



CARIAD KENYA: Charity number 1113463

ANNUAL REPORT 2020

Fourteenth Report of the Trustees for the year ending 30th April 2021

The Trustees of Cariad Kenya present their report for the year ending 30th April 2021 (**Annual Report 2020**) and audited accounts for the year ended 5th April 2021 and confirm they comply with the requirements of the Charities Act 2011, the Trust Deed and the Charities SORP.

The trustees are: Geraint Stephens, Margaret Stephens, Luned Walters, Ian Williams, Valerie Freeborn, Andrew Stephens and Richard Terrell.

Cariad Kenya raises funds through donations from: individuals; youth, women's and Rotary groups; churches; schools; supporters in the South Wales area, Bristol, Gloucester, Liverpool, Northumberland and London. The charity co-operates with other charities, voluntary bodies and statutory authorities to exchange information and advice. It works with International partners to help under-privileged children in the Kilifi district in Kenya, by founding a home, the Mudzini Kwetu Centre and helping to establish the Mudzini School in Kikimbala.

OUR AIMS: Cariad Kenya operates under a Declaration of Trust dated 17th November 2005 and was sealed by the Charity Commissioners for England and Wales in March 2006, which included the regulations for appointment of trustees. The object of Cariad Kenya is the relief of poverty, the advancement of education and the promotion of Christianity in particularly but not exclusively of orphans in sub-Sahara Africa and beyond.

At the moment, Cariad Kenya's aims are to continue to maintain a sustainable home, called Mudzini Kwetu Centre in Kikimbala, for neglected girls; to provide finances for their education; to give assistance and advice on matters of welfare, education and justice in the home, the new Mudzini School, the village of Kikimbala and the Kilifi County in Kenya. We work with the trustees of Mudzini Kwetu Centre as partners, and other charities in Germany, Holland and America.

OUR OBJECTIVES: Our objectives are set to reflect our aims and the ethos of the Mudzini Kwetu Centre. Our trustees visit at least once a year to monitor progress at the home and district. We have given advice on a fish breeding farm at the home; provided finances for cattle on the farm at the home; helped to provide a water source for the villagers in Vyanbani; provided a pump for the Jeuri Community; organised community reciprocal visits through DFID and the Welsh Assembly Government; continue to keep supporters updated through various media sources.

KEY OBJECTIVES FOR 2020:

1. ***To provide best practice guidance and help to Mudzini Kwetu so that they can properly plan a reduction in income from the largest donors.***

This would include helping identify other sources of income, reviewing how organisation is setup, and review business plans that Mudzini may have.

2. ***To ensure that Cariad Kenya manages the impact of any changes to the operation of Mudzini Kwetu by a reduction in funding, stated in Objective 1.***

This could include level of operating resources; generating additional fundraising for specific needs; working more closely with International partners.

MONITORING and EVALUATION of the KEY OBJECTIVES for 2020:

Due to the world-wide pandemic in 2020, it was very difficult to maintain our usual thorough fulfilment of our Key Objectives. However, Cariad Kenya was still able to transfer to the Mudzini Account payments necessary for their use.

