



Transforming Young Kenyan Lives

Registered UK Charity Number 1044872
www.karibuni.org.uk

KARIBUNI CHILDREN

Registered Charity number 1044872

TRUSTEES REPORT AND ACCOUNTS FOR THE YEAR ENDED 31 DECEMBER 2020

KARIBUNI CHILDREN

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Year ending December 2020**

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LEGAL AND ADMINISTRATIVE DETAILS

Registered Charity number 1044872

Constituted under a Trust Deed dated 30 January 1995.

THE TRUSTEES

Serving during the year and since the year end are:

Mr J W G Cotton (chairman)

Mrs J Murphy

Ms P Wignall

Mr D Welsh

Mr P Ingram (resigned 28 January 2021)

Mr M Carr

Mr N Roberts

Rev H Kirk

Mr M Johnston (appointed 23 January 2020)

Mr David Farmer (appointed 23 April 2020)

Rev N Martyn-Beck (appointed 28 January 2021)

Registered office:

Stoke Mandeville Methodist Church,
Eskdale Road, Stoke Mandeville,
Bucks. HP22 5UJ

Email: office@karibuni.org.uk

Website: www.karibuni.org.uk

OBJECTS OF THE CHARITY

As stated in the Trust deed, the objects of the Charity are to relieve children in Kenya who are in need by reason of sickness and distress, in particular children who are homeless, by providing and assisting in the provision of shelter, food and clothing, and to advance the education of such children.

In practice, most of the Kenyan projects supported by Karibuni Children are involved in education, feeding and special needs. Karibuni Children acts as a partner to each project, with day to day-to-day management being the responsibility of local Management Committees which are generally connected to the Methodist Church in Kenya (MCK).

STRUCTURE GOVERNANCE AND MANAGEMENT

Policies and operating decisions rest with the Trustees who meet at least five times each year to plan, oversee and monitor the support provided to projects in Kenya. This is done based on evidence provided on pupil performance, information from our representative in Kenya and monthly Zoom meetings with project managers / social workers in Kenya.

Day to day management also resides with the Trustees, in particular the Chairman who together with subgroups of Trustees and the office manager ensures the smooth running of the Charity.

Karibuni Children has operational policies covering all aspects of its operation including finance, safeguarding children and vulnerable adults and volunteers, risk management, currency hedging amongst others.

The Trustees have regard to guidance issued by The Charity Commission on "Public Benefit" and their guidance on "Charities Working Internationally" as well to HMRC recommendations on "Payments to Overseas Bodies". About the latter, it should be noted that funding is released through the Methodist Church in Kenya Conference Office in Nairobi to the projects three times each year. Projects are required to subscribe to the Governance procedures of the Methodist Church in Kenya including that all disbursements must be authorised by two signatories.

Joshua Katungu, a Kenyan national and resident who runs his own school in Nairobi is retained by the charity to offer advice and support to the projects during the year.

A party of Trustees has traditionally visited the projects each year at their own expense. They review the year's activities, adequacy of financial support, establish future priorities and assess compliance with standards of governance including visits to sponsored children's guardians in their homes to ensure that they are from the very poorest backgrounds.

All trustees, relevant volunteers, and participants in work parties at the projects are required to undergo Disclosure and Barring Service checks.

The current Trustees are shown on page 3. New candidates are considered by the existing Trustees, taking account of their skills and experience in relation to the Charity's objectives

and any areas of expertise where it is felt that recruitment would be beneficial. Care is taken to fully brief new recruits through individual meetings with the chairman, with small groups of trustees and attendance at a board meeting as a volunteer prior to commitment.

RISK MANAGEMENT

The Trustees have during the year comprehensively reviewed the risks to which a small charity operating in Africa is exposed. The register is divided into five categories – Top Risks, those potentially with the highest significance and impact; General Management UK, Office Based UK, Financial, Kenya Operational. Each risk identified is accorded a weighting based on considered likelihood and severity of impact. The risk register is an agenda item at each board meeting.

