

**AFRICA CENTRE FOR OPEN GOVERNANCE (AfricOG)
(A COMPANY LIMITED BY GUARANTEE)**

ANNUAL REPORT AND FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 DECEMBER 2024

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Africa Centre for Open Governance (AfriCOG)

(A company limited by guarantee)

Annual report and financial statements

For the year ended 31 December 2024

COMPANY INFORMATION

BOARD OF DIRECTORS

: Ms. Gladwell Otieno
: Ms. Stella Chege
: Mr. Maina Kiai
: Mr. John Githongo
: Dr. Funmi Olonisakin
: Mr. Donald Deya
: Mr. Charles Kamau

PRINCIPAL PLACE OF BUSINESS

: Ramisi Road
: Off James Gichuru Road
: Lavington
: P.O. Box 34404, 00100
: NAIROBI

: Telephone - (254) 20 4443707
: Mobile - (254) 737 463166
: Email - admin@africog.org
: Website - www.africog.org

INDEPENDENT AUDITOR

: PKF Kenya LLP
: Certified Public Accountants
: P.O. Box 47323, 00100
: NAIROBI

COMPANY SECRETARIES

: ESR Kenya LLP
: Certified Public Secretaries
: P.O. Box 47323, 00100
: NAIROBI

LEGAL ADVISOR

: Mbugua Mureithi and Co. Advocates
: NAIROBI

PRINCIPAL BANKER

: NCBA Bank Kenya Plc
: NAIROBI

REPORT OF THE DIRECTORS

The directors submit their annual report and the audited financial statements for the year ended 31 December 2024, which disclose the state of affairs of the company.

PRINCIPAL ACTIVITY

The principal activity of the company is that of providing cutting edge research on governance and public ethics issues and monitor governance fundamentals in both the government and private sector.

BUSINESS REVIEW

During the year ended 31 December 2024 the total donor grants utilised amounted to Shs. 18,954,131 as compared to prior year of Shs. 36,703,025. This decrease was mainly attributed to the ending of some projects during the year and reduction in grant income.

RESULTS	2024 Shs	2023 Shs
Donor income	18,954,131	36,703,025
(Deficit)/surplus for the year	(487,832)	1,875,335
Net assets	<u>4,405,429</u>	<u>5,044,659</u>

PRINCIPAL RISKS AND UNCERTAINTIES

The company is exposed to a variety of financial risks in the normal course of its activities. The board of directors reviews and agrees policies and procedures for the management of these risks, success of which remains dependent on overall market conditions.

In addition to the risks discussed above, the company's activities expose it to a number of financial risks including credit risk, cash flow and foreign currency risk and liquidity risk as set out below:

Credit risk

The company's principal financial assets are cash and bank balances and grant receivables. The company's credit risk is primarily attributable to its grant receivables. The amounts presented in the statement of financial position are net of allowances for impairment on receivables. An allowance for impairment is made where there is an identified loss event which, based on previous experience, is evidence of a reduction in the recoverability of the cash flows. The credit risk on cash and bank balances is limited because the counterparties are banks with high credit-ratings assigned by international credit-rating agencies. The company has no significant concentration of credit risk, with exposure spread over a number of counterparties.

Cashflow and foreign currency risk

The majority of the company's grants are received in foreign currency but the functional currency is Kenya Shillings. The company is exposed to currency risk. This risk is managed through appropriate operational offset of open receivable and payable foreign currency positions.

Liquidity risk

In order to maintain liquidity to ensure that sufficient funds are available for ongoing operations and future developments, the company monitors its need for cash on a regular basis and takes appropriate action.

REPORT OF THE DIRECTORS (CONTINUED)

DIRECTORS

The directors who held office during the year and to the date of this report are shown on page 1. In accordance with the company's Articles of Association, no director is due for retirement by rotation.

STATEMENT AS TO DISCLOSURE TO THE COMPANY'S AUDITOR

With respect to each director at the time this report was approved:

- (a) there is, so far as the person is aware, no relevant audit information of which the company's auditor is unaware; and
- (b) the person has taken all the steps that the person ought to have taken as a director so as to be aware of any relevant audit information and to establish that the company's auditor is aware of that information.

