



Karibuni Children

Transforming Young Kenyan Lives

Registered UK Charity number 1044872
karibuni.org.uk

KARIBUNI CHILDREN

Registered Charity number 1044872

**TRUSTEES REPORT AND ACCOUNTS
FOR THE YEAR ENDED 31 DECEMBER 2022**

KARIBUNI CHILDREN

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LEGAL AND ADMINISTRATIVE DETAILS

Constituted under a Trust Deed dated 30 January 1995.

The Trustees serving during the year and since the year end are:

Mr N H Roberts (Chairman)

Mr J W G Cotton (Resigned 15.01.23)

Mrs J Murphy

Ms P Wignall (Resigned 15.01.23)

Mr M Carr

Ms C S L Roberts (Appointed 08.06.23)

Mr M Johnston

Mr David Farmer

Rev. Nicola Martyn-Beck (Resigned 08.06.23)

Mr S Kanyatte

Mr L C Dickinson

Registered office:

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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 community development. 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), although Karibuni Children is not itself a faith-based charity.

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 based on evidence provided by projects 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 Chair who together with subgroups of Trustees and the UK Operations 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, investments and 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 to the projects either directly or via Methodist Church in Kenya Conference Office in Nairobi, three times each year. All projects are required to subscribe to the Governance procedures of the Methodist Church in Kenya including that all disbursements must be authorised by a minimum of 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.

2021 aside, 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 several sponsored children's guardians in their homes to ensure that they are from the very poorest backgrounds. A shortened visit was undertaken in 2022 when a workshop was run for social workers at the Community Resource Centre in Tharaka. It had been hoped to also include the chairs of the major projects for the final two days but unfortunately two trustees tested positive for Covid, and the chairs were asked not to travel. Meetings between trustees and management committees were conducted via Zoom.

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 Chair, 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.

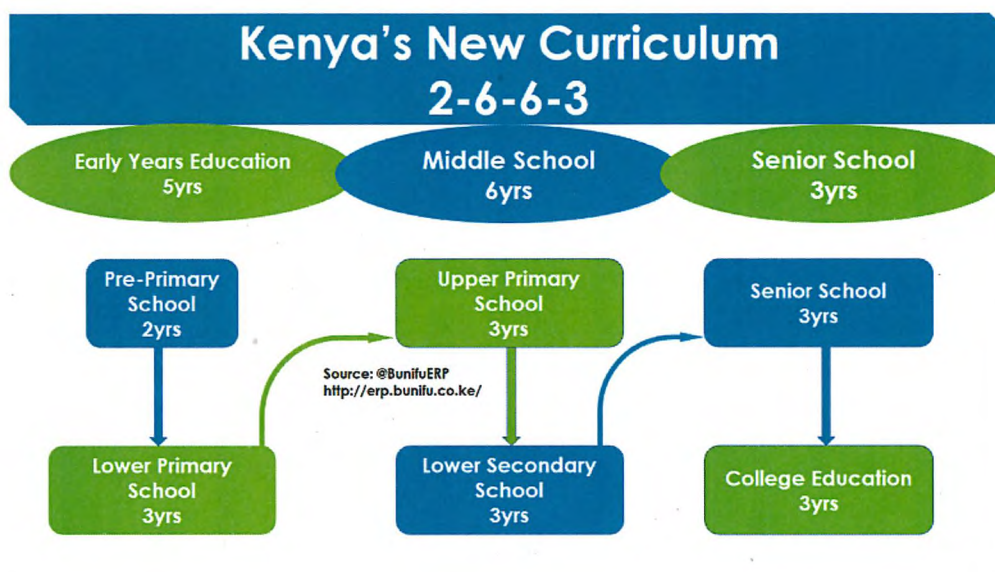
KENYA'S EDUCATION SYSTEM

The Kenyan education system has largely transitioned away from an 8-4-4 curriculum - 8 years of primary school, 4 years of secondary school and 3 (or more) 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 Kenyan 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.



The changes ought to have been accompanied by a classroom building programme in secondary schools, but this has not happened. Consequently, children are in many cases remaining in their existing primary schools for Junior Secondary School. However, these primary schools lack many of the structures needed such as laboratories and domestic science facilities.

KARIBUNI MODEL OF SUPPORT

The model is evolving. Currently the Karibuni model identifies 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 supported 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.

