

**POSITIVE LIFE KENYA**  
**AUDIT REPORT AND FINANCIAL STATEMENTS**  
**FOR THE PERIOD ENDED 31ST DECEMBER 2022**

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**DIRECTORS AND OFFICIALS**

**REGISTERED OFFICE**

Mlolongo, Athi River  
Off Mombasa Road  
P. O Box 51128 - 00100  
Nairobi  
KENYA

**BANKERS**

Kenya Commercial Bank  
Kitengela Branch  
P. O Box 75104 - 00200  
Nairobi, Kenya

**AUDITORS**

*Kayo Mulanya & Associates*  
Certified Public Accountants of Kenya  
P.O Box 30362 - 00100  
Nairobi

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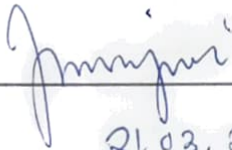
**REPORT OF THE DIRECTORS**

The directors present their report together with the audited financial statements for the year ended 31<sup>st</sup> December 2022, which disclose the state of affairs of the scheme.

**INDEPENDENT AUDITORS**

The organization's auditor, Kago Mukunya and Associates, has indicated willingness to continue in office in accordance with section 31 of the NGO Act.

By order of the Board of Directors  
POSITIVE LIFE KENYA



Chairperson

21.03.2023

Date

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**STATEMENT OF DIRECTORS' RESPONSIBILITIES**

The NGO regulations 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 organization as at the end of the financial year and of the surplus or deficit for that period. In preparing those financial statement, the directors are required to:

- a) Select suitable accounting policies and then apply them consistently;
- b) Make judgments and estimates that are reasonable and prudent;
- c) State whether applicable accounting standards have been followed;
- d) Prepare the financial statements on the going concern basis unless it is inappropriate to presume that the organization will continue with its operations.

The directors are responsible for keeping proper accounting records which disclose with reasonable accuracy at any time the financial position of the organization and to enable them to ensure that the financial statements comply with the NGO regulations. They are also responsible for safeguarding the assets of the organization and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

Approved by the Board of Directors on ..... 21.03 ..... 2023 and signed on its behalf by:

\_\_\_\_\_ CHAIRPERSON

\_\_\_\_\_ DIRECTOR

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**Report of the Independent Auditor to the members of POSITIVE LIFE KENYA  
FOR THE YEAR ENDED 31 December 2022**

**OPINION**

We have audited the financial statements of POSITIVE LIFE KENYA as set out on pages 5 to 11 for the year ended 31 December 2022, and have obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purpose of our audit. The financial statements are in agreement with the books of account. In our opinion, proper books of account have been kept by the Directors and the financial statements, give a true and fair view of the state of affairs of the Company at 31 December 2022 and of its results of operations and cashflows for the year then ended and comply with International Financial Reporting Standards and the Kenyan Companies Act.

**BASIS OF OPINION**

We conducted our audit in accordance with International Standards on Auditing (ISAs). 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 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. Other information comprises the information included in 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.

**DIRECTORS' RESPONSIBILITY FOR THE FINANCIAL STATEMENTS**

The directors are responsible for the preparation and fair presentation of the financial statements that give a true and fair view in accordance with International Financial Reporting Standards and the requirements of the Kenyan Companies Act, 2015, and for such internal control as the directors determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

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.

**AUDITOR'S RESPONSIBILITY**

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 ISAs 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.

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

As part of an audit in accordance with ISAs, we exercise professional judgement and maintain professional scepticism 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 management.

Conclude on the appropriateness of management's 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 the 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.

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 LEGAL REQUIREMENTS**

As required by the Kenya's Companies Act, based on our audit, we report to you as follows:

- (i) We have obtained all the information and explanations which to the best of our knowledge and belief are necessary for the purposes of our audit.
- (ii) In our opinion proper books of account have been kept by the Company so far as it appears from the examination of the books.
- (iii) The Company's financial statements are in agreement with the books of accounts.