TERMS OF APPOINTMENT OF THE AUDITOR

PKF Kenya LLP continues in office in accordance with the company's Articles of Association and Section 719 of the Kenyan Companies Act, 2015. The directors monitor the effectiveness, objectivity and independence of the auditor. The directors also approve the annual audit engagement contract which sets out the terms of the auditor's appointment and the related fee.

Approved by the board of directors on 30 September 2025 and signed on its behalf by:

BY ORDER OF THE BOARD



**DIRECTOR
NAIROBI**

STATEMENT OF DIRECTORS' RESPONSIBILITIES

The Kenyan Companies Act, 2015 requires the directors to prepare financial statements for each financial year which give a true and fair view of the state of affairs of the company as at the end of the financial year and of its profit or loss for that year. It also requires the directors to ensure that the company keeps proper accounting records that are sufficient to show and explain the transactions of the company; and that disclose, with reasonable accuracy, the financial position of the company and that enables them to prepare financial statements of the company that comply with the IFRS for SMEs® Accounting Standard and the requirements of the Kenyan Companies Act, 2015. The directors are also responsible for safeguarding the assets of the company and for taking reasonable steps for the prevention and detection of fraud and other irregularities.

The directors accept responsibility for the preparation and fair presentation of the financial statements in accordance with the IFRS for SMEs Accounting Standard and in the manner required by the Kenyan Companies Act, 2015. They also accept responsibility for:

- i. Designing, implementing and maintaining such internal control as they determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error;
- ii. Selecting and applying appropriate accounting policies; and
- iii. Making accounting estimates and judgements that are reasonable in the circumstances.

The Directors confirm that the financial statements give a true and fair view of the financial position of the company as at 31 December 2024 and of its financial performance and cash flows for the year then ended in accordance with the IFRS for SMEs Accounting Standard and the requirements of the Kenyan Companies Act, 2015.

Having made an assessment of the company's ability to continue as a going concern, the directors are not aware of any material uncertainties related to events or conditions that may cast doubt upon the company's ability to continue as a going concern for at least the next twelve months from the date of this statement.

The directors acknowledge that the independent audit of the trust financial statements does not relieve them of their responsibilities.

Approved by the board of directors on 30 September 2025 and signed on its behalf by:



DIRECTOR



DIRECTOR



**REPORT OF THE INDEPENDENT AUDITOR
TO THE MEMBERS OF AFRICA CENTRE FOR OPEN GOVERNANCE (AfriCOG) (A COMPANY LIMITED
BY GUARANTEE)**

Report on the audit of the financial statements

Opinion

We have audited the financial statements of Africa Centre for Open Governance set out on pages 8 to 18, which comprise the statement of financial position as at 31 December 2024, statement of income and expenditure and general fund, statement of cash flows for the year then ended and the notes to financial statements including a summary of significant accounting policies and other explanatory information.

In our opinion, the accompanying financial statements give a true and fair view of the state of financial position of African Centre for Open Governance (AfriCOG) as at 31 December 2024 and of its financial performance and cash flows for the year then ended in accordance with the IFRS for SMEs Accounting Standard.

Basis for opinion

We conducted our audit in accordance with International Standards on Auditing. Our responsibilities under those standards are further described in the auditor's responsibilities for the audit of the financial statements section of our report. We are independent of the company in accordance with the International Ethics Standards Board for Accountants Code of Ethics for professional accountants (IESBA Code) together with the ethical requirements that are relevant to our audit of the financial statements in Kenya, and we have fulfilled our other ethical responsibilities in accordance with these requirements and the IESBA Code. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Other information

The directors are responsible for the other information. The other information comprises company information, report of the directors, statement of directors' responsibilities and schedule of other expenditure that form part of the annual report but does not include the financial statements and our auditor's report thereon.

Our opinion on the financial statements does not cover the other information and we do not express any form of assurance conclusion thereon.

In connection with our audit of the financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the audit, or otherwise appears to be materially misstated. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.

Responsibilities of directors for the financial statements

The management is responsible for the preparation of the financial statements that give a true and fair view in accordance with the IFRS for SMEs Accounting Standard and the requirements of the Kenyan Companies Act, 2015 and for such internal control as the management determines is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

**REPORT OF THE INDEPENDENT AUDITOR
TO THE MEMBERS OF AFRICA CENTRE FOR OPEN GOVERNANCE (AfriCOG) (A COMPANY LIMITED
BY GUARANTEE) (CONTINUED)**

Report on the audit of the financial statements (continued)

Responsibilities of directors for the financial statements (continued)

In preparing the financial statements, the directors are responsible for assessing the company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the directors either intend to liquidate the company or to cease operations, or have no realistic alternative but to do so.