Though the provision of education is valuable work and has led to some outstanding cases of success there are drawbacks. These include creating dependency, disempowering parents / guardians, many of whom did not complete their own education owing to their inability to contribute to children's

education together with the divisiveness within the family that can arise where siblings go unsupported and perhaps uneducated.

Increasingly we recognise that the path to improved outcomes – retention rates, keeping girls in education, transitioning from education into the world of work etc. lies with greater parental / guardian involvement. We are therefore beginning to build on the experience of Tharaka where the Demo Farm and Community Resource Centre built in partnership with the local community has enabled delivery of training in agricultural techniques, animal husbandry, nutrition, family planning etc. The recent addition of additional artisan workshops together with a garment manufactory has provided opportunities for skills training, the possibility of employment and ultimately the ability of parents / guardians to contribute increasingly to the education of their child.

We plan to develop this approach initially at Meru but are mindful that other projects also aspire for capital projects that can generate income and improve sustainability.

697 children are currently being supported through their education: 106 at pre-primary, 371 at primary, 126 at secondary, 16 undertaking vocational training and 58 students at college or university with a further 20 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 now 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.

SUMMARY OF MAIN ACTIVITIES AND REVIEW OF PROJECTS DURING THE YEAR

Economic conditions in Kenya following the pandemic have improved with opportunities for casual labour – hairdressing, housework and clothes washing - on which many parents or guardians relied gradually re-emerging. . The Presidential elections and transfer of power passed off relatively peacefully, although the opposition continues to dispute the result. East Africa is however, experiencing its worst drought in 40 years and the war in Ukraine has restricted imports of cereal products. Both have conspired to push up prices.

Food and fuel price inflation together with the move towards a competency-based curriculum coupled with the requirement that all children must now complete secondary school or skills-based training continues to adversely impact on our costs significantly.

The changes mean that the years of primary education reduce from 8 to 6 whereas the number of years in secondary school increase from 4 to 6. Currently primary education is "free" although there are the costs of feeding, uniforms, shoes, and books etc. Secondary education is not free and although each child receives a base level of government support this is significantly below the cost with the balance having to be found by parents, guardians, or charitable organisations like Karibuni Children. It is hoped that in time there will be a re-balancing of government support between primary and secondary education.

A consequence of the transition from an 8-4-4 model to a 2-6-6-3 model means that in each of the years 2023 and 2024 there will be two cohorts of supported children moving from primary into secondary school. Our modelling of this combined with the impact of all children now being required

to continue into secondary or skills-based training has potentially increased our costs by £20,000 in 2023 with a further increase in the following year.

There were also additional costs stemming from the Kenya government's decision to respond to the time lost through school closures in 2020 by having 4 terms in the academic years 2021 and 2022.

The looming increase in our costs has required us to again look closely at our expenditure. We have ceased support to the two minor projects that were last year put on notice that it might be necessary to curtail our support. With reluctance and regret we have advised the remaining minor projects that we will reduce our support progressively to zero over three years giving time to enable them to develop other sources of support.

At the workshops held in Tharaka in June 2022 we shared our financial challenges with our partners and discussed together where further cost reductions could be made. It was decided that support for secondary school students and those at college and university would be capped at a level which might restrict choice but will allow access to good quality secondary schools and college and university courses.

We are also looking at how we might grow our income and to this end have changed our staff structure in the UK and will be working with our project managers, social workers, and local boards to explore how they might themselves raise funds. In some instances, this might mean capital spend to, for example, sink a borehole which will provide an income from the sale of water whilst at the same time providing employment to numerous local people prepared to purchase water in containers and transport it by bicycle to outlying areas for resale at a higher price.

Begun as an experiment during the pandemic monthly face to face video meetings with project managers have continued.

Those trustees most involved with the projects day to day also meet fortnightly via Zoom with our representative in Kenya, Joshua Katungu.

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. We are 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.

A much-trailed compulsory encroachment on what is already a compact site went ahead in 2021 to facilitate expansion of the adjoining railway. The existing toilets were lost, and new ones had to be constructed along with other building works to make the perimeter secure. During the year the plans around railway expansion changed and an opportunity has arisen to potentially enlarge the site at modest cost. Should this proceed then temporary structures such as converted shipping containers could be used as classrooms and to offer classes and skills training to parents and guardians in line with our evolving strategy.

