MACHEO CHILDREN'S CENTRE:

P.O. BOX 3443 - 01002, MADARAKA, THIKA.

PUBLIC BENEFIT ORGANIZATIONS
REGULATORY AUTHORITY
OFFICE OF THE DIRECTOR
28 MAR 2025
HEADQUARTERS
RECEIVED

ANNUAL REPORT
&
FINANCIAL STATEMENTS

FOR THE YEAR ENDED
31 DECEMBER 2024

MBIYU MUHIA & ASSOCIATES

Certified Public Accountants (Kenya)
Auditors, Accountants, Tax & Management Consultants

MACHEO CHILDREN'S CENTRE: P.O. BOX 3443 - 01002, MADARAKA, THIKA.

ANNUAL REPORT AND FINANCIAL STATEMENTS.

FOR THE YEAR ENDED 31 DECEMBER, 2024

MACHEO CHILDREN'S CENTRE: P.O. BOX 3443 - 01002, MADARAKA, THIKA.

ANNUAL REPORT AND FINANCIAL STATEMENTS FOR THE YEAR ENDED

31 DECEMBER, 2024

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ORGANISATION'S INFORMATION

FOR THE YEAR ENDED 31 DECEMBER, 2024

REGISTRATION

The organisation is registered to work in Kenya under Section 10 of the Non-Governmental Organisations Co-ordination Act, Certificate No. OP. 218/051/2005/0410/3824

Board Members

Josphat Ngaira Musumba	-	Chairperson
Jennifer Wanjiru Weru	-	Secretary
Marnix Huis in't Veld	-	Member

Auditor

Mbiyu Muhia and Associates
Certified Public Accountants-CPA (K)
P.O Box 3975 - 01002
Madaraka - Thika
mbiyumuhiaassociates@yahoo.com

Registered Office

Macheo Children's Centre,
P.O Box 3443 - 01002,
Madaraka - Thika

Principal Bankers

Standard Chartered Bank of Kenya Limited,
P.O Box 30001- 00100,
Nairobi - Kenya

REPORT OF THE BOARD MEMBERS,

FOR THE YEAR ENDED 31 DECEMBER, 2024

The Board has the pleasure in submitting their report and the audited financial statements for the year ended 31 December, 2024 which disclose the state of affairs of the organisation.

PRINCIPAL ACTIVITIES
Macheo Children's Centre hereby referred as 'the organisation' is a registered not-for-profit organisation.

The purpose of the organization is to release restrained potential in disadvantaged children by carrying out intervention that cut across the six domains of a child's wellbeing. These are: Education and Skills, Food and Nutrition, Health, Psychosocial wellbeing, Protection, Shelter and Care. It envisions a society where children live happily in a safe, caring and stimulating environment that promotes the best of their potential.

RESULTS
Results of the year are set out from page 7.

Board Members
The Members of the Board who served during the year and the date of this report are set out on page 1.

INDEPENDENT AUDITORS
The Organisation's Auditors M/S MBIYU MUHIA & ASSOCIATES, Certified Public Accountants, CPA(K) has expressed willingness to continue in office.

APPROVAL OF FINANCIAL STATEMENTS

The financial statements were approved by the Board on 27th March, 2025

By order of the Board,

Secretary.

Jennifer Wanjiru Weru   Jenny

NAME   **SIGNATURE**

STATEMENT OF BOARD MEMBERS' RESPONSIBILITIES

FOR THE YEAR ENDED 31 DECEMBER, 2024

The board is required to prepare financial statements for each financial year, which give a true and fair view of the state of affairs of the organisation as at the end of the financial year and of the organisation's operating results for that year. It also requires the board to ensure the organisation keeps proper accounting records which disclose with reasonable accuracy the financial position of the Organization. The Board is also responsible for safeguarding the assets of the Organization.

