

# KARIBUNI CHILDREN

England & Wales · Charity number 1044872

## Details

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Other names	THE KARIBUNI TRUST
Status	Registered
Legal form	Other
Registered	1995-03-09
Register	<a href="#">View on the Charity Commission register</a>

## Contact

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**Email** [office@karibuni.org.uk](mailto:office@karibuni.org.uk)

**Website** [www.karibuni.org.uk](http://www.karibuni.org.uk)

## Activities

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**Objects:** TO RELIEVE CHILDREN WHO ARE IN NEED BY REASON OF POVERTY SICKNESS AND DISTRESS IN PARTICULAR CHILDREN WHO ARE HOMELESS BY PROVIDING AND ASSISTING IN THE PROVISION OF SHELTER FOOD AND CLOTHING AND TO ADVANCE THE EDUCATION OF SUCH CHILDREN

**Activities:** To relieve children in Kenya who are in need by reason of sickness and distress, in particular children who are homeless, by providing and assisting in the provision of shelter, food and clothing, and to advance the education of such children

## Classification

- **How:** Makes Grants To Individuals, Makes Grants To Organisations, Acts As An Umbrella Or Resource Body
- **What:** Education/training, The Advancement Of Health Or Saving Of Lives, Disability, The Prevention Or Relief Of Poverty, Accommodation/housing
- **Who:** Children/young People, People Of A Particular Ethnic Or Racial Origin, Other Charities Or Voluntary Bodies

## Geography

- **Area of benefit:** KENYA
- Kenya

## Finances

Period end	Income	Expenditure	Assets	Employees
2024-12-31	£281,759	£310,115	-	-
2023-12-31	£313,606	£371,416	-	-
2022-12-31	£281,674	£270,844	-	-
2021-12-31	£290,830	£291,667	-	-
2020-12-31	£300,058	£360,154	-	-

## Trustees

Name	Role	Appointed
Charlotte Sarah Louise Roberts		2023-06-08
David Patrick Farmer		2020-04-23
Dennis Edward Readman		2023-06-08
Dr Hellen Oluoko Okello		2023-06-08
JOY MURPHY		
Lawrence Charles Dickinson		2022-01-27
Michael Johnston		2020-01-23
NIGEL HARDING ROBERTS		2015-01-29
Steven Kanyatte		2022-01-27

**KARIBUNI CHILDREN**

England & Wales - Charity number 1044872

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# Accounts

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**Karibuni Children**

Transforming Young Kenyan Lives

Registered UK Charity number 1044872  
karibuni.org.uk

**KARIBUNI CHILDREN**

Registered Charity number 1044872

**TRUSTEES REPORT AND ACCOUNTS  
FOR THE YEAR ENDED 31 DECEMBER 2024**

**KARIBUNI CHILDREN**  
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**Year ending December 2024**

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## LEGAL AND ADMINISTRATIVE DETAILS

Constituted under a Trust Deed dated 30 January 1995. The charity is a standalone entity, does not have any trading subsidiaries and is not part of a wider group structure.

The Trustees serving during the year and since the year end are:

Mr. David Farmer (Chair)	Mr Steven Kanyatte
Mr Nigel Roberts	Mr Lawrence Dickinson
Mrs Joy Murphy	Ms Charlotte Roberts
Mr Michael Johnston	Mr Dennis Readman
Dr Hellen Okello	

Registered office:  
Stoke Mandeville Methodist Church,  
Eskdale Road, Stoke Mandeville,  
Bucks. HP22 5UJ

Email: [office@karibuni.org.uk](mailto:office@karibuni.org.uk)

Website: [www.karibuni.org.uk](http://www.karibuni.org.uk)

## OBJECTS OF THE CHARITY

As stated in the Trust deed, the objects of the Charity are to relieve children in Kenya who are in need by reason of sickness and distress, in particular children who are homeless, by providing and assisting in the provision of shelter, food and clothing, and to advance the education of such children.

All of the Kenyan partner projects supported by Karibuni Children are run by Kenyans and are involved in education, feeding and community development. Karibuni Children acts as a partner to each project, with day-to-day management being the responsibility of local Management Committees some of which are independent Community Based Organisations (CBOs), and others which are connected to the Methodist Church in Kenya (MCK). Karibuni Children is not itself a faith-based charity.

## STRUCTURE GOVERNANCE AND MANAGEMENT

Policies and operating decisions rest with the Trustees who meet at least five times each year to plan, oversee and monitor the support provided to partner projects in Kenya. This is informed by evidence provided by projects, including on pupil performance and attendance, information from our representative in Kenya, Joshua Katungu, and periodic Zoom meetings with project managers / social workers and local board members in Kenya. Joshua, a Kenyan national and resident who runs his own school in Nairobi is retained by the charity to offer advice and support to the projects during the year.

Within the UK, we employ 2 part time members of staff, one managing our UK Operations and the other focussing on Trust fundraising and international development. Day to day management resides with the Trustees, in particular the Chair who together with subgroups of Trustees and the UK Operations Manager, ensures the smooth running of the Charity. We aim to spend around 85% of income received each year in Kenya, although the exact percentage can vary from year to year.

Karibuni Children has policies covering all aspects of its operations including finance, safeguarding children and vulnerable adults and volunteers, risk management, investments and currency hedging amongst others. The Trustees have regard to guidance issued by The Charity Commission on "Public Benefit" and their guidance on "Charities Working Internationally" as well to HMRC recommendations on "Payments to Overseas Bodies". About the latter, it should be noted that funding is released either directly to partner projects or, in one instance, via MCK Conference Office, three times each year, against detailed itemised budgets. All partner project bank accounts must require that all disbursements are authorised by a minimum of two signatories.

Trustees visit the projects each year at their own expense. They review the year's activities, adequacy of financial support, establish future priorities and assess compliance with standards of governance including visits to several sponsored children's parents or guardians in their homes to ensure that they are from the very poorest backgrounds. All Trustees, relevant volunteers, and participants in work parties at the projects are required to undergo Disclosure and Barring Service checks.

The current Trustees are shown on page 3. New candidates are considered by the existing Trustees, taking account of their skills and experience in relation to the Charity's objectives and any areas of expertise where it is felt that recruitment would be beneficial. Care is taken to fully brief new recruits through individual meetings with the Chair, and often new Trustees will act as volunteers for a period prior to appointment.

### RISK MANAGEMENT

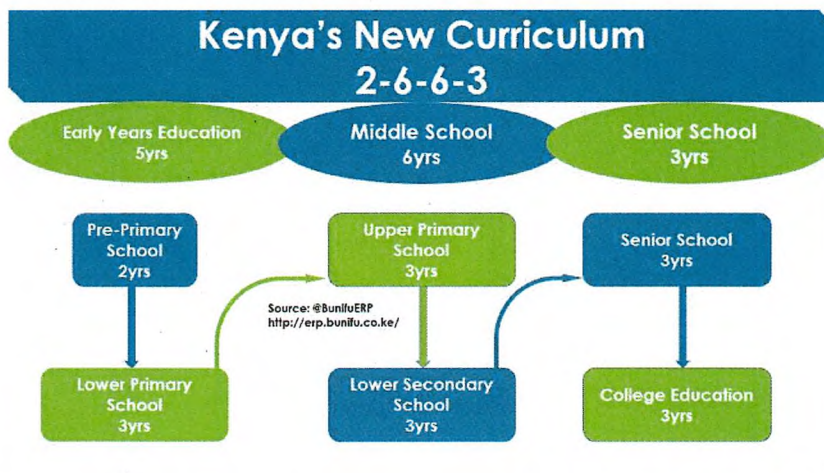
There were no reportable incidents in 2024. The Trustees have throughout the year reviewed comprehensively the risks to which a small charity operating in Africa is exposed. The register is divided into five categories – Top Risks, those potentially with the highest significance and impact; General Management UK, Office Based UK, Financial, Kenya Operational. Each risk identified is accorded a weighting based on considered likelihood and severity of impact. The risk register is an agenda item at each board meeting.

### KENYA'S EDUCATION SYSTEM

The Kenyan education system has largely transitioned away from an 8-4-4 curriculum - 8 years of primary school, 4 years of secondary school and 3 (or more) years of vocational/university education.

By the end of 2027 the Kenyan government will have phased out the 8-4-4 curriculum entirely and replaced it with a new system (2-6-6-3) which consists of 2 years of pre-primary (for ages 4-5); 3 years of lower primary and 3 years of upper primary (for ages 6-11); and 3 years of junior secondary as well as 3 years of senior secondary (for ages 12-17 years).

The new structure follows the Competency Based Education (CBE), which seeks to nurture every learner's potential by ensuring that all acquire the core competencies. The CBE emphasises formative rather than summative evaluations. It is mandatory for all Kenyan children to continue in education beyond primary. For those that are less academic and unlikely to thrive in secondary education, vocational training is seen as an acceptable and preferable route.



The changes ought to have been accompanied by a classroom building programme in secondary schools, but this has not happened. Consequently, children are in many cases remaining in their existing primary schools for Junior Secondary School. However, these primary schools lack many of the structures needed such as laboratories and domestic science facilities.

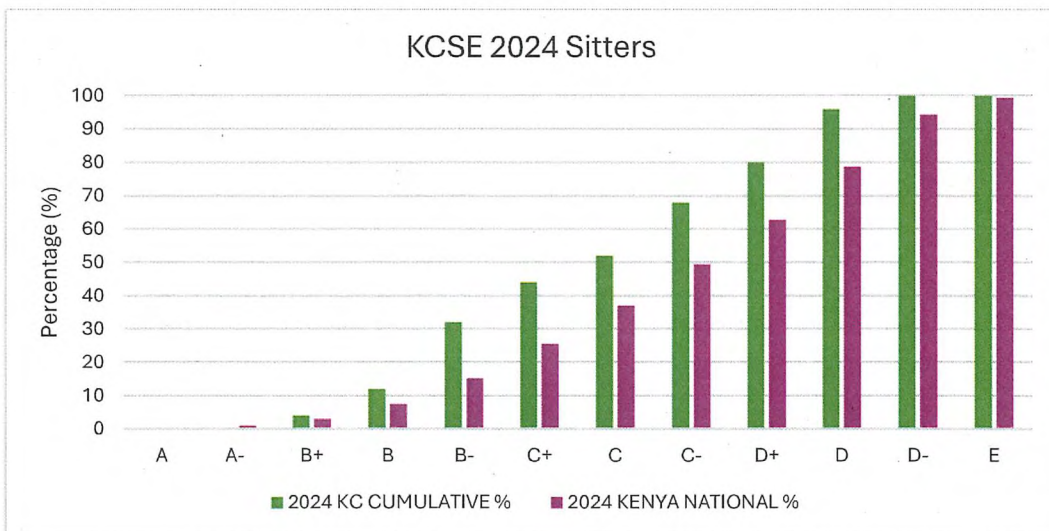
## KARIBUNI MODEL OF SUPPORT

The model continues to evolve, but we retain a single criterion for deciding which children and families to support – the poorest of the poor; no bias for gender, faith, tribe or academic potential. Currently the Karibuni model identifies children from the most challenging backgrounds through advertisement, and the contacts that project social workers (paid for by Karibuni) have with the local Chief or Children’s Officers. Eligible children very often outnumber the places available, with the final choice resting with each local Management Committee.

Some 700 children, who might otherwise miss out on education altogether, are currently being supported. Children start in pre-primary (ages 4 to 5) and progress through primary (ages 6 to 11) usually within the state system where education is free (although there are costs for uniforms, feeding etc.). Costs in the early years are therefore low, but Secondary education (ages 12 to 17) is not free and although each child receives a base level of government support, this is significantly below cost, with the balance having to be found by parents, guardians, or charitable organisations like Karibuni Children. Costs increase further as children progress into tertiary education, not helped by the constant changes in the Kenyan government financial Tertiary support model. Funds permitting, Karibuni aims to support children to reach their full potential and equip them for employment, but the fact that all children must now remain in education until age 17 has led to costs in Kenya rising at a significantly higher rate than Karibuni’s income in the UK. Generous legacies have enabled us to continue to support many disadvantaged children through their education while we take steps to narrow the gap between expenditure and income.

Karibuni Children has 30 years of experience, strong local partnerships, and a proven model. We offer high-impact, community-focused interventions that transform lives. Our data indicates significantly improved educational outcomes compared to national averages. The graph below illustrates the cumulative percentage of grades attained at the Kenya Certificate of Secondary Education (KCSE) level by learners supported by Karibuni Children (shown in green on the left), alongside the national average (shown in purple on the right) in 2024.

Under the current Kenyan education system, children who achieve a grade of C+ or higher are eligible to pursue a degree at university. In 2024, 44% of the children we support achieved a grade of C+ or higher, compared to a national average of 25%. Considering the extremely challenging family situations, and that partner projects apply no bias towards potential at initial recruitment, we regard these results as remarkable and a testament to how these children can thrive when given the opportunity and proper support.



Whilst the provision of education can itself be transformative, and has led to some outstanding cases of success, there are challenges. These include the length of time (20+ years) for a child to complete their education, and the risk of creating dependency and disempowering parents / guardians. Increasingly we recognise that the path to improved and faster outcomes – retention rates, keeping girls in education, transitioning from education into the world of work etc - lies with greater parental / guardian involvement and creating a more conducive home environment.

We are therefore focusing increasingly on the wider family unit and seeking to address the root causes of why these families are unable to educate their children without external support. The most common root cause is that many parents and guardians did not complete their own education owing to a lack of resources or a family crisis during their own childhoods. This means that they do not have a skill with which to generate a reliable income and so are reliant on finding unpredictable casual work. These interventions need to be tailored to each project's local economy, but our experience, for example at our Tharaka and Dagoretti partner projects, suggests that this leads to improved outcomes for the children that we support, and provides the opportunity to break the intergenerational poverty cycle more quickly.

We plan to develop this approach further in 2025, as we believe that not only will it lead to improved and faster outcomes in Kenya but will also be key to ensuring the financial sustainability of Karibuni Children in the medium term.

#### **SITUATION IN KENYA**

Economic conditions in Kenya following the pandemic have improved with opportunities for casual labour – cooking, housework and clothes washing - on which many parents or guardians relied gradually re-emerging. However, they remain an inadequate source of income with which to support a young family.

Whilst the 2022 Presidential elections and transfer of power passed off relatively peacefully, 2024 saw a high level of community unrest, particularly among the Gen-Z population, leading the Government to rethink its planned Finance Bill. Whilst the situation seems to have calmed down, many of the issues causing unrest remain unresolved and in June 2025, on the anniversary of the original protests, there was further unrest.

Kenya's State of Climate Report 2024 indicates that 2024 was the warmest year on record for the country, with most regions experiencing above-normal temperatures. The report also highlights significant rainfall variability, with western and central highlands experiencing above-normal rainfall, while other regions, like northeastern Kenya and coastal areas, were drier than average. These climate extremes, including both drought and flooding, have had substantial socio-economic impacts, particularly affecting agriculture, infrastructure, and energy production.

The Kenyan annual average inflation rate to December 2024 was 4.5%, although it was as high as 7.5% at the start of 2024, significantly impacting our 2024 costs, particularly in core areas such as food.

US aid, primarily through PEPFAR (President's Emergency Plan for AIDS Relief), has been a major provider of HIV medication and support in Kenya over the last 10 years. A recent freeze on foreign aid by the US government, including PEPFAR, has caused concern and disruptions to HIV programs in Kenya, potentially impacting the availability of life-saving antiretroviral (ARV) drugs. While some reports indicate ongoing issues with drug supply and distribution, others suggest that the Kenyan government and other partners are working to mitigate the impact of the funding cuts. Currently, over 10% of the children that we support are orphans who require higher levels of financial support to progress through education. The data provided by our partner projects suggests that this figure could rise to 25% should the supply of these life-saving antiretroviral (ARV) drugs not be secured. In addition to the human tragedy, this would lead to significant upward pressure on our costs.

## REVIEW OF PROJECTS DURING THE YEAR

### MCK Kibra Tusaidie Watoto Nursery School

Kibra is the largest urban slum in Africa, where some 750,000+ people live with few basic amenities in an area of 2.5 square kilometres. Half of those aged 15 – 40 years are said to be HIV+. Many children come from extremely deprived and unstable backgrounds.

This is the largest project supported by Karibuni, where we are the sole funder. It is a very successful project based with onsite provision of high-quality early years education covering the pre-primary 1 and 2 years. The majority of children then progress to the nearby state Olympic Primary school.



Despite the large class sizes, this state school has delivered a consistently good level of education in recent years, as evidenced by strong KCPE and KCSE results.

Following recruitment of 15 children in January, 30 children are being supported at pre-primary, 96 at primary, 52 at junior secondary and 47 at senior secondary and 56 in tertiary education.

A feeding programme is offered to all project children each Saturday.

*Photo Credit: Nick Spollin - Gathering Voices UK*

In addition, 17 secondary school children from the Kawangware project are now administered through this project together with 53 children from our Embakasi project, although they both retain their dedicated social worker.

### Embakasi

In early 2024, with very short notice, the Board of MCK Embakasi Academy decided to close the school and focus on pre-primary education. Whilst this led to a period of disruption and uncertainty, the majority of parents, supported actively by Johnson, their social worker, were able to secure places in local state primary schools. There were some exceptions in the key exam years, and in these cases, we provided additional funds to allow these children to complete their primary education in private schools, before reverting to state school for their secondary education.

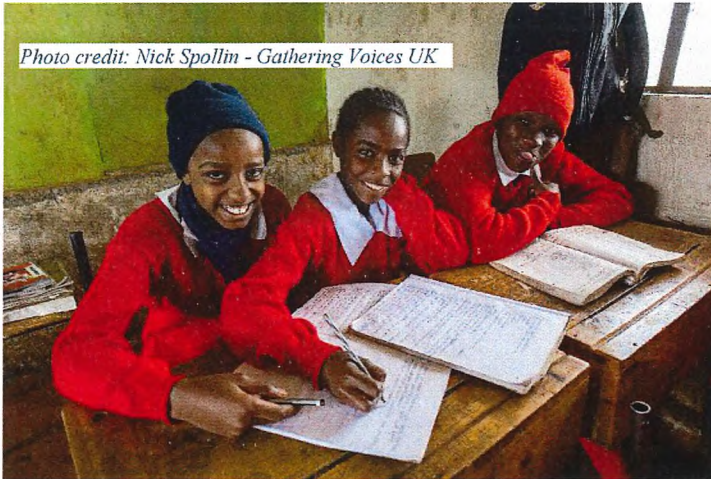
In 2025, 4 children are being supported at pre-primary, 25 at primary, 10 at junior secondary, 8 at secondary school, and 6 in tertiary education.

We will continue to support these children through to the completion of their education but will not be undertaking further recruitment in the Embakasi community, concentrating our resources at our remaining partner projects.

### MCK Limuru Methodist Academy

Limuru is a town some 20 miles from Nairobi on the way to Nakuru. It is in a tea-growing area and local people can sometimes get casual labour picking tea and in local firms. The school recently benefitted from a new ablutions block funded by a generous supporter, who had previously visited Limuru as a member of a work party.

No new children have been enrolled for support for four years, but through Miriam, the project's social worker, we will continue to support all those already enrolled on their educational journey.



In 2025, 5 children are being supported through primary, 15 at junior secondary, 20 at senior secondary school and 20 young people are being supported through tertiary education.

### MCK Wesley Empowerment Centre – Njoro



Njoro is a small town near Nakuru. A small Methodist Church runs a school for local children borne of the need to care for children of families who had fled riots 20 years ago.

This is an excellent pre-primary school on a large plot with a good management committee and staff. Income is raised from water sold from a bore hole and from renting out small wooden houses provided through Karibuni Children some years ago. The borehole is estimated to provide employment to over 100 people in the local community through the onward sale of water.

Karibuni has been instrumental in helping the local management committee's long-held ambition of building primary school classrooms. Classrooms for grades 1 to 6 have been built, with children progressing to state school for their junior secondary education.

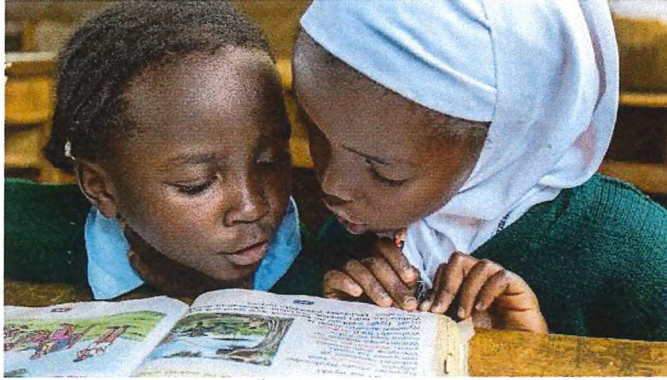
Income from the borehole and nursery classes means that the project is able to cover 40% of the total costs

themselves.

In 2025, 18 children are being sponsored in nursery and pre-primary, 39 in primary, 17 in junior secondary, 3 in senior secondary, with 4 young people being supported through tertiary education.

## Meru Children and Adult Welfare Community Based Organisation (MECAWE)

Photo credit: Nick Spollin - Gathering Voices UK



MECAWE is an independently registered CBO led by Mercy the Project Manager and has made impressive efforts in forging links with government agencies, other NGOs, and corporates to broaden the supporter base. One such partnership is with Legatum and which, over a two year period, aims to develop a model across the county to return street children and those in children's homes to their families or to be otherwise cared for within communities.

Mercy has also driven the development of a small garment manufacturing social enterprise which provides skills training to care givers, whilst it is also starting to generate funds that can be reinvested in the project.

At this project Karibuni supports up to 6 new children each year from extremely disadvantaged backgrounds who tend to join the pre-primary at the well regarded Consolata Catholic Mission School.

In 2025 Karibuni supports 7 children in pre-primary, 32 in primary, 26 in junior secondary, 13 in senior secondary, and with 8 young people undergoing skills training. Karibuni also funds teaching aids and materials for craft activities for children in a special educational needs class at nearby Mwithumwiru Primary School.

### Tharaka Women and Children's Welfare Programme

Tharaka District is a "hardship" area towards the east of Kenya where Marimanti is the main town. Unemployment is 60% and life expectancy 51 years. Farming is mostly subsistence.