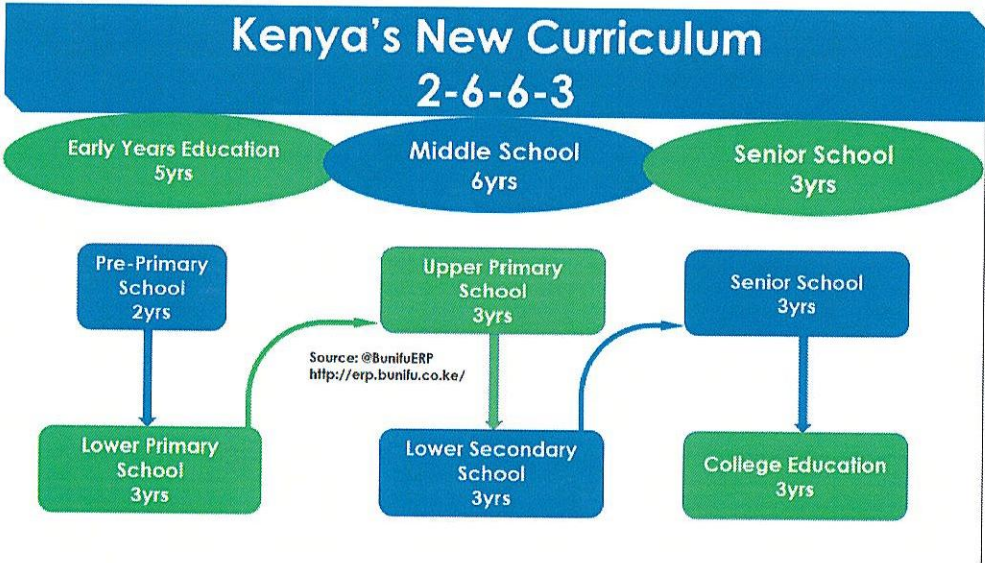
KENYA'S EDUCATION SYSTEM

The Kenyan education system is currently part way through a transition away from an 8-4-4 curriculum - 8 years of primary school, 4 years of secondary school and 4 years of vocational/university education. Although not mandatory, children also can attend pre-primary. Two years at pre-primary equips children, particularly those from disadvantaged backgrounds, with language and other skills necessary to hold their own in primary school.

By 2026 the Kenyan government intends to phase out the 8-4-4 curriculum and replace it with a new system (2-6-3-3) which consists of 2 years of pre-primary (for ages 4-5); 3 years of lower primary and 3 years of upper primary (for ages 6-11); and 3 years of junior secondary as well as 3 years of senior secondary (for ages 12-17 years).

The new structure will follow a Competency Based Curriculum (CBC), which seeks to nurture every learner’s potential by ensuring that all acquire the core competencies. The CBC emphasises formative rather than summative evaluations.

It will be mandatory for all children to continue in education beyond primary. For those that are less academic and unlikely to thrive in secondary education, vocational training is seen as an acceptable and preferable route.



KARIBUNI MODEL OF SUPPORT

Karibuni Children relieves childhood poverty in Kenya through the support and education of children from age 3 through to adulthood. Such children are recruited from very deprived backgrounds. Karibuni also supports two special needs classes and five general / feeding programmes. Where appropriate Karibuni will support enhancement of school infrastructure through improving sanitation, kitchen provision, building classrooms and providing equipment and learning aids to improve the learning experience. These capital projects attract new pupils, and thus improve the financial sustainability of the programme. Capital projects are funded through applications to sources that would generally not fund our core activities.

The Karibuni model is to identify children from the most challenging backgrounds through advertisement, and the contacts that project social workers (paid for by Karibuni) have with the local chief or Children's Officers. Children who might otherwise miss education are sponsored into pre-primary (ages 4 to 5) and progress through primary (ages 6 to 11) usually within the state system where education is free (though there are costs for uniforms, feeding etc.). Children thereafter must now attend either secondary school, (ages 12 to 17) or undertake skills / vocational training both of which are currently fee paying. Karibuni will, depending upon availability of funds and the likelihood of a particular course leading to employment, thereafter, sponsor College or university courses.

711 children are currently being sponsored through education: 117 at pre-primary, 375 at primary, 121 at secondary, 12 undertaking vocational training and 43 students at college or university with a further 43 awaiting courses. Some 50 children in classes for children with special educational needs benefit from funding for teaching materials and craft activities.

The later stages of a child's education are expensive, but funds permitting, Karibuni aims to support children to reach their full potential and equip them for employment. The fact that all children must remain in education until age 17 has led to costs in Kenya rising at a significantly higher rate than Karibuni's income in the UK. Generous legacies have enabled us to continue to support many disadvantaged children through their education while we take steps to narrow the gap between expenditure and income.

