

HOPE FOUNDATION FOR AFRICAN WOMEN
ANNUAL REPORT AND FINANCIAL STATEMENTS
31ST MARCH 2017



Auditors:
OWALA AND ASSOCIATES
CERTIFIED PUBLIC ACCOUNTANTS
P.O. BOX 58282-00200
NAIROBI.
TEL. NO. 020-2490230/0722440206

HOPE FOUNDATION FOR AFRICAN WOMEN

Annual report and financial statements

For the Year ended 31st March, 2017

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HOPE FOUNDATION FOR AFRICAN WOMEN

*Report and financial statements
For the Year ended 31st March, 2017*

PAGE 1

BACK GROUND INFORMATION

- Type of Business** : Use of donor funds in economic and social empowerment of women.
- The Board of Directors** :
- Ms. Jane Akinyi Oyare Chairperson
 - Dr. Grace Bonareri Mose Secretary
 - Ms. Agnes Bosibori Matagaro Treasurer
 - Ms. Joan Rakwomi Assistant Chairperson
 - Ms. Joyce Bosibori Kerubo Assistant Treasurer
 - Hellen Muthanje Njoroge Member
 - Mr. Charles Anunda Member
- Main Place of Business** :
- L.R.No.12822, Ngong
 - Karathe Road, Ongata Rongai
 - P.o. Box 672-00511
 - Ongata Rongai
- Registered office** :
- L.R.No.12822, Ngong
 - Karathe Road, Ongata Rongai
 - P.o. Box 672-00511
 - Ongata Rongai
- Independent Auditors** :
- Owala & Associates
 - Certified Public Accountants
 - P.o. Box 58282- 00200
 - Nairobi
- Principal Bankers** :
- Barclays Bank of Kenya Limited
 - Development House Branch
 - P.O. Box 44285-00100
 - Nairobi

The Directors have pleasure in presenting their annual report and the audited financial statements of the organization for the year ended 31st March 2017.

REGISTRATION

The Hope Foundation For African Women is a Non-Governmental Organization founded in year 2013 and is registered in Kenya under the Non-Governmental Organizations Act, 1990.

PRINCIPAL ACTIVITY

The principal activity of the organisation is that of economic and social empowerment of women and the provision of training services, technical and financial resources aimed at relief of poverty, promotion of environmental conservation, access to reproductive health care, good governance and human rights awareness among the poor.

RESULTS

The results for the year are as shown in Page 4.

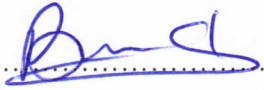
DIRECTORS

The Directors who held office during the year and to the date of this report is as listed on Page 1.

AUDITORS

The independent Auditors, Owala & Associates, Certified Public Accountants, have expressed their willingness to continue in the office.

BY ORDER OF THE BOARD

Signature.....  Date..... 17/06/2017
Secretary



HOPE FOUNDATION FOR AFRICAN WOMEN

*Statement of Directors' responsibilities
For the Year ended 31st March, 2017*

Page 2 (b)

The Non-Governmental Organizations Co-ordination Act requires the directors to prepare financial statements for each financial year that give a true and fair view of the state of affairs of the Organization as at the end of the financial year and of its operating results for that year in accordance with International Financial Reporting Standards. It also requires the directors to ensure that the Organization maintains proper accounting records that disclose, with reasonable accuracy, the financial position of the Organization. The directors are also responsible for safeguarding the assets of the Organization and ensuring that the business of the Organization has been conducted in accordance with its objectives, constitution and any other resolutions made at the Organization's general meeting.

The directors accept responsibility for the preparation and fair presentation of financial statements that are free from material misstatement whether due to fraud or error. They also accept responsibility for:-


- i) Designing, implementing and maintaining internal controls relevant to the preparation and fair presentation of the financial statements;
- ii) Selecting and applying appropriate accounting policies; and
- iii) Making accounting estimates and judgements that are reasonable in the circumstances.

The directors are of the opinion that the annual financial statements give a true and fair view of the state of the financial affairs of the Organization as at 31st March, 2017 and of its operating results and cash flows for the year then ended in accordance with International Financial Reporting Standards and in the manner required by the Non-Governmental Organizations Co-ordination Act.

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

Approved by the board of directors on 17th June 2017 and signed on its behalf by:-


..... Jane A. Daga Chairman
Signature


..... Agnes Basibari M Treasurer
Signature


..... Grace Mose Secretary
Signature



Date: 17th June 2017

OWALA AND ASSOCIATES

Certified Public Accountants

PIN A001299733Z



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Mr. Mathews Owala— CPA(K), MBA (Moi)

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HOPE FOUNDATION FOR AFRICAN WOMEN

REPORT OF THE INDEPENDENT AUDITORS TO THE MEMBERS OF HOPE FOUNDATION FOR AFRICAN WOMEN

Report on the Financial Statements

We have audited the accompanying financial statements of Hope Foundation For African Women, set out on pages 4 to 21 which comprise the Statement of Financial position (i.e. balance sheet) as at 31st March, 2017, and the statement of comprehensive income, statement of changes in Fund balances and Statement of Cash flows for the year then ended and a summary of significant accounting policies and other explanatory notes.

Directors' responsibility for the Financial Statements

The Directors are responsible for the preparation and fair presentation of these financial statements in accordance with International Financial Reporting Standards and the requirements of the Non-Governmental Organizations Co-ordination Act, as stated on page 2(b). This responsibility includes: designing, implementing and maintaining internal controls relevant to the preparation and fair presentation of financial statements that are free from material misstatement, whether due to fraud or error; selecting and applying appropriate accounting policies; and making accounting estimates that are reasonable in the circumstances.

Auditor's Responsibility

Our responsibility is to express an independent opinion on these financial statements based on our audit. We conducted our audit in accordance with International Standards on Auditing. Those standards require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance whether the financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on our judgement, 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 internal controls relevant to the entity'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 effectiveness of the company's internal controls. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of accounting estimates made by 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 Hope Foundation for African Women as at 31st March, 2017, and of its results and cash flows for the year then ended and in accordance with International Financial Reporting Standards.

