

SOLIDARIDAD EAST AND CENTRAL AFRICA EXPERTISE CENTRE
REPORT AND FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2015

**SOLIDARIDAD EAST AND CENTRAL AFRICA EXPERTISE CENTRE
REPORT AND FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2015**

Contents	Page
Company information	1
Report of the directors	2
Statement of directors' responsibilities	3
Report of the independent auditor	4 - 5
Financial statements:	
Statement of comprehensive income	6
Statement of financial position	7
Statement of funds movement	8
Statement of cash flows	9
Notes to the financial statements	10 - 16
Supplementary information:	
Fund and cash reconciliation	Appendix I

**SOLIDARIDAD EAST AND CENTRAL AFRICA EXPERTISE CENTRE
REPORT AND FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2015**

COMPANY INFORMATION

Board of directors	:	Mr. Karugu Macharia
	:	Mr. Joseph Kamanu
Company secretaries	:	Kimamo and Associates
	:	P.O Box 4583-00100
	:	Nairobi
Auditors	:	MGK Associates
	:	Certified Public Accountants
	:	Mayfair Business Centre, Off Parklands Road
	:	P. O. Box 6358 - 00100
	:	Nairobi
Principal bankers	:	Barclays Bank Limited
	:	Bunyala Road Branch
	:	P.O Box 30120-00100
	:	Nairobi
	:	National Industrial and Credit Bank Limited
	:	The Junction Branch
	:	P.O Box 44599-00100
	:	Nairobi

**SOLIDARIDAD EAST AND CENTRAL AFRICA EXPERTISE CENTRE
REPORT OF THE DIRECTORS
FOR THE YEAR ENDED 31 DECEMBER 2015**

The directors submit their report together with the audited financial statements for the year ended 31 December 2015, which disclose the state of affairs of the organisation.

Incorporation

The organisation is incorporated in Kenya under the NGO Coordination Act, and is domiciled in Kenya. The address of the registered office is as set out on page 1.

Principal activities

The organisation is primarily engaged in administration of donor funds for projects on non profit making basis.

Results and dividends

The results of the organisation are reflected on pages 6

Directors

The directors who held office during the year and to the date of this report are set out on page 1.

Auditor

The organisation's auditor, MGK Associates, who were appointed during the year have expressed their willingness to continue in office in accordance with provisions of NGO Coordination Act.

By order of the board

Secretary

Nairobi 2016



**SOLIDARIDAD EAST AND CENTRAL AFRICA EXPERTISE CENTRE
STATEMENT OF DIRECTORS' RESPONSIBILITY
FOR THE YEAR ENDED 31 DECEMBER 2015**

The Kenyan Companies Act requires the directors to prepare financial statements for each financial year that give a true and fair view of the state of affairs of the company as at the end of the financial year and of its Surplus or deficit for that year. It also requires the directors to ensure that the company maintains proper accounting records that disclose, with reasonable accuracy, the financial position of the company. The directors are also responsible for safeguarding the assets of the company.

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

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

The directors are of the opinion that the financial statements give a true and fair view of the state of the financial affairs of the company as at 31 December 2015 and of its Surplus and cash flows for the year then ended in accordance with the International Financial Reporting Standard and the requirements of the Kenyan Companies Act.

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

Approved by the board of directors on ... 3rd March ... 2016 and signed on its behalf by:

.....
Director

.....
Director





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INDEPENDENT AUDITORS REPORT TO THE MEMBERS OF SOLIDARIDAD EAST AND CENTRAL AFRICA EXPERTISE CENTRE

Report on the financial statements

We have audited the accompanying financial statements of Solidaridad East and Central Africa Expertise Centre set out on pages 6 to 16 which comprise the statement of financial position as at 31st December 2015, the statement of income and expenditure, statement of fund balances and the statement of cashflows for the year then ended and a summary of significant accounting policies and other explanatory notes and have obtained all the information and explanation which to the best of our knowledge and belief were necessary for the purposes of our audit.

Directors responsibility for the financial statements

The directors are responsible for the preparation and fair presentation of these financial statements. This responsibility includes designing, implementing and maintaining internal controls relevant to the preparation and fair presentation of financial statements that are free from material misstatements, whether due to fraud or error, selecting and applying appropriate accounting policies and making accounting estimates that are reasonable in the circumstances.

