



ANNUAL REPORT

2018

Leaving Footprints of Change and Transformation in
the Lives of Youth

International
Transformation
Foundation

JOIN THE PIPE DRINKING TAP
WATER STATION
OPENED BY
THE DUTCH AMBASSADOR TO KENYA
FRANS MAKKEN
ON 5TH JUNE 2018
INSTALLED BY
THE INTERNATIONAL TRANSFORMATION
FOUNDATION
IN CONJUNCTION WITH
NAIROBI COUNTY GOVERNMENT.

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Word from the Secretary General

Ladies and gentlemen,

I'm pleased to report that in 2018, we continued to experience strong growth. We have a lot to celebrate this year. Our accomplishments were significant.

In 2018, the ITF dream challenge has become a reality as we finally got registered in Rwanda as an international non-governmental organization! Consequently we are set to launch our first water kiosk at school in Rwanda's southern province rural community.

We have smoothly completed our first two (2) Erasmus plus programme-financed projects. Therefore the European Union has granted us funds for three new projects through the Erasmus Plus programme. These three new projects will drive us deeper into tackling youth issues, attitudes and policies in relation to the social innovation processes from the perspective of various youth from different world regions. We will also develop structured and innovative solutions towards increasing employability potential of young people.

We also continued with our "Join the Pipe" campaign of installing sustainable tap water stations in Nairobi. Together with Nairobi City Council we installed our second Join-the-Pipe drinking water station in Uhuru Park for people to access clean drinking tap water free of charge.

In October, I travelled to the Netherlands to receive, on your behalf, the best Innovation in Development prize for our project 'A Water Kiosk at School' which was ranked among the top three winners of the Spindle's competition that rewards the best innovative concepts in the field of international development.

All in all, in 2018 we have enjoyed significant growth in every department at ITF. This report gives further details and insights into the amazing work that we did and I am confident that you will enjoy reading it.

Thank you so much for your support in 2018. I look forward to your continued commitment as we now know that our vision is attainable — if we continue to work together.

Sincerely,

Venuste Kubwimana



Word from the Editor



ITF has continually been a solid stepping stone that has led to where I am in my career today. I could never be prouder than in this moment as I make the last edits to this issue for you all to read.

The achievements realized by ITF in 2018 have met the ITF dream challenge and I cannot wait to see what 2019 has in store for the organization!

But before then, let's take some time to appreciate our achievements, shortcomings and lessons learnt from 2018, shall we?

Wairimu Sharon

Editor

Vision:

To offer the best programs that ensure an empowered youth and developed communities.

Mission:

ITF aims at providing the most effective educational and self development programs to the youth and to the community at large.

About Us

International Transformation Foundation was established as an international, youth-led, non-profit organization on principles of stimulus and inspiration for transformation of the youth through self-development programs encompassing leadership and entrepreneurship.

ITF develops and drives youth development programs that mold the youth of today as leaders with strong hearts and minds and as true workers of society with creative and progressive thinking.



The ITF's 2018 Annual General Meeting (AGM) was held on Saturday, April 14th, 2018 at the Green Court Hotel in Nairobi at 2.00pm.

The AGM brought together former volunteers at ITF, current volunteers and members of the Board. The meeting started with an overview of the organizations activities in 2017. It was announced that this was all captured in the Annual Report which had previously been published.

The AGM also served as a platform to meet the secretariat team for the 2018/2019 term. Attendees were also informed on the change within the Board of Members with the new members being introduced to everyone.

Finally, the Secretary General, Venuste Kubwimana assured everyone that ITF is intended to be highly inclusive and will continue to support its secretariat members as well as involve former volunteers and members of the organization.

Join The Pipe

The Join the Pipe (JTP) project aims to install sustainable tap water stations near playgrounds, city centers, parks, schools and bus stations in Kenya; for people to drink clean tap water whenever needed. The project also works to bring awareness on environmental impact of production and waste of bottled water. The project is realized through two main activities, namely “A water kiosk at school” and “Public drinking tap water station.” And the project is characterized by environment friendly products:

a) water saving tap station, b) refillable water bottles made of BPA-free plastic and c) jerry carry karts.



2017



- 1 Water Kiosk at school built at Agawo Primary school, Oyugis
- Over 2500 students & community residents use the kiosk at Agawo primary school.
- 1798 re-usable water bottles distributed in Kenya.



2018



- 1 Public Drinking Tap Water Station built at Uhuru Park, Nairobi
- Over 500 people daily use the public drinking water station to clean tap water at Uhuru Park.
- 5765 re-usable water bottles distributed in both Kenya and Rwanda.

On 5th of June, ITF marked the World Environment Day by opening a second public drinking tap water station at Uhuru Park, an occasion graced by the Dutch Ambassador to Kenya, Frans Makken.

This is the second Join The