

FRIENDS OF KIPKELION
A Company Limited by Guarantee

Report and Financial Statements

Period From 6 January 2020 to 31 May 2021

Registered Charity number: 1188612

Company number: 12388504 (England and Wales)



FRIENDS OF KIPKELION
REPORT OF THE DIRECTORS AND FINANCIAL STATEMENTS
FOR THE 17 MONTHS ENDED 31 MAY 2021

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FRIENDS OF KIPKELION

COMPANY INFORMATION FOR THE PERIOD ENDED 31 MAY 2021

Directors

John Michael Deriaz (Chairman)

Peter John Scholes

Nicholas Edmund Kyrkewood

Sara Elizabeth O'Neill

Aedana Una Ward

Geraldine Angela Baskerville Mynors (appointed 23 June 2020)

Heather Jane Devine (resigned 6 February 2020)

Registered Office

1 Townshend Road, Richmond, Surrey, TW9 1XH

Registered Number

12388504 (England and Wales)

Charity Registered Number

1188612

Independent Examiner

Catherine Hyams CA

Bankers

Barclays Bank

**FRIENDS OF KIPKELION
REPORT OF THE DIRECTORS
FOR THE PERIOD ENDED 31 MAY 2021**

The Directors, who also act as Trustees for the charitable activities of the company, present their report with the financial statements of the company for the period from the incorporation of the Company to 31 May 2021.

Introduction

The Company was incorporated on 6 January 2020. It was registered as a charity with the Charity Commissioners for England and Wales on 18 March 2020. It was dormant until July 2020 when it took over the charitable activities of The Friends of Kipkelion Charitable Trust ("FOK Trust"), a trust established under English law which was itself a registered charity. FOK Trust transferred all its assets and liabilities to the Company under the terms of a Merger Deed dated 31 July 2020. This was accepted by the Charity Commission as a "relevant charity merger" within the meaning of Section 306 Charities Act 2011 and was entered in the Register of Charity Mergers. Since then, the Company has carried on all the charitable activities formerly carried on by FOK Trust.

The purpose of the merger was to enable the charitable activities formerly carried on by FOK Trust to be carried on by a charity which is a body corporate. This was considered desirable in terms of providing more rigorous and transparent governance and facilitating partnerships with potential funders and supporters.

The first accounting period of the Company ran to 31 May 2021 and from now on its accounting date will be 31 May annually.

Legal and administrative information

The company is constituted as a Company Limited by Guarantee and the governing document of the Company is its Memorandum and Articles of Association.

Trustees/Directors

A list of the Directors is given above on page 3. Each director served throughout the period unless otherwise stated.

Charitable Objects and Principal Activities

The charitable object of the Company is:

The prevention or relief of poverty in the Kipkelion East and Kipkelion West sub-counties of the Republic of Kenya and in other marginalised communities in East Africa, by providing grants, items and services to individuals in need, and/or to charities and other organisations working to prevent or relieve poverty.

The Company provides support to the people of Kipkelion to enable them to have access to basic services including healthcare, education, sanitation and clean water. This is done through close co-operation with our implementing partners, Brighter Communities Worldwide, a Kenyan registered NGO based in Kipkelion.

Public Benefit

The Trustees confirm that they have had due regard to the Charity Commission's guidance on public benefit. The Trustees are committed to helping the people of Kipkelion and similar areas in the most effective way possible, ensuring that our projects are accessible to all members of the local community and that their impact is sustainable.

Achievements

The Covid-19 pandemic reached Kenya in March 2020 and a strict national lockdown rapidly disrupted all aspects of life in Kipkelion. All schools were closed for many months, with children unable to receive an education; major industries such as tourism collapsed; many informal markets and businesses were prevented from operating, plunging millions into poverty. In addition, Kenya's health services were overwhelmed: there were few facilities for Covid testing, few hospital beds or ventilators and very little personal protective equipment (PPE) for doctors and nurses. Despite these very difficult conditions, our partners BCW resolved to remain in Kipkelion throughout the pandemic and continue their work as far as possible, and it is thanks to them that we have been able to continue our projects during the year.