At this project Karibuni supports up to 6 new children each year from extremely disadvantaged backgrounds, who tend to join Kamatungu Primary. In 2025 9 children are supported at pre-primary, 47 at primary, and 19 at junior secondary, 24 at senior secondary, with 14 young people being supported through tertiary education. Karibuni also funds teaching aids and materials for craft activities for 20 children in a special educational needs class at nearby Kamatungu Primary School.



During 2020 the ground floor of a Community Resource Centre (CRC) was built at a cost of £40,000 with £32,500 raised from long standing and generous supporters. The balance was raised by the community locally through donations of materials or labour. The CRC provides a safe space for project children to meet after school and during holidays and for caregiver community groups to meet.

Working with Just be a Child, a UK registered charity, a library of some 10,000 books was provided to the Community Resource Centre.

The International Tree Foundation has provided significant funding that has led to the cultivation and planting of some 103,000 trees since 2020 on small plots cultivated by many of the care givers. These individual "food forests" are a mixture of neem, mango and papaya trees, and will lead to a sustainable source of income in future years.

Ten artisan workshops have now been built around the perimeter of the site which has enabled the establishment of a school uniform workshop as well as opportunities for those graduating from schools or college to enter employment or start their own business.

In 2025, it is planned to add a pitched roof to the to the CRC to provide additional meeting space and also to facilitate the installation of solar panels to provide the certainty of power availability. This will make the CRC more attractive to external hirers and should provide a more reliable income stream.

Further infrastructure developments are in course of planning including a borehole to provide a clean supply of water to children of the project and in neighbouring schools. This is also likely to provide a further source of income that can be reinvested within the project.

### **Mahali Pa Watoto – Dagoretti**

This is our newest project, starting in 2025, which builds on the wonderful legacy of the Mahali Pa Watoto nursery school site. It is a collaboration with Karen Street Children and Friends of Dagoretti, existing NGO tenants of the building, as well as other strategic partners in the local communities. The project is led by Catherine Muguro, who has a deep understanding of the local community, having served as the lead social worker for Friends of Dagoretti and Karen Street Children for many years.

Following some thorough community research in 2024, we are focusing on adolescents and all aspects of their well-being, along with youth leadership and professional training aimed at empowering them to make informed choices that will enable them to pursue roles in the formal job market or as self-employed. We will also provide skills training and livelihood development, such as tailoring, along with financial literacy training so that families can secure a more reliable income stream, budget effectively, and save for their children's future.

Our work in nearby Kibra has always been constrained by space, and this site will also allow our Kibra project to work more actively with the wider family unit and reduce the risk of a dependency culture developing, while also providing a safe space for Kibra children to receive extra tuition and psychosocial support during school holidays.



## FINANCIAL REVIEW AND RESERVES POLICY

Income for the 12 months to 31.12.2024 was £281,759, down from £313,606 in 2023. This reflects some high value donations in 2023 that were not repeated in 2024 together with a lower number of fundraising events in 2024, as we prepared for increased events in 2025, our 30<sup>th</sup> anniversary year.

Expenditure was £310,115, down from £371,416 in 2023, leading to a reduced deficit of £28,356 before revaluations. This was a lower deficit than budgeted, due to the receipt of a substantial legacy towards the end of the financial year. Notwithstanding the headline numbers, our costs in Kenya in local currency have continued to increase, but we were able to take advantage of the weak Kenyan shilling exchange rate at the end of 2023 to reduce the sterling equivalent of our Kenyan spend. The legacy received right at the year end plus the lower sterling equivalent of Kenya spend led to our percentage of donor income spent in Kenya reducing to 78% (2023 93%); our target ratio is around 85%. However, if you include the £16,000 designation made by Trustees for part of this legacy for 2025 spend in Tharaka, that percentage would increase to 84%.

Measures taken in 2021 to reduce costs through a gradual withdrawal from minor projects, stopping further recruitment at Embakasi and Limuru, and capping support for tertiary education have had a positive impact, but the inflationary pressure on costs, particularly in Kenya, remains. Significant effort has been put into 2025 events to mark our milestone 30<sup>th</sup> anniversary, and it is hoped that increased income from those will allow us to further reduce our deficit in 2025, and perhaps even reach breakeven. There is also a strong focus in 2025 on securing new regular donors.

Restricted donations must be dispersed in accordance with the terms under which they are donated and are not therefore available for general purposes. In some cases, there will be a timing difference between when the income is received and when it is spent, resulting in balances being held in these funds at year-end. The purpose of the various restricted funds is outlined in note 14.

Unrestricted reserves are expendable at the discretion of the Trustees in the furtherance of the charity's objects. If part of unrestricted reserves is earmarked for a particular project it may be designated as a separate fund, but the designation has an administrative purpose only and does not legally restrict Trustees' discretion to apply the fund. Trustees designated £16,000 of the Daphne Giacomelli legacy towards our partner project in Tharaka for the construction of a new roof and these funds will be spent in 2025 (note 15).

The Trustees have established a general reserves policy to have a level of comfort in the charity's ability to provide continuity of activities in the event of material fluctuations in income. The Trustees are also mindful that in recruiting a child into our support at Pre-primary (2 years), Karibuni is likely to need to support that child as s/he progresses through Lower and Upper Primary (6 years) and thence into Lower Secondary and Senior School (6 years) or through skills training. Additionally, depending on the charity's overall finances, the Trustees award scholarships for those who secure offers of Tertiary courses. Although these are fully discretionary, to date Karibuni has been able to meet all scholarship requests.

The Trustees believe that it is important to provide projects with certainty of funding for a whole academic year and have accordingly identified the necessity to hold **£280,000** as a general reserve to cover 12 month's costs in Kenya and the support office in the UK. Currently reserves exceed this figure.

Reserves over and above the reserve policy result from a large legacy (£300,000), received in 2016, which is enabling the Trustees to support manageable operating deficits so that all children enrolled in our projects can be supported through their education, whilst income is increased and / or costs reduced. However, with the consequences of increasing the number of children taken into sponsorship in 2013 who are now entering the expensive stage of their education, together with increased upfront costs spent on skills training for caregivers, it is likely that we will need to dip into reserves in the next 3 years to meet these increased costs.

## **FUNDRAISING**

The environment for raising donor funds is as challenging as ever. CAF reported that in 2024 the percentage of the UK population who donated to charity fell to 50% (down from 61% in 2016). Raising money from grant making trusts was particularly competitive in 2023, with many focusing on charities delivering interventions within the UK, and so in 2024 we submitted a reduced number of applications whilst we evolved our Kenyan support model to include a more sustainable focus. This will be an area of particular focus in 2025 and 2026.

Every opportunity is taken to raise funds through the sale of merchandise, running events, making presentations about our work or otherwise directly engaging with church or community groups that have long supported our work.

Whilst we have a good number of loyal regular donors, who have supported the charity for many years, we are conscious that our income is also quite heavily dependent on a relatively small number of major donors. We are seeking to manage this risk actively.

## **VOLUNTARY HELP AND GIFTS IN KIND**

We would like to thank all our dedicated trustees and volunteers for their work this year. Volunteers have continued to help with administration, attendance at events, website management and online sales of merchandise.

**KARIBUNI CHILDREN**  
**STATEMENT OF FINANCIAL ACTIVITIES**  
**FOR THE YEAR ENDED 31 DECEMBER**  
**2024**

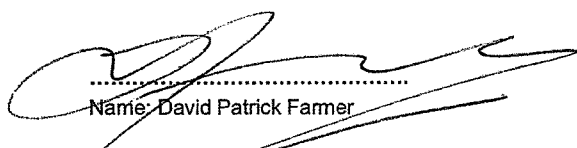
	Note	Unrestricted funds £	Restricted funds £	Total funds £	2023 £
<b>Incoming resources</b>					
Incoming resources from generated funds					
Voluntary income	1	243,233	13,231	256,464	278,585
Activities for generating funds	2	22,242		22,242	33,495
Investment income		3,053		3,053	1,526
		<u>268,528</u>	<u>13,231</u>	<u>281,759</u>	<u>313,606</u>
<b>Resources expended</b>					
Grants to projects	3	207,536	12,731	220,267	294,842
Raising funds	4	23,968		23,968	15,088
Office expenditure	5, 6 & 7	65,880		65,880	61,486
		<u>297,384</u>	<u>12,731</u>	<u>310,115</u>	<u>371,416</u>
Net surplus / expenditure before investment losses		(28,856)	500	(28,356)	(57,810)
Revaluation of investments		6,790		6,790	8,021
Revaluation of currency forward contracts at fair value		26,474		26,474	(7,658)
<b>Net surplus /(loss) for the year</b>		<u>4408</u>	<u>500</u>	<u>4908</u>	<u>(57,447)</u>
Fund balances brought forward		<u>359,932</u>	<u>9,000</u>	<u>368,932</u>	<u>426,379</u>
Fund balances carried forward		<u>364,340</u>	<u>9,500</u>	<u>373,840</u>	<u>368,932</u>

**KARIBUNI CHILDREN  
BALANCE SHEET AT 31 DECEMBER  
2024**

	Note	Unrestricted funds	Restricted funds	Total funds	Total funds 2023
		£	£	£	£
<b>Fixed assets</b>					
Tangible assets	8	-	-	-	-
Investments	9	109,789	-	109,789	103,438
		<u>109,789</u>	<u>-</u>	<u>109,789</u>	<u>103,438</u>
<b>Current assets</b>					
Stock		633	-	633	2,360
Debtors	10	17,813	-	17,813	68,137
Cash at bank and in hand	11	230,647	9,500	240,147	212,786
		<u>249,093</u>	<u>9,500</u>	<u>258,593</u>	<u>283,283</u>
<b>Liabilities</b>					
Creditors: amounts falling due within one year	12	6,855	-	6,855	3,628
		<u>6,855</u>	<u>-</u>	<u>6,855</u>	<u>3,628</u>
<b>Net current assets</b>		<u>242,238</u>	<u>9,500</u>	<u>251,738</u>	<u>279,655</u>
<b>Provisions</b>					
Forward exchange contract assets/(liabilities)	13	12,313	-	12,313	(14,161)
		<u>12,313</u>	<u>-</u>	<u>12,313</u>	<u>(14,161)</u>
<b>Net assets</b>		<u>364,340</u>	<u>9,500</u>	<u>373,840</u>	<u>368,932</u>
<b>Funds of the charity:</b>					
Restricted funds	14	-	9,500	9,500	9,000
Unrestricted funds	15	364,340	-	364,340	359,932
		<u>364,340</u>	<u>9,500</u>	<u>373,840</u>	<u>368,932</u>
<b>Total charity funds</b>		<u>364,340</u>	<u>9,500</u>	<u>373,840</u>	<u>368,932</u>

The notes on pages 15 to 18 form part of these accounts

Approved by the trustees on <sup>TH</sup>25 SEPTEMBER 2025 and signed on their behalf by:

  
 Name: David Patrick Farmer  
 Position: Chair

## **KARIBUNI CHILDREN NOTES TO THE ACCOUNTS FOR THE YEAR ENDED 31 DECEMBER 2024**

### **Accounting policies**

- a) The accounts have been prepared on the historic cost convention and in compliance with the Statement of Recommended Practice: Accounting and Reporting by Charities preparing the accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102), and the Charities Act 2011.
- b) Income is recognised when the charity becomes entitled to the resources and the monetary value can be measured with sufficient reliability
- c) Gift aid reclaimable on donations to the charity is included with the amount received, where known
- d) Other expenditure is included in the accounts on an accruals basis. Irrecoverable VAT is charged to the SOFA as incurred
- e) Carvings and textiles are bought from Kenya to sell in order to raise funds. Some carvings remain in stock and are valued at £0. Textiles are valued at cost.
- f) Grants to projects are included when the amount is released to partner projects
- g) Kenya shillings held at the year-end are recognised at cost in sterling as they represent spend already committed and are released to projects early in the new financial year.

### **Taxation**

Karibuni Children is a registered charity and accordingly is exempt from taxation on its income and gains where they are applied for charitable purposes.

## KARIBUNI CHILDREN NOTES TO THE ACCOUNTS FOR THE YEAR ENDED 31 DECEMBER 2024

### Income

1 Voluntary income includes supporter donations and sponsorship with gift aid tax attributable, grants, donations from private trust funds and legacies received. Grants and Trusts £8,810 (2023 £10,250). Legacies £58,598 (2023 £26,000)

2 Activities for generating funds includes income from sales of merchandise and cards and receipts from organised events.

The charity received no income from Government grants or contracts.

The largest individual supporter donated £ 17,760. No income was received from Corporate donors.

No income was received from outside the UK

### Expenditure

#### 3 Grants to projects

All charitable activities were delivered in Kenya, in line with the original Trust Deed. Grants are paid directly to the Kenyan bank accounts for all partner projects in line with the agreed itemised budgets; the one exception is MCK Limuru Academy, which is distributed via the Methodist Church in Kenya (MCK). Grants include support costs and expenses for Karibuni's Kenyan representative of £3285 (2023 £4,023). Funds are remitted to partner projects in Kenyan shillings through foreign exchange dealers and payment providers, Convera (previously Western Union Business Services). Whilst regulated by the FCA, Convera is not part of the regulated banking system, although its own bank accounts are held with Barclays within the regulated banking system. Most remittances are covered by forward exchange contracts, which are put in place roughly 12 months ahead of when the funds will be needed. Written agreements are in place with some partner projects.

#### 4 Raising funds

Includes cost of merchandise, costs of staging events and attending events including sponsored events and online costs of giving. £15,000 of employee costs involved solely in obtaining grants is included.

#### 5 Other expenditure

	2024	2023
Office costs	£	£
Employee costs	45,856	45,184
Stationery, postage and printing	2,169	2,764
Telephone and internet	1,137	972
Database costs	2,194	2,754
Rent of office and storage	3,675	3,672
Insurances and data protection	1,086	1,078
Website costs	0	120
Fee for independent examination	3,060	1,440
Payroll fees	872	1,257
Training	1,821	705
Recruitment costs	2,420	598
Laptop, phone and printer	640	500
Sundry costs	950	442
	<u>65,880</u>	<u>61,486</u>

Six trustees visited Kenya in February 2024 to review and assess the projects being supported by the charity; they paid their own travel and accommodation costs. The newly recruited Trust Fundraising Manager visited Kenya with the Trustees, and her costs were also paid for personally by the trustees.

Including Trustees, the charity benefits from the contribution of around 12 volunteers on a regular basis.

#### 6 Trustees remuneration and expenses

No Trustees received any remuneration as Trustees during the year or claimed allowable expenses.

The aggregate amount of unconditional donations made by Trustees in 2024 amounted to £7857 (plus attributable gift aid tax).

#### 7 Employment costs

A part time UK Operations Manager and part time Trust Fundraising Manager were recruited in February 2024. The UK Operations Manager was replaced in June 2024. At the year end, the charity had 2 part time employees, and no employee received more than £60,000 within the reporting period. The average number of employees during the year was 2 (2023 - 2)

#### 8 Tangible assets

All computers and electronic equipment are written off in the year of purchase. The charity rents office space and owns no physical property.

#### 9 Investments

As at 31 December 2023, £38,494 was invested in M&G Charifund; as at 31 December 2024 the value was £41,962.

As at 31 December 2023, £64,944 was invested with Quilter; as at 31 December 2024 the value was £67,827.

The movement in fair value is recognised in the income statement.

#### 10 Debtors

	2024	2023
	£	£
Accrued income - gift aid tax	11,794	15,940
Transferred project funds		
Kenya	6	16,762
Prepaid expenses	3,573	1,012
Income banked after year end	2,440	17,423
Convera security deposit	0	17,000
	<u>17,813</u>	<u>68,137</u>

This includes £6 held in Kenya Shillings with the Karibuni bank account with the Methodist Church in Kenya. The exchange rate used is the rate at which the currency was purchased. The gift aid tax has been claimed and repaid by HMRC in 2025.

#### 11 Cash

The cash balance includes £103,337 held in Kenyan Shillings (KES 20,076, 524). They are valued at cost and were submitted to partner projects in Kenya during the first quarter of 2025.

## 12 Creditors

	2024	2023
	£	£
Accruals and deferred income	6,855	3,628

## 13 Provisions

The charity's annual grant funding is provided to recipients in Kenya in Kenyan Shillings, while the charity's income is predominantly in £sterling. To hedge against the risk of exchange rate fluctuations, the charity has taken out forward exchange contracts to the value of anticipated grant funding over the next 12 months. As at the year-end these forward contracts are valued at fair value. At the year-end there was a profit on revaluation of £12,312 (2023 Loss: £14,161).

## 14 Restricted funds

A scheme started in 2015, relates to the sponsorship of specific students in higher education and vocational training. Payments are made to support individual students through the projects to which they are related. Donations received for this purpose are regarded as restricted. Where the sponsor has provided funds in advance for the entire period of education the balance is held to be charged to each year's accounts. During 2024 other funds were received from individuals towards specific projects supported by the Charity and regarded as restricted to those projects. Most of the funds were remitted to the projects during the year, with balances carried into future years as appropriate

## 15 Designated Unrestricted Funds

The Trustees have designated £16,000 of the Daphne Giacomelli legacy received in 2024 for capital expenditure on a new roof for the Tharaka Community Resource centre in 2025.

## KARIBUNI CHILDREN

### INDEPENDENT EXAMINER'S REPORT TO THE TRUSTEES OF KARIBUNI CHILDREN FOR THE YEAR ENDED 31 DECEMBER 2024

I report to the charity trustees on my examination of the accounts of the charity for the year ended 31 December 2024 which are set out on pages 13 to 18.

#### Responsibilities and basis of report

As the charity's trustees you are responsible for the preparation of the accounts in accordance with the requirements of the Charities Act 2011 ('the Act').

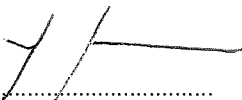
I report in respect of my examination of the charity's accounts carried out under section 145 of the Act and in carrying out my examination I have followed all the applicable Directions given by the Charity Commission under section 145(5)(b) of the Act.

#### Independent examiner's statement

I have completed my examination. I confirm that no material matters have come to my attention in connection with the examination giving me cause to believe that in any material respect:

1. accounting records were not kept in respect of the charity as required by section 130 of the Act; or
2. the accounts do not accord with those records; or
3. the accounts do not comply with the applicable requirements concerning the form and content of accounts set out in the Charities (Accounts and Reports) Regulations 2008 other than any requirement that the accounts give a 'true and fair view' which is not a matter considered as part of an independent examination

I have no concerns and have come across no other matters in connection with the examination to which attention should be drawn in this report in order to enable a proper understanding of the accounts to be reached.



.....  
**Mr Tim Fulker BSc(Econ) FCA**

Seymour Taylor Limited  
40 Oxford Road  
High Wycombe  
Buckinghamshire  
HP11 2EE

Date: 25 September 2025

**KARIBUNI CHILDREN**

England & Wales - Charity number 1044872

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# Accounts

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**Karibuni Children**

Transforming Young Kenyan Lives

Registered UK Charity number 1044872  
karibuni.org.uk

**KARIBUNI CHILDREN**

Registered Charity number 1044872

**TRUSTEES REPORT AND ACCOUNTS  
FOR THE YEAR ENDED 31 DECEMBER 2023**

# KARIBUNI CHILDREN

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## LEGAL AND ADMINISTRATIVE DETAILS

Constituted under a Trust Deed dated 30 January 1995.

The Trustees serving during the year and since the year end are:

Mr N H Roberts (Chairman)	Rev. Nicola Martyn-Beck (Resigned 8.6.23)
Mr J W G Cotton (Resigned 15.01.23)	Mr S Kanyatte
Mrs J Murphy	Mr L C Dickinson
Ms P Wignall (Resigned 15.01.23)	Ms Charlotte Roberts (Appointed 8.6.2023)
Mr M Carr (Resigned 9.11.23)	Mr. D Readman (Appointed 8.6.2023)
Mr. M Johnston	Dr. Hellen Okello (Appointed 8.6.2023)
Mr. David Farmer	

Registered office:

Stoke Mandeville Methodist Church,  
Eskdale Road, Stoke Mandeville,  
Bucks. HP22 5UJ

Email: [office@karibuni.org.uk](mailto:office@karibuni.org.uk)

Website: [www.karibuni.org.uk](http://www.karibuni.org.uk)

## OBJECTS OF THE CHARITY

As stated in the Trust deed, the objects of the Charity are to relieve children in Kenya who are in need by reason of sickness and distress, in particular children who are homeless, by providing and assisting in the provision of shelter, food and clothing, and to advance the education of such children.

In practice, most of the Kenyan projects supported by Karibuni Children are involved in education, feeding and community development. Karibuni Children acts as a partner to each project, with day-to-day management being the responsibility of local Management Committees which are generally connected to the Methodist Church in Kenya (MCK), although Karibuni Children is not itself a faith-based charity.

## STRUCTURE GOVERNANCE AND MANAGEMENT

Policies and operating decisions rest with the Trustees who meet at least five times each year to plan, oversee and monitor the support provided to projects in Kenya. This is based on evidence provided by projects on pupil performance, information from our representative in Kenya and monthly Zoom meetings with project managers / social workers in Kenya.

Day to day management also resides with the Trustees, in particular the Chair who together with subgroups of Trustees and the UK Operations Manager, ensures the smooth running of the Charity.

Karibuni Children has operational policies covering all aspects of its operation including finance, safeguarding children and vulnerable adults and volunteers, risk management, investments and currency hedging amongst others.

The Trustees have regard to guidance issued by The Charity Commission on "Public Benefit" and their guidance on "Charities Working Internationally" as well to HMRC recommendations on "Payments to Overseas Bodies". About the latter, it should be noted that funding is released to the projects either directly or via Methodist Church in Kenya Conference Office in Nairobi, three times each year. All projects are required to subscribe to the Governance procedures of the Methodist Church in Kenya including that all disbursements must be authorised by a minimum of two signatories.

Joshua Katungu, a Kenyan national and resident who runs his own school in Nairobi is retained by the charity to offer advice and support to the projects during the year.

2021 aside, a party of Trustees has traditionally visited the projects each year at their own expense. They review the year's activities, adequacy of financial support, establish future priorities and assess compliance with standards of governance including visits to several sponsored children's guardians in their homes to ensure that they are from the very poorest backgrounds.

All Trustees, relevant volunteers, and participants in work parties at the projects are required to undergo Disclosure and Barring Service checks.