- In response to Cariad Kenya's request for more accountability, a report was received on Mudzini's Audited Accounts in September 2020. Negotiations are still ongoing between the Kenyan revenue authority and public auditors to obtain tax exemptions for the Mudzini home and school.
- During the year, two of Cariad Kenya's trustees continued to try and reconcile the differences between Mudzini and Many Hopes. The conclusion was that the breakdown of relationships was so profound and Many Hopes was no longer funding Mudzini because of the dispute about governance. However, Many Hopes have sent a final contribution to Mudzini. Cariad Kenya had already identified this as a risk to themselves and other International partners.
- The withdrawal of Many Hopes has destabilised the home financially. The welfare of the children in Mudzini is a priority and the children's best interests are our fundamental responsibility.
- The Chairman of Cariad Kenya contacted Kinderhilfe Kenya, a co-supporter group in Germany, and a joint letter of regret of Many Hopes' withdrawal was sent to all the partners. It also stated that both groups agreed to continue to work together to support Mudzini. Three Zoom meetings have taken place between these two partners and one included Mudzini. **(See Conference Meeting Report)**
- Mudzini continues to ensure the safety and welfare of the children in their care, for those residing and those who transition from the home, in compliance with the Kenya Government legislation regarding Children's homes.
- Operations at the Mudzini home and school were severely affected because of the Covid19 pandemic. At times they were barely managing and, like many organisations, faced the possibility of closure. Due to committed staff and external support, Mudzini is still providing care and education.
- The following measures were implemented:
 - i. Reduction in the number of vehicles being used, reducing fuel and insurance costs;
 - ii. Reduction of staff at the Mudzini home leaving two house mothers and a psychologist;
 - iii. The decision was made to close the Secondary School department, reduce the number of teachers and lower the wages of all remaining staff: some quality staff were maintained on minimum salary;
 - iv. Mudzini School was closed twice because of lockdown resulting in a lack of income from fee paying students;
 - v. The online learning has been successful, as were the teaching packs distributed to pupils without access to the internet.
 - vi. The school year finished in April 2021, with the results for the Kenya Primary Certificate of Education being so good that it attracted media attention.

TRUSTEE ANNUAL GENERAL MEETING: 15th May 2021

This was a ZOOM meeting due to Covid-19

1: PRESENT/APOLOGIES: All Trustees present

2: ELECTION OF OFFICERS:

Chairman: Geraint Stephens Secretary: Margaret Stephens Treasurer: Luned Walters

3: MINUTES OF LAST ANNUAL MEETING AND MATTERS ARISING:

- The minutes of the last meeting were accepted
- The policies that were previously adopted were agreed upon – *Safeguarding Vulnerable Adults and Children; Conflict of Interest; Volunteer; Finance and GDPR.*
- AOB - None

4: FINANCIAL REPORT:

RECEIPTS AND PAYMENTS – 6th April 2020 to 5th April 2021

Year	Receipts	Interest Received	Total Receipts	Payments	Bank Charges	Total Payment
2020						
April	642.50	12.54	655.04			
May	4610.50	13.05	4623.55			
June	3257.50	2.91	3260.41			
July	1467.50	0.73	1468.23	46.80		46.80
August	4386.25	0.71	4386.96	12000.00	30.00	12030.00
September	2652.50	0.70	2653.20			
October	1993.50	0.59	1994.09	17039.00	30.00	17069.00
November	1820.60	0.60	1821.20			
December	2492.50	0.60	2493.10	46.80		46.80
2021						
January	1192.50	0.63	1193.13			
February	1062.50	0.63	1063.13			
March	7042.50	0.57	7043.07	12000.00	30.00	12030.00
April	460.00		460.00			
Totals	33080.85	34.26	33115.11	41132.60	90.00	41222.60

6 th April 2020 to	5 th April 2021	Receipts and Payments:	2018/2019	2019/2020	2020/2021
Starting Balance	80396.48	Monies Received	32532.95	44368.18	33080.85
Receipts	33115.11	To Mudzini Kwetu Centre	35000.00	36000.00	41000.00
Subtotal	113511.59	Charges re Transfers	90.00	90.00	90.00
Payments	41222.60	Cheques Issued	594.58	586.78	132.60
Closing Balance	72288.99	Interest Received	111.63	154.36	34.56

As expected due to the pandemic, it has been a very difficult year for us and has resulted in a **deficit of £8108.**

EXPENDITURE:

- Monies sent to MUDZINI KWETU CENTRE in Kenya: **School fees of £36000** and **£5000** to help with extra costs that arose due to the pandemic.
- **Bank charges** for three transfers of **£90.00.**
- **3 cheques** issued totalling **£132.60** for **postage stamps to send newsletters to supporters.**