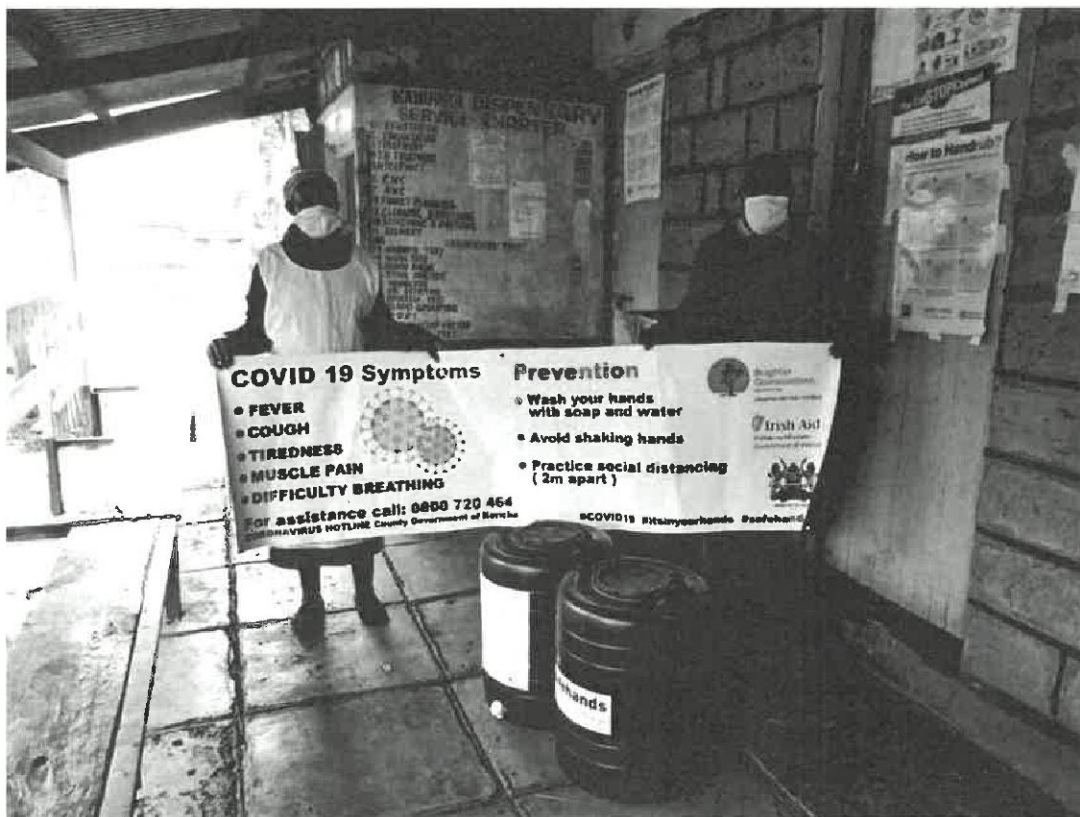


Maternal and Child Health

Our two year Maternal and Child Health project reached its conclusion in September 2020. This project was partly funded by a grant from the Foreign, Commonwealth and Development Office (formerly DFID) through the Small Charities Challenge Fund. Additional funding for this project was received from the Allan and Nesta Ferguson Foundation. Despite disruption caused by the pandemic, the project reached its main objectives. During the two years of the project, over 30,000 people in Kipkelion attended Field Days at which information about maternal and child health was communicated, including the importance of ante-natal checks, post-natal checks and childhood vaccinations. In addition, 29 health professionals and 267 community volunteers were trained in maternal and child health through a series of courses and workshops. There was a sharp rise in the numbers of pregnant women in Kipkelion attending four ante-natal visits and in the numbers giving birth in a medical facility. These achievements are expected to result in a reduction in the maternal death rate and the child mortality rate in Kipkelion.

Community Health

On 1 May 2020 we started a new FCDO funded project in Kipkelion which aims to bring Community Health services to thousands of people in remote areas of Kipkelion over a two year period. The plans for this project have had to be adapted rapidly in response to the Covid-19 pandemic which is the major public health priority in Kipkelion at present. Our partners BCW have re-oriented the project to focus on ensuring that as many people as possible are provided with soap and handwashing facilities and that medical staff and other frontline workers have PPE. More recently they have incorporated vaccine awareness into their education programmes in Kipkelion, to combat the vaccine hesitancy which is a problem in some areas. The project has already reached over 5,000 families in Kipkelion.



Girls' Education

Girls have suffered particularly badly during Kenya's pandemic. Schools have been closed for nearly a year and it is feared that many girls may never return to full time education. Some are being used as unpaid labour by their parents; a large number have reportedly been sexually exploited by family members or neighbours and are now pregnant; access to period products has dwindled due to increasing poverty and lack of knowledge about menstruation. In addition, there are reports that cases of FGM have resurged as parents give up on the idea of educating their daughters and instead seek to prepare them for early marriage.