Auditor's responsibility

Our responsibility is to express an independent opinion on these financial statements based on our audit. We conducted our audit in accordance with the International Standards on Auditing. Those standards require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance whether the financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditor's judgement including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal controls relevant to the entity's preparation and fair presentation of the financial statements 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 organisation's internal controls. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of accounting estimates made by the directors, as well as evaluating the overall presentation of the financial statements.

INDEPENDENT AUDITORS REPORT TO THE MEMBERS OF SOLIDARIDAD EAST AND CENTRAL AFRICA
EXPERTISE CENTRE (CONTINUED)

Opinion


In our opinion, the accompanying financial statements give a true and fair view of the company as at 31st December 2015, and of its operating results and cashflows for the year then ended in accordance with the provisions of the Kenyan Companies Act.

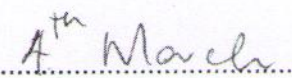
Report on other legal requirements

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

1. We have obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purpose of our audit
2. Proper books of accounts have been kept by the company and the financial statements are in agreement with the books of accounts.

The engagement partner responsible for the audit resulting in this independent auditor's report is CPA Daniel Muhia of practicing certificate number 1717


MGK Associates
Certified Public Accountants (K)
Nairobi, Kenya


.....2016

**SOLIDARIDAD EAST AND CENTRAL AFRICA EXPERTISE CENTRE
REPORT AND FINANCIAL STATEMENTS
STATEMENT OF COMPREHENSIVE INCOME
FOR THE YEAR ENDED 31 DECEMBER 2015**

	Notes	2015 Kshs	2014 Kshs
Grants Income	5 (a)	263,181,516	304,489,608
		<u>263,181,516</u>	<u>304,489,608</u>
Expenses			
Programmes	6(a)	223,193,970	317,508,031
Administration	6(b)	39,987,545	34,001,289
Total Expenses		<u>263,181,515</u>	<u>351,509,320</u>
Surplus(Deficit) for the year		<u>-</u>	<u>(47,019,711)</u>

**SOLIDARIDAD EAST AND CENTRAL AFRICA EXPERTISE CENTRE
REPORT AND FINANCIAL STATEMENTS
STATEMENT OF FINANCIAL POSITION
AS AT 31 DECEMBER 2015**

		2015	2014
			Restated
	Notes	Kshs	Kshs
Non Current Assets			
Property plant and equipment	7	1,589,372	1,301,438
Current assets			
Deposits	9	503,928	533,928
Other receivables	8	11,065,672	19,171,752
Cash and cash equivalents	10	209,253,659	299,804,457
		<u>220,823,259</u>	<u>319,510,137</u>
Total Assets		<u>222,412,631</u>	<u>320,811,574</u>
Funds and Liabilities			
Grants payable	11	-	149,147,576
Other payables		139,200	-
Accumulated funds	12	222,273,431	171,663,999
Total funds and Liabilities		<u>222,412,631</u>	<u>320,811,574</u>

The financial statements on pages 6 to 16 were approved for issue by the Board of Directors on 3rd March 2016 and were signed on its behalf by:

Director: KARUGA MACHARIA



Director: JOSEPH KAMANU

SOLIDARIDAD EAST AND CENTRAL AFRICA EXPERTISE CENTRE
REPORT AND FINANCIAL STATEMENTS

STATEMENT OF CHANGES IN ACCUMULATED FUNDS
AS AT 31 DECEMBER 2015

	Coffee Program funds	Tea Program funds	Horticulture & Vegetables programs	Cotton Program funds	Gold Program funds	Farmer Support Program funds	Food Security Ethiopia and Kenya	Livestock	Office funds	Total funds
Year ended 31 December 2015	Kshs	Kshs	Kshs	Kshs	Kshs	Kshs	Kshs	Kshs	Kshs	Kshs
At 1 January 2015	69,323,062	1,125,425	67,779,633	1,460,466	19,229	26,835,804	1,404,438	-	3,715,942	171,663,999
Reallocation of grants payables/receivables	55,567,237	-	8,988,601	-	-	25,654,800	-	-	-	90,210,638
Grants received during the year (note 5 b)	87,525,387	2,806,003	46,945,623	17,866,095	5,573,083	33,861,833	-	638,496	23,459,086	218,675,606
Other receipts	3,237,575	64,943	355,117	215,164	-	1,018,631	-	13,274	-	4,904,703
Grants received for office functions	(21,860,530)	(260,617)	(6,128,700)	(3,470,000)	-	(7,756,000)	-	-	39,475,847	-
Total Grants available	193,792,731	3,735,754	117,940,274	16,071,725	5,592,312	79,615,068	1,404,438	651,770	66,650,875	485,454,946
Fund expended during the year	(59,089,814)	(807,488)	(106,631,673)	(8,976,539)	(4,818,259)	(37,353,237)	(5,516,960)	-	(39,987,545)	(263,181,515)
At 31 December 2015	134,702,917	2,928,266	11,308,601	7,095,186	774,053	42,261,832	(4,112,522)	651,770	26,663,329	222,273,431