The current Trustees are shown on page 3. New candidates are considered by the existing Trustees, taking account of their skills and experience in relation to the Charity's objectives and any areas of expertise where it is felt that recruitment would be beneficial. Care is taken to fully brief new recruits through individual meetings with the Chair, with small groups of trustees and attendance at a board meeting as a volunteer prior to commitment.

## **RISK MANAGEMENT**

The Trustees have throughout the year comprehensively reviewed the risks to which a small charity operating in Africa is exposed. The register is divided into five categories – Top Risks, those potentially with the highest significance and impact; General Management UK, Office Based UK, Financial, Kenya Operational. Each risk identified is accorded a weighting based on considered likelihood and severity of impact. The risk register is an agenda item at each board meeting.

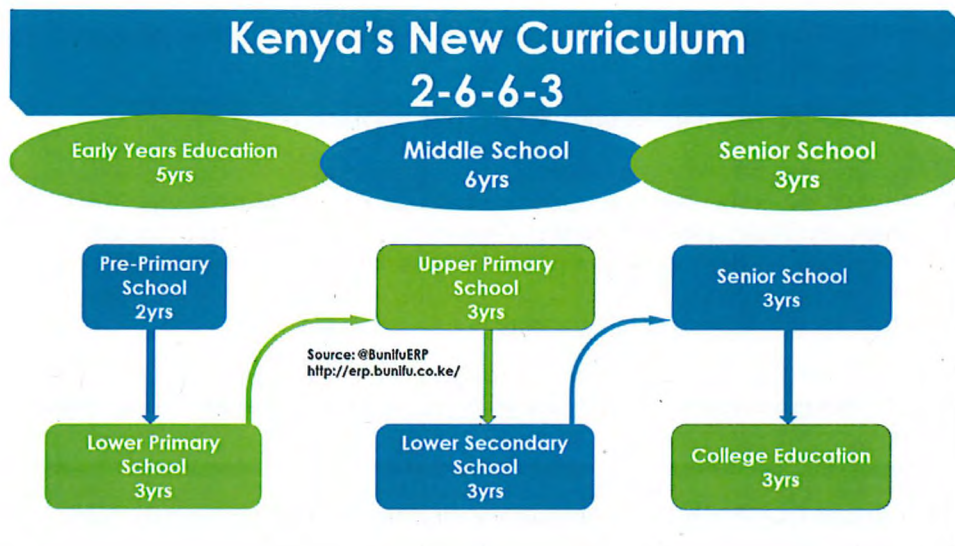
## **KENYA'S EDUCATION SYSTEM**

The Kenyan education system has largely transitioned away from an 8-4-4 curriculum - 8 years of primary school, 4 years of secondary school and 3 (or more) years of vocational/university education.

By 2026 the Kenyan government intends to phase out the 8-4-4 curriculum and replace it with a new system (2-6-3-3) which consists of 2 years of pre-primary (for ages 4-5); 3 years of lower primary and 3 years of upper primary (for ages 6-11); and 3 years of junior secondary as well as 3 years of senior secondary (for ages 12-17 years).

The new structure will follow a Competency Based Curriculum (CBC), which seeks to nurture every learner's potential by ensuring that all acquire the core competencies. The CBC emphasises formative rather than summative evaluations.

It will be mandatory for all Kenyan children to continue in education beyond primary. For those that are less academic and unlikely to thrive in secondary education, vocational training is seen as an acceptable and preferable route.



The changes ought to have been accompanied by a classroom building programme in secondary schools, but this has not happened. Consequently, children are in many cases remaining in their existing primary schools for Junior Secondary School. However, these primary schools lack many of the structures needed such as laboratories and domestic science facilities.

#### KARIBUNI MODEL OF SUPPORT

The model continues to evolve. Currently the Karibuni model identifies children from the most challenging backgrounds through advertisement, and the contacts that project social workers (paid for by Karibuni) have with the local chief or Children's Officers. Children who might otherwise miss education are supported into pre-primary (ages 4 to 5) and progress through primary (ages 6 to 11) usually within the state system where education is free (though there are costs for uniforms, feeding etc.). Children thereafter must now attend either secondary school, (ages 12 to 17) or undertake skills / vocational training both of which are currently fee paying. Karibuni will, depending upon availability of funds and the likelihood of a particular course leading to employment, thereafter, sponsor College or university courses.

Though the provision of education is valuable work and has led to some outstanding cases of success there are drawbacks. These include creating dependency, disempowering parents / guardians, many of whom did not complete their own education owing to their inability to contribute to children's education together with the divisiveness within the family that can arise where siblings go unsupported and perhaps uneducated.

Increasingly we recognise that the path to improved outcomes – retention rates, keeping girls in education, transitioning from education into the world of work etc. lies with greater parental / guardian involvement. We are therefore beginning to build on the experience of Tharaka where the Demo Farm and Community Resource Centre built in partnership with the local community has enabled delivery of training in agricultural techniques, animal husbandry, nutrition, family planning etc. The recent addition of additional artisan workshops together with a garment manufactory has provided opportunities for skills training, the possibility of employment and ultimately the ability of parents / guardians to contribute increasingly to the education of their child.

We plan to develop this approach further and run workshops during the trustee visit in early 2024 to encourage local boards to develop their own vision and look beyond Karibuni for support. We have not been able to pursue our plans at Meru but hope to launch a new initiative in Nairobi in 2025.

Some 700 children are currently being supported through their education the later stages of which are expensive, but funds permitting, Karibuni aims to support children to reach their full potential and equip them for employment. The fact that all children must now remain in education until age 17 has led to costs in Kenya rising at a significantly higher rate than Karibuni's income in the UK. Generous legacies have enabled us to

continue to support many disadvantaged children through their education while we take steps to narrow the gap between expenditure and income.

## SUMMARY OF MAIN ACTIVITIES AND REVIEW OF PROJECTS DURING THE YEAR

Economic conditions in Kenya following the pandemic have improved with opportunities for casual labour – hairdressing, housework and clothes washing - on which many parents or guardians relied gradually re-emerging. The Presidential elections and transfer of power passed off relatively peacefully but some of the challenges such as high external debt and lack of employment opportunity are beginning to cause unrest. East Africa, having experienced its worst drought in 40 years, saw increased rainfall in 2023 which in some areas was significantly more than usual leading to severe flooding.

Food and fuel price inflation together with the move towards a competency-based curriculum coupled with the requirement that all children must now complete secondary school or skills-based training continues to adversely impact on our costs significantly.

The changes mean that the years of primary education reduce from 8 to 6 whereas the number of years in secondary school increase from 4 to 6. Currently primary education is “free” although there are the costs of feeding, uniforms, shoes, and books etc. Secondary education is not free and although each child receives a base level of government support this is significantly below the cost with the balance having to be found by parents, guardians, or charitable organisations like Karibuni Children.

A consequence of the transition from an 8-4-4 model to a 2-6-6-3 model means that in each of the years 2023 and 2024 there will be two cohorts of supported children moving from primary into secondary school

The Kenya government introduced a scheme whereby children from the poorest backgrounds could receive substantial means tested grants towards tertiary education. However, economic conditions have necessitated the reduction in the level of grants which is another contributing factor to the current civil unrest.

## THE PROJECTS

### MCK Kibra Tusaidie Watoto Nursery School

Kibra is the largest and worst of all the slums in Africa, where some 750,000+ people live with few basic amenities in an area of 2.5 square kilometres. Half of those aged 15 – 40 years are said to be HIV+. Many children come from extremely deprived and unstable backgrounds.

This is the largest project supported by Karibuni. We are the sole funder for this very successful project based around a pre-primary school with children spread between three classes. The nursery school children and those that have moved into primary schools nearby are fed at the project each day.



*Karibuni Children Registered Charity No 1044872.*

A much-trailed compulsory encroachment on what is already a compact site went ahead in 2021 to facilitate expansion of the adjoining railway. The existing toilets were lost, and new ones had to be constructed along with other building works to make the perimeter secure.

Kenya government policy is that children should remain with their families until entering Pre Primary 1 at a state primary school with children remaining at the same school throughout primary and the three years of junior secondary education. The local board took the decision not to recruit children into nursery school in 2023. Depending on local provision the board will consider whether in future to place future intakes of children directly into the state system.

48 children are being supported at pre-primary, 138 at primary, 61 at secondary and 37 in tertiary education. In addition, 17 secondary school children from the Kawangware project are now administered through this project.

### MCK Embakasi Academy



Photo Credit: Nick Spollin - Gathering Voices UK

This fee-paying pre-primary / primary school has been dependent on recruiting children from families of those attending a nearby police college. Changes at the police college have led to reduced enrolment, falling academic standards and failing infrastructure. The school has been closed and Johnson the social worker has worked hard to place all the children at nearby schools. No further children will be taken into sponsorship and those already embarked on their educational journey will be managed and supported by Makena and her team at Tusaidie Watoto.

15 children are being supported at pre-primary, 32 at primary, 6 at secondary school, 2 at university and 2 undertaking skills training.

### MCK Limuru Methodist Academy

Limuru is a town some 20 miles from Nairobi on the way to Nakuru. It is a tea-growing area and local people can sometimes get casual labour picking tea and in local firms.

The school recently benefitted from a new ablutions block funded by a generous supporter, who had previously visited Limuru as a member of a work party.

No new children have not been taken into sponsorship for four years but we continue to support all those already enrolled on their educational journey through Miriam the social worker.



Photo Credit: Nick Spollin - Gathering Voices UK

40 children are being supported through primary and 20 at secondary school. 11 young people are being supported through tertiary education and 1 through skills training.

### MCK Wesley Empowerment Centre – Njoro

Njoro is a small town near Nakuru. A small Methodist Church runs a school for local children borne of the need to care for children of families who had fled riots 20 years ago.

This is an excellent pre-primary school on a large plot with a good management committee and staff. Income is raised from water sold from a bore hole and from renting out small wooden houses provided through Karibuni Children some years ago. A baby care facility has recently been created to increase income.



Photo Credit: Nick Spollin - Gathering Voices UK

Karibuni has been instrumental in helping the local management committee's long-held ambition of building primary school classrooms. Classrooms for grades 1 to 6 have been built.

Supported children currently move into primary school without payment of tuition fees.

Income from the borehole and nursery classes has meant that the project is able to cover 40% of the total costs themselves.

23 children are being sponsored in nursery, 36 in primary, 4 in secondary, with 4 young people being supported through skills training and 5 through tertiary education.

## MCK Meru Children and Adult Welfare Community Based Organisation

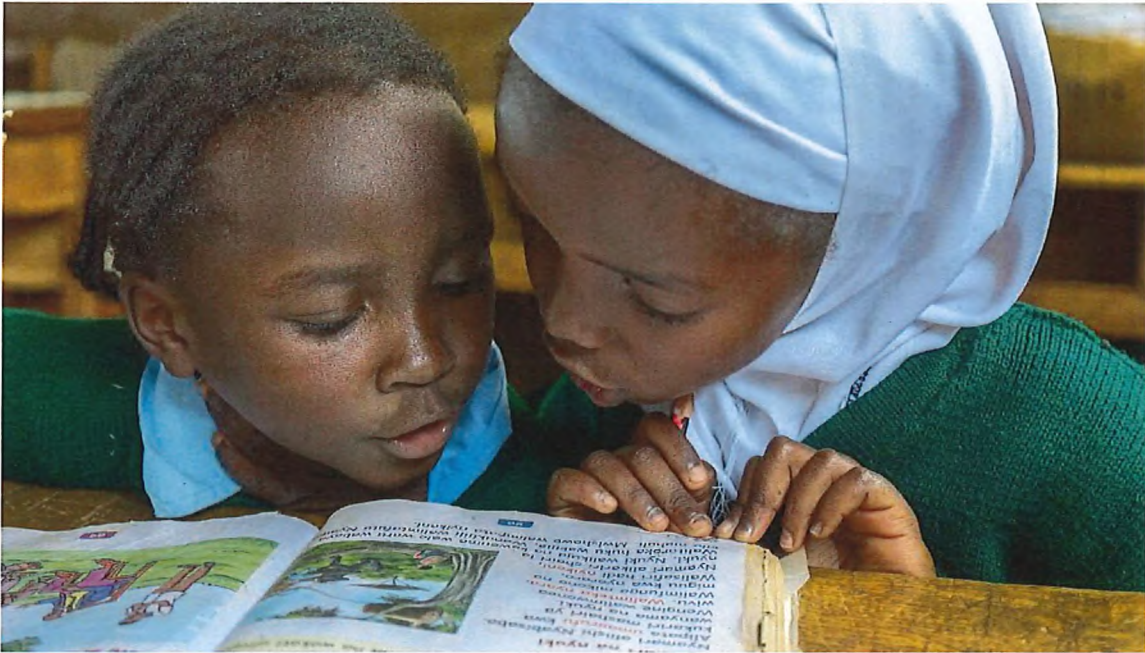


Photo credit: Nick Spollin - Gathering Voices UK

At this project Karibuni supports up to 6 new children each year from extremely disadvantaged backgrounds who join the pre-primary at the well regarded Consolata Catholic Mission School. Children are fed at lunchtime via a Karibuni funded kitchen located in the school grounds.

Mercy, the Project Manager has registered the project, like Tharaka, as a Community Based Organisation and has made impressive efforts in forging links with government agencies, other NGOs, and corporates to broaden the supporter base.

One such partnership is with Legatum to develop a model across the county over two years to return street children and those in children's homes to their families or be otherwise cared for within communities.

Karibuni supports 12 children in pre-primary, 58 in primary, 5 in secondary, and with 3 young people undergoing skills training.

### Tharaka Women and Children's Welfare Programme

Tharaka District is a "hardship" area towards the east of Kenya where Marimanti is the main town. Unemployment is 60% and life expectancy is 51 years. Farming is mostly subsistence.

8 children are supported at pre-primary, 67 at primary, and 13 at secondary with 3 young people being supported through tertiary education and 6 through skills training. Karibuni also funds teaching aids and materials for craft activities for 20 children in a special educational needs class at Kamatungu School. During 2020 the ground floor of a Community Resource Centre was built at a cost of £40,000 with £32,500 raised from long standing and generous supporters. The balance was raised by the community locally through donations of materials or labour.

Working with Just be a Child, a UK registered charity a library of some 10,000 books was provided to the Community Resource Centre.

Tree Aid has provided significant funding that has led to the cultivation and planting of some 10,000 trees on small plots cultivated by many of the caregivers. These individual "food forests" are a mixture of neem, mango and papaya trees.



Photo credit: Nick Spollin - Gathering Voices UK

Ten artisan workshops have now been built around the perimeter of the site which has enabled the establishment of a school uniform manufactory as well as opportunities for those graduating from schools or college to enter employment or start their own business.

It is hoped to add a pitched roof to the Community Resource Centre to provide additional meeting space and also to facilitate the installation of solar panels to provide the certainty of power availability as well as further improving sustainability by sinking a borehole.

## FINANCIAL REVIEW AND RESERVES POLICY

Income for the 12 months to 31.12.2023 was £313,606. Expenditure was £371,416 leading to a deficit of £57,810, which was in line with budget. Our costs in Kenya have continued to increase. Some have been related to ensuring that supported children were not disadvantaged during the pandemic but also owing to the increasing cost of secondary and particularly tertiary education. Several measures have been taken to reduce costs such as the gradual withdrawal from minor projects, ceasing to recruit new children into sponsorship at Limuru and now Embakasi as well as capping support at both secondary and college / university. We expect that the loss will halve in the year to December 2024 largely owing to our ability to buy Kenya shillings forward at favourable rates. We aim to achieve break even in 2025.

Restricted donations must be dispersed in accordance with the terms under which they are donated and are not therefore available for general purposes. In some cases, there will be a timing difference between when the income is received and when it is spent, resulting in balances being held in these funds at year-end. The purpose of the various restricted funds is outlined in note 12.

Unrestricted reserves are expendable at the discretion of the Trustees in the furtherance of the charity's objects. If part of unrestricted reserves is earmarked for a particular project it may be designated as a separate fund, but the designation has an administrative purpose only, and does not legally restrict Trustees' discretion to apply the fund. There were no designated funds at the year end.

The Trustees have established a general reserves policy to have a level of comfort in the charity's ability to provide continuity of activities in the event of material fluctuations in income. The Trustees are also mindful that in recruiting a child into our support at Pre-primary (2 years), Karibuni takes on the responsibility to support that child as s/he progresses through Lower and Upper Primary (6 years) and thence into Lower

Secondary and Senior School (6 years) or through skills training. Additionally, depending on the charity's overall finances, the Trustees award scholarships for those who secure offers of Tertiary courses. Although these are fully discretionary, to date Karibuni has been able to meet all scholarship requests.

The Trustees believe that it is important to provide projects with certainty of funding for a whole academic year and have accordingly identified the necessity to hold **£280,000** as a general reserve to cover 12 month's costs in Kenya and the support office in the UK.

Currently reserves exceed this figure. However, with the consequences of increasing the number of children taken into sponsorship in 2013 who are now entering the expensive stage of their education as well as the impact of changes to the educational mentioned in the Summary of Main Activities and Review of Projects above, it is likely that we will need to dip into reserves in future years to meet the cost of two cohorts of supported children moving into secondary school in each of the next two years because of the transition to a competency-based curriculum.

Reserves over and above the reserve policy result from a large legacy (£300,000), received in 2016, which is enabling the Trustees to support manageable operating deficits so that all children enrolled in our projects can be supported through their education whilst either income is increased, or costs reduced through curtailing support to minor projects and making adjustments to the number of such children who are supported each year as well as capping the support given to children and young people in the more expensive secondary and tertiary stages of their education.

## FUNDRAISING

Every opportunity is taken to raise funds through the sale of merchandise, making presentations about our work or otherwise directly engaging with church or community groups that have long supported our work. Raising money from grant making trusts was more competitive as many saw a large increase in applications made to them and some prioritise applications from charities delivering interventions in the UK. Overall, our income increased in the preceding year which is entirely due to the generosity of our donors who continued to support us and who again responded magnificently to our Christmas Appeal.

## VOLUNTARY HELP AND GIFTS IN KIND

We would like to thank all our dedicated volunteers for their work this year. Volunteers have continued to help with administration, social media and website and online sales of merchandise.

Approved by the Trustees on 8th August 2024 and signed on their behalf by:



Name: Nigel Roberts

Position: Chair of Trustees

**KARIBUNI CHILDREN  
STATEMENT OF FINANCIAL ACTIVITIES  
FOR THE YEAR ENDED 31 DECEMBER 2023**

	Note	Unrestricted funds £	Restricted funds £	Total funds £	As Restated 2022 £
<b>Incoming resources</b>					
Incoming resources from generated funds					
Voluntary income	1	254,003	24,582	278,585	262,192
Activities for generating funds	2	33,495		33,495	8,747
Investment income		1,526		1,526	2,735
		<u>289,024</u>	<u>24,582</u>	<u>313,606</u>	<u>273,674</u>
<b>Resources expended</b>					
Grants to projects	3	269,040	25,802	294,842	206,421
Raising funds	4	15,088		15,088	18,457
Office expenditure	5	61,486		61,486	45,966
		<u>345,614</u>	<u>25,802</u>	<u>371,416</u>	<u>270,844</u>
Net surplus / expenditure before investment losses		(56,590)	(1,220)	(57,810)	2,830
Revaluation of investments		8,021		8,021	(26,081)
Revaluation of currency forward contracts at fair value	14 & 15	(7,658)		(7,658)	(6,503)
Net surplus /(deficit for the year		<u>(56,227)</u>	<u>(1,220)</u>	<u>(57,447)</u>	<u>(29,754)</u>
Fund balances brought forward		<u>422,662</u>	<u>10,220</u>	<u>432,882</u>	<u>456,133</u>
Fund balances carried forward		<u>366,435</u>	<u>9,000</u>	<u>375,435</u>	<u>426,379</u>

**BALANCE SHEET AT 31 DECEMBER 2023**

	Note	Unrestricted funds	Restricted funds	Total funds	As Restated Total funds 2022
		£	£	£	£
<b>Fixed assets</b>					
Tangible assets	8	-	-	-	-
Investments	9	103,438	-	103,438	244,070
		<u>103,438</u>	<u>-</u>	<u>103,438</u>	<u>244,070</u>
<b>Current assets</b>					
Stock		2,360		2,360	3,486
Debtors	10	68,137		68,137	24,172
Cash at bank and in hand	13	203,786	9,000	212,786	162,506
		<u>274,283</u>	<u>9,000</u>	<u>283,283</u>	<u>190,164</u>
<b>Liabilities</b>					
Creditors: amounts falling due within one year	11	3,628		3,628	1,352
		<u>3,628</u>	<u>-</u>	<u>3,628</u>	<u>1,352</u>
<b>Net current assets</b>		<u>270,655</u>	<u>9,000</u>	<u>279,655</u>	<u>188,812</u>
<b>Provisions</b>					
Forward exchange contract liabilities	14	(14,161)		(14,161)	(6,503)
		<u>(14,161)</u>	<u>-</u>	<u>(14,161)</u>	<u>(6,503)</u>
<b>Net assets</b>		<u>359,932</u>	<u>9,000</u>	<u>368,932</u>	<u>426,379</u>
<b>Funds of the charity:</b>					
Restricted funds	12		9,000	9,000	10,220
Unrestricted funds		366,435		366,435	416,159
		<u>366,435</u>	<u>9,000</u>	<u>375,435</u>	<u>426,379</u>
<b>Total charity funds</b>		<u>366,435</u>	<u>9,000</u>	<u>375,435</u>	<u>426,379</u>

The notes on pages 14 to 16 form part of these accounts

Approved by the trustees on 8th August 2024 and signed on their behalf by:

*Nigel Roberts*

Name: Nigel Roberts

Position: Chair of Trustees

## KARIBUNI CHILDREN YEAR ENDED 31 DECEMBER 2023

### **Accounting policies**

- a) The accounts have been prepared on the historic cost convention and in compliance with the Statement of Recommended Practice: Accounting and Reporting by Charities preparing the accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102), and the Charities Act 2011.
- b) Income is recognised when the charity becomes entitled to the resources and the monetary value can be measured with sufficient reliability
- c) Gift aid reclaimable on donations to the charity is included with the amount received, where known
- d) Other expenditure is included in the accounts on an accruals basis. Irrecoverable VAT is charged to the SOFA as incurred
- e) Depreciation on office equipment, including computers, is charged on a straight line basis over 3 - 5 years
- f) Carvings and textiles are bought from Kenya to sell in order to raise funds. Some carvings remain in stock and are valued at £0. Textiles are valued at cost. Stock also includes notelets purchased for resale to raise funds
- g) The value of donated goods has been estimated and included in the figure for voluntary income
- h) Grants to projects are included when the amount is released to the Methodist Church Kenya bank account and distributed to projects

### **Taxation**

Karibuni Children is a registered charity and accordingly is exempt from taxation on its income and gains where they are applied for charitable purposes.