The employment of a part time office manager to ensure the smooth running of administration has removed much administration from the trustees and permitted more time to develop strategy. The appointment of a part time trust fundraiser is an attempt to both diversify and increase our income.

REVIEW OF PROJECTS AND SUMMARY OF MAIN ACTIVITIES DURING THE YEAR

COVID -19 RESPONSE

2020 has been an extraordinary and hopefully exceptional year. It has required an exceptional response:

NO SCHOOL = NO FOOD

In 'normal times' many of the parents or guardians' live hand to mouth depending on fragile casual employment such as hairdressing, housework and, clothes washing. In 'Covid times,' with employers concerned about the virus being brought into their homes most of these income sources have dried up. There is no furlough scheme in Kenya for them, guardians have no savings and hunger would inevitably have followed. From March 2020 until January 2021, when schools resumed, we provided monthly food packages for each of our sponsored children which supplemented the whole family's needs; 6,500+ food parcels in



total. The packages consisted of dried goods, maize, flour, rice, beans as well as cooking oil and soap.

Project Managers, social workers, teachers and local boards have worked together to package and distribute the food parcels in a safe way. In Kibra, reportedly the largest slum in Africa and which can be volatile, physical distribution was not practicable and a voucher system redeemable at local supermarkets introduced.

COMMUNICATION

Karibuni's first challenge was getting everyone access to and comfortable with technology for remote Zoom sessions! We have learnt so much! Trustees are now able to hold monthly face to face video meetings with project managers, Makena Anampiu at Kibra, Mercy Kendi at Meru and George Mwabu at Tharaka. We also include social workers Miriam Mugambi at Limuru, Esther Onno at Njoro and Johnson Kibali at Embakasi. It has been vital for us to understand the different challenges they are facing on the ground, trying to keep the children safe, fed and educated.



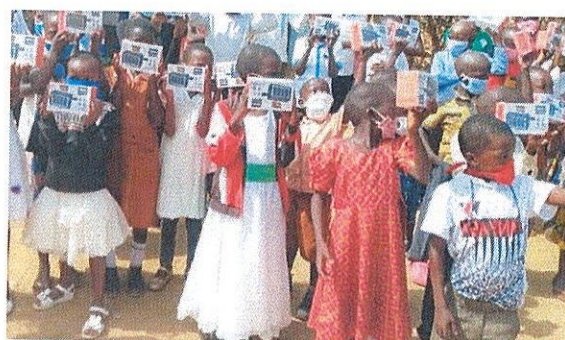
Usually, each February a group of trustees would be busily packing suitcases in readiness for their (self-funded) visits to all the 13 projects that we support. Due to the pandemic in 2021, for the first time in the 26 years of Karibuni Children, they will not be able to go to Kenya. We are currently Zooming the annual meetings with project boards which normally would have been face to face

during our visit. Quite a logistical feat in a country with limited access to Wi-Fi and electricity.

EDUCATION

During the months when schools were closed, we worked with the project social workers and local boards to ensure that sponsored children, who do not have access to mobile phones and the internet, did not fall further behind in their education— particularly those in their final years of primary and secondary education who faced vital examinations shortly. Many of the students at college and university have been provided with laptops as teaching has been delivered remotely.

- In Limuru Karibuni supplied Tablets and improved internet connectivity to enable access to online material and interaction with teachers.
- At Embakasi, close to Nairobi airport, it was possible to pay teachers to deliver learning to small socially distanced groups generally in the open air.
- In Tharaka, where there is no shortage of sunshine, we provided solar powered radios so that children could access broadcast content. We also helped equip their Karibuni funded newly built Community Resource Centre as an educational hub with internet access and projecting equipment.



FINANCIAL IMPACT

Early in the pandemic the Karibuni Trustees recognised the need to respond immediately to cover emergency costs, so they took the conscious decision to dip into our reserves to find the necessary money over and above that raised by a special appeal to our supporters. We have always managed our finances to maintain good reserves - they are there for a rainy day ...and in the last twelve months it has certainly been pouring!

The cost of food packages over and above our budgeted cost of feeding was £75,000. Improved access to learning cost £7,000 and returning to school safely including sanitiser, soap and washing stations cost £5,000. This last item is likely to recur at least for twelve months as roll out of a nationwide vaccination programme is a distant prospect.

