

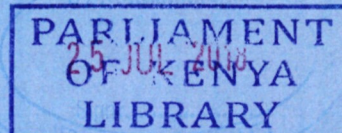
REPUBLIC OF KENYA



*Paper Land by the  
The Leader of my party  
Party  
mmp  
25/7/2018*

OFFICE OF THE AUDITOR-GENERAL

**REPORT**



**OF**

**THE AUDITOR-GENERAL**

**ON**

**THE FINANCIAL STATEMENTS OF  
CHILD WELFARE SOCIETY OF KENYA**

**FOR THE YEAR ENDED  
30 JUNE 2017**



CHILD WELFARE SOCIETY OF KENYA



**FINANCIAL STATEMENTS  
FOR THE FINANCIAL YEAR  
ENDED  
JUNE 30, 2017**



**Prepared in accordance with the Accrual Basis of Accounting Method under the  
International Public Sector Accounting Standards (IPSAS)**

# CHILD WELFARE SOCIETY OF KENYA

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# CHILD WELFARE SOCIETY OF KENYA

## 1 WHO ARE WE?

### (a) Background information

Child Welfare Society of Kenya is a Semi-autonomous Government Agency for the care, protection, welfare and adoption of children vide Legal Notice No. 58 of 23/05/2014. It is the National Adoption Society for Kenya and the National Emergency Response, Welfare and Rescue Organization for children. The government agency was established and gazetted in 1955 as an approved society gazette notice 1768 of 27/12/1955, an exempt society gazette notice 1536 of 04/11/1955, Certificate of Exemption number 455 and the Adoption Society for Kenya, gazette notice No. 1356 of 28/04/1969. It is an exempt society with permanent trustees of public nature.

### (b) Principal Activities

#### **Vision**

*All children and vulnerable young person's leading a happy fulfilling and fruitful life.*

#### **Mission**

*'To promote and secure the rights of children and vulnerable young persons in order for them to realize their full potential.'*

#### **Core Values**

- *Innovative*
- *Customer focused*
- *Knowledge driven*

## CHILD WELFARE SOCIETY OF KENYA

### STRATEGIC OBJECTIVES

The objective and purpose of CWSK under Legal Notice No. 58 of 2014 of State Corporations Act is “to provide a legal and institutional framework for the care, control, protection, welfare and adoption of children through the establishment of the Child Welfare Society of Kenya”.

CWSK is an exempt Society; it is a special vehicle of the Government to deliver its mandate for the welfare, relief and emergency response for children. Its target group includes children and infants. According to the nature of work we focus on the best interest of the child which is of paramount importance and consideration as guided by the constitution Article 53 (2) *“A child’s best interests are of paramount importance in every matter concerning the child”*.

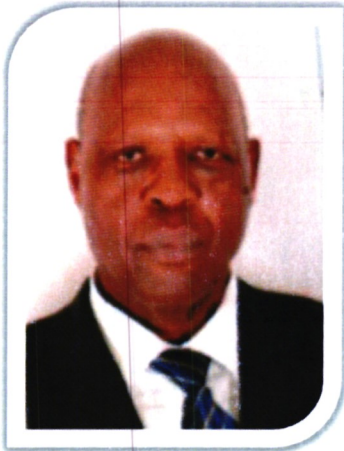
Children Act (4) *“In all actions concerning children, whether undertaken by public or private social welfare institutions, courts of law, administrative authorities or legislative bodies, the best interests of the child shall be a primary consideration”*

1. To respond to all emergencies affecting children in Kenya and rescue children in emergency situations.
2. To rescue, receive and provide care to children in need of care and protection.
3. To provide family tracing and re unification services for separated children.
4. To facilitate alternative family care (adoption, foster care and guardianship) of children.
5. To strengthen, rehabilitate and empower families to promote quality care of children.
6. To provide education, vocational skills to vulnerable children and young persons.
7. To build the capacity of duty bearers, right holders and provide institutional strengthening in order to effectively ensure the welfare of children.
8. To provide quality temporary care to rescued children by upgrading/ establishing temporary places of safety including child care facilities, group homes, foster care homes, child rescue centers, child protection units as may be considered necessary and in the best interest of the child.
9. To ensure care and protection for Orphans and Vulnerable children without families through facilitating or /and providing shelter, education health food and nutrition.

## 2 BOARD OF DIRECTORS

The Board consists of eight members, including a non-executive Chairman and the Chief Executive Officer.

### Joseph Gitau, HSC



**Born in 1943**, Mr. Gitau is the Acting Chairman of the CWSK Board. He holds a Master of Arts (MA) Degree in Sociology (with emphasis in Criminology, Justice, Administration, Probation and Parole), Fordham University, New York, USA. Mr. Gitau led the CWSK Board of Directors in transforming the organization into a State Corporation in 2014. He has performed exceptionally well by providing vision, leadership and good governance which has steered CWSK to great success making it the national agency for children.

He was a career civil servant who rose within the ranks from a District Probation Officer to the Director of Probation and After Care Services. Among other achievements, Mr. Gitau taught at the Kenya Institute of Administration and was awarded the Head of State Commendation (HSC). He is a Life Member of Child Welfare Society of Kenya.

### Mr. Basiliano Nyaga

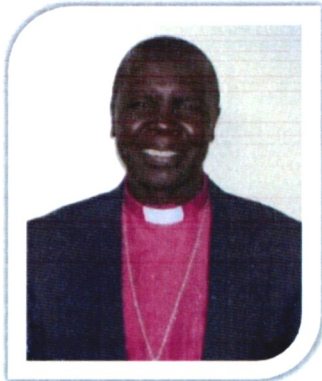


**Born in 1949**, Mr. Nyaga is a Member of the CWSK Board. He holds an Association of International Accountants Certificate from Folks Lynch, United Kingdom.

He has previously served as a Financial Director in the Private Sector. He is a Life Member of CWSK and where he was the National Treasurer of the organization since 1996. He serves on the Finance & Governance Committee and also on the Audit Committee of the Board.

## CHILD WELFARE SOCIETY OF KENYA

**Bishop Patrick Siabuta**



**Born in 1968**, Bishop Siabuta is a Member of the CWSK Board. He is undertaking a Masters in Theology from the Jacksonville Baptist Theological Seminary, Florida. He serves on the Strategy & Technical Matters Committee of CWSK Board. Bishop Siabuta is the presiding Bishop of the Grace Community Fellowship in Bungoma.

He served as **National Vice Chairperson** of Child Welfare Society of Kenya and later as **Acting Chairman**. He volunteered for many years as Board member in Child Welfare Society of Kenya, Bungoma Branch

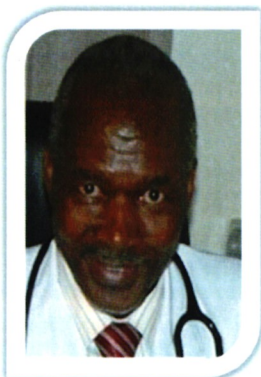
**Mrs. Haida Bruno**



**Born in 1952**, Mrs. Bruno is a Member of the CWSK Board. She is a trained Social Worker who has a special passion to provide child care services to needy children. She has volunteered in assisting vulnerable and needy children in Mombasa County as a member of Child Welfare Society of Kenya, Mombasa Branch.

At the national level of Child Welfare Society of Kenya Management Mrs. Bruno was elected a member of the Board of Directors representing Coast Region. She has been very regular, punctual and very participatory in the CWSK Board of Directors. She takes volunteer work very personally.

**Professor Charles Change**



Prof. Change is a member of the CWSK Board. He serves in the Audit Committee and the Strategy and Technical Matters Committee on the CWSK Board.

Prof Change is a Medical Doctor, Researcher, Community Fieldworker, Scientist, Teacher, Parasitologist, Consultant Microbiologist, a specialist in Tropical and Travel Medicine and Vaccinology, Health Economist, Clinical Epidemiologist, Public Health, Disease Control specialist and a Fellow of the Faculty of Travel Medicine of the Royal College of Physicians and Surgeons (Glasgow) in Britain.

His current positions include being the first Executive Dean School of Medicine at Masinde Muliro University of Science and

## CHILD WELFARE SOCIETY OF KENYA

Technology (MMUST) and on the Faculty of Travel Medicine of the Royal College of Physicians & Surgeons, Glasgow (Britain). He is the Founding Trustee and Scientist of Western Community Health Association (WECOHAS) and the Director and Consultant Specialist at the Centre for Tropical and Travel Medicine, Nairobi. He is a committee member of the National Malaria Control Programme; the Chairman of the Association of Travel Medicine and Vaccinations, Kenya. He supervised many students and many of them are now professors.

**Ms. Susan Mochache**



Susan Mochache is the Principal Secretary, State Department of Social Protection, Pensions & Senior Citizens Affairs .

Ms Mochache oversees the design and implementation of policy reforms in Child Protection, Older Persons and Persons with Disability Sector.

She provides strategic leadership in the design and execution of innovative programmes that strengthen service delivery to the vulnerable people in the communities across the country.

Her career spans over 20 years in management level both in Private and Public Sector. She has previously served as a Director at the Communications Authority of Kenya (previously CCK) and held a senior position in Safaricom for five years.

Ms Mochache holds a Master's of Science in Communications Management from the University of Strathclyde in the United Kingdom and a Bachelor of Science in International Business from the United States International University. She is a Fellow of Commonwealth Scholarship Commission (2012) and a certified Practitioner in Prince 2, Project Management and Programme Management.

**Dr. Kamau Thuge**



Dr. Kamau Thuge is currently the Principal Secretary at the National Treasury. He has previously worked in the Ministry of Finance as head of Fiscal and Monetary Affairs Department, Economic Secretary and as Senior Economic Advisor.

Before joining the Ministry of Finance, he worked with the International Monetary Fund (IMF) as Economist, Senior Economist and Deputy Division Chief.

Dr. Thuge has played a major role in influencing the design of Kenya's current fiscal decentralization system and has coordinated the formulation of legislation for implementing devolution, including the Public Finance Management Act, 2012; The Commission on Revenue Allocation Act, 2011

## CHILD WELFARE SOCIETY OF KENYA

**Irene Mureithi**



**Born in 1962**, Irene is the Chief Executive Officer, Child Welfare Society of Kenya. She holds a BA in Social and is finalizing a Master in Education, Psychology, Phil. Edpsy.

She is the **Joint Secretary and Technical Advisor** to the Expert/Steering Committee to Review the Framework for Child Adoption in Kenya; **Member** of the Project Implementation Committee of the Inter-Agency Steering Committee to Fast-Track Implementation of Government Priority Development Projects Including Development Partner Financial Projects & Member of the **Member** of the National Multi-Disciplinary Committee to Coordinate the Development of the Social Workers Bill.

Irene is a leading professional of long standing in Social Work. She is also an Orphans and Vulnerable Children (OVC) specialist who has initiated several programmes for OVC interventions.