Much of our work during the current period has involved addressing these issues. Our Big Give Christmas Challenge campaign in December 2020 aimed to raise money for the Alternative Rite of Passage to combat FGM. There was a huge response and we raised over £4,500 from our supporters, most of which was match funded through the Big Give. This enabled 200 girls to be protected from FGM by attending socially distanced Alternative Rites of Passage courses in Kipkelion.

In addition, we were able to support the Community Based Learning initiative set up by our partners BCW, with a contribution of £5,000. This enabled children to go to informal open-air classes in Kipkelion while the schools were still closed, so that they could keep in touch with their studies and meet up with their friends.

Grants from the Pignatelli Foundation and other donors helped to supply reusable sanitary pads to thousands of girls in Kipkelion during the year. The plight of girls in Kipkelion is likely to remain a major challenge for years to come and we are determined to make this a priority and do whatever we can to improve the situation.



Fundraising and Support

The fundraising environment was exceptionally difficult during the year, largely due to the Covid-19 pandemic. This prevented the Charity from holding pub quizzes, folk nights, sponsored runs and other traditional forms of fundraising. Visits to UK schools were also curtailed, although we were in contact with some schools by Zoom. Some funders, notably Guernsey Overseas Aid and Development Commission, temporarily suspended their grant making programmes while they evaluated the impact of the pandemic. In addition, our major funder FCDO (formerly DFID) had a restrictive approach to funding further projects in Kenya during the year, apparently in the belief that Kenya was receiving too large a share of its available funds. We hope that this policy will be reviewed in the near future.

Given these difficult circumstances, we are delighted that we managed to raise nearly two-thirds of our annual fundraising target. This was achieved through the loyalty and generosity of our growing base of regular supporters.

Financial Review

The Charity received donations totalling £65,275 during the year. The three biggest sources of funding were the Foreign, Commonwealth and Development Office (FCDO, formerly DFID (£22,261), the Saracen Trust (£15,000) and the Big Give Christmas Challenge (£9,051 including match funding). The supporter base continues to grow, and over 100 separate small donations were received during the year.

The Charity spent £68,012 supporting projects in Kipkelion, in fulfilment of the Charity's objects.

The Charity's surplus funds are now held in cash and no investment income was received in the year.

The expenses of the Charity remain very low, as all Trustees serve on a voluntary basis and the Charity has a strict expenses policy which keeps costs to a minimum.

Reserves Policy

The reserves policy of the Charity is to keep the equivalent of 3-6 months expenditure in reserve. As expenditure on projects in Kipkelion is currently running at approximately £65,000 per year, the Trustees consider that the reserves at 31 May 2021 of £29,960 are appropriate. These reserves fulfil the following purposes:

- They ensure that, in the event that the Charity had to cease operations suddenly for any reason, we would be able to continue sending money to our partners BCW during the six-month notice period specified in the MOU between BCW and the Charity.
- They enable the Charity to maintain sufficient cash flow so that grants which have been promised by third parties but not yet received can be spent on projects without delay.
- They are in line with the published guidance of the Charity Commission.

Governance

The Charity is a Company Limited by Guarantee and its memorandum and articles of association are in the standard form recommended by the Charity Commission. The Trustees of the Charity were each

originally invited to join the Board of Trustees by the Chairman. The Trustees were approached by the Chairman on the basis of their personal and professional skills and knowledge, and their commitment to the objects of the Charity.

Each Trustee serves for a period of three years, which may be renewed.

The Board of Trustees meets four times a year.

The Charity has the following policies and procedures, each of which was reviewed during the year:

Code of Ethics

Child and Vulnerable Adults Safeguarding Policy

Equal Opportunities Policy

Anti-Bribery Policy

Expenses Policy

Foreign Exchange Policy

Risk Management Policy

Fraud and Whistleblowing Policy

Data Protection Policy

The Charity also maintains a *Risk Register*.

The Charity depends for the execution of its projects on a partner organisation, Brighter Communities Worldwide (BCW). BCW is an Irish registered charity (number CHY 16505), and operates in Kenya through a local partner organisation, also called Brighter Communities Worldwide, which is registered as an NGO in Kenya. Relations between the Charity and BCW are governed by a Memorandum of Understanding dated 3 June 2020.