Emphasis of matter

In common with similar entities, Hope Foundation for African Women derives a substantial proportion of its income from donors' grants and voluntary contributions which are not susceptible to independent audit verification until they have been captured in the accounting records. However, we have reviewed the controls relating to the receipt and the recording of grants and voluntary contributions to ensure that they have been adequately recorded. We draw this matter to the reader's attention but our opinion is not qualified in this respect.

The engagement partner responsible for the audit resulting in this independent auditor's report is CPA Mathews Owala-P/1684.

owala and associates

CERTIFIED PUBLIC ACCOUNTANTS

Nairobi, Kenya
19th June, 2017



STATEMENT OF COMPREHENSIVE INCOME

	NOTE	2017 SHS	2016 SHS
INCOME			
Revenue Grants Income	3	2,644,634	430,500
Public donations income	4	57,923	107,376
Miscellaneous Income		39,710	170,000
		<hr/>	<hr/>
		2,742,267	707,876
Other Income	5	2,853	1,190
		<hr/>	<hr/>
Total Income		2,745,120	709,066
Direct Programme Expenses		(1,902,884)	(909,573)
Indirect Programme and Administrative Expenses		(352,685)	(319,640)
		<hr/>	<hr/>
Surplus/(deficit) before Tax	6	489,551	(520,147)
Tax	8	(856)	(357)
		<hr/>	<hr/>
Net Surplus/(deficit)		488,695	(520,504)
Other Comprehensive Income		-	-
		<hr/>	<hr/>
Net surplus and Total comprehensive income for the year		488,695	(520,504)

Report of the Auditors - page 3

The notes on pages 8 to 21 form an integral part of these accounts

HOPE FOUNDATION FOR AFRICAN WOMEN

Financial statements

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For the Year ended 31st March, 2017

STATEMENT OF FINANCIAL POSITION

FUND BALANCES	NOTE	2017 SHS	2016 SHS
General Funds		(41,985)	(530,680)
		<u>(41,985)</u>	<u>(530,680)</u>
REPRESENTED BY:			
Non Current Assets			
Property, Plant and Equipment	9	75,337	54,567
		<u>75,337</u>	<u>54,567</u>
Current Assets			
Receivables	10	1,500	1,500
Cash and Cash Equivalents	11	1,058,371	13,626
		<u>1,059,871</u>	<u>15,126</u>
Current Liabilities			
Deferred Revenue Grants	12	283,170	-
Payables	13	893,231	600,009
Current Tax		792	364
		<u>1,177,193</u>	<u>600,373</u>
Net Current Liabilities		<u>(117,322)</u>	<u>(585,247)</u>
		<u>(41,985)</u>	<u>(530,680)</u>

The financial statements on pages 4 to 21 were approved by the directors on 17th June 2017 and were signed on its behalf by:-

1). Chairman..... 2). Treasurer..... 3). Secretary.....



Report of the Auditors - page 3

The notes on pages 8 to 21 form an integral part of these accounts

HOPE FOUNDATION FOR AFRICAN WOMEN*Financial statements***PAGE 6***For the Year ended 31st March, 2017*

STATEMENT OF CHANGES IN FUND BALANCES

	GENERAL FUNDS SHS	TOTAL SHS
Balance as at 1st April, 2015	(10,176)	(10,176)
Net deficit	(520,504)	(520,504)
Other Comprehensive Income	-	-
Total Comprehensive Income	(520,504)	(520,504)
Movements in Fund Balances:		
Funds received during the Year	-	-
Funds used during the Year	-	-
Balance as at 31st March, 2016	(530,680)	(530,680)
Balance as at 1st April, 2016	(530,680)	(530,680)
Net surplus	488,695	488,695
Other Comprehensive Income	-	-
Total Comprehensive Income	488,695	488,695
Movements in Fund Balances:		
Funds received during the Year	-	-
Funds used during the Year	-	-
Balance as at 31st March, 2017	(41,985)	(41,985)

HOPE FOUNDATION FOR AFRICAN WOMEN*Financial statements***PAGE 7***For the Year ended 31st March, 2017*

STATEMENT OF CASH FLOWS

OPERATING ACTIVITIES	NOTE	2017 SHS	2016 SHS
Cash generated from/(used in) operations	14	1,074,320	(96,240)
Interest Received		2,853	1,190
Tax Paid		(428)	(179)
Net Cash from/(used in) operating activities		<u>1,076,745</u>	<u>(95,229)</u>
INVESTING ACTIVITIES			
Purchase of Property, Plant and Equipment		(32,000)	-
Net Cash Used in investing activities		<u>(32,000)</u>	<u>-</u>
INCREASE/(DECREASE) IN CASH & CASH EQUIVALENTS		<u><u>1,044,745</u></u>	<u><u>(95,229)</u></u>

MOVEMENT IN CASH AND CASH EQUIVALENTS

At the start of the year	11	13,626	108,855
Increase/(Decrease)		<u>1,044,745</u>	<u>(95,229)</u>
At the end of the year	11	<u><u>1,058,371</u></u>	<u><u>13,626</u></u>

Report of the Auditors - page 3

The notes on pages 8 to 21 form an integral part of these accounts

*Financial Statements
For the Year ended 31st March, 2017*

NOTES

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

The principal accounting policies adopted in the preparation of these financial statements are set out below. These policies are consistently applied to all the years presented, unless otherwise stated.

a) Basis of Preparation

The financial statements are prepared on a going concern basis in accordance with and comply with International Financial Reporting Standards. The financial statements are prepared under the historical convention.