## CHILD WELFARE SOCIETY OF KENYA



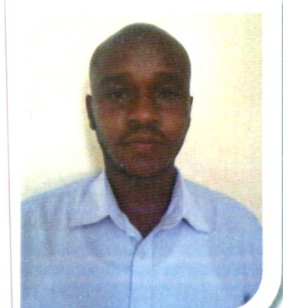

### 3 MANAGEMENT TEAM

No	Passport size photo & Name	Area of Responsibility	Key Professional/academic Qualifications,
1.	Irene Mureithi, 	Chief Executive Officer	<ul style="list-style-type: none"> <li>• <b>Master in Education, Psychology, Phil. Edpsy</b></li> <li>• <b>B A (Social Work) Hons</b></li> </ul>
2.	Felistus Mwikali 	Programmes coordinator	<ul style="list-style-type: none"> <li>• <b>MA in Project Planning and Management</b></li> <li>• <b>BA Social Work</b></li> </ul>
3.	Charles Maina 	Finance	<ul style="list-style-type: none"> <li>• <b>CPA</b></li> </ul>





CHILD WELFARE SOCIETY OF KENYA

No	Passport size photo & Name	Area of Responsibility	Key Professional/academic Qualifications,
4.	 <p><b>Peter Githinji</b></p>	Projects	<ul style="list-style-type: none"> <li>• <b>BA Social Work</b></li> </ul>
5.	 <p><b>Esther Kihara</b></p>	Programmes	<ul style="list-style-type: none"> <li>• BA Social Work</li> </ul>
6.	 <p><b>Ruth Gathoni</b></p>	Counselling	<ul style="list-style-type: none"> <li>• Executive MA in Business Administration;</li> <li>• MA in Counselling Psychology</li> <li>• BA Degree Management Option</li> </ul>
7.	 <p><b>Kenneth Ngige</b></p>	Human Resource	<ul style="list-style-type: none"> <li>• Higher Diploma in Human Resource Management</li> </ul>



**CHILD WELFARE SOCIETY OF KENYA**

No	Passport size photo & Name	Area of Responsibility	Key Professional/academic Qualifications,
8.	Cynthia Nderitu 	Internal Audit	<ul style="list-style-type: none"> <li>• Bachelor of Commerce</li> <li>• CPA</li> </ul>
9.	Amos Kipchumba 	Accounts	<ul style="list-style-type: none"> <li>• B.Com Finance</li> <li>• CPA</li> </ul>
10.	Geoffrey Yegon 	Information Communication and Technology	<ul style="list-style-type: none"> <li>• Higher Dip in IMIS</li> <li>• LIMIS</li> <li>• CCNA</li> <li>• ITIL</li> </ul>
11.	Shadrack Musembi 	Logistics	<ul style="list-style-type: none"> <li>• International Advanced Diploma in Logistics &amp; Transport</li> <li>• National Cert in Archives and Record Management</li> </ul>

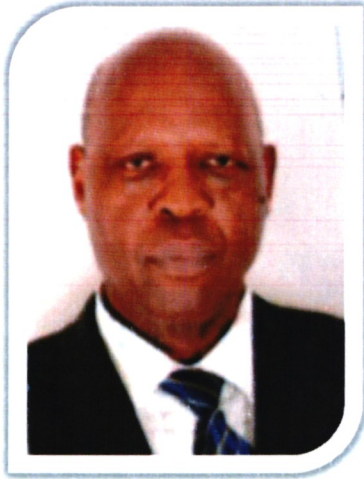
CHILD WELFARE SOCIETY OF KENYA

No	Passport size photo & Name	Area of Responsibility	Key Professional/academic Qualifications,
12.	<p>Evans Ireri</p> 	Procurement	<ul style="list-style-type: none"> <li>• Bachelor of Purchasing &amp; Supplies</li> </ul>
13.	<p>Penelope Wanjiku</p> 	Capacity Building/ Foster Care	<ul style="list-style-type: none"> <li>• BA Social Work</li> </ul>
14.	<p>Brooke Abuya</p> 	Adoption	<ul style="list-style-type: none"> <li>• MA in Social Work</li> <li>• BA Social Work</li> </ul>
15.	<p>Jerusha Chepsat</p> 	Education and Skills Development	<ul style="list-style-type: none"> <li>• BA in Public Admin in Sociology</li> <li>• Dip in Social Work</li> </ul>

**CHILD WELFARE SOCIETY OF KENYA**

No	Passport size photo & Name	Area of Responsibility	Key Professional/academic Qualifications,
16.	Allan Mbuba 	Emergency Response	<ul style="list-style-type: none"> <li>• Dip in Social Work</li> </ul>
17.	Josephine Kimanthi 	Spiritual Counselling	<ul style="list-style-type: none"> <li>• BA in Counselling</li> <li>• Dip in Christian Ministry</li> </ul>

#### 4 CHAIRMAN'S STATEMENT



Child Welfare Society of Kenya (CWSK) is a State Corporation in the Ministry of East African Community, Labour & Social Protection. In the past one year CWSK Board of Trustees has worked closely with the Ministry in service delivery to children and families.

I am pleased to note that the Cabinet Secretary for East African Community, Labour and Social Protection formally gazetted the CWSK Board of Director's vide Gazette Notice No. 10126 dated 22<sup>nd</sup> November, 2016, effective from 20<sup>th</sup> March, 2015. On the same note, the Principal Secretary for National Treasury appointed a representative as an alternate Board member of Child Welfare Society of Kenya.

##### **Chairman Board of Trustees**

In the foregoing financial year, the Principal Secretary, State Department for Social Protection, Ministry of East African Community, Labour & Social Protection, Ms. Susan Mochache paid an official visit to the organization. The PS underscored that her Ministry is a strong partner of CWSK and expressed the Ministry's readiness and commitment to continue forging a strong relationship with CWSK. Subsequently, the PS has visited some of our temporary places of safety and on-going projects. She was impressed by the great work that CWSK is undertaking for the children of Kenya and expressed hope for greater cooperation.

Implementation of the 2016-2017 Performance Contract signed between the Government of Kenya and the CWSK Board of Trustees was successfully carried out. However, in this financial year, the budgetary funds for Development were received late, that is, in the second quarter and this affected and delayed implementation of all projects and OVC development activities under the Development Budget.

In the foregoing Financial Year, CWSK responded to the plight of children and families who were affected by drought in various parts of the country. CWSK also received children who were committed to CWSK as a result of the moratorium on intercountry and resident adoptions. Indeed on this front, CWSK was the referral organization for hundreds of children who had been living in Charitable Children Institutions that do not meet the Government standards of regulation. As the pioneer child protection institution, CWSK acts as a referral institution even in terms of budgeting and children legislation.

As the Secretariat responsible for implementation of the moratorium on resident and intercountry adoption, CWSK spares no effort to seal the loopholes that have endangered the lives of children through trafficking over the years. The realization of the fact that there were malpractices in adoption was a pivotal reason for the issuance of the moratorium by the Cabinet. This year, Senior Officers from CWSK and members of the Steering Committee conducted a benchmarking exercise in South Africa and Rwanda. The team found out that Rwanda and South Africa have enacted Laws and policies that emphasize on professionalism in children services and enhancing child protection and improving services offered to children. Particularly, the Social Work

## CHILD WELFARE SOCIETY OF KENYA

practice in South Africa is well regulated by a Social Work Act and a national professional body. The team came up with a report of the findings and has identified best practices in Kenya, South Africa and Rwanda. CWSK as the Secretariat to the Expert/Steering Committee to Review the Framework for Child Adoption in Kenya set in motion the drafting of an Adoption Bill, Social Workers Bill and Adoption Policy all of which have been forwarded to the Cabinet.

Upgrading of the CWSK's temporary places of safety for children has made tremendous progress. The projects are integrated model foster care centres for children. It is anticipated that, our capacity to accommodate children will be improved through provision of a decent place for separated children as long term interventions are sought. The EPS technology used in construction has accelerated the speed of the projects as well as providing other value additions. These model foster care centres will provide adequate room and facilities for temporary shelter for children rescued in emergency situations. The challenge has always been limited allocation of funds per year, which is released in bits and which not only delays the project but could also make it more expensive. It should also be noted that these are Emergency centres for child rescue hence the need to fasttrack these projects.

As part of its oversight responsibility, the Board has continued to ensure the steady execution of projects that are in line with the mandate of CWSK as a strategic partner of the government in vision 2030 flagship projects.

CWSK being the national emergency and welfare organization for children, the Board's focus is on fast-tracking completion of the foster care centres which are also emergency projects for children. CWSK is the referral institution for the government especially when Charitable Children's Institutions (CCIs) are closed down for various reasons and high numbers of children require immediate rescue. We are therefore on course to greater heights and shall endeavour to meet all the targets set out by ourselves and for us by the government.

CWSK works to provide services to marginalized children across all social sectors in line with Article 56 of the Constitution. The Board is focused on increasing the resources of CWSK to match the ever rising demand for services. The Board has continued to lobby the Government and other sources including UNICEF for grants. In the year 2016/2017, CWSK submitted a budget request for Ksh.4,265,839,658 to the Government, out of which we were granted Kshs. 881,250,000.

Finally, we appreciate a donation of a bull by President during the 2016 ASK Nairobi International Trade Fair. This is an expression of confidence in CWSK by the President and Head of State.

As a Board, we commend the management and staff of CWSK for their continued hard work and dedication.

Thank you

  
.....  
**Mr. Joseph Gitau, HSC**  
**CHAIRMAN, BOARD OF TRUSTEES**

DATE: 22-MAR-2018

## 5 REPORT OF THE CHIEF EXECUTIVE OFFICER



The financial year 2016/2017 has been remarkable for Child Welfare Society of Kenya. In this year, we have reached a record number of children with our interventions. We exceeded our target of **103,710** children and families as set out in the Performance Contract by reaching a total of **179,338** children, surpassing the mark by **58%**, that is **75,628** children. By this, CWSK positively transformed the lives of children and significantly empowered many families to take care of their children.

This has been achieved in the usual spirit of CWSK where for us, the best interests of children are paramount, as our constitution stipulates.

Our programmes have expanded in terms of numbers reached. It is my honour and privilege to outline the achievements in our programmes as follows:

During the financial year 2016/2017 the Child Welfare Society of Kenya was given a budgetary allocation of KShs. 879,400,000, by the Government out of which 480,800,000 was recurrent and 398,600,000 development.

This allocation was insufficient considering CWSKs mandate as per legal notice 58 of 2014. The organization achieved the following during the financial year 2016/2017.

### 5.1 MAJOR ACHIEVEMENTS IN THE YEAR 2016/17

- 47,208 OVCs outside the cash transfer were provided with psychosocial support.
- 44,150 children were provided with education and skills development support.
- 46,110 children affected by emergencies were provided with psychosocial support.
- 21,595 families were strengthened.
- 1,249 children who were separated from their families were provided with family tracing, mediation and reunification services.
- 2,800 Rescued children in temporary places of safety were provided with psychosocial support.
- Provided 280 children with alternative family care through guardianship, foster care and local adoption.

### 5.2 ACHIEVEMENT PER CWSK PROGRAMME

#### 5.2.1 TEMPORARY PLACES OF SAFETY& RAPID RESPONSE AND RESCUE OF CHILDREN PROGRAMME

CWSK implements rapid response and rescue of children services in its branches. Whenever a case of lost, child abuse, abandonment, or exposure to detrimental risk is reported to our offices, we respond immediately and rescue the children).

