

**ALLIANCE HIGH SCHOOL OLD BOYS CLUB
ANNUAL REPORTS & FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2018**

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ANNUAL REPORT & FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2018**

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ALLIANCE HIGH SCHOOL OLD BOYS CLUB

CORPORATE INFORMATION

COMMITTEE MEMBERS

Maurice Nduranu	Chairman
Luchiri Omoto	Vice Chairman
Kenneth Muchina	Treasurer
David Mwaura	Assistant Treasurer
Eric Masese	Secretary
Bonbegi Gesicho	Assistant Secretary
Eng. Sammy Muita	Member
Prof. Alfred Omenya	Member
Fred Ollows	Member
Wambugu Gitonga	Member
George Ikua	Member
Lawrence Riungu	Member
Francis Muema	Member
Thomas Kisimbi	Member
Starlings Muchiri	Member
Allan Mzungu	Member
Isaac Mutemi	Member
Claude Mwaria	Member
Lenny Mureithi	Member

BANKERS

Standard Chartered
Kenyatta Avenue Branch
P.O. Box 98683-80100
Nairobi

AUDITORS

EKV Associates
Certified Public Accountants
Ground Floor, Office No. 01-04
Top Plaza Kilimani, Kindaruma Road
Off Ngong Road
P. O. Box 21624-00100, GPO
Nairobi

**ALLIANCE HIGH SCHOOL OLD BOYS CLUB
NOTICE OF ANNUAL GENERAL MEETING
FOR THE YEAR ENDED 31ST DECEMBER 2018**

NOTICE is hereby given that the annual General Meeting of the Alliance High School Old Boys Club (AHS OBC) will be held on Friday, 27th September 2019 at InterContinental Hotel Nairobi starting at 6:30 pm.

The proposed agenda for the AGM is as below:

Ordinary business

1. Confirmation of the minutes of the last AGM held on 28th September 2018;
2. Matters arising from the said Minutes;
3. Patron's Report;
4. Chairman's Report;
5. AHS Endowment Fund Trust Report;
6. Consideration of the Financial statements and Auditors report for the year ended 31st December 2018;
7. Any other approved Business.

Special business

8. Election of members of the AHS OBC Executive Committee for the term commencing in September 2019 and ending in September 2021.

Given at this.....6TH.....Day of SEPTEMBER.....2019

By Order of Executive Committee

Secretary:



ALLIANCE HIGH SCHOOL OLD BOYS CLUB
ANNUAL REPORT AND FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2018


STATEMENT OF THE EXECUTIVE COMMITTEE'S RESPONSIBILITIES


The Society's Act, No.14 of 2008 requires the Executive Committee to prepare financial statements for each year which give a true and fair view of the state of affairs of the Club as at the end of the financial year and of its operating results for that year in accordance with IFRS. It also requires the Executive Committee to ensure that the Club keeps proper accounting records which disclose the reasonable accuracy at any time the financial position of the Club. They are also responsible for safeguarding the assets of the Club and ensuring that the business of the Club has been conducted in accordance with its objectives by-law and any other resolutions made at the Club's general meetings.

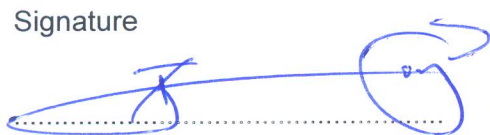
The Executive Committees accepts responsibility for the annual financial statements which have been prepared using appropriate accounting policies supported by reasonable and prudent judgements and estimates. In conformity with International Financial Reporting Standards and in the manner required by the Societies Act, No.14 of 2008. The Executive Committee is of the opinion that the financial statements give a true and fair view of the state of the financial affairs of the Club and of its operating results in accordance with the IFRS. The Executive Committee further accepts responsibility for the maintenance of accounting records which may be relied upon in the preparation of financial statements, as well as adequate systems of internal financial control.