**SOLIDARIDAD EAST AND CENTRAL AFRICA EXPERTISE CENTRE
REPORT AND FINANCIAL STATEMENTS
CASH FLOW STATEMENT
FOR THE YEAR ENDED 31 DECEMBER 2015**

	Notes	2015 Kshs	2014 KShs
Cash flows from operating activities			
Grants received during the year		218,675,606	305,340,235
Prior year grants received in 2015		8,607,270	-
Other receipts		4,904,703	-
Project payments and administrative expenses		(321,979,253)	(325,303,384)
Deposit refund		30,000	155,772
Net cashflow from operating activities		<u>(89,761,674)</u>	<u>(19,807,377)</u>
Cash flow from investing activities:			
Purchase of property, plant and equipment	7	<u>(789,124)</u>	<u>(276,017)</u>
Net cash used in investing activities		<u>(789,124)</u>	<u>(276,017)</u>
Net decrease in cash and cash equivalents		<u><u>(90,550,798)</u></u>	<u><u>(20,083,394)</u></u>
Movement in cash and cash equivalents			
At the start of the year	10	299,804,457	319,887,851
Decrease in cash and cash equivalents		<u>(90,550,798)</u>	<u>(20,083,394)</u>
Cash and cash equivalents at the end of the year	10	<u><u>209,253,659</u></u>	<u><u>299,804,457</u></u>

**SOLIDARIDAD EAST AND CENTRAL AFRICA EXPERTISE CENTRE
REPORT AND FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2015**

ACCOUNTING POLICIES

1- General Information

Solidaridad East and Central Africa Expertise Centre (the Company) is incorporated in Kenya under the Kenyan Companies Act, and is domiciled in Kenya. The address of its registered office and principal place of business and the company principal activities are set out on page 1.

2 Basis of preparation and summary of significant accounting policies

These financial statements have been prepared on a going concern basis and in compliance with the International Financial Reporting Standards (IFRSs) issued by the International Accounting Standards Board. They are presented in Kenya Shillings (Kshs). The measurement basis used is the historical cost basis except where otherwise stated in the accounting policies below.

a) Revenue recognition

Revenue is recognized to the extent that is probable that the economic benefits will flow to the organization and the revenue can be reliably measured. The following specific recognition criteria must be met before revenue is recognized:

Grants

Grants income is recognised in the accumulated funds upon receipt. Subsequently, the amounts expended are transferred from the grant fund account to the statement of comprehensive income as grant

Interest income

Interest on bank deposit are credited to respective donors grants and are accounted for as an additional grants.

c) Property and equipment

All property and equipment are initially recorded at cost and subsequently stated at historical cost less accumulated depreciation and any impairment in value.

Depreciation is calculated on a reducing balance basis to write down the cost of each asset annually to their residual values over their estimated useful life as follows:-

Computers	30%
Furniture & fittings	12.5%

A full year's depreciation is charged in the year of acquisition. No depreciation is charged in the year of disposal.

Gains or deficits arising from disposal of property, plant and equipment are computed by reference to the sales proceeds and the net carrying amounts at the date of disposal. The gains or deficits are dealt with through the income statement.

d) Cash and cash equivalents

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

e) Taxation

The organization has made an application for tax exemption to the Kenya Revenue Authority. As at the time of reporting no response has been received. The directors are of the opinion that the application will be granted, therefore, no tax provision has been made in the financial statements.

SOLIDARIDAD EAST AND CENTRAL AFRICA EXPERTISE CENTRE
REPORT AND FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2015

ACCOUNTING POLICIES (CONTINUED...)