## CHILD WELFARE SOCIETY OF KENYA

CWSK has fifteen temporary places of safety country wide .i.e CWSK Mama Ngina Kenyatta, CWSK Mji wa salama, CWSK Kisii, CWSK Kanduyi, CWSK Arap Moi, CWSK foster families and group homes, CWSK Nanyuki, CWSK Embu, CWSK Isiolo and CWSK Murang'a.

Through this programme CWSK rescues & offers shelter and safe houses for children in need of temporarily care and protection. Further CWSK provides psychosocial support to the children in the CWSK temporary places of safety and also networks with Charitable Children's Institutions (CCIs).



*From right: The First Lady, H.E. Margaret Kenyatta, H.E. Mama Ngina Kenyatta-mother to President Uhuru Kenyatta and Irene Mureithi, CEO CWSK with the children at CWSK Mama Ngina Kenyatta Temporary Place of Safety (Children's Home)*

### **Achievements in rapid response and rescue of children**

2,800 Rescued children and in temporary places of safety were provided with psychosocial support.

### **5.2.2 ALTERNATIVE FAMILY CARE PROGRAMME**

This programme is a vision 2030 flagship project. Its overall goal is to increasingly realize conducive family and alternative Care for Children in Need of Special Protection (CNSP).

The programme realizes this through; adoption, foster care and guardianship.

## CHILD WELFARE SOCIETY OF KENYA

### **Achievements in Alternative family care**

- 280 separated children were placed in with families(through foster care, guardianship and local adoption)

### **5.2.3 EMERGENCY PREPAREDNESS AND RESPONSE PROGRAMME**

This programme focuses on addressing child protection concerns and ensuring protection of children during emergencies.

CWSK responds to any emergencies that may take place in any part of the country in addition to establishment /strengthening of local community structures to respond to child protection in emergencies.

### **Achievements in emergency preparedness**

- 46,110 children were provided with psychosocial support.
- 888 separated children in emergency affected areas were provided with Family tracing, mediation and reintegration services.



*Among the highlights of this programme was this emergency response for the children in Pepo la Tumaini Primary School in Isiolo who received a water tank which was handed over during CWSK emergency response to the drought that hit Isiolo County. The team was led by Irrigation PS Madam Zainab Hussein.*



*The PS social protection issuing education materials including school bags, books and sanitary towels among other items at Nauyapong primary school*

#### **5.2.4 FAMILY STRENGTHENING PROGRAMME.**

Aims at strengthening of family relationships in order for them to effectively care and protect children. This is done through providing counselling, mediation, psychosocial support, rehabilitation and economic empowerment to families in order for them to provide quality care to children.

#### **Achievements in family counselling, mediation, empowerment, rehabilitation**

- 21,595 families provided with psychosocial support, mediation, rehabilitation and counselling.
- 1,203 families received economic empowerment

CHILD WELFARE SOCIETY OF KENYA



*A family receives IGA support to sustain the reunified child and his siblings*



*Socio-economic empowerment beneficiary – Mr. Peter Muhingo with piglets and feed for the piglets in Nyeri County*


CHILD WELFARE SOCIETY OF KENYA



*A socio-economic empowerment beneficiary receiving a heifer from CWSK in Nyeri County*


5.2.5 FAMILY TRACING AND REUNIFICATION PROGRAMME.

























This involves family tracing for children who are not aware of the whereabouts of their parents or parents not aware of the whereabouts of the children and facilitating reunification of these children with their families. This is done locally and internationally.



# HELP ME FIND MY FAMILY



















Lost/Missing children ask - are you my family?  
The children are currently under the care of CWSK Places of Safety across the country.



 <b>Name:</b> Emmanuel Suda <b>Age:</b> 1 year <b>Rescued:</b> Kisumu	 <b>Name:</b> Peter Baraka <b>Age:</b> 14 Years <b>Rescued:</b> Watoto Wetu Children's Home	 <b>Name:</b> Lucas Odhiambo <b>Age:</b> 3 Years <b>Rescued:</b> Kisumu	 <b>Name:</b> Isaac Ochieng <b>Age:</b> 8 Years <b>Rescued:</b> Kisumu	 <b>Name:</b> Cynthia Chelot <b>Age:</b> 13 Years <b>Rescued:</b> Kisumu	 <b>Name:</b> Alice Ombati <b>Age:</b> 6 Years <b>Rescued:</b> Kisumu Level 5	 <b>Name:</b> Lawrence Asika <b>Age:</b> 14 Years <b>Rescued:</b> Foru Kisumu	 <b>Name:</b> Ziblon Odhiambo <b>Age:</b> 5 Years <b>Rescued:</b> Eldoret	 <b>Name:</b> Henry Mutua Jua Kariuki <b>Age:</b> 12 Years <b>Rescued:</b> Bridge Academy Hingogwa					
 <b>Name:</b> Samson Isak <b>Age:</b> 16 Years <b>Rescued:</b> Kakamega	 <b>Name:</b> Victor Mwendwa <b>Age:</b> 10 Years <b>Rescued:</b> Nairobi	 <b>Name:</b> Brian Omani <b>Age:</b> 11 Years <b>Rescued:</b> Kisumu	 <b>Name:</b> Sylvia Kamuto <b>Age:</b> 12 Years <b>Rescued:</b> Embudo-Kisumu	 <b>Name:</b> Baby Ethan <b>Age:</b> 10 Years <b>Rescued:</b> Thika Level Five Hospital	 <b>Name:</b> Malon Mafua <b>Age:</b> 8 Years <b>Rescued:</b> Nairobi	 <b>Name:</b> JoAnne Chepkurui <b>Age:</b> 15 Years <b>Rescued:</b> Kisumu	 <b>Name:</b> Steward Francis <b>Age:</b> 8 Years <b>Rescued:</b> Kisumu Level 5	 <b>Name:</b> Silan Kibet <b>Age:</b> 8 Years <b>Rescued:</b> Nairobi					
 <b>Name:</b> Erica Ombati <b>Age:</b> 8 Years <b>Rescued:</b> Kisumu	 <b>Name:</b> Elijah Burub <b>Age:</b> 10 Years <b>Rescued:</b> Kisumu	 <b>Name:</b> Moses Obigwa <b>Age:</b> 10 Years <b>Rescued:</b> Kisumu	 <b>Name:</b> Justus Okingo <b>Age:</b> 10 Years <b>Rescued:</b> Kisumu Level 6 Hospital	 <b>Name:</b> Mercy Kagira <b>Age:</b> 10 Years <b>Rescued:</b> Kogonyo Kisumu	 <b>Name:</b> Merry <b>Age:</b> 11 Years <b>Rescued:</b> Kisumu	<b>Name:</b> Baby Mary Wairimu Hingogwa <b>Age at Rescued:</b> 7 weeks <b>Rescued:</b> Funguani Maternity Home 16201/2012	<b>Name:</b> Baby Moses <b>Age at Rescued:</b> Age 1 Year <b>Rescued:</b> Phone Area (25/11/2012)	<b>Name:</b> Baby Joshua <b>Age at Rescued:</b> Age 3 Months <b>Rescued:</b> Chuka Market (15/12/2012)	<b>Name:</b> Baby Moses Baraka Jua Jua <b>Age at Rescued:</b> Age 1.5yrs <b>Rescued:</b> Njiru Location (15/12/2012)	<b>Name:</b> Marlon Omon <b>Current age:</b> Approx. 19 Years <b>Rescued:</b> Funguani police station 16201/2012	<b>Name:</b> Nawa Obiano <b>Current age:</b> Age 3 Years (2016) <b>Rescued:</b> Outside Chuka Police Station Location (2016)	<b>Name:</b> Baby Wairimu Baraka Jua Jua <b>Age at Rescued:</b> Age 1.5yrs <b>Rescued:</b> Njiru Location (15/12/2012)	<b>Name:</b> Baby Wairimu Jua Jua <b>Current age:</b> Age 3 Years <b>Rescued:</b> George A. Bawa, 2013

**MISSING CHILDREN**

These children went missing in various places and at different dates. Their parents are looking for them. Please report to CWSK if you have information regarding their whereabouts.

 <b>Name:</b> Anna Karuri <b>Age:</b> 7 Years <b>Place lost:</b> Nairobi-CBD <b>Date lost:</b> 26/11/2015	 <b>Name:</b> James Mwangi <b>Age:</b> 4 Years <b>Place lost:</b> Uthmaniyah <b>Date lost:</b> February 2016	 <b>Name:</b> John Waino <b>Age:</b> 10 Years <b>Place lost:</b> Fundiata - RUP to Kariakoo <b>Date lost:</b> 23/12/2015	 <b>Name:</b> David Kimani <b>Age:</b> 10 Years <b>Date lost:</b> 15/11/2015 <b>Place lost:</b> Police Lane Jua	 <b>Name:</b> Abud Kariakoo <b>Age:</b> 12 Years <b>Place lost:</b> Mshahidi Police Station	 <b>Name:</b> Linda Muturi <b>Age:</b> 6 Years <b>Place lost:</b> Mombasa	 <b>Name:</b> John Karuri <b>Age:</b> 10 Years <b>Get lost at:</b> Likiep <b>Date he got lost:</b> 10/12/2017	 <b>Name:</b> Veronica Mwangi Jua Jua <b>Age:</b> 3 Years 10 Months <b>Place lost:</b> Mshahidi Police Station <b>Date lost:</b> 1/11/2015	
 <b>Name:</b> Steve Amambishi <b>Age:</b> 6 Years <b>Place lost:</b> Kariakoo <b>Date lost:</b> 11/05/2017	 <b>Name:</b> Peter Muli <b>Age:</b> 10 Years <b>Place lost:</b> Uthmaniyah <b>Date lost:</b> 23/08/2017	 <b>Name:</b> Brighton Ombati <b>Age:</b> 7 Years <b>Place lost:</b> Chuka <b>Date lost:</b> December 2015	<b>Name:</b> Isaac Isak <b>Age:</b> 10 Years <b>Date lost:</b> 14/05/2016 <b>Place lost:</b> Nairobi Phase 2	<b>Name:</b> Levis Mwangi <b>Age:</b> 10 Years <b>Place lost:</b> Githika, Kariakoo <b>Date lost:</b> 1/08/2017	<b>Name:</b> Samson Njiru Karuri <b>Age:</b> 10 Years old <b>Place lost:</b> Kariakoo <b>Date lost:</b> 1/5/2016	<b>Name:</b> Tony Mutua <b>Age:</b> 6 Years <b>Place lost:</b> Mathira <b>Date lost:</b> 1/5/2016	<b>Name:</b> Brighton Oscar Ombati <b>Age:</b> 4 Years <b>Place lost:</b> Mathira <b>Date lost:</b> 17/07/2016	<b>Name:</b> Gregory Karuri <b>Age:</b> 11 Years <b>Place lost:</b> Nairobi
 <b>Name:</b> Rebecca Waino <b>Age:</b> 11 Years old <b>Place the child got lost:</b> Uthmaniyah <b>Date lost:</b> 11/12/2014	 <b>Name:</b> Marlon Mwangi <b>Age:</b> 6 Years <b>Place the child got lost:</b> Mathira <b>Date lost:</b> 4/12/2014	 <b>Name:</b> Thomas Muli <b>Age:</b> 10 Years <b>Place the child got lost:</b> Mathira <b>Date lost:</b> 4/12/2014	 <b>Name:</b> Wanyonyi Karuri <b>Age:</b> 6 Years <b>Get lost in:</b> Kariakoo <b>Date lost:</b> 26/12/2016	 <b>Name:</b> Bright Ombati <b>Age:</b> 14 Years <b>Place the child got lost:</b> Hingogwa Area <b>Date lost:</b> 07 December 2016	 <b>Name:</b> Malon Mafua <b>Age:</b> 17yrs <b>Place the child got lost:</b> Chuka <b>Date lost:</b> 12/2016	 <b>Name:</b> Bright Oscar Ombati <b>Age:</b> 4 Years <b>Place the young person got lost:</b> Kapiti County area <b>Date the young person got lost:</b> 14/05/2017	<b>Name:</b> Catherine Waino <b>Age of the young person when she got lost:</b> 25 Years old <b>Sex of the young person:</b> Female <b>Place the young person got lost:</b> Kapiti County area <b>Date the young person got lost:</b> 14/05/2017	

