

THE EAST AFRICA NATURAL HISTORY SOCIETY
NATURE KENYA

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Report of the executive committee
For the year ended 31st December 2022

The executive committee submits its report together with the audited financial statements for the year ended 31st December 2022 which disclose the state of the affairs of the society.

PRINCIPAL ACTIVITY

The principal activity of the society is the advancement of the study of natural history and conservation of the natural environment and its biodiversity in East Africa.

RESULTS

The results for the year are set out in the statement of comprehensive income on page 5. The surplus for the year of KShs. 16,179,274 (2021 KShs. 13,124,891) has been carried to the general fund.

EXECUTIVE COMMITTEE

The executive committee members who held office during the year and to the date of this report are set out on page 1.

AUDITOR

The auditor, Carr Stanyer Gitau & Co, has expressed their willingness to continue in office.

Nairobi, Kenya

by order of the Executive committee

April 18, 2023


Chairman

THE EAST AFRICA NATURAL HISTORY SOCIETY
NATURE KENYA

Statement of executive committee's responsibilities
For the year ended 31st December 2022

The executive committee is required to prepare financial statements for each financial year that give a true and fair view of the financial position of the society as at the end of the financial year and of its operating result for that year. The executive committee is also required to ensure that the society maintains proper accounting records that are sufficient to show and explain the transactions of the society and disclose, with reasonable accuracy, the financial position of the society. The executive committee is also responsible for safeguarding the assets of the society, and for taking reasonable steps for the prevention and detection of fraud and other irregularities.

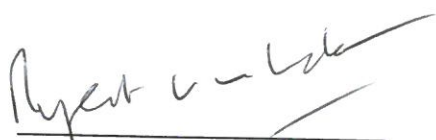
The executive committee accepts responsibility for the preparation and fair presentation of these financial statements in accordance with *International Financial Reporting Standards for Small and Medium-Sized Entities*. They also accept responsibility for;

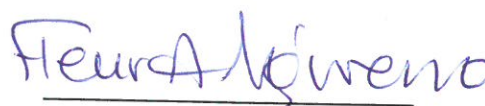
- i) designing implementing and maintaining internal control relevant to the preparation and fair presentation of the financial statement;
- ii) selecting and applying appropriate accounting policies; and
- iii) making accounting estimates and judgments that are reasonable in the circumstances

Having made an assessment of the society's ability to continue as a going concern, the executive committee is not aware of any material uncertainties related to events or conditions that may cast doubt upon the society's ability to continue as a going concern.

The executive committee acknowledges that the independent audit of the financial statements does not relieve them of their responsibilities.

Approved by the executive committee on April 18, 2023 and signed on its behalf by: -


Chairman


Secretary

Report of the independent auditor
To the members of (E.A.N.H.S) Nature Kenya

Opinion

We have audited the accompanying financial statements of (E.A.N.H.S) Nature Kenya, set on pages 5 to 17, which comprise the statement of financial position at 31st December 2022, the statement of comprehensive income, the statement of changes in fund balances, the statement of cash flows for the year then ended, and 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 financial position of (E.A.N.H.S) Nature Kenya for the period ended 31st December 2022 and of its financial performance and cash flows for the year then ended in accordance with *International Financial Reporting Standards for Small and Medium-sized Entities*.

Basis of our 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 society which is consistent 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 and we have fulfilled our other ethical responsibilities in accordance with these requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Other information

The executive committee is responsible for the other information. The 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 on the other information obtained prior to the date of this auditor's report, 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.

Executive committee responsibilities for the financial statements

The executive committee is responsible for the preparation and fair presentation of these financial statements in accordance with the *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.

Report of the independent auditor
To the members of (E.A.N.H.S) Nature Kenya (Cont'd)

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.

As part of an audit in accordance with ISAs, we exercise professional judgment 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 society's internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the executive committee.
- Conclude on the appropriateness of executive committee'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 society'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 society 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.

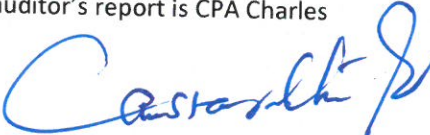
We are required to communicate with the executive committee regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

We are also required to provide the executive committee with a statement that we have complied with relevant ethical requirements regarding independence, and to communicate with them all relationships and other matters that may reasonably be thought to bear on our independence, and where applicable, related safeguards.

The engagement partner responsible for the audit resulting in this independent auditor's report is CPA Charles Reuben Gitau - P. No 723

Nairobi, Kenya

18 April 2023


CARR STANYER GITAU & CO.
Certified Public Accountants

Professional

Commitment

Consistent

THE EAST AFRICA NATURAL HISTORY SOCIETY
NATURE KENYA

Statement of comprehensive income
For the year ended 31st December 2022

	<u>Notes</u>	<u>2022</u> KShs	<u>2021</u> KShs
INCOME			
Income	3	25,287,252	21,242,186
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EXPENDITURE			
Selling and distributions expenses (Appendix II)		377,776	417,020
Administrative expenses (Appendix II)		56,069,257	47,507,187
Establishment expenses (Appendix II)		10,459	12,914
		-----	-----
		56,457,492	47,937,121
		-----	-----
Operating deficit for the year		(31,170,240)	(26,694,935)
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Overhead recovery		1,388,160	1,194,710
Royal Society for the Protection of Birds		4,017,940	4,020,453
Recoupment of overheads		45,988,233	37,885,884
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		51,394,333	43,101,047
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Surplus for the year before extraordinary items		20,224,093	16,406,112
Transfer to "Urgent Conservation Fund Allocation"		(4,044,819)	(3,281,221)
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Net surplus for the year		16,179,274	13,124,891
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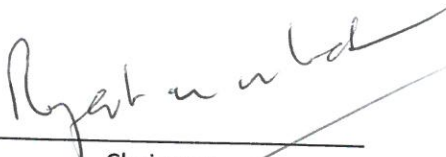
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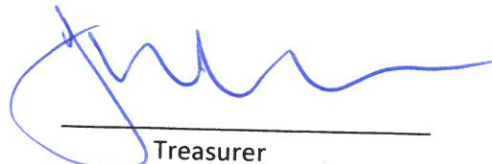
Statement of financial position at 31st December 2022

	<u>Notes</u>	<u>2022</u> KShs	<u>2021</u> KShs
NON-CURRENT ASSETS			
Property and equipment	4	49,960	60,420
CURRENT ASSETS			
Inventories	5	811,466	937,131
Accounts receivable	6	2,496,538	1,208,709
Cash and cash equivalents	7	425,199,416	342,926,618
		428,507,420	345,072,498
CURRENT LIABILITIES			
Accounts payable	8	2,410,818	1,325,368
NET CURRENT ASSETS		426,096,602	343,747,130
NET ASSETS		426,146,562	343,807,550
Represented by:			
PROPERTY AND EQUIPMENT FUND (page 7)		49,960	60,420
REPLACEMENT FUND (page 7)		11,701,520	11,701,520
URGENT CONSERVATION FUND (page 7)		-	1,022,112
URGENT CONSERVATION FUND – COMMITTEE'S ALLOCATION (page 7)	9	7,405,198	4,828,778
URGENT CONSERVATION FUND ALLOCATION		4,044,819	3,281,221
GENERAL FUND (page 7)		125,213,758	109,024,024
DESIGNATED FUNDS	10	18,302,896	19,509,721
RESTRICTED FUNDS	11	259,428,411	194,379,754
		426,146,562	343,807,550

The financial statements set out on page 5 to 17 were approved for issue by the executive committee

on April 18, 2023 and signed on its behalf by:


Chairman


Treasurer