The Board accept responsibility for the annual financial statements which have been prepared using appropriate accounting policies supported by reasonable and prudent judgments and estimates, in conformity with International Financial Reporting Standards. The Board is of the opinion that financial statements give a true and fair view of the state of the financial affairs of the organisation and its operating results. The Board further accept responsibility for the maintenance of accounting records which may be relied upon in the preparation of financial statements, as well as adequate systems of internal financial control.

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

Dated: 27th March, 2025 and signed on behalf of the Board

Chairperson: Josphat Ngaira Musumba

Name Signature

Secretary: Jennifer Wanjiru Weru

Jenny

Name Signature

Treasurer: Jennifer Wanjiru Weru

Jenny

Name Signature

REPORT OF THE INDEPENDENT AUDITORS
To the members of
MACHEO CHILDREN'S CENTRE: P.O. BOX 3443 - 01002, MADARAKA, THIKA.

Opinion

We have audited the accompanying financial statements of Macheo Children's Centre, set out on pages 7 to 17, which comprise the statement of financial position as at 31 December, 2024, the income statement, statements of changes in equity and cashflows for the year then ended, and notes, including a summary of significant accounting policies.

In our opinion the accompanying financial statements give a true and fair view of the financial position of the organisation as at 31 December, 2024 and of its financial performance and cashflows for the year then ended in accordance with the International Financial Reporting Standards and the requirements of the Non-Governmental Organisations Co-ordination Act.

Basis of opinion

We conducted our audit in accordance with International Standards on Auditing (ISAs). Our responsibilities under those standards are further described in the Auditor's Responsibilities for the Audit of the Financial Statements section of our report. We are independent of the organization in accordance with the International Ethics Standards Board for Accountants' Code of Ethics for Professional Accountants (IESBACode) together with the ethical requirements that are relevant to our audit of the financial statements in Kenya, and we have fulfilled our ethical responsibilities in accordance with these requirements and the IESBACode. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion

Other Information

The board members are responsible for the other information. Other information comprises the information included in the Annual Report, but does not include the financial statements and our auditor's report thereon.

Our opinion on the financial statements does not cover the other information and we do not express any form of assurance conclusion thereon.

In connection with our audit of the financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the auditor 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

Board members' responsibility for the financial statements

The board members are responsible for the preparation and fair presentation of the financial statements that give a true and fair view in accordance with the International Financial Reporting Standards, and for such internal control as the board members determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, the board members are responsible for assessing the organization'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 board either intend to liquidate the organization or to cease operations, or have no realistic alternative but to do so.

Auditor's responsibilities for the audit of the financial statements

Our objectives are to obtain reasonable assurance about whether the 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 ISAs 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 financial statements

REPORT OF THE INDEPENDENT AUDITOR
To the members of
MACHEO CHILDREN'S CENTRE: P.O. BOX 3443 - 01002, MADARAKA, THIKA.

Auditor's responsibilities for the audit of the financial statements (continued)

As part of an audit in accordance with ISAs, we exercise professional judgement and maintain professional skepticism throughout the audit. We also:

(i) Identify and assess the risks of material misstatement of the 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.

(ii) 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 organization's internal control.

(iii) Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.

(iv) Conclude on the appropriateness of management'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 organization'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 financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained upto the date of the auditor's report. However, future events or conditions may cause the organization to cease to continue as a going concern.

(v) Evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation

Scope of audit

1 **The Accounting System.**
Develop an understanding of the accounting system and obtain all related documentation, manuals, written policies, relevant procedures and other guidelines and ensure they have been complied with during the period under review. Assess the reasonableness of expenditures, ascertain there was no double funding and report on whether value for money has been achieved.

2 **The organisation structure and the control environment.**
Assess organisation structure in terms of effectiveness and efficiency of the framework of authorities, workflows, adequacy of staffing and competency of the employees especially in the finance function and appropriate segregation of duties. Evaluate the control environment.