The directors are responsible for overseeing the company's financial reporting process.

Auditor's responsibilities for the audit of the financial statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with International Standards on Auditing will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

As part of an audit in accordance with International Standards on Auditing, we exercise professional judgement and maintain professional skepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the company's internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the directors.
- Conclude on the appropriateness of directors' use of the going concern basis of accounting and based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the company to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

**REPORT OF THE INDEPENDENT AUDITOR
TO THE MEMBERS OF AFRICA CENTRE FOR OPEN GOVERNANCE (AfricoG) (A COMPANY LIMITED
BY GUARANTEE) (CONTINUED)**

Report on the audit of the financial statements (continued)

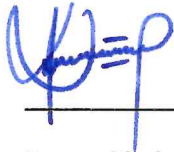
Auditor's responsibilities for the audit of the financial statements (continued)

We communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

Report on other matters prescribed by the Kenyan Companies Act, 2015

in our opinion the information given in the report of the directors on page 2 and 3 is consistent with the financial statements.

The engagement partner responsible for the audit resulting in this report of the independent auditor is CPA Patrick Kuria, Practising certificate No. 2045



For and behalf of PKF Kenya LLP
Certified Public Accountants
Nairobi, Kenya

September 30, 2025

1184/25

STATEMENT OF INCOME AND EXPENDITURE AND GENERAL FUND

	Notes	2024 Shs	2023 Shs
Donor income	3	18,954,131	36,703,025
Other income	4	327,710	3,390,757
Programme expenses		(13,707,901)	(30,498,977)
Administrative expenses		(5,066,140)	(6,757,578)
Other operating expenses		<u>(897,319)</u>	<u>(808,413)</u>
(Deficit)/surplus before tax	5	(389,519)	2,028,814
Tax charge	7	<u>(98,313)</u>	<u>(153,479)</u>
(Deficit)/surplus for the year		(487,832)	1,875,335
General fund at start of year		<u>4,090,950</u>	<u>2,215,615</u>
General fund at end of year		<u><u>3,603,118</u></u>	<u><u>4,090,950</u></u>

The notes on pages 11 to 18 form an integral part of these financial statements.

Report of the independent auditor - pages 5 to 7.

Africa Centre for Open Governance (AfriCOG)
(A company limited by guarantee)
Annual report and financial statements
For the year ended 31 December 2024

STATEMENT OF FINANCIAL POSITION

	Notes	As at 31 December	
		2024 Shs	2023 Shs
CAPITAL EMPLOYED			
General fund		3,603,118	4,090,950
Capital fund	8	<u>802,311</u>	<u>953,709</u>
		<u>4,405,429</u>	<u>5,044,659</u>
REPRESENTED BY			
Non-current assets			
Property and equipment	9	<u>802,311</u>	<u>953,709</u>
Current assets			
Receivables	10	552,867	445,007
Cash and cash equivalents	11	9,622,139	20,139,716
Grant receivable	13	415,700	415,700
Tax recoverable		<u>68,412</u>	<u>40,921</u>
		<u>10,659,118</u>	<u>21,041,344</u>
Current liabilities			
Payables	12	4,964,774	9,030,138
Deferred income	13	<u>2,091,226</u>	<u>7,920,256</u>
		<u>7,056,000</u>	<u>16,950,394</u>
Net current assets		<u>3,603,118</u>	<u>4,090,950</u>
		<u>4,405,429</u>	<u>5,044,659</u>

The financial statements on pages 8 to 18 were approved and authorised for issue by the Board

of Directors on 30 September 2025 and were signed on its behalf by:



Ms. Gladwell Otieno
DIRECTOR



Mr. John Githongo
DIRECTOR

The notes on pages 11 to 18 form an integral part of these financial statements.

Report of the independent auditor - pages 5 to 7.