The financial statements comprise of income and expenditure account (income statement), statement of comprehensive income, balance sheet (statement of financial position), statement of changes in accumulated funds, statement of cash flows, and notes. Income and expenses, excluding the components of other comprehensive income, are recognised in the profit and loss account. Other comprehensive income is recognised in the statement of comprehensive income and comprises items of income and expenses (including reclassification adjustments) that are not recognised in the profit and loss account as required or permitted by IFRS. Reclassification adjustments are amounts reclassified to the income and expenditure account in the current period that were recognised in other comprehensive income in the current or previous periods. Movements in fund balances of the Organization are recognised in the statement of changes in accumulated funds.

The preparation of financial statements in conformity with International Financial Reporting Standards requires the use of estimates and assumptions. It also requires management to exercise its judgement in the process of applying the accounting policies adopted by the Organization. Although such estimates and assumptions are based on the directors' best knowledge of the information available, actual results may differ from those estimates. The judgements and estimates are reviewed at the end of each reporting period, and any revisions to such estimates are recognised in the year in which the revision is made. The areas involving the judgements of most significance to the financial statements, and the sources of estimation uncertainty that have a significant risk of resulting in a material adjustment within the next financial year, are disclosed in Note 2.

b) Revenue Recognition

Grants received are initially recognised as liability under deferred grants. The balance of this account is reduced gradually through transfer to capital and revenue grants. Revenue grants represent the balance of funds for general operations of the NGO's programme and are recognized on a systematic basis as income over the periods necessary to match them with related expenses in accordance with terms of the respective project agreements. Grants related to assets are recognized as deferred income under the head Capital Grant. An amount equivalent to the depreciation for each year on such assets is credited to income and expenditure account in the same year in which the depreciation is charged. Amount equal to the book value of assets relating to grant is also transferred to income and expenditure in the same year in which the asset is disposed off. Interest income is recognised as it accrues unless collectability is in doubt.

*Financial Statements
For the Year ended 31st March, 2017*

NOTES-CONTINUED

c) **Property, Plant and Equipment**

All property, plant and equipment are initially recorded at cost and are stated at historical cost less depreciation. Historical cost comprises expenditure initially incurred to bring the asset to its location and condition ready for its intended use. Donated property, Plant and equipment are stated at the cost as supplied by the donor or at their estimated market values. Depreciation is calculated on the reducing balance method to write off the cost of each asset to their residual values over their estimated useful life as follows:

Computers	30%
Furniture and Fittings	10%

Depreciation is charged on additions in the year of acquisition but not on disposal of property, plant and equipment. Where the carrying amount of an asset is greater than its estimated recoverable amount, it is written down immediately to its recoverable amount. Gains and losses on disposals of property, plant and equipment are determined by reference to their carrying amount and are taken into account in determining operating profit.

d) **Related Parties**

Parties are considered to be related if one party has the ability to control or jointly control the other party or exercise significant influence over the other party in making financial and operating decisions. Enterprises or individuals that, directly or indirectly through one or more intermediaries control, or are under control by, or are under common control with, the Organization, including holding entities, subsidiaries and fellow subsidiaries are related parties of the Organization. Key Management Personnel are also regarded as related parties. Key Management Personnel are those persons having authority and responsibility for planning, directing and controlling the activities of the Organization, directly or indirectly, including all Executive and Non-Executive Directors.

Related party transactions are those where a transfer of resources or obligations between related parties occur, regardless of whether or not a price is charged.

e) **Capital Funds**

This represents either donated Capital Assets or funds received for purchase of equipment. The capital fund is credited with the landed cost or estimated market value of donated assets. The fund balance is amortised annually at a rate equivalent to that of depreciating the assets purchased with the grants.

f) **General Funds**

The general fund comprises of the accumulated surplus and deficit of donations and grants for which the donor has specific intention to support a particular aspect of activities together with income accruing directly to those restricted fund. Surpluses are held until they are fully expended or returned at the end of the respective grant period.

*Financial Statements
For the Year ended 31st March, 2017*

NOTES-CONTINUED**g) Income taxes**

The organization is mainly financed by donor grants and other voluntary donations from the public and its activities are of charitable nature for the economic and social empowerment of poor African women and hence not taxable. The Organization is in the process of obtaining a tax exemption Certificate from the Kenyan Tax authorities. Interest income and other taxable investment income of the organization will continue to be taxed until such time a tax exemption Certificate is obtained from the Tax authorities.

h) Impairment of assets

Internal and external sources of information are reviewed at each balance sheet date to identify the indications that assets may be impaired or an impairment loss previously recognised no longer exists or may have decreased.

If any such indication exists, the assets recoverable amount is estimated. The recoverable amount of an asset is the higher of its fair value less costs to sell and value in use. An impairment loss is recognised in the income and expenditure statement whenever the carrying amount of the assets exceeds its recoverable amount.

An impairment loss is reversed if there has been a change in estimates used to determine the recoverable amount and which results in an increase in the recoverable amount. A reversal of impairment loss is restricted to the assets carrying amount that would have been determined had no impairment loss been recognised in prior years. Reversal of impairment losses are credited to the profit and loss account in the year in which the reversals are recognised.

i) Restricted/Unrestricted funds

The financial statements distinguish between Restricted and Unrestricted funds. Restricted use funds (i.e. Designated Funds) are those funds received from third parties who have imposed restrictions on the purposes for which they may be used. Unrestricted uses funds are those funds where there are no externally imposed restrictions and include assets freely available or appropriated to reserves for internally designated purposes.

j) Designated Funds

Unexpended designated Funds (i.e. special projects donations) received during the year are carried forward in the balance sheet as unutilized funds.

k) Offsetting

Financial assets and liabilities are offset and the net amount reported in the balance sheet only when there is a legally enforceable right to set off the recognised amounts and there is an intention to settle on a net basis, or realise the asset and settle the liability simultaneously.