Telephones: 0713 908 835 / 0713 908 826  
Email: cwsktoto@childwelfaremail.co.ke www.childwelfarekenya.org

CWSK Media Tracing advertisements on different Newspapers is one of the many channels that Child Welfare Society of Kenya uses in Tracing Families of lost Children.

## CHILD WELFARE SOCIETY OF KENYA

### **Achievements in family Tracing and Reunification**

- Provided 1,249 separated children with family tracing services through social investigations and also by placing their photos on the print media both Nation and Standard.
- 361 children were reunified with their families having been separated.

### **5.2.6 EDUCATION AND SKILLS DEVELOPMENT PROGRAMME.**

This programme is a vision 2030 flagship project. The programme focuses on achieving and promoting OVCs, vulnerable young persons and children access to quality education and self-reliance skills training through; Enhancing and strengthening early childhood development (ECD) programmes; providing support towards education to all children in the 15 CWSK temporarily places of safety and to unreached children that fall through the cracks at local community level and promoting children and youth access to quality education and self-reliance skills.

### **Achievements in education and skills development**

Supported 44,150 children in education and skills development



*Wonderful moments captured as Clare a CWSK beneficiary CWSK, (second from the right) graduated with Bachelor of Law Degree at the Catholic University of Eastern Africa In October 2017.*



*CWSK Beneficiary (Second from left) graduating from Kenya mass communication institute with diploma in Mass Communication and video production.*

#### **5.2.7 CHILD LABOUR & COMMERCIAL SEXUAL EXPLOITATION OF CHILDREN (CSEC) AND OVCS OUT OF FAMILY PROGRAMME**

This programme aims at creating an enabling environment for child labour free zones across the country and support to OVCs outside family household. This includes lobbying and advocating for policies and laws that promote child labour & CSEC free society, prevention and Withdrawal of children from situation child labour including CSEC, street, neglect, abuse and exploitation.

Through this programme CWSK identifies, registers, rescues, rehabilitates, mediates families, traces, and integrates/reunifies these children with their families. It also involves provision of psychosocial support to OVCs outside cash transfer programme.

## CHILD WELFARE SOCIETY OF KENYA

### **Achievements**

2,256 children involved and at risk of child labour and CSEC identified, provided with psychosocial support to go to school and retain them in school.

44,952 OVCs outside the cash transfer provided with psychosocial support including those OVCs in CWSK networks and in other linkages in CCIs.

### **5.2.8 CAPACITY BUILDING PROGRAMME**

The programme aims at strengthening the community capacities, duty bearers, youth and children in order to provide an enabling environment for OVCs care and protection as well institutional strengthening.

### **Achievements in capacity building**

· 21,595 duty bearers sensitized/trained on OVC protection and their roles in protecting OVCs.



*CWSK officer during a session on HIV/AIDS prevention with participants from Kwanza and Endebes Sub-counties in Trans Nzoia County.*

### 5.2.9 DEVELOPMENT-UPGRADING & ESTABLISHMENT OF CWSK TEMPORARY PLACES OF SAFETY

Development is aimed at improving the quality of life of children, orphans and other and vulnerable young persons at the local community as well as those in CWSK temporary places of safety, rescue centres across the country. CWSKs development projects are flagship projects for vision 2030.

#### **Achievements in development**

- Remarkable progress in projects has been realized. Phase 2 of the following projects was completed; CWSK foster care centres in Isiolo 80%, Joska 80%, Nanyuki 80%.
- Phase 1 of the following projects was completed CWSK foster care centres in Mama Ngina Kenyatta 30%, Murang'a 30 %, Bungoma 20%, Kisumu 20%.
- The overall implementation of projects up to phase two is 50%.



*Members of the Board of Trustees and Board of Directors at CWSK Joska Temporary Place of Safety Construction site.*

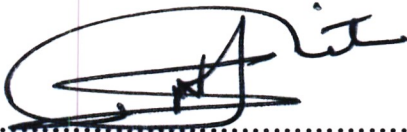
## CHILD WELFARE SOCIETY OF KENYA

### CONCLUSION

We Thank God For All That Child Welfare Society Of Kenya Achieved In The Year 2016/17 And For The Significant Growth To A Higher Level Of Glory. Provision Of Services To Children Has Continued To Expand As The Organization Makes Deliberate Efforts To Reach More Children With Its Services.

CWSK Has Made Tremendous Impact Through Its Programmes And Made Good Progress In The Implementation Of The Vision 2030 Flagship Projects Namely; Alternative Family Care, Education, Rehabilitation And Skills Development And Development Projects. More Children Have Been Reached Through Our Programmes And Through The Increased Number Of Referrals From Other Government Departments As Well As Other Partners. We Applaud The Resilience Of Our Staff Whose Strength In Serving Children Is Remarkable. We Also Thank The Government For The Confidence They Have In Child Welfare Society Of Kenya And Appreciate The Government's Demonstrated Commitment To The Children Of This Nation.

CWSK Aims To Ensure That Children And Vulnerable Young Persons In Kenya Lead A Happy, Fulfilling And Fruitful Life. We Look Forward To The Next Financial Year To Make A Positive Impact To The Lives Of Children And Vulnerable Young Persons.



..... Date..... 22-MAY-2018

Irene Mureithi

**Chief Executive officer**

## 6 STATEMENT OF CORPORATE GOVERNANCE

Corporate Governance is the process and structure by which organizations are directed and controlled while ensuring accountability and transparency in resource mobilization and utilization. Child Welfare Society of Kenya is committed to high standards of corporate governance.

### Board of Directors

Child Welfare Society of Kenya is in transition having been established as a State Corporation on 23rd May, 2014. The current Board of Directors is therefore the first Board since appointment of CWSK as a State Corporation. The Board is responsible for the governance of CWSK and it ensures that the organization complies with all government regulations while achieving its objectives as per the CWSK strategic plan and performance contract. The Board members are collectively responsible for the long term success of the organization and they are charged with the responsibility to provide leadership and oversee management of the organization.

### Board Meetings

The Board holds meetings on a regular basis and where necessary special meetings of the Board are called.

### Accountability

The Board is responsible for reviewing and approving the annual budget of the organization before submission to the relevant authorities. The Board also reviews and approved financial statements to ensure

they are a true representation of the organization's position. The Board signs a Performance Contract with the Government and it oversees compliance and realization of the same by the Management.

### Organizational Policies

The organization has policies including the Human Resource policy, ICT policy and the Child protection policy, among others which govern the organization and the interests of children. These policies are in line with the CWSK strategic plan and the performance contract.

### Audit

Internal audit systems are in place. However, the organization undergoes external audit by the government.

### Organizational Structure

An organizational structure detailing lines of authority is in place. Staff professionalism and competence is maintained through recruitment policies and a performance appraisal system which is keen on targets and accountability while taking into account appropriate training requirements. Through continues monitoring, staff are expected to develop and maintain the required skills to fulfill their responsibilities.

Signed: 

Irene Mureithi  
Chief Executive Officer

Date: 22-05-2018

  
Joseph Gitau, HSC

Chairman, Board of Trustees

Date: 22-05-2018

## 7 REPORT OF THE BOARD OF DIRECTORS

The Chairman of the Board submits this report together with the financial report for the year ended June 30, 2017.

The Child Welfare Society of Kenya (CWSK) Board is non-executive and is governed by the provisions of the Child Welfare Society of Kenya Order, 2014. This is the first Board for CWSK since it became a State Corporation on 23rd May, 2014.

The Board is responsible for transitioning CWSK into a State Corporation and overseeing a smooth transition. The Board would like to pass its gratitude to the Government of Kenya for making CWSK as a fully-fledged State Corporation and by so doing securing all the property under CWSK for the children and their future. The functions of the Board include:-

1. Control, supervise and administer the assets of the Society in a manner that best promotes the purpose for which the Society is established;
2. Determine the provisions to be made for capital and recurrent expenditure and for the reserves of the Society and the Trust Fund;
3. Receive any grants, gifts, donations or endowments and make legitimate disbursements there from;
4. Mobilize resources for the Society;
5. Strengthen the Endowment and Trust Funds established under the irrevocable Trust Deed of the 12th June, 1970 and such other funds as may be necessary for achieving the objectives of the Society;

6. Contribute towards the development and revision of the National Strategy for the promotion, securing and protection of children's rights;
7. Prescribe fees payable for services rendered by the Society;
8. Advise the Government on laws and policies relating to child welfare and their implementation;
9. Promote public and private sector partnerships for sustainable child welfare programmes and activities;
10. Perform such other functions as may be assigned to it by the President or the Cabinet Secretary.

The Board approved the CWSK budget. Though the amount requested from the Government for running a State Corporation has not been given yet, CWSK is still funded to the tune of Ksh. 879,450,000 in the financial year 2016/2017. Under the leadership of the Board, CWSK worked within this budget directing 398,650,000 to development expenditure and 480,800,000 to recurrent expenditure.

The performance of CWSK in the FY 2016/17 has been outstanding in the implementation of both the development projects and the provision of services to the children which is said to be above the projected target.

Though the organization faced many challenges including court cases, transitional hiccups and limited funding, targets agreed upon in the performance contract signed with the Ministry of Labour, Social Security and Services were realized.


**CHILD WELFARE SOCIETY OF KENYA**

The fixed assets in the balance sheet are held under a trust managed by a Board of Trustees registered under an irrevocable trust deed of the Child Welfare Society of Kenya on 12th June 1970.

**Audit**

The Auditor General is responsible for the statutory audit of Child Welfare Society of Kenya in accordance with the Public Finance Management (PFM) Act, 2012.