INCOME:

- Total income from **Churches** was **£4900**, only seven contributions were received with **one Church** giving **£3700** – a huge drop from **last year when we received £15388.**
- One **school** contributed **£170.** **Four supporters** contributed gifts of **£500, £560, £663** and **£1500.** These made a **total of £3223.**
- Income raised by Geraint and Margaret, from their **Golden Wedding Anniversary**, amounted to **£2045** plus gift aid of **£392.50.** They also did a sponsored **Clothes Challenge** before Christmas and raised **£100.**
- The Harding family volunteered to **sew cotton face** masks to sell and the monies received were **£1021** plus gift aid of **£125.50.**
- A collection at a **funeral** amounted to **£200.**
- **Interest rates** are low and **£34.26** was added to our BMM Account – a **drop of £120.10** from last year.

BANKERS ORDERS AND GIFT AID:

- During the year, we received one new Bankers Order making a **total of 41.39** are paid monthly, 1 quarterly and 1 yearly. They give us a **total of £12990**. This amount covers one of the three payments we send to Mudzini. 35 of the orders totalling £10230 are **gift aided** so that adds a further **£2557.50** to the total.
- The amount claimed from Inland Revenue for **Gift Aid** was **£3333.75**, a decrease of **£119.25** from the previous year. The calculated claim for **2021/2022** amounts to **£4419.12**, an increase of **£1085.37** from **2020/2021**. This proves how important it is to get an authority signed whenever possible.
- We received two new signed forms, one of them including a Bankers Order of £10 per month.

We have faced unexpected challenges during 2020/2021. However, through the financial generosity and prayers of supporters, and through the grace of God, we are still in a position to be able to sustain the funding we provide for the children at Mudzini.

5: PROGRESS IN 2020:

A: (i) Interim Report of Trustees and

(ii) Conference Meeting between Mudzini Kwetu, Kinderhilfe Kenia and Cariad Kenya

(i) Interim Report from September 27th 2020.

PRESENT: Valerie Freeborn, Margaret Stephens, Luned Walters, Andrew Stephens, Ian Williams, Richard Terrell, Geraint Stephens (Meeting through Zoom)

Items for Discussion:

1. Response to email sent by Anthony Mulongo regards to Finances.
2. Progress in the Key Objectives for 2020.

DISCUSSION:

- Discussion took place about the financial difficulties at Mudzini because of the Covid pandemic – School closed, finances from that not coming in; the staff remaining at the school and home are on lower wages; food costs have increased.
- Andrew and Ian had tried to reconcile Mudzini and Many Hopes. The conclusion was that the breakdown of relationships was so profound that Many Hopes was no longer funding Mudzini because of the dispute about governance.
- Geraint had been in contact with Kinderhilfe Kenya, a co-supporter group and found that that group were of like mind in continuing to support Mudzini.
- Luned presented a short financial report (*See below*). Our balances as at 21st September were Community A/C - £1,602.55; BMM A/C - £83,066.32.
- The Trustees agreed that we need to use our resources wisely and require an improved structure of governance from Mudzini.

ACTION:

- To send out £5,000 to assist Mudzini in the forthcoming months and our usual £12,000 in readiness for school fees in 2021. Therefore a total of £17,000 will be sent as soon as possible.
- To have a closer link and working agreement with Kinderhilfe Kenya.
- To ask Anthony to arrange, as quickly as possible, a video meeting with all the Mudzini supporters to discuss a clear plan of development for 2021 so that every group can contribute effectively to the progress of Mudzini.
- Ian offered to help with the Mudzini accounts.
- Another meeting of Cariad Kenya will be convened after the proposed whole group consultation.

***FINANCIAL REPORT:**

Our usual payment of £12,000 was sent to Mudzini in August. I have taken comparisons of our income for the dates 6th April - 31st July 2019, which came to £10,975.81 and 6th April - 31st July 2020, which came to £9,981.64, a drop of almost £1,000. The month of August was £217.94 less than 2019.

