THE AMARA CHARITABLE TRUST

ANNUAL FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 DECEMBER 2016

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ANNUAL FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 DECEMBER 2016

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THE AMARA CHARITABLE TRUST

ANNUAL REPORT & FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 DECEMBER 2016

TRUSTEES	Mrs. Vasanti Bipinchandra Vora Mrs. Smita Kirit Shah Mrs. Priti Shah (Deceased on 27.11.16) Mrs. Manisha Nilesh Dave
COMMITTEE MEMBERS	Mrs. Bansi Sailesh Shah Mrs. Bindi Kamal Shah
OFFICE ADDRESS	L.R 209/1907 3rd Floor,Avocado Towers Muthithi Road,Westlands P.o. Box 45669-00100 Nairobi
BANKERS	Giro Commercial Bank Limited Westlands Branch. P.o Box 14973 – 00800 Nairobi I & M Bank Limited Kenyatta Avenue Branch Nairobi.
AUDITOR	Grant Thornton Certified Public Accountants (K) Avocado Towers, 5th Floor Muthithi Road, Westlands P.O. Box 46986 - 00100 Nairobi

REPORT OF THE TRUSTEES OF THE AMARA CHARITABLE TRUST

FOR THE YEAR ENDED 31 DECEMBER 2016

The Amara Charitable Trust filed their registration documents in September 2008. The Trust has an administration cost of less than 7%. The Trustees give their time voluntarily. The Trust is completely transparent, accountable and has a hands-on approach.

AMARA's primary vision is to build Kenya through holistic education. To date AMARA's completed projects are as follows:

KWA KALUSYA PRIMARY SCHOOL, (2010-2016): AMARA built five classrooms, kitchen, stores, pit latrine block, and was a catalyst in sinking a borehole. The total construction cost of this school was K Sh 6.2 Million. A daily feeding program for 147 children during school days has been introduced.

THE KWA KALUSYA HEALTH CARE CENTRE (2012-2016): A Health Centre was built on public utility land next to Kwa Kalusya Primary School due to lack of health facilities within 40 kms environs. The total construction cost of this Healthcare Centre was K Sh 2.5 Million.

MOUNTAIN VIEW PRIMARY SCHOOL (2012-2016): A total number of two classrooms and two pit latrines were built. Two classrooms were also renovated. The total construction cost of this school was K Sh 1.2 Million. A daily feeding program for 125 children during school days has been introduced.

KYANGOMA BOARDING SPECIAL NEEDS SCHOOL (2013-2016): This school has a population of 117 children. Amara has constructed a fully equipped girls' dormitory, washing facilities, an open air hall, kitchen and store. The total construction cost of this school was K Sh 5 Million. A daily feeding program for the children during school days has been introduced.

KAANANI SECONDARY SCHOOL (2013-2016): Amara was the first donor to construct five classrooms and a laboratory block. The total construction cost of this school was K Sh 8.5 Million.

KANAANI PRIMARY SCHOOL (2013-2016): Amara built three classrooms, a kitchen/store block and refurbished six CDF classrooms. The total construction cost of this school was K Sh 6.3 Million. A daily feeding program for 850 children during school days has been ongoing.

KWA MBOO PRIMARY SCHOOL (2014-2016): Amara built four new classrooms and refurbished their existing cattle dip into four classrooms, a staff room, head teacher's office and a hall. This project cost was K Sh 6.5 Million. A daily feeding program for 250 children during school days has been ongoing.

NGALALYA PRIMARY SCHOOL (2015-2016): Amara built seven classrooms and a kitchen. This project cost was K Sh 8.4 Million. A daily feeding program for 370 children during school days has been ongoing.

NGWATA PRIMARY SCHOOL (2016): Amara built six classrooms and a kitchen. This project cost was K Sh 7.5 Million. A daily feeding program for 1,000 children during school days has been introduced.