STATEMENT OF CASH FLOWS

	Notes	2024 Shs	2023 Shs
(Deficit)/surplus for the year		(487,832)	1,875,335
Adjustments for non cash income and expenses:			
Tax charge	7	98,313	153,479
Depreciation on property and equipment	9	151,398	188,791
Changes in working capital:			
- capital fund		(151,398)	(188,791)
- receivables		(107,860)	225,188
- payables		(4,065,365)	(6,438,742)
- Grant receivable		-	3,423,672
- deferred income		(5,829,030)	(5,513,437)
Cash (used in) operating activities		(10,391,774)	(6,274,505)
Tax paid		(125,803)	(112,453)
Net cash (used in) operating activities		<u>(10,517,577)</u>	<u>(6,386,958)</u>
(Decrease) in cash and cash equivalents		<u>(10,517,577)</u>	<u>(6,386,958)</u>
Movement in cash and cash equivalents			
At start of year		20,139,716	26,526,674
(Decrease)		<u>(10,517,577)</u>	<u>(6,386,958)</u>
At end of year	11	<u>9,622,139</u>	<u>20,139,716</u>

The notes on pages 11 to 18 form an integral part of these financial statements.

Report of the independent auditor - pages 5 to 7.

NOTES

1. General information

Africa Centre for Open Governance (AfriCog) is incorporated in Kenya under the Kenyan Companies Act, 2015 as a private company limited by guarantee, and is domiciled in Kenya. The address of its registered office and principal place of business is as shown on page 1.

2. Significant accounting policies

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

a) Basis of preparation

These financial statements have been prepared in accordance with the IFRS for SMEs Accounting Standard issued by the International Accounting Standards Board (IASB) and are consistent with the previous period. They are presented in Kenya Shillings (Shs). The measurement basis used is the historical cost basis.

The preparation of financial statements in conformity with the IFRS for SMEs Accounting Standard requires the use of certain critical accounting estimates. It also requires management to exercise its judgement in the process of applying the company's accounting policies. Areas involving a higher degree of judgement or complexity, or areas where assumptions and estimations are significant to the financial statements, are disclosed in note 2 (b).

These financial statements comply with the requirements of the Kenyan Companies Act, 2015. The statement of income and expenditure and general fund represent the profit and loss account referred to in the Act. The statement of financial position represents the balance sheet referred to in the Act.

Going concern

The financial performance of the company is set out in the report of the directors and in the statement of income and expenditure and general fund. The financial position of the company is set out in the statement of financial position. Disclosures in respect of principal risks and uncertainties are included within the report of the directors.

Based on the financial performance and position of the company and its risk management policies, the directors are of the opinion that the company is well placed to continue in business for the foreseeable future and as a result the financial statements are prepared on a going concern basis.

b) Key sources of estimation uncertainty and judgements

In the application of the accounting policies, the directors are required to make judgements, estimates and assumptions about the carrying amount of assets and liabilities that are not readily apparent from other sources. The estimates and associated assumptions are based on historical experience and other relevant factors. Such estimates and assumptions are reviewed on an ongoing basis. Revisions to estimates are recognised prospectively.

The directors have made the following assumptions that have a significant risk of resulting in a material adjustment to the carrying amounts of assets and liabilities within the next financial year.

- Useful lives, depreciation methods and residual values of property and equipment -

Management reviews the useful lives, depreciation methods and residual values of the items of property and equipment on a regular basis. During the financial year, the directors determined no significant changes in the useful lives and residual values. The carrying amounts of property and equipment is disclosed in note 9.

2. Significant accounting policies (continued)

b) Key sources of estimation uncertainty and judgements (continued)

- **Grants receivable** - Grants receivable comprise refundable expenditure on programs approved by donors. The carrying amount of grants receivable is disclosed in note 13.
- **Impairment of non-financial assets** - Impairment exists when the carrying amount of an asset or cash generating unit (CGU) exceeds its recoverable amount, which is the higher of its fair value less costs of disposal and its value in use. The fair value less costs of disposal calculation is based on available data from binding sales transactions, conducted at arm's length, for similar assets or observable market prices less incremental costs of disposing of the asset. The value in use calculation is based on a discounted cash flow (DC) model. The cash flows are derived from the budget for the next five years and do not include restructuring activities that the company is not yet committed to or significant future investments that will enhance the performance of the assets of the CGU being tested. The recoverable amount is sensitive to the discount rate used for the DCF model as well as the expected future cash-inflows and the growth rate used for extrapolation purposes.

The carrying amounts of property and equipment is disclosed in note 9.