3 **Programme activities under the various donor funds.**
Critically review implementation, monitoring and supervision exercised over the funded projects. Review work plans, projects reports, vis a vis the appropriated project resources and assess the general achievement of value for money; budgets and financial expenditure, beneficiary selection, operation procedures and their effects on service delivery. Ascertain the funds opening and closing balances as well as exchange gains/loss under each funding agreement.

4 **Human resource function**
Review the competitiveness, transparency and effectiveness of the recruitment and hiring of personnel including performance appraisal, payroll preparation and remittance of statutory deductions and management of personnel records. Ascertain of existence and completeness of any human resource policies and or guidelines.

Scope of audit (continued)

5 **The finance function.**
Review adequacy of the accounting and financial operations and reporting systems. This will include budget control, cash management, certification and approving authority, receipt of funds, disbursement of funds, proper recording of management intervention and override, records maintenance and control.

6 **The procurement procedures adopted by the project.**
Review the set procurement procedures and policies for competitiveness, transparency and effectiveness. Testing them for compliance and where there is departure, review documented reasons for such. Ascertain that assets (permanent and consumable) and services procured meet the requirement of funded activities.

7 **The General administration of the projects.**
Review the management and safeguard of the assets, travel activities, vehicles management, office communications and records maintenance as well as the control and management of consumable and permanent inventories.

8 **The information systems of the project.**
Review the appropriateness and adequacy of the management information systems and the security and control of equipment and data whether manual, semi or fully computerized.

9 **Previous audit recommendations.**
Review the status of the previous audit findings and recommendations detailing levels of implementation to date, the consistency of practice and general usefulness to the organization.

10 **Funding agreements.**
Assess the extent of compliance with the terms and conditions of the funding agreements over the period under review.

We communicate with those charged with governance 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

Report on other legal requirements

(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 account have been kept by the organization, so far as appears from our examination of those books;

(iii) The organization's Statement of financial position and income statement are in agreement with the books of account.

The engagement partner responsible for the audit resulting in this independent auditor's report was CPA David Mbiyu Practising Certificate No P 1590

Mbiyu Muhia

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Mbiyu Muhia & Associates
Certified Public Accountants (CPA K)
P. O. BOX 3975-01002, Thika.
TEL: +254 0202602369/ +254 - 0721 - 349128
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Muranga Farmers Building 2nd Floor Rm.13
Kwameh Nkurumah Street.

MBIYU MUHIA & ASSOCIATES
Certified Public Accountants (K)
P.O. Box 3975 - 01002
THIKA
Tel:0721 349 128 / 020 260 2369

Date...27/03/2025...

STATEMENT OF COMPREHENSIVE INCOME

FOR THE YEAR ENDED 31 DECEMBER, 2024

	Notes	2024 Kshs	2023 Kshs
Revenue	2	176,210,671	154,530,820
Total revenue		**176,210,671**	**154,530,820**
EXPENDITURE			
Program Expenses	3	176,449,590	153,840,361
Administrative Expenses	4	297,412	1,049,762
Supporting Expenses	5	-	70,248
Other operating Expenses	6	1,810,482	2,121,289
Total Expenditure		**178,557,484**	**157,081,661**
Surplus/(deficit) for the year		**(2,346,812)**	**(2,550,840)**

STATEMENT OF FINANCIAL POSITION

AS AT 31 DECEMBER, 2024

	Notes	2024 Kshs	2023 Kshs
ASSETS			
Non-current assets			
Property, plant and equipment	7	32,173,424	33,952,801
		32,173,424	33,952,801
Current assets			
Inventory	8	1,126,993	627,278
Trade and other receivables	9	5,583,031	18,915,162
Cash and cash equivalents	10	25,287,224	37,251,479
		31,997,248	56,793,919
TOTAL ASSETS		**64,170,672**	**90,746,720**
FUNDS AND LIABILITIES			
Current liabilities			
Trade and other payables	11	1,986,724	1,682,921
		1,986,724	1,682,921
Funds:			
Property & Equipment / Capital Fund	13	32,173,424	33,952,801
Accumulated / General Fund	14	1,677,677	2,245,111
Restricted Funds	12	28,332,848	52,865,885
		62,183,948	**89,063,798**
TOTAL FUNDS AND LIABILITIES		**64,170,672**	**90,746,720**