REPORT OF THE TRUSTEES OF THE AMARA CHARITABLE TRUST

FOR THE YEAR ENDED 31 DECEMBER 2016

To date Amara has provided to the schools;

- 5 Playground equipment
- 3 Libraries
- Vegetable gardens, fruit trees and Moringa trees at 4 schools to supplement the food programmes
- 285 Desks, 12 teachers' tables, 4 cupboards, 10 library shelves and 2 laboratory tables and assorted furniture
- Piping of water to 3 schools and installation of water tanks to 3 schools.
- Water bowsers to 2 schools
- Text and reference books and stationery to all schools
- Solar lanterns to all schools
- Medical care at Kyangoma Special Needs Schools
- Workshops - Teen workshops, Environmental, Karate, Vocational training, Craft, Peer to peer knowledge exchange, Reiki, and Hygiene workshops.

BY ORDER OF THE TRUSTEES

TRUSTEE _____ TRUSTEE _____

PLACE: NAIROBI DATE: 27th June 2017

Grant Thornton

REPORT OF THE INDEPENDENT AUDITOR TO THE MEMBERS OF

THE AMARA CHARITABLE TRUST

OPINION

We have audited the accompanying Annual Financial Statements of The Amara Charitable Trust set out on pages 7 to 15, which comprise the Statement of Financial Position as at December 31, 2016, Statement of Income & Expenditure and Statement of Cash Flows for the year then ended, and notes to the Annual Financial Statements, including a summary of significant accounting policies and other explanatory information.

In our opinion, the Annual Financial Statements present fairly, in all material respects, the financial position of The Amara Charitable Trust as at December 31, 2016, and its financial performance and cash flows for the year then ended in accordance with Generally Accepted Accounting Principles.

BASIS OF OPINION

We conducted our audit in accordance with International Standards on Auditing. Our responsibilities under those standards are further described in the Auditor's Responsibilities for the Audit of the Annual Financial Statements section of our report. We are independent of the trust in accordance with the International Ethics Standards Board for Accountants Code of Ethics for Professional Accountants (IESBA Code) and we have fulfilled our ethical responsibilities in accordance with the IESBA code. We believe that the audit evidence has obtained is sufficient and appropriate to provide a basis for the opinion.

OTHER INFORMATION

Our opinion on the Annual Financial Statements does not cover the other information and we do not express an audit opinion or any form of assurance conclusion thereon.

In connection with our audit of the Annual Financial Statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the Annual 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 regard.

OFFICE BEARERS RESPONSIBILITY FOR THE FINANCIAL STATEMENTS

The management is responsible for the preparation and fair presentation of the Annual Financial Statements in accordance with Generally Accepted Accounting Principles and the requirements of the Trust Act and for such internal control as the partners determine is necessary to enable the preparation of Annual Financial Statements that are free from material misstatement, whether due to fraud or error.

In preparing the Annual Financial Statements, the partners are responsible for assessing the group'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 management either intend to liquidate the trust or to cease operations, or have no realistic alternative but to do so. The management is responsible for overseeing the trust's financial reporting process.

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REPORT OF THE INDEPENDENT AUDITOR TO THE MEMBERS OF

THE AMARA CHARITABLE TRUST

AUDITORS' RESPONSIBILITIES FOR THE AUDIT OF THE ANNUAL FINANCIAL STATEMENTS

Our objectives are to obtain reasonable assurance about whether the Annual 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 International Standards on Auditing will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these Annual Financial Statements.

- As part of an audit in accordance with International Standards on Auditing, we exercise professional judgement and maintain professional scepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the Annual 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 for 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 of internal control.

- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the trust's internal control.

- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the partners.

- Conclude on the appropriateness of the partner's use of the going concern basis of accounting and based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the trust'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 Annual 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 trust to cease to continue as a going concern.

- Evaluate the overall presentation, structure and content of the Annual Financial Statements, including the disclosures, and whether the Annual Financial Statements represent the underlying transactions and events in a manner that achieves fair presentation.

  We communicate with the management 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

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REPORT OF THE INDEPENDENT AUDITOR TO THE MEMBERS OF

THE AMARA CHARITABLE TRUST

REPORT ON OTHER LEGAL REQUIREMENTS

As required by the Trust Act we report to you, based on our audit, that:

i) We have obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purposes of our audit.

ii) In our opinion proper books of accounts have been kept by the group, so far as appears from our examination of those books;

iii) The trust's statement of financial position and income & expenditure is in agreement with the books of accounts.

