAL CHAIRMAN


 NATIONAL TREASURER

Association for the Physically Disabled of Kenya
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CONSOLIDATED STATEMENT OF CHANGES IN FUNDS

	Accumulated Fund Shs
Year ended 31 December 2018	
At start of year	
- National & Upcountry	116,048,646
- Nairobi	26,841,996
- Coast	119,078,305
Surplus(Deficit) for the year	(31,373,407)
Prior year adjustments due to accounting policies	
- Coast Branch	275,588
- Nairobi Branch	(1)
- National & Upcountry Branch	(1,997)
	<hr/>
At end of year	<u><u>230,869,131</u></u>
The accumulated funds brought down are as follows:	
- National & Upcountry Branch	101,235,042
- Coast Branch	112,137,008
- Nairobi Branch	17,497,083
	<hr/>
	<u><u>230,869,132</u></u>
Year ended 31 December 2017	
At start of year	122,299,139
- National & Upcountry	132,832,830
- Nairobi	38,917,047
- Coast	(32,767,816)
Surplus(Deficit) for the year	
Prior year adjustments due to accounting policies	437,748
- Coast Branch	250,000
- Nairobi Branch	
	<hr/>
At end of year	<u><u>261,968,948</u></u>

CONSOLIDATED STATEMENT OF CASH FLOWS

		2018	2017
	Notes	Shs	Shs
Cash flows used in operating activities			
Reconciliation of surplus/(deficit) for the year to cash from operations:			
Surplus/(deficit) for the year		(31,373,407)	(32,767,816)
Adjustment for:			
Depreciation on property, plant and equipment	6	11,600,728	12,682,141
Adjustments due to accounting policies		273,590	687,748
Changes in working capital:			
- inventories	8	11,416,268	(1,642,465)
- trade and other receivables	9	(4,426,681)	1,333,792
- trade and other payables	11	8,562,096	(10,616,375)
Net cash from/(used in) operations		<u>(3,947,405)</u>	<u>(30,322,975)</u>
Cash flows used in investing activities			
Cash paid for purchase of property, plant and equipment	6	(9,957,164)	(2,466,286)
Cash paid for purchase of financial assets	7	22,120,644	8,237,191
Net cash used in investing activities		<u>12,163,480</u>	<u>5,770,905</u>
Cash flows from financing activities			
Net movement in funds	4&5	<u>(2,776,050)</u>	<u>(14,268,617)</u>
Net cash (used in)/from financing activities		<u>(2,776,050)</u>	<u>(14,268,617)</u>
Increase/(decrease) in cash and cash equivalents		<u>5,440,025</u>	<u>(38,820,688)</u>
Movement in cash and cash equivalents			
At start of year		(404,032)	38,416,656
Increase/(decrease)		<u>5,440,025</u>	<u>(38,820,688)</u>
At end of year	10	<u>5,035,993</u>	<u>(404,032)</u>

NOTES

1. Summary of significant accounting policies

The significant accounting policies adopted in the preparation of these financial statements are set out below:

a) Basis of preparation

The financial statements are prepared on a going concern basis in compliance with International Financial Reporting Standards (IFRS). The measurement basis used is the historical cost basis except where otherwise stated in the accounting policies below. The financial statements are presented in Kenya Shillings (KES) rounded to the nearest thousand, which is also the functional currency (see (b) below).

The financial statements comprise of statement of operations, statement of financial position, statement of changes in net assets, statement of cash flows, and notes. Income and expenses, excluding the components of other comprehensive income, are recognized in the statement of operations. Transactions with the owners of the organization in their capacity as owners are recognized in the statement of changes in net assets.

The preparation of financial statements in conformity with International Financial Reporting Standards requires the use of estimates and assumptions. It also requires Executive Committee's to exercise its judgment in the process of applying the accounting policies adopted by the company. Although such estimates and assumptions are based on the directors' best knowledge of the information available, actual results may differ from those estimates. The judgments and estimates are reviewed at the end of each reporting period, and any revisions to such estimates are recognized in the year in which the revision is made. The areas involving the judgments of most significance to the financial statements, and the sources of estimation uncertainty that have a significant risk of resulting in a material adjustment within the next financial year, are disclosed.

b) Translation of foreign currencies

On initial recognition, all transactions are recorded in the functional currency (the currency of the primary economic environment in which the company operates), which is Kenya Shillings.