The financial statements were authorised for issue by the board members on 27th March, 2025 and were signed on it's behalf by :

Chairperson: Josphat Ngaira Musumba

Name: Signature

Treasurer: Jennifer Wanjiru Weru

Name Signature

STATEMENT OF CHANGES IN EQUITY

FOR THE YEAR ENDED 31 DECEMBER, 2024

Year ended 31 December, 2023	Property & Equipment Fund Kshs	Accumulated / General Fund Kshs	Funds Received in Advance Kshs	TOTAL Kshs
As at 1 January, 2023	36,074,091	2,648,242	24,069,287	62,791,620
Prior year adjustment	-	26,420	-	26,420
Surplus/(Deficit) For the year	-	(2,550,840)	-	(2,550,840)
Transfer to Property & Equipment Fund	-	-	-	-
Transfer From Property & Equipment Fund	(2,121,289)	2,121,289	-	-
Net change for the Year	-	-	28,796,598	28,796,598
As at 31 December, 2023	**33,952,801**	**2,245,111**	**52,865,885**	**89,063,798**

Year ended 31 December, 2024	Property & Equipment Fund Kshs	Accumulated / General Fund Kshs	Funds Received in Advance Kshs	TOTAL Kshs
As at 1 January,2024	33,952,801	2,245,111	52,865,885	89,063,798
Prior year adjustment	-	-	-	-
Surplus/(Deficit) For the year	-	(2,346,812)	-	(2,346,812)
Transfer to Property & Equipment Fund	31,104	(31,104)	-	-
Transfer From Property & Equipment Fund	(1,810,482)	1,810,482	(24,533,038)	(24,533,038)
Net change for the Year	-	-	-	-
As at 31 December, 2024	**32,173,424**	**1,677,677**	**28,332,848**	**62,183,948**

STATEMENT OF CASHFLOWS

FOR THE YEAR ENDED 31 DECEMBER, 2024

	2024 Kshs	2023 Kshs
Surplus/Deficit For The Year	(2,346,812)	(2,550,840)
Add : Depreciation-Current year charge	1,810,482	2,121,289
Less : Gain on disposal	(1,854)	-
Adjustments	-	26,420
Operating Profit before working capital changes	(538,185)	(403,131)
Operating activities		
(Increase)/Decrease in Inventory	(499,715)	(235,382)
Increase/(Decrease) in payables	303,803	(280,854)
(Increase)/Decrease in receivables	13,332,130	(13,483,272)
Cash in(out)/flows from operating activities	12,598,033	(14,402,639)
Investing Activities		
Purchase of non-current assets	(32,250)	-
Disposal of Assets	3,000	-
Cash in(out)/flow from investing activities	(29,250)	-
Financing Activities		
Movement in restricted finds	(24,533,038)	28,796,598
Cash in(out)/flow from financing activities	(24,533,038)	28,796,598
Net (outflow)/inflow in cash and cash equivalents	(11,964,255)	14,393,959
Movement in cash and cash equivalents		
At the start of the year	37,251,479	22,857,520
Movement during the year	(11,964,255)	14,393,959
At the end of the year	**25,287,224**	**37,251,479**

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER, 2024

1) SIGNIFICANT ACCOUNTING POLICIES

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

a) 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 are presented in the functional currency, Kenya Shillings (Ksh).

b) Revenue recognition

Income shall comprise funding from different donors, income from the social enterprises, grants, donations, bank interest, investment returns and proceeds from fund raising initiatives and disposal of assets and shall include all those revenues due and receivable in the accounting period. Income shall be recognized in the financial statements in the year to which their assets relate.