The engagement partner responsible for the audit resulting in this independent auditor's report is CPA D. V. Shah - P/No 1729.

Grant Thornton
Certified Public Accountants

Grant Thornton
Certified Public Accountants (K)

27 JUNE 2017
.....
NAIROBI

A/059/1216/302/0617/AUD

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THE AMARA CHARITABLE TRUST

INCOME AND EXPENDITURE STATEMENT

FOR THE YEAR ENDED 31 DECEMBER 2016

	Notes	2016 Kshs	2015 Kshs
Net donation activity	1	(238,691)	471,746
Net funds generated from fund raising activities	2	909,710	1,667,977
Net donation in feeding program	3	899,272	1,603,268
Net donations excess		1,570,291	3,742,991
Other operating income	4	1,100,678	628,399
		2,670,969	4,371,390
Administrative expenses	5	1,430,764	889,660
		1,430,764	889,660
Net Excess for the year		1,240,205	3,481,730

THE AMARA CHARITABLE TRUST

STATEMENT OF FINANCIAL POSITION AS AT 31 DECEMBER 2015

	Notes	2016 Kshs	2015 Kshs
Financed by			
General fund (page 9)		15,572,074	14,331,869
Total reserves		15,572,074	14,331,869
Current liabilities			
Payables	6	914,773	761,554
		914,773	761,554
Total reserves and liabilities		16,486,847	15,093,423
REPRESENTED BY			
Property, plant and equipment	7	36,356	17,834
Current assets			
Other Receivables	8	4,604	2,958,994
Cash and cash equivalents	9	16,445,887	12,116,595
		16,450,491	15,075,589
Total assets		16,486,847	15,093,423

The Financial statements on pages 7 to 15 were approved by the Trustees on 27th June, 2017 and were signed on its behalf by:

TRUSTEE_____ TRUSTEE_____

THE AMARA CHARITABLE TRUST

STATEMENT OF CHANGES IN GENERAL FUND

FOR THE YEAR ENDED 31 DECEMBER 2016

	GENERAL FUND Kshs	TOTAL Kshs
As at 1 January 2015	10,850,139	10,850,139
Excess for the year (Page 7)	3,481,730	3,481,730
As at 31 December 2015	14,331,869	14,331,869
As at 1 January 2016	14,331,869	14,331,869
Excess for the year (Page 7)	1,240,205	1,240,205
As at 31 December 2016	15,572,074	15,572,074

THE AMARA CHARITABLE TRUST

STATEMENT OF CASH FLOWS

FOR THE YEAR ENDED 31 DECEMBER 2016

	Notes	2016 Kshs	2015 Kshs
(i) Operating activities			
Excess for the year (page 7)		1,240,205	3,481,730
Adjustment for:			
Depreciation	7	18,178	9,916
Operating surplus before working capital changes		1,258,383	3,491,646
Increase / (Decrease) in payables	6	153,219	645,551
(Decrease) / Increase in receivables	8	2,954,390	(2,954,993)
Cash (used in) / generated from operations		4,365,992	1,182,204
Net cash (used in) from operating activities		4,365,992	1,182,204
		4,365,992	1,182,204
(ii) Investing Activities			
Purchase of Property, Plant and Equipments	6	(36,700)	(23,750)
Net (decrease) / increase in cash and cash equivalents from Investing Activities		(36,700)	(23,750)
Movement in cash and cash equivalents		4,329,292	1,158,454
At start of year		12,116,595	10,958,141
(Decrease) / Increase in cash and cash equivalents		4,329,292	1,158,454
At end of year	9	16,445,887	12,116,595

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

1 Basis of preparation

The financial statements are prepared in accordance with and comply with International Financial Reporting Standards.

The financial statements are prepared under the historical cost convention and presented in Kenya Shillings.

2 Financial instruments

Financial instruments carried on the statement of financial position include cash and bank balances, receivables and non current asset. The particular recognition methods adopted are disclosed in the individual policy statements associated with each item.

