

**IMARA EDUCATIONAL FOUNDATION**

**AUDITED FINANCIAL STATEMENTS**

**31ST DECEMBER 2011**

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**Certified Public Accountants**  
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**IMARA EDUCATIONAL FOUNDATION**

**DIRECTORS**

**: Dr. Paul Kioko - Chairman**

**: Eric Saulo - General Secretary**

**: Luis Franceschi - Honorary Treasurer**

**: Caesar Peraza - Member**

**ADMINISTRATOR**

**: Anthony Munene**

**REGISTERED OFFICE**

**: Lavington  
Mzima Springs Road  
NAIROBI**

**BANKERS**

**: CFC Stanbic Bank Kenya Ltd.  
Westlands Branch  
NAIROBI**

**: NIC Bank Ltd.  
Westlands Branch  
NAIROBI**

**AUDITORS**

**: Kimani Kerretts & Co**

**Certified Public Accountants**

## **IMARA EDUCATIONAL FOUNDATION**

### **Report of the Board of Directors**

#### **to the Members of Imara Educational Foundation**

The Directors have pleasure in presenting their report together with the audited financial statements for the year ended 31st December 2011.

#### **INCORPORATION**

Imara Educational Foundaton is a company limited by guarantee and not having a share capital.

#### **PRINCIPAL ACTIVITIES**

The principal activities of Imara Educational Foundation remain those of sponsoring the activities of Satima Study Centre, Hodari Residence, Hodari Boys Club, Office for the Causes of Saints and support activities of Bugala Study Centre in Kampala, Uganda.

#### **RESULTS**

The results for the year are set out in the Statement of Comprehensive Income on page 5.

#### **DIVIDENDS**

The Directors do not recommend declaration of dividend for the year. In accordance with the Articles of Association, no Directors are due for retirement by rotation.

#### **DIRECTORS**

The names of the Directors who served during the year are set out on page 1.

#### **AUDITORS**

The auditors, Kimani Kerretts & Co., Certified Public Accountants have expressed their willingness to continue in office in accordance with Section 159(2) of the Companies Act.

**Nairobi**

**By Order of the Board**

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**Date**

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**Secretary**

**IMARA EDUCATIONAL FOUNDATION**

**Statement of the Board of Directors' Responsibilities**

**To the Members of Imara Educational Foundation Limited**

The Kenyan companies 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 Foundation as at the end of the financial year and of its operating results for that year. The Directors should ensure that the Foundation maintains proper accounting records that disclose, with reasonable accuracy, the financial position of the Foundation. The Directors are also responsible for safeguarding the assets of the Foundation.

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 control 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 financial statements give a true and fair view of the state of the financial affairs of the Foundation as at 31st December 2011 and of its financial performance and cash flows for the year then ended in accordance with the International Financial Reporting Standard for Small and Medium-sized Entities.

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

Approved by the Directors on \_\_\_\_\_ and signed on their behalf by:-

\_\_\_\_\_  
**Director**

\_\_\_\_\_  
**Director**

## IMARA EDUCATIONAL FOUNDATION

### Report of the Independent Auditors

#### To the Members of Imara Educational Foundation

We have audited the accompanying financial statements of Imara Educational Foundation as set out on pages 5 to 17. These financial statements comprise the statement of financial position at 31st December 2011, the statement of comprehensive income, statement of changes in equity and statement of cash flows for the year then ended, together with a summary of significant accounting policies and other explanatory notes.

#### **The 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 Standard for Small and Medium-sized Entities. This responsibility includes: designing, implementing and maintaining internal control 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.

#### **Auditors' responsibility**

Our responsibility is to express an independent opinion on the 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 our audit to obtain reasonable assurance that 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 the auditors' 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, the auditors consider internal control relevant to the entity's preparation and fair presentation of the financial statements in order to design audit procedures that are appropriate on the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the company's internal control. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of accounting estimates made by the directors, as well as evaluating the overall presentation of financial statements.

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

#### **Opinion**

In our opinion, the accompanying financial statements give a true and fair view of the state of financial affairs of the Foundation at 31st December 2011 and of its financial performance and cash flows for the year then ended in accordance with the International Financial Reporting Standard for Small and Medium-sized Entities.