- Taxation

In making their judgement, as to whether the organisation is subject to taxation or not, the directors have recognised the fact that the organisation is engaged in charitable activities and thus would qualify for tax exemption as per the Income Tax Act.

c) Revenue recognition

Grants are recognised where there is reasonable assurance that the grant will be received and all attached conditions will be complied with. When the grant relates to an expense item, it is recognised as income on a systematic basis over the periods that the related costs, for which it is intended to compensate, are expensed. When the grant relates to an asset, it is recognised as income in equal amounts over the expected useful life of the related asset.

Grants for restricted purposes and for specified funded projects are recognised when received and spent on qualifying activities. Any unutilised grants are recognised as deferred revenue grants and any excess expenditure over income is recorded as grants receivable at year end where there is commitment of additional funds from grant providers to cover such expenditure.

Interest income is accrued by reference to time under the effective interest method.

Other income is recognised upon performance of the services rendered.

d) Translation of foreign currencies

Transactions in foreign currencies are translated in to Kenya Shillings (the functional currency) at the rates ruling at the date of the transaction. Monetary assets and liabilities denominated in foreign currencies at the reporting date are translated to Kenya Shillings at the rates ruling at that date. Foreign exchange differences arising on translation are recognised in the statement of income and expenditure and general fund in the year to which they relate.

NOTES (CONTINUED)

2. Significant accounting policies (continued)

e) Property and equipment

All property and equipment are initially recorded at cost and thereafter stated at historical cost less accumulated depreciation and any accumulated impairment losses. Historical cost comprises expenditure initially incurred to bring the asset to its location and condition ready for its intended use.

Subsequent costs are included in the asset's carrying amount or recognised as a separate asset, as appropriate, only when it is probable that future economic benefits associated with the item will flow to the company and the cost can be reliably measured. The carrying amount of the replaced part is derecognised. All other repairs and maintenance are charged to the statement of income and expenditure during the financial year in which they are incurred.

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

	<u>Rate</u>
Computers	30%
Office equipment	12.5%
Furniture and fittings	12.5%

The assets' residual values, useful lives and methods of depreciation are reviewed at the end of each reporting period and adjusted prospectively, if appropriate.

An asset's carrying amount is written down immediately to its recoverable amount if the asset's carrying amount is greater than its estimated recoverable amount.

An item of property and equipment is derecognised upon disposal or when no future economic benefits are expected from its use or disposal. Gains and losses on disposal of property and equipment are determined by comparing the proceeds with the carrying amount and are taken into account in determining operating surplus/(deficit).

f) Impairment of non-financial assets

At each reporting date, property and equipment are reviewed to determine whether there is any indication that those assets have suffered an impairment loss. If there is an indication of possible impairment, the recoverable amount of any affected asset (or cash generating unit (CGU)) is estimated and compared with its carrying amount. If the estimated recoverable amount is lower, the carrying amount is reduced to its estimated recoverable amount, and an impairment loss is recognised immediately in the statement of income and expenditure.

If an impairment loss subsequently reverses, the carrying amount of the asset (or CGU) is increased to the revised estimate of its recoverable amount, but not in excess of the amount that would have been determined had no impairment loss been recognised for the asset (CGU) in prior years. A reversal of an impairment loss is recognised immediately in the statement of income and expenditure.

g) Receivables

Receivables are initially recognised at the transaction price. They are subsequently measured at amortised cost using the effective interest method, less impairment.

NOTES (CONTINUED)

2. Significant accounting policies (continued)

g) Receivables (continued)

At the end of each reporting period, the carrying amounts of receivables are reviewed to determine whether there is any objective evidence that the amounts are not recoverable. If so, an impairment loss is recognised immediately in the statement of income and expenditure.

Receivables are derecognised when the rights to receive the cash flows have expired, when the company has transferred substantially all risks and rewards of ownership, or when the company has no reasonable expectations of recovering the asset.

h) Cash and cash equivalents

For the purposes of the statement of cash flows, cash and cash equivalents comprise cash in hand and deposits held at call with banks.

i) Payables

Payables are recognised initially at the transaction price. They are obligations on the basis of normal credit terms and do not bear interest.