Transactions in foreign currencies during the year are converted into the functional currency using the exchange rate prevailing at the transaction date. Monetary assets and liabilities at the statement of financial position date denominated in foreign currencies are translated into the functional currency using the exchange rate prevailing as at that date. The resulting foreign exchange gains and losses from the settlement of such transactions and from year-end translation are recognized on a net basis in the profit and loss account in the year in which they arise, except for differences arising on translation of non-monetary available-for-sale financial assets, which are recognized in other comprehensive income.

c) Offsetting

Financial assets and liabilities are offset and the net amount reported in the statement of financial position only when there is a legally enforceable right to set off the recognized amounts and there is an intention to settle on a net basis, or realize the asset and settle the liability simultaneously.

d) Revenue recognition

The revenue received are recoded as unrestricted, temporarily restricted or permanently restricted support depending on the existence or nature of any donor restrictions

When a restriction expires (that is when a stipulated time restriction ends or purpose restriction is accomplished) temporarily restricted net assets are reclassified to unrestricted net assets and reported in the Statement of Operations/Activities as net assets released from restrictions.

e) Property, plant and equipment

All categories of property, plant and equipment are initially recognized at cost and subsequently carried at cost less accumulated depreciation and accumulated impairment losses. Cost includes expenditure directly attributable to the acquisition of the assets. Computer software, including the operating system that is an integral part of the related hardware is capitalized as part of the computer equipment. **OR**

All categories of property, plant and equipment are initially recognized at cost. Cost includes expenditure directly attributable to the acquisition of the assets. Computer software, including the operating system that is an integral part of the related hardware is capitalized as part of the computer equipment. Freehold land/buildings/plant and machinery/furniture and equipment/computers, copiers and faxes/motor vehicles are subsequently carried at a revalued amount, based on Interim/triennial valuations by external independent valuers, less accumulated depreciation and accumulated impairment losses. All other items of property, plant and equipment are subsequently carried at cost less accumulated depreciation and accumulated impairment losses.

Subsequent costs are included in the asset's carrying amount or recognized as a separate asset, as appropriate, only when it is probable that future economic benefits associated with the item will flow to the company and the cost of the item can be measured reliably. Repairs and maintenance expenses are charged to the profit and loss account in the year in which they are incurred.

Increases in the carrying amount arising on revaluation are recognized in other comprehensive income and accumulated in equity under the heading of revaluation surplus. Decreases that offset previous increases of the same asset are recognized in other comprehensive income. All other decreases are charged to the profit and loss account. Interimly, the difference between depreciation charge based on the revalued carrying amount of the asset charged to the profit and loss account and depreciation based on the asset's original cost is transferred from the revaluation surplus reserve to retained earnings.

Depreciation is calculated on a reducing balance method to write down the cost or the revalued amount of each asset to its residual value over its estimated useful life using the following Interim rates:

	<u>Rate - %</u>
Furniture & Fittings	12.50%
Equipment	12.50%
Building	2.50%
Investment property	2.50%
Computer & Accessories	30.00%

As no parts of items of property, plant and equipment have a cost that is significant in relation to the total cost of the item, the same rate of depreciation is applied to the whole item.

The assets' residual values and useful lives are reviewed, and adjusted if appropriate, at each statement of financial position date.

Gains and losses on disposal of property, plant and equipment are determined by reference to their carrying amount and are taken into account in determining operating profit. On disposal of revalued assets, amounts in the revaluation surplus reserve relating to that asset are transferred to retained earnings.

f) Impairment of non-financial assets

Non-financial assets that are carried at amortized cost are reviewed at the end of each reporting period for any indication that an asset may be impaired. If any such indication exists, an impairment loss is recognized for the amount by which the asset's carrying

amount exceeds its recoverable amount. The recoverable amount is the higher of an asset's fair value less costs to sell and value in use.

g) Employee entitlements

The estimated monetary liability for employees' accrued Interim leave entitlement at the statement of financial position date is recognized as an employment cost accrual.

h) Income taxes

The organization is generally exempt from the income tax bracket under the provisions in the Kenyan Income Tax Act (CAP 470). In addition, the organization qualifies for charitable contribution deductions and has been classified as an entity that is not a private function. Income which is not related to exempt purposes, less applicable deductions, is subject to corporate taxes.

The association has adopted the accounting standards for uncertainty in income taxes, which addresses the determination of whether tax benefits claimed or expected on a tax return, should be recorded in the Statement of financial position. The National Executive Committee has evaluated the tax positions and has concluded that Association For The Physically Disabled Of Kenya has taken no uncertain tax positions that require adjustments to the financial statements to comply with the income tax act.

The Association for Physically Disabled of Kenya is tax exempted during the financial year under review.

i) Cash and cash equivalents

Cash and cash equivalents include cash in hand and demand and term deposits, with maturities of three months or less from the date of acquisition, that are readily convertible to known amounts of cash and which are subject to an insignificant risk of changes in value, net of bank overdrafts. In the statement of financial position, bank overdrafts are included as borrowings under current liabilities.

j) Comparatives

Where necessary, comparative figures have been adjusted to conform to changes in presentation in the current year.