48 children are being supported at pre-primary, 138 at primary, 61 at secondary and 37 in tertiary education. In addition, 17 secondary school children from the Kawangware project are now administered through this project.

MCK Embakasi Academy



Photo Credit: Nick Spollin - Gathering Voices UK

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. The school is currently experiencing some challenges and it is possible that revision to this arrangement will be sought. In that event we will have no choice other than to relocate children to local government primary schools.

15 children are being supported at pre-primary, 32 at primary, 6 at secondary school, 2 at university and 2 undertaking 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. During the pandemic in the absence of work many parents and guardians of fee-paying children returned to home areas without covering fees arrears. We have been working closely with the Academy to ensure that it is able to weather the storm.



Photo credit: Nick Spollin - Gathering Voices UK

A new ablutions block funded by Mary Walker, a generous supporter, who had previously visited Limuru as a member of a work party has been completed. The ablutions block comprises a urinal for the boys as well as four cubicles for both boys and girls together with a European style toilet for both sexes more suitable for those with impaired mobility. There is also a shower for both girls and boys.

There is a 10,000-litre tank to capture rainwater with two sources of piped water should this prove insufficient. The standard of construction is extremely high with the local school inspectorate suggesting that it was the best ablutions block in the country and beyond.

40 children are being supported through primary and 20 at secondary school. 11 young people are being supported through tertiary education and 1 through skills training.



Photo credit: Nick Spollin - Gathering Voices UK

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 20 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 bore hole and from renting out small wooden houses provided through Karibuni Children some years ago. A baby care facility has recently been created to increase income.

Funds raised originally by Shortcross Methodist Church for the bore hole were not used for maintenance as the management committee prudently established a sinking fund and have been able to fund repairs themselves. With the agreement of the donors the retained funds have been used to help with the management committee's

long-held ambition of building primary school classrooms. Classrooms for grades 1 to 5 have been built so far.

Supported children currently move into primary school without payment of tuition fees.

Income from the borehole and nursery classes has meant that this year the project will increase the percentage of total costs that they are able to themselves pay from 30% to 40%. There are plans for solar electricity generation which will further improve sustainability. We are working with other projects to encourage them to also explore how they can reduce dependency on Karibuni.

23 children are being sponsored in nursery, 36 in primary, 4 in secondary, with 4 young people being supported through skills training and 5 through tertiary education.