**Signed:**

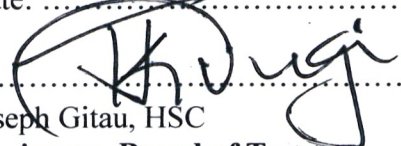


.....  
Irene Mureithi

**Chief Executive Officer**

Date: 22-05-2018

.....



.....  
Joseph Gitau, HSC

**Chairman, Board of Trustees**

Date: 22-05-2018

.....

## 8 STATEMENT OF DIRECTOR'S RESPONSIBILITIES

The Public Finance Management Act, 2012 section 82 requires the Directors to prepare financial statements in respect of the Child Welfare Society of Kenya, which give a true and fair view of the state of affairs of the Society at the end of the financial year and the operating results of the Society for that year.

The Directors are also required to ensure that the Society keeps proper accounting records which disclose with reasonable accuracy the financial position of the Society.

The Directors are responsible for the preparation and presentation of financial statements that give a true and fair view of the state of affairs of the Society at the end of the financial year ended 30th June 2017.

This responsibility includes:

- i. maintaining adequate financial management arrangements and ensuring that these continue to be effective throughout the reporting period;
- ii. Maintaining proper accounting records, which disclose with reasonable accuracy at any time the financial position of the Society;
- iii. Designing, implementing and maintaining internal controls relevant to the preparation and fair presentation of the financial statements, and ensuring that they are free from

material misstatement, whether due to fraud or error;

- iv. Safeguarding the assets of the Society;
- v. Selecting and applying appropriate accounting policies, and
- vi. Making accounting estimates that are reasonable in the circumstances.

The Directors accept responsibility for the Society's financial statements, which have been prepared using appropriate accounting policies supported by reasonable and prudent judgements and estimates, in conformity with International Public Sector Accounting Standards (IPSAS) and in the manner required by the PFM Act 2012 and the State Corporations Act.

The Directors are of the opinion that the financial statements give a true and fair view of the state of the Society's transactions during the financial year ended June 30, 2017 and of the financial position as of that date.

The directors further confirm the completeness of the accounting records maintained, which have been relied upon in the preparation of the Society's financial statements, as well as the adequacy of the systems of internal financial control.

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

**CHILD WELFARE SOCIETY OF KENYA**

**Approval of the financial statements**

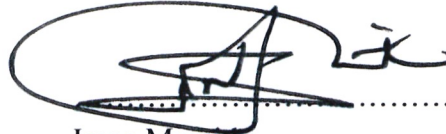
The Society's financial statements were approved by the Board on ~~22-05~~ 2018 and signed on its behalf by:



.....  
Joseph Gitau, HSC.....  
**Chairman, Board of Trustees**



.....  
Basiliano Nyaga  
**Director**



.....  
Irene Mureithi  
**CEO/Secretary**

# REPUBLIC OF KENYA

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P.O. Box 30084-00100  
NAIROBI

## OFFICE OF THE AUDITOR-GENERAL

### REPORT OF THE AUDITOR GENERAL ON CHILD WELFARE SOCIETY OF KENYA FOR THE YEAR ENDED 30 JUNE 2017

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#### REPORT ON THE FINANCIAL STATEMENTS

#### Qualified Opinion

I have audited the accompanying financial statements of Child Welfare Society of Kenya set out on pages 32 to 48, which comprise the statement of financial position as at 30 June 2017, and the statement of financial performance, statement of changes in net assets, statement of cash flows and statement of comparative budget and actual amounts for the year then ended, and a summary of significant accounting policies and other explanatory information in accordance with the provisions of article 229 of the Constitution of Kenya and Section 35 of the Public Audit act, 2015. I have obtained all the information and explanations which, to the best of my knowledge and belief, were necessary for the purpose of the audit.

In my opinion, except for the matters described in the basis of qualified section of my report, the financial statements present fairly, in all material respects the financial position of Child Welfare Society of Kenya as at 30 June 2017, and of its financial performance and its cash flows for the year then ended, in accordance with International Public Sector Accounting Standards (Accrual Basis).

In addition, as required by Article 229(6) of the Constitution, except for the matters described in the Basis for Qualified Opinion and Other Matter sections of my report, based on the procedures carried out, I confirm that public money has been applied lawfully and in an effective way.

#### Basis of Qualified Opinion

##### 1.0 Property, Plant and Equipment

The statement of financial position as at 30 June 2017 reflect property, plant and equipment balance of Kshs.2,145,456,438 out of which Kshs.1,151,073,276 relates to land and buildings. As previously reported, nineteen (19) parcels of land spread across the country had partial or no ownership documents. Although evidence availed by the Society shows that it is in the process of acquiring the ownership documents for some parcels of land, the process of resolving disputed land issues and court cases should be fast tracked to ensure security of the public assets.

Further, the Society did not maintain a proper fixed assets register for property, plant and equipment with necessary details such as; record of each parcel of land and each building and the terms on which it is held, with reference to, the conveyance, address, area, dates of acquisition, disposal or major change in use, capital expenditure, leasehold terms,

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*Report of the Auditor-General on the Financial Statements of Child Welfare Society of Kenya for the year ended 30 June 2017*

maintenance contracts and other pertinent management details as required. Documents availed for audit indicated that only a listing of various properties was maintained.

In addition, the financial statements did not include a summary of fixed assets which should disclose the nature, value and status of the assets owned by the Society as at 30 June 2017.

In the circumstance, it has not been possible to confirm the accuracy, completeness of the property, plant and equipment balance of Kshs.2,145,456,438 reflected in the statement of financial position as at 30 June 2017.

## **2. Inventory and Stores Management**

The financial statements for the year ended 30 June 2017 reflect inventories totaling Kshs.59,513,036. However, no stock take exercise was carried out at the end of the year to establish the accuracy of this balance as required.

In the circumstances, it has not been possible to verify and confirm the accuracy, nature, existence and value of the inventory owned by the Society as at 30 June 2017.

The audit was conducted in accordance with International Standards of Supreme Audit Institutions (ISSAIs). I am independent of Child Welfare Society of Kenya management in accordance with ISSAI 30 on Code of Ethics. I have fulfilled other ethical responsibilities in accordance with the ISSAI and in accordance with other ethical requirements applicable to performing audits of financial statements in Kenya. I believe that the audit evidence I have obtained is sufficient and appropriate to provide a basis for my opinion.

### **Key Audit Matters**

Key audit matters are those matters that, in my professional judgement, are of most significance in the audit of the financial statements. Except for the matters described in the Basis for Qualified Opinion and Other Matter sections of my report, I confirm that there were no Key Audit Matters to communicate in my report.

### **Other Matter**

#### **1.0 Budget and Budgetary Performance**

##### **1.1 Revenue**

The Society received grants totaling Kshs.915,670,771 against estimated total of Kshs.917,520,771 resulting to a shortfall of only Kshs.1,850,000. The recurrent vote was allocated Kshs.480,800,000 while development vote was allocated Kshs.298,650,000 with an additional Kshs.100,000,000 reserved for Orphans and Vulnerable Children (OVC). The Society also received grants from donor such as UNICEF Kshs.10,000,000 against Kshs.32,991,800 in 2015/2016, Nakuru Lapsetry Kshs.17,100,400 etc, all totaling Kshs.32,026,805 and other incomes from investments totaling Kshs.4,243,966 as shown below:

Revenue head	Budget Kshs.	Actual Kshs.	Excess/(shortfall) Kshs.	Excess/(shortfall) (%)
Government grants - Recurrent	481,250,000	480,800,000	(450,000)	(0.09)
Government grants - Development	300,000,000	298,600,000	(1,400,000)	(0.47)
OVC development	100,000,000	100,000,000	0	0
Other grants	32,026,805	32,026,805	0	0
Other income	4,243,966	4,243,966	0	0
<b>Total</b>	<b>917,520,771</b>	<b>915,670,771</b>	<b>(1,850,000)</b>	<b>(0.2)</b>

## 1.2 Expenditure

Expenditure analysis indicates that the Society had budgeted to spend a total of Kshs.913,144,922 but actual expenditure amounted to Kshs.868,589,833 and thereby underspent the budgeted amount by Kshs.44,555,089 or 5% as tabulated below:

Expenditure	Budget Kshs.	Actual Kshs.	Over/Under (-) Kshs.	Over/Under (-) (%)
Compensation of employees	300,000,000	266,662,658	-33,337,342	-11
Directors expenses	2,500,000	2,548,775	48,775	2
Administrative expenses	125,500,000	105,863,763	-19,636,237	-16
Foster Care & Guardianship Programmes	20,000,000	11,205,477	-8,794,523	-44
Adoption Programme	12,000,000	297,925	-11,702,075	-98
OVC Development	131,894,922	129,793,075	-2,101,847	-2
Development Budget	300,000,000	334,624,686	34,624,686	12
Capital expenditure	21,250,000	17,593,474	-3,656,526	-17
<b>Total</b>	<b>913,144,922</b>	<b>868,589,833</b>	<b>- 44,555,089</b>	<b>(5)</b>

The under expenditure of Kshs.44,555,089 was explained as a deliberate effort to ensure that at all times the Society had emergency response/rescue funds to cater for mainly adoption programme where Kshs.11,702,075 or 98% was saved, foster care and guardianship programmes where Kshs.8,794,523 or 44% was saved. The over expenditure of Kshs.34,624,686 or 12% under the development budget was attributed emergency acquisition of additional capital items such as beds, mattresses, utensils etc.

The Society should therefore consider budgeting for contingencies to avoid forced savings on specific budgetary items.

## **Responsibilities of Management and Those Charged with Governance for the Financial Statements**

Management is responsible for the preparation and fair representation of these financial statements in accordance with International Public Sector Accounting Standards (Accrual Basis) and for such internal control such as management determines is necessary to enable the preparations of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, management is responsible for assessing the Society's ability to continue to sustain services, disclosing, as applicable, matters related to sustainability of services and using the going concern basis of accounting unless the management either intends to liquidate the Society or to cease operations, or have no realistic alternative but to do so.

Management is also responsible for the submission of the financial statement to the Auditor-General in accordance with the provision of Section 47 of the Public Audit Act 2015.

Those charged with governance are responsible for overseeing the Society's financial reporting process.

## **Auditor-General's Responsibilities for the Audit of the Financial Statements**

The audit 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 my opinion in accordance with the provisions of Section 48 of the Public Audit Act, 2015 and submit the audit report in compliance with Article 229(7) of the Constitution of Kenya. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with ISSAIs 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.

As part of an audit conducted in accordance with ISSAIs, I exercise professional judgement and maintain professional skepticism throughout the audit. I also:

- 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 my 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 and for the purpose of giving an assurance on the effectiveness of the Society's internal control.

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

- Conclude on the appropriateness of the 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 Society's ability to continue as a going concern. If I conclude that a material uncertainty exists, I am required to draw attention in the auditor's report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify my opinion. My conclusions are based on the audit evidence obtained up to the date of my audit report. However, future events or conditions may cause the Society to cease to continue as a going concern.
- 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.
- Obtain sufficient appropriate audit evidence regarding the financial information of the Society's activities to express an opinion on the financial statements.
- Perform such other procedures as I consider necessary in the circumstances.