### **Notes to the accounts**

#### **Income**

- 1 Voluntary income includes supporter donations and sponsorship with gift aid tax attributable, grants, donations from private trust funds and legacies received  
Grants and Trusts £10,250 (2022 £21,620) Legacies £26,000 (2022 £27,888)
- 2 Activities for generating funds includes income from sales of merchandise and cards and receipts from organised events.

## Notes to the accounts

### Expenditure

#### 3 Grants to projects

Some grants are paid to The Methodist Church in Kenya (MCK) for distribution amongst the projects and individuals in line with the agreed budgets although the majority of grants are paid directly to partner projects. Grants include support costs and expenses for Karibuni's Kenyan representative (2023 £4,023 2022 £2,114 ) Funds distributed via MCK are held in a separate internal account by MCK pending distribution to the projects. This is reconciled regularly with the mirror account maintained by Karibuni Children's Trustee responsible for organising the payment of grants. Funds are remitted to the Methodist Church in Kenya in Kenya shillings through foreign exchange dealers, Convera. The majority of remittances are covered by forward exchange contracts.

#### 4 Raising funds

Includes cost of merchandise and cards; costs of staging events and attending events including sponsored events and online costs of giving. The costs of an employee involved solely in obtaining grants is included; also costs of freelance photographer taking photos in Kenya for the website and publications

5 Other expenditure	2023	2022
Office costs	£	£
Employee costs	45,184	31,779
Stationery, postage and printing	2,764	1,257
Telephone and internet	972	669
Database costs	2,754	3,664
Rent of office and storage	3,672	3,588
Insurances and data protection	1,078	1,052
Website costs	120	144
Fee for independent examination	1,440	1,020
Payroll fees	1,257	-
Training	705	634
Recruitment costs	598	1,567
Laptop for operations manager	500	580
Sundry costs	442	12
	<u>61,486</u>	<u>45,966</u>

Six trustees visited Kenya in June 2023 to review and assess the projects being supported by the charity; they paid their own travel and accomodation costs. The newly recruited UK Operations Manager visited Kenya with the Trustees. Her costs were paid by the Charity. (included under raising funds)

#### 6 Trustees remuneration and expenses

No Trustees received any remuneration as Trustees during the year. Reimbursement of other expenses is included under the appropriate headings above. The aggregate amount of unconditional donations made by Trustees in 2023 amounted to £15,147 (plus attributable gift aid tax). Includes £0 restricted

#### 7 Employment costs

A full time UK Operations Manager was recruited in June 2022.  
A part time office manager was recruited in September 2022

## Notes to the accounts

### 9 Investments

At 31 December 2022 £37,146 was invested in M&G Charfund. At 31 December 2023 the value was £38,494.

At 31 December 2022 £206,924 was invested with Quilter, £150,000 of this was withdrawn during the year. At 31 December 2023 the value was £64,944.

The movement in fair value is recognised in the income statement.

10 Debtors	2023	2022
	£	£
Accrued income - gift aid tax	15,940	7,727
Transferred project funds Kenya	16,762	5,519
Prepaid expenses	1,012	4,576
Income banked after year end	17,423	6,350
Convera security deposit	17,000	
	<u>68,137</u>	<u>24,172</u>

This includes £16,762 held in Kenya Shillings with the Karibuni bank account with the Methodist Church in Kenya, remitted in December for distribution to projects in January 2024. The exchange rate used is the rate at which the currency was purchased.

The gift aid tax has been claimed and repaid by HMRC in 2024.

11 Creditors	2023	2022
	£	£
Accruals and deferred income	<u>3,628</u>	<u>1,352</u>

### 12 Restricted fund

A scheme started in 2015 relates to the sponsorship of specific students in higher education and vocational training. Payments are made to individual students through the projects to which they are related.

Donations received for this purpose are regarded as restricted.

Where the sponsor has provided funds in advance for the entire period of education the balance is held to be charged to each years accounts

During 2023 other funds were received from individuals towards specific projects supported by the Charity, and regarded as restricted to those projects.

Most of the funds were remitted to the projects during the year, with balances carried into future years as appropriate

### 13 Cash at bank and in hand

Cash at bank includes £95,966 held in Kenya Shillings (KES16,294,846). These funds are held to provide regular grant funding in Kenya, and funds were remitted to recipients in Kenya during the first quarter of 2024

### 14 Provisions

The charity's annual grant funding is provided to recipients in Kenya, with grants provided in Kenyan Shillings. To hedge against the risk of exchange rate fluctuations the charity has taken out forward exchange contracts to the value of anticipated grant funding over the next 12 months. As at the year end these forward contracts are valued at fair value. At the year end there was a loss on revaluation of £14,161 (2022: £6,503)

### 15 Prior year adjustments

During the year an accounting error was identified in relation to the year end 31 December 2022 which resulted in the overstatement of the valuation of investments and voluntary income. A prior year adjustment has been recognised to reduce the investments and voluntary income for that year by £8,000. In addition, an accounting error was identified in relation to provisions for forward exchange contract liabilities that had not been recognised at 31 December 2022. A prior year adjustment has been made to recognise a provision for forward exchange contract liabilities of £6,503. As a result of these adjustments the total charity funds as at 31 December has been reduced by £14,503.

## KARIBUNI CHILDREN

### INDEPENDENT EXAMINER'S REPORT TO THE TRUSTEES OF KARIBUNI CHILDREN

#### FOR THE YEAR ENDED 31 DECEMBER 2023

I report to the charity trustees on my examination of the accounts of the charity for the year ended 31 December 2023 which are set out on pages 12 to 16.

#### **Responsibilities and basis of report**

As the charity's trustees you are responsible for the preparation of the accounts in accordance with the requirements of the Charities Act 2011 ('the Act').

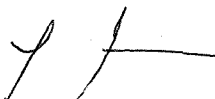
I report in respect of my examination of the charity's accounts carried out under section 145 of the Act and in carrying out my examination I have followed all the applicable Directions given by the Charity Commission under section 145(5)(b) of the Act.

#### **Independent examiner's statement**

I have completed my examination. I confirm that no material matters have come to my attention in connection with the examination giving me cause to believe that in any material respect:

1. accounting records were not kept in respect of the charity as required by section 130 of the Act; or
2. the accounts do not accord with those records; or
3. the accounts do not comply with the applicable requirements concerning the form and content of accounts set out in the Charities (Accounts and Reports) Regulations 2008 other than any requirement that the accounts give a 'true and fair view' which is not a matter considered as part of an independent examination

I have no concerns and have come across no other matters in connection with the examination to which attention should be drawn in this report in order to enable a proper understanding of the accounts to be reached.



.....  
**Mr Tim Fulker BSc(Econ) FCA**

Seymour Taylor Limited  
40 Oxford Road  
High Wycombe  
Buckinghamshire  
HP11 2EE

Date: 31 OCTOBER 2024



**KARIBUNI CHILDREN**

England & Wales - Charity number 1044872

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# Accounts

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**Karibuni** Children

Transforming Young Kenyan Lives

Registered UK Charity number 1044872  
karibuni.org.uk

**KARIBUNI CHILDREN**

Registered Charity number 1044872

**TRUSTEES REPORT AND ACCOUNTS  
FOR THE YEAR ENDED 31 DECEMBER 2022**

## **KARIBUNI CHILDREN**

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## **LEGAL AND ADMINISTRATIVE DETAILS**

Constituted under a Trust Deed dated 30 January 1995.

The Trustees serving during the year and since the year end are:

Mr N H Roberts (Chairman)

Mr J W G Cotton (Resigned 15.01.23)

Mrs J Murphy

Ms P Wignall (Resigned 15.01.23)

Mr M Carr

Ms C S L Roberts (Appointed 08.06.23)

Mr M Johnston

Mr David Farmer

Rev. Nicola Martyn-Beck (Resigned 08.06.23)

Mr S Kanyatte

Mr L C Dickinson

Registered office:

Stoke Mandeville Methodist Church,  
Eskdale Road, Stoke Mandeville,  
Bucks. HP22 5UJ

Email: [office@karibuni.org.uk](mailto:office@karibuni.org.uk)

Website: [www.karibuni.org.uk](http://www.karibuni.org.uk)

## **OBJECTS OF THE CHARITY**

As stated in the Trust deed, the objects of the Charity are to relieve children in Kenya who are in need by reason of sickness and distress, in particular children who are homeless, by providing and assisting in the provision of shelter, food and clothing, and to advance the education of such children.

In practice, most of the Kenyan projects supported by Karibuni Children are involved in education, feeding and community development. Karibuni Children acts as a partner to each project, with day to day-to-day management being the responsibility of local Management Committees which are generally connected to the Methodist Church in Kenya (MCK), although Karibuni Children is not itself a faith-based charity.

## **STRUCTURE GOVERNANCE AND MANAGEMENT**

Policies and operating decisions rest with the Trustees who meet at least five times each year to plan, oversee and monitor the support provided to projects in Kenya. This is based on evidence provided by projects on pupil performance, information from our representative in Kenya and monthly Zoom meetings with project managers / social workers in Kenya.

Day to day management also resides with the Trustees, in particular the Chair who together with subgroups of Trustees and the UK Operations Manager, ensures the smooth running of the Charity.

Karibuni Children has operational policies covering all aspects of its operation including finance, safeguarding children and vulnerable adults and volunteers, risk management, investments and currency hedging amongst others.

The Trustees have regard to guidance issued by The Charity Commission on "Public Benefit" and their guidance on "Charities Working Internationally" as well to HMRC recommendations on "Payments to Overseas Bodies". About the latter, it should be noted that funding is released to the projects either directly or via Methodist Church in Kenya Conference Office in Nairobi, three times each year. All projects are required to subscribe to the Governance procedures of the Methodist Church in Kenya including that all disbursements must be authorised by a minimum of two signatories.

Joshua Katungu, a Kenyan national and resident who runs his own school in Nairobi is retained by the charity to offer advice and support to the projects during the year.

2021 aside, a party of Trustees has traditionally visited the projects each year at their own expense. They review the year's activities, adequacy of financial support, establish future priorities and assess compliance with standards of governance including visits to several sponsored children's guardians in their homes to ensure that they are from the very poorest backgrounds. A shortened visit was undertaken in 2022 when a workshop was run for social workers at the Community Resource Centre in Tharaka. It had been hoped to also include the chairs of the major projects for the final two days but unfortunately two trustees tested positive for Covid, and the chairs were asked not to travel. Meetings between trustees and management committees were conducted via Zoom.

All Trustees, relevant volunteers, and participants in work parties at the projects are required to undergo Disclosure and Barring Service checks.

The current Trustees are shown on page 3. New candidates are considered by the existing Trustees, taking account of their skills and experience in relation to the Charity's objectives and any areas of expertise where it is felt that recruitment would be beneficial. Care is taken to fully brief new recruits through individual meetings with the Chair, with small groups of trustees and attendance at a board meeting as a volunteer prior to commitment.

## **RISK MANAGEMENT**

The Trustees have during the year comprehensively reviewed the risks to which a small charity operating in Africa is exposed. The register is divided into five categories – Top Risks, those potentially with the highest significance and impact; General Management UK, Office Based UK, Financial, Kenya Operational. Each risk identified is accorded a weighting based on considered likelihood and severity of impact. The risk register is an agenda item at each board meeting.

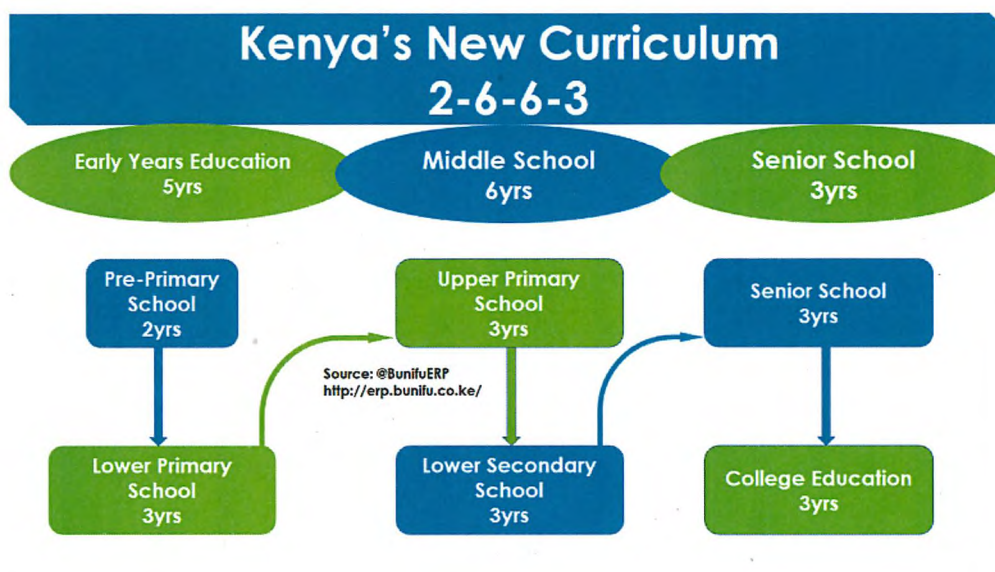
## **KENYA'S EDUCATION SYSTEM**

The Kenyan education system has largely transitioned away from an 8-4-4 curriculum - 8 years of primary school, 4 years of secondary school and 3 (or more) years of vocational/university education. Although not mandatory, children also can attend pre-primary. Two years at pre-primary equips children, particularly those from disadvantaged backgrounds, with language and other skills necessary to hold their own in primary school.

By 2026 the Kenyan government intends to phase out the 8-4-4 curriculum and replace it with a new system (2-6-3-3) which consists of 2 years of pre-primary (for ages 4-5); 3 years of lower primary and 3 years of upper primary (for ages 6-11); and 3 years of junior secondary as well as 3 years of senior secondary (for ages 12-17 years).

The new structure will follow a Competency Based Curriculum (CBC), which seeks to nurture every learner's potential by ensuring that all acquire the core competencies. The CBC emphasises formative rather than summative evaluations.

It will be mandatory for all Kenyan children to continue in education beyond primary. For those that are less academic and unlikely to thrive in secondary education, vocational training is seen as an acceptable and preferable route.



The changes ought to have been accompanied by a classroom building programme in secondary schools, but this has not happened. Consequently, children are in many cases remaining in their existing primary schools for Junior Secondary School. However, these primary schools lack many of the structures needed such as laboratories and domestic science facilities.

**KARIBUNI MODEL OF SUPPORT**

The model is evolving. Currently the Karibuni model identifies children from the most challenging backgrounds through advertisement, and the contacts that project social workers (paid for by Karibuni) have with the local chief or Children's Officers. Children who might otherwise miss education are supported into pre-primary (ages 4 to 5) and progress through primary (ages 6 to 11) usually within the state system where education is free (though there are costs for uniforms, feeding etc.). Children thereafter must now attend either secondary school, (ages 12 to 17) or undertake skills / vocational training both of which are currently fee paying. Karibuni will, depending upon availability of funds and the likelihood of a particular course leading to employment, thereafter, sponsor College or university courses.

Though the provision of education is valuable work and has led to some outstanding cases of success there are drawbacks. These include creating dependency, disempowering parents / guardians, many of whom did not complete their own education owing to their inability to contribute to children's

education together with the divisiveness within the family that can arise where siblings go unsupported and perhaps uneducated.

Increasingly we recognise that the path to improved outcomes – retention rates, keeping girls in education, transitioning from education into the world of work etc. lies with greater parental / guardian involvement. We are therefore beginning to build on the experience of Tharaka where the Demo Farm and Community Resource Centre built in partnership with the local community has enabled delivery of training in agricultural techniques, animal husbandry, nutrition, family planning etc. The recent addition of additional artisan workshops together with a garment manufactory has provided opportunities for skills training, the possibility of employment and ultimately the ability of parents / guardians to contribute increasingly to the education of their child.

We plan to develop this approach initially at Meru but are mindful that other projects also aspire for capital projects that can generate income and improve sustainability.

697 children are currently being supported through their education: 106 at pre-primary, 371 at primary, 126 at secondary, 16 undertaking vocational training and 58 students at college or university with a further 20 awaiting courses. Some 50 children in classes for children with special educational needs benefit from funding for teaching materials and craft activities.

The later stages of a child's education are expensive, but funds permitting, Karibuni aims to support children to reach their full potential and equip them for employment. The fact that all children must now remain in education until age 17 has led to costs in Kenya rising at a significantly higher rate than Karibuni's income in the UK. Generous legacies have enabled us to continue to support many disadvantaged children through their education while we take steps to narrow the gap between expenditure and income.

## **SUMMARY OF MAIN ACTIVITIES AND REVIEW OF PROJECTS DURING THE YEAR**

Economic conditions in Kenya following the pandemic have improved with opportunities for casual labour – hairdressing, housework and clothes washing - on which many parents or guardians relied gradually re-emerging. . The Presidential elections and transfer of power passed off relatively peacefully, although the opposition continues to dispute the result. East Africa is however, experiencing its worst drought in 40 years and the war in Ukraine has restricted imports of cereal products. Both have conspired to push up prices.

Food and fuel price inflation together with the move towards a competency-based curriculum coupled with the requirement that all children must now complete secondary school or skills-based training continues to adversely impact on our costs significantly.

The changes mean that the years of primary education reduce from 8 to 6 whereas the number of years in secondary school increase from 4 to 6. Currently primary education is "free" although there are the costs of feeding, uniforms, shoes, and books etc. Secondary education is not free and although each child receives a base level of government support this is significantly below the cost with the balance having to be found by parents, guardians, or charitable organisations like Karibuni Children. It is hoped that in time there will be a re-balancing of government support between primary and secondary education.

A consequence of the transition from an 8-4-4 model to a 2-6-6-3 model means that in each of the years 2023 and 2024 there will be two cohorts of supported children moving from primary into secondary school. Our modelling of this combined with the impact of all children now being required

to continue into secondary or skills-based training has potentially increased our costs by £20,000 in 2023 with a further increase in the following year.

There were also additional costs stemming from the Kenya government's decision to respond to the time lost through school closures in 2020 by having 4 terms in the academic years 2021 and 2022.

The looming increase in our costs has required us to again look closely at our expenditure. We have ceased support to the two minor projects that were last year put on notice that it might be necessary to curtail our support. With reluctance and regret we have advised the remaining minor projects that we will reduce our support progressively to zero over three years giving time to enable them to develop other sources of support.

At the workshops held in Tharaka in June 2022 we shared our financial challenges with our partners and discussed together where further cost reductions could be made. It was decided that support for secondary school students and those at college and university would be capped at a level which might restrict choice but will allow access to good quality secondary schools and college and university courses.

We are also looking at how we might grow our income and to this end have changed our staff structure in the UK and will be working with our project managers, social workers, and local boards to explore how they might themselves raise funds. In some instances, this might mean capital spend to, for example, sink a borehole which will provide an income from the sale of water whilst at the same time providing employment to numerous local people prepared to purchase water in containers and transport it by bicycle to outlying areas for resale at a higher price.

Begun as an experiment during the pandemic monthly face to face video meetings with project managers have continued.

Those trustees most involved with the projects day to day also meet fortnightly via Zoom with our representative in Kenya, Joshua Katungu.

## **THE PROJECTS**

### **MCK Kibra Tusaidie Watoto Nursery School**



Kibra is the largest and worst of all the slums in Africa, where some 750,000+ people live with few basic amenities in an area of 2.5 square kilometres. Half of those aged 15 – 40 years are said to be HIV+. Many children come from extremely deprived and unstable backgrounds.

This is the largest project supported by Karibuni. We are the sole funder for this very successful project based around a pre-primary school with children spread between three classes. The nursery school children and those that have moved into primary schools nearby are fed at the project each day.

A much-trailed compulsory encroachment on what is already a compact site went ahead in 2021 to facilitate expansion of the adjoining railway. The existing toilets were lost, and new ones had to be constructed along with other building works to make the perimeter secure. During the year the plans around railway expansion changed and an opportunity has arisen to potentially enlarge the site at modest cost. Should this proceed then temporary structures such as converted shipping containers could be used as classrooms and to offer classes and skills training to parents and guardians in line with our evolving strategy.

48 children are being supported at pre-primary, 138 at primary, 61 at secondary and 37 in tertiary education. In addition, 17 secondary school children from the Kawangware project are now administered through this project.

### **MCK Embakasi Academy**



*Photo Credit: Nick Spollin - Gathering Voices UK*

There are two large slum areas in Embakasi which share the same characteristics as Kibra. This is a fee-paying pre-primary / primary school. Under the Karibuni model the children on completion of pre-primary would normally attend local government run primary schools with Karibuni thereafter supporting secondary education. However, in 2014 the school management committee invited Karibuni to keep the children within the Embakasi Academy without charge other than for feeding and uniforms. The school is currently experiencing some challenges and it is possible that revision to this arrangement will be sought. In that event we will have no choice other than to relocate children to local government primary schools.

15 children are being supported at pre-primary, 32 at primary, 6 at secondary school, 2 at university and 2 undertaking skills training.

### **MCK Limuru Methodist Academy**

Limuru is a town some 20 miles from Nairobi on the way to Nakuru. It is a tea-growing area and local people can sometimes get casual labour picking tea and in local firms. The school roll is steadily increasing and academic standards improving. During the pandemic in the absence of work many parents and guardians of fee-paying children returned to home areas without covering fees arrears. We have been working closely with the Academy to ensure that it is able to weather the storm.



*Photo credit: Nick Spollin - Gathering Voices UK*

A new ablutions block funded by Mary Walker, a generous supporter, who had previously visited Limuru as a member of a work party has been completed. The ablutions block comprises a urinal for the boys as well as four cubicles for both boys and girls together with a European style toilet for both sexes more suitable for those with impaired mobility. There is also a shower for both girls and boys.

There is a 10,000-litre tank to capture rainwater with two sources of piped water should this prove insufficient. The standard of construction is extremely high with the local school inspectorate suggesting that it was the best ablutions block in the country and beyond.

40 children are being supported through primary and 20 at secondary school. 11 young people are being supported through tertiary education and 1 through skills training.