There have been two other debit items to date namely £30 fee from the Bank for the money transfer and 1 cheque of £46.80 for postage stamps to send out our newsletter.

The largest contributors of income are the churches - £16,588 last year. As churches have been closed, the first payment received was at the end of June, with two more to date, giving a total of £750.

We were fortunate to receive monies from Geraint and Margaret in celebration of their Golden Wedding that mounted to £2,054. We have also received three personal donations amounting to £1,723.

Financially, I think we will have a rather difficult six months ahead and trust that God will help us through as He has done in the past.

(ii) CONFERENCE MEETING of MUDZINI KWETU, KINDERHILFE KENIA and CARIAD KENYA on Tuesday, 2nd February 2021

Present: Anthony Mulongo, Ingo and Sonja Reimann, Geraint and Margaret Stephens

ACTION PLAN 2021

- 1. To further develop Mudzini School as a Primary School with boarders.**
- 2. To continue supporting the high school children.**
- 3. To develop and comply with the Kenya Government regulations regarding Children's Homes.**
- 4. To change the Mudzini Kwetu children's home into Mudzini Education Partnership – still allowing vulnerable children to have access to education and welfare.**
- 5. To further develop business aspects of the farm and school to generate income.**

Target 1

- Mudzini School fully re-opened in January 2021. They had an ambitious target of getting 280 fee-paying students. They managed to enrol 96-100 new students. This was a good effort but leaves a deficit to cover the monthly bills.
- Three young people will be doing their Primary School Final Examinations in March.
- The new school year will begin in July 2021 and end in April 2022.

Target 2

- Five young people will finish their High School Examinations in April.
- Four will finish high school next year.
- Three went to three different high schools in South Coast. The decision was made to take them to separate schools so that they can make new friends and share experiences when they come home.
- Two other young people also reported to two different high schools that their parents/guardians found for them.
- All these young people are funded and supported by Mudzini.
- One other reported to the Kenya Medical College, Karuri Campus in Nairobi in January. She is also supported by Mudzini.

Target 3

- "It is directed that children's officers and social development officers continue to work with children's homes and families in collaboration with Ministry that children remain in families and will not return to children's homes." Kenyan Government Alternative Family Care Programme.
- Mudzini is already implementing a transition strategy to ensure children are timely re-integrated back and supported with their families and community.
- An example of this is stated in Target 2 where children get transfers and admissions to schools which their parents/guardians have chosen.

Target 4

- The Mudzini Children's Home will change status over time. It will be the Mudzini Education Partnership still allowing vulnerable children access to education and welfare.
- The present children at the home will still be cared for at Mudzini.

Target 5

- 2020 was a difficult year but quality staff, at the home and school, were maintained for minimum salary. To keep this quality and have more staff, there is a need for an improved wage structure.
- With the new Covid rules, there is a need for 125 more desks. An improvement in sports facilities would attract new pupils.
- New beds, mattresses, mosquito nets and washing machines are needed for boarding pupils and staff.
- The water system at the home needs redoing.
- Although the farm is doing well in contributing so much, there is a need to improve the infrastructure for the animals in order to obtain a Health and Safety qualification.

B: Further Information from 2020:

MUDZINI:

- The Covid epidemic has affected the whole world. In Kenya, lockdowns and curfews are all new phenomena and have not gone down well with everyone. Most Kenyans live hand to mouth and people need to work every day to be able to provide food otherwise they would starve.
- As soon as the first case was confirmed on March 13th 2020, the President issued directives that all schools and state offices should close. The Government began the restriction of no one crossing County borders and movement between Counties was banned.
- The closing of schools has had a huge impact on finances. While parents were grappling with the issue of school fees and children being home-schooled and Mudzini without a source of income, it meant a challenge to pay salaries for both teaching and non-teaching staff.