*Financial Statements
For the Year ended 31st March, 2017*

NOTES-CONTINUED**D) Financial Instruments****1. Financial Assets**

Management determines the appropriate classification of its financial instruments at initial recognition. Financial assets of the Organization are classified into the following categories:

i) Loans and receivables

Loans and receivables are non-derivative financial assets with fixed or determinable payments that are not quoted in an active market. Loans and receivables are measured at amortised cost using the effective interest method, less any impairment. Interest income is recognised by applying the effective interest rate, except for short-term receivables when the effect of discounting is immaterial. The assets in this category include trade and other receivables, cash and cash equivalents:

Trade and other receivables

Trade and other receivables are initially recognised at fair value, and are subsequently classified as loans and receivables and measured at amortised cost using the effective interest rate method. The provision for impairment of trade and other receivables is established, when there is objective evidence that the Organization will not be able to collect all amounts due in accordance with the original terms of the credit given, and includes an assessment of recoverability based on historical trend analyses and events that exist at reporting date. The amount of the provision is the difference between the carrying value and the present value of estimated future cash flows, discounted at the effective interest rate computed at initial recognition. Bad debts are written off during the year in which they are identified. Subsequent recoveries of amounts previously written off are credited to income in the year of their recovery.

Cash and cash equivalents

Cash and cash equivalents comprise cash on hand, demand deposits and other short term highly liquid investments that are readily convertible to a known amount of cash and are subject to an insignificant risk of changes in value. Bank overdrafts are not offset against positive bank balances unless a legally enforceable right of offset exists, and there is an intention to settle the overdraft and realise the net cash simultaneously, or to settle on a net basis. All short term cash investments are invested with major financial institutions in order to manage credit risk. For the purpose of the cash flow statement, cash and cash equivalents comprise of cash in hand and at bank, net of Bank Overdrafts.

*Financial Statements
For the Year ended 31st March, 2017*

NOTES-CONTINUED**Financial Instruments-continued****ii) Financial assets at fair value through profit or loss**

Financial assets at fair value through profit or loss are financial assets held for trading or those designated as fair value through profit or loss on initial recognition. Assets in this category are classified as current assets if expected to be settled within 12 months, otherwise they are classified as non-current. Derivatives are classified as held for trading unless they are designated as hedges. Financial assets carried at fair value through profit or loss are initially recognised at fair value and subsequently carried at fair value. Gains and losses arising from changes in the fair value of the financial assets at fair value through profit or loss category are presented in the income statement in the period in which they arise.

iii) Held to maturity

Held-to-maturity investments are non-derivative financial assets with fixed or determinable payments and fixed maturity dates that the Organization has the positive intent and ability to hold to maturity. Subsequent to initial recognition, held-to-maturity investments are measured at amortised cost using the effective interest method less any impairment.

iv) Available-for-sale financial assets

Available-for-sale financial assets are non-derivatives that are either designated in this category or not classified in any of the other categories. They are included in non-current assets unless the investment matures or management intends to dispose of it within 12 months of the end of the reporting period. Available-for-sale financial assets are initially recognised at fair value, plus transaction costs, and subsequently carried at fair value. Changes in the fair value of available-for-sale financial assets are recognised in other comprehensive income.

b) Financial liabilities**i) Bank Borrowings**

Interest bearing loans and overdrafts are recorded at the proceeds received, net of direct costs. Finance charges, including premiums payable on settlement or redemption, are accounted for on the accruals basis and are added to the carrying amount of the instrument to the extent that they are not settled in the period in which they arise.

ii) Trade payables

Trade payables are obligations to pay for goods or services that have been acquired in the ordinary course of business from suppliers. Accounts payable are classified as current liabilities if payment is due within one year or less (or in the normal operating cycle of the business if longer). If not, they are presented as non-current liabilities. Trade payables are recognised initially at fair value and subsequently measured at amortized cost using the effective interest method.

Financial Statements
For the Year ended 31st March, 2017

NOTES-CONTINUED

p) Adoption of new and revised International Financial Reporting Standards (IFRSs) and Interpretations (IFRIC)

The following new standards issued by the International Accounting Standards Board are effective in the current period. These have been adopted in financial statements of the Organization during the year, where relevant to its operations.

The adoptions of these new and revised standards have no material effect on the Organization's accounting policies or disclosures.

i. New standards and amendments to published standards effective for the year ended 31 March 2017

No.	Amendments and revised standards	Effective for annual periods beginning on or after
IAS16 & IAS 38	Clarification of Acceptable Methods of Depreciation and Amortisation (Amendments to IAS 16 and IAS 38)	1 January 2016
IAS1	Disclosure initiative (Amendments to IAS 1)	1 January 2016
	Annual Improvements 2012-2014 Cycle (Amendments to IFRS 5, IFRS 7, IFRS 9 & IAS 34)	1 July 2016

ii. New standards and amendments to published standards and interpretations in issue but not yet effective in the year ended 31 March 2017

At the date of authorization of these financial statements, there were a number of revised or amended standards and interpretations that were in issue but not yet effective. The Directors anticipate that the new or revised standards and interpretations will have no material impact on the financial statements of the Organization in future periods.

No.	New and Amendments to standards	Effective for annual periods beginning on or after
IFRS 9	Financial instruments	1 January 2018
IFRS 15	Revenue from Contracts with Customers	1 January 2018
IFRS 16	Leases	1 January 2019
IFRIC 22	Foreign Currency Transactions and advance consideration	1 January 2018
IAS 12	Recognition of deferred Tax assets for unrealized Losses (Amendments to IAS 12)	1 July 2017
IAS7	Disclosure initiative (Amendments to IAS 7)	1 January 2017
IAS 40	Transfers of Investment Property (Amendments to IAS 40)	1 January 2018
IFRS 2	Classification and Measurement of Share based Payment Transactions (Amendments to IFRS 2)	1 January 2018
	Annual Improvements 2014-2016 Cycle (Amendments to IFRS 1, IFRS 12 & IAS 28)	1 July 2018

iii. Early adoption of standards

The Organization did not early-adopt new or amended standards in 2017.

