UNITED CULTURAL EMPOWEREMENT AND SOCIAL COMMUNITY ORGANISATION-AFRICA

(UCESCO - AFRICA)

ANNUAL REPORT AND FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31ST OCTOBER 2024

Henry Smith & Wilson
Certified Public Accountants
Kalson Towers, 6th Floor
P.O.Box 9937-00100
NAIROBI - KENYA

UCESCO-AFRICA

ANNUAL REPORT AND FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31ST OCTOBER 2024

Organisation Information

Director	Kingsley Nyandika P.O Box 75708-00200 Nairobi
Registered office	Kibera Drive, Off Ngong' Road Kibera Plaza, Ground Floor P.O Box 48945-00100 Nairobi, Kenya TEL: + 254 726 172 393 Email Address: info@ucesco.org
Independent Auditor	Henry Smith and Wilson Certified Public Accountants P.O. Box 9937- 00100 Nairobi, Kenya.
Principal Bankers	Equity Bank Mama Ngina Branch P.O. Box 20135-00100 Nairobi, Kenya

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UCESCO-AFRICA

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Report of the Management

The Management submit their report together with the Audited Financial Statements of United Cultural Empowerment and Social Community Organisation-Africa for the year ended 31st October 2024, which disclose the state of affairs of the organization.

Principal Activity

The Organization Principal Activity is Provision of Humanitarian Assistance to the Community Through Various Projects and Activities.

Results

The Results of the year are set out on pages 5 to 11.

Auditors

The Auditors Messrs, Henry Smith and Wilson were appointed during the year and have expressed their willingness to continue in the office.

By order of the Management

.....
Executive Director

.....
Board Chairman

UCESCO AFRICA
20 JAN 2025
EXECUTIVE DIRECTOR OFFICE
Email:ceo@ucesco.org

Statement of Management Responsibilities

It is the responsibility of the Directors to to prepare financial statements for each financial year that give a true and fair view of the state of affairs of the organisation as at the end of the financial year and of its operating results for that year. It also requires the directors to ensure that the company maintains proper accounting records which disclose, with reasonable accuracy, the financial position of the organisation. The directors are also responsible for safeguarding the assets of the organisation.

The directors accept responsibility for the financial statements, which have been prepared using appropriate accounting policies supported by reasonable and prudent judgements and estimates, in conformity with International Financial Reporting Standards. The Board of directors is of the opinion that the financial statements give a true and fair view of the state of the financial affairs of the organisation as at 31st October, 2024 and of its operating results for the year then ended. The directors further accept responsibility for the maintenance of accounting records which have been relied upon in the preparation of the financial statements, as well as on the adequacy of the systems of internal financial controls.

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

Approved by the board of directors on .....20/01/2025 and signed on its behalf by:

.....

Board Chairman

.....

Executive Director

UCESCO AFRICA
20 JAN 2025
EXECUTIVE DIRECTOR
OFFICE
Email:ceo@ucesco.org

HENRY SMITH & WILSON
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SERVICES:

Auditing

Accountancy

Taxation

Consultancy & Business Advising

Training & Development

PARTNERS:

CPA. S.K. Ndegwa (Managing)

CPA. W.M. Mutero

CPA. P.M Njathi

CPA. S. Muturi

UCESCO-AFRICA
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REPORT OF THE INDEPENDENT AUDITORS

Report on the Financial Statements

We have audited the accompanying financial statements of United Cultural Empowerment and Social Community Organisation-Africa, set out on pages 5 to 11 which comprise the statement of financial position as at 31st October, 2024, and the statement of comprehensive income, statement of changes in equity and statement cash flow for the year then ended, and a summary of significant accounting policies and other explanatory notes.