3 Donation recognition

Donations are recognised upon receipt from various donors, sale of tickets on movie project and golf tournaments. All funds raised are utilised solely for donation purposes.

Interest earned on deposits is accounted for net of withholding tax and are solely used for donation purposes.

4 Translation of foreign Currencies

Translations in foreign currencies during the year are converted into Kenya shillings at the rate ruling at the transaction month. Assets and liabilities at the statement of financial position date which are expressed in foreign currencies are translated into Kenya shillings at rate ruling at the date. The resulting differences from conversion and translation are dealt with in the profit and loss account in the period in which they arise.

5 Property, plant and equipment

All property, plant and equipment are initially recorded at cost. Depreciation is calculated on the straight-line basis to write down the cost of each asset, to their residual values over their estimated useful life as follows:

	PER ANNUM
Office equipment	33.33%

6 Cash and cash equivalents

For the purposes of the cash flow statement, cash and cash equivalents comprise cash in hand and at bank.

7 Taxation

No provision has been made for taxation as the trust derives income from donations received which are not taxable.

8 Donation fund

The net Excess / (Deficit) of the year is transferred to the General Fund account

THE AMARA CHARITABLE TRUST

NOTES TO FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 DECEMBER 2016

	2016 Kshs	2015 Kshs
1 DONATION INCOME		
Donation received	17,748,325	16,439,887
Less: Donation made	(17,987,016)	(15,968,141)
Net Donations surplus/(deficit)	(238,691)	471,746
Donations received are divided as follows:-		
Donations - Kaanani Primary School	-	580,000
Donations - Kyangoma Primary School	1,416,800	123,080
Donations - Educational Resources	334,000	-
Donations - Gift Bags	490,900	91,200
Donations - School Fees Income	-	26,641
Donations - Solar Lanterns/ Energy Solution	-	3,600
Donations - Water Solutions	100,000	22,000
Donations - Agape Hope Centre	-	761,000
Donations - Connecting Cultures	1,033,850	281,500
Donations - Nga'lalya Primary School	1,274,455	7,488,170
Donations - Ngwata Primary School	3,367,000	5,596,000
Donations - Sports Equipment	-	180,000
Donations - Books & publications	203,000	-
Donations - Jungle book	660,221	-
Donations - Mathematical sets	16,799	-
Donations - Desks	277,400	-
Donations - Mt. View Primary School	2,755,000	-
Donations - Staff welfare	150,000	-
Donations in kind	4,211,619	-
Donations	1,457,281	1,286,696
	17,748,325	16,439,887
Donations made are divided as follows:-		
Donations to Water Solutions	-	10,000
Donations to Gift Bags	219,880	191,000
Donations to Solar Lanterns/ Energy Solution	40,000	21,500
Donations to Payment of School fees	-	55,768
Donations to Kalusya Primary School	14,554	-
Donations to Kwa Mboo Primary School	52,600	6,826,471
Donations to Kanaani Primary School	434,062	847,092
Donations to Kanaani Secondary School	19,000	-
Donations to Kyangoma Primary School	233,200	34,000
Donations to Connecting Cultures	200,155	117,550
Donations to Medical Care	85,000	111,000
Donations to Medical Service	100,000	20,000
Donations to Ng'alaya Primary School	2,928,866	7,477,174
Donations to Ngwata Primary School	7,916,185	-
Donations to Playground	-	162,357
Donations to Workshops	18,270	15,229
Donations - others	-	79,000
Donation to: Agape Hope Centre.	749,428	-
Donation to: Desks.	375,000	-
Donation to: Jungle Book	7,080	-
Donation to: Kaswitu Primary	70,175	-
Donation to Mathematical sets	2,800	-
Donation to Mt. View Primary School	154,132	-
Donation to school supplies	155,010	-
Donations in kind	4,211,619	
	17,987,016	15,968,141