Financial Statements
For the Year ended 31st March, 2017

NOTES-CONTINUED

2. KEY SOURCES OF ESTIMATION UNCERTAINTY

In the process of applying the accounting policies adopted by the Organization, the directors make certain judgements and estimates that may affect the carrying values of assets and liabilities in the next financial period. Such judgements and estimates are based on historical experience and other factors, including expectations of future events that are believed to be reasonable under the current circumstances. The directors evaluate these at each financial reporting date to ensure that they are still reasonable under the prevailing circumstances based on the information available.

a) Significant judgements made in applying the Organization's accounting policies

The judgements made by the directors in the process of applying the Organization's accounting policies that have the most significant effect on the amounts recognised in the financial statements include:

- i. Whether the Organization has the ability to hold 'held-to maturity' investments until they mature. If the Organization were to sell other than an insignificant amount of such investments before maturity, it would be required to classify the entire class as 'available-for-sale' and measure them at fair value.
- ii. Critical judgements by the Organization in classifying its financial assets and liabilities.

b) Key sources of estimation uncertainty

Key assumptions about the future and other sources of estimation uncertainty made that have a significant risk of causing a material adjustment to the carrying amount of assets and liabilities within the next financial year include:

- i. Impairment losses
Estimates are made in determining the impairment losses on tangible and intangible assets. Such estimates include the determination of the net realisable value or the recoverable amount of the asset.
- ii. Useful lives of Property, plant and Equipment
Critical estimates are made by the directors, in determining depreciation rates of Property, plant and Equipment. The Organization reviews the estimated useful lives of the assets at the end of each financial reporting period.
- iii. Provisions and Contingent liabilities
The Organization reviews its obligations at each balance sheet date to determine whether provisions need to be made and if there are any contingent liabilities.

NOTES-Continued

	2017 SHS	2016 SHS
3. REVENUE GRANT INCOME		
Fundacion Educacion Popular En Salud (EPES)	-	430,500
United Methodist Women	960,000	-
The Girl Generation	999,900	-
Roberts Family (EPES)	468,150	-
Melanie Nelson (Global Giving)	499,754	-
Total Grant Received	2,927,804	430,500
Transfers from/(to)-Deferred Grants	(283,170)	-
Revenue Grants Income	2,644,634	430,500
4. PUBLIC DONATIONS INCOME		
Global Giving-Online voluntary donations income	57,923	107,376
5. OTHER INCOME		
Interest Income	2,853	1,190
6. SURPLUS BEFORE TAX		
The following items have been charged in arriving at the surplus before tax:		
Depreciation of Property, Plant and Equipment (Note 9)	11,230	10,147
Staff Costs (Note 7)	520,700	220,767
Auditors Fees	29,000	29,000
-Audit services	29,000	29,000
-Tax Consultancy services and disbursements	5,800	5,800
7. STAFF COSTS		
Stipend for field staff	520,700	220,767
	520,700	220,767
The number of persons employed by the organization at the year end was:		
Full Time Staff	-	-
Temporary Staff	9	7
	9	7
Temporary Staff refer to persons temporarily hired to provide certain specified services related to the programme or event. These include Care takers, Trainers, administrative staff, etc.		
8. TAX		
Current Tax	856	357
Under provision in prior years	-	-
	856	357
The tax on surplus/(deficit) before tax differs from the theoretical amount that would arise using the basic tax rate as follows:		
Surplus/(Deficit) before Tax	492,619	(520,147)
Tax calculated at a tax rate of 30% (2016-30%)	147,786	(156,044)
Under provision in prior years	-	-
Tax effect of:		
(Income)/Loss not Subject to Tax	(146,930)	156,401
Tax Charge	856	357

No deferred tax has been provided for in the financial statements as there are no Temporary differences between the Tax Base and Carrying Amount of Assets and Liabilities as at end of the year.

NOTES-Continued

	2017 SHS	2016 SHS
10. RECEIVABLES		
Deposits	1,500	1,500
11. CASH AND CASH EQUIVALENTS		
Cash at Bank	1,058,371	13,626
Cash in Hand	-	-
	<u>1,058,371</u>	<u>13,626</u>
For the purpose of the Cash flow statement, the year end cash and cash equivalents comprise of the following:		
Cash and Bank Balances	<u>1,058,371</u>	<u>13,626</u>
12. DEFERRED GRANTS		
At start of the year	-	-
Grants received	2,927,804	430,500
Transfer to Revenue Grants	(2,644,634)	(430,500)
Transfer to Capital Grants	-	-
At end of the year	<u>283,170</u>	<u>-</u>
13. PAYABLES		
Accrued Expenses	48,720	108,720
Payroll Liabilities	20,314	-
Amount due to related parties (Note. 16)	824,197	491,289
	<u>893,231</u>	<u>600,009</u>
14. CASH GENERATED FROM OPERATIONS		
Surplus/(Deficit) for the year	489,551	(520,147)
Adjustments for:		
Depreciation	11,230	10,147
Interest Income	(2,853)	(1,190)
CHANGES IN WORKING CAPITAL		
Deferred Grants	283,170	-
Payables	293,222	414,950
CASH GENERATED FROM/(USED IN) OPERATIONS	<u>1,074,320</u>	<u>(96,240)</u>

NOTES (CONTINUED)

15 Financial risk management

The Organization's activities expose it to limited risks since it is exclusively a charitable Non Governmental Organization with no major financial activities.

The Organization's overall risk management programme focuses on the use into which Organization's fund balances are put and seeks to minimize potential adverse effects on its financial performance.

Risk management is carried out by the directors under policies approved by the Board of directors. The Board of directors identifies, evaluates and manages financial risks associated with the usage of the funds. The most important type of financial risks to which the Organization is exposed to are

: -

- Credit risk
- Liquidity risk
- Market risk
 - Interest rates
 - Foreign exchange risk
 - Price risk
- Capital risk

(i) *Credit risk*

Credit risk is managed on a Organization-wide basis. Credit risk arises from cash and cash equivalents, deposits with banks, as well as other receivables and prepayments. The Organization has put in place measures to ensure there is no undue accumulation of receivables and prepayments. The Directors have put in a policy to ensure that balances arising from credit transactions are either non-existent or immaterial. The credit limits is regularly monitored.