2 Basis of preparation and summary of significant accounting policies (continued)

f) *Employee entitlements*

Pension obligation

The organization also contributes to a statutory defined contribution pension scheme, the National Social Security Fund (NSSF). Contributions are determined by local statute, with the organization contributing similar amount.

The organization's contributions to the above scheme are charged to the income and expenditure account in the year to which they relate.

Other employee benefits

All employees are expected to take their annual leaves as and when it matures during the year.

g) *Translation of foreign currencies*

Income received in foreign currency is converted at an average rate determined at the beginning of the year, while expenses incurred are translated into Kenya shillings at the rate of exchange ruling at the statement of financial position date. Transactions during the year are translated at the rates ruling at the dates of the transactions. Gains and deficits arising from the translation are dealt with in the income statement.

h) *Financial instruments*

Financial assets and liabilities are recognized on the organization's statement of financial position when the organization has become a party to the contractual provisions of the instruments.

(i) Financial assets

The organization classifies its financial assets into the following categories: financial assets at fair value through Surplus or deficit; loans and receivables; held-to-maturity investments; and available-for-sale financial assets. Management determines the appropriate classification of its investments at initial recognition.

Financial assets at fair value through Surplus or deficit

This category has two sub-categories: Financial assets held for trading and those designated at fair value through Surplus or deficit at inception. A financial asset is classified in this category if acquired principally for the purpose of selling in the short term or if so designated by management. Gains and losses arising from changes in fair value are recognized in the income statement.

Loans and receivables

Loans and receivables are non-derivative financial assets with fixed or determinable payments that are not quoted in an active market. They arise when the organization provides money, goods or services directly to a debtor with no intention of trading the receivable.

Held-to-maturity investments

Financial assets with fixed or determinable payments and fixed maturity where the bank has the positive intent and ability to hold to maturity other than loans and receivables originated by the bank are measured at amortized cost.

Available-for-sale financial assets

Financial assets that are not (a) loans and receivables originated by the organization, (b) held-to-maturity investments, or (c) financial assets held for trading, are measured at fair values. Gains and deficits arising from changes in fair values are recognized in equity.

Grants receivables and other receivables

Grant receivables are carried at the committed amount. No provision is made for these receivables represents donations.

**SOLIDARIDAD EAST AND CENTRAL AFRICA EXPERTISE CENTRE
REPORT AND FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2015**

ACCOUNTING POLICIES (CONTINUED...)

2 Basis of preparation and summary of significant accounting policies (continued)

h) Financial instruments (continued)

(ii) Financial liabilities

Grants payable and other payables

The liabilities for grants payables are carried the committed amount as per contract, which is measured at the fair or contractual value to be paid in respect of goods or services supplied to the organization, whether billed or not.

Provisions

Provisions for liabilities are recognized when there is a present obligation (legal or constructive) resulting from a past event, and it is probable that an outflow of economic resources will be required to settle the obligation and a reliable estimate can be made of the monetary value of the obligation.

i) Contingent liabilities

Contingent liabilities are possible obligations whose existence will be confirmed only by uncertain future events or present obligations where the transfer of economic benefit is uncertain or cannot be reliably measured. Contingent liabilities are not recognized but are disclosed unless they are remote.

3 Risk Management objectives and policies

a) Financial risks

The organisation's activities expose it to a variety of financial risks: market risk (including foreign exchange risk, interest rate risk and price risk), credit risk and liquidity risk.

The organisation does not have any financial assets subject to price risk.

The organisation's overall risk management programme focuses on the unpredictability of financial markets and seeks to minimise potential adverse effects on the entity's financial performance.

Risk management is carried out by the management under policies approved by the board of directors. Management identifies, evaluates and hedges financial risks in close co-operation with various functions heads.

i) Market risk

- Foreign exchange risk

The organisation is exposed to foreign exchange risk arising from various currency exposures primarily with respect to the US Dollar, Sterling pound and the Euro. The risk arises from future transactions, assets and liabilities in the statement of financial position.

The carrying amounts of the company's foreign currency denominated monetary assets at the balance sheet date are as follows:

	2015 Kshs	2014 Kshs
Bank balances	180,376,700	236,934,135

10% is the rate used when reporting foreign currency risk internally to key management personnel and represents management's assessment of the reasonably possible change in foreign exchange rates. The sensitivity analysis includes only outstanding foreign currency denominated monetary items and adjusts their translation at the period end for a 10% change in foreign currency rates.