	2016 Kshs	2015 Kshs
2 FUND RAISING ACTIVITIES		
a TICKET SALES INCOME		
Movie ticket sales	-	816,250
Movie project expenses	-	(327,623)
Net income from movie sales (a)	-	488,627
b GOLF TOURNAMENT INCOME		
Income from tournament	1,086,100	1,602,650
Tournament expenses	(176,390)	(423,300)
Net golf tournament Income (b)	909,710	1,179,350
Net Funds generated	909,710	1,667,977
3 FEEDING PROGRAM		
Donation Income	-	2,424,862
Feeding program donation Kanaani Primary School	2,021,843	-
Feeding program expense Kasuitu Primary School	(17,695)	(180,200)
Feeding program expense Kwa Mboo Primary School	(73,100)	(151,400)
Feeding program expense Kyangoma Sp School	(209,724)	(34,400)
Feeding program expense Ng'alaya Primary School	(197,199)	(87,000)
Feeding Program expenses kalusya pri sch	(17,695)	-
Feeding Program expense	(18,000)	-
Feeding program expenses Mt.View Pri sch	(17,695)	-
Feeding program expense Kanaani Primary School	(571,463)	(368,594)
	899,272	1,603,268
4 OTHER OPERATING INCOME		
Interest Income	1,112,685	635,223
Gain/(Loss) on exchange	(12,007)	(6,824)
	1,100,678	628,399
5 ADMINISTRATIVE EXPENSES		
Staff Cost	814,700	440,075
Telephone & Postage	39,650	29,654
Bank Charges	15,032	21,915
Printing & Stationery	79,984	28,770
Rental Expense	191,400	121,800
Repairs & Maintenance Expense	2,000	1,000
Advertisement, Media & Marketing Expense	63,520	67,500
Traveling Expense	34,200	10,030
Website designing	170,000	101,000
Professional Fees	-	58,000
Depreciation	18,178	9,916
Write off	-	-
Transport Expense	2,100	-
	1,430,764	889,660

6 OTHER PAYABLES

	2016 Kshs	2015 Kshs
Retention - Archscan Associates	725,541	322,753
Retention - Buildafrique Consulting Ltd	(301)	275,890
Airtel Networks(K) Limited	1,372	1,911
Archscan associates Limited	188,161	-
Kenya Heritage Studio	-	20,000
Magosa African Design	-	141,000
	914,773	761,554

7 PROPERTY, PLANT AND EQUIPMENTS

	Office Equipment's Kshs	Office Equipment's Kshs
Cost or Valuation		
At 1 January 2016	32,550	8,800
Additions	36,700	23,750
At 31 December 2016	69,250	32,550
Depreciation		
At 1 January 2016	14,716	4,800
Charge for the year	18,178	9,916
At 31 December 2016	32,894	14,716
Net book amount		
At 31 December 2016	36,356	17,834

8 OTHER RECEIVABLES

Deposit	4,000	4,000
Greenstorm Media Africa Ltd	-	40,600
Miles Builders & Transports Ltd	-	9,600
Teleca Builders Ltd	604	2,904,794
	4,604	2,958,994

	2016 Kshs	2015 Kshs
9 CASH AND CASH EQUIVALENTS		
Giro Commercial Bank Ltd - Kshs Account	3,653,473	4,320,295
Giro Commercial Bank Ltd - GBP Account	68,417	75,404
Giro Commercial Bank Ltd - USD Account	170,549	38,715
I & M Bank Limited - Kshs Account	16,932	557,552
I&M Bank FDR	1,063,764	1,014,795
Giro Commercial Bank - FDR/1273	-	5,092,603
Giro Commercial Bank - FDR/1282	1,106,363	1,007,479
Giro Commercial Bank - FDR/133501	1,508,650	-
Giro Commercial Bank - FDR/13061	4,283,814	-
Giro Commercial Bank - FDR/13275	4,573,085	-
Cash in hand	840	9,752
	16,445,887	12,116,595

10 REGISTRATION

The Charitable Trust has a registered Trust Deed which was registered with The Ministry of Lands under folio number 291/1755, file number MMVIII on 15th October, 2008.

11 TAX EXEMPT

The trust has been granted a Tax Exemption Certificate Number 20120713/1324 for a period of Three years effective from 30/08/2016