NOTES (CONTINUED)

2.	Revenue	2018 Shs	2017 Shs
	Sales	123,268,901	119,453,472
	Donations (Note 3a)	78,905,354	86,603,659
	Other income (Note 3b)	45,915,098	54,048,874
		<u>248,089,353</u>	<u>260,106,005</u>
	a) Donations and grants		
	Christoffel-Blinder Mission (CBM)	29,418,842	35,498,689
	Kindernothilfe Grant	13,524,006	16,950,152
	USAID/ACCESS	-	9,029,852
	Kenya Chinese Embassy Income	1,774,022	2,119,824
	Other donations	34,188,484	23,005,142
		<u>78,905,354</u>	<u>86,603,659</u>
	b) Other income		
	Interest income	7,227,917	9,293,560
	Dividend Income	684	684
	rental income	13,880,769	16,819,905
	miscellaneous income	13,321,845	26,371,744
	related party income	3,966,370	-
	Rehabilitation income	4,208,728	-
	Transfer from capital fund	2,134,603	-
	Foreign exchange gain	1,174,181	1,562,981
		<u>45,915,098</u>	<u>54,048,874</u>

3 Surplus/(deficit) for the year

The following items have been charged in arriving at surplus/(deficit) for the year:

Depreciation on property, plant and equipment (Note 7)	11,600,728	12,682,141
Audit fees:		
- current year	<u>1,200,000</u>	<u>1,200,000</u>

4. Capital fund

	2018	2017
	Shs	Shs
At start of year	11,538,099	11,538,099
Net (payments)/advances	<u>(1,403,103)</u>	<u>-</u>
At end of year	<u>10,134,996</u>	<u>11,538,099</u>

5. Designated Funds

	2018	2017
	Shs	Shs
At start of year	9,358,100	21,663,173
Net (payments)/advances	<u>(1,372,947)</u>	<u>(12,305,072)</u>
At end of year	<u>7,985,154</u>	<u>9,358,100</u>

The consolidated funds comprise of the following:

- Net advances	360,571	116,684
- CBMI funds	72,332	559,992
- Chinese embassy funds	1,003,300	140,326
- Kindernorthlife Funds	1,330,726	1,320,211
- Microfinance revolving funds	1,295,646	1,295,646
- Branch revolving fund	3,228,539	4,860,242
- Jurgen club	161,540	-
- Motor vehicle reserves	532,500	1,065,000
	<u>7,985,154</u>	<u>9,358,100</u>

NOTES (CONTINUED)

6. Property, plant and equipment

Year ended 31 December 2018

	Land and buildings Shs	Plant and Machinery Shs	Motor vehicles Shs	Computers and accessories Shs	Investment Property Shs	Workshop equipment Shs	Furniture, fittings and fixtures Shs	Intangible Assets Shs	Total Shs
Cost									
At start of year	169,206,078	16,955,837	63,653,218	19,884,956	5,691,240	40,033,058	19,577,328	-	335,001,715
Additions		75,000		1,208,606	7,553,913	62,120	66,900	259,125	9,225,664
Donated				64,000		667,500			731,500
Disposal/Impairments								-	-
At end of year	169,206,078	17,030,837	63,653,218	21,157,562	13,245,153	40,762,678	19,644,228	259,125	344,958,879
Depreciation									
At start of year	43,930,213	14,284,365	51,115,842	17,853,094	3,710,193	26,791,177	16,245,512	-	173,930,396
Disposal									-
Impairment									-
Charge for the year	3,455,452	689,654	3,711,869	1,085,433	49,526	1,774,016	782,953	51,825	11,600,728
At end of year	47,385,666	14,974,019	54,827,711	18,938,527	3,759,719	28,565,193	17,028,465	51,825	185,531,124
Net book value									
31 December 2018	121,820,412	2,056,818	8,825,507	2,219,035	9,485,434	12,197,485	2,615,764	207,300	159,427,754
31 December 2017	125,275,865	2,671,472	12,537,377	2,031,862	1,981,047	13,241,880	3,331,816	-	161,071,318

Association for the Physically Disabled of Kenya
Financial statements
For the year ended 31 December 2018

NOTES (CONTINUED)

	2018 Shs	2017 Shs
7. Financial Investments		
Financial assets	23,094,907	29,185,666
Fixed Deposits	49,418,399	65,448,284
	<u>72,513,306</u>	<u>94,633,950</u>
8. Inventories	2018 Shs	2017 Shs
Raw materials	13,611,960	19,621,241
Work in progress	4,565,087	3,960,987
Finished goods	12,082,084	12,369,752
Goods in transit	-	5,723,419
	<u>30,259,132</u>	<u>41,675,400</u>
9. Receivables		
Receivables	40,212,760	29,626,787
Less: Impairment	<u>(11,894,226)</u>	<u>(14,923,723)</u>
Net trade receivables	28,318,534	14,703,064
Prepayments	935,013	716,677
Other receivables	14,301,479	19,587,084
Related party receivables- (Rehab Clinic)	1,520,073	83,231
Salary advances	31,536	31,536
Microfinance loans	<u>19,063,012</u>	<u>24,621,373</u>
	<u>64,169,646</u>	<u>59,742,965</u>
10. Cash and cash equivalents		
Cash at bank and in hand	<u>11,389,765</u>	<u>5,832,140</u>

For purposes of the statement of cash flows, the year end cash and cash equivalents comprise the following:

Cash and bank balances	11,389,765	5,832,140
Cashbook Balance (Note 12)	<u>(6,353,771)</u>	<u>(6,236,172)</u>
	<u>5,035,993</u>	<u>(404,033)</u>

Note: The bank overdrafts are not actual overdraft but cashbook value overdrafts.