**Nairobi**

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**KIMANI KERRETT & CO.**  
**Certified Public Accountants**

## IMARA EDUCATIONAL FOUNDATION

Statement of Comprehensive Incomefor the year ended 31st December 2011

<b>INCOME</b>	<b>Note</b>	<b><u>2011</u></b> <b>Kshs</b>	<b><u>2010</u></b> <b>Kshs</b>
Local donations		19,812,156	16,987,378
Overseas donations		8,374,679	8,285,513
Interest income		-	2,818,904
Loss on foreign exchange		-6,174,393	(6,048,913)
Other income		1,735,248	-
(Loss)/gain on asset disposal		-	(260,000)
<b>Total income</b>		<b><u>23,747,690</u></b>	<b><u>21,782,882</u></b>
<b>EXPENDITURE</b>			
Supported activities	2	21,438,408	23,553,236
Staff costs	3	1,334,699	1,224,315
Establishment costs	4	7,258,594	7,145,604
Administration costs	5	9,381,557	3,730,023
Finance costs	6	1,539,790	1,659,582
<b>Total expenditure</b>		<b><u>40,953,048</u></b>	<b><u>37,312,760</u></b>
<b>DEFICIT FOR THE YEAR</b>	<b>Kshs</b>	<b><u><u>-17,205,358</u></u></b>	<b><u><u>(15,529,878)</u></u></b>



## IMARA EDUCATIONAL FOUNDATION

Statement of Financial Positionas at 31st December 2011

ASSETS	Note	<u>2011</u> Kshs	<u>2010</u> Kshs
<b>Non-current assets</b>			
Property and equipment	7	272,586,733	268,126,646
Prepaid operating lease rental	8	6,598,839	6,673,968
Loan receivable	9	1,379,252	3,680,532
		<u>280,564,824</u>	<u>278,481,146</u>
<b>Current assets</b>			
Receivables and prepayments	10	27,328,584	35,574,036
Fixed deposit	11	16,134,436	25,460,724
Bank and cash balances	12	9,468,897	11,785,749
		<u>52,931,917</u>	<u>72,820,509</u>
<b>TOTAL ASSETS</b>	<b>Kshs</b>	<b><u>333,496,741</u></b>	<b><u>351,301,655</u></b>
<b>FUNDS AND LIABILITIES</b>			
Capital reserves		225,957,652	225,797,322
Revenue reserve		-22,244,446	(4,878,758)
		<u>203,713,206</u>	<u>220,918,564</u>
<b>Non Current liabilities</b>			
Long term borrowings	13	100,101,419	99,920,063
<b>Current liabilities</b>			
Payables and accruals	14	29,682,116	30,036,556
Bank overdraft		-	426,472
		<u>29,682,116</u>	<u>30,463,028</u>
<b>TOTAL FUNDS AND LIABILITIES</b>	<b>Kshs</b>	<b><u>333,496,741</u></b>	<b><u>351,301,655</u></b>

The financial statements on pages 5 to 17 were approved by the Directors on \_\_\_\_\_ and signed on its behalf by:-

\_\_\_\_\_  
Director

\_\_\_\_\_  
Director

## IMARA EDUCATIONAL FOUNDATION

Statement of Changes in Equityas at 31st December 2011

		<b>Capital reserves Kshs</b>	<b>Revenue reserves Kshs</b>	<b><u>Totals</u> Kshs</b>
At 1 January 2010		225,797,322	10,490,790	236,288,112
Capital contribution		160,330		160,330
Deficit for the year		<u>-</u>	<u>-15,529,878</u>	<u>-15,529,878</u>
<b>At 31 DECEMBER 2010</b>	<b>Kshs</b>	<b><u>225,957,652</u></b>	<b><u>-5,039,088</u></b>	<b><u>220,918,564</u></b>
At 1 January 2011		225,957,652	-5,039,088	220,918,564
Deficit for the year		<u>-</u>	<u>-17,205,358</u>	<u>-17,205,358</u>
<b>AT 31 DECEMBER 2011</b>	<b>Kshs</b>	<b><u>225,957,652</u></b>	<b><u>(22,244,446)</u></b>	<b><u>203,713,206</u></b>