*Photo credit: Nick Spollin - Gathering Voices UK*

### **MCK Wesley Empowerment Centre – Njoro**

Njoro is a small town near Nakuru. A small Methodist Church runs a school for local children borne of the need to care for children of families who had fled riots 20 years ago.

There is an excellent pre-primary school on a large plot with a good management committee and staff. Income is raised from water sold from a bore hole and from renting out small wooden houses provided through Karibuni Children some years ago. A baby care facility has recently been created to increase income.

Funds raised originally by Shortcross Methodist Church for the bore hole were not used for maintenance as the management committee prudently established a sinking fund and have been able to fund repairs themselves. With the agreement of the donors the retained funds have been used to help with the management committee's

long-held ambition of building primary school classrooms. Classrooms for grades 1 to 5 have been built so far.

Supported children currently move into primary school without payment of tuition fees.

Income from the borehole and nursery classes has meant that this year the project will increase the percentage of total costs that they are able to themselves pay from 30% to 40%. There are plans for solar electricity generation which will further improve sustainability. We are working with other projects to encourage them to also explore how they can reduce dependency on Karibuni.

23 children are being sponsored in nursery, 36 in primary, 4 in secondary, with 4 young people being supported through skills training and 5 through tertiary education.

**MCK Meru Children and Adult Welfare Community Based Organisation**

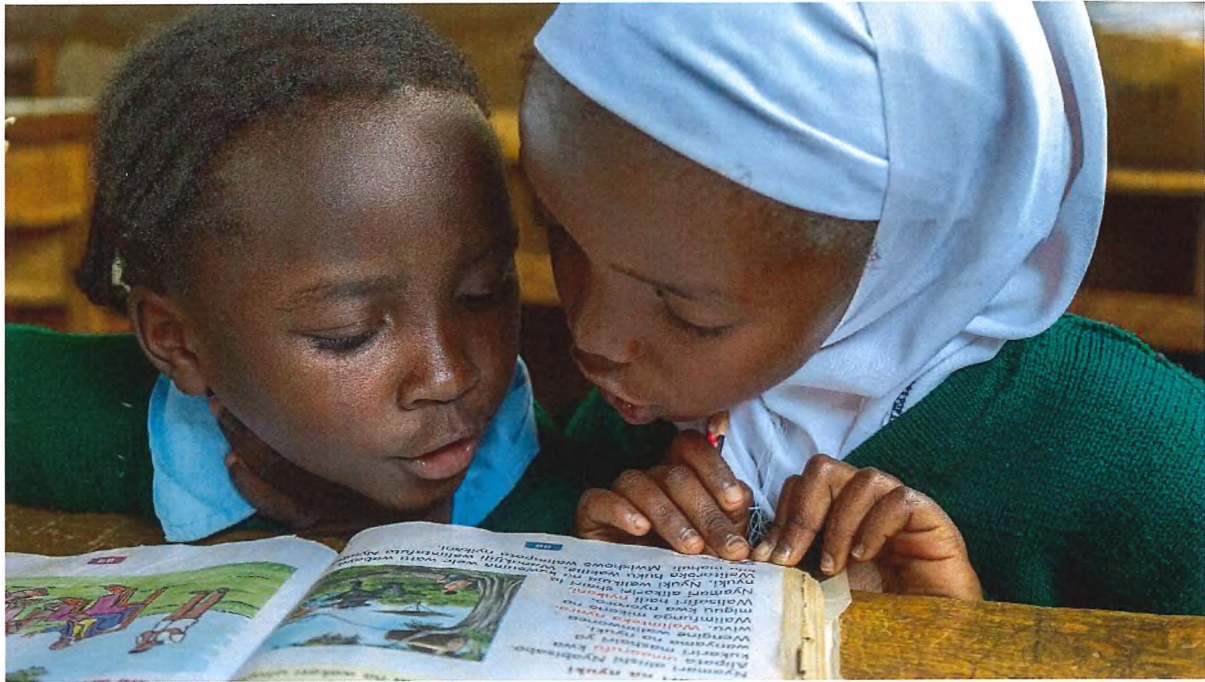


Photo credit: Nick Spollin - Gathering Voices UK

At this professionally managed project Karibuni supports up to 6 new children each year from extremely disadvantaged backgrounds who join the pre-primary at the well regarded Consolata Catholic Mission School. Children are fed at lunchtime via a Karibuni funded kitchen located in the school grounds.

Mercy, the Project Manager has registered the project, like Tharaka, as a Community Based Organisation and has made impressive efforts in forging links with government agencies, other NGOs, and corporates to broaden the supporter base.

One such partnership is with Legatum to develop a model across the county over two years to return street children and those in children's homes to their families or be otherwise cared for within communities. The initial tranche of funding was some US\$ 50,000.

Karibuni supports 12 children in pre-primary, 58 in primary, 5 in secondary, and with 3 young people undergoing skills training.

### **Tharaka Women and Children's Welfare Programme**

Tharaka District is a "hardship" area towards the east of Kenya where Marimanti is the main town. Unemployment is 60% and life expectancy 51 years. Farming is mostly subsistence.

8 children are supported at pre-primary, 67 at primary, and 13 at secondary with 3 young people being supported through tertiary education and 6 through skills training. Karibuni also funds teaching aids and materials for craft activities for 20 children in a special educational needs class at Kamatungu



School. During 2020 the ground floor of a Community Resource Centre was built at a cost of £40,000 with £32,500 raised from long standing and generous supporters. The balance was raised by the community locally through donations of materials or labour.

Working with Just be a Child, a UK registered charity a library of some 10,000 books was provided to the Community Resource Centre.

Ten artisan workshops have now been built around the perimeter of the site which has enabled the establishment of a school uniform manufactory as well as opportunities for those graduating from schools or college to enter employment or start their own business. Whilst it is hoped to add further floors to the Community Resource Centre in the future, focus is shifting to improving sustainability by sinking a borehole (there has been no worthwhile rain for four years) and for solar electricity generation.

### **Mwithumwiru Primary School and Special Needs Class**

This well-run Government school is close to the Meru project mentioned above. Karibuni supports a feeding programme for about 250 children who may otherwise not eat lunch. Karibuni also supports the small class of 20 children with special needs with funding for equipment and materials for craft activities. Our support is being phased out over 3 years.



### **MCK Maua Methodist Hospital Disability Community Centre**

Maua is an hour and a half north of Meru. Here Karibuni contributes towards a much larger programme providing health care, including drugs, physiotherapy, prosthetics and surgery to help children with disabilities live a full life and contribute to their communities. Our contribution ceased at the end of 2022.

### **MCK Maua AIDS orphan's programme**

Karibuni contributes to a programme which provides food, education, training etc. to AIDS widows (most of whom are themselves living with HIV), child-headed households and about 1,600 orphans in what is a very deprived area. Our contribution ceased at the end of 2022.

### **MCK North Kenya Mission**

A grant is made every four months to the North Kenya Mission to provide for families with little or no income in this area which is subject to insurrection from Somalia, theft of livestock and severe drought

and food shortages. Food is distributed via local people to those in greatest need. Our support will be reduced over 3 years.

**Upendo Project at Kilifi near Mombasa**The project has developed into a thriving nursery and primary school. Karibuni has made funds available to build new facilities and continues to support the AIDS Orphans Welfare Programme. Our support will be reduced over 3 years.



### **Hunajeza Women's Project**

Based at Nyalani, a small town near to the north coast of Kenya, this project provides children from local primary schools with nourishing lunches at the small church and hall. The elderly women who run the project are

taking advice from Upendo on how it might be re-energized. Around 55 children are fed by this project. Our support will be reduced over 3 years.

## **FINANCIAL REVIEW AND RESERVES POLICY**

Income for the 12 months to 31.12.2022 was £281,674, some £27,000 below budget but broadly in line with the preceding year. Expenditure was £270,844 some £52,000 below budget. The reduction in spend is owing to timing of payments sent to Kenya following the move back to the standard academic year in 2023. This benefit is not repeatable. The proportion of our income being spent in Kenya fell during the year from 85% to 76%. This was owing to the later remittance of funds to Kenya mentioned above – total spend in Kenya down £40,553 - together with increased costs in the UK which increased £19,730. All cost areas increased but the principal reason was increased staff costs occasioned by paying both the retiring Administration Manager and newly recruited UK Operations Manager during the handover period.

Restricted donations must be dispersed in accordance with the terms under which they are donated and are not therefore available for general purposes. In some cases, there will be a timing difference between when the income is received and when it is spent, resulting in balances being held in these funds at year-end. The purpose of the various restricted funds is outlined in note 12.

Unrestricted reserves are expendable at the discretion of the Trustees in the furtherance of the charity's objects. If part of unrestricted reserves is earmarked for a particular project it may be designated as a separate fund, but the designation has an administrative purpose only, and does not legally restrict Trustees' discretion to apply the fund. There were no designated funds at the year end.

The Trustees have established a general reserves policy to have a level of comfort in the charity's ability to provide continuity of activities in the event of material fluctuations in income. The Trustees are also mindful that in recruiting a child into our support at Pre-primary (2 years), Karibuni takes on the responsibility to support that child as s/he progresses through Lower and Upper Primary (6 years) and thence into Lower Secondary and Senior School (6 years) or through skills training. Additionally, depending on the charity's overall finances, the Trustees award scholarships for those who secure offers of Tertiary courses. Although these are fully discretionary, to date Karibuni has been able to meet all scholarship requests.

The Trustees believe that it is important to provide projects with certainty of funding for a whole academic year and have accordingly identified the necessity to hold **£280,000** as a general reserve to cover 12 month's costs in Kenya and the support office in the UK.

Currently reserves exceed this figure. However, with the consequences of increasing the number of children taken into sponsorship in 2013 who are now entering the expensive stage of their education as well as the impact of changes to the educational mentioned in the Summary of Main Activities and Review of Projects above, it is likely that we will need to dip into reserves in future years to meet the cost of two cohorts of supported children moving into secondary school in each of the next two years because of the transition to a competency-based curriculum.

Reserves over and above the reserve policy result from a large legacy (£300,000), received in 2016, which is enabling the Trustees to support manageable operating deficits so that all children enrolled in our projects can be supported through their education whilst either income is increased, or costs reduced through curtailing support to minor projects and making adjustments to the number of such children who are supported each year as well as capping the support given to children and young people in the more expensive secondary and tertiary stages of their education.

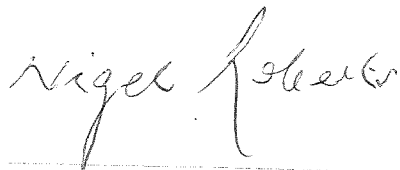
## **FUNDRAISING**

2022 was another challenging year. Opportunities to sell merchandise, make presentations about our work or otherwise directly engage with church or community groups that have long supported our work was reduced. Raising money from grant making trusts was more competitive as many saw a large increase in applications made to them and some also prioritised their responses to the consequences of the pandemic. Overall, our income held up well which is entirely due to the generosity of our donors who continued to support us and again responded magnificently to our Christmas Appeal. In addition, we thank all those charitable trusts that have supported our work including MK Charitable Trust, The British Humane Association, Gledswood Charitable Trust, Pat Newman Trust and Thriplow Charitable Trust.

## **VOLUNTARY HELP AND GIFTS IN KIND**

We would like to thank all our dedicated volunteers for their work this year. Volunteers have continued to help with administration, social media and website and online sales of merchandise.

Approved by the trustees on <sup>8.6.23</sup> [date] and signed on their behalf by:



Name: Nigel Roberts  
Positions: Chair of the Board of Trustees

**KARIBUNI CHILDREN  
STATEMENT OF FINANCIAL ACTIVITIES  
FOR THE YEAR ENDED 31 DECEMBER 2022**

	Note	Unrestricted funds £	Restricted funds £	Total funds £	2021 £
<b>Incoming resources</b>					
Incoming resources from generated funds					
Voluntary income	1	205,836	64,356	270,192	282,931
Activities for generating funds	2	8,747		8,747	6,631
Investment income		2,735		2,735	1,268
		<u>217,318</u>	<u>64,356</u>	<u>281,674</u>	<u>290,830</u>
<b>Resources expended</b>					
Grants to projects	3	152,435	53,986	206,421	246,974
Raising funds	4	18,457		18,457	3,363
Office expenditure	5	40,966	5,000	45,966	41,330
		<u>211,858</u>	<u>58,986</u>	<u>270,844</u>	<u>291,667</u>
Net surplus / expenditure before investment losses		5,460	5,370	10,830	(837)
Revaluation of investments		(26,081)		(26,081)	16,632
<b>Net surplus /(loss) for the year</b>		<u>(20,621)</u>	<u>5,370</u>	<u>(15,251)</u>	<u>15,795</u>
Fund balances brought forward		451,283	4,850	456,133	440,338
Fund balances carried forward		<u>430,662</u>	<u>10,220</u>	<u>440,882</u>	<u>456,133</u>

**STATEMENT OF FINANCIAL POSITION AT 31 DECEMBER 2022**

	Note	Unrestricted funds	Restricted funds	Total funds	Total funds 2021
		£	£	£	£
<b>Fixed assets</b>					
Tangible assets	8	-	-	-	
Investments	9			252,070	286,151
				<u>252,070</u>	<u>286,151</u>
<b>Current assets</b>					
Stock				3,486	2,529
Debtors	10			24,172	34,425
Cash at bank and in hand		152,286	10,220	162,506	134,204
		<u>152,286</u>	<u>10,220</u>	<u>190,164</u>	<u>171,158</u>
<b>Liabilities</b>					
Creditors: amounts falling due within one year	11	1,352		1,352	1,176
		<u>150,934</u>	<u>10,220</u>	<u>188,812</u>	<u>169,982</u>
<b>Net current assets</b>					
		<u>150,934</u>	<u>10,220</u>	<u>188,812</u>	<u>169,982</u>
<b>Net assets</b>					
		<u>150,934</u>	<u>10,220</u>	<u>188,812</u>	<u>169,982</u>
<b>Funds of the charity:</b>					
Restricted funds	12		10,220	10,220	4,600
Unrestricted funds		430,662		430,662	435,738
		<u>430,662</u>	<u>10,220</u>	<u>440,882</u>	<u>440,338</u>
<b>Total charity funds</b>					

The notes on pages 17 to 19 form part of these accounts

Approved by the trustees on

8th June 2013

and signed on their behalf by:

*Nigel Roberts*

Name:

Position: Trustee

**KARIBUNI CHILDREN  
NOTES TO THE ACCOUNTS  
FOR THE YEAR ENDED 31 DECEMBER 2022**

**Accounting policies**

- a) The accounts have been prepared on the historic cost convention and in compliance with the Statement of Recommended Practice: Accounting and Reporting by Charities preparing the accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102), and the Charities Act 2011.
- b) Income is recognised when the charity becomes entitled to the resources and the monetary value can be measured with sufficient reliability
- c) Gift aid reclaimable on donations to the charity is included with the amount received, where known
- d) Other expenditure is included in the accounts on an accruals basis. Irrecoverable VAT is charged to the SOFA as incurred
- e) Depreciation on office equipment, including computers, is charged on a straight line basis over 3 - 5 years
- f) Carvings and textiles are bought from Kenya to sell in order to raise funds. Some carvings remain in stock and are valued at £0. Textiles are valued at cost. Stock also includes notelets purchased for resale to raise funds
- g) The value of donated goods has been estimated and included in the figure for voluntary income
- h) Grants to projects are included when the amount is released to the Methodist Church Kenya bank account and distributed to projects

**Taxation**

Karibuni Children is a registered charity and accordingly is exempt from taxation on its income and gains where they are applied for charitable purposes.

**KARIBUNI CHILDREN  
NOTES TO THE ACCOUNTS  
FOR THE YEAR ENDED 31 DECEMBER 2022**

**Income**

- 1 Voluntary income includes supporter donations and sponsorship with gift aid tax attributable, grants, donations from private trust funds and legacies received  
Grants and Trusts £ 21620 (2021 £32950) Legacies £ 27888 (2021 £54774)
- 2 Activities for generating funds includes income from sales of merchandise and cards and receipts from organised events.

**Expenditure**

**3 Grants to projects**

Grants are paid to The Methodist Church in Kenya (MCK) for distribution amongst the projects and individuals in line with the agreed budgets. Grants include support costs and expenses for Karibuni's Kenyan representative  
(2022 £2114 £ 2021 £1188 )

The funds are held in a separate internal account by MCK pending distribution to the projects. This is reconciled regularly with the mirror account maintained by Karibuni Children's Trustee responsible for organising the payment of grants. Funds are remitted to the Methodist Church in Kenya in Kenya shillings through foreign exchange dealers, Western Union. The majority of remittances are covered by forward exchange contracts.

**4 Raising funds**

Includes cost of merchandise and cards; costs of staging events and attending events including sponsored events and online costs of giving. The costs of an employee involved solely in obtaining grants is included; also costs of freelance photographer taking photos in Kenya for the website and publications, the total costs were £12,338 this includes a termination payment of £2,000.

**5 Other expenditure**

	£
<b>Office costs</b>	
Employee costs	29,653
Payroll services	756
Professional fees	1,370
Stationery, postage and printing	1,257
Telephone and internet	669
Database costs	3,664
Rent of office and storage	3,588
Insurances and data protection	1,052
Website costs	144
Fee for independent examination	1,020
Training	634
Recruitment costs	1,567
Laptop for operations manager	580
Sundry costs	12
	<u>45,966</u>

A Trustee received reimbursement of UK travel when representing the Charity (£184)

Five trustees visited Kenya in June 2022 to review and assess the projects being supported by the charity; they paid their own travel and accomodation costs

The newly recruited UK Operations Manager visited Kenya with the Trustees. Her costs were paid by the Charity. (included under raising funds)

**KARIBUNI CHILDREN  
NOTES TO THE ACCOUNTS  
FOR THE YEAR ENDED 31 DECEMBER 2022**

**6 Trustees remuneration and expenses**

No Trustees received any remuneration as Trustees during the year.  
One Trustee received reimbursement of travel costs in UK, when representing the Charity  
Reimbursement of other expenses is included under the appropriate headings above.  
The aggregate amount of unconditional donations made by Trustees in 2022  
amounted to £17387 (plus attributable gift aid tax). Includes £ 5260 restricted

**7 Employment costs**

A full time UK Operations Manager was recruited in June 2022.  
A part time office manager was employed until September 2022  
A part time fund raising manager was employed until October 2022

**9 Investments**

£232000 has been invested, following advice from an independent financial  
adviser.  
£26,000 is invested in M&G Charifund. At 31 December 2022 the value was £37,146  
£8,000 is invested with Investec in interest bearing funds.  
£198,000 was invested in CAF investment platform. As CAF no longer operates,  
this has been transferred to Quilter. At 31 December 2021 the value was  
£ 206,924 The movement in fair value is recognised in the income statement.

**10 Debtors**

	<b>2022</b>	<b>2021</b>
	<b>£</b>	<b>£</b>
Accrued income - gift aid tax	7,727	14,496
Transferred project funds Kenya	5,519	13,952
Prepaid expenses	4,576	3,425
Income banked after year end	6,350	2,552
	<u>24,172</u>	<u>34,425</u>

This includes £5519 held in Kenya Shillings with the Karibuni  
bank account with The Methodist Church in Kenya, remitted in December for  
distribution to projects in January 2023. The exchange rate at the balance sheet date  
has been used  
The gift aid tax has been claimed and repaid by HMRC in 2023.

**11 Creditors**

	<b>2022</b>	<b>2021</b>
	<b>£</b>	<b>£</b>
Accruals and deferred income	<u>1,352</u>	<u>1,176</u>

**12 Restricted fund**

A scheme started in 2015 relates to the sponsorship of specific students in higher  
education and vocational training. Payments are made to individual students  
through the projects to which they are related.  
Donations received for this purpose are regarded as restricted.  
Where the sponsor has provided funds in advance for the entire period of education  
the balance is held to be charged to each years accounts  
During 2022 other funds were received from individuals towards specific  
projects supported by the Charity, and regarded as restricted to those projects.  
Most of the funds were remitted to the projects during the year, with balances  
carried into future years as appropriate

## KARIBUNI CHILDREN

### INDEPENDENT EXAMINER'S REPORT TO THE TRUSTEES OF KARIBUNI CHILDREN FOR THE YEAR ENDED 31 DECEMBER 2022

I report to the charity trustees on my examination of the accounts of the charity for the year ended 31 December 2021 which are set out on pages 15 to 19.

#### **Responsibilities and basis of report**

As the charity's trustees you are responsible for the preparation of the accounts in accordance with the requirements of the Charities Act 2011 ('the Act').

I report in respect of my examination of the charity's accounts carried out under section 145 of the Act and in carrying out my examination I have followed all the applicable Directions given by the Charity Commission under section 145(5)(b) of the Act.

#### **Independent examiner's statement**

I have completed my examination. I confirm that no material matters have come to my attention in connection with the examination giving me cause to believe that in any material respect:

1. accounting records were not kept in respect of the charity as required by section 130 of the Act; or
2. the accounts do not accord with those records; or
3. the accounts do not comply with the applicable requirements concerning the form and content of accounts set out in the Charities (Accounts and Reports) Regulations 2008 other than any requirement that the accounts give a 'true and fair view' which is not a matter considered as part of an independent examination

I have no concerns and have come across no other matters in connection with the examination to which attention should be drawn in this report in order to enable a proper understanding of the accounts to be reached.



.....  
**Mr Tim Fulker BSc(Econ) FCA**

Seymour Taylor Limited  
57 London Road  
High Wycombe  
Buckinghamshire  
HP11 1BS

Date: 27 October 2023

**KARIBUNI CHILDREN**

England & Wales - Charity number 1044872

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# Accounts

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Karibuni Children

Transforming Young Kenyan Lives

Registered UK Charity number 1044872  
karibuni.org.uk

**KARIBUNI CHILDREN**

Registered Charity number 1044872

**TRUSTEES REPORT AND ACCOUNTS  
FOR THE YEAR ENDED 31 DECEMBER 2021**

## KARIBUNI CHILDREN

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## LEGAL AND ADMINISTRATIVE DETAILS

Constituted under a Trust Deed dated 30 January 1995.