The engagement partner responsible for the audit resulting in this independent auditor's report was

CPA M.M.K MUKUNYA, Practising Certificate No. 007

Certified Public Accountants

Nairobi



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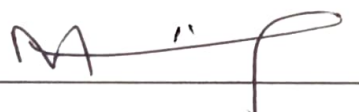
**Income and Expenditure Statement**

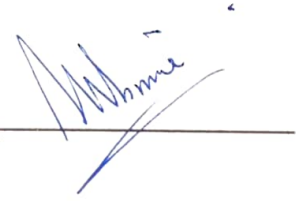
		<b>2022</b>	<b>2021</b>	
	<b>Notes</b>	<b>Shs</b>	<b>Shs</b>	
STEPHEN LEWIS FOUNDATION		2,813,447	1,555,775	
NEW HOPE		2,374,958	4,129,855	
CISU-		11,853,776	12,982,068	
SPONSORS FOR KENYA(SFK)		1,025,624		
WATER PROJECT KENYA		800,023	-	
INTERCOMMUNITY		1,286,471.00		
OTHER SPONSORSHIP		4,220,103.85		
<b>Total funds received</b>		<b>28,274,413</b>	<b>18,667,698</b>	
Administration Expenses	4	2,273,650	1,498,675	854,302
Support for orphans and vulnerable children	5	4,600,170	5,230,220	
Support for grandmothers	8	70,440	59,340	
Women's economical empowerment programmes	7	243,710	302,592	
Support for people living with HIV	6	487,410	467,152	
Capacity building for street families	9	14,683,543		
<b>Purchase of assets</b>		<b>3,900,481</b>	<b>11,100,009</b>	

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Statement of Financial Position	Notes	2022 Shs	2021 Shs
<b>ASSETS</b>			
<b>Non-current assets</b>			
Fixed assets	1	25,193,596	20,561,981
		<u>25,193,596</u>	<u>20,561,981</u>
<b>Current assets</b>			
Cash and Cash Equivalents	2	68,826	852,701
		<u>68,826</u>	<u>852,701</u>
<b>Current Liabilities</b>			
Payables & Accruals	3	15,259	74,000
		<u>15,259</u>	<u>74,000</u>
<b>NET CURRENT ASSETS</b>		<u><b>25,247,163</b></u>	<u><b>21,340,682</b></u>
<b>EQUITY AND LIABILITIES</b>			
Share Capital		-	-
Reserves		25,247,163	21,340,682
<b>CAPITAL EMPLOYED</b>		<u><b>25,247,163</b></u>	<u><b>21,340,682</b></u>
<b>TOTAL EQUITY AND LIABILITIES</b>		<u><b>25,247,163</b></u>	<u><b>21,340,682</b></u>

The financial statements on pages 6 to 11 were approved by the board of directors on 21.03.2023 for issuance and signed on its behalf by:

  
 \_\_\_\_\_  
 Director

  
 \_\_\_\_\_  
 Director



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**Statement of changes in equity**

	Share capital	Revenue Reserve	Total
<b>Year ended 31 December 2022</b>	<b>Shs</b>	<b>Shs</b>	<b>Shs</b>
Share capital	-	21,340,682	1,687,997
Surplus	-	3,906,481	7,100,693
At year end	-	25,247,163	8,788,691
	<b>Share capital</b>	<b>Revenue Reserve</b>	<b>Total</b>
<b>Year ended 31 December 2021</b>	<b>Shs</b>	<b>Shs</b>	<b>Shs</b>
Share capital	-	10,240,074	180,572
Surplus	-	11,100,609	11,100,609
At year end	-	21,340,682	21,340,682

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Cash flow statement

	<b>2022</b>	<b>2021</b>
	<b>Shs</b>	<b>Shs</b>
Surplus/(Deficit) for the year	3,906,481	11,100,609
<i>Add</i>		
Depreciation	546,413	489,390
<b>Adjustment</b>		
Change in Accounts Payables	(58,741)	-
Tax Paid	-	-
<b>Cash from Operating Activities</b>	<b>4,394,153</b>	<b>11,589,999</b>
<b>Investing activities</b>		
Purchase of fixed assets	-	(11,100,609)
<b>Net cash used in investing activities</b>	<b>-</b>	<b>(1,570,000)</b>
<b>Financing activities</b>		
<b>Cashflow from financing activities</b>	<b>-</b>	<b>-</b>
<b>Increase in cash and cash equivalents</b>	<b>4,394,153</b>	<b>192,896</b>
<b>Cash and cash equivalents at start of year</b>	<b>703,944</b>	<b>21,658</b>
<b>Cash and cash equivalents at end of year</b>	<b>5,098,097</b>	<b>703,944</b>