SOLIDARIDAD EAST AND CENTRAL AFRICA EXPERTISE CENTRE
REPORT AND FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2015

ACCOUNTING POLICIES (CONTINUED...)

3 Risk management objectives and policies (Continued)

a) Financial risks (continued)

i) Market risk

- Foreign exchange risk (continued)

As at 31 December 2015, if the Shilling had weakened/strengthened by 10% against the US Dollar and Euro with all other variables held constant, the impact on the deficit for the year would have been Kshs 18,037,670 (2014: 23,693,414) higher/lower, mainly as a result of US Dollar and Euro cash balances.

In management's opinion, the sensitivity analysis is unrepresentative of the inherent foreign exchange risk as the year end exposure does not reflect the exposure during the year.

ii) Credit risk

Credit risk arises from cash and cash equivalents and deposits with banks and financial institutions.

None of the financial assets that are fully performing has been renegotiated in the last year.

Exposure to this risk has been quantified in each financial asset note in the financial statements along with any concentration of risk.

iii) Liquidity risk

Prudent liquidity risk management implies maintaining sufficient cash and marketable securities the availability of funding through an adequate amount of committed credit facilities and the ability to close out market positions.

4 Critical Accounting estimates and judgments

Estimates and judgments are continually evaluated and are based on historical experience and other factors, including expectations of future events that are believed to be reasonable under the circumstances:

i) Critical accounting estimates and assumptions

Property and equipment

Critical estimates are made by the management in determining depreciation rates for the property, plant and equipment. The rates are set out in note 1 (f) above.

ii) Critical judgments in applying the entity's accounting policies

In the process of applying the organization's accounting policies, management has made judgments in determining:

- Whether assets are impaired
- The classification of financial assets and leases
- Contingencies and commitments

**SOLIDARIDAD EAST AND CENTRAL AFRICA EXPERTISE CENTRE
REPORT AND FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2015**

5 Grants	2015 Kshs	2014 Kshs
5(a) Grants income recognised		
* Amounts transferred from accumulated grants fund	<u>263,181,516</u>	<u>304,489,608</u>
5(b) Amounts received during the year transferred to accumulated grants fund		
Armajaro	3,600,000	5,160,000
Ecom Agro Industrial Corporation Limited	2,000,000	5,280,000
Irish Aid	58,200,000	-
Solidaridad Latino America	33,861,832	51,731,224
Solidaridad South Africa	-	2,063,409
Solidaridad Utrecht	30,745,151	86,046,016
Embassy of Netherlands Nairobi	-	138,211,000
Progreso Foundation	6,096,750	-
UTZ Certified	713,153	1,180,503
Fair-trade Foundation	5,396,824	8,634,980
Rainforest Alliance (RA)	1,030,084	689,849
Ethical Tea Partnership	323,474	862,342
Lutheran World Relief	-	480,500
Ford Foundation	9,000,000	-
SNV	10,352,796	-
Abi Trust	16,775,583	-
Commic Relief	21,623,739	-
Netherlands Enterprise Agency (Rijksdienst Voor Ondernemend Nederland)	11,281,930	-
Others	7,674,290	4,149,784
Total transferred to accumulated grants fund	<u>218,675,606</u>	<u>304,489,608</u>
6 Expenditure	2015	2014
(a) Programme expenses	Kshs	Kshs
Coffee Program	59,089,814	64,353,247
Tea program	807,488	4,080,256
Horticulture and Vegetables	106,631,673	181,791,865
Cotton	8,976,539	6,851,649
Gold	4,818,259	13,480,509
FSP	37,353,237	30,384,120
FOSEK	5,516,960	12,858,699
Gender	-	72,821
Office	-	3,634,865
	<u>223,193,970</u>	<u>317,508,031</u>

**SOLIDARIDAD EAST AND CENTRAL AFRICA EXPERTISE CENTRE
REPORT AND FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2015**