The maximum exposure of the organization to credit risk as at the balance sheet date is as follows:

	Fully performing Shs	Past due but not impaired Shs	Past due and impaired Shs	Total Shs
31st March, 2017				
Financial assets				
Deposits	1,500	-	-	1,500
Cash and Cash equivalents	1,058,371	-	-	1,058,371
	1,059,871	-	-	1,059,871
31st March, 2016				
Financial assets				
Deposits	1,500	-	-	1,500
Cash and Cash equivalents	13,626	-	-	13,626
	15,126	-	-	15,126

NOTES (CONTINUED)

15 Financial risk management (continued)

(ii) Liquidity risk

Unlimited responsibility for liquidity risk management rests with the Board of directors, which has built an appropriate liquidity risk management framework for the management of the Organization's short, medium and long-term funding and liquidity management requirements.

Prudent liquidity risk management includes maintaining sufficient cash to meet Organization's obligations. The Organization's management review the cash forecast monthly and determines cash requirement. Cash generated from operations are used to meet the cash requirement.

The table below summarises the maturity analysis for financial liabilities to their remaining contractual maturities. The amounts disclosed are the contractual undiscounted cash flows.

	Less than one month Shs	Between 1-3 months Shs	Over 3 months Shs	Total Shs
31st March, 2017				
Financial liabilities				
Due to related parties	-	-	824,197	824,197
Accrued expenses	69,034	-	-	69,034
	<u>69,034</u>	<u>-</u>	<u>824,197</u>	<u>893,231</u>
31st March, 2016				
Financial liabilities				
Due to related parties	-	-	491,289	491,289
Accrued expenses	108,720	-	-	108,720
	<u>108,720</u>	<u>-</u>	<u>491,289</u>	<u>600,009</u>

(iii) Market risk

(a) Foreign exchange risk

The Organization is not exposed to foreign exchange risk since it transacts almost entirely in the local currency (Kenya Shillings).

(b) Interest rate risk

The Organization has no interest bearing borrowings thus changes in interest rate have no effect.

(c) Price risk

The Organization is not exposed to any price risk as it does not hold equity investments.

(iv) Fund balances risk management

The Organization's objectives when managing fund balances are to safeguard the Organization's ability to continue as a going concern in order to ensure that there will be no interruption of services and to maintain an optimal fund structure to reduce the cost of fund balance.

The Organization would ordinarily monitor fund balance on the basis of the gearing ratio. The Organization utilises its general fund to fund its expenditure and does not maintain any borrowing facilities.

The gearing ratio at the year-end was as follows:

	2017 Shs	2016 Shs
Total borrowings	-	-
Less: cash and cash equivalents	(1,058,371)	(13,626)
Net debt	(1,058,371)	(13,626)
Fund Balances	(41,985)	(530,680)
	<u>(1,100,356)</u>	<u>(544,306)</u>
Gearing	<u>N/A</u>	<u>N/A</u>

NOTES-Continued

	2017	2016
	SHS	SHS

16. RELATED PARTY TRANSACTIONS

The following transactions were carried out with related parties:

(a). Services from related parties

Grace Bonareri Mose-Rent of Office Space

180,000	180,000
---------	---------

(b). Balances arising from services offered by related parties

Grace Bonareri Mose-Rent of Office Space

360,000	180,000
---------	---------

(c). Balances arising from amount advanced by related parties

Grace Bonareri Mose-Loans and advances

464,197	311,289
---------	---------

824,197	491,289
---------	---------

Grace Bonareri Mose is the founder of Hope Foundation for African Women. The advances from Grace Bonareri Mose were used mainly to provide initial working capital and to finance projects initiated by the organization prior to receipt of donor grants. Loitokitok women empowerment programme is an example of the pioneer projects not financed by grants from donors. In addition, the organization carries out its operating activities from private office space provided by Grace Bonareri Mose.

The above transactions were made under normal commercial terms and conditions. The advances to Hope Foundation for African Women (HFAW) were provided interest free and there were no specified repayment dates.

17. CONTINGENCIES

There were no known contingent liabilities as at 31st March, 2017.

18. FAIR VALUES

The directors consider that there is no material difference between the fair value and carrying value of the organization's financial assets and liabilities where fair value details have not been presented.

19. COUNTRY OF INCORPORATION AND REGISTERED OFFICE

The Organization is registered in Kenya under the NGO coordination Act, 1990 and domiciled in Kenya. Its main place of business is:-

L.R.No.12822, Ngong
Karathe Road, Ongata Rongai
P.O. Box 672-00511,
Ongata Rongai

20. CURRENCY

The financial statements are presented in Kenya Shillings (Shs).

21. ROUNDING OFF

All figures presented in these financial statements are rounded to the nearest one Kenya Shillings (Shs).

HOPE FOUNDATION FOR AFRICAN WOMEN

Supplementary Information

For the Year ended 31st March, 2017

APPENDIX 1

DETAILED STATEMENT OF COMPREHENSIVE INCOME

REVENUE	NOTE	2017 SHS	2016 SHS
OPERATING REVENUE			
Revenue Grants Income:			
-Grants received during the year	A	2,927,804	430,500
-Transfers to deferred grants	A	(283,170)	-
Total Revenue Grants Income		2,644,634	430,500
Public donations Income	B	57,923	107,376
Total Grants & donations Income		2,702,557	537,876
Other Income			
Miscellaneous Income	C	39,710	170,000
Interest Income		2,853	1,190
TOTAL OPERATING REVENUE		2,745,120	709,066
LESS: EXPENDITURE			
Direct Programme Costs			
Amboseli Women economic empowerment and animal safety Project	D	-	38,575
Kisii Women economic empowerment Project	E	486,603	135,302
Reproductive health and human rights training Project-Kisii	F	1,416,281	141,125
Capacity Building and strategic Planning Expenses	H	-	594,571
		1,902,884	909,573
Indirect Programme Costs			
Indirect Programme and Administrative Expenses	G	352,685	319,640
Total Expenditure		2,255,569	1,229,213
SURPLUS/(DEFICIT) FOR THE YEAR		489,551	(520,147)