Our ability to respond in this positive way would never have been possible without the generosity of supporters. We are incredibly grateful and, from the reports of our social workers, the children and their families who would otherwise have been desperately short of food are equally grateful.

THE PROJECTS

MCK Kibra Tusaidie Watoto Nursery School



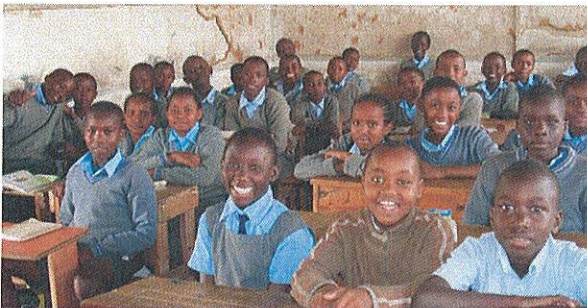
Kibra is the largest and worst of all the slums in Africa, where some 750,000+ people live with few basic amenities in an area of 2.5 square kilometres. Half of those aged 15 – 40 years are said to be HIV+. Many children come from extremely deprived and unstable backgrounds.

This is the largest project supported by Karibuni where the charity is the sole funder for this very successful project based around a pre-primary school with children spread between three classes.

The nursery school children and those that have moved into primary schools nearby are fed at the project each day.

51 children are being supported at pre-primary, 131 at primary, 60 at secondary and 12 in tertiary education. 22 children are awaiting tertiary courses.

MCK Embakasi Academy



There are two large slum areas in Embakasi which share the same characteristics as Kibra.

This is a fee-paying pre-primary / primary school. Under the Karibuni model the children on completion of pre-primary would normally attend local government run primary schools with Karibuni thereafter

supporting secondary education. However, in 2014 the school management committee invited Karibuni to keep the children within the Embakasi Academy without charge other than for feeding and uniforms. This is a significant benefit as class sizes are smaller with better teacher / pupil ratios than within the state system.

15 children are being supported at pre-primary, 35 at primary, 8 at secondary school, 2 at university and 2 undertaking skills training.

MCK Kawangware Academy

Kawangware Academy is based at the Methodist Church in the Kawangware slum in Nairobi. Most of the children in the primary school are fee-paying and Karibuni sponsored three children into pre-primary each year who progressed into primary classes.

Concerns about governance have deepened and the school is at risk of failing, with many parents deciding to move sponsored children to adjacent local schools.

With children re-located to other schools overall 24 children are sponsored at primary and 12 at secondary school. 8 young people being supported through tertiary education and two through skills training.

MCK Limuru Methodist Academy

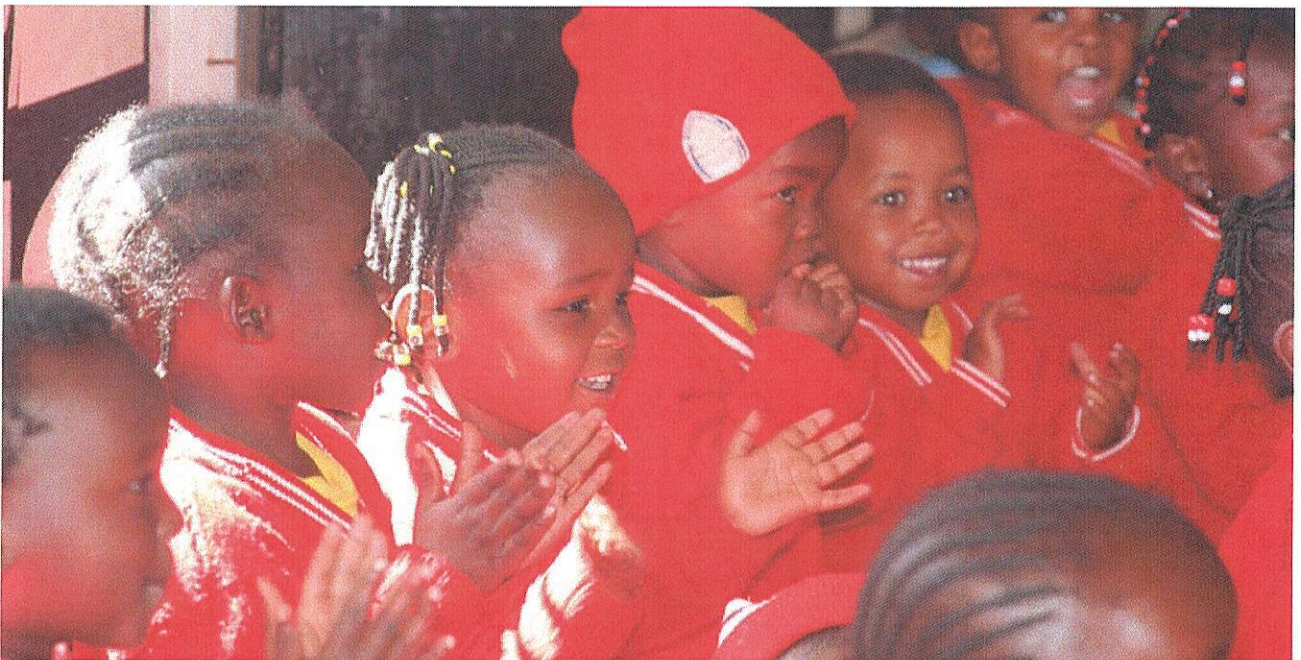
Limuru is a town some 20 miles from Nairobi on the way to Nakuru. It is a tea-growing area and local people can sometimes get casual labour picking tea and in local firms. The school roll is steadily increasing and academic standards improving.