Directors' Responsibility for the Financial Statements

The Board of Directors is responsible for the preparation and presentation of these financial statements, which gives a True and Fair view of the state of affairs of the organisation and its operating results. Our resonsibility is to express an independent opinion on the Financial Statements based on our Audit.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depended on our professional judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, we considered the internal control relevant to the company's preparation and fair presentation of the financial statements in order to design audit procedures that were appropriate in the circumstances, but not for the purpose of expressing an opinion on the company's internal control. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of accounting estimates made by the directors, as well as evaluating the overall presentation of the financial statements.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

Opinion

In our opinion the accompanying financial statements give a true and fair view of the state of financial affairs of the company as at 31st October, 2024 and of its profit and cash flows for the year then ended in accordance with International Financial Reporting Standards and the Kenyan Companies Act.

Henry Smith And Wilson
Certified Public Accountants
Nairobi

HENRY SMITH & WILSON
CPA (K)
P. O. Box 9937 - 00100
NAIROBI

21 /01 / 2025

UCESCO-AFRICA

ANNUAL REPORT AND FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31ST OCTOBER 2024

STATEMENT OF COMPREHENSIVE INCOME

	NOTES	2024 KES	2023 KES
Income	**3**	**22,457,639**	**15,726,369**
Expenditure			
Project Costs	**(4a)**	16,694,822	12,876,720
Administrative Expenses	**(4b)**	4,126,495	2,894,399
Other Operating Expenses	**(4c)**	1,696,697	588,500
Financial Expenses	**(4d)**	25,470	23,105
Total Expenses		**22,543,484**	**16,382,724**
(Deficit)		**(85,845)**	**(656,355)**

STATEMENT OF FINANCIAL POSITION

	NOTES	2024 KES	2023 KES
ASSETS			
FIXED ASSETS	2	361,705	419,098
CURRENT ASSETS			
Cash and Bank Balances		14,204	626
Total Current Assets		**14,204**	**626**
CURRENT LIABILITIES			
Trade and Other Payables	6	50,000	50,000
Net Current Assets		**(35,796)**	**(49,374)**
		325,908	**369,723**
FINANCED BY:			
EQUITY			
Accumulated Retained Earnings		(1,226,861)	(1,141,016)
Director's Long Term Loan		1,213,269	1,171,239
Capital Donations		339,500	339,500
TOTAL LIABILITIES AND RESERVES		**325,908**	**369,723**

The financial statements on pages 5 to 11 were approved for issue by the Board on 20/01/2025 and were signed on its behalf by:-

.....

Board Chairman

UCESCO-AFRICA

ANNUAL REPORT AND FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31ST OCTOBER 2024

STATEMENT OF CHANGES IN EQUITY

	Accumulated Retained Funds KES
For The Year Ended 31st October 2023	
At 1st November 2022	(484,661)
Deficit for the Year	(656,355)
At 31st October 2023	(1,141,016)
For The Year Ended 31st October 2024	
At 1st November 2023	(1,141,016)
Deficit for the Year	(85,845)
At 31st October 2024	(1,226,861)

CASH FLOW STATEMENT

	2024 KES	2023 KES
Cash flows from operating activities		
Deficit for the year	(85,845)	(656,355)
Add:		
Depreciation	57,393	69,504
Trade and other Payables	-	1,306,840
Cash generated from operations	(28,452)	719,989
Cash flows from financing activities		
Increase / (decrease) in:		
Director's Long Term Loan	42,032	-
	42,032	-
Net Increase in cash and cash equivalents	13,580	188
Cash and cash equivalents at the beginning of the year	624	436
Cash and cash equivalents at 31st October 2024	14,204	624

NOTES

1. Accounting policies

The financial statements are prepared in accordance and comply with International Financial Reporting Standards and under the historical cost convention, and are presented in the functional currency, Kenya Shillings (Shs). The Principal Accounting Policies adopted in the preparation of these statements are set out as follows:-

a) Income Recognition

Income is recognised when it is received.

b) Property, plant and equipment

All categories of property, plant and equipment are initially recognised at historical cost. All other items of property, plant and equipment are stated at historical cost less accumulated depreciation and accumulated impairment losses.