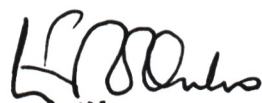
I communicate with the management regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that are identified during the audit.

I also provide management with a statement that I have complied with relevant ethical requirements regarding independence, and to communicate with them all relationships and other matters that may reasonably be thought to bear on my independence, and where applicable, related safeguards.

#### REPORT ON OTHER LEGAL AND REGULATORY REQUIREMENTS

As required by the State Corporations Act, I report based on the audit, that:

- (i) I have obtained all the information and explanations which, to the best of my knowledge and belief, were necessary for the purpose of the audit;
- (ii) In my opinion, adequate accounting records have been kept by the Society, so far as appears from the examination of those books; and
- (iii) The Society's financial statements are in agreement with the accounting records.



**FCPA Edward R. O. Ouko, CBS**  
**AUDITOR-GENERAL**

**Nairobi**

**05 July 2018**

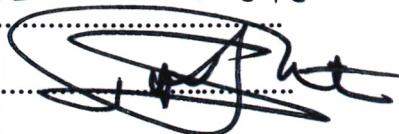
**CHILD WELFARE SOCIETY OF KENYA**

**9 STATEMENT OF FINANCIAL PERFORMANCE FOR THE YEAR ENDED 30 JUNE 2017**

<b>REVENUE FROM NON-EXCHANGE TRANSACTIONS</b>	<b>Notes</b>	<b>2016/17 KShs</b>	<b>2015/16 KShs</b>
<b>RECURRENT FUNDS</b>			
Government Grant	15.3	480,800,000	347,250,000
OVC Development	15.3	100,000,000	79,732,790
Other Grants	15.4	32,026,805	67,335,392
Other Income	15.5	4,243,966	4,661,002
<b>Total Recurrent Revenue</b>		<b>617,070,772</b>	<b>498,979,184</b>
<b>Recurrent Expenses</b>			
Compensation of Employees	15.15	266,662,658	324,480,923
Directors Expenses	15.16	2,548,775	3,817,200
Administrative Expenses	15.17	116,677,806	201,881,437
OVC Development	15.17	129,793,075	79,732,790
<b>Subtotal - Recurrent Expenses</b>		<b>515,793,075</b>	<b>609,912,350</b>
<b>SURPLUS/(DEFICIT) FROM RECURRENT ACTIVITIES</b>		<b>101,388,458</b>	<b>(110,933,167)</b>

Secretary/Chief Executive Officer

Date: 22-05-2018

Signature: 

Chairman Board of Trustees

Date: 22-05-2018

Signature: 

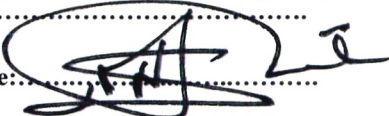
**CHILD WELFARE SOCIETY OF KENYA**

**10 STATEMENT OF FINANCIAL POSITION AS AT 30 JUNE 2017**

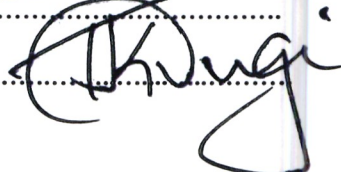
	Note	2016/17 KShs	2015/16 KShs
<b>ASSETS</b>			
<b>Non-Current Assets</b>			
Property, Plant & Equipment	15.7	2,143,843,213	1,832,062,112
<b>Investments</b>			
Safaricom shares	15.6	2,878,313	2,263,125
		<b>2,146,721,526</b>	<b>1,834,325,237</b>
<b>Current Assets</b>			
Inventories	15.8	19,807,217	35,732,057
Receivables	15.9	822,325	3,922,325
Other Receivables	15.10	1,300,546	3,648,646
Cash and Cash Equivalents	15.11	68,600,505	1,433,569
Trustees Account	15.12	120,619,747	109,320,720
		<b>211,150,341</b>	<b>154,057,316</b>
<b>Current Liabilities</b>			
Accounts Payable and Accruals	15.13	104,165,714	124,146,272
Rent deposit	15.14	168,400	168,400
		<b>104,334,114</b>	<b>124,314,672</b>
<b>Net Current Assets</b>		<b>106,816,227</b>	<b>29,742,644</b>
<b>Total Assets</b>		<b>2,253,537,753</b>	<b>1,864,067,880</b>
Financed by :			
<b>Capital and equity</b>			
Accumulated Fund		(85,015,439)	(184,101,311)
Revaluation Reserve		1,204,907,081	1,213,123,081
Capital Reserve		1,133,646,111	835,046,111
<b>Total Capital and Equity</b>		<b>2,253,537,753</b>	<b>1,864,067,880</b>

The Financial Statements set out on pages 1 to 48 were signed on behalf of the Board of Directors by:

Secretary/Chief Executive Officer

Date: 22-05-2018  
 Signature: 

Chairman Board of Trustees

Date: 22-05-2018  
 Signature: 

**CHILD WELFARE SOCIETY OF KENYA**

**11 STATEMENT OF CHANGES IN NET ASSETS FOR THE YEAR  
ENDED 30 JUNE 2017**

	<b>Accumulated Fund</b>	<b>Revaluation Reserves</b>	<b>Capital Reserves</b>	<b>Total</b>
	<b>KShs</b>	<b>KShs</b>	<b>KShs</b>	<b>KShs</b>
Balance as at 1st July 2015	(73,168,144)	1,214,139,081	514,778,901	1,655,749,838
Armortised during the year	-	(1,016,000)	-	(1,016,000)
Capital Grants Received	-	-	320,267,210	320,267,210
Surplus (Deficit) for the Period	(110,933,167)	-	-	(110,933,167)
<b>Balance as at 30th June 2016</b>	<b><u>(184,101,311)</u></b>	<b><u>1,213,123,081</u></b>	<b><u>835,046,111</u></b>	<b><u>1,864,067,880</u></b>
Balance as at 1st July 2016	(184,101,311)	1,213,123,081	835,046,111	1,864,067,880
Armortised during the year	-	(1,016,000)	-	(1,016,000)
Capital Grants Received	-	-	298,600,000	298,600,000
Surplus (Deficit) for the Period	101,388,458	-	-	101,388,458
Revaluation adjustment	-	(7,200,000)	-	(7,200,000)
Prior year adjustment on depreciation	(2,302,585)	-	-	(2,302,585)
<b>Balance as at 30th June 2017</b>	<b><u>(85,015,439)</u></b>	<b><u>1,204,907,081</u></b>	<b><u>1,133,646,111</u></b>	<b><u>2,253,537,753</u></b>

**Nature and purpose of reserves**

CWSK creates and maintains reserves in terms of specific requirements as follows

- i) Capital Reserve – this is used to record contribution made by Government inform of development grants transfers
- ii) Revaluation Reserve – this is used to indicate the re-valued amounts on the plant property and equipment, and any other adjustments on the same.

**CHILD WELFARE SOCIETY OF KENYA**

**13 STATEMENT OF CASH FLOWS AS AT 30 JUNE 2017**

	Notes	2016/17 KShs	2015/16 KShs
<b>Cash flows from operating activities</b>			
Net Surplus /(Deficit) for the year		100,699,098	(110,933,167)
<b>Adjusted for item not involving movement of cash</b>			
Depreciation	15.7	28,726,868	20,039,792
Unrealised gains on investments	15.6	(615,188)	(223,125)
<b>Operating Surplus/(Deficit) before Working Capital Changes</b>		<b>128,810,778</b>	<b>(91,116,500)</b>
(Increase)/decrease in inventory		15,924,840	53,067,082
(Increase)/decrease in receivables		5,448,100	358,534
Increase/(decrease) in payables		(19,980,558)	(46,035,447)
Increase/(decrease) in Trustee Account		(4,299,028)	31,641,024
<b>Net cash generated from operating activities</b>		<b>125,904,132</b>	<b>(52,085,306)</b>
<b>Investing activities</b>			
Purchase of Fixed Assets	15.7	(357,337,195)	(324,989,116)
<b>Cash from operating and investing activities</b>		<b>(231,433,063)</b>	<b>(377,074,423)</b>
<b>Financing activities</b>			
BBK TBP 1349		-	-
Development Government Fund	15.3	298,600,000	320,267,210
<b>Net cash from financing and investing activities</b>		<b>298,600,000</b>	<b>320,267,210</b>
<b>Net cash in/(out) flow for the year</b>		<b>67,166,937</b>	<b>(56,807,213)</b>
<b>Cash and cash equivalents at 1st July</b>	11	<b>1,433,569</b>	<b>58,240,781</b>
<b>Cash and cash equivalents as at 30th June</b>		<b>68,600,505</b>	<b>1,433,569</b>

**14 STATEMENT OF COMPARISON OF BUDGET AND ACTUAL AMOUNTS FOR THE PERIOD  
ENDED 30 JUNE 2017**

	CWSK Budget Kshs.	Budget 2016/2017 Kshs.	Actual on comparable basis Kshs.	Performance Difference Kshs.	Variance %	Comments
<b>A. RECURRENT BUDGET</b>						
<b>Revenue</b>						
Government grants – Recurrent	1,500,000,000	481,250,000	480,800,000	450,000	0.09	
Government grants - Development	1,229,383,500	300,000,000	298,600,000	1,400,000	0.47	
Orphans and Vulnerable Children (OVC) Development	1,470,616,500	100,000,000	100,000,000	-	-	
Project Grants: Nakuru Lapsetry	-	21,894,922	21,894,922	-	-	
Project Grants: UNICEF	-	10,000,000	10,000,000	-	-	
Donations/Other Incomes	-	4,375,849	4,375,849	-	-	
<b>Total Revenue</b>	<b>4,200,000,000</b>	<b>917,520,771</b>	<b>915,670,771</b>	<b>1,850,000</b>	<b>0.20</b>	
<b>EXPENDITURES</b>						
Foster Care & Guardianship Programmes	62,396,007	20,000,000	11,205,477	8,794,523	43.97	a)
Adoption Programme	37,437,604	12,000,000	297,925	11,702,075	97.52	b)
Administrative Cost	399,334,442	125,500,000	105,863,763	19,636,237	15.65	c)
Director cost/Emoluments	2,600,000	2,500,000	2,548,775	(48,775)	-1.95	
Capital expenditure	62,291,847	21,250,000	17,593,474	3,656,526	17.21	d)
Human Capital Intensive Services/Personnel cost	935,940,100	300,000,000	266,662,658	33,337,342	11.11	e)
<b>Sub Total</b>	<b>1,500,000,000</b>	<b>481,250,000</b>	<b>404,172,072</b>	<b>77,077,928</b>	<b>16.02</b>	
<b>OVC DEVELOPMENT</b>						
Capacity Building, Research And Advocacy Programmes	138,485,720	16,200,000	16,059,660	140,340	0.87	
Education And Skills Development For Unreached Children At The Community Level	459,129,546	39,394,922	39,198,966	195,956	0.50	
Emergency Preparedness And Response Programme	187,286,023	16,800,000	16,602,400	197,600	1.18	
Family Strengthening & Family Tracing Programmes	101,270,802	7,500,000	7,827,997	(327,997)	-4.37	
Temporarily Places Of Safety (including Children's Home) Programme	584,444,409	52,000,000	50,104,052	1,895,948	3.65	
<b>Sub Total</b>	<b>1,470,616,500</b>	<b>131,894,922</b>	<b>129,793,075</b>	<b>2,101,847</b>	<b>1.59</b>	
<b>B. DEVELOPMENT BUDGET</b>						
Upgrading CWSK Places of safety(Development Projects)	1,229,383,500	300,000,000	334,624,686	(34,624,686)	(11.54)	f)
<b>TOTAL</b>	<b>4,200,000,000</b>	<b>913,144,922</b>	<b>868,589,833</b>	<b>44,555,089</b>	<b>4.88</b>	