1 child is being supported through pre-primary, 43 at primary and 21 at secondary school. 9 young people are being supported through tertiary education and 2 through skills training.



Once the newly appointed management committee has become established, we hope to work with them to replace the four remaining poor-quality classrooms and provide a new ablutions block. Once complete these improvements are likely to see headcount increase further and school sustainability improve.

MCK Wesley Empowerment Centre, – Njoro



Njoro is a small town near Nakuru. A small Methodist Church runs a school for local children borne of the need to care for children of families who had fled riots 11 years ago.

There is an excellent pre-primary school on a large plot with a good management committee and staff. Income is raised from water sold from a borehole and from renting out small wooden houses provided through Karibuni some years ago. A baby care facility has recently been created to increase income.

A new primary school is being created with classrooms for grades 1 to 4 having been built so far. Sponsored children currently move into primary without payment of tuition fees.

22 children are being sponsored in nursery, 36 in primary, 4 in secondary, with 1 young person being supported through skills training and 3 through tertiary education.

MCK Meru Township Programme



At this professionally managed project Karibuni sponsors up to 6 children each year from extremely disadvantaged backgrounds who join the pre-primary at the well regarded Consolata Catholic Mission School. Children are fed at lunchtime via a Karibuni funded kitchen located in the school grounds.

Karibuni sponsors 12 children in pre-primary, 50 in primary, 5 in secondary, 9 in tertiary with 2 young people undergoing skills training.

MCK Tharaka District, Marimanti Women's and Children's Project

Tharaka District is a "hardship" area towards the east of Kenya where Marimanti is the main town. Unemployment is 60% and life expectancy 51 years. Farming is mostly subsistence.

16 children are supported at pre-primary, 56 at primary, and 11 at secondary with 5 young people being supported through tertiary education and 5 through skills training. Karibuni also funds teaching aids and materials for craft activities for 20 children in a special educational needs class at Kamatungu School.



During the year it was possible to implement the plan to build a Community Resource Centre. The cost was £40,000 with £32,500 having been raised from long standing and generous supporters. The balance was raised by the community locally through donations of materials or labour. The centre was opened in November 2020 by our local representative Joshua Katungu.

Mwithumwiru Primary School and Special Needs Class



This well-run Government school is close to the Meru project mentioned above. Karibuni supports a feeding programme for about 250 children who would otherwise not eat lunch. Karibuni also supports the small class of 20 children with special needs with funding for equipment and materials for craft activities.

MCK Maua Methodist Hospital Disability Community Centre

Maua is an hour and a half north of Meru. Here Karibuni contributes towards a much larger programme providing health care, including drugs, physiotherapy, prosthetics and surgery to help children with disabilities live a full life and contribute to their communities.



MCK Maua AIDS orphan's programme

Karibuni contributes to a programme which provides food, education, training etc. to AIDS widows (most of whom are themselves living with HIV), child-headed households and about 1,600 orphans in what is a very deprived area.

MCK North Kenya Mission

A grant is made every four months to the North Kenya Mission to provide for families with little or no income in this very backward area which is subject to insurrection from Somalia, theft of livestock and severe drought and food shortages. Food is distributed via local people to those in greatest need.