11. **Payables**

Trade Payables	35,725,321	27,948,336
Microfinance savings	15,734,962	15,274,919
Provisions liability	1,208,995	823,995
Cheshire disability	146,938	8,722
Microinsurance on loans	252,130	231,820
Other payables	<u>17,756,901</u>	<u>17,975,359</u>
	<u>70,825,247</u>	<u>62,263,151</u>

12. **Cash book balance**

Cashbook balance (Note 10)	<u>6,353,771</u>	<u>6,236,172</u>
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13. **Country of incorporation**

The Association for the Physically Disabled of Kenya is exempted from registration under Section 10 of the Societies Act.

14. **Presentation currency**

These financial statements are presented in Kenya Shillings (Kshs).

SCHEDULE OF DIRECT COSTS AND REHABILITATION EXPENSES

15. DIRECT COSTS	2018 Shs	2017 Shs
Opening inventories	35,951,981	40,032,935
Purchases	67,870,754	69,253,163
Direct labour	16,723,729	16,375,338
Direct supervision fees	1,437,175	1,426,260
Closing inventories	<u>(30,259,132)</u>	<u>(35,951,981)</u>
	<u>91,724,507</u>	<u>91,135,716</u>
16. REHABILITATION EXPENSES		
School fees	602,895	584,456
Cooking gas/kitchen expenses	285,450	46,150
Doctors' fees	154,000	1,919,000
Incentives	164,694	520,663
Mobile clinic expenses	333,995	110,880
Parents training	-	94,450
Patients meals	320,260	367,575
Patients medical expenses	1,880,296	1,452,291
Patients referral transport	122,720	178,250
Patients cleaning expenses	184,053	122,266
Special programs	-	750,000
Awareness creation expenses	188,620	168,770
Support for contact persons	645,452	966,298
Farm expenses	10,930	-
Capacity building expenses	749,560	1,697,329
Surgery expenses	720,581	-
KNH Review meeting expenses	77,285	88,790
CBM mobility Aid appliances	1,422,190	203,699
CBM School fees/vocational training	-	179,558
CBM Mobile clinic expenses	376,790	492,920
	<u>8,239,771</u>	<u>9,943,345</u>

CONSOLIDATED SCHEDULE OF EXPENDITURE

17. ADMINISTRATIVE EXPENSES	2018 Shs	2017 Shs
Employment:		
Salaries and wages	89,200,781	84,542,017
other staff costs	3,151,178	3,909,233
Total employment expenses	<u>92,351,959</u>	<u>88,451,249</u>
Other administrative expenses:		
Postage and telephone	1,133,226	1,222,318
Vehicle running expenses	4,263,927	4,032,075
Printing and stationery	1,482,021	1,808,043
Transport, travelling and entertainment expenses	2,920,050	3,628,655
Audit fees:		
- current year	1,200,000	1,200,000
- under provision in prior year	-	3,462
Legal and professional fees	1,353,024	614,089
Bank charges	740,272	502,700
Penalties	473,926	-
Administration overheads	3,146,376	3,762,274
Cheshire/Lilian Fonds/usaid project expenses	80,000	1,023,812
Marketing	710,228	67,364
NEC& AGM Meeting expenses	3,483,407	3,915,123
Subscription and periodicals	244,185	196,515
Chinese embassy funds expenses	1,502,700	2,119,824
Exchange difference	-	162,738
Surgery Subsidies	-	234,959
Microfinance costs	837,318	467,519
Computer and software expenses	178,047	307,623
Provision for bad debts	1,394,259	2,278,172
Provision for loan defaulters	1,962,692	1,183,419
Resource center costs	185,179	277,782
Anniversary costs	740,070	-
Strategic launch expenses	-	967,335
Trainings and assessments	1,183,535	2,085,516
Branch 10% hospital and 10% workshop purchases	754,279	695,007
Rehabilitation expense	<u>4,470,893</u>	<u>863,280</u>
Total other administrative expenses	<u>34,439,614</u>	<u>33,619,605</u>
Total administrative expenses	<u><u>126,791,573</u></u>	<u><u>122,070,854</u></u>

Less Expenses Related to Projects

CBMI - See CBMI schedule(Nrb and Coast)

(1,833,276) (4,735,114)

KNH-See KNH Schedule

(13,524,006) (16,950,152)

To income and expenditure**111,434,291** **100,385,588**18. **OTHER OPERATING EXPENSES****Establishment:**