The Trustees serving during the year and since the year end are:

Mr J W G Cotton (chairman)	Mr N Roberts
Mrs J Murphy	Rev H Kirk (Resigned 21.10.21)
Ms P Wignall	Mr M Johnston
Mr D Welsh (Resigned 27.01.22)	Mr David Farmer
Mr P Ingram (Resigned 28.01.21)	Rev. Nicola Martyn-Beck (Appointed 28.01.21)
Mr M Carr	Mr S Kanyatte (Appointed 27.01.22)
	Mr L C Dickinson (Appointed 27.01.22)

Registered office:  
Stoke Mandeville Methodist Church,  
Eskdale Road, Stoke Mandeville,  
Bucks. HP22 5UJ

Email: [office@karibuni.org.uk](mailto:office@karibuni.org.uk)

Website: [www.karibuni.org.uk](http://www.karibuni.org.uk)

## OBJECTS OF THE CHARITY

As stated in the Trust deed, the objects of the Charity are to relieve children in Kenya who are in need by reason of sickness and distress, in particular children who are homeless, by providing and assisting in the provision of shelter, food and clothing, and to advance the education of such children.

In practice, most of the Kenyan projects supported by Karibuni Children are involved in education, feeding and special needs. Karibuni Children acts as a partner to each project, with day to day-to-day management being the responsibility of local Management Committees which are generally connected to the Methodist Church in Kenya (MCK).

## STRUCTURE GOVERNANCE AND MANAGEMENT

Policies and operating decisions rest with the Trustees who meet at least five times each year to plan, oversee and monitor the support provided to projects in Kenya. This is based on evidence provided by projects on pupil performance, information from our representative in Kenya and monthly Zoom meetings with project managers / social workers in Kenya.

Day to day management also resides with the Trustees, in particular the Chairman who together with subgroups of Trustees and the office manager ensures the smooth running of the Charity.

Karibuni Children has operational policies covering all aspects of its operation including finance, safeguarding children and vulnerable adults and volunteers, risk management, investments and currency hedging amongst others.

The Trustees have regard to guidance issued by The Charity Commission on “Public Benefit” and their guidance on “Charities Working Internationally” as well to HMRC recommendations on “Payments to Overseas Bodies”. About the latter, it should be noted that funding is released to the projects via Methodist Church in Kenya Conference Office in Nairobi three times each year. MCK Conference Office release funds to projects following a two-stage authentication process. We are mindful of the balances held at any one time with MCK in Kenya and have the ability when necessary to transfer funds directly to project bank accounts. All projects are required to subscribe to the Governance procedures of the Methodist Church in Kenya including that all disbursements must be authorised by two signatories.

Joshua Katungu, a Kenyan national and resident who runs his own school in Nairobi is retained by the charity to offer advice and support to the projects during the year.

A party of Trustees has traditionally visited the projects each year at their own expense. They review the year’s activities, adequacy of financial support, establish future priorities and assess compliance with standards of governance including visits to several sponsored children’s guardians in their homes to ensure that they are from the very poorest backgrounds. Owing to the pandemic no visit was undertaken in 2021, with meetings between trustees and management committees conducted via Zoom.

All Trustees, relevant volunteers, and participants in work parties at the projects are required to undergo Disclosure and Barring Service checks.

The current Trustees are shown on page 3. New candidates are considered by the existing Trustees, taking account of their skills and experience in relation to the Charity’s objectives and any areas of expertise where it is felt that recruitment would be beneficial. Care is taken to fully brief new recruits through individual meetings with the chairman, with small groups of trustees and attendance at a board meeting as a volunteer prior to commitment.

## **RISK MANAGEMENT**

The Trustees have during the year comprehensively reviewed the risks to which a small charity operating in Africa is exposed. The register is divided into five categories – Top Risks, those potentially with the highest significance and impact; General Management UK, Office Based UK, Financial, Kenya Operational. Each risk identified is accorded a weighting based on considered likelihood and severity of impact. The risk register is an agenda item at each board meeting.

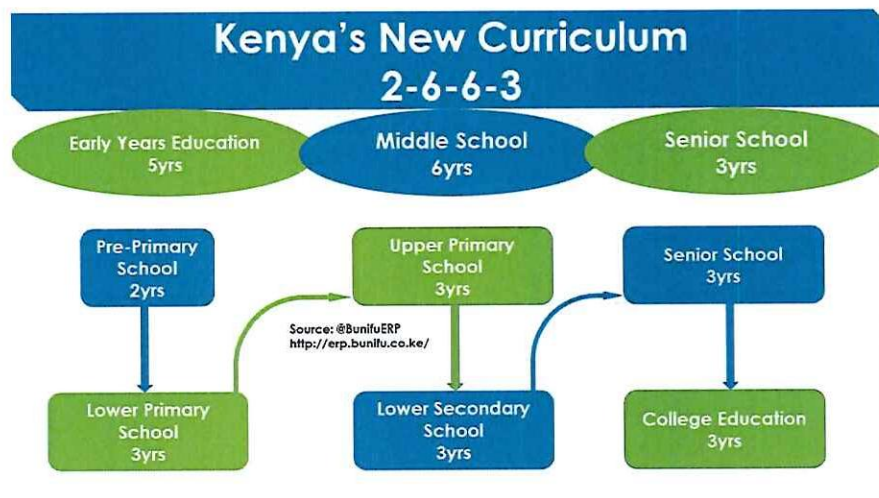
## KENYA'S EDUCATION SYSTEM

The Kenyan education system is currently part way through a transition away from an 8-4-4 curriculum - 8 years of primary school, 4 years of secondary school and 4 years of vocational/university education. Although not mandatory, children also can attend pre-primary. Two years at pre-primary equips children, particularly those from disadvantaged backgrounds, with language and other skills necessary to hold their own in primary school.

By 2026 the Kenyan government intends to phase out the 8-4-4 curriculum and replace it with a new system (2-6-3-3) which consists of 2 years of pre-primary (for ages 4-5); 3 years of lower primary and 3 years of upper primary (for ages 6-11); and 3 years of junior secondary as well as 3 years of senior secondary (for ages 12-17 years).

The new structure will follow a Competency Based Curriculum (CBC), which seeks to nurture every learner's potential by ensuring that all acquire the core competencies. The CBC emphasises formative rather than summative evaluations.

It will be mandatory for all Kenyan children to continue in education beyond primary. For those that are less academic and unlikely to thrive in secondary education, vocational training is seen as an acceptable and preferable route.



## KARIBUNI MODEL OF SUPPORT

Karibuni Children relieves childhood poverty in Kenya through the support and education of children from age 3 through to adulthood. Such children are recruited from very deprived backgrounds. Karibuni also supports two special needs classes and five general / feeding programmes. Where appropriate Karibuni will support enhancement of school infrastructure through improving sanitation, kitchen provision, building classrooms and providing equipment and learning aids to improve the learning experience. These capital projects attract new pupils, and thus improve the financial sustainability of the programme.

Capital projects are funded through applications to sources that would generally not fund our core activities.

The Karibuni model is to identify children from the most challenging backgrounds through advertisement, and the contacts that project social workers (paid for by Karibuni) have with the local chief or Children's Officers. Children who might otherwise miss education are sponsored into pre-primary (ages 4 to 5) and progress through primary (ages 6 to 11) usually within the state system where education is free (though there are costs for uniforms, feeding etc.). Children thereafter must now attend either secondary school, (ages 12 to 17) or undertake skills / vocational training both of which are currently fee paying. Karibuni will, depending upon availability of funds and the likelihood of a particular course leading to employment, thereafter, sponsor College or university courses.

697 children are currently being sponsored through education: 106 at pre-primary, 371 at primary, 126 at secondary, 16 undertaking vocational training and 58 students at college or university with a further 20 awaiting courses. Some 50 children in classes for children with special educational needs benefit from funding for teaching materials and craft activities.

The later stages of a child's education are expensive, but funds permitting, Karibuni aims to support children to reach their full potential and equip them for employment. The fact that all children must now remain in education until age 17 has led to costs in Kenya rising at a significantly higher rate than Karibuni's income in the UK. Generous legacies have enabled us to continue to support many disadvantaged children through their education while we take steps to narrow the gap between expenditure and income.

The employment of a part time office manager to ensure the smooth running of administration has removed much administration from the trustees and permitted more time to develop strategy. The appointment of a part time trust fundraiser is an attempt to both diversify and increase our income.

## **SUMMARY OF MAIN ACTIVITIES AND REVIEW OF PROJECTS DURING THE YEAR**

2021 saw some recovery from the exceptional circumstances of the previous year but was not without its challenges.

The pandemic has had a hugely negative impact on the economic wellbeing of many of the sponsored children's families. Casual labour – hairdressing, housework and clothes washing - on which many parents or guardians relied largely dried up with employers being wary about the virus being brought into their homes. Drought and world events have pushed up food and fuel prices.

When schools were suspended in the early part of the year, we again provided monthly food packages for each of our sponsored children which supplemented the whole family's needs. The packages consisted of dried goods, maize, flour, rice, beans as well as cooking oil and soap. These food packages were of enormous value in providing at least some food to families. We continue to see some guardians returning to the projects in the hope of being

given food and more children are turning up at those projects where feeding is provided than are enrolled.

The move towards a competency-based curriculum coupled with the requirement that all children must now complete secondary school or skills-based training has impacted on our costs significantly.

The changes mean that the years of primary education reduce from 8 to 6 whereas the number of years in secondary school increase from 4 to 6. Currently primary education is “free” although there are the costs of feeding, uniforms, shoes, and books etc. Secondary education is not free and although each child receives a base level of government support this is significantly below the cost with the balance having to be found by parents, guardians, or sponsors like Karibuni Children. It is hoped that in time there will be a re-balancing of government support between primary and secondary education.

A consequence of the transition from an 8-4-4 model to a 6-6-4 model means that in each of the years 2023 and 2024 there will be two cohorts of sponsored children moving from primary into secondary school. Our modelling of this combined with the impact of all children now being required to continue into secondary or skills-based training has potentially increased our costs by £20,000 in 2023 with a further increase in the following year.

There will also be some additional costs stemming from the Kenya government’s decision to respond to the time lost through school closures in 2021 by having 4 terms in the academic years 2022 and 2023.

The looming increase in our costs has required us to look closely at our expenditure. At three projects we have reduced the number of children that are taken into sponsorship each year. The saving in the early years is not great but will over time reduce the cost of secondary school fees. Hitherto, projects have had dispensation to replace children that dropped out of sponsorship with another child from a very poor background up until class 4. This local autonomy has been withdrawn.

With reluctance and regret we have put two projects, which we have supported for many years with a relatively small grant, on notice that we may not be able to support them beyond 2022. In both cases our funding is a contribution to a larger programme and whilst our withdrawal would not be helpful it will not threaten the continuation of those projects.

We are also looking at how we might grow our income and will be working with our project managers, social workers, and boards to explore how costs can be contained.

Begun as an experiment to keep in touch monthly face to face video meetings with project managers, Makena Anampiu at Kibra, Mercy Bundi at Meru and George Mwabu at Tharaka plus social workers Miriam Mugambi at Limuru, Esther Onno at Njoro, Johnson Kamau at Embakasi and Wycliffe Odhiambo at Kibra have become established as part of the calendar. The meetings continue to be most valuable in understanding the different challenges being faced in keeping children safe, fed, and educated.

The meetings via Zoom were the first time that project managers and social workers had met each other, and it is pleasing that they now meet over Zoom and on occasions face to face to share learning, experience, and best practice. With secondary school children and those at university often located away from their “home project” there has been an opportunity for a project manager geographically closer to the sponsored child to offer support.

For the first time in 26 years there was no visit, at their own expense, by Karibuni Children trustees. Annual meetings with project boards which normally would have been face to face during our visit were held via Zoom. The meetings worked well despite sometimes limited access to reliable wi-fi and electricity in Kenya.

Those trustees most involved with the projects day to day also meet fortnightly via Zoom with our representative in Kenya, Joshua Katungu.

## THE PROJECTS

### MCK Kibra Tusaidie Watoto Nursery School



Kibra is the largest and worst of all the slums in Africa, where some 750,000+ people live with few basic amenities in an area of 2.5 square kilometres. Half of those aged 15 – 40 years are said to be HIV+. Many children come from extremely deprived and unstable backgrounds.

This is the largest project supported by Karibuni. We are the sole funder for this very successful project based around a pre-primary school with children spread between three

classes. The nursery school children and those that have moved into primary schools nearby are fed at the project each day.

During the year a much-trailed compulsory encroachment on what is already a compact site went ahead to facilitate expansion of the adjoining railway. The existing toilets were lost, and new ones had to be constructed along with other building works to make the perimeter secure. Access is now more constrained.

Wycliffe Odhiambo was taken into sponsorship at Kibra in 1998 at age 5 as one of the first beneficiaries. He was supported through pre-primary, primary, secondary, and then the Technical University of Kenya where he graduated in Community and Public Health. After working for African Mission Healthcare and managing training of nurses in anaesthesia, Wycliffe has been appointed Deputy Social Worker at Tusaidie Watoto. Having himself come from the surrounding slum there can be no better mentor for the children beginning on the journey that he has himself undertaken.

48 children are being supported at pre-primary, 138 at primary, 61 at secondary and 37 in tertiary education. In addition, 17 secondary school children from the Kawangware project are now administered through this project.

#### **MCK Embakasi Academy**



There are two large slum areas in Embakasi which share the same characteristics as Kibra. This is a fee-paying pre-primary / primary school. Under the Karibuni model the children on completion of pre-primary would normally attend local government run primary schools with Karibuni thereafter supporting secondary education. However, in 2014 the school management committee invited Karibuni to keep the children within the Embakasi Academy

without charge other than for feeding and uniforms. However, owing to resistance from other guardians who pay fees this arrangement is likely to change.

Johnson Kamau who was part time social worker is now full time.

15 children are being supported at pre-primary, 32 at primary, 6 at secondary school, 2 at university and 2 undertaking skills training.

### **MCK Limuru Methodist Academy**

Limuru is a town some 20 miles from Nairobi on the way to Nakuru. It is a tea-growing area and local people can sometimes get casual labour picking tea and in local firms. The school roll is steadily increasing and academic standards improving. During the pandemic in the absence of work many parents and guardians of fee-paying children returned to home areas without covering fees arrears. We have been working closely with the Academy to ensure that it is able to weather the storm.



40 children are being supported through primary and 20 at secondary school. 11 young people are being supported through tertiary education and 1 through skills training.

With personnel changes and the management committee more established, a new ablutions block funded by a generous supporter who had previously visited Limuru as a member of a work party is now on the horizon. Once complete these improvements are likely to see headcount increase further and school sustainability improve.

### **MCK Wesley Empowerment Centre – Njoro**

Njoro is a small town near Nakuru. A small Methodist Church runs a school for local children borne of the need to care for children of families who had fled riots 12 years ago.

There is an excellent pre-primary school on a large plot with a good management committee and staff.



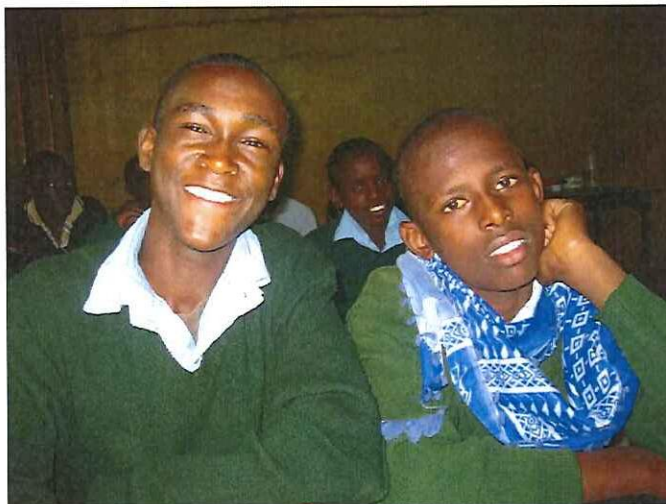
Income is raised from water sold from a bore hole and from renting out small wooden houses provided through Karibuni Children some years ago. A baby care facility has recently been created to increase income.

Some funds raised originally by Shortcross Methodist Church for the bore hole were retained by Karibuni Children for future maintenance of the bore hole. The management committee prudently established a sinking fund for maintenance and have been able to fund repairs themselves. With the agreement of the donors the retained funds have been used to help with the management committee's long held ambition of building primary school classrooms. Classrooms for grades 1 to 5 having been built so far.

Sponsored children currently move into primary without payment of tuition fees.

23 children are being sponsored in nursery, 36 in primary, 4 in secondary, with 4 young people being supported through skills training and 5 through tertiary education.

#### **MCK Meru Township Programme**



At this professionally managed project Karibuni sponsors up to 6 children each year from extremely disadvantaged backgrounds who join the pre-primary at the well regarded Consolata Catholic Mission School. Children are fed at lunchtime via a Karibuni funded kitchen located in the school grounds.

Mercy, the Project Manager has registered the project, like Tharaka, as a Community Based

Organisation and has made impressive efforts in forging links with government agencies, other NGOs, and corporates to broaden the supporter base. One result was Chapati Christmas where through local contributions children were provided with additional food and treats at Christmas.

Karibuni sponsors 12 children in pre-primary, 58 in primary, 5 in secondary, and with 3 young people undergoing skills training.

#### **MCK Tharaka District, Marimanti Women's, and Children's Project**

Tharaka District is a "hardship" area towards the east of Kenya where Marimanti is the main town. Unemployment is 60% and life expectancy 51 years. Farming is mostly subsistence.

8 children are supported at pre-primary, 67 at primary, and 13 at secondary with 3 young people being supported through tertiary education and 6 through skills training. Karibuni also funds teaching aids and materials for craft activities for 20 children in a special educational needs class at Kamatungu School.



During 2020 the ground floor of a Community Resource Centre was built at a cost of £40,000 with £32,500 raised from long standing and generous supporters. The balance was raised by the community locally through donations of materials or labour.

Working with Just be a Child, a UK registered charity a library of some 10,000 books was provided to the

Community Resource Centre. Karibuni Children Trustees helped load the shipping container in the UK which was unloaded 6 weeks later in Kenya by George Mwabu and management committee member William Kironcho.

We are most grateful to Dr. Lenka McAlinden of JBAC for providing training to the project during one of her visits to Kenya and for making room on the container for toolkits for graduating masons, electricians, plumbers, and mechanics which were provided by UK Charity Workaid.

It is hoped to add further floors to the Community Resource Centre in the future and to build several artisan workshops around the perimeter of the site. Towards the end of the year, we were nearing our fundraising target for the first phase of workshop building.

### **Mwithumwiru Primary School and Special Needs Class**

This well-run Government school is close to the Meru project mentioned above. Karibuni supports a feeding programme for about 250 children who would otherwise not eat lunch. Karibuni also supports the small class of 20 children with special needs with funding for equipment and materials for craft activities.



### **MCK Maua Methodist Hospital Disability Community Centre**

Maua is an hour and a half north of Meru. Here Karibuni contributes towards a much larger programme providing health care, including drugs, physiotherapy, prosthetics and surgery to help children with disabilities live a full life and contribute to their communities.

### **MCK Maua AIDS orphan's programme**

Karibuni contributes to a programme which provides food, education, training etc. to AIDS widows (most of whom are themselves living with HIV), child-headed households and about 1,600 orphans in what is a very deprived area.

### **MCK North Kenya Mission**

A grant is made every four months to the North Kenya Mission to provide for families with little or no income in this very backward area which is subject to insurrection from Somalia, theft of livestock and severe drought and food shortages. Food is distributed via local people to those in greatest need.

### **Upendo Project at Kilifi near Mombasa**



The project has developed into a thriving nursery and primary school. Karibuni has made funds available to build new facilities and continues to support the AIDS Orphans Welfare Programme.

### **Hunajeza Women's Project**

Based at Nyalani, a small town near to the north coast of Kenya, this project provides children from local primary schools with nourishing lunches at the small church and hall. The elderly women who run the project are taking advice from Upendo on how it might be re-energized. Around 55 children are fed by this project.

## FINANCIAL REVIEW AND RESERVES POLICY

Income for the 12 months to 31.12.2021 was £290,820, some £30,000 below budget. Expenditure was £291,667 some £27,000 below budget, but some £70,000 less than in the preceding year. The reason for the substantial reduction in actual spend between this and the previous year is that less was spent on emergency feeding and with schools closed fees were less than budget. This benefit will reverse over the next two years as a fourth school term is scheduled.

Restricted donations must be dispersed in accordance with the terms under which they are donated and are not therefore available for general purposes. In some cases, there will be a timing difference between when the income is received and when it is spent, resulting in balances being held in these funds at year-end. The purpose of the various restricted funds is outlined in note 12.

Unrestricted reserves are expendable at the discretion of the Trustees in the furtherance of the charity's objects. If part of unrestricted reserves is earmarked for a particular project it may be designated as a separate fund, but the designation has an administrative purpose only, and does not legally restrict Trustees' discretion to apply the fund. There were no designated funds at the year end.

The Trustees have established a general reserves policy to have a level of comfort in the charity's ability to provide continuity of activities in the event of material fluctuations in income. The Trustees are also mindful that in recruiting a child into sponsorship at Pre-primary (2 years), Karibuni takes on the responsibility to sponsor that child as s/he progresses through Lower and Upper Primary (6 years) and thence into Lower Secondary and Senior School (6 years) or through skills training. Additionally, depending on the charity's overall finances, the Trustees award scholarships for those who secure offers of Tertiary courses. Although these are fully discretionary, to date Karibuni has been able to meet all scholarship requests.

The Trustees believe that it is important to provide projects with certainty of funding for a whole academic year and have accordingly identified the necessity to hold **£280,000** as a general reserve to cover 12 month's costs in Kenya and the support office in the UK.

Currently reserves exceed this figure. However, during 2021 although the position was break even there was additional spend on feeding and keeping disadvantaged children in learning during the pandemic. As related in Summary of Main Activities and Review of Projects above, it is likely that we will need to dip into reserves in the next financial year to meet the cost of two cohorts of sponsored children moving into secondary school in each of the next two years because of the transition to a competency-based curriculum.

Reserves over and above the reserve policy result from a large legacy (£300,000), received in 2016, which is enabling the Trustees to support manageable operating deficits so that all sponsored children can be supported through their education whilst either income is increased, or adjustment made to the number of such children who are sponsored. The cost of pre/primary education is low in relation to the school fees paid for secondary and cost of tertiary courses. It therefore takes some time for a reduction in numbers to translate into significant savings.