## Budget variance comments

Budget line	Comments
a) Foster Care & Guardianship Programme	CWSK is required at all times carry out Emergency response, rescue and provide custody for Children in need of care and protection. CWSK also has the responsibility to ensure Children in our custody have adequate fresh food, school fees and school requirements are provided. In addition medical contingencies is a critical component. This therefore requires the organization to have funds at all times to address these needs. It takes up to September for 1 <sup>st</sup> Quarter funds to be released by exchequer. The aforementioned needs for children takes place all the time beside disasters that are unpredictable. It would therefore be difficult to execute these functions without funds thus reason to hold some reserves.
b) Adoption Programme	The pending regularization of CWSK exemption on adoption slowed down expenditure on adoption program despite many pending adoption cases awaiting finalization.
c) Administrative Cost	As per (a) above execution of the same requires administration and upkeep of the rescued children in our custody, foster families and families in need of economic empowerment.
d) Capital expenditure	Emergency and rescue may call for acquisition of additional capital items such as beds, mattress utensils thus reason for holding of the funds,
e) Human Capital Intensive Services/Personnel cost	As per (a) above execution of the same requires administration. CWSK uses human capital to execute its functions especially on rescue and care of rescued Children.
f) Upgrading CWSK Places of safety(Development Projects)	CWSK projects are multiyear projects. The board has a deliberate commitment to hasten the completion of the projects to ensure proper housing of the rescued children

## 15 NOTES TO THE FINANCIAL STATEMENTS

### 15.1 Statement of compliance and basis of preparation

Child Welfare Society of Kenya (CWSK) financial statements have been prepared in accordance with International Public Sector Standards (IPSAS). The financial statements are presented in Kenya Shillings, which is the functional and reporting currency of CWSK. The accounting policies have been applied as per IPSAS in the year under review.

The financial statements have been prepared on the basis of historical cost, unless stated otherwise. The cash flow statement is prepared using the indirect method. The financial statements are prepared on accrual basis.

### 15.2 Summary of significant accounting policies

#### (a) Revenue recognition

##### (i) Revenue from non-exchange transactions

###### Government grants and donor funds

The organization recognizes revenues from fees, government grants and donor funds when the event occurs and the asset recognition criteria are met. To the extent that there is a related condition attached that would give rise to a liability to repay the amount, deferred income is recognized instead of revenue.

Other non-exchange revenues are recognised when it is probable that the future economic benefits or service potential associated with the asset will flow to the organization and the fair value of the asset can be measured reliably.

##### (ii) Revenue from exchange transactions

###### Rental income

Rental income arising from operating leases on investment properties is accounted for on a straight line basis over the lease terms and included in revenue.

###### Other Income

Interest income, school tuition and dispensary income are recognized as received.

##### b) Budget information

The annual budget is prepared on the accrual basis, that is, all planned costs and income are presented in a single statement to determine the needs of CWSK. As a result of the adoption of the accrual basis for budgeting purposes, there are no basis, timing or entity differences that would require reconciliation between the actual comparable amounts and the amounts presented as a separate additional financial statement in the statement of comparison of budget and actual amounts.

##### c) Taxes

###### Current income tax

Current income tax assets and liabilities for the current period are measured at the amount expected to be recovered from or

## CHILD WELFARE SOCIETY OF KENYA

paid to the taxation authorities. The tax rates and tax laws used to compute the amount are those that are enacted or substantively enacted at the reporting date in the area where the organization operates and generates taxable income.

Current income tax assets and liabilities for the current period are measured at the amount expected to be recovered from or paid to the taxation authorities.

The tax rates and tax laws used to compute the amount are those that are enacted or substantively enacted at the reporting date in the area where the organization operates and generates taxable income.

Expenses and assets are recognized net of the amount of VAT, except:

- when the VAT tax incurred on purchase of assets or services is not recoverable from the taxation authority, in which case the tax is recognized as part of the cost of acquisition of the asset or as part of the expense item, as applicable.
- When receivables and payables are stated with the amount of VAT included
- When receivables and payables are stated with the amount of VAT included.
- The net amount of VAT recoverable from, or payable to, the taxation authority is included as part of receivables or payables in the statement of financial position.

### **d) Property, Plant and Equipment**

All property, plant and equipment are stated at cost less accumulated depreciation and impairment losses.

Cost includes expenditure that is directly attributable to the acquisition of the item. When significant parts of property, plant and equipment are required to be replaced at intervals, the organization recognizes such parts as individual assets with specific useful lives and depreciates them accordingly.

Likewise, when a major inspection is performed, its cost is recognized in the carrying amount of the property plant and equipment as a replacement if the recognition criteria are satisfied. All other repair and maintenance costs are recognized in surplus or deficit as incurred. Where an asset is acquired in a non-exchange transaction for nil or nominal consideration the asset is initially measured at its fair value.

Depreciation is calculated to write off the cost or valuation of property and equipment in equal annual instalments over their estimated useful lives. The rates are;

Freehold land	Nil
Leasehold land	Over period of lease
Buildings	2%
Motor vehicles	25%
Fixtures, furniture & fittings	12.5%
Equipment	20%
Computers	30%

Capital work in progress is not depreciated until such as time as the asset is brought into use. No depreciation is provided for in the year of acquisition, whilst full depreciation is provided for in the year of disposition.

## CHILD WELFARE SOCIETY OF KENYA

Depreciation on computer has been changed from 12.5% to 30% to conform to the standards. Resultant notional depreciation is taken in as a prior year adjustment.

Revaluation reserve on buildings is amortised at 2% per year.

### **e) Inventories**

Inventory is measured at cost upon initial recognition. After initial recognition, inventory is measured at the lower of cost and net realizable value. However, to the extent that a class of inventory is deployed at no charge or for a nominal charge, that class of inventory is measured at the lower of cost and current replacement cost.

Net realizable value is the estimated selling price in the ordinary course of operations, less the estimated costs of completion and the estimated costs necessary to make the sale, exchange or distribution. Inventories are recognized as an expense when deployed for utilization or consumption in the ordinary course of operations of the Society.

### **f) Provisions**

Provisions are recognized when the Society has a present obligation (legal or constructive) as a result of a past event, it is probable that an outflow of resources embodying economic benefits or service potential will be required to settle the obligation, and a reliable estimate can be made of the amount of the obligation.

Where the Society expects some or all of a provision to be reimbursed, for example, under an insurance contract, the reimbursement is recognized as a separate asset only when the reimbursement is virtually certain.

The expense relating to any provision is presented in the statement of financial performance net of any reimbursement.

### **g) Contingent liabilities**

The Society does not recognize a contingent liability, but discloses details of any contingencies in the notes to the financial statements, unless the possibility of an outflow of resources embodying economic benefits or service financial statements, potential is remote.

### **h) Nature and purpose of reserves**

The Society creates and maintains reserves in terms of specific requirements as follows: (i) capital reserve - used to record contribution made by government in form of grants / transfers (ii) revaluation reserve - used to indicate the revalued amount on the plant property and equipment.

### **i) Changes in accounting policies and estimates**

The Society recognizes the effects of changes in accounting policy retrospectively. The effects of changes in accounting policy are applied prospectively if retrospective application is impractical.

**j) Employee Benefits**

Short term employee benefits include items such as: (a) Wages, salaries, and social security contributions; (b) short term compensated absence (such as paid annual leave and paid sick leave ) where the compensation for the absences is due to be settled.

When an employee has rendered service to the Society during an accounting period, the Society recognizes the undiscounted amount of short term employee benefits expected to be paid in exchange for that service: as a liability (accrued expense), after deducting any amount already paid.

If the amount already paid exceeds the undiscounted amount of the benefits, the Society recognises the excess (i) as an asset (prepaid expense) to the extent that the prepayment will lead to, for example, a reduction in future payments or a cash refund; and (ii) as an expense, unless another standard requires or permits the inclusion of the benefits in the cost of an asset.

**k) Cash and cash equivalents**

Cash and cash equivalents comprise cash on hand and cash at bank, short term deposits on call and highly liquid investments with an original maturity of three months or less, which are readily convertible to known amounts of cash and are subject to insignificant risk of changes in value. Bank account balances include amounts held in various commercial banks at the end of the financial year.

**l) Significant judgements and sources of estimation uncertainty**

The preparation of the Society's financial statements in conformity with IPSAS requires management to make judgements, estimates and assumptions that affect the reported amounts of revenues, expenses, assets and liabilities, and the disclosure of contingent liabilities, at the end of the reporting period. However, uncertainty about these assumptions and estimates could result in outcomes that require a material adjustment to the carrying amount of the asset or liability affected in future periods.

**m) Subsequent events**

There have been no events subsequent to the financial year end with a significant impact on the financial statements for the year ended 30 June 2017.

**n) Trustees Account**

This relates to income generating activities and property held thereunder which continue to be presided over by the Trustees under the Trust Deed of the 12th June, 1970 as per Legal Notice 58 of 2014.

**o) Financial management risk and objectives**

The Society's activities expose it to a variety of financial risks including credit, liquidity and capital risks. The Society's overall risk management programme focuses on unpredictability of changes in the business environment and seeks to minimize the potential adverse effect of such risks on its performance by setting acceptable levels of risk.