Risk Management

The Trustees regularly review and mitigate the risks associated with the activities of Friends of Kipkelion. The Charity has a Risk Management Policy and maintains a Risk Register which is reviewed regularly. The principal risks that have been identified are:

- Failure to protect trustees, volunteers and beneficiaries
- Loss of capacity in our implementing partners BCW
- Fraud losses in UK, Ireland or Kenya
- Major donors dissatisfied with progress
- Change of NGO regulations in Kenya
- Political disturbance in Kenya
- Disease outbreak in Kenya

To address and mitigate these risks, the Trustees seek to:

- Ensure that Safeguarding and Health and Safety considerations are understood by all trustees and volunteers and are kept constantly in mind.
- Ensure that the relationship with BCW is maintained and monitored through regular meetings and visits.
- Follow rigorous financial procedures to minimise the risk of fraud.
- Keep major donors updated regularly on the progress of projects in Kenya.
- Monitor the evolving regulatory framework in Kenya through BOND, BCW and other contacts in Kenya.
- Monitor the evolving political situation in Kenya.
- Adapt activities and programmes to ensure that projects in Kenya are implemented in a Covid safe manner.

Trustees' Responsibility Statement

The Trustees (who are also Directors of Friends of Kipkelion for the purposes of company law) are responsible for preparing the Trustees' Annual Report and the financial statements in accordance with applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice).

Company law requires the Trustees to prepare financial statements for each financial year, which give a true and fair view of the state of affairs of the charitable company and of the incoming resources and application of resources, including the income and expenditure, of the charitable company for that period. In preparing these financial statements, the Trustees are required to:

- select suitable accounting policies and then apply them consistently.
- observe the methods and principles in the Charities SORP 2015 (FRS 102)
- make judgements and estimates that are reasonable and prudent.
- state whether applicable UK Accounting Standards have been followed, subject to any material departures disclosed and explained in the financial statements.
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the charitable company will continue in operation.

The Trustees are responsible for keeping adequate accounting records that disclose with reasonable accuracy at any time the financial position of the charitable company and enable them to ensure that the financial statements comply with the Companies Act 2006. They are also responsible for safeguarding the assets of the charitable company and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

The Trustees are responsible for the maintenance and integrity of the corporate and financial information included on the charitable company's website. Legislation in the United Kingdom governing the preparation and dissemination of financial statements may differ from legislation in other jurisdictions.

Statement as to Disclosure to Independent Examiner

In so far as the Trustees are aware:

- there is no relevant information of which the charitable company's Independent Examiner is unaware; and
- the Trustees have taken all steps that they ought to have taken to make themselves aware of any relevant information and to establish that the Independent Examiner is aware of that information.

This report was approved by order of the Board on 15 September 2021 and signed on its behalf by:

A handwritten signature in black ink, appearing to read 'J M Deriaz', with a stylized flourish at the end.

J M Deriaz
Chairman

FRIENDS OF KIPKELION

COMBINED STATEMENT OF FINANCIAL ACTIVITIES (INCLUDING INCOME AND EXPENDITURE ACCOUNT)

FOR THE 17 MONTHS ENDED 31 MAY 2021

	Note	Unrestricted Funds £	Restricted Funds £	Total 2021 £	P/E 5/1/20
Income and endowments from:					
Donations	4	15193	96275	111468	54186
Investments		(885)	0	(885)	224
Total income		<u>14308</u>	<u>96275</u>	<u>110583</u>	<u>54410</u>
Expenditure on:					
Raising funds	5	84	0	84	0
Charitable activities	6	12500	94222	106722	60033
Other costs		168	0	168	350
Total expenditure		<u>12752</u>	<u>94222</u>	<u>106974</u>	<u>60383</u>
Net (expenditure) / income before transfers	7	1556	2053	3609	(5973)
Transfers between funds	12			0	
Net movement in funds		<u>1556</u>	<u>2053</u>	<u>3609</u>	
Reconciliation of funds:					
Total funds brought forward				26351	
Total funds carried forward				<u>29960</u>	

FRIENDS OF KIPKELION
COMBINED BALANCE SHEET AS AT 31 MAY 2021

	Note	£	£	Period ended 31 May 2021 £	Period ended 5 Jan 2020
Fixed assets:					
Tangible assets	8			0	0
				<u>0</u>	<u>0</u>
Current assets:					
Debtors	9	250	0	0	
UK Government Securities		0		23745	
Cash at bank and in hand		<u>29710</u>		<u>2606</u>	
		29960			26351
Creditors:					
Amounts falling due within one year	10	0		0	
			<u>29960</u>		
Net current assets				<u>29960</u>	<u>26351</u>
Total assets less current liabilities				29960	26351
Net assets				<u>29960</u>	<u>26351</u>
Funds					
Unrestricted funds	11			29960	26351
Restricted funds	11			0	0
Total funds carried forward				<u>29960</u>	<u>26351</u>