Nothing has come to the attention of the Executive Committee indicating that the Club will not remain a going concern for at least twelve months from the date of this statement.

Approved by the Executive Committee on 26TH SEP, 2018 and signed on its behalf by:


..... Chairman

Signature 
..... Treasurer

Signature 
..... Secretary

Signature 
..... Member

REPORT OF THE INDEPENDENT AUDITORS TO THE MEMBERS OF ALLIANCE HIGH SCHOOL OLD BOYS CLUB

We have audited the financial statements of Alliance High School Old Boys Club set out on pages 6 to 12 which comprise the statement of financial position as at 31 December 2018, the statement of comprehensive income, statement of changes in equity and the statement of cash flows for the year ended, and a summary of significant accounting policies and other explanatory notes.

Executive committee for the financial statements

The Club's Executive Committee is responsible for the preparation and fair presentation of these financial statements in accordance with International Financial Reporting Standards and the requirements of the Societies Act. This responsibility includes; designing, implementing and maintaining internal controls relevant to the preparation and fair presentation of the financial statements that are free of materials misstatements, 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 these financial statements based on our audit. We conducted our audit in accordance with International Standards of Auditing. Those standards require that we comply with ethical requirements, plan and perform the audit to obtain reasonable assurance whether the financial statements are free of 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 misstatements of the financial statements, whether due to fraud or error. In making those risk examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements. An audit also includes assessing the accounting principles used and significant estimates made by the Executive Committee, 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 true and fair view of the financial affairs of the Club as at 31 December 2018 and of its profit and cash flows for the year then ended in accordance with International Financial Reporting Standards and the requirements of the Societies Act.

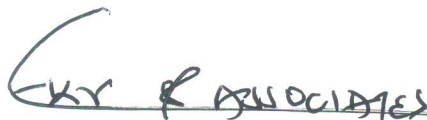
**REPORT OF THE INDEPENDENT AUDITORS TO THE MEMBERS OF
ALLIANCE HIGH SCHOOL OLD BOYS CLUB**

Reports on other legal requirements

As required by the Societies Act, we report to you, based on our audit, that:

- i. We have obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purpose of our audit.
- ii. In our opinion proper books of account have been kept by the Club, so far as appears from our examination of these books; and
- iii. The Club's statement of financial position and statement of comprehensive income are in agreement with books of account.

The engagement partner responsible for the audit resulting in this independent auditor's report is CPA Evans Kakai P/No. 1545.





EKV & Associates
Certified Public Accountants (K)
Nairobi
20th September, 2019

**ALLIANCE HIGH SCHOOL OLD BOYS CLUB
STATEMENT OF COMPREHENSIVE INCOME
FOR THE YEAR ENDED 31 DECEMBER 2018**

	Notes	<u>2018</u> Kshs	<u>2017</u> Kshs
Revenue	1	4,004,693	3,930,494
Direct costs	2	4,270,840	2,991,959
Administrative expenses	3	429,830	684,685
		<hr/>	<hr/>
Operating (deficit)/surplus		(695,977)	253,850
		<hr/>	<hr/>
Net (deficit)/Surplus		<u>(695,977)</u>	<u>253,850</u>

**ALLIANCE HIGH SCHOOL OLD BOYS CLUB
STATEMENT OF FINANCIAL POSITION
FOR THE YEAR ENDED 31 DECEMBER 2018**

	Notes	<u>2018</u> Kshs	<u>2017</u> Kshs
EQUITY AND LIABILITIES			
Capital and reserves			
Members' Equity (page 8)		1,799,189	2,495,166
		<u>1,799,189</u>	<u>2,495,166</u>
Current liabilities			
Payables	7	1,740,902	6,673,863
		<u>1,740,902</u>	<u>6,673,863</u>
Total equity and liabilities		<u><u>3,540,091</u></u>	<u><u>9,169,029</u></u>
REPRESENTED BY			
Non-current assets			
Equipment	5	51,306	25,483
		<u>51,306</u>	<u>25,483</u>
Current assets			
Inventories	8	65,981	-
Other receivables	6	-	46,000
Cash and cash equivalents	4	3,422,804	9,097,546
		<u>3,488,785</u>	<u>9,143,546</u>
Total assets		<u><u>3,540,091</u></u>	<u><u>9,169,029</u></u>