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**Notes to the Financial Statements**

**1 Fixed assets**

All fixed assets are initially recorded at cost. Subsequently, they are stated at historical cost less depreciation

Depreciation is calculated on the reducing balance basis to write down the cost of each asset, or the revalued amount, to its residual value over its estimated useful life as follows:

Furniture & Fittings	Rate 12.50%
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**Fixed Assets Schedule**

	Land & Buildings Shs	Furnitures & Fittings Shs 12.5%	Computer & Accessories	Buildings 30%	2%	Total Shs
<b>Cost or valuation</b>						
As at 1st January 2022	9,250,000	2,325,022	479,280	9,380,002		21,434,304
Additions	-	-	-	4,688,638		-
As At 31st December 2022	9,250,000	2,325,022	479,280	14,068,640		26,122,942
<b>Depreciation</b>						
Accumulated	-	204,698	107,034	71,200		204,698
Charge for the period	-	265,040	-	281,373		546,413
At end of the period	-	469,739	107,034	352,573		751,111
<b>Net book value</b>						
As At 31st December 2022	9,250,000	1,855,283	372,246	13,716,067		25,193,596
As At 31st December 2022	9,250,000	2,120,324	372,246	9,308,802		21,051,372

**Notes to the Financial Statements(Continued)**

	2022 Shs	2021 Shs
<b>2 Cash &amp; Cash equivalents</b>		
Cash in hand and at bank	68,826	852,701
	68,826	852,701
<b>3 Accounts Payable</b>		
Other accruals	-	
Consultancy fee	15,259	74,000
	15,259	74,000

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<b>4 ADMINISTRATION</b>		
Transport	60,450	52,560
Phone & internet	102,560	96,566
Water	56,425	52,621
Detergents	36,852	33,252
Electricity	18,652	11,825
Audit fee	74,000	74,000
Depreciation	546,413	489,390
Rent	216,000	120,000
Allowances and salaries	1,090,508	516,250
Stationaries	38,652	33,256
Fuel	22,532	18,955
Bank charges	10,606	
	<u>2,273,650</u>	<u>1,498,675</u>
<b>5 OVCs</b>		
Feeding	4,156,012	3,252,002
Learning requirements	1,653,255	1,321,526
Allowances	652,450	541,250
book keeper	74,000	66,220
Stationaries	26,542	21,225
transport	18,360	15,652
Medical	28,560	21,355
	<u>6,609,179</u>	<u>5,239,330</u>
<b>6 PLWHIV</b>		
Medical	28,640	25,900
Feeding	125,630	122,352
Training	136,500	135,000
therapy	19,000	18,000
Care givers	138,000	135,000
Prevention	12,000	10,000
Harm reduction	12,000	6,300
Home visits	15,640	14,600
	<u>487,410</u>	<u>301,252</u>
<b>7 WEEP</b>		
Training materials	22,560	17,150
Repairs and service	18,600	15,800
Trainer allowance	166,750	155,642
Rent	9,000	90,000
Kitty	26,800	24,000
	<u>243,710</u>	<u>302,592</u>
<b>8 GRANDMOTHERS</b>		
Business	27,500	23,000
Feeding	12,500	9,200
Medical	13,560	11,900
Improving of living conditions	16,880	15,240
	<u>70,440</u>	<u>59,340</u>
<b>9 PLK CAPACITY BUILDING</b>		
Workshops	1,651,800	-
Family meetings and sessions	1,390,305	-
Local uothority meetings	243,320	-
Street education sessions	4,397,351	-
Stake holders mapping	360,500	-
Participants meetings	281,391	-
Films productions	144,851	-
Street feeding programme	6,205,025	-
	<u>14,683,543</u>	