MCK Meru Children and Adult Welfare Community Based Organisation

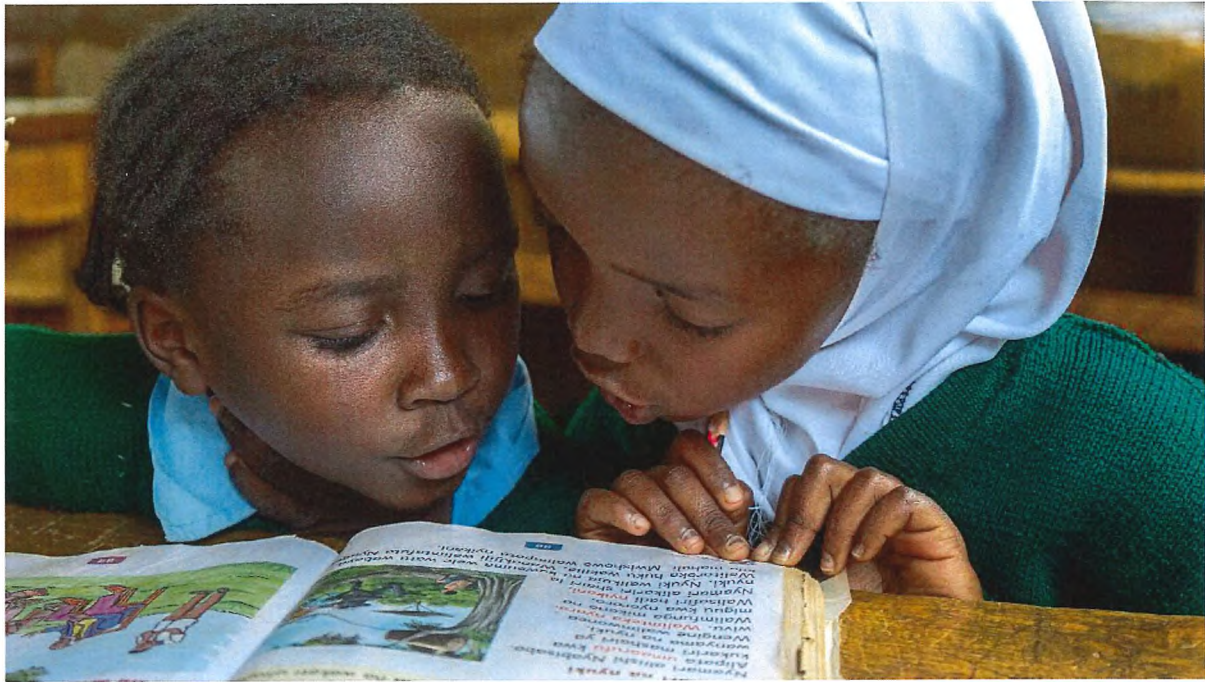


Photo credit: Nick Spollin - Gathering Voices UK

At this professionally managed project Karibuni supports up to 6 new 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.

Mercy, the Project Manager has registered the project, like Tharaka, as a Community Based Organisation and has made impressive efforts in forging links with government agencies, other NGOs, and corporates to broaden the supporter base.

One such partnership is with Legatum to develop a model across the county over two years to return street children and those in children's homes to their families or be otherwise cared for within communities. The initial tranche of funding was some US\$ 50,000.

Karibuni supports 12 children in pre-primary, 58 in primary, 5 in secondary, and with 3 young people undergoing skills training.

Tharaka Women and Children's Welfare Programme

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.

8 children are supported at pre-primary, 67 at primary, and 13 at secondary with 3 young people being supported through tertiary education and 6 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 2020 the ground floor of a Community Resource Centre was built at a cost of £40,000 with £32,500 raised from long standing and generous supporters. The balance was raised by the community locally through donations of materials or labour.

Working with Just be a Child, a UK registered charity a library of some 10,000 books was provided to the Community Resource Centre.

Ten artisan workshops have now been built around the perimeter of the site which has enabled the establishment of a school uniform manufactory as well as opportunities for those graduating from schools or college to enter employment or start their own business. Whilst it is hoped to add further floors to the Community Resource Centre in the future, focus is shifting to improving sustainability by sinking a borehole (there has been no worthwhile rain for four years) and for solar electricity generation.

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 may 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. Our support is being phased out over 3 years.



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. Our contribution ceased at the end of 2022.

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. Our contribution ceased at the end of 2022.

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 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. Our support will be reduced over 3 years.

Upendo Project at Kilifi near MombasaThe 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. Our support will be reduced over 3 years.



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. Our support will be reduced over 3 years.

FINANCIAL REVIEW AND RESERVES POLICY

Income for the 12 months to 31.12.2022 was £281,674, some £27,000 below budget but broadly in line with the preceding year. Expenditure was £270,844 some £52,000 below budget. The reduction in spend is owing to timing of payments sent to Kenya following the move back to the standard academic year in 2023. This benefit is not repeatable. The proportion of our income being spent in Kenya fell during the year from 85% to 76%. This was owing to the later remittance of funds to Kenya mentioned above – total spend in Kenya down £40,553 - together with increased costs in the UK which increased £19,730. All cost areas increased but the principal reason was increased staff costs occasioned by paying both the retiring Administration Manager and newly recruited UK Operations Manager during the handover period.

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 our support at Pre-primary (2 years), Karibuni takes on the responsibility to support 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, with the consequences of increasing the number of children taken into sponsorship in 2013 who are now entering the expensive stage of their education as well as the impact of changes to the educational mentioned in the Summary of Main Activities and Review of Projects above, it is likely that we will need to dip into reserves in future years to meet the cost of two cohorts of supported children moving into secondary school in each of the next two years because of the transition to a competency-based curriculum.

Reserves over and above the reserve policy result from a large legacy (£300,000), received in 2016, which is enabling the Trustees to support manageable operating deficits so that all children enrolled in our projects can be supported through their education whilst either income is increased, or costs reduced through curtailing support to minor projects and making adjustments to the number of such children who are supported each year as well as capping the support given to children and young people in the more expensive secondary and tertiary stages of their education.