Depreciation is calculated using the reducing balance method to write down the cost of each asset to its residual value over its estimated useful life using the following annual rates:

	Rate %
Office Furniture	10.0
Communication Equipment	10.0
Computer and Peripherals	25.0
Fixture and Fittings	10.0
Office Equipment	10.0
Motor vehicles	25

The gain or loss arising on the disposal or retirement of an asset is determined as the difference between the sales proceeds and the carrying amount of the asset and is recognised in the statement of comprhensive income.

c) Impairment

At each financial year end, the Board of Directors will review the carrying amount of tangible assets to determine whether there is any indication that those assets have suiffered an impairment loss. if any such indication exists the recoverable amount of the asset is estimated in order to determine the extent of the impairment loss is recognised in the statement of income whenever the carrying amount of the asset exceeds its recoverable amounts.

d) Receivables

Trade receivables are carried at anticipated realizable value. An estimate is made for doubtful receivables based on a review of all outstanding amounts at the year end. Bad debts are written off when all reasonable steps to recover them have failed.

e) Trade payables are stated at their nomial value.

f) Currency

The financial statements are presented in Kenya Shillings (Kshs). Transactions during the year are translated at the exchange rates prevailing at the date of the transactions.

g) Accruals and Prepayments

Accrual:

Accrual concept states that Income nad Expenses must be recorded in the Accounting records and reported in the financial statements of the period to which they relate. Accruals are accrued expenses, they have not yet been paid for. Accruals are current liabilities.

Prepayment

The payment of a debt in full before it is due or payments wach have been on an accounting period, but should not be charged against profit until a later period because they relate to that later period. If we pay for something that relates to next accounting period, we use a prepayment to transfer that charge forward to the next period. Prepayments are Current Assets.

2 Property, plant and equipment

	Computers & Accessories	Furniture & Fittings	Office Equipments	Total
Rate	**25.0%**	**10.0%**	**10%**	**KShs**
COST				
As at November 1, 2022	198,500	262,600	150,000	611,100
Additions				
As at October 31, 2023	198,500	262,600	150,000	611,100
DEPRECIATION				
As at November 1, 2022	60,875	42,685	18,938	122,498
For the year	34,406	21,992	13,106	69,504
As at October 31, 2023	95,281	64,677	32,044	192,002
NET BOOK VALUE				
As at October 31, 2023	**103,219**	**197,924**	**117,956**	**419,098**

Rate	**25.0%**	**10.0%**	**10%**	**KShs**
COST				
As at November 1, 2023	198,500	262,600	150,000	611,100
As at October 31, 2024	198,500	262,600	150,000	611,100
DEPRECIATION				
As at November 1, 2023	95,281	64,677	32,044	192,002
For the year	25,805	19,792	11,796	57,393
As at October 31, 2024	121,086	84,469	43,840	249,395
NET BOOK VALUE				
As at October 31, 2024	**77,414**	**178,131**	**106,160**	**361,705**

NOTES

		2024 KES	2023 KES
3	**INCOME**		
	Bank Donations	18,493,412	14,221,321
	Cash Donations	3,813,377	1,410,948
	Merchandise Sales	150,850	94,100
	Total Income	**22,457,639**	**15,726,369**
4	**EXPENDITURE**		
(4a)	**Projects**	16,694,822	12,876,720
(4b)	**Administrative Expenses**		
	Staff Salaries	3,377,700	2,539,645
	Office Expenses and Supplies	641,402	185,040
	Audit Fees	50,000	100,210
	Depreciation	57,393	69,504
	Total Administrative Expenses	**4,126,495**	**2,894,399**
(4c)	**Other Operating Expenses**		
	Rent	1,106,795	144,000
	Transport	281,752	112,255
	Equipments and Storage	247,600	110,100
	Repair and Maintenance	60,550	222,145
	Total Other Operating Expenses	**1,696,697**	**588,500**
(4d)	**Financial Expenses**		
	Bank Charges	25,470	23,105
	Total Financial Expenses	**25,470**	**23,105**
6	**Audit Fees Payable**	50,000	50,000