IMARA EDUCATIONAL FOUNDATION

Statement of Cash Flows

for the year ended 31st December 2011

	<u>2011</u> Kshs	<u>2010</u> Kshs
<b>CASH FLOWS FROM OPERATING ACTIVITIES</b>		
Deficit for the year	(17,205,358)	(15,369,548)
<b>Adjustments:</b>		
Depreciation	7,114,645	7,047,835
Amortisation	75,129	75,129
Loss on foreign exchange	6,174,393	6,048,913
Interest received	350,570	(2,818,904)
Loss/(gain) on motor vehicle disposal	-	260,000
<b>Changes in operating assets and liabilities</b>	<b>(3,490,621)</b>	<b>(4,756,575)</b>
Decrease in loan receivable	2,301,280	2,221,554
Decrease in receivables and prepayments	8,245,452	(10,528,542)
Decrease in payables and accruals	(354,440)	17,955,368
	<u>10,192,292</u>	<u>9,648,380</u>
<b>Net cash flows (used in)/generated from operating activities</b>	<b><u>6,701,671</u></b>	<b><u>4,891,805</u></b>
<b>CASH FLOWS FROM INVESTING ACTIVITIES</b>		
Interest received	(350,570)	2,818,904
Proceeds on sale of fixed assets	-	475,000
Additions to plant and equipment	(11,574,732)	(7,541,976)
<b>Net cash flows used in investing activities</b>	<b><u>(11,925,302)</u></b>	<b><u>(4,248,072)</u></b>
<b>CASH FLOWS FROM FINANCING ACTIVITIES</b>		
Loss on foreign exchange	(6,174,393)	(6,048,913)
Repayment of borrowings	181,356	(3,943,713)
<b>Net cash flows used in financing activities</b>	<b><u>(5,993,037)</u></b>	<b><u>(9,992,626)</u></b>
<b>NET DECREASE IN CASH AND CASH EQUIVALENTS</b>	<b>(11,216,668)</b>	<b>(9,348,893)</b>
Balance at beginning of the year	36,820,001	46,168,894
<b>CASH AND CASH EQUIVALENTS AT END OF THE YEAR (Note 12a)</b>	<b>Kshs <u><u>25,603,333</u></u></b>	<b><u><u>36,820,001</u></u></b>

## IMARA EDUCATIONAL FOUNDATION

### Notes to the Financial Statements

#### for the year ended 31st December 2011

#### **1.0 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 years presented, unless otherwise stated.

#### **1.1 Basis of preparation**

These financial statements have been prepared on a going concern basis and in compliance with the International Financial Reporting Standard for Small and Medium-sized Entities (IFRS for SMEs) issued by the International Accounting Standards Board. The measurement basis used is the historical cost basis except where otherwise stated in the accounting policies below.

#### **1.2 Revenue recognition**

Income comprises mainly of donations, both local and overseas, rent and interest receivable.

Donations are recognised in the period in which they are received. Donations in kind are taken into income account at their estimated market value at the date of receipt.

Other income earned by the foundation is recognised as it accrues.

#### **1.3 Property and equipment**

Items of property and equipment are measured at cost less accumulated depreciation and any accumulated impairment losses.

Depreciation is charged so as to allocate the cost of assets less their residual values over their estimated useful lives, using the straight line method. The following annual rates are used for the depreciation of property and equipment:

Buildings	1%
Motor vehicles	25%
Furniture and fittings	12.5%
Office equipment	12.5%

If there is an indication that there has been a significant change in depreciation rate, useful life or residual value of an asset, the depreciation of that asset is revised prospectively to reflect the new expectations.

On the disposal, the difference between the net disposal proceeds and the carrying amount of the item sold is recognised in the income and expenditure account.

**IMARA EDUCATIONAL FOUNDATION**

**Notes to the Financial Statements**

**for the year ended 31st December 2011**

**1.4 Taxation**

Imara Educational Foundation is exempt from tax.

**1.5 Foreign currencies**

Foreign currencies held at the end of the year are translated into Kenya shillings at the exchange rate ruling at the statement of financial position date. Transactions during the year are translated at the rates ruling at the dates of transactions. Foreign exchange gain and losses resulting from the settlement of such transactions and from the translation at year end exchange rates of monetary assets and liabilities denominated in foreign currencies are recognized in the statement of comprehensive income.