Payables are derecognised when the obligation under the liability is discharged or cancelled or expires. When an existing financial liability is replaced by another from the same lender on substantially different terms, or the terms of an existing liability are substantially modified, such an exchange or modification is treated as the derecognition of the original liability and the recognition of a new liability. The difference in the respective carrying amounts is recognised in statement of income and expenditure and general fund.

j) Deferred income

Grant income is deferred where it has been received to fund specific future expenditure.

k) Accounting for leases

Leases in which substantially all the risks and rewards of ownership are retained by the lessor are classified as operating leases. Payments made under operating leases are charged to statement of income and expenditure and general fund on a straight-line basis over the period of the lease.

l) Retirement benefits obligation

The company and its employees contribute to the National Social Security Fund (NSSF), a statutory defined contribution scheme registered under the NSSF Act. The company's contributions to the defined contribution scheme are charged to statement of income and expenditure and general fund in the year to which they relate.

The company operates a defined contribution staff retirement benefit scheme for its employees. The scheme is administered by an insurance company. The company's contributions to the defined contribution retirement benefit scheme are charged to the statement of income and expenditure and general fund in the year to which they relate. The company has no further payment obligations once the contributions have been paid.

m) Capital fund

Assets donated to the company are recognised in the capital fund in the period in which they have been received. Each year an equivalent amount equal to the depreciation charge of the donated assets is recognised as income in the statement of income and expenditure and general fund.

NOTES (CONTINUED)

2. Significant accounting policies (continued)

n) Taxation

The tax expense for the year relates to current tax. Tax is recognised in statement of income and expenditure and general fund.

Current tax

Current tax is provided on interest income earned for the year and is calculated on the basis of total interest earned by the company.

The current income tax charge is calculated on the basis of tax rates and laws that have been enacted or substantively enacted by the reporting date.

o) Comparatives

There were no changes in presentation in the current year.

NOTES (CONTINUED)

	2024	2023
	Shs	Shs
3. Donor income		
Open Society International	-	12,891,501
Ford Foundation	12,973,703	-
OSIEA - Linda Katiba	-	18,167,500
Open Society International/Elections	-	3,365,468
Total donor income	12,973,703	34,424,469
Deferred income brought forward (Note 13)	7,920,256	13,433,693
Grant receivable brought forward (Note 13)	(415,700)	(3,839,372)
Grant receivable carried forward (Note 13)	415,700	415,700
Deferred income carried forward (Note 13)	(2,091,226)	(7,920,256)
Net donor income	18,802,733	36,514,234
Transfer from capital fund (Note 8)	151,398	188,791
Total grant income	18,954,131	36,703,025
4. Other income		
Interest income	320,072	511,598
Other income	7,638	2,476,237
Foreign exchange gain	-	402,922
	327,710	3,390,757
5. Surplus for the year		
The following items have been charged in arriving at the (deficit)/surplus for the year:		
Depreciation on property and equipment (Note 9)	151,398	188,791
Audit fees:		
- current year	500,000	500,000
Operating lease rentals	699,000	576,000
Staff costs (Note 6)	8,188,011	13,238,364
6. Staff costs		
Salaries and wages	6,447,962	11,247,871
Other staff costs	1,183,294	1,445,168
Pension costs:		
- National Social Security Fund	95,080	25,920
- defined contribution scheme	365,000	420,000
Employer housing levy contributions	96,675	99,405
	8,188,011	13,238,364
The average number of persons employed during the year, by category, were:	2024	2023
	Number	Number
- Management and administration	3	2

NOTES (CONTINUED)

		2024	2023	
		Shs	Shs	
7. Tax				
Current tax		<u>98,313</u>	<u>153,479</u>	
8. Capital fund				
At start of year		953,709	1,142,500	
Transfer to income (Note 3)		<u>(151,398)</u>	<u>(188,791)</u>	
At end of year		<u>802,311</u>	<u>953,709</u>	
9. Property and equipment				
	Computers	Office	Furniture	Total
	Shs	equipment	and fittings	Shs
		Shs	Shs	Shs
Cost				
At start and end of year	<u>4,226,679</u>	<u>2,550,758</u>	<u>613,535</u>	<u>7,390,972</u>
Accumulated depreciation				
At start of year	4,042,767	1,885,670	508,826	6,437,263
Charge for the year	<u>55,174</u>	<u>83,136</u>	<u>13,089</u>	<u>151,398</u>
At end of year	<u>4,097,941</u>	<u>1,968,806</u>	<u>521,915</u>	<u>6,588,661</u>
Net carrying amount				
As at 31 December 2024	<u>128,738</u>	<u>581,952</u>	<u>91,620</u>	<u>802,311</u>
As at 31 December 2023	<u>183,912</u>	<u>665,088</u>	<u>104,709</u>	<u>953,709</u>
Depreciation has been charged under other operating expenses in the statement of income and expenditure and general fund.				
10. Receivables		2024	2023	
		Shs	Shs	
Prepayments		<u>552,867</u>	<u>445,007</u>	
11. Cash and cash equivalents				
Cash at bank and in hand		<u>9,622,139</u>	<u>20,139,716</u>	
For the purpose of the statement of cash flows, the year-end cash and cash equivalents comprise the above.				
12. Payables				
Accruals		4,877,505	8,670,615	
Other payables		<u>87,269</u>	<u>359,523</u>	
		<u>4,964,774</u>	<u>9,030,138</u>	