NOTES TO THE FINANCIAL STATEMENTS

6 Expenditure (continued)	2015	2014
(b) General and administration expenses	Kshs	Kshs
Audit fees	139,200	92,800
Professional fees	1,510,075	930,351
Bank charges	830,655	470,069
Insurance Expense	376,073	419,019
Office Expense	665,264	612,850
License	39,500	39,500
Rent and Rates	3,723,897	2,391,772
Repairs and Maintenance	473,098	311,985
Staff Medical	899,762	719,739
Stationery & printing	314,866	154,307
Telephone & Internet	1,261,680	1,447,550
Salaries and wages	25,824,417	24,352,155
Travel and Meetings: Air tickets	1,636,654	1,657,847
Fundraising	237,200	-
Depreciation	501,189	401,345
Planning meeting expenses	1,554,016	-
	<u>39,987,545</u>	<u>34,001,289</u>

7 Property, plant and equipment

	Computer & Equipment	Furniture & Fittings	Total
For the year ended 31 December 2014			
Cost			
As at 1 January 2014	2,409,219	889,683	3,298,903
Additions	205,527	70,490	276,017
As at December 2014	<u>2,614,746</u>	<u>960,173</u>	<u>3,574,920</u>
Depreciation			
As at 1 January 2014	1,431,331	440,806	1,872,137
Charge for the year	323,138	78,207	401,345
As at December 2014	<u>1,754,469</u>	<u>519,013</u>	<u>2,273,482</u>
Net Book Value as at December 2014	<u>860,277</u>	<u>441,160</u>	<u>1,301,438</u>
For the year ended 31 December 2015	Kshs	Kshs	Kshs
Cost			
As at 1 January 2015	2,614,746	960,173	3,574,920
Additions	510,400	278,724	789,124
As at December 2015	<u>3,125,146</u>	<u>1,238,897</u>	<u>4,364,043</u>
Depreciation			
As at 1 January 2015	1,754,469	519,013	2,273,482
Charge for the year	411,203	89,985	501,189
As at December 2015	<u>2,165,672</u>	<u>608,998</u>	<u>2,774,671</u>
Net Book Value as at December 2015	<u>959,474</u>	<u>629,898</u>	<u>1,589,372</u>

NOTES TO THE FINANCIAL STATEMENTS

	2015 Kshs	2014 Kshs
8 Other receivables		
Karo Agri Products	-	3,480,000
Bundadiri Coffee Factory	6,525,672	6,525,672
Riis Coffee limited	2,270,000	2,270,000
Kalungu Youth	2,270,000	2,270,000
Armajaro	-	3,440,000
Rainforest Alliance	-	1,186,080
	<u>11,065,672</u>	<u>19,171,752</u>

Loans advanced to co-operatives society to pay farmers for products delivered to the factory before selling the products

9 Deposits		
Rent	498,928	498,928
Electricity	5,000	5,000
Nakumatt	-	30,000
	<u>503,928</u>	<u>533,928</u>

10 Cash and cash equivalents

For the purpose of cash flow statement, the year end cash and cash equivalents comprise of the following:-

	2015 Kshs	2014 Kshs
Bank balance	209,083,204	299,796,897
Petty cash	170,455	7,560
	<u>209,253,659</u>	<u>299,804,457</u>

11 Grant payable

Grant committed but not disbursed

	2015 Kshs	2014 Kshs
	-	149,147,576

12 Accumulated funds

	2015 Kshs	2014 Kshs
Balance brought forward	171,663,999	218,683,710
Reallocation of grants	90,210,638	-
Grants received during the year	218,675,606	300,923,417
Other receipts	4,904,703	3,566,191
Grants utilised during the year	(263,181,515)	(304,489,609)
Surplus/(deficit)	-	(47,019,711)
Balance carried forward	<u>222,273,431</u>	<u>171,663,999</u>

13 Currency

These statements are presented in Kenya Shillings (Kshs).

**SOLIDARIDAD EAST AND CENTRAL AFRICA EXPERTISE CENTRE
FOR THE YEAR ENDED 31 DECEMBER 2015**

Appendix I

FUND AND CASH RECONCILIATION

**2015
Kshs**

Fund to Cash balance reconciliation

Bank balance as per the financial statements
Fund balance

209,253,658.79
222,273,430.67

Variance

(13,019,772)

Represented by:

Grants receivable
Deposits held by third party
Other payables
Fund used on fixed assets (cost of fixed assets)
Non cash expenses (accumulated depreciation)

11,065,672
503,928
(139,200)
4,364,043
(2,774,671) 13,019,772

0