**1.6 Impairment**

At each statement of financial position date the company, reviews the carrying amount of its financial, tangible and intangible assets to determine whether there is any indication that those assets have suffered an impairment loss. If any such indication exists, the assets recoverable amount is estimated and an impairment loss is recognized in statement of comprehensive income whenever the carrying amount of the assets exceeds its recoverable amount.

**1.7 Cash and cash equivalents**

For the purpose of statement of cash flows and cash equivalents comprise cash in hand and cash held at banks.

**1.8 Receivables**

Receivables are carried at original invoiced amount less an estimate made for doubtful debts based on a review of all outstanding amounts at the year end.

Receivables not collectable are written off against the related provisions. Subsequent recoveries of amounts previously written off are credited to the statement of comprehensive income in the year of recovery.

**1.9 Payables**

Payables are stated at nominal value less amounts not expected to be payable.

**1.10 Retirement benefits obligations**

The company and its employees contribute to a statutory defined scheme, the National Social Security Fund (NSSF). Contributions are determined by local statute and the company's contributions are charged to the statement of comprehensive income in the year in which it relates.

**1.11 Comparatives**

Where necessary, comparative figures have been adjusted to conform with changes in presentation in the current year.

## IMARA EDUCATIONAL FOUNDATION

Notes to the Financial Statementsfor the year ended 31st December 2011

	<u>2011</u>	<u>2010</u>
	Kshs	Kshs
<b>2.0 SUPPORTED ACTIVITIES</b>		
Hodari	2,975,545	2,281,450
Satima	3,285,855	1,830,860
Kyoga	614,950	525,558
Family assistance	1,492,400	917,000
Tigoni study centre	2,000,293	2,304,200
Bursaries	88,184	88,452
Office of the causes of saints	152,320	2,320
Watani	978,399	1,232,223
Mbagathi residence	20,000	475,000
Jahazi development	6,954,988	6,021,571
Kivulini residence	80,000	100,280
Seminar activities	0	1,006,660
Karima residence	2,795,474	6,767,662
	<b>Kshs 21,438,408</b>	<b>23,553,236</b>
<b>3.0 STAFF COSTS</b>		
	<b>Kshs</b>	<b>Kshs</b>
Salaries and wages	1,147,994	1,218,655
Staff medical	8,990	2,460
Staff training	177,715	3,200
	<b>Kshs 1,334,699</b>	<b>1,224,315</b>
<b>4.0 ESTABLISHMENT COSTS</b>		
	<b>Kshs</b>	<b>Kshs</b>
Repair and maintenance	68,820	22,640
Depreciation	7,114,645	7,047,835
Amortisation	75,129	75,129
	<b>Kshs 7,258,594</b>	<b>7,145,604</b>

IMARA EDUCATIONAL FOUNDATION

Notes to the Financial Statements

for the year ended 31st December 2011

	<u>2011</u>	<u>2010</u>
	Kshs	Kshs
<b>5.0 ADMINISTRATION COSTS</b>		
Postage,telephones and emails	217,120	149,376
Vehicle running expenses	82,000	10,000
Travelling and subsistence	1,192,017	924,631
Printing and stationery	63,157	62,014
Subscription and periodicals	1,000	3,000
Audit fees	100,000	88,000
Miscellaneous expenses	40,292	253,250
Bank charges	91,125	71,712
Premises charges	72,000	48,000
Priestly activities	7,318,280	2,090,120
Professional fee	157,500	0
Strathmore services	44,200	29,920
Insurance	2,866	0
	<b>Kshs</b> <u><u>9,381,557</u></u>	<u><u>3,730,023</u></u>
<b>6.0 FINANCE COSTS</b>		
	<b>Kshs</b>	<b>Kshs</b>
Interest income	350,570	-
Interest on loan	1,189,220	1,659,582
	<b>Kshs</b> <u><u>1,539,790</u></u>	<u><u>1,659,582</u></u>