Rates	50,886	78,987
Electricity and water	3,551,407	4,662,484
Repairs and maintenance	4,911,872	5,959,130
Mobile clinic expenses	183,100	430,183
Loose tools	29,200	10,649
Generator expense	52,732	178,643
Insurance	1,473,402	2,503,500
Security	990,979	1,012,345
Cleaning and hygiene	66,382	59,570
Depreciation	11,600,728	12,682,141

Total other operating expenses**22,910,689** **27,577,632**

ANNEX I		
INCOME STATEMENT FOR USAID ACCESS EXPENDITURE		
	2,018	2,017
	Shs	Shs
INCOME		
Donor Income	-	9,029,852
ADMINISTRATIVE EXPENSES		
Employment costs		
Salaries and wages	-	1,624,264
Other staff costs	-	49,600
	<hr/>	<hr/>
Total employment costs	-	1,673,864
Other administrative expenses		
Travel costs	-	1,316,665
Other direct costs	-	1,358,377
Programme costs	-	4,680,946
	<hr/>	<hr/>
Total other administrative expenses	-	7,355,988
	<hr/>	<hr/>
Total administrative expenses	-	9,029,852
	<hr/>	<hr/>
Total USAID ACCESS expenditure	-	9,029,852
	<hr/> <hr/>	<hr/> <hr/>
Net surplus/(Deficit) for the year	-	-
Opening reserve fund balances	-	1,602,979
Donations in reserves	-	(1,602,979)
Closing reserve fund balances at the end of the year	-	-
	<hr/> <hr/>	<hr/> <hr/>

**INCOME STATEMENT FOR CHRISTIAN BLIND MISSION INTERNATIONAL-
NATIONAL OFFICE AND BRANCHES**

	2018	2,017
	Shs	Shs
INCOME		
Donor funds brought forward	559,922	4,611,024
Donor funds for the year	26,788,949	26,712,542
Donor funds in reserves	309,833	-
Employment costs		
Local personnel and mobile clinic allowances	6,816,855	8,631,185
Staff training	-	-
Total employment costs	<u>6,816,855</u>	<u>8,631,185</u>
Other administration expenses:		
Italy relief funds expense	93,500	569,050
Fuel cars and motorcycles	746,659	2,388,957
Repairs and maintenance - cars and motorcycles	312,689	1,858,965
Local transport	949,357	247,199
Audit fees	650,000	470,000
Participation in disability events	314,417	356,692
Strategic plan	-	524,837
Siaya project expenses (Refer to Appendix)	731,800	591,630
Develop and disseminate IEC materials	262,000	198,800
Staff Training on project planning	245,700	400,000
Insurance	750,000	1,399,434
Subsidy appliances	5,096,953	2,942,306
Subsidy Surgeries	2,085,149	3,588,691
Intergrated server for data base	-	63,388
Siaya materials	-	1,376,000
Teachers trainings	-	99,464
Training on Business skills	108,000	521,346
3%Project contribution	1,231,101	714,000
Review meeting	800,000	683,382
Vocational Training and kits	-	1,428,250
Education boarding fees and tuition	49,100	100,000
Provide teaching and learning aids	-	199,999
Salary contribution	-	200,000
School adaptation funds	-	500,000
Workshops and conferences	375,471	-

Training of Rehab officers	249,765	110,000
Repairs,construction&renovations	489,550	-
Support for non-medical supplies	1,146,000	-
Support for HR function	2,600,000	-
Training on child safeguarding	200,000	-
Meeting and dialogue sessions	550,000	-
	<hr/>	<hr/>
Total other administrative expenses	20,037,211	21,532,390
	<hr/>	<hr/>
Total expenses	26,854,066	30,163,575
	<hr/>	<hr/>
Add: Donated property and equipment -Siaya project	731,500	600,000
	<hr/>	<hr/>
Total Christian Blind Mission International expenditure	27,585,566	30,763,575
	<hr/>	<hr/>
Net surplus/(Deficit) for the year	73,138	559,922
	<hr/>	<hr/>
Closing reserve fund balances at the end of the year	73,138	559,922
	<hr/>	<hr/>

INCOME STATEMENT FOR CHRISITIAN BLIND MISSION INTERNATIONAL(COAST BRANCH)

	2018	2017
	Shs	Shs
INCOME	1,813,203	3,088,026
Other administration expenses:		
Fuel cars and motorcycles	167,013	389,388
CBR linkage-Local transport	306,420	-
Personnel costs	364,752	-
Subsidy Surgery cost	720,851	1,800,000
Appliance subsidy costs	-	298,865
Rehab clinic assets	-	173,117
Support boarding Facilities	-	100,000
Training	-	179,558
Outreach expenses	274,240	611,490
	<hr/>	<hr/>
Total Christian Blind Mission International expenditure	1,833,276	3,552,418
	<hr/>	<hr/>
Net surplus/(Deficit) for the year	-20,073	-464,392
	<hr/>	<hr/>
Opening reserve fund balances	-	464,392
	<hr/>	<hr/>
Closing reserve fund balances at the end of the year	-20,073	-
	<hr/>	<hr/>