c) Foreign Currencies translation

Transactions, monetary assets and liabilities at the statement of financial position date denominated in foreign currencies are converted into Kenya shillings at the prevailing rate of exchange ruling at that date. The resulting gain and/or losses from settlement of such transactions and translations are recognised on a net basis in the income account in the year in which they arise

d) Property, plant & equipment

i) Depreciation

Property, plant and equipment are stated at historical cost less depreciation. Subsequent costs are included in the asset's carrying value only when it is probable that future economic benefits associated with the item will flow to the organisation and the cost of the item can be measured reliably. Repairs and maintenance is charged to the income and expenditure account in the year to which it relates

Depreciation is calculated on the rates calculated to write off the costs of the fixed assets, less their estimated residue value, over their expected useful life on the following basis

Land	Nil	
Buildings	2.5%	Straight Line
Green Houses	2.5%	Reducing balance (2020 - 50%, Straight Line)
Computers and Electronics	30.0%	Reducing balance
Motor Vehicles	25.0%	Reducing balance
Furniture, fittings & Equipment	12.5%	Reducing balance
Utensils and kitchen equipment	12.5%	Reducing balance

e) Receivables

Trade and other receivables are stated at nominal value less provision for any amount expected to be irrecoverable.

f) Payables and Accruals

Payables are stated at nominal value, less any amount not expected to be paid.

g) Cash and Cash Equivalent

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

h) Retirement Benefit Obligation

The organisation contributes to a statutory defined contribution pension scheme, the National Social Security Fund.

i) Comparatives

Where necessary ,Comparative figures have been adjusted to conform to changes in presentation in the current year.

NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 DECEMBER, 2024

2) REVENUE

	2024 Kshs	2023 Kshs
Child Care & Protection	43,306,693	40,107,005
Facilitate Emergency Family Support	1,384,797	1,431,853
School feeding	25,196,142	23,354,643
Facilitate Direct Individuals School Support	16,190,526	12,753,034
Physical health Support	19,340,637	22,124,312
Family economic empowerment	24,643,627	20,816,232
Mental Health Support	8,131,816	6,592,684
Assist teenage mothers	5,030,824	5,339,195
Physical Living & Learning Conditions	11,773,356	7,257,815
Life skills training	7,161,524	7,156,164
Income Generating Projects	-	70,248
Projects	13,754,463	6,477,872
Administration	296,267	1,049,762
Other Gains/(Losses)	-	-
	176,210,671	**154,530,820**

3) PROGRAM EXPENSES:

	2024 Kshs	2023 Kshs
Insurance	685,735	753,110
Clothing	430,657	216,891
Counseling	4,928,815	3,367,687
Leisure & Activities	4,032,988	4,102,876
Medical	12,577,156	12,288,578
Rent	139,568	115,000
Security	40,311	2,700
Office Supplies and printing	60,111	146,835
Education	19,656,160	16,823,916
Seminars	1,950,089	1,336,521
Macheo Admin Costs	12,008,263	6,705,032
School Activities	-	78,363
	56,509,853	**45,937,509**

PROGRAM EXPENSES CONTINUED	2024 Kshs	2023 Kshs
Economic Empowerment	9,380,516	10,269,785
Communication	1,392,831	1,118,466
Infrastructure	10,858,562	7,459,895
Child Family Support	1,529,077	1,178,123
Community work	7,455,352	6,551,187
Sanitary pads	45,840	24,200
Bank Charges	185	1,572
Emergency Support	2,979,583	989,263
Personnel cost	52,000,355	49,515,614
Utilities	807,130	1,002,309
Food	10,913,380	16,799,348
Household	5,155,389	2,467,711
Professional Fees	782,468	231,878
Tax charge	212,768	-
Repair and maintenance	1,049,791	1,078,097
Transportation	9,641,062	8,629,811
Cash transfer	5,527,939	472,484
Stakeholders meeting	207,509	113,109
	176,449,590	**153,840,361**

NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 DECEMBER, 2024

	2024 Kshs	2023 Kshs
4) ADMINISTRATIVE EXPENSES		
Audit & Professional fees	884,750	1,223,200
Fundraising costs	507,630	736,877
Office costs	272,566	405,491
Communication	424,439	398,943
Personnel Costs	2,098,806	2,224,200
Insurance expense	164,756	256,909
Bank & Mpesa charges	932,542	780,391
M&E and other Subscription	1,728,202	1,230,597
Household Utilities	304,585	40,185
Repair and maintenance	340,539	149,546
Transportation	455,712	608,496
Allocation to programs	(7,817,115)	(7,005,073)
	297,412	**1,049,762**
5) INCOME GENERATING PROJECTS EXPENSES		
Personnel costs	-	62,748
Bank & Mpesa charges	-	-
Household	-	-
Professional fees	-	7,500
Repair and maintenance	-	-
Fuel, Transport & Travel costs	-	-
	-	**70,248**
6) OTHER OPERATING EXPENSES		
Depreciation expense	1,810,482	2,121,289
	1,810,482	**2,121,289**

 7) PROPERTY, PLANT & EQUIPMENT

	Land	Buildings	Computer & Electronics	Motor Vehicles	Furniture, Fittings & Equipment	Utensils & Kitchen Equipment	Total
	Kshs	Kshs	Kshs	Kshs	Kshs	Kshs	Kshs
Year ended 31 December,2024	0.0%	2.5%	30.0%	25.0%	12.5%	12.5%	
Cost							
At 1 January,2024	7,495,000	33,443,103	2,657,831	7,006,157	4,265,194	1,421,900	56,289,185
Additions	-	-	-	-	32,250	-	32,250
Disposal	-	-	-	-	(6,500)	-	(6,500)
At 31 December,2024	7,495,000	33,443,103	2,657,831	7,006,157	4,290,944	1,421,900	56,314,935
Depreciation							
At 1 January,2024	-	11,351,887	2,016,125	4,496,293	3,172,928	1,299,150	22,336,384
Charge for the year	-	836,078	192,512	627,466	139,083	15,344	1,810,482
Disposal	-	-	-	-	(5,354)	-	(5,354)
At 31 December,2024	-	12,187,964	2,208,637	5,123,759	3,306,657	1,314,494	24,141,511
Net Book Value							
At 31 December,2024	**7,495,000**	**21,255,139**	**449,194**	**1,882,398**	**984,287**	**107,406**	**32,173,424**
	Kshs	Kshs	Kshs	Kshs	Kshs	Kshs	Kshs
Year ended 31 December,2023	0.0%	2.5%	30.0%	25.0%	12.5%	12.5%	
Cost							
At 1 January,2023	7,495,000	33,443,103	2,657,831	7,006,157	4,265,194	1,421,900	56,289,185
Additions	-	-	-	-	-	-	-
Disposal	-	-	-	-	-	-	-
At 31 December, 2023	7,495,000	33,443,103	2,657,831	7,006,157	4,265,194	1,421,900	56,289,185
Depreciation							-
At 1 January,2023	-	10,515,809	1,741,108	3,659,672	3,016,890	1,281,615	20,215,094
Charge for the year	-	836,078	275,017	836,621	156,038	17,536	2,121,289
Disposal	-	-	-	-	-	-	-
At 31 December,2023	-	11,351,887	2,016,125	4,496,293	3,172,928	1,299,150	22,336,384
Net Book Value							
At 31 December,2023	**7,495,000**	**22,091,216**	**641,706**	**2,509,864**	**1,092,266**	**122,750**	**33,952,801**

NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 DECEMBER, 2024

	2024 Kshs	2023 Kshs
8) INVENTORY		
Closing stock	1,126,993	627,278
	1,126,993	**627,278**
9) TRADE AND OTHER RECEIVABLES		
Debtors outside Macheo	7,441	2,101
Donations	5,216,647	18,379,542
Cash with employees	3,107	5,759
Prepaid expenses	175,346	87,420
Debtors Employees Macheo	180,490	440,339
	5,583,031	**18,915,162**
10) CASH AND CASH EQUIVALENTS		
For the purposes of the cash flow statement, cash and cash equivalents comprise the following:		
Standard Chartered Bank - KES Account	24,399,147	36,744,589
Standard Chartered Bank - USD Account	8,700	-
Standard Chartered Bank - EURO Account	-	-
Rotary Account - KES Account	1	1
Petty Cash	2,209	6,759
Cash in M-Pesa	866,944	374,391
M-Pesa Bulk Payment	10,223	125,739
	25,287,224	**37,251,479**
11) TRADE AND OTHER PAYABLES		
Macheo Employees	181,415	47,360
Creditors outside Macheo	81,757	61,228
Audit Fees	127,600	127,600
Statutory Payable	1,570,952	1,425,625
Accrued expenses	25,000	-
Transfer to third parties	-	21,108
	1,986,724	**1,682,921**
12) RESTRICTED FUNDS		
Donations received in advance	28,280,812	52,813,849
Donations in progress	52,036	52,036
	28,332,848	**52,865,885**
13) PROPERTY AND EQUIPMENT FUND/CAPITAL FUND		
Balance brought forward	33,952,801	36,074,091
Prior year adjustment	-	-
Transfer from Accumulated fund – additions	31,104	-
Transfer to Accumulated fund – depreciation	(1,810,482)	(2,121,289)
Balance carried forward	**32,173,424**	**33,952,801**

Property and equipment fund represents funds invested in the Net book value of property and equipment and capital grants which not available for other uses.

NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 DECEMBER, 2024

14) ACCUMULATED FUND/GENERAL FUND	2024 Kshs	2023 Kshs
Balance brought forward	2,245,111	2,648,242
Prior year adjustment	-	26,420
Surplus/Deficit for the year	(2,346,812)	(2,550,840)
Transfer to property and equipment fund (Additions)	(31,104)	-
Transfer from property and equipment fund (Depreciation)	1,810,482	2,121,289
Balance carried forward	**1,677,677**	**2,245,111**

15) REGISTRATION

The organisation is registered in Kenya under section 10 of the Non-Governmental Organisations Co-ordination Act certificate No. OP. 218/051/2005/0410/3824.

16) TAXATION

The organisation relies on donations which are not taxable. Accordingly, no tax has been provided in these financial statements.

17) NUMBER OF EMPLOYEES

The number of employees as at 31 December, 2024 were 127 (One hundred and twenty seven), in comparison to 146 (One hundred and twenty) Employees as at 31 December, 2023

MACHEO CHILDREN'S CENTRE: P.O. BOX 3443 - 01002, MADARAKA, THIKA.

Annex 2

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER, 2024
DETAILED INCOME STATEMENT PER INTERVENTION

	2024		2023	
	Administration	**Income Generating Projects**	**Administration**	**Income Generating Projects**
Donations from NL	248,593	-	1,001,809	-
Non-NL Donations	11,713	-	-	-
Local donations	30,579	-	26,635	70,248
Income Generating projects	-	-	-	-
Gain on disposal	1,854	-	-	-
Exchange gain/(loss)	3,527	-	21,319	-
Total Income	**296,267**	-	**1,049,762**	**70,248**
Expenses				
Insurance	164,756	-	256,909	-
Office Supplies and printing	272,566	-	405,491	-
Macheo Admin Costs	(7,817,115)	-	(7,005,073)	-
Communication	424,439	-	398,943	-
M&E and other Subscription	1,728,202	-	1,230,597	-
Bank Charges	932,542	-	780,391	-
Personnel cost	2,098,806	-	2,224,200	62,748
Household	304,585	-	40,185	-
Professional Fees	884,750	-	1,223,200	7,500
Fundraising Cost	507,630	-	736,877	-
Repair and maintenance	340,539	-	149,546	-
Transportation	455,712	-	608,496	-
Total Expenses	**297,412**	-	**1,049,762**	**70,248**
Surplus/(deficit)	**(1,146)**	-	-	-