

iServe Africa
AUDITED FINANCIAL STATEMENTS
YEAR ENDED 31 AUGUST, 2016

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iServe Africa
AUDITED FINANCIAL STATEMENTS
YEAR ENDED 31 AUGUST, 2016

Independent Auditor

Horwarth Erastus & Co.
Certified Public Accountants
P. O. Box 55268
00200 – City Square
NAIROBI, KENYA

Tel: 254 20 386 0513 / 386 0521 / 386 0524 / 386 1120

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E-mail: erastuscpa@kenyaweb.com horwatherastus@crowehorwath.co.ke

iServe Africa

DIRECTORS' REPORT – YEAR ENDED 31 AUGUST, 2016

The Directors submit their report and the audited financial statements for the year ended 31 August, 2016, which disclose the state of affairs of iServe Africa as at that date.

Principal Activity

The principal activity of iServe Africa is “to promote, encourage and facilitate apprenticeship programmes for fresh graduates in Churches and Christian organizations across Africa”.

Results

The operating results for the year are set out on page 5.

Board

The following board members were in office during the period covered by this report:-

Joseph Ngetich	-	Board Chairman
Jackie Kaimenyi	-	Vice Chairman
Jackson Thuku Kuria	-	Hon. Treasurer
Harrison Mungai	-	Board Secretary / Executive Director
Roseline Amadi	-	Finance and Administration
Silas Owiti	-	Programmes
Thumbi Mwangi	-	Resource Mobilization
David Thuita	-	Director
June Nderitu	-	Director
Nicholas Omondi	-	Director
Justus Nzioki	-	Director
Keziah Muthoni Kogi	-	Director
Wanyeki Mahiaini	-	Director

Bankers

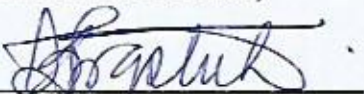
Barclays Bank of Kenya,
Market Branch, Box 30018 - 00100
Nairobi

I & M Bank Limited,
Kenyatta Avenue Branch, Box 30238 - 00100
Nairobi

Independent Auditor

Horwath Erastus & Co. Certified Public Accountants have expressed their willingness to continue in office.

By Order of the Board
(For and on its behalf)



Joseph Ngetich
(Board Chairman)

Nairobi 3RD DECEMBER, 2016

STATEMENT OF DIRECTORS' RESPONSIBILITIES - YEAR ENDED 31 AUGUST, 2016

The Directors of iServe Africa are required to prepare financial statements which give a true and fair view of the state of affairs of the Organization as at the end of each financial reporting year and the related operating results.

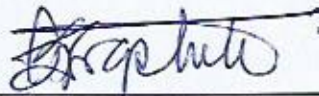
The Directors are required to ensure that the Organization maintains proper accounting records which disclose, with reasonable accuracy, the financial position of the Organization. The Directors are also responsible for safeguarding the assets of the Organization.

The Directors accept responsibility for the financial statements, which have been prepared using appropriate accounting policies supported by reasonable and prudent judgments and estimates consistent with prior years and in conformity with generally accepted non-profit accounting principles and applicable international financial reporting standards.

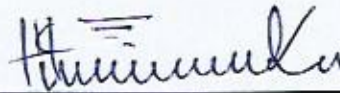
The Directors are of the opinion that the financial statements give a true and fair view of the state of financial affairs of the Organization as at 31 August, 2016 and of its operating results for the year then ended. The Directors further confirm the accuracy and completeness of the accounting records maintained by the Organization which have been relied upon in the preparation of the financial statements, as well as on the adequacy of the systems of internal controls.

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


Approved on 03.12. 2016 and signed by: -



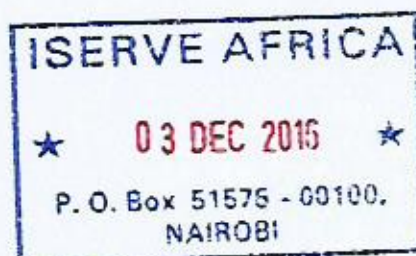
Joseph Ngetich
(Board Chairman)



Jackson Thuku Kuria
(Hon. Treasurer)



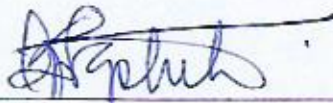
Harrison Mungai
(Board Secretary / Executive Director)



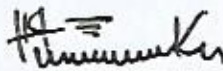
STATEMENT OF FINANCIAL POSITION - 31 AUGUST, 2016