HOPE FOUNDATION FOR AFRICAN WOMEN

Supplementary Information

For the Year ended 31st March, 2017

APPENDIX 2

DETAILED STATEMENT OF COMPREHENSIVE INCOME-Continued**NOTES TO APPENDIX 1**

	2017	2016
	SHS	SHS
NOTE. A		
GRANTS RECEIVED		
Fundacion Educacion Popular En Salud (EPES)	-	430,500
United Methodist Women	960,000	-
The Girl Generation	999,900	-
Roberts Family (EPES)	468,150	-
Melanie Nelson (Global Giving)	499,754	-
Grants received during the year	<u>2,927,804</u>	<u>430,500</u>
Transfers to Deferred Grants		
Melanie Nelson (Global Giving)	(283,170)	-
	<u>2,644,634</u>	<u>430,500</u>
NOTE. B		
VOLUNTARY CONTRIBUTIONS		
Global Giving-Online voluntary donations income	<u>57,923</u>	<u>107,376</u>
These refer to voluntary donations from individual members of the public who remit project funds to the organization through global giving.org website.		
NOTE. C		
MISCELLANEOUS INCOME		
Sale of Artefacts	-	230,000
Sale of T-Shirts	39,710	-
Total Sales	<u>39,710</u>	<u>230,000</u>
Cost of Sales	-	(60,000)
	<u>39,710</u>	<u>170,000</u>
NOTE. D		
Amboseli Women economic empowerment and animal safety Project		
Tailoring Machines and Supplies for Self Employment Training	-	1,700
Stipends	-	6,375
Trainers' Fees	-	6,000
Donations and Gifts to Amboseli Women	-	24,500
	<u>-</u>	<u>38,575</u>
NOTE. E		
Kisii Women economic empowerment Project		
Finance Literacy Training	E (i) 212,360	-
T-Shirts and Related Services	E (ii) 254,043	-
Meeting with Cooperative Officers	E (iii) 20,200	-
Donation of Rabbits to Kisii Women	-	84,000
Trainers' Fees	-	6,000
KIVA meeting participation	-	2,000
Donation to NDIA Women Jiinue Empowerment Network	-	43,302
	<u>486,603</u>	<u>135,302</u>

DETAILED STATEMENT OF COMPREHENSIVE INCOME-Continued
NOTES TO APPENDIX 1

	Note	2017 SHS	2016 SHS
NOTE. F			
Reproductive health and human rights training Project-Kisii			
Anti FGM and Gender Based Violence (GBV) Capacity Building	F (i)	373,270	-
Gender Based Violence (GBV) School Training and advocacy	F (ii)	323,727	-
Road Show	F (iii)	456,660	-
Health and Law Enforcement Training	F (iv)	262,624	-
Exchange programme-Central African Women	F (v)	-	68,843
Education day Training in Schools	F (vi)	-	11,520
Reproductive health and human rights training-School Children	F (vii)	-	36,000
LUCCEA training on FGMC	F (viii)	-	4,000
Print Media documentary Expenses		-	9,400
Girl Generation forum for FGM participation	F (ix)	-	5,000
Training Materials and supplies		-	1,839
Advertisement and Publicity		-	2,544
Printing and Stationery		-	1,979
		1,416,281	141,125
NOTE. G			
Capacity Building and Strategic Planning Expenses			
Strategic Planning Expenses	G (i)	-	265,000
Global Women Leadership Network, USA-Training Expenses	G (ii)	-	50,000
Popular Education Training Expenses-Chile	G (iii)	-	251,571
Leadership Programme Launch-Egerton University	G (iv)	-	12,000
Grant Writing Expenses	G (v)	-	15,000
Advertisement and Publicity		-	1,000
		-	594,571
NOTE. H			
Indirect Programme and Administrative Expenses			
Auditors Fees		29,000	29,000
Printing and Stationery		2,320	2,320
Supervision and Registration Fees		6,000	6,000
Telephone and Postage		-	12,960
Stipends to staff		72,000	60,000
Medical Expenses		2,085	-
Electricity and Water		6,130	-
NSSF Employers' Contribution		2,000	-
Professional Fees		32,510	17,400
Bank Charges		9,410	1,813
Rent		180,000	180,000
Depreciation		11,230	10,147
		352,685	319,640

HOPE FOUNDATION FOR AFRICAN WOMEN

Supplementary Information
For the Year ended 31st March, 2017

APPENDIX 4

DETAILED STATEMENT OF COMPREHENSIVE INCOME-Continued

NOTE. E: Kisii Women economic empowerment Project-Detailed schedule

	2017 SHS	2016 SHS
NOTE. E (i)		
Finance Literacy Training		
Training Materials, Stationery and Supplies	41,755	-
Stipends to staff	93,000	-
Stipends to trainee participants	23,000	-
Hire Expenses-Hall, Equipment & furniture	8,000	-
Travel and Accommodation expenses	22,600	-
Meals and refreshments for Trainees	23,805	-
Telephone and Postage	200	-
	<hr/> 212,360	<hr/> -
NOTE. E (ii)		
T-Shirts and Related Services		
T-Shirts	219,580	-
Training Materials, Stationery and Supplies	1,393	-
Travel and Accommodation expenses	19,000	-
Meals and refreshments for Trainees	11,450	-
Telephone and Postage	2,620	-
	<hr/> 254,043	<hr/> -
NOTE. E (iii)		
Meeting with Cooperative Officers		
Travel and Accommodation expenses	12,700	-
Meals and refreshments for Trainees	7,500	-
	<hr/> 20,200	<hr/> -