The financial statements on pages 6 to 12 were approved for issue by the executive committee on 24TH SEP 2019 and were signed on its behalf by:

Chairman 

Secretary 

TREASURER 

**ALLIANCE HIGH SCHOOL OLD BOYS CLUB
STATEMENT OF CHANGES IN MEMBERS' EQUITY
FOR THE YEAR ENDED 31 DECEMBER 2018**

	Members' <u>Equity</u> Kshs
Balance as at 1 January 2017	2,241,316
Net surplus (Page 6)	253,850
	<hr/>
Balance at 31 December 2017	<u><u>2,495,166</u></u>
Balance as at 1 January 2018	2,495,166
Net (deficit) (Page 6)	(695,977)
	<hr/>
Balance at 31 December 2018	<u><u>1,799,189</u></u>

**ALLIANCE HIGH SCHOOL OLD BOYS CLUB
STATEMENT OF CASHFLOW
FOR THE YEAR ENDED 31 DECEMBER 2018**

	Notes	<u>2018</u> Kshs	<u>2017</u> Kshs
Operating activities			
Net (deficit)/surplus (Page 6)		(695,977)	253,850
<i>Adjustment for:</i>			
Depreciation	5	19,477	8,051
Operating surplus before working capital changes		<u>(676,500)</u>	<u>261,901</u>
Operating activities			
(Increase)/Decrease in inventories	8	(65,981)	229,773
Decrease/(Increase) in receivables	6	46,000	54,000
Increase in payables	7	<u>(4,932,961)</u>	<u>5,017,363</u>
Cash (used in)/ generated from operations		(5,629,442)	5,563,037
Net cash (used in)/ generated from operating activities		<u>(5,629,442)</u>	<u>5,563,037</u>
Investing activities			
Purchase of property and equipment	5	(45,300)	-
Net cash (used in) investing activities		<u>(45,300)</u>	<u>-</u>
Net Increase in cash and cash equivalents		<u>(5,674,742)</u>	<u>5,563,037</u>
Movement in cash and cash equivalents			
At start of year	4	9,097,546	3,534,509
(Decrease)/ Increase in cash and cash equivalents		(5,674,742)	5,563,037
At end of year	4	<u>3,422,804</u>	<u>9,097,546</u>

**ALLIANCE HIGH SCHOOL OLD BOYS CLUB
ACCOUNTING POLICIES
FOR THE YEAR ENDED 31 DECEMBER 2018**

The principal accounting policies adopted in the preparation of these financial statements are set out below:

1 Basis of preparation

The financial statements are prepared in accordance with and comply with International Financial Reporting Standards.

The financial statements are prepared under the historical cost convention.

2 Financial instruments

Financial instruments carried on the statement of the financial position include cash balances, receivables and payables. The particular recognition methods adopted are disclosed in the individual policy statements associated with each item.

3 Revenue recognition

Income is realised from member's contribution and fund raising activities as well as fees charged for specific events.

4 Provisions

Provisions are recognised when the club has a present legal or constructive obligation as a result of past events, it is probable that an outflow of resources embodying economic benefits will be required to settle the obligation, and a reliable estimate of the amount of the obligation can be made.

5 Cash and cash equivalents

For the purposes of the cash flow statement, cash and cash equivalents comprise cash in hand and with banks.

6 Equipment

The cost of an item of equipment is recognised as an asset when:
It is probable that future economic benefits associated with the item will flow to the company;
and the cost of the item can be measured reliably.