Upendo Project at Kilifi near Mombasa

The project has developed into a thriving nursery and primary school. Karibuni has made funds available to build new facilities and continues to support the AIDS Orphans Welfare Programme.



Hunajeza Women's Project

Based at Nyalani a small town near to the north coast of Kenya this project provides children from local primary schools with nourishing lunches at the small church and hall. The elderly women who run the project are taking advice from Upendo on how it might be re-energized. Around 55 children are fed by this project.



FINANCIAL REVIEW AND RESERVES POLICY

Income for the 12 months to 31.12.2020 was £300,058 some £14,000 below budget and expenditure was £360,154 some £68,000 above budget. The reasons for the substantial excess of expenditure over income are stated above and are wholly attributable to the cost of feeding and ensuring that disadvantaged children did not fall behind in their learning during the pandemic.

Restricted donations must be dispersed in accordance with the terms under which they are donated and are not therefore available for general purposes. In some cases, there will be a timing difference between when the income is received and when it is spent, resulting in balances being held in these funds at year-end. The purpose of the various restricted funds is outlined in note 12.

Unrestricted reserves are expendable at the discretion of the trustees in the furtherance of the charity's objects. If part of unrestricted reserves is earmarked for a particular project it may be designated as a separate fund, but the designation has an administrative purpose only, and does not legally restrict trustees' discretion to apply the fund. There were no designated funds at the year end.

The trustees have established a general reserves policy to have a level of comfort in the charity's ability to provide continuity of activities in the event of material fluctuations in income. The trustees are also mindful that in recruiting a child into sponsorship at Pre-primary (2 years), Karibuni takes on the responsibility to sponsor that child as s/he progresses through Lower and Upper Primary (6 years) and thence into Lower Secondary and Senior School (6 years) or through skills training. Additionally, depending on the charity's overall finances, the trustees award scholarships for those who secure offers of Tertiary courses. Although these are fully discretionary, to date Karibuni has been able to meet all scholarship requests.

The trustees believe that it is important to provide projects with certainty of funding for a whole academic year and have accordingly identified the necessity to hold **£280,000** as a general reserve to cover 12 month's costs in Kenya and the support office in the UK.

Currently reserves exceed this figure. However, during 2020 additional feeding and sums spent on keeping disadvantaged children in learning during the pandemic cost £35,000 above normal spend. It is likely that there will in the next financial year be some further pandemic related spend. Reserves over and above these sums result from a large legacy (£300,000), received in 2016, which is enabling the trustees to support manageable operating deficits so that all sponsored children can be supported through their education whilst either income is increased, or adjustment made to the number of such children who are sponsored. The cost of pre/primary education is low in relation to the school fees paid for secondary and cost of tertiary courses. It therefore takes some time for a reduction in numbers to translate into significant savings.

FUNDRAISING.

2020 was a challenging year. It was not possible to sell merchandise, make presentations about our work or otherwise directly engage with usual church or community groups that have long supported our work. To have finished the year only 4% short of our income budget for the year is commendable and is entirely due to the generosity of our donors who responded magnificently and particularly to our special appeal to address the effects of the

Approved by the trustees on

and signed on their behalf by:

pandemic. In addition, we thank all those charitable trusts that have supported our work including Gwyneth Forrester Charitable Trust, Eleanor Rathbone Charitable Trust, MK Charitable Trust, Methodist Women in Britain, World Day of Prayer and the British Humane Association.

VOLUNTARY HELP AND GIFTS IN KIND

We would like to thank all our dedicated Volunteers for their work in this unusual year. It has not been possible to meet in person but by working differently for everyone's safety volunteers have continued to help with administration, social media and website and online sales of merchandise. We are also grateful to all those supporters who donate goods to be taken to the projects during the Trustees' annual visit.

