

MLANGO FARM FOUNDATION
P.O BOX 27619-00100,NAIROBI
ANNUAL REPORT & FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31ST DECEMBER 2023

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FOR THE YEAR ENDED 31ST DECEMBER 2023

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MLANGO FARM FOUNDATION

CORPORATE INFORMATION

FOR THE YEAR ENDED 31ST DECEMBER 2023

Board Members

Elisabeth Breet Kamande	-	Chairperson
Carolyne Narocho Makheti	-	Secretary
Gordon Njee Muturi	-	Treasurer
Caroline Njuguna	-	Board member
Sylvia Esther Njeri Njenga	-	Board member

Auditors

Njuguna Mwangi & Co Auditors
Certified Public Accountants-CPA(K)
P.O Box 204-01000,Thika
Tell:+254723270124
Email:admin@nmcauditors.com

Registered Office

Mlango Farm Foundation
Educational City farm
PO Box 27619, 00100
Nairobi.

Principal bankers

Equity Bank of Kenya

THE REPORT BY THE BOARD OF MANAGEMENT

FOR THE YEAR ENDED 31ST DECEMBER 2023

The Board has the pleasure in submitting their report and the audited financial statements for the year ended 31st December, 2023 which disclose the state of affairs of the organisation.

PRINCIPAL ACTIVITIES

The principal activity of the organization is that of to enlight and inspire through hands-on educational experiences in farming, Livestock rearing nature, and environmental stewardship.

RESULTS

Results of the year are set out on page 6.

BOARD MEMBERS

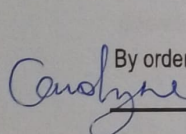
The board members who served during the year are set out on page 1.

AUDITOR

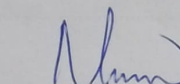
The organisation's Auditors, Njuguna Mwangi & Co Auditors, Certified Public Accountants-CPA(K) has expressed willingness to continue in office.

APPROVAL OF FINANCIAL STATEMENTS

The report was approved by the Board on 27 MARCH 2024

By order of the Board


SECRETARY



SIGN

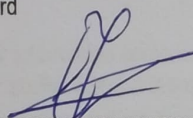
STATEMENT OF BOARD'S RESPONSIBILITIES

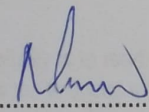
FOR THE YEAR ENDED 31ST DECEMBER 2023

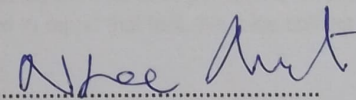
The board is required to prepare financial statements for each financial year, which give a true and fair view of the state of affairs of the organisation as at the end of the financial year and operating results for that year. It also requires the board to ensure the organisation keeps proper accounting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

The Board accept responsibility for the 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's 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.

Dated 27 MAR '24 and signed on behalf of the Board

Chairman Elisabet L Kamande Sign 

Secretary Carolyn Nwando Sign 

Treasurer Gordon Njoo Muturi Sign 



**To the members of
MLANGO FARM FOUNDATION****Opinion**

We have audited the accompanying financial statements of **Mlango Farm Foundation**, set out on page 7 to 12, which comprise the statement of financial position as at 31st December, 2023, the income statement, statements of changes in equity, 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 31st December, 2023 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 (IESBA Code) 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 IESBA Code. 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 audit 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.

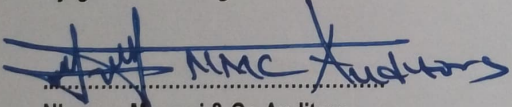
To the members of
MLANGO FARM FOUNDATION

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 scepticism 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

The engagement partner responsible for the audit resulting in this independent auditor's report was CPA HM Njuguna Practising Certificate No P.2554



Date... 26/03/2024

Njuguna Mwangi & Co Auditors
Certified Public Accountants-CPA(K)
P.O Box 204-01000,Thika
Tell:+254723270124
Email:admin@nmcauditors.com



STATEMENT OF COMPREHENSIVE INCOME
FOR THE YEAR ENDED 31ST DECEMBER 2023

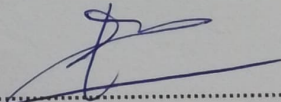
		2023
		<u>Kshs</u>
<u>INCOMES</u>	Notes	
Farm Incomes	2a)	3,183,334
Donations	2b)	254,000
		<hr/>
		3,437,334
<u>EXPENDITURE</u>		
Project costs	5)	677,298
Personnel costs	3)	2,075,235
Administration costs	4)	325,067
		<hr/>
Total Expenditure		3,077,600
		<hr/>
Surplus/Deficit for the year		359,734

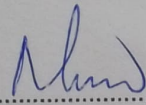
STATEMENT OF FINANCIAL POSITION

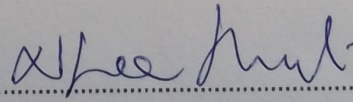
AS AT 31ST DECEMBER, 2023

	Notes	2023 <u>Kshs</u>
ASSETS		
Biological assets	5)	250,000 <hr/> 250,000
Current Assets		
Cash and cash equivalents	6)	359,032 <hr/> 359,032
TOTAL ASSETS		<hr/> <hr/> 609,032
EQUITY & LIABILITIES		
Equity		
Property fund	7)	250,000
Accumulated fund	8)	334,032 <hr/> 584,032
Liabilities		
Trade and other payables	9)	25,000 <hr/> 25,000
TOTAL EQUITY & LIABILITIES		<hr/> <hr/> 609,032

The financial statements were authorised for issue by the board members on 27 MARCH 2024 and were signed on it's behalf by :

Chairman... Elisabeth Kamande Sign... 