- There was a need for more internet bundles so that children could continue learning. The village children needed support with work packs and food (they had been provided with free school meals).
- The Mudzini farm has been doing well and contributed so much to the school and home. However, there was the scarcity of animal feed and the cost of farm produce and animal feed has risen dramatically. The older girls learned gardening skills during the first lockdown and put agricultural lessons into practice.
- In spite of the above, the pioneer class of sixteen young people at Mudzini School sat their KCPE Examinations. The results were very pleasing with one of our young people obtaining one of the best results in the county. There was a Graduation Ceremony for the Grade 8 class. It was such an encouragement to all those involved, especially the candidates and parents.

CARIAD KENYA:

- Money was transferred to the Mudzini Account for each of the school terms and additional money was sent to assist in the pandemic.
- Contact is still being made, through social media, with some of the young women who had left in 2018. Some support is given to them when needed.
- Valerie is in regular contact with Miss Leah Wangari, Principal of the Mudzini School.
- The Cariad Kenya Facebook page is being used effectively with 119 subscribers. Both Cariad Kenya and Mudzini information, and some videos, are placed on the page.
- Spring, Summer and Christmas newsletters were distributed to over 150 people.
- There were two specific Christmas fund raising activities. Geraint and Margaret took on the challenge of wearing something different each day for a month before Christmas. The Harding family decided to make seasonal protective face masks which raised £1000.

6: KEY OBJECTIVES FOR 2021:

1. To further develop Mudzini School.
2. To continue supporting the high school children.
3. To develop and comply with the Kenya Government regulations regarding Children's Homes.
4. To support the Mudzini Education Partnership – still allowing vulnerable children to have access to education and welfare.
5. To further develop interesting ways to generate income.

7: DATES AND VENUES FOR NEXT MEETINGS:

Half yearly: **October 9th 2021**
 Annual General Meeting: **April 2022**



CHARITY COMMISSION
FOR ENGLAND AND WALES

CARIAD KENYA
CARIAD KENYA

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Receipts and payments accounts

CC16a

For the period
from

06/04/2020
06/04/2020

To

Period end date
05/04/2021

Section A Receipts and payments

	Unrestricted funds to the nearest £	Restricted funds to the nearest £	Endowment funds to the nearest £	Total funds to the nearest £	Last year to the nearest £
A1 Receipts					
BANKERS ORDERS	-	-	-	12,990	15,326
BANK INTEREST	-	-	-	34	154
GIFT AID	-	-	-	3,334	3,454
CHURCHES AND SCHOOLS	-	-	-	5,070	15,751
PERSONAL GIFTS	-	-	-	8,421	9,100
EVENTS	-	-	-	3,066	737
DONATIONS FROM FUNERAL	-	-	-	200	-
	-	-	-	-	-
Sub total (Gross income for AR)	-	-	-		44,522
A2 Asset and investment sales, (see table).					
	-	-	-	-	-
	-	-	-	-	-
Sub total	-	-	-	33,115	-
Total receipts	-	-	-	33,115	44,522
A3 Payments					
MUDZINI KWETU CENTRE	-	-	-	41,000	36,000
BAK CHARGES re TRANSFERS	-	-	-	90	90
POSTAGE FOR NEWSLETTERS	-	-	-	133	66
CLOTHES FOR CHILDREN	-	-	-	-	84
VOCATIONAL SKILLS DEVELOPMENT	-	-	-	-	347
EQUIPMENT	-	-	-	-	-
	-	-	-	-	-
	-	-	-	-	-
	-	-	-	-	-
Sub total	-	-	-	41,223	36,587
A4 Asset and investment purchases. (see table)					
	-	-	-	-	-
	-	-	-	-	-
Sub total	-	-	-	-	-
Total payments	-	-	-	41,223	36,587
Net of receipts/(payments)	-	-	-		
A5 Transfers between funds	-	-	-	8,108	7,935
A6 Cash funds last year end	-	-	-	80,396	72,461
Cash funds this year end	-	-	-	72,288	80,396