P. Wignall

Name: P. WIGNALL

Position: TRUSTEE

**KARIBUNI CHILDREN
STATEMENT OF FINANCIAL ACTIVITIES
FOR THE YEAR ENDED 31 DECEMBER 2020**

	Note	Unrestricted funds £	Restricted funds £	Total funds £	2019 £
Incoming resources					
Incoming resources from generated funds					
Voluntary income	1	233,337	57,103	290,440	248,431
Activities for generating funds	2	7,420		7,420	14,616
Investment income		2,198		2,198	3,031
		<u>242,955</u>	<u>57,103</u>	<u>300,058</u>	<u>266,078</u>
Resources expended					
Grants to projects	3	256,959	57,143	314,102	240,630
Raising funds	4	7,701		7,701	8,529
Office expenditure	5	38,351		38,351	28,705
		<u>303,011</u>	<u>57,143</u>	<u>360,154</u>	<u>277,864</u>
Net expenditure before investment losses		(60,056)	(40)	(60,096)	(11,786)
Revaluation of investments		(3,913)		(3,913)	46,198
Net expenditure for the year		<u>(63,969)</u>	<u>(40)</u>	<u>(64,009)</u>	<u>34,412</u>
Fund balances brought forward		<u>499,707</u>	<u>4,640</u>	<u>504,347</u>	<u>469,935</u>
Fund balances carried forward		<u>435,738</u>	<u>4,600</u>	<u>440,338</u>	<u>504,347</u>

BALANCE SHEET AT 31 DECEMBER 2020

	Note	Unrestricted funds	Restricted funds	Total funds	Total funds 2019
		£	£	£	£
Fixed assets					
Tangible assets	8	-	-	-	1
Investments	9	269,519		269,519	281,432
		<u>269,519</u>	-	<u>269,519</u>	<u>281,433</u>
Current assets					
Stock		3,642		3,642	2,080
Debtors	10	29,104		29,104	11,215
Cash at bank and in hand		134,632	4,600	139,232	210,624
		<u>167,378</u>	<u>4,600</u>	<u>171,978</u>	<u>223,919</u>
Liabilities					
Creditors: amounts falling due within one year	11	1,159		1,159	1,005
		<u>166,219</u>	<u>4,600</u>	<u>170,819</u>	<u>222,914</u>
Net current assets					
		<u>435,738</u>	<u>4,600</u>	<u>440,338</u>	<u>504,347</u>
Net assets					
Funds of the charity:					
Restricted funds	12		4,600	4,600	4,640
Unrestricted funds		435,738		435,738	499,707
		<u>435,738</u>	<u>4,600</u>	<u>440,338</u>	<u>504,347</u>
Total charity funds					

The notes on pages to form part of these accounts

Approved by the trustees on 5 August 2021

and signed on their behalf by:

P. Wignall

P. WIGNALL

Name:

Position: *TRUSTEE*

Independent Examiner's Report to the Trustees of Karibuni Children

I report to the charity trustees on my examination of the accounts of the charity for the year ended 31 December 2020 which are set out on pages 1 to 19.

Responsibilities and basis of report

As the charity's trustees you are responsible for the preparation of the accounts in accordance with the requirements of the Charities Act 2011 ('the Act').

Having satisfied myself that the accounts of the company are not required to be audited under Part 16 of the 2006 Act and are eligible for independent examination, I report in respect of my examination of your company's accounts as carried out under section 145 of the Charities Act 2011 ('the 2011 Act'). In carrying out my examination I have followed the Directions given by the Charity Commission under section 145(5)(b) of the 2011 Act.

Independent examiner's statement

Since the company's gross income exceeded £250,000 your examiner must be a member of a body listed in section 145 of the 2011 Act. I confirm that I am qualified to undertake the examination because I am a member of ICAEW, which is one of the listed bodies.

I have completed my examination. I confirm that no material matters have come to my attention in connection with the examination giving me cause to believe that in any material respect:

1. accounting records were not kept in respect of the charity as required by section 130 of the Act; or
2. the accounts do not accord with those records; or
3. the accounts have not been prepared in accordance with the methods and principles of the Statement of Recommended Practice for accounting and reporting by charities.

I have no concerns and have come across no other matters in connection with the examination to which attention should be drawn in this report in order to enable a proper understanding of the accounts to be reached.


James Moorcroft FCA
ICAEW
Cannon Moorcroft Limited

3 Manor Courtyard
Hughenden Avenue
High Wycombe
Bucks HP13 5RE

Date 5th Aug 2021

KARIBUNI CHILDREN YEAR ENDED 31 DECEMBER 2020

Accounting policies

- a) The accounts have been prepared on the historic cost convention and in compliance with the Statement of Recommended Practice: Accounting and Reporting by Charities preparing the accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102), and the Charities Act 2011.
- b) Income is recognised when the charity becomes entitled to the resources and the monetary value can be measured with sufficient reliability
- c) Gift aid reclaimable on donations to the charity is included with the amount received, where known
- d) Other expenditure is included in the accounts on an accruals basis. Irrecoverable VAT is charged to the SOFA as incurred
- e) Depreciation on office equipment, including computers, is charged on a straight line basis over 3 - 5 years
- f) Carvings and textiles are bought from Kenya to sell in order to raise funds. Some carvings remain in stock and are valued at £0. Textiles are valued at cost. Stock also includes notelets purchased for resale to raise funds
- g) The value of donated goods has been estimated and included in the figure for voluntary income
- h) Grants to projects are included when the amount is released to the Methodist Church Kenya bank account and distributed to projects