Trustee statements required by the Companies Act 2006

In approving these financial statements, the trustees, who are directors for the purposes of company law, hereby confirm:

- that for the year stated above the company was entitled to the exemption conferred by section 477 of the Companies Act 2006;
- that no notice has been deposited at the registered office of the company pursuant to section 476 of the Companies Act 2006 requesting that an audit be conducted for the year ended 31 May 2021;
- that the company as a charity is subject to audit under the Charities Act 2011; and
- that we acknowledge our responsibilities for complying with the requirements of the Companies Act 2006 with respect to accounting records and the preparation of accounts.

The financial statements have been prepared in accordance with the provisions of Part 15 of the Companies Act 2006 relating to small companies.

The financial statements were approved by the Board on 15 September 2021 and signed on its behalf by:


JM Deriaz, Director and Trustee

FRIENDS OF KIPKELION

COMBINED STATEMENT OF CASH FLOWS FOR THE PERIOD ENDED 31 MAY 2021

	Note	Period to 31 May 2021 £	Period to 5 Jan 2020 £
Net cash used in operating activities		4494	(5973)
Cash flows from investment activities:			
Interest income		(885)	0
Purchase of tangible fixed assets		-	-
Inter entity transfer	12	-	(10)
Cash used in investing activities		3609	(5983)
(Decrease)/Increase in cash and cash equivalents		3609	(5983)
Cash and cash equivalents at beginning of period		26351	32334
Total cash and cash equivalents at end of period		29960	26351

NOTES TO THE FINANCIAL STATEMENTS FOR THE 17 MONTHS ENDED 31 MAY 2021

1. Accounting policies

The principal accounting policies are set out below. The accounting policies have been adopted consistently throughout the year.

Basis of preparing the financial statements

These financial statements have been prepared in accordance with Financial Reporting Standard 102 "The Financial Reporting Standard applicable in the UK and Republic of Ireland" (FRS 102), The Statement of Recommended Practice applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) (effective 1 January 2019) (the SORP) and in accordance with the Companies Act 2006, from which there were no material departures.

The financial statements have been prepared under the historical cost convention and are prepared on a going concern basis.

Friends of Kipkelion meets the definition of a public benefit entity under FRS 102.

Going concern

The financial statements have been prepared on a going concern basis. Please refer to the Statement as to disclosure to the Independent Examiner. The trustees have considered the level of funds held and the expected level of income and expenditure for 12 months from authorising these financial statements. The budgeted income and expenditure are sufficient with the level of reserves for the charity to be able to continue as a going concern.

Income and endowments

All incoming resources are included in the statement of financial activities when the charity is entitled to the income and the amount can be quantified with reasonable accuracy.

Expenditure

Expenditure is recognised on an accrual basis as a liability is incurred. The following specific policy is applied to particular categories of expenditure:

- *Expenditure on raising funds* is costs incurred in attracting voluntary income including costs incurred by the Charity as part of its fundraising activities.
- *Expenditure on charitable activities* is costs incurred by the Charity in the course of meeting its charitable aims

FRIENDS OF KIPKELION

NOTES TO THE COMBINED FINANCIAL STATEMENTS FOR THE PERIOD ENDED 31 MAY 2021

Fund structure

The funds held by the Charity comprise:

- *Unrestricted general funds* – the ‘free’ funds held by the charity to be used in accordance with the charitable objects at the discretion of the Trustees.
- *Restricted funds* – funds held to be used only for restricted purposes within the objects of the charity. Restrictions arise when specified by donors and grant making bodies or when funds are raised for particular purposes.

2. Legal status of the charity

The charity is a company limited by guarantee and has no share capital. The liability of each member in the event of winding-up is limited to a maximum £10.

3. Taxation

The charity is exempt from tax on income and gains falling within section 505 of the Taxes Act 1988 or section 256 of the Taxation of Chargeable Gains Act 1992 to the extent that these are applied to its charitable objects.