## CHILD WELFARE SOCIETY OF KENYA

### 15.3 Government Grants

	2016/17 Kshs	2015/16 Kshs
Government Grants		
20-09-16	120,312,500	90,312,500
10-11-16	120,312,500	90,312,500
11-11-16	150,000,000	76,312,500
25-11-16	50,000,000	-
10-03-17	37,500,000	-
16-03-17	120,312,500	-
23-03-17	93,062,500	90,312,500
23-05-17	55,537,500	200,000,000
23-05-17	12,500,000	200,000,000
23-05-17	119,862,500	-
<b>Total</b>	<b><u>879,400,000</u></b>	<b><u>747,250,000</u></b>

Comprised of:

<b>Recurrent</b>	<b>480,800,000</b>	<b>347,250,000</b>
<b>Development :</b>		
Upgrading CWSK Places of Safety	298,600,000	320,267,210
Orphans and Vulnerable Children (OVC) Development	100,000,000	79,732,790
<b>Subtotal Development</b>	<b><u>398,600,000</u></b>	<b><u>400,000,000</u></b>
	<b><u>879,400,000</u></b>	<b><u>747,250,000</u></b>

### 15.4 Other Grants

	2016/17 Kshs	2015/16 Kshs
Project Grants: Nakuru Lapsetry	21,894,922	17,100,400
Project Grants: Katian Diesel	-	120,000
Project Grants: CESVI	-	15,747,858
Project Grants: UNICEF	10,000,000	32,991,800
Donations/Other Incomes	131,883	1,375,334
<b>Totals</b>	<b><u>32,026,805</u></b>	<b><u>67,335,392</u></b>

### 15.5 Other Income

	2016/17 Kshs	2014/15 Kshs
Interest Received	7,128	532,127
Dividends Received (Safaricom)	-	77,520
Dispensary Income	54,970	111,080
School Tuition Fees	3,566,680	3,717,150
Unrealised gains on investments	615,188	223,125
	<b><u>4,243,966</u></b>	<b><u>4,661,002</u></b>

## CHILD WELFARE SOCIETY OF KENYA

### 15.6 Investments

	<b>2016/17</b>	<b>2015/16</b>
	<b>Kshs</b>	<b>Kshs</b>
127500 Safaricom Limited Shares @Kshs5.00	2,263,125	2,040,000
Revaluation Surplus as at 30th June (2017: Kshs 22.575; 2016: Kshs 17.75)	615,188	223,125
<b>Totals</b>	<b><u>2,878,313</u></b>	<b><u>2,263,125</u></b>

## 15.7 Property, Plant &amp; Equipment

Description	Land	Land & buildings	Motor vehicles	Computers	Furniture and Equipment	Construction in progress	TOTALS
	Kshs	Kshs	Kshs	Kshs	Kshs	Kshs	Kshs
<b>COST</b>							
At 1 July 2015	1,158,100,000	50,960,340	85,152,861	7,955,966	26,808,717	225,122,318	1,554,100,202
Additions	7,413,276.00	958,867	21,100,000	902,694	2,615,611	291,998,668	324,989,116
Reclassification		157,968,850				(157,968,850)	-
<b>At 30 June 2016</b>	<b>1,165,513,276</b>	<b>209,888,057</b>	<b>106,252,861</b>	<b>8,858,660</b>	<b>29,424,328</b>	<b>359,152,136</b>	<b>1,879,089,318</b>
<b>DEPRECIATION</b>							
At 1 July 2015	-	-	17,482,656	2,702,251	5,786,508	-	25,971,414
Charge for the year		3,207	16,350,577	816,999	2,869,009		20,039,792
Amortisation		1,016,000	-	-	-	-	1,016,000
<b>At 30 June 2016</b>	<b>-</b>	<b>1,019,207</b>	<b>33,833,233</b>	<b>3,519,249</b>	<b>8,655,517</b>	<b>-</b>	<b>47,027,207</b>
<b>NBV at 30 June 2016</b>	<b>1,165,513,276</b>	<b>208,868,850</b>	<b>72,419,627</b>	<b>5,339,411</b>	<b>20,768,811</b>	<b>359,152,136</b>	<b>1,832,062,112</b>
<b>COST</b>							
At 1 July 2016	1,165,513,276	209,888,057	106,252,861	8,858,660	29,424,328	359,152,136	1,879,089,318
Additions	-	184,950	8,038,326	765,962	8,604,236	339,743,721	357,337,195
Prior year adjustment-Kitui	(14,200,000)						(14,200,000)
<b>At 30 June 2017</b>	<b>1,151,313,276</b>	<b>210,073,007</b>	<b>114,291,187</b>	<b>9,624,622</b>	<b>38,028,564</b>	<b>698,895,857</b>	<b>2,222,226,513</b>
<b>DEPRECIATION</b>							
At 1 July 2016		1,019,207	33,833,233	3,519,249	8,655,517		47,027,207
Charge for the year		3,220,116	20,054,446	1,537,744	3,225,202		28,037,508
Amortisation		1,016,000					1,016,000
Prior year adjustment-Depreciation				2,302,585			2,302,585
<b>At 30 June 2017</b>	<b></b>	<b>5,255,323</b>	<b>53,887,679</b>	<b>7,359,578</b>	<b>11,880,719</b>	<b></b>	<b>78,383,300</b>
<b>NBV at 30 June 2017</b>	<b>1,151,313,276</b>	<b>204,817,684</b>	<b>60,403,507</b>	<b>2,265,044</b>	<b>26,147,845</b>	<b>698,895,857</b>	<b>2,143,843,213</b>

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### 15.8 Inventories

	2016/17	2015/16
	Kshs	Kshs
Beddings & Cutlery	9,113,884	9,073,484
Tiles	148,680	384,272
Twisted Steel Products	-	1,137,378
Roof Trusses	201,168	13,425,052
Plumbing & Electrical Materials	-	26,746
Iron Sheets	3,808,303	7,911,516
Cement	6,327,600	155,085
Paints	207,582	2,284,218
Timber	-	788,906
Water Tanks	-	545,400
	<b><u>19,807,217</u></b>	<b><u>35,732,057</u></b>

### 15.9 Receivables: Exchange Transactions

	2016/17	2015/16
	Kshs	Kshs
Deposits Refundable	822,325	3,922,325
<b>Totals</b>	<b><u>822,325</u></b>	<b><u>3,922,325</u></b>

### 15.10 Other Receivables: Exchange Transactions

	2016/17	2015/16
	Kshs	Kshs
Staff Debtors	1,300,546	3,648,646
<b>Totals</b>	<b><u>1,300,546</u></b>	<b><u>3,648,646</u></b>

### 15.11 Cash and Cash Equivalents

	2016/17	2015/16
	Kshs	Kshs
Sidian (formerly K-Rep) Bank(USD)	220,248	1,498,291
Sidian (formerly K-Rep) Bank(Kshs)	(1,015,598)	(1,610,836)
Bank of Africa- Arap Moi 0004	(980,862)	96,963
Bank of Africa- Arap Moi 0012	2,396,742	2,225,579
Bank of Africa Bungoma branch	14,509	59,869
Bank of Baroda- Kisumu branch	49,404	49,404
BBK- CPB 2934	0	(25,275)
BBK- Nanyuki Children's Home	201,461	215,519
BBK-Kisii Children Home	55,343	69,401

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BBK - Embu	590,000	590,000
BBK -Nanyuki branch	(3,095)	2,708
BBK 1330	9,452,666	(32,726)
BBK Fin 8484	(609,257)	(433,704)
BBK HQ 8468	0	(3,447,422)
BBK Isiolo	451,278	451,278
BBK Mama Ngina	197,857	(421,770)
BBK Muranga 1137( Donation a/c)	13,543	129,946
BBK TBP 1349	827,326	162,774
Coop Bank A/c 6900	(56,276)	(56,276)
DTB Nakuru Arap Moi 5123	55,438	55,438
Equity Bank EURO 458	283,813	283,813
Equity-Cwsk-Kisii 8384	109,060	(90,610)
Equity Bank-Bungoma 6992	602,690	332,012
Equity Bank (Towa)488	3,455,529	4,270,546
Equity Bank A/c 416	320,003	(298,406)
Equity Bank CESVI EUROS 478	3,079,667	5,951,207
Equity Bank Development 4154	16,318,104	(948,812)
Equity Bank KSHS(CESVI)271	47,488	(1,838,317)
Equity Bank Muranga 7226	303,919	1,148,564
Equity bank supreme 225	315,203	765,334
Equity Bank Usd	88,584	88,584
Equity Off A/c 458	17,630,386	(241,431)
Equity salary Account - 253	13,302,785	(7,836,754)
Family Bank Bungoma	442	442
KCB Bungoma branch	1,871	1,871
Mama Ngina -Equity Bank	0	(151,500)
NBK Mji Wasalama	180,488	451,369
Standard Chartered Mombasa	642,534	(109,817)
<b>Subtotal: Bank Balances</b>	<b>68,543,291</b>	<b>1,357,257</b>
<b>Petty Cash</b>	<b>57,214</b>	<b>82,115</b>
<b>Total</b>	<b>68,600,505</b>	<b>1,433,569</b>

	<b>2016/17</b>	<b>2015/16</b>
	<b>Kshs</b>	<b>Kshs</b>
<b>15.12 Trustees Account</b>		
Land and Buildings	92,179,070	77,367,470
Bank Balances	21,158,645	25,922,217
Debtors	7,282,033	6,031,033
	<b>120,619,747</b>	<b>109,320,720</b>

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Bank balances relate to amounts held in Imperial Bank. It was placed under statutory management by the Central Bank of Kenya (CBK) on 13th October 2015. The accounts had a total balance of kshs16, 329,491 at the time.

<b>15.13 Accounts Payable: Exchange Transactions</b>	<b>2016/17</b>	<b>2015/16</b>
	<b>Kshs</b>	<b>Kshs</b>
Account Payables:Other Creditors	5,511,850	8,579,281
Account Payables:Pension	13,738,418	95,225,799
Salary Deductions:HELB	87,680	91,998
Salary Deductions:Jogoo Coop	20,652	-
Salary Deductions:NHIF	420,350	1,031,369
Salary Deductions:NSSF	180,000	260,200
Salary Deductions:PAYE	84,206,764	18,957,626
<b>Totals</b>	<b><u>104,165,714</u></b>	<b><u>124,146,272</u></b>

<b>15.14 Rent deposit</b>	<b>2016/17</b>	<b>2015/16</b>
	<b>Kshs</b>	<b>Kshs</b>
Rent Deposit	168,400	168,400
<b>Totals</b>	<b><u>168,400</u></b>	<b><u>168,400</u></b>

<b>15.15 Employees costs</b>	<b>2016/17</b>	<b>2015/16</b>
	<b>Kshs</b>	<b>Kshs</b>
Payroll Costs	266,399,328	324,251,328
Casual Labour	263,330	229,595
	<b><u>266,662,658</u></b>	<b><u>324,480,923</u></b>

<b>15.16 Directors fees</b>	<b>2016/17</b>	<b>2015/16</b>
	<b>Kshs</b>	<b>Kshs</b>
Directors Expenses	2,548,775	3,817,200
	<b><u>2,548,775</u></b>	<b><u>3,817,200</u></b>

## CHILD WELFARE SOCIETY OF KENYA

### 15.17 Expenses

	<b>2016/17</b>	<b>2015/16</b>
	<b>Kshs</b>	<b>Kshs</b>
Capacity building & Institutional strengthening	16,059,660	12,509,045
Depreciation Charge	28,037,508	20,039,792
Education & skills development	39,198,966	36,223,993
Emergency Response	16,602,400	17,227,972
Family tracing & reunification	7,827,997	32,982,772
Alternative Family Care	11,503,402	14,914,632
Operating / Administrative Expenses	77,136,895	83,847,677
Temporary places of safety	50,104,052	63,868,344
	<u><b>246,470,881</b></u>	<u><b>281,614,227</b></u>
<b>Comprised of:</b>		
Programmes Cost-Recurrent	116,677,806	201,881,437
Programmes Cost -OVC Development	129,793,075	79,732,790
	<u><u><b>246,470,881</b></u></u>	<u><u><b>281,614,227</b></u></u>