Taxation

Karibuni Children is a registered charity and accordingly is exempt from taxation on its income and gains where they are applied for charitable purposes.

Notes to the accounts

Income

- 1 Voluntary income includes supporter donations and sponsorship with gift aid tax attributable, grants, donations from private trust funds and legacies received
Grants £29150 (2019 £34900) Legacies £7019 (2019 £2000)
- 2 Activities for generating funds includes income from sales of merchandise and cards and receipts from organised events.

Expenditure

3 Grants to projects

Grants are paid to The Methodist Church in Kenya (MCK) for distribution amongst the projects and individuals in line with the agreed budgets. Grants include support costs and expenses for Karibuni's Kenyan representative (2020 £2205 2019 £1997)

The funds are held in a separate internal account by MCK pending distribution to the projects. This is reconciled regularly with the mirror account maintained by Karibuni Children's Trustee responsible for organising the payment of grants. Funds are remitted to the Methodist Church in Kenya in Kenya shillings through foreign exchange dealers, Ebury Partners. The majority of remittances are covered by forward exchange contracts.

Since December 2020 funds are remitted through Western Union.

4 Raising funds

includes cost of merchandise and cards; costs of staging events and attending events including sponsored events and online costs of giving

5 Other expenditure

	£	£
Office costs		
Employee costs	28,290	
Stationery, postage and printing	2,114	
Telephone and internet	485	
Database costs	3,288	
Rent of office and storage	2,100	
Insurances and data protection	982	
Fee for independent examination	840	
Office equipment	213	
		38,312
Finance costs		
Investment management		
Bank charges	39	39
Travel expenses		-
		<u>38,351</u>

No travel costs have been paid to Trustees or any other party. Although five trustees visited Kenya in February 2020 to review and assess the projects being supported by the charity, they paid their own travel and accomodation costs.

Notes to the accounts

6 Trustees remuneration and expenses

No Trustees received any remuneration as Trustees during the year.

No Trustees received any travel expenses during the year

Reimbursement of other expenses is included under the appropriate headings above.

The aggregate amount of unconditional donations made by Trustees in 2020 amounted to £24,913 (plus attributable gift aid tax). Includes £4150 restricted

7 Employment costs

A part time office manager has been employed throughout the year

A part time fund raising manager has been employed throughout the year

9 Investments

£232,000 has been invested, following advice from an independent financial adviser.

£26,000 is invested in M&G Charifund. At 31 December 2018 the value was £35,892

£8,000 is invested with Investec in interest bearing funds.

£198,000 has been invested in CAF investment platform.

At 31 December 2020 the value was £269,519

The movement in fair value is recognised in the income statement.

10 Debtors

	2020		2019
	£	£	
Accrued income - gift aid tax	11,267		5,896
Transferred project funds Kenya	12,929	-	
Prepaid expenses	3,755		3,100
Income banked after year end	1,153		2,051
Sundry debtor			168
	<u>29,104</u>		<u>11,215</u>

This includes £12,929 held in Kenya Shillings with the Karibuni bank account with The Methodist Church in Kenya, remitted in December for distribution to projects in January 2021. The exchange rate at the balance sheet date has been used

The gift aid tax has been claimed and repaid by HMRC in 2021.

11 Creditors

	2020		2019
	£	£	
Accruals and deferred income	1,159		1,005

12 Restricted fund

A scheme started in 2015 relates to the sponsorship of specific students in higher education and vocational training. Payments are made to individual students through the projects to which they are related.

Donations received for this purpose are regarded as restricted.

Where the sponsor has provided funds in advance for the entire period of education the balance is held to be charged to each year's accounts

During 2020 funds were received from individuals towards two capital projects supported by the Charity, and regarded as restricted to those projects.

All the funds were remitted to the projects during the year.