Secretary... Carolyn Nansoko Sign... 

Treasurer... Gordon Njoo Mutwi Sign... 

MLANGO FARM FOUNDATION

STATEMENT OF CHANGES IN EQUITY

FOR THE YEAR ENDED 31ST DECEMBER 2023

	Accumulated Fund Kshs	Total Kshs
Year ended 31st December 2023		
As at 1st January 2023	224,298	224,298
Surplus/Deficit for the year	359,734	359,734
Transfer to property fund	(250,000)	(250,000)
As at 31st December 2023	334,032	334,032

MLANGO FARM FOUNDATION

STATEMENT OF CASHFLOWS

FOR THE YEAR ENDED 31ST DECEMBER 2023

	2023 <u>Kshs</u>
Surplus/(Deficit)for the year	359,734
Add :Depreciation(Not expensed through Income statement)	N/a
Operating Profit before working capital changes	<u>359,734</u>
Operating activities	-
Decrease(Increase) in trade & other receivables	25,000
Increase(decrease) in trade & other payables	<u>384,734</u>
Cash inflow from operating activities	<u>384,734</u>
Cash inflow from Investing Activities	<u>(250,000)</u>
Purchase of Assets	(250,000)
Cash in(out)/flow from investing activities	<u>(250,000)</u>
Net outflow in cash and cash equivalents	134,734
Movement in cash and cash equivalents	134,734
At the start of the year	224,298
Movement during the year	<u>134,734</u>
At the end of the year	<u><u>359,032</u></u>

MLANGO FARM FOUNDATION
NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31ST DECEMBER 2023

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 as modified by the fair value adjustments to financial instruments, and are presented in the functional currency, Kenya Shillings. The preparation of financial statements in conformity with the International Financial Reporting Standards requires management to exercise its judgement in the process of applying the accounting policies adopted by the organisation. Although such estimates and assumptions are based on the management's best knowledge of the information available, actual results may differ from those estimates.

b) Grant Recognition

Grants are recognised on cash basis and no accrual for grants not received has been accounted for.

c) Expense allocation

All expenses have been allocated based on set budget line. The budget lines have been allocated as per approved donor budget.

d) Foreign Currencies translation

Transactions in foreign currencies are converted into Kenya shillings at the rate of exchange ruling at the date of the transaction.

e) Cash and Cash Equivalent

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

MLANGO FARM FOUNDATION

NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31ST DECEMBER 2023

	2023 <u>Kshs</u>
INCOMES	
2a) Farm incomes	3,167,334
Educational Visits	16,000
Animal Income	<u>3,183,334</u>
2b) Donations	254,000
Donations in Kind	<u>254,000</u>
	<u><u>3,437,334</u></u>
Total Incomes	
5) PROJECT COSTS	300,000
Animal husbandry	252,370
Animal attendants	26,870
Animal food & hay	21,080
Other animals	76,978
Sawdust	<u>677,298</u>
Vet and treatment	<u>677,298</u>
3) PERSONNEL COSTS	1,794,075
Admin salaries	258,400
Volunteer allowance	8,000
Staff training	14,760
Staff welfare (Staff meals)	<u>2,075,235</u>
4) ADMINISTRATION COSTS	1,020
Bank/m-pesa charges	4,975
Kitchen costs	15,420
Travel and transport	270,992
Motor vehicle fuel	1,500
Motor vehicle maintenance	25,000
Provision for audit	2,960
Utilities (gas/firewood/charcoal)	3,200
Telephone and internet	<u>325,067</u>
5) BIOLOGICAL ASSETS[ANIMALS]	-
Balance as at 1st January	250,000
Additions during the year	<u>250,000</u>
Balance as at 31st December	<u><u>250,000</u></u>

MLANGO FARM FOUNDATION

NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31ST DECEMBER 2023

2023

Kshs

6) CASH AND CASH EQUIVALENTS

Cash at bank

164,096

105

Mpesa paybill

194,831

Cash at hand

359,032

For the purposes of the cash flow statement, the year end cash and cash equivalents comprise cash in hand and deposits held with the bank.

7) PROPERTY FUND

Balance as at 1st January

-

250,000

Transfer from accumulated fund

250,000

Balance as at 31st December

8) ACCUMULATED FUND

Balance at 1st January

224,298

Surplus/Deficit for the year

359,734

Transfer to property fund

(250,000)

Balance at 31st December

334,032

Represented By:

Cash and bank balance

359,032

Add :Trade & other receivables

-

Less: Trade & other payables

(25,000)

334,032

9) TRADE AND OTHER PAYABLES

Audit fee

25,000

25,000

10) REGISTRATION

The organisation is registered to work in Kenya under section 10 of the Non-Governmental organisations Co-ordination Act certificate No.OP.218/051/15-031/9877

11) TAXATION

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

12) CURRENCY

These financial statements are presented in Kenya Shillings (KShs.)