FUNDRAISING

2022 was another challenging year. Opportunities to sell merchandise, make presentations about our work or otherwise directly engage with church or community groups that have long supported our work was reduced. Raising money from grant making trusts was more competitive as many saw a large increase in applications made to them and some also prioritised their responses to the consequences of the pandemic. Overall, our income held up well which is entirely due to the generosity of our donors who continued to support us and again responded magnificently to our Christmas Appeal. In addition, we thank all those charitable trusts that have supported our work including MK Charitable Trust, The British Humane Association, Gledswood Charitable Trust, Pat Newman Trust and Thriplow Charitable Trust.

VOLUNTARY HELP AND GIFTS IN KIND

We would like to thank all our dedicated volunteers for their work this year. Volunteers have continued to help with administration, social media and website and online sales of merchandise.

Approved by the trustees on ^{8.6.23} [date] and signed on their behalf by:



Name: Nigel Roberts
Positions: Chair of the Board of Trustees

**KARIBUNI CHILDREN
STATEMENT OF FINANCIAL ACTIVITIES
FOR THE YEAR ENDED 31 DECEMBER 2022**

	Note	Unrestricted funds £	Restricted funds £	Total funds £	2021 £
Incoming resources					
Incoming resources from generated funds					
Voluntary income	1	205,836	64,356	270,192	282,931
Activities for generating funds	2	8,747		8,747	6,631
Investment income		2,735		2,735	1,268
		<u>217,318</u>	<u>64,356</u>	<u>281,674</u>	<u>290,830</u>
Resources expended					
Grants to projects	3	152,435	53,986	206,421	246,974
Raising funds	4	18,457		18,457	3,363
Office expenditure	5	40,966	5,000	45,966	41,330
		<u>211,858</u>	<u>58,986</u>	<u>270,844</u>	<u>291,667</u>
Net surplus / expenditure before investment losses		5,460	5,370	10,830	(837)
Revaluation of investments		(26,081)		(26,081)	16,632
Net surplus /(loss) for the year		<u>(20,621)</u>	<u>5,370</u>	<u>(15,251)</u>	<u>15,795</u>
Fund balances brought forward		451,283	4,850	456,133	440,338
Fund balances carried forward		<u>430,662</u>	<u>10,220</u>	<u>440,882</u>	<u>456,133</u>

STATEMENT OF FINANCIAL POSITION AT 31 DECEMBER 2022

	Note	Unrestricted funds	Restricted funds	Total funds	Total funds 2021
		£	£	£	£
Fixed assets					
Tangible assets	8	-	-	-	
Investments	9			252,070	286,151
				<u>252,070</u>	<u>286,151</u>
Current assets					
Stock				3,486	2,529
Debtors	10			24,172	34,425
Cash at bank and in hand		152,286	10,220	162,506	134,204
		<u>152,286</u>	<u>10,220</u>	<u>190,164</u>	<u>171,158</u>
Liabilities					
Creditors: amounts falling due within one year	11	1,352		1,352	1,176
		<u>150,934</u>	<u>10,220</u>	<u>188,812</u>	<u>169,982</u>
Net current assets					
		<u>150,934</u>	<u>10,220</u>	<u>188,812</u>	<u>169,982</u>
Net assets					
		<u>150,934</u>	<u>10,220</u>	<u>188,812</u>	<u>169,982</u>
Funds of the charity:					
Restricted funds	12		10,220	10,220	4,600
Unrestricted funds		430,662		430,662	435,738
		<u>430,662</u>	<u>10,220</u>	<u>440,882</u>	<u>440,338</u>
Total charity funds					

The notes on pages 17 to 19 form part of these accounts

Approved by the trustees on 8th June 2013 and signed on their behalf by:

Nigel Roberts
 Name:
 Position: Trustee

**KARIBUNI CHILDREN
NOTES TO THE ACCOUNTS
FOR THE YEAR ENDED 31 DECEMBER 2022**

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.

**KARIBUNI CHILDREN
NOTES TO THE ACCOUNTS
FOR THE YEAR ENDED 31 DECEMBER 2022**

Income

- 1 Voluntary income includes supporter donations and sponsorship with gift aid tax attributable, grants, donations from private trust funds and legacies received
Grants and Trusts £ 21620 (2021 £32950) Legacies £ 27888 (2021 £54774)
- 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
(2022 £2114 £ 2021 £1188)

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, Western Union. The majority of remittances are covered by forward exchange contracts.