**IMARA EDUCATIONAL FOUNDATION**

**Notes to the Financial Statements**

**for the year ended 31st December 2011**

<b>7.0 PROPERTY AND EQUIPMENT</b>		<b><u>Freehold land and Buildings</u></b>	<b><u>Motor Vehicles</u></b>	<b><u>Furniture and Fittings</u></b>	<b><u>Office Equipment</u></b>	<b><u>Generators</u></b>	<b><u>Totals</u></b>
		<b>Kshs</b>	<b>Kshs</b>	<b>Kshs</b>	<b>Kshs</b>	<b>Kshs</b>	<b>Kshs</b>
<b>COST OR VALUATION</b>							
At 1 January 2011		264,506,022	17,031,660	8,631,369	13,962,604	2,183,990	306,315,645
Additions		<u>8,751,336</u>	<u>2,134,476</u>	<u>                  </u>	<u>688,920</u>	<u>                  </u>	<u>11,574,732</u>
At 31 December 2011		<u>273,257,358</u>	<u>19,166,136</u>	<u>8,631,369</u>	<u>14,651,524</u>	<u>2,183,990</u>	<u>317,890,377</u>
<b>DEPRECIATION</b>							
At 1 January 2011		12,309,826	14,609,221	4,104,574	6,392,419	772,959	38,188,999
Charge for the year		<u>2,732,574</u>	<u>1,815,099</u>	<u>861,383</u>	<u>1,432,590</u>	<u>272,999</u>	<u>7,114,645</u>
At 31 December 2011		<u>15,042,400</u>	<u>16,424,320</u>	<u>4,965,957</u>	<u>7,825,009</u>	<u>1,045,958</u>	<u>45,303,644</u>
<b>NET BOOK VALUE</b>							
<b>AT 31.12.2011</b>	<b>Kshs</b>	<b><u>258,214,958</u></b>	<b><u>2,741,816</u></b>	<b><u>3,665,412</u></b>	<b><u>6,826,515</u></b>	<b><u>1,138,032</u></b>	<b><u>272,586,733</u></b>
<b>NET BOOK VALUE</b>							
<b>AT 31.12.2010</b>	<b>Kshs</b>	<b><u>252,196,196</u></b>	<b><u>2,422,439</u></b>	<b><u>4,526,795</u></b>	<b><u>7,570,185</u></b>	<b><u>1,411,031</u></b>	<b><u>268,126,646</u></b>

**IMARA EDUCATIONAL FOUNDATION**

**Notes to the Financial Statements**

**for the year ended 31st December 2011**

**8.0 PREPAID OPERATING LEASE RENTALS**

The leasehold land is disclosed as prepaid operating lease rental and is carried at cost less amortisation over the period of 96 years 10 months effective from 1st January 2003.

	<b><u>2011</u></b>	<b><u>2010</u></b>
	<b>Kshs</b>	<b>Kshs</b>
Gross carrying value	<b><u>7,275,000</u></b>	<b><u>7,275,000</u></b>
Net book value at start of the year	6,673,968	6,749,097
Amortisation for the year	<u>-75,129</u>	<u>-75,129</u>
<b>NET BOOK VALUE AT 31.12.2011</b>	<b>Kshs <u>6,598,839</u></b>	<b><u>6,673,968</u></b>

**9.0 LOAN RECEIVABLE**

This relates to Fomento Loan for Tigoni house construction and Bugala paid abroad and maintained in the books of the foundation. When such payments are made, receivables and loan balance are reduced accordingly.

	<b><u>2011</u></b>	<b><u>2010</u></b>
	<b>Kshs</b>	<b>Kshs</b>
Bugala loan receivable	438,078	2,739,358
Kimlea loan receivable	<u>941,174</u>	<u>941,174</u>
	<b>Kshs <u>1,379,252</u></b>	<b><u>3,680,532</u></b>