SCHEDULE OF CHRISTIAN BLIND MISSION INTERNATIONAL EXPENSES.NAIROBI

	2018	2017
Donor income	-	1,182,696
Expenses		
Personnel	-	352,374
Daily Field Staff Allowances	-	241,400
Fuel cost	-	328,922
Surgery Subsidy	-	260,000
Total Expenses	-	1,182,696
Net Surplus/(Deficit) for the year		
Total Donations	29,418,842	36,090,319

APPENDIX: CBM - SIAYA PROJECT EXPENSES

	2018	2017
	Shs	Shs
Project audit	-	591,630
Project Evaluation	687,046	-
Total CBM - Siaya project expenses	687,046	591,630

APPENDIX: CBM 3686MYP

	2018	2017
	Shs	Shs
Local personnel	6,120,464	-
mobile clinic allowances	561,800	-
Food security relief funds expense	93,500	-
Outreach clinic motor vehicle running costs	1,008,613	-
Monitoring and supportive supervision	778,377	-
Audit fees	600,000	-
Participation in disability events	314,417	-
Siaya project evaluation costs	44,754	-
Develop and disseminate IEC materials	197,500	-
Staff Training on project planning	245,700	-

Insurance	750,000	-
Subsidy appliances	3,564,563	-
Subsidy Surgeries	2,085,149	-
Training on Business skills	108,000	-
3%Project contribution	1,200,000	-
National coordination and Review meeting	800,000	-
Education boarding fees and tuition	49,100	-
Workshops and conferences	375,471	-
Training of Rehab officers	249,765	-
Repairs,construction&renovations	489,550	-
Support for non-medical supplies	1,146,000	-
Support for HR function	2,600,000	-
Training on child safeguarding	200,000	-
Computer and oven	731,500	-
TOTAL	24,314,224	-

APPENDIX: CBM 3770 BARINGO EMERGENCY PROJECT

	2018	2017
	Shs	Shs
Field allowance for technical team-Outreach allowances	40,200	-
Transport costs	39,981	-
Subsidies for appliances	1,380,000	-
Transport for appliances	162,886	-
Dialogue meetings costs	550,000	-
coordinators allowances	36,000	-
Technical staff allowances	60,000	-
Administration costs contribution	32,113	-
Audit fee contribution	50,000	-
IEC materials	64,500	-
monitoring and supervision	168,620	-
TOTAL	2,584,299	-

ANNEX III

INCOME STATEMENT FOR KINDERNOTHLIFE-COAST PROJECT 65152

	2018	2017
	Shs	Shs
INCOME		
Donor Income	5,951,320	5,363,721
Employment costs		
Local personnel and mobile clinic allowances	1,907,283	818,047
	<hr/>	<hr/>
Total employment costs	1,907,283	818,047
Other administration expenses:		
Capital expenditure		
Motor vehicle running expenses	-	60,493
Repairs and maintenance - cars and motorcycles	-	27,434
Local transport	167,586	447,439
mobile clinic expenses	-	18,430
Awareness creation expenses	188,620	168,770
School fees expenses	40,000	40,000
Patient medical expenses	810,000	803,726
Support to contact persons	625,452	646,410
Patient hospital bills	-	84,000
Incentives	164,694	520,663
Purchases	95,124	475,004
Capacity building	749,560	1,880,569
Review and meeting expenses	77,285	-
Referral transport	-	13,900
Cooking gas	-	7,330
Mobility aid expenses	1,115,190	750,000
	<hr/>	<hr/>
Total other administrative expenses	4,033,511	5,944,168
Total Kindernothislife expenditure	5,940,794	6,762,215
	<hr/>	<hr/>
Net surplus/(Deficit) for the year	10,526	1,398,494
Opening reserve fund balances	3,965	1,402,459
Donations in reserves	-	-
Closing reserve fund balances at the end of the year	14,491	3,965
	<hr/>	<hr/>

Association for the Physically Disabled of Kenya - Nairobi Branch
Annual report and financial statements
For the year ended 31 December 2018

SCHEDULE OF KINDERNOTHLIFE EXPENSES-NAIROBI PROJECT 65151

	2018	2017
Donor income	7,507,306	10,389,341
Expenses		
Personnel	1,523,252	2,125,950
Trainings	782,198	1,988,116
Orthopaedic & Mobility devices	4,873,888	5,281,165
Staff Transport & Uniform	150,000	-
Administrative	253,874	354,325
Server Integrated system	-	438,381
	7,583,212	10,187,937
Net Surplus/(Deficit) for the year	(75,906)	201,404
Opening fund balances	844,014	642,610
Closing fund balances	768,108	844,014

Association for the Physically Disabled of Kenya**Financial statements***For the year ended 31 December 2018***CONSOLIDATED INCOME STATEMENT - NATIONAL OFFICE**