HOPE FOUNDATION FOR AFRICAN WOMEN

Supplementary Information

For the Year ended 31st March, 2015

APPENDIX 5

DETAILED STATEMENT OF COMPREHENSIVE INCOME-Continued

NOTE. F: Reproductive health and human rights training Project-Detailed schedule

	2017	2016
	SHS	SHS
NOTE. F (i)		
Anti FGM and Gender Based Violence (GBV) Capacity Building		
Training Materials, Stationery and Supplies	74,029	-
Stipends to staff	65,700	-
Stipends to trainee participants	49,000	-
Hire Expenses-Hall, Equipment & furniture	15,000	-
Travel and Accommodation expenses	59,600	-
Meals and refreshments for Trainees	73,831	-
Telephone and Postage	12,320	-
Publicity and advertisement	22,740	-
Certificate of Good Conduct	1,050	-
	<u>373,270</u>	<u>-</u>
NOTE. F (ii)		
Gender Based Violence (GBV) School Training and advocacy		
Training Materials, Stationery and Supplies	114,387	-
Stipends to staff	61,500	-
Stipends to trainee participants	65,600	-
Travel and Accommodation expenses	62,000	-
Meals and refreshments for Trainees	14,780	-
Telephone and Postage	3,000	-
Gifts and prizes	2,070	-
Repairs and Maintenance	390	-
	<u>323,727</u>	<u>-</u>
NOTE. F (iii)		
Road Show		
Training Materials, Stationery and Supplies	78,705	-
Stipends to staff	176,000	-
Stipends to trainee participants	6,000	-
Hire Expenses-Hall, Equipment & furniture	2,000	-
Travel and Accommodation expenses	117,970	-
Meals and refreshments for Trainees	21,325	-
Telephone and Postage	5,100	-
Publicity and advertisement	32,760	-
Repairs and Maintenance	200	-
Event Organizers and Artists	8,000	-
General expenses	600	-
Rent	8,000	-
	<u>456,660</u>	<u>-</u>

HOPE FOUNDATION FOR AFRICAN WOMEN

Supplementary Information
For the Year ended 31st March, 2017

APPENDIX 6

DETAILED STATEMENT OF COMPREHENSIVE INCOME-Continued

NOTE. F: Reproductive health and human rights training Project-Detailed schedule continued

	2017 SHS	2016 SHS
NOTE. F (iv)		
Health and Law Enforcement Training		
Training Materials, Stationery and Supplies	14,964	-
Stipends to staff	124,500	-
Stipends to trainee participants	24,000	-
Hire Expenses-Hall, Equipment & furniture	4,000	-
Travel and Accommodation expenses	53,000	-
Meals and refreshments for Trainees	40,420	-
Telephone and Postage	840	-
Repairs and Maintenance	900	-
	<hr/> 262,624 <hr/>	<hr/> - <hr/>

HOPE FOUNDATION FOR AFRICAN WOMEN

Supplementary Information
For the Year ended 31st March, 2017

APPENDIX 7

DETAILED STATEMENT OF COMPREHENSIVE INCOME-Continued

NOTE. F: Reproductive health and human rights training Project-Detailed schedule continued

	2017 SHS	2016 SHS
NOTE. F (v)		
Exchange programme-Central African Women		
Training Materials, Stationery and Supplies	-	1,500
Stipends to staff	-	-
Visa Cost for Trip to Central African Women	-	2,043
Travel and Accommodation expenses	-	26,500
Gifts and prizes	-	4,800
Publicity and advertisement	-	18,000
Subsistence Allowances	-	10,000
T-Shirts	-	6,000
	<hr/>	<hr/>
	-	68,843
NOTE. F (vi)		
Education day Training in Schools		
Stipends to staff	-	2,392
Gifts and prizes	-	1,708
Travel and Accommodation expenses	-	4,900
Meals and refreshments for Trainees	-	2,520
	<hr/>	<hr/>
	-	11,520
NOTE. F (vii)		
Reproductive health and human rights training-School Children		
Stipends to staff	-	23,000
Travel and Accommodation expenses	-	10,000
Meals and refreshments for Trainees	-	3,000
	<hr/>	<hr/>
	-	36,000
NOTE. F (viii)		
LUCCEA training on FGMC		
Travel and Accommodation expenses	-	4,000
	<hr/>	<hr/>
	-	4,000
NOTE. F (ix)		
Girl Generation forum for FGM participation		
Travel and Accommodation expenses	-	4,000
Meals and refreshments for Trainees	-	1,000
	<hr/>	<hr/>
	-	5,000

HOPE FOUNDATION FOR AFRICAN WOMEN

Supplementary Information

APPENDIX 8

For the Year ended 31st March, 2017

DETAILED STATEMENT OF COMPREHENSIVE INCOME-Continued**NOTE. G: Capacity Building and Strategic Planning Expenses-Detailed schedule continued**

	2017 SHS	2016 SHS
NOTE. G (i)		
Strategic Planning Expenses		
Training fees	-	90,000
Consultancy fees	-	150,000
Subsistence Allowances	-	7,000
Meals and refreshments for Trainees	-	18,000
	<hr/>	<hr/>
	-	265,000
NOTE. G (ii)		
Popular Education Training Expenses-Chile		
Publicity and advertisement	-	1,000
Visa Cost	-	27,805
Travel and Accommodation expenses	-	220,000
Meals and refreshments for Trainees	-	3,766
	<hr/>	<hr/>
	-	252,571
NOTE. G (iii)		
Grant Proposal Writing Expenses		
Trainer's Fees	-	10,000
Travel and Accommodation expenses	-	3,000
Hire of Projector	-	2,000
	<hr/>	<hr/>
	-	15,000
NOTE. G (iv)		
Leadership Programme Launch-Egerton University		
Travel and Accommodation expenses	-	10,000
Meals and refreshments for Trainees	-	2,000
	<hr/>	<hr/>
	-	12,000