4. Income from donations

	Unrestricted Funds £	Restricted Funds £	Period to 31 May 2021 £	Period to 5 Jan 2020 £
Donations	15193	48654	63847	13601
Grants from Foundations	0	5500	5500	19936
FCDO Grants	0	42121	42121	20649
	<u>15193</u>	<u>96275</u>	<u>111468</u>	<u>54186</u>

5. Expenditure on raising funds

	Unrestricted Funds £	Restricted Funds £	Period to 2021 £	Period to 5 Jan 2020 £
Marathon entry fee	84	-	84	0
	<u>84</u>	<u>-</u>	<u>84</u>	<u>0</u>

6. Expenditure on charitable activities

	Unrestricted Funds £	Restricted Funds £	Period to 31 May 2021 £	Period to 5 Jan 2020 £
Projects in Kipkelion	12500	94222	106722	60033
	<u>12500</u>	<u>94222</u>	<u>106722</u>	<u>60033</u>

FRIENDS OF KIPKELION

NOTES TO THE COMBINED FINANCIAL STATEMENTS FOR THE PERIOD ENDED 31 MAY 2021

7. Net Income for the year

	Period to 31 May 2021 £	Period to 5 Jan 2020 £
This is stated after charging:		
Independent Examiner's remuneration	0	0
Depreciation	<u>0</u>	<u>0</u>

8. Tangible fixed assets

	Land & Buildings £	Fixtures & Fittings £	2021 Total £	2020
Cost:				
At 6 January 2020	0	0	0	0
Additions	-	-	-	
At 31 May 2021	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>
Depreciation:				
At 6 January 2020	0	0	0	0
Provision for the year	0	0	0	0
At 31 May 2021	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>
Net book value:				
At 6 January 2020	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>
At 31 May 2021	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>

9. Debtors

	Period to 31 May 2021 £	Period to 5 Jan 2020 £
Prepayments and accrued income	250	0
	<u>250</u>	<u>0</u>

10. Creditors

	Period to 31 May 2021 £	Period to 5 Jan 2020 £
Trade creditors	0	0
Other creditors and accruals	0	0
	<u>0</u>	<u>0</u>

FRIENDS OF KIPKELION

NOTES TO THE COMBINED FINANCIAL STATEMENTS FOR THE PERIOD ENDED 31 MAY 2021

11. Unrestricted funds

Period ended 31 May 2021	Balance at 06/01/2020 £	Income £	Expenditure £	Transfers £	Balance at 31/05/2021 £
	26351	14308	(12752)		27907
	<u>26351</u>	<u>14308</u>	<u>(12752)</u>		<u>27907</u>

Restricted funds Period ended 31 May 2021

	Balance at 06/01/2020 £	Income £	Expenditure £	Transfers £	Balance at 31/05/2021 £
	0	96275	(94222)		2053
	<u>0</u>	<u>96275</u>	<u>(94222)</u>		<u>0</u>

Period ended 5 January 2020

	Balance at 01/06/2019 £	Income £	Expenditure £	Transfers £	Balance at 05/01/2020 £
	32334	54410	60403	10	26351
	<u>32334</u>	<u>54410</u>	<u>60403</u>	<u>10</u>	<u>26351</u>

12. Transfers between funds

A transfer of £10 was made between the two entities prior to the merger as a test transaction.



Section A

Independent Examiner's Report

**Report to the
trustees/directors/
members of**

Friends of Kipkelion

**On accounts for the
period ended**

31st May 2021

Charity no.:

1188612

Company no.:

12388504

Set out on pages

1 - 19

**Responsibilities and
basis of report**

I report to the charity trustees on my examination of the accounts of the Company for the period ended **31/05/2021**.

As the charity's trustees of the Company (who are also the directors of the company for the purposes of company law), you are responsible for the preparation of the accounts in accordance with the requirements of the Companies Act 2006 ("the 2006 Act").

Having satisfied myself that the accounts of the Company are not required to be audited for this year under Part 16 of the 2006 Act and are eligible for independent examination, I report in respect of my examination of your charity'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**

I have completed my examination. I confirm that no material matters have come to my attention which gives me cause to believe that:

- accounting records were not kept in accordance with section 386 of the Companies Act 2006; or
- the accounts do not accord with such records; or
- the accounts do not comply with relevant accounting requirements under section 396 of the Companies Act 2006 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; or
- the accounts have not been prepared in accordance with the Charities SORP (FRS102).

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.

Signed:  **Date:** 13/09/2021

Name: Catherine Hyams

Relevant professional qualification(s) or body (if any): Chartered Accountant
Institute of Chartered Accountants of Scotland

Address: Broomlands, Broom Lane, Langton Green
Tunbridge Wells
TN3 0RA