INCOME	2018	2017
Sales	16,928,629	13,128,218
Christoffel-Blinder Mission (CBM) - Operating grant	23,034,094	21,903,660
Chinese donation	1,773,026	
Other donations	2,609,482	11,813,133
Interest income	5,607,179	7,263,663
Rehab Income	4,208,728	5,874,502
Transfer from capital fund	2,134,603	2,563,546
Dividend income	684	684
rental income	8,051,807	10,480,840
miscellaneous income	6,471,438	2,252,221
related party income	-	386,821
Total Income	70,819,670	75,667,288

ADMINISTRATIVE EXPENSES

Salaries and Wages	33,352,859	27,066,326
Postage and telephone	291,252	529,604
Vehicle running expenses	1,401,559	1,555,467
Printing and stationery	230,481	842,571
Transport, travelling and entertainment expenses	1,190,080	726,477
Audit fees:		
- current year	1,113,349	1,065,000
Legal and professional fees	1,039,000	151,251
Bank charges	193,373	21,632
Administration overheads	4,500	467,519
Non-medical supplies	1,146,000	4,780,946
Siaya project costs	682,300	1,967,630
CBMI - 3%	1,212,784	714,000
Training	548,600	-
IEC Materials	262,000	198,800
Branch contribution	-	695,007
Review Meeting	800,000	683,382
Subsidy Appliances & Surgery	6,357,882	6,530,997
Software expenses	-	63,388
Anniversary Celebrations-60th	740,070	-
Workshop and conferences	375,471	
Computer and oven purchase	731,500	-
Strategic planning	-	1,492,172
Awareness campaign and Disability events	200,417	356,692

NEC& AGM Meeting expenses	3,005,356	3,532,519
Subscription and periodicals	128,487	32,925
National director travelling expenses	799,580	1,619,171
Rehabilitation expense	3,110,942	858,280
Capacity building	27,600	397,399
Resource centre	-	277,782
Chinese embassy funds expenses	1,502,700	2,119,824
Miscellaneous expenses	-	419,512
Bad debts provisions	1,630,204	1,447,206
Rent & Rates	20,886	18,987
Electricity and water	53,108	976,289
Repairs and maintenance	978,410	2,598,324
Insurance	1,013,720	1,823,208
Security	110,102	226,290
Cleaning	322,425	523,917
Depreciation	4,600,822	5,141,132
Total other operating expenses	69,177,819	71,921,626
Less: Direct costs	(13,824,315)	(9,991,991)
Less: Selling and distribution	(1,082,654)	-
Net surplus/(Deficit) for the year	(13,265,118)	(6,246,329)

Association for the Physically Disabled of Kenya**Financial statements***For the year ended 31 December 2018***CONSOLIDATED INCOME STATEMENT - UPCOUNTRY BRANCHES**

INCOME	2018	2017
Donations - CBMI	4,556,312	8,857,796
Donations - USAID	-	1,857,289
Other donations	86,000	100,000
Interest on loans	363,543	991,211
Insurance	-	43,307
Loan application fee	29,774	20,705
Miscellaneous income	608,847	246,700
Branch membership	64,600	83,025
Tricycle chairs	-	212,000
Sale of mobility aids	4,397,289	1,124,921
Passbooks	15,100	6,600
Resource centre income	227,403	354,518
Penalties	1,000	20,766
Subsidy claims	1,709,645	6,115,420
Clubfoot Income	2,900	2,650
Microfinance membership	68,200	25,500
other designated funds	418,280	-
Total Income	12,548,893	20,062,408

ADMINISTRATIVE EXPENSES

Employment expenses	1,229,445	4,524,477
Postage and telephone	374,770	348,504
Vehicle running expenses	2,094,662	2,574,051
Medical Benefits	-	4,541
Transport, travelling and entertainment expenses	145,215	1,280,849
General administrative costs	-	1,143,415
Printing and stationery	278,443	328,810
Relief fund expenses	93,500	569,050
Committee Meeting expenses	309,364	449,326
Resource centre costs	185,179	277,782
Microfinance costs	389,228	467,519
10% incentive to Orthopaedics	754,279	493,064
Liliana project costs	80,000	100,000
Subsidy expenses	1,365,503	699,579
Miscellaneous expenses	624,808	381,546
Teachers training	-	383,700
School adoption	-	938,550
Rehabilitation expenses	758,268	671,170
Participation in disability events	114,000	86,000

Clubfoot expenses	60,400	3,110
Staff training on project management	245,700	-
Training on Business skills	108,000	-
CBM project contribution	18,317	-
Meeting and dialogue sessions	250,500	-
Training of Rehab officers	249,765	-
Siaya construction and repairs	489,550	-
Mobile clinic expenses	600,391	-
Siaya project costs	49,500	-
Training costs-others	223,737	-
Electricity and water	169,620	48,107
Repairs and maintenance	11,650	1,563,485
Cleaning and hygiene	289,969	263,452
Total other administrative and operating expenses	11,563,763	17,600,087
Less: Direct Expenses	(2,531,624)	(2,466,484)
Net Surplus/(Deficit) for the year	(1,546,494)	(4,163)