Equipment is initially measured at cost. Costs include costs incurred initially to acquire or construct an item of equipment and costs incurred subsequently to add to, replace part of, or service it. If a replacement cost is recognised in the carrying amount of an item of equipment, the carrying amount of the replaced part is derecognised.

Equipment is depreciated on the reducing balance method over their expected useful lives to their estimated residual value.

The depreciation chart of items of equipment has been assessed as follows:

Asset class	Rate per annum (%)
Office equipment	12.5
IT equipment	30

The residual value, useful life and depreciation method of each asset are reviewed at the end of each reporting period. If the expectations differ from previous estimates, the change is accounted for as a change in accounting estimate.

**ALLIANCE HIGH SCHOOL OLD BOYS CLUB
NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2018**

	2018 Kshs	2017 Kshs
1 Revenue		
Golf Tournament revenue	2,137,850	2,991,900
Re-union Dinner ticket sales	565,210	577,611
Life Membership subscriptions	45,000	180,100
Merchandise sales	21,655	25,350
Annual membership subscriptions	3,000	109,033
General	62,000	46,500
Matiba gift	528,000	-
Kimani driver gift	641,978	-
Total revenue	<u>4,004,693</u>	<u>3,930,494</u>
2 Direct costs		
Annual dinner	548,625	477,000
Annual Golf Tournament	809,931	965,973
Teachers and Staff Support	382,555	648,876
Secretariat expenses	1,235,146	900,110
Matiba gift	569,000	-
Kimani driver gift	642,063	-
Lapel pins	83,520	-
	<u>4,270,840</u>	<u>2,991,959</u>
3 Administrative Expenses		
Bank charges	19,384	3,355
Utilities	20,823	-
Mpesa charges	11,251	8,631
Donation not received	46,000	-
General expenses	163,861	404,630
Endowment fund support	-	100,000
Subscriptions	26,331	8,833
Equipment rental	9,000	8,500
Meals and entertainment	93,734	106,355
Stationery and printing	19,969	36,330
Depreciation (Note 4)	19,477	8,051
	<u>429,830</u>	<u>684,685</u>
4 Cash and Cash Equivalents		
M-Pesa	43,601	1,871,546
Bank	<u>3,379,203</u>	<u>7,226,000</u>
	<u>3,422,804</u>	<u>9,097,546</u>

**ALLIANCE HIGH SCHOOL OLD BOYS CLUB
NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2018**

5 Equipment

As at 31 December 2018

Cost

	Computer Equipment Kshs	Office Equipment Kshs	Total Kshs
At start of year	45,000	15,000	60,000
Additions	45,300	-	45,300
At end of year	<u>90,300</u>	<u>15,000</u>	<u>105,300</u>

Depreciation

At start of year	29,565	4,952	34,517
Charge for the year	18,221	1,256	19,477
At end of year	<u>47,786</u>	<u>6,208</u>	<u>53,994</u>

Net book value

<u>42,514</u>	<u>8,792</u>	<u>51,306</u>
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As at 31 December 2017

Cost

At start of year	45,000	15,000	60,000
Additions	-	-	-
At end of year	<u>45,000</u>	<u>15,000</u>	<u>60,000</u>

Depreciation

At start of year	22,950	3,516	26,466
Charge for the year	6,615	1,436	8,051
At end of year	<u>29,565</u>	<u>4,952</u>	<u>34,517</u>

Net book value

<u>15,435</u>	<u>10,048</u>	<u>25,483</u>
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**2018
Kshs**

**2017
Kshs**

6 Other receivables

Golf tournament donation receivable	-	46,000
	<u>-</u>	<u>46,000</u>

7 Other payables

Class of 1995 chapel gift	1,000	1,000
Endowment fund	1,739,902	6,672,863
	<u>1,740,902</u>	<u>6,673,863</u>

8 Inventories

Lapel pins	65,981	-
	<u>65,981</u>	<u>-</u>