Section B Statement of assets and liabilities at the end of the period

Categories	Details	Unrestricted funds to nearest £	Restricted funds to nearest £	Endowment funds to nearest £
B1 Cash funds	Community Account 11407260	689	-	-
	BMM Savings Account 81411705	71,599	-	-
		-	-	-
	Total cash funds	72,288	-	-
	(agree balances with receipts and payments account(s))	Agreement Error	OK	OK
		Unrestricted funds to nearest £	Restricted funds to nearest £	Endowment funds to nearest £
B2 Other monetary assets	Details			
		-	-	-
		-	-	-
		-	-	-
		-	-	-
		-	-	-
		-	-	-
B3 Investment assets	Details	Fund to which asset belongs	Cost (optional)	Current value (optional)
			-	-
			-	-
			-	-
			-	-
			-	-
B4 Assets retained for the charity's own use	Details	Fund to which asset belongs	Cost (optional)	Current value (optional)
			-	-
			-	-
			-	-
			-	-
			-	-
			-	-
			-	-
			-	-
B5 Liabilities	Details	Fund to which liability relates	Amount due (optional)	When due (optional)
			-	
			-	
			-	
			-	
			-	
Signed by one or two trustees on behalf of all the trustees	Signature	Print Name	Date of approval	
	G. Stephens	Geraint Stephens	10/08/2021	

**INDEPENDENT EXAMINERS REPORT TO THE TRUSTEES OF CARIAD
KENYA (REGISTRATION NUMBER 1113463)**

I report on the accounts of the trust until year ended 5th April 2021, which are set out on the attached page.

Respective responsibilities of the trustee and examiner

The charity's trustees are responsible for the preparation of the accounts. The charity's trustees consider that an audit is not required for this year (under section 43(2) of the Charities Act 1993 (The 1993 Act) and that an independent examination is needed.

It is my responsibility to:

- Examine the account (under section 43(3)(a) of the 1993 Act)
- To follow the procedures laid down in the General Directions given by the Charity Commissioners (under section 43(7)(b) of the 1993 Act): and
- To state whether particular matters have come to my attention

Basis of the independent examiners report

My examination was carried out in accordance with the General Directions given by the Charity. An examination includes a review of the accounting records kept by the charity and a comparison of the accounts presented with those records. It also includes consideration of any unusual items or disclosures in the accounts, and seeking explanations from you as trustees considering any such matters. The procedures undertaken do not provide all the evidence that would be required in an audit, and consequently I do not express an audit opinion on the view given by the accounts.

Independent examiner's statement

I am satisfied that there are no discrepancies and

- 1) Which gives me reasonable cause to believe that in any material respect the requirements
 - To keep accounting records in accordance with section 41 of the 1993 Act: and
 - To prepare accounts which accord with the accounting records and comply with the accounting requirements of the 1993 Act

Have not been met: or

- 2) To which in my opinion, attention should be drawn in order to enable a proper understanding of the accounts to be reached.

Signed by

Timothy James Vaughan

Relevant professional qualification or body
Diploma Institute of Financial Services
Diploma of Financial Services (PFS)
Associate of Personnel and Development

Address: 27 Llangorse Drive, High Cross, Newport, Gwent NP10 9HJ
3rd May 2021



Cariad Kenya

Charity no 1113463

Receipts and Payments

6th April 2020 to 5th April 2021

Year	Receipts	Interest Received	Total Receipts	Payments	Bank Charges	Total Payments
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Starting Balance	80396.48
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Subtotal	113511.59
Payments	41222.60
Closing Balance	<u>72288.99</u>

All payments made to MUDZINI KWETU CENTRE in Kenya. School fees of £36,000, £5000 for extra costs arose due to the pandemic. Bank charges for the transfers were £90. Three cheques were issued totalling £132.60 for postage stamps to send out news letters to supporters