Association for the Physically Disabled of Kenya**Annual report and financial statements***For the year ended 31 December 2018***INCOME STATEMENT - NAIROBI BRANCH**

Income	2018	2017
	Shs	Shs
Sales	56,611,261	62,682,305
Donations and grants		
Christoffel-Blinden Mission (CBM) - operating grant	-	1,182,696
Kindernothilfe Grant	7,583,212	10,187,937
Transfer from capital fund	245,967	327,955
Lillian Fonds/Cheshire Donations	-	763,230
USAID/Access	-	426,997
Donations in kind	37,000	363,310
Other designated funds income	1,895,541	2,380,190
Interest income	935	143,975
	<u>66,373,916</u>	<u>78,458,594</u>
ADMINISTRATIVE EXPENSES		
Salaries and wages	26,202,552	30,242,597
Medical expenses	624,065	733,135
Other staff costs	1,401,429	1,739,678
Postage and telephone	80,419	84,991
Vehicle running expenses	556,831	1,076,345
Printing and stationery	358,860	479,594
Travelling and accommodation	770,020	713,928
Audit fees		
- Current year	250,000	253,462
Bank charges	226,353	167,022
Marketing expenses	664,828	52,534
Committee Meeting and AGM expenses	168,687	218,489
CBR trainings	932,198	1,988,116
Subscriptions	36,000	-
Cheshire project expenses	-	763,230
USAID/Access program expenses	-	160,582
Miscellaneous expenses	424,432	436,144
Bad debts w/off	706,988	825,844
General expenses	907,623	1,631,026
Subsidy surgery	-	234,959
Foreign exchange loss	-	162,738
Rent	30,000	60,000
Mobile clinic expenses	183,100	430,183
Electricity and water	1,319,961	1,320,735
Repairs and maintenance	922,271	1,039,120

Insurance	272,152	267,620
Security	517,304	407,541
Depreciation on property, plant and equipment	<u>1,802,550</u>	<u>2,117,427</u>
Total other operating expenses	39,358,624	47,607,041
Less: Direct costs	(36,360,205)	(43,176,604)
Surplus/(Deficit) for the year	<u>(9,344,913)</u>	<u>(12,325,051)</u>

Association for the Physically Disabled of Kenya**Financial statements***For the year ended 31 December 2018***CONSOLIDATED INCOME STATEMENT - COAST BRANCH**

INCOME	2018	2017
	Shs	Shs
Sales	43,622,076	43,642,949
Donations and grants		
Christoffel-Blinder Mission (CBM) - Operating grant	1,833,276	3,552,418
Kindernothilfe Grant	5,940,794	6,762,215
Other donations	31,210,034	18,512,816
Other income		
interest income	1,619,803	1,885,923
foreign exchange gain	1,174,181	821,642
rental income	5,828,962	6,339,065
miscellaneous income	3,150,379	3,314,489
related party income	3,966,370	9,986,796
Total Income	98,345,877	94,818,312
ADMINISTRATIVE EXPENSES		
Employment expenses	38,324,473	37,300,698
Postage and telephone	386,785	607,723
Vehicle running expenses	1,270,222	1,400,263
Printing and stationery	614,237	485,878
Transport, travelling and entertainment expenses	775,692	816,278
Audit fees:		
- current year	255,000	355,000
Legal and professional fees	545,675	462,838
Bank charges	320,545	314,046
Administration overheads	379,018	580,511
Advertising and promotion	45,400	14,830
Internet expenses	106,537	99,668
Subscription and periodicals	113,298	163,590
Computer expenses	71,510	207,955
Miscellaneous expenses	173,561	171,163
Project meeting expense	448,090	164,115
Provision for bad debts	1,018,762	1,188,540
Financial arrears expense	473,926	-
Workshop appliances	3,340	-
Film and photography	5,050	-
Rehabilitation expense	-	5,000
Exchange difference	-	-
Electricity and water	2,013,187	2,365,460

Repairs and maintenance	3,195,542	4,180,652
Insurance	937,529	1,812,107
Security	363,573	378,514
Cleaning and hygiene	66,382	59,570
Loose tools	29,200	10,649
Generator expense	52,732	178,643
Depreciation	5,197,359	5,423,582
Total administrative and other operating expenses	<u>57,186,626</u>	<u>58,747,272</u>
Less: Direct costs	(39,008,363)	(39,219,053)
Rehabilitation costs	(8,239,771)	(9,943,345)
Selling and distribution costs	(1,128,000)	(1,100,915)
Net Surplus/(Deficit) for the year	<u>(7,216,882)</u>	<u>(14,192,273)</u>