## FUNDRAISING

2021 was a challenging year. Opportunities to sell merchandise, make presentations about our work or otherwise directly engage with church or community groups that have long supported our work was reduced. Raising money from grant making trusts was more competitive as many saw a large increase in applications made to them and some also prioritised their responses to the consequences of the pandemic. Overall, our income held up well which is entirely due to the generosity of our donors who continued to support us and again responded magnificently to our Christmas Appeal. In addition, we thank all those charitable trusts that have supported our work including MK Charitable Trust, and the British Humane Association.

## VOLUNTARY HELP AND GIFTS IN KIND

We would like to thank all our dedicated Volunteers for their work in this unusual year. It has not been possible to meet in person but by working differently for everyone's safety Volunteers have continued to help with administration, social media and website and online sales of merchandise. We are also grateful to all those supporters who donate goods to be taken to the projects during the Trustees' annual visit.

Workaid again supplied tool kits for several masons, electricians, plumbers, and mechanics who had completed their training, and these were included in a container shipped by Just be a Child. Although trustees were unable to travel to Kenya during the year British Airways has always been most generous in permitting extra baggage allowance.

Approved by the trustees on *20 September* and signed on their behalf by:  
*2022*

*P Wignall*

Name: *PATRICIA WIGNALL*

Position: *TRUSTEE*

**KARIBUNI CHILDREN  
STATEMENT OF FINANCIAL ACTIVITIES  
FOR THE YEAR ENDED 31 DECEMBER 2021**

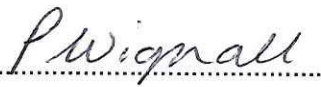
	Note	Not Unrestricted funds £	Restricted funds £	Total funds £	2020 £
<b>Incoming resources</b>					
Incoming resources from generated funds					
Voluntary income	1	246,899	36,032	282,931	290,440
Activities for generating funds	2	6,631		6,631	7,420
Investment income		1,268		1,268	2,198
		<u>254,798</u>	<u>36,032</u>	<u>290,830</u>	<u>300,058</u>
<b>Resources expended</b>					
Grants to projects	3	211,152	35,822	246,974	314,102
Raising funds	4	3,363		3,363	7,701
Office expenditure	5	41,330		41,330	38,351
		<u>255,845</u>	<u>35,822</u>	<u>291,667</u>	<u>360,154</u>
Net expenditure before investment losses		(1,047)	210	(837)	(60,096)
Revaluation of investments		16,632		16,632	(3,913)
<b>Net surplus for the year</b>		<u>15,585</u>	<u>210</u>	<u>15,795</u>	<u>(64,009)</u>
Fund balances brought forward		435,738	4,640	440,378	504,347
Fund balances carried forward		<u>451,323</u>	<u>4,850</u>	<u>456,173</u>	<u>440,338</u>

**KARIBUNI CHILDREN  
STATEMENT OF FINANCIAL POSITION  
AS AT 31 DECEMBER 2021**

	Note	Unrestricted funds	Restricted funds	Total funds	Total funds 2020
		£	£	£	£
<b>Fixed assets</b>					
Tangible assets	8	-	-	-	
Investments	9	286,151		286,151	269,519
		<u>286,151</u>	-	<u>286,151</u>	<u>269,519</u>
<b>Current assets</b>					
Stock		2,529		2,529	3,642
Debtors	10	34,425		34,425	29,104
Cash at bank and in hand		129,354	4,850	134,204	139,232
		<u>166,308</u>	<u>4,850</u>	<u>171,158</u>	<u>171,978</u>
<b>Liabilities</b>					
Creditors: amounts falling due within one year	11	1,176		1,176	1,159
<b>Net current assets</b>		<u>165,132</u>	<u>4,850</u>	<u>169,982</u>	<u>170,819</u>
<b>Net assets</b>		<u>451,283</u>	<u>4,850</u>	<u>456,133</u>	<u>440,338</u>
<b>Funds of the charity:</b>					
Restricted funds	12		4,850	4,850	4,600
Unrestricted funds		451,283		451,283	435,738
<b>Total charity funds</b>		<u>451,283</u>	<u>4,850</u>	<u>456,133</u>	<u>440,338</u>

The notes on pages 18 to 20 form part of these accounts

Approved by the trustees on 20 September 2022 and signed on their behalf by:



Name:

Position: TRUSTEE

**KARIBUNI CHILDREN  
NOTES TO THE ACCOUNTS  
FOR THE YEAR ENDED 31 DECEMBER 2021**

**Accounting policies**

- a) The accounts have been prepared on the historic cost convention and in compliance with the Statement of Recommended Practice: Accounting and Reporting by Charities preparing the accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102), and the Charities Act 2011.
- b) Income is recognised when the charity becomes entitled to the resources and the monetary value can be measured with sufficient reliability
- c) Gift aid reclaimable on donations to the charity is included with the amount received, where known
- d) Other expenditure is included in the accounts on an accruals basis. Irrecoverable VAT is charged to the SOFA as incurred
- e) Depreciation on office equipment, including computers, is charged on a straight line basis over 3 - 5 years
- f) Carvings and textiles are bought from Kenya to sell in order to raise funds. Some carvings remain in stock and are valued at £0. Textiles are valued at cost. Stock also includes notelets purchased for resale to raise funds
- g) The value of donated goods has been estimated and included in the figure for voluntary income
- h) Grants to projects are included when the amount is released to the Methodist Church Kenya bank account and distributed to projects

**Taxation**

Karibuni Children is a registered charity and accordingly is exempt from taxation on its income and gains where they are applied for charitable purposes.

KARIBUNI CHILDREN  
NOTES TO THE ACCOUNTS  
FOR THE YEAR ENDED 31 DECEMBER 2021

*Income*

- 1 Voluntary income includes supporter donations and sponsorship with gift aid tax attributable, grants, donations from private trust funds and legacies received  
Grants and Trusts £32,950 (2020 - £29,150) Legacies £54,774 (2020 - £7,019)
- 2 Activities for generating funds includes income from sales of merchandise and cards and receipts from organised events.

*Expenditure*

**3 Grants to projects**

Grants are paid to The Methodist Church in Kenya (MCK) for distribution amongst the projects and individuals in line with the agreed budgets. Grants include support costs and expenses for Karibuni's Kenyan representative of £1,188 (2020 - £2,205 )

The funds are held in a separate internal account by MCK pending distribution to the projects. This is reconciled regularly with the mirror account maintained by Karibuni Children's Trustee responsible for organising the payment of grants. Funds are remitted to the Methodist Church in Kenya in Kenya shillings through foreign exchange dealers, Western Union. The majority of remittances are covered by forward exchange contracts.

**4 Raising funds**

Includes cost of merchandise and cards; costs of staging events and attending events including sponsored events and online costs of giving

**5 Other expenditure**

	£	£
<b>Office costs</b>		
Employee costs		30,535
Stationery, postage and printing		1,245
Telephone and internet		569
Database costs		3,428
Rent of office and storage		3,500
Insurances and data protection		1,007
Sundry		86
Fee for independent examination		960

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No travel costs have been paid to Trustees or any other party in 2021 or 2020.

Although five trustees visited Kenya in February 2020 to review and assess the projects being supported by the charity, they paid their own travel and accommodation costs.

KARIBUNI CHILDREN  
 NOTES TO THE ACCOUNTS  
 FOR THE YEAR ENDED 31 DECEMBER 2021

**6 Trustees remuneration and expenses**

No Trustees received any remuneration as Trustees during the year.  
 No Trustees received any travel expenses during the year  
 Reimbursement of other expenses is included under the appropriate headings above.  
 The aggregate amount of unconditional donations made by Trustees in 2021 amounted to £13,455 (plus attributable gift aid tax) This includes £2,350 restricted donations

**7 Employment costs**

A part time office manager has been employed throughout the year  
 A part time fund raising manager has been employed throughout the year

**9 Investments**

A total of £232,000 was invested , following advice from an independent financial adviser

£26,000 was invested in M&G Charifund. At 31 December 2021 he value was £37,221  
 £8,000 is invested with Investec in interest bearing funds.  
 £198,000 was invested in CAF investment platform. As CAF no longer operates, this has been transferred to Quilter. At 31 December 2021 the value was £240,930

The movement in fair value is recognised in the statement of financial activities.

10 Debtors	2021	2020
	£	£
Accrued income - gift aid tax	14,496	11,267
Transferred project funds Kenya	13,952	12,929
Prepaid expenses	3,425	3,755
Income banked after year end	2,552	1,153
Sundry debtor		
	34,425	29,104

This includes £13,952 held in Kenya Shillings with the Karibuni bank account with The Methodist Church in Kenya, remitted in December for distribution to projects in January 2022. The exchange rate at the year end date has been used

The gift aid tax has been claimed and repaid by HMRC in 2022.

11 Creditors	2021	2020
	£	£
Accruals and deferred income	1,176	1,159

**12 Restricted fund**

A scheme started in 2015 relates to the sponsorship of specific students in higher education and vocational training. Payments are made to individual students through the projects to which they are related.  
 Donations received for this purpose are regarded as restricted.

Where the sponsor has provided funds in advance for the entire period of education the balance is held to be charged to each years accounts

During 2021 other funds were received from individuals towards specific projects supported by the Charity, and regarded as restricted to those projects.  
 All the funds were remitted to the projects during the year.

## KARIBUNI CHILDREN

### INDEPENDENT EXAMINER'S REPORT TO THE TRUSTEES OF KARIBUNI CHILDREN FOR THE YEAR ENDED 31 DECEMBER 2021

I report to the charity trustees on my examination of the accounts of the charity for the year ended 31 December 2021 which are set out on pages 16 to 20.

#### **Responsibilities and basis of report**

As the charity's trustees you are responsible for the preparation of the accounts in accordance with the requirements of the Charities Act 2011 ('the Act').

I report in respect of my examination of the charity's accounts carried out under section 145 of the Act and in carrying out my examination I have followed all the applicable Directions given by the Charity Commission under section 145(5)(b) of the Act.

#### **Independent examiner's statement**

I have completed my examination. I confirm that no material matters have come to my attention in connection with the examination giving me cause to believe that in any material respect:

1. accounting records were not kept in respect of the charity as required by section 130 of the Act; or
2. the accounts do not accord with those records; or
3. the accounts do not comply with the applicable requirements concerning the form and content of accounts set out in the Charities (Accounts and Reports) Regulations 2008 other than any requirement that the accounts give a 'true and fair view' which is not a matter considered as part of an independent examination

I have no concerns and have come across no other matters in connection with the examination to which attention should be drawn in this report in order to enable a proper understanding of the accounts to be reached.



.....  
**Mr Tim Fulker BSc(Econ) FCA**

Seymour Taylor Limited  
57 London Road  
High Wycombe  
Buckinghamshire  
HP11 1BS

Date: 20 September 2022

**KARIBUNI CHILDREN**

England & Wales - Charity number 1044872

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# Accounts

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# Transforming Young Kenyan Lives

Registered UK Charity Number 1044872  
[www.karibuni.org.uk](http://www.karibuni.org.uk)

## **KARIBUNI CHILDREN**

Registered Charity number 1044872

## **TRUSTEES REPORT AND ACCOUNTS FOR THE YEAR ENDED 31 DECEMBER 2020**

## **KARIBUNI CHILDREN**

**Index to the Annual Trustees' Report / Accounts  
Year ending December 2020**

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## **LEGAL AND ADMINISTRATIVE DETAILS**

Registered Charity number 1044872

Constituted under a Trust Deed dated 30 January 1995.

### **THE TRUSTEES**

Serving during the year and since the year end are:

Mr J W G Cotton (chairman)

Mrs J Murphy

Ms P Wignall

Mr D Welsh

Mr P Ingram (resigned 28 January 2021)

Mr M Carr

Mr N Roberts

Rev H Kirk

Mr M Johnston (appointed 23 January 2020)

Mr David Farmer (appointed 23 April 2020)

Rev N Martyn-Beck (appointed 28 January 2021)

### **Registered office:**

Stoke Mandeville Methodist Church,  
Eskdale Road, Stoke Mandeville,  
Bucks. HP22 5UJ

Email: [office@karibuni.org.uk](mailto:office@karibuni.org.uk)

Website: [www.karibuni.org.uk](http://www.karibuni.org.uk)

## **OBJECTS OF THE CHARITY**

As stated in the Trust deed, the objects of the Charity are to relieve children in Kenya who are in need by reason of sickness and distress, in particular children who are homeless, by providing and assisting in the provision of shelter, food and clothing, and to advance the education of such children.

In practice, most of the Kenyan projects supported by Karibuni Children are involved in education, feeding and special needs. Karibuni Children acts as a partner to each project, with day to day-to-day management being the responsibility of local Management Committees which are generally connected to the Methodist Church in Kenya (MCK).

## **STRUCTURE GOVERNANCE AND MANAGEMENT**

Policies and operating decisions rest with the Trustees who meet at least five times each year to plan, oversee and monitor the support provided to projects in Kenya. This is done based on evidence provided on pupil performance, information from our representative in Kenya and monthly Zoom meetings with project managers / social workers in Kenya.

Day to day management also resides with the Trustees, in particular the Chairman who together with subgroups of Trustees and the office manager ensures the smooth running of the Charity.

Karibuni Children has operational policies covering all aspects of its operation including finance, safeguarding children and vulnerable adults and volunteers, risk management, currency hedging amongst others.

The Trustees have regard to guidance issued by The Charity Commission on “Public Benefit” and their guidance on “Charities Working Internationally” as well to HMRC recommendations on “Payments to Overseas Bodies”. About the latter, it should be noted that funding is released through the Methodist Church in Kenya Conference Office in Nairobi to the projects three times each year. Projects are required to subscribe to the Governance procedures of the Methodist Church in Kenya including that all disbursements must be authorised by two signatories.

Joshua Katungu, a Kenyan national and resident who runs his own school in Nairobi is retained by the charity to offer advice and support to the projects during the year.

A party of Trustees has traditionally visited the projects each year at their own expense. They review the year’s activities, adequacy of financial support, establish future priorities and assess compliance with standards of governance including visits to sponsored children’s guardians in their homes to ensure that they are from the very poorest backgrounds.

All trustees, relevant volunteers, and participants in work parties at the projects are required to undergo Disclosure and Barring Service checks.

The current Trustees are shown on page 3. New candidates are considered by the existing Trustees, taking account of their skills and experience in relation to the Charity’s objectives

and any areas of expertise where it is felt that recruitment would be beneficial. Care is taken to fully brief new recruits through individual meetings with the chairman, with small groups of trustees and attendance at a board meeting as a volunteer prior to commitment.

**RISK MANAGEMENT**

The Trustees have during the year comprehensively reviewed the risks to which a small charity operating in Africa is exposed. The register is divided into five categories – Top Risks, those potentially with the highest significance and impact; General Management UK, Office Based UK, Financial, Kenya Operational. Each risk identified is accorded a weighting based on considered likelihood and severity of impact. The risk register is an agenda item at each board meeting.

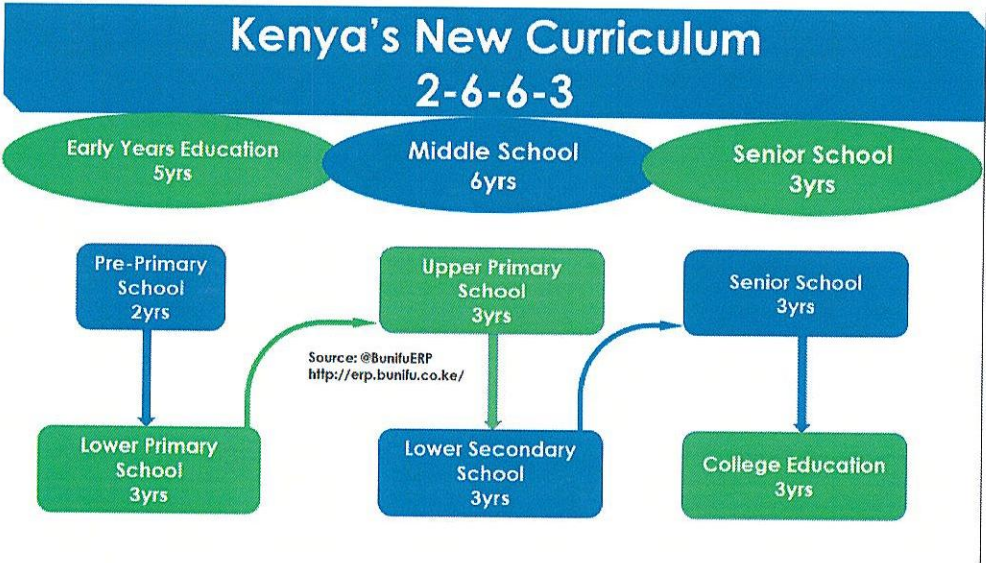
**KENYA'S EDUCATION SYSTEM**

The Kenyan education system is currently part way through a transition away from an 8-4-4 curriculum - 8 years of primary school, 4 years of secondary school and 4 years of vocational/university education. Although not mandatory, children also can attend pre-primary. Two years at pre-primary equips children, particularly those from disadvantaged backgrounds, with language and other skills necessary to hold their own in primary school.

By 2026 the Kenyan government intends to phase out the 8-4-4 curriculum and replace it with a new system (2-6-3-3) which consists of 2 years of pre-primary (for ages 4-5); 3 years of lower primary and 3 years of upper primary (for ages 6-11); and 3 years of junior secondary as well as 3 years of senior secondary (for ages 12-17 years).

The new structure will follow a Competency Based Curriculum (CBC), which seeks to nurture every learner’s potential by ensuring that all acquire the core competencies. The CBC emphasises formative rather than summative evaluations.

It will be mandatory for all children to continue in education beyond primary. For those that are less academic and unlikely to thrive in secondary education, vocational training is seen as an acceptable and preferable route.



## **KARIBUNI MODEL OF SUPPORT**

Karibuni Children relieves childhood poverty in Kenya through the support and education of children from age 3 through to adulthood. Such children are recruited from very deprived backgrounds. Karibuni also supports two special needs classes and five general / feeding programmes. Where appropriate Karibuni will support enhancement of school infrastructure through improving sanitation, kitchen provision, building classrooms and providing equipment and learning aids to improve the learning experience. These capital projects attract new pupils, and thus improve the financial sustainability of the programme. Capital projects are funded through applications to sources that would generally not fund our core activities.

The Karibuni model is to identify children from the most challenging backgrounds through advertisement, and the contacts that project social workers (paid for by Karibuni) have with the local chief or Children's Officers. Children who might otherwise miss education are sponsored into pre-primary (ages 4 to 5) and progress through primary (ages 6 to 11) usually within the state system where education is free (though there are costs for uniforms, feeding etc.). Children thereafter must now attend either secondary school, (ages 12 to 17) or undertake skills / vocational training both of which are currently fee paying. Karibuni will, depending upon availability of funds and the likelihood of a particular course leading to employment, thereafter, sponsor College or university courses.

711 children are currently being sponsored through education: 117 at pre-primary, 375 at primary, 121 at secondary, 12 undertaking vocational training and 43 students at college or university with a further 43 awaiting courses. Some 50 children in classes for children with special educational needs benefit from funding for teaching materials and craft activities.

The later stages of a child's education are expensive, but funds permitting, Karibuni aims to support children to reach their full potential and equip them for employment. The fact that all children must remain in education until age 17 has led to costs in Kenya rising at a significantly higher rate than Karibuni's income in the UK. Generous legacies have enabled us to continue to support many disadvantaged children through their education while we take steps to narrow the gap between expenditure and income.

The employment of a part time office manager to ensure the smooth running of administration has removed much administration from the trustees and permitted more time to develop strategy. The appointment of a part time trust fundraiser is an attempt to both diversify and increase our income.

## REVIEW OF PROJECTS AND SUMMARY OF MAIN ACTIVITIES DURING THE YEAR

### COVID -19 RESPONSE

2020 has been an extraordinary and hopefully exceptional year. It has required an exceptional response:

### NO SCHOOL = NO FOOD

In 'normal times' many of the parents or guardians' live hand to mouth depending on fragile casual employment such as hairdressing, housework and, clothes washing. In 'Covid times,' with employers concerned about the virus being brought into their homes most of these income sources have dried up. There is no furlough scheme in Kenya for them, guardians have no savings and hunger would inevitably have followed. From March 2020 until January 2021, when schools resumed, we provided monthly food packages for each of our sponsored children which supplemented the whole family's needs; 6,500+ food parcels in



total. The packages consisted of dried goods, maize, flour, rice, beans as well as cooking oil and soap.

Project Managers, social workers, teachers and local boards have worked together to package and distribute the food parcels in a safe way. In Kibra, reportedly the largest slum in Africa and which can be volatile, physical distribution was not practicable and a voucher system redeemable at local supermarkets introduced.

### COMMUNICATION

Karibuni's first challenge was getting everyone access to and comfortable with technology for remote Zoom sessions! We have learnt so much! Trustees are now able to hold monthly face to face video meetings with project managers, Makena Anampiu at Kibra, Mercy Kendi at Meru and George Mwabu at Tharaka. We also include social workers Miriam Mugambi at Limuru, Esther Onno at Njoro and Johnson Kibali at Embakasi. It has been vital for us to understand the different challenges they are facing on the ground, trying to keep the children safe, fed and educated.



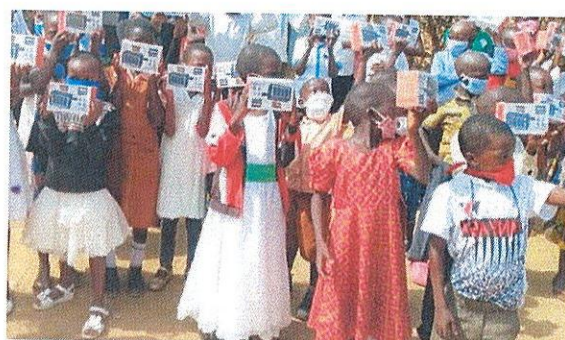
Usually, each February a group of trustees would be busily packing suitcases in readiness for their (self-funded) visits to all the 13 projects that we support. Due to the pandemic in 2021, for the first time in the 26 years of Karibuni Children, they will not be able to go to Kenya. We are currently Zooming the annual meetings with project boards which normally would have been face to face

during our visit. Quite a logistical feat in a country with limited access to Wi-Fi and electricity.