**IMARA EDUCATIONAL FOUNDATION**

**Notes to the Financial Statements**

**for the year ended 31st December 2011**

<b>10.0 RECEIVABLES AND PREPAYMENTS</b>	<b><u>2011</u></b>	<b><u>2010</u></b>
	<b>Kshs</b>	<b>Kshs</b>
Electricity deposit	200,000	200,000
Jahazi deposits	60,000	60,000
Fuel deposits	-	30,000
Kyoga foundation project	10,742,538	10,495,198
Other debtors	80,748	79,478
Student loan	9,140,961	8,117,323
Nurisha trust	49,603	49,603
Book fund	412,627	412,627
Rent advance- MC Osyanju	92,000	92,000
Strathmore Educational Trust	15,000	785,000
Eastlands Project	376,425	8,998,809
Vehicle debtors	331,862	559,690
Chris Kimaru	175,000	175,000
Dennis Ng'ang'a	-	44,032
Office of the causes of saints	1,498,144	1,270,251
Strathmore School	6,900	6,900
Caixa	4,140,576	3,511,244
Pre-payments- Wananchi Online	-	686,881
Kianda Foundation	6,200	-
	<b><u>Kshs 27,328,584</u></b>	<b><u>35,574,036</u></b>
<b>11.0 FIXED DEPOSIT</b>	<b>Kshs</b>	<b>Kshs</b>
BAAM-Money market	8,589,520	15,449,847
BAAM-British American balanced fund	4,098,964	5,135,983
Stanbic bank-Fr. Cormac Burke	815,329	1,684,633
NIC Deposits-Fixed and Call	1,609,859	1,578,785
Stanbic bank-Call deposit	424,534	1,022,562
Stanbic bank-Fixed deposit	596,230	588,914
	<b><u>Kshs 16,134,436</u></b>	<b><u>25,460,724</u></b>
<b>12.0 CASH AND BANK BALANCES</b>	<b>Kshs</b>	<b>Kshs</b>
Cash at bank	8,736,376	11,144,801
Cash in hand	732,521	640,948
	<b><u>Kshs 9,468,897</u></b>	<b><u>11,785,749</u></b>

## IMARA EDUCATIONAL FOUNDATION

Notes to the Financial Statementsfor the year ended 31st December 2011**12(a) CASH AND CASH EQUIVENTS**

For the purpose of the statement of financial position and the statement of cashflows, cash and cash equivalents comprise of the following:-

	<u>2011</u> <b>Kshs</b>	<u>2010</u> <b>Kshs</b>
Fixed deposit	16,134,436	25,460,724
Cash and bank balances	9,468,897	11,785,749
Bank overdraft	-	(426,472)
	<u><b>Kshs 25,603,333</b></u>	<u><b>36,820,001</b></u>

**13.0 LONG TERM BORROWINGS**

	<b>Kshs</b>	<b>Kshs</b>
Fomento de Fundaciones US \$ 330,110 interest free	438,078	2,739,357
Karima SFL loan US\$ 1,300,000 Repayable by 30 January 2028	<u>99,663,341</u>	<u>97,180,706</u>
<b>Balance at 31.12.2011</b>	<b>Kshs <u>100,101,419</u></b>	<b><u>99,920,063</u></b>

**14.0 PAYABLES AND ACCRUALS**

	<b>Kshs</b>	<b>Kshs</b>
Karima residence set up	(86,385)	(86,385)
Basic electronic library	118,048	118,048
Accruals	310,361	161,732
Way in Tingrinya	5,848	5,848
New media	195,216	242,273
Kimani Kerretts & Co.	100,000	88,000
Riverside study centre	52,400	52,400
FAS Loan	9,380,528	9,380,528
Way in Kinyaruanda	1,233	1,233
Liturgical objects	1,378,009	1,662,438
H.E.L.B. Deductions	-	-
Donations Scholarship	18,244,746	18,406,659
Archers Tours & Travel	<u>(17,888)</u>	<u>3,782</u>
	<b>Kshs <u>29,682,116</u></b>	<b><u>30,036,556</u></b>

**IMARA EDUCATIONAL FOUNDATION**

**Notes to the Financial Statements**

**for the year ended 31st December 2011**

**15.0 LOANS**

**a) Fomento loan**

The loan received by Imara Educational Foundation from Fomento de Fundaciones on behalf of Kyoga Foundation for Bugala and Pearlcrest projects have been reflected in the accounts as an asset and liability (debtor and creditor) and in this way Imara Educational Foundation is deemed a guarantor.

**b) Karima SFL loan**

This relates to loan received by Imara Educational Foundation for the construction of Karima house. The loan is repayable by 30th January 2028.

**16.0 CURRENCY**

The Financial statements are expressed in Kenya Shillings (Kshs).