		2016	2015
	Note	KES	KES
Non-current assets			
Property and equipment	6	5,231,552	5,219,002
Work in progress	7	1,118,933	0
		<u>6,350,485</u>	<u>5,219,002</u>
Current assets			
Accounts receivable	3	1,171,941	782,421
Cash and cash equivalents	4	3,821,745	1,048,597
Stock - books		500,840	748,290
Total current assets		<u>5,494,526</u>	<u>2,579,308</u>
Current liabilities			
Accounts payable	5	868,346	1,019,439
FK Norway		1,800,195	0
Total current liabilities		<u>2,668,541</u>	<u>1,019,439</u>
Net current assets		<u>2,825,985</u>	<u>1,559,869</u>
Net assets		<u>9,176,470</u>	<u>6,778,871</u>
Represented by :-			
Fund balance			
Capital fund		6,350,485	5,219,002
General fund		331,574	1,610,060
Restricted funds		2,494,411	(50,191)
Total fund balances (Page 6)		<u>9,176,470</u>	<u>6,778,871</u>

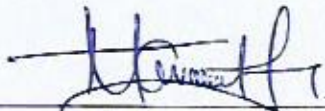
These financial statements were approved on 03 DEC, 2016 and signed by :-



Joseph Ngetich
(Board Chairman)



Jackson Thuku Kuria
(Hon. Treasurer)



Harrison Mungai
(Board Secretary / Executive Director)

STATEMENT OF COMPREHENSIVE INCOME - YEAR ENDED 31 AUGUST, 2016

		2016	2015
Income	Note	KES	KES
General fund donations	10 (a)	12,804,423	13,018,240
Restricted funds	10 (b)	5,112,019	2,699,664
Income generating activities	11 (a)	581,477	1,184,020
Total income		<u>18,497,919</u>	<u>16,901,924</u>
Expenditure			
iSA general fund expenses	8	13,360,728	10,638,821
iSA restricted project expenses	9	2,498,249	1,785,070
Income generating activities costs	11 (b)	1,372,826	797,773
Total expenditure		<u>17,231,803</u>	<u>13,221,663</u>
Balance for the year (page 6)		<u>1,266,116</u>	<u>3,680,261</u>

STATEMENT OF CHANGES IN FUND BALANCES - YEAR ENDED 31 AUGUST, 2016

Fund Movements	Capital fund	General fund	Restricted fund	Total funds
		Note 8	Note 3	
Year ended 31 August, 2015	KES	KES	KES	KES
(Deficit) / balance at 1 September, 2015	5,226,466	(1,191,311)	(929,081)	3,106,074
Balance for the year (page 5)	0	2,765,667	914,594	3,680,261
Fixed assets additions	263,471	0	0	263,471
Transfer from restricted fund	0	35,704	(35,704)	0
Depreciation	(270,935)	0	0	(270,935)
Balance / (deficit) at 31 August, 2015	<u>5,219,002</u>	<u>1,610,060</u>	<u>(50,191)</u>	<u>6,778,871</u>
Year ended 31 August, 2016				
Balance / (deficit) at 1 September, 2015	5,219,002	1,610,060	(50,191)	6,778,871
(Deficit) / balance for the year (page 5)	0	(1,347,654)	2,613,770	1,266,116
Work in progress	1,118,933	0	0	1,118,933
Assets additions	425,795	0	0	425,795
Assets disposals	(16,275)	0	0	(16,275)
Transfer from restricted	0	69,168	(69,168)	0
Depreciation	(396,970)	0	0	(396,970)
Balance at 31 August, 2016	<u>6,350,485</u>	<u>331,574</u>	<u>2,494,411</u>	<u>9,176,470</u>

STATEMENT OF CASH FLOWS - YEAR ENDED 31 AUGUST, 2016

	2016	2015
	KES	KES
Cash flows from operating activities		
Balance for the year (page 5)	1,266,116	3,680,261
Adjustments for :		
Transfer to capital fund; Work in progress	7 1,118,933	263,471
Asset additions	6 425,795	0
Proceeds from disposal of fixed assets	(9,648)	0
Changes in working capital:		
(Increase) / decrease in accounts receivable	(389,520)	248,448
Increase / (decrease) in accounts payable	1,649,102	(2,382,680)
Decrease / (increase) in stock	247,450	(703,304)
Net cash flows from operating activities	<u><u>4,308,228</u></u>	<u><u>1,106,196</u></u>
Cash flows from financing activities		
Soft loan (re-payments) / receipts	0	(840,000)
Net cash flows used in financing activities	<u><u>0</u></u>	<u><u>(840,000)</u></u>
Cash flows from investing activities		
Transfer to capital fund (property and equipment)	(1,118,933)	(263,471)
Asset additions	(425,795)	
Proceeds from disposal of fixed assets	9,648	0
Net cash flows used in investing activities	<u><u>(1,535,080)</u></u>	<u><u>(263,471)</u></u>
Net increase in cash and cash equivalents	<u><u>2,773,148</u></u>	<u><u>2,725</u></u>
Movement in cash and cash equivalents:-		
Balance at 01 September	1,048,597	1,045,872
Net Increase in cash and cash equivalents	2,773,148	2,725
Cash and cash equivalents at 31 August	<u><u>3,821,745</u></u>	<u><u>1,048,597</u></u>