### **EDUCATION**

During the months when schools were closed, we worked with the project social workers and local boards to ensure that sponsored children, who do not have access to mobile phones and the internet, did not fall further behind in their education— particularly those in their final years of primary and secondary education who faced vital examinations shortly. Many of the students at college and university have been provided with laptops as teaching has been delivered remotely.

- In Limuru Karibuni supplied Tablets and improved internet connectivity to enable access to online material and interaction with teachers.
- At Embakasi, close to Nairobi airport, it was possible to pay teachers to deliver learning to small socially distanced groups generally in the open air.
- In Tharaka, where there is no shortage of sunshine, we provided solar powered radios so that children could access broadcast content. We also helped equip their Karibuni funded newly built Community Resource Centre as an educational hub with internet access and projecting equipment.



### **FINANCIAL IMPACT**

Early in the pandemic the Karibuni Trustees recognised the need to respond immediately to cover emergency costs, so they took the conscious decision to dip into our reserves to find the necessary money over and above that raised by a special appeal to our supporters. We have always managed our finances to maintain good reserves - they are there for a rainy day ...and in the last twelve months it has certainly been pouring!

The cost of food packages over and above our budgeted cost of feeding was £75,000. Improved access to learning cost £7,000 and returning to school safely including sanitiser, soap and washing stations cost £5,000. This last item is likely to recur at least for twelve months as roll out of a nationwide vaccination programme is a distant prospect.

Our ability to respond in this positive way would never have been possible without the generosity of supporters. We are incredibly grateful and, from the reports of our social workers, the children and their families who would otherwise have been desperately short of food are equally grateful.

## THE PROJECTS

### MCK Kibra Tusaidie Watoto Nursery School



Kibra is the largest and worst of all the slums in Africa, where some 750,000+ people live with few basic amenities in an area of 2.5 square kilometres. Half of those aged 15 – 40 years are said to be HIV+. Many children come from extremely deprived and unstable backgrounds.

This is the largest project supported by Karibuni where the charity is the sole funder for this very successful project based around a pre-primary school with children spread between three classes.

The nursery school children and those that have moved into primary schools nearby are fed at the project each day.

51 children are being supported at pre-primary, 131 at primary, 60 at secondary and 12 in tertiary education. 22 children are awaiting tertiary courses.

### MCK Embakasi Academy



There are two large slum areas in Embakasi which share the same characteristics as Kibra.

This is a fee-paying pre-primary / primary school. Under the Karibuni model the children on completion of pre-primary would normally attend local government run primary schools with Karibuni thereafter

supporting secondary education. However, in 2014 the school management committee invited Karibuni to keep the children within the Embakasi Academy without charge other than for feeding and uniforms. This is a significant benefit as class sizes are smaller with better teacher / pupil ratios than within the state system.

15 children are being supported at pre-primary, 35 at primary, 8 at secondary school, 2 at university and 2 undertaking skills training.

### MCK Kawangware Academy

Kawangware Academy is based at the Methodist Church in the Kawangware slum in Nairobi. Most of the children in the primary school are fee-paying and Karibuni sponsored three children into pre-primary each year who progressed into primary classes.

Concerns about governance have deepened and the school is at risk of failing, with many parents deciding to move sponsored children to adjacent local schools.

With children re-located to other schools overall 24 children are sponsored at primary and 12 at secondary school. 8 young people being supported through tertiary education and two through skills training.

### **MCK Limuru Methodist Academy**

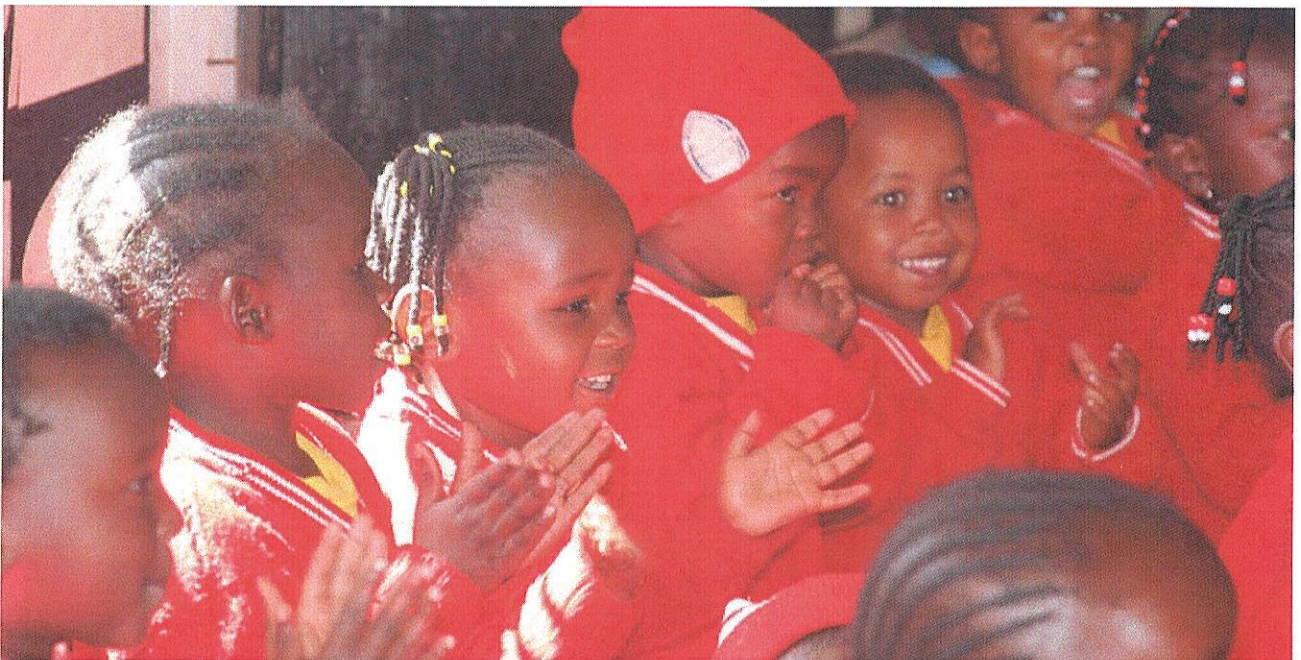
Limuru is a town some 20 miles from Nairobi on the way to Nakuru. It is a tea-growing area and local people can sometimes get casual labour picking tea and in local firms. The school roll is steadily increasing and academic standards improving.

1 child is being supported through pre-primary, 43 at primary and 21 at secondary school. 9 young people are being supported through tertiary education and 2 through skills training.



Once the newly appointed management committee has become established, we hope to work with them to replace the four remaining poor-quality classrooms and provide a new ablutions block. Once complete these improvements are likely to see headcount increase further and school sustainability improve.

### **MCK Wesley Empowerment Centre, – Njoro**



Njoro is a small town near Nakuru. A small Methodist Church runs a school for local children borne of the need to care for children of families who had fled riots 11 years ago.

There is an excellent pre-primary school on a large plot with a good management committee and staff. Income is raised from water sold from a borehole and from renting out small wooden houses provided through Karibuni some years ago. A baby care facility has recently been created to increase income.

A new primary school is being created with classrooms for grades 1 to 4 having been built so far. Sponsored children currently move into primary without payment of tuition fees.

22 children are being sponsored in nursery, 36 in primary, 4 in secondary, with 1 young person being supported through skills training and 3 through tertiary education.

### **MCK Meru Township Programme**



At this professionally managed project Karibuni sponsors up to 6 children each year from extremely disadvantaged backgrounds who join the pre-primary at the well regarded Consolata Catholic Mission School. Children are fed at lunchtime via a Karibuni funded kitchen located in the school grounds.

Karibuni sponsors 12 children in pre-primary, 50 in primary, 5 in secondary, 9 in tertiary with 2 young people undergoing skills training.

### **MCK Tharaka District, Marimanti Women's and Children's Project**

Tharaka District is a "hardship" area towards the east of Kenya where Marimanti is the main town. Unemployment is 60% and life expectancy 51 years. Farming is mostly subsistence.

16 children are supported at pre-primary, 56 at primary, and 11 at secondary with 5 young people being supported through tertiary education and 5 through skills training. Karibuni also funds teaching aids and materials for craft activities for 20 children in a special educational needs class at Kamatungu School.



During the year it was possible to implement the plan to build a Community Resource Centre. The cost was £40,000 with £32,500 having been raised from long standing and generous supporters. The balance was raised by the community locally through donations of materials or labour. The centre was opened in November 2020 by our local representative Joshua Katungu.

### **Mwithumwiru Primary School and Special Needs Class**



This well-run Government school is close to the Meru project mentioned above. Karibuni supports a feeding programme for about 250 children who would otherwise not eat lunch. Karibuni also supports the small class of 20 children with special needs with funding for equipment and materials for craft activities.

### **MCK Maua Methodist Hospital Disability Community Centre**

Maua is an hour and a half north of Meru. Here Karibuni contributes towards a much larger programme providing health care, including drugs, physiotherapy, prosthetics and surgery to help children with disabilities live a full life and contribute to their communities.



### **MCK Maua AIDS orphan's programme**

Karibuni contributes to a programme which provides food, education, training etc. to AIDS widows (most of whom are themselves living with HIV), child-headed households and about 1,600 orphans in what is a very deprived area.

### **MCK North Kenya Mission**

A grant is made every four months to the North Kenya Mission to provide for families with little or no income in this very backward area which is subject to insurrection from Somalia, theft of livestock and severe drought and food shortages. Food is distributed via local people to those in greatest need.

### **Upendo Project at Kilifi near Mombasa**

The project has developed into a thriving nursery and primary school. Karibuni has made funds available to build new facilities and continues to support the AIDS Orphans Welfare Programme.



### **Hunajeza Women's Project**

Based at Nyalani a small town near to the north coast of Kenya this project provides children from local primary schools with nourishing lunches at the small church and hall. The elderly women who run the project are taking advice from Upendo on how it might be re-energized. Around 55 children are fed by this project.



### **FINANCIAL REVIEW AND RESERVES POLICY**

Income for the 12 months to 31.12.2020 was £300,058 some £14,000 below budget and expenditure was £360,154 some £68,000 above budget. The reasons for the substantial excess of expenditure over income are stated above and are wholly attributable to the cost of feeding and ensuring that disadvantaged children did not fall behind in their learning during the pandemic.

Restricted donations must be dispersed in accordance with the terms under which they are donated and are not therefore available for general purposes. In some cases, there will be a timing difference between when the income is received and when it is spent, resulting in balances being held in these funds at year-end. The purpose of the various restricted funds is outlined in note 12.

Unrestricted reserves are expendable at the discretion of the trustees in the furtherance of the charity's objects. If part of unrestricted reserves is earmarked for a particular project it may be designated as a separate fund, but the designation has an administrative purpose only, and does not legally restrict trustees' discretion to apply the fund. There were no designated funds at the year end.

The trustees have established a general reserves policy to have a level of comfort in the charity's ability to provide continuity of activities in the event of material fluctuations in income. The trustees are also mindful that in recruiting a child into sponsorship at Pre-primary (2 years), Karibuni takes on the responsibility to sponsor that child as s/he progresses through Lower and Upper Primary (6 years) and thence into Lower Secondary and Senior School (6 years) or through skills training. Additionally, depending on the charity's overall finances, the trustees award scholarships for those who secure offers of Tertiary courses. Although these are fully discretionary, to date Karibuni has been able to meet all scholarship requests.

The trustees believe that it is important to provide projects with certainty of funding for a whole academic year and have accordingly identified the necessity to hold **£280,000** as a general reserve to cover 12 month's costs in Kenya and the support office in the UK.

Currently reserves exceed this figure. However, during 2020 additional feeding and sums spent on keeping disadvantaged children in learning during the pandemic cost £35,000 above normal spend. It is likely that there will in the next financial year be some further pandemic related spend. Reserves over and above these sums result from a large legacy (£300,000), received in 2016, which is enabling the trustees to support manageable operating deficits so that all sponsored children can be supported through their education whilst either income is increased, or adjustment made to the number of such children who are sponsored. The cost of pre/primary education is low in relation to the school fees paid for secondary and cost of tertiary courses. It therefore takes some time for a reduction in numbers to translate into significant savings.

#### **FUNDRAISING.**

2020 was a challenging year. It was not possible to sell merchandise, make presentations about our work or otherwise directly engage with usual church or community groups that have long supported our work. To have finished the year only 4% short of our income budget for the year is commendable and is entirely due to the generosity of our donors who responded magnificently and particularly to our special appeal to address the effects of the

Approved by the trustees on

and signed on their behalf by:

pandemic. In addition, we thank all those charitable trusts that have supported our work including Gwyneth Forrester Charitable Trust, Eleanor Rathbone Charitable Trust, MK Charitable Trust, Methodist Women in Britain, World Day of Prayer and the British Humane Association.

#### **VOLUNTARY HELP AND GIFTS IN KIND**

We would like to thank all our dedicated Volunteers for their work in this unusual year. It has not been possible to meet in person but by working differently for everyone's safety volunteers have continued to help with administration, social media and website and online sales of merchandise. We are also grateful to all those supporters who donate goods to be taken to the projects during the Trustees' annual visit.

P. Wignall

Name: P. WIGNALL

Position: TRUSTEE

**KARIBUNI CHILDREN  
STATEMENT OF FINANCIAL ACTIVITIES  
FOR THE YEAR ENDED 31 DECEMBER 2020**

	Note	Unrestricted funds £	Restricted funds £	Total funds £	2019 £
<b>Incoming resources</b>					
Incoming resources from generated funds					
Voluntary income	1	233,337	57,103	290,440	248,431
Activities for generating funds	2	7,420		7,420	14,616
Investment income		2,198		2,198	3,031
		<u>242,955</u>	<u>57,103</u>	<u>300,058</u>	<u>266,078</u>
<b>Resources expended</b>					
Grants to projects	3	256,959	57,143	314,102	240,630
Raising funds	4	7,701		7,701	8,529
Office expenditure	5	38,351		38,351	28,705
		<u>303,011</u>	<u>57,143</u>	<u>360,154</u>	<u>277,864</u>
Net expenditure before investment losses		(60,056)	(40)	(60,096)	(11,786)
Revaluation of investments		(3,913)		(3,913)	46,198
<b>Net expenditure for the year</b>		<u>(63,969)</u>	<u>(40)</u>	<u>(64,009)</u>	<u>34,412</u>
Fund balances brought forward		<u>499,707</u>	<u>4,640</u>	<u>504,347</u>	<u>469,935</u>
Fund balances carried forward		<u>435,738</u>	<u>4,600</u>	<u>440,338</u>	<u>504,347</u>

**BALANCE SHEET AT 31 DECEMBER 2020**

	Note	Unrestricted funds	Restricted funds	Total funds	Total funds 2019
		£	£	£	£
<b>Fixed assets</b>					
Tangible assets	8	-	-	-	1
Investments	9	269,519		269,519	281,432
		<u>269,519</u>	-	<u>269,519</u>	<u>281,433</u>
<b>Current assets</b>					
Stock		3,642		3,642	2,080
Debtors	10	29,104		29,104	11,215
Cash at bank and in hand		134,632	4,600	139,232	210,624
		<u>167,378</u>	<u>4,600</u>	<u>171,978</u>	<u>223,919</u>
<b>Liabilities</b>					
Creditors: amounts falling due within one year	11	1,159		1,159	1,005
		<u>166,219</u>	<u>4,600</u>	<u>170,819</u>	<u>222,914</u>
<b>Net current assets</b>					
		<u>435,738</u>	<u>4,600</u>	<u>440,338</u>	<u>504,347</u>
<b>Net assets</b>					
<b>Funds of the charity:</b>					
Restricted funds	12		4,600	4,600	4,640
Unrestricted funds		435,738		435,738	499,707
		<u>435,738</u>	<u>4,600</u>	<u>440,338</u>	<u>504,347</u>
<b>Total charity funds</b>					

The notes on pages .... to .... form part of these accounts

Approved by the trustees on 5 August 2021

and signed on their behalf by:

*P. Wignall*

*P. WIGNALL*

Name:

Position: *TRUSTEE*

## Independent Examiner's Report to the Trustees of Karibuni Children

I report to the charity trustees on my examination of the accounts of the charity for the year ended 31 December 2020 which are set out on pages 1 to 19.

### Responsibilities and basis of report

As the charity's trustees you are responsible for the preparation of the accounts in accordance with the requirements of the Charities Act 2011 ('the Act').

Having satisfied myself that the accounts of the company are not required to be audited under Part 16 of the 2006 Act and are eligible for independent examination, I report in respect of my examination of your company's accounts as carried out under section 145 of the Charities Act 2011 ('the 2011 Act'). In carrying out my examination I have followed the Directions given by the Charity Commission under section 145(5)(b) of the 2011 Act.

### Independent examiner's statement

Since the company's gross income exceeded £250,000 your examiner must be a member of a body listed in section 145 of the 2011 Act. I confirm that I am qualified to undertake the examination because I am a member of ICAEW, which is one of the listed bodies.

I have completed my examination. I confirm that no material matters have come to my attention in connection with the examination giving me cause to believe that in any material respect:

1. accounting records were not kept in respect of the charity as required by section 130 of the Act; or
2. the accounts do not accord with those records; or
3. the accounts have not been prepared in accordance with the methods and principles of the Statement of Recommended Practice for accounting and reporting by charities.

I have no concerns and have come across no other matters in connection with the examination to which attention should be drawn in this report in order to enable a proper understanding of the accounts to be reached.

  
James Moorcroft FCA  
ICAEW  
Cannon Moorcroft Limited

3 Manor Courtyard  
Hughenden Avenue  
High Wycombe  
Bucks HP13 5RE

Date 5th Aug 2021

## KARIBUNI CHILDREN YEAR ENDED 31 DECEMBER 2020

### Accounting policies

- a) The accounts have been prepared on the historic cost convention and in compliance with the Statement of Recommended Practice: Accounting and Reporting by Charities preparing the accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102), and the Charities Act 2011.
- b) Income is recognised when the charity becomes entitled to the resources and the monetary value can be measured with sufficient reliability
- c) Gift aid reclaimable on donations to the charity is included with the amount received, where known
- d) Other expenditure is included in the accounts on an accruals basis. Irrecoverable VAT is charged to the SOFA as incurred
- e) Depreciation on office equipment, including computers, is charged on a straight line basis over 3 - 5 years
- f) Carvings and textiles are bought from Kenya to sell in order to raise funds. Some carvings remain in stock and are valued at £0. Textiles are valued at cost. Stock also includes notelets purchased for resale to raise funds
- g) The value of donated goods has been estimated and included in the figure for voluntary income
- h) Grants to projects are included when the amount is released to the Methodist Church Kenya bank account and distributed to projects

### Taxation

Karibuni Children is a registered charity and accordingly is exempt from taxation on its income and gains where they are applied for charitable purposes.

## **Notes to the accounts**

### **Income**

- 1 Voluntary income includes supporter donations and sponsorship with gift aid tax attributable, grants, donations from private trust funds and legacies received  
Grants £29150 (2019 £34900) Legacies £7019 (2019 £2000)
- 2 Activities for generating funds includes income from sales of merchandise and cards and receipts from organised events.

### **Expenditure**

#### **3 Grants to projects**

Grants are paid to The Methodist Church in Kenya (MCK) for distribution amongst the projects and individuals in line with the agreed budgets. Grants include support costs and expenses for Karibuni's Kenyan representative (2020 £2205 2019 £1997 )

The funds are held in a separate internal account by MCK pending distribution to the projects. This is reconciled regularly with the mirror account maintained by Karibuni Children's Trustee responsible for organising the payment of grants. Funds are remitted to the Methodist Church in Kenya in Kenya shillings through foreign exchange dealers, Ebury Partners. The majority of remittances are covered by forward exchange contracts.

Since December 2020 funds are remitted through Western Union.

#### **4 Raising funds**

includes cost of merchandise and cards; costs of staging events and attending events including sponsored events and online costs of giving

#### **5 Other expenditure**

	£	£
<b>Office costs</b>		
Employee costs	28,290	
Stationery, postage and printing	2,114	
Telephone and internet	485	
Database costs	3,288	
Rent of office and storage	2,100	
Insurances and data protection	982	
Fee for independent examination	840	
Office equipment	213	
		38,312
<b>Finance costs</b>		
Investment management		
Bank charges	39	39
<b>Travel expenses</b>		-
		<u>38,351</u>

No travel costs have been paid to Trustees or any other party. Although five trustees visited Kenya in February 2020 to review and assess the projects being supported by the charity, they paid their own travel and accomodation costs.

## Notes to the accounts

### 6 Trustees remuneration and expenses

No Trustees received any remuneration as Trustees during the year.

No Trustees received any travel expenses during the year

Reimbursement of other expenses is included under the appropriate headings above.

The aggregate amount of unconditional donations made by Trustees in 2020 amounted to £24,913 (plus attributable gift aid tax). Includes £4150 restricted

### 7 Employment costs

A part time office manager has been employed throughout the year

A part time fund raising manager has been employed throughout the year

### 9 Investments

£232,000 has been invested, following advice from an independent financial adviser.

£26,000 is invested in M&G Charifund. At 31 December 2018 the value was £35,892

£8,000 is invested with Investec in interest bearing funds.

£198,000 has been invested in CAF investment platform.

At 31 December 2020 the value was £269,519

The movement in fair value is recognised in the income statement.

### 10 Debtors

	2020		2019
	£	£	
Accrued income - gift aid tax	11,267		5,896
Transferred project funds Kenya	12,929	-	
Prepaid expenses	3,755		3,100
Income banked after year end	1,153		2,051
Sundry debtor			168
	<u>29,104</u>		<u>11,215</u>

This includes £12,929 held in Kenya Shillings with the Karibuni bank account with The Methodist Church in Kenya, remitted in December for distribution to projects in January 2021. The exchange rate at the balance sheet date has been used

The gift aid tax has been claimed and repaid by HMRC in 2021.

### 11 Creditors

	2020		2019
	£	£	
Accruals and deferred income	1,159		1,005

### 12 Restricted fund

A scheme started in 2015 relates to the sponsorship of specific students in higher education and vocational training. Payments are made to individual students through the projects to which they are related.

Donations received for this purpose are regarded as restricted.

Where the sponsor has provided funds in advance for the entire period of education the balance is held to be charged to each year's accounts

During 2020 funds were received from individuals towards two capital projects supported by the Charity, and regarded as restricted to those projects.

All the funds were remitted to the projects during the year.