NOTES (CONTINUED)

	2024	2023
	Shs	Shs
13. Deferred income/(grant receivable)		
Deferred income	2,091,226	7,920,256
Grant receivable	<u>(415,700)</u>	<u>(415,700)</u>
At end of year	<u><u>1,675,526</u></u>	<u><u>7,504,556</u></u>

The detailed analysis of deferred income is as follows:

Project	At start of year deferred income/(grant receivable) Shs	Receipts during the year Shs	Expenditure and refund during the year Shs	At end of year grant receivable Shs	At end of year deferred income Shs
Embassy of the Republic of Netherlands	129,365	-		-	129,365
Open Society Institute	631,110	-	(500,000)		131,110
Open Society International	516,051		(500,000)		16,051
Foundation to Promote Open Society	188,166	-		-	188,166
Department for International Development	1,914	-	-	-	1,914
Canadian International Development Agency	12,250	-	-	-	12,250
Ford Foundation	65,754	12,973,703	(11,439,118)	-	1,600,339
Open Society International/Election	(415,700)		-	(415,700)	-
OSIEA- Linda Katiba	<u>6,375,646</u>	<u>12,973,703</u>	<u>(6,363,615)</u>	<u>-</u>	<u>12,031</u>
	<u><u>7,504,556</u></u>	<u><u>12,973,703</u></u>	<u><u>(18,802,733)</u></u>	<u><u>(415,700)</u></u>	<u><u>2,091,226</u></u>

Deferred income relates to unexpended portion of grants received.

Grant receivable relates to amounts expected from the donors for expenses incurred for the projects.

14. Related party transactions

	2024	2023
	Shs	Shs
The following transactions were carried out with related parties:		
i) Key management personnel compensation		
Salaries and wages	<u><u>3,820,000</u></u>	<u><u>7,392,000</u></u>

SCHEDULE OF OTHER EXPENDITURE

	2024	2023
	Shs	Shs
1. Programme expenses		
Case studies and research	6,639,474	11,069,760
Communications and postage	1,027,337	894,293
Printing and publication	118,141	1,217,700
Travelling and accommodation	129,663	2,754,372
Salaries and wages	5,158,370	8,998,297
Professional fees	-	1,480,000
Meeting and workshops	634,916	4,084,555
Total programme expenses	13,707,901	30,498,977
2. Administrative expenses		
Employment costs		
Salaries and wages	1,289,592	2,249,574
Staff medical	1,182,144	1,170,338
Employer pension contributions	365,000	420,000
Other staff costs	-	273,980
Employer National Social Security Fund contributions	95,080	25,920
Employer housing levy contributions	96,675	99,405
Employer NITA contributions	1,150	850
Total employment costs	3,029,641	4,240,067
Other administrative expenses		
Professional fees	320,980	206,853
Secretarial fees	6,250	80,534
Telephone and postage	104,339	108,106
Travelling and accommodation	132,309	158,525
Bank charges	89,855	199,167
Audit fees:		
- current year	500,000	500,000
Internet set up and maintenance	16,160	87,339
Office expenses	567,621	1,115,757
Realised exchange loss	89,741	-
Office maintenance	209,244	61,230
Total other administrative expenses	2,036,499	2,517,511
Total administrative expenses	5,066,140	6,757,578
3. Other operating expenses		
Establishment:		
Rent	699,000	576,000
Insurance	46,921	43,622
Depreciation on property and equipment	151,398	188,791
Total other operating expenses	897,319	808,413