4 Raising funds

Includes cost of merchandise and cards; costs of staging events and attending events including sponsored events and online costs of giving. The costs of an employee involved solely in obtaining grants is included; also costs of freelance photographer taking photos in Kenya for the website and publications, the total costs were £12,338 this includes a termination payment of £2,000.

5 Other expenditure

	£
Office costs	
Employee costs	29,653
Payroll services	756
Professional fees	1,370
Stationery, postage and printing	1,257
Telephone and internet	669
Database costs	3,664
Rent of office and storage	3,588
Insurances and data protection	1,052
Website costs	144
Fee for independent examination	1,020
Training	634
Recruitment costs	1,567
Laptop for operations manager	580
Sundry costs	12
	<u>45,966</u>

A Trustee received reimbursement of UK travel when representing the Charity (£184)

Five trustees visited Kenya in June 2022 to review and assess the projects being supported by the charity; they paid their own travel and accomodation costs

The newly recruited UK Operations Manager visited Kenya with the Trustees. Her costs were paid by the Charity. (included under raising funds)

**KARIBUNI CHILDREN
NOTES TO THE ACCOUNTS
FOR THE YEAR ENDED 31 DECEMBER 2022**

6 Trustees remuneration and expenses

No Trustees received any remuneration as Trustees during the year.
One Trustee received reimbursement of travel costs in UK, when representing the Charity
Reimbursement of other expenses is included under the appropriate headings above.
The aggregate amount of unconditional donations made by Trustees in 2022
amounted to £17387 (plus attributable gift aid tax). Includes £ 5260 restricted

7 Employment costs

A full time UK Operations Manager was recruited in June 2022.
A part time office manager was employed until September 2022
A part time fund raising manager was employed until October 2022

9 Investments

£232000 has been invested, following advice from an independent financial
adviser.
£26,000 is invested in M&G Charifund. At 31 December 2022 the value was £37,146
£8,000 is invested with Investec in interest bearing funds.
£198,000 was invested in CAF investment platform. As CAF no longer operates,
this has been transferred to Quilter. At 31 December 2021 the value was
£ 206,924 The movement in fair value is recognised in the income statement.

10 Debtors

	2022	2021
	£	£
Accrued income - gift aid tax	7,727	14,496
Transferred project funds Kenya	5,519	13,952
Prepaid expenses	4,576	3,425
Income banked after year end	6,350	2,552
	<u>24,172</u>	<u>34,425</u>

This includes £5519 held in Kenya Shillings with the Karibuni
bank account with The Methodist Church in Kenya, remitted in December for
distribution to projects in January 2023. The exchange rate at the balance sheet date
has been used
The gift aid tax has been claimed and repaid by HMRC in 2023.

11 Creditors

	2022	2021
	£	£
Accruals and deferred income	<u>1,352</u>	<u>1,176</u>

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 years accounts
During 2022 other funds were received from individuals towards specific
projects supported by the Charity, and regarded as restricted to those projects.
Most of the funds were remitted to the projects during the year, with balances
carried into future years as appropriate

KARIBUNI CHILDREN

INDEPENDENT EXAMINER'S REPORT TO THE TRUSTEES OF KARIBUNI CHILDREN

FOR THE YEAR ENDED 31 DECEMBER 2022

I report to the charity trustees on my examination of the accounts of the charity for the year ended 31 December 2021 which are set out on pages 15 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').

I report in respect of my examination of the charity's accounts carried out under section 145 of the Act and in carrying out my examination I have followed all the applicable Directions given by the Charity Commission under section 145(5)(b) of the Act.

Independent examiner's statement

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 do not comply with the applicable requirements concerning the form and content of accounts set out in the Charities (Accounts and Reports) Regulations 2008 other than any requirement that the accounts give a 'true and fair view' which is not a matter considered as part of an independent examination

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.



.....
Mr Tim Fulker BSc(Econ) FCA

Seymour Taylor Limited
57 London Road
High Wycombe
Buckinghamshire
HP11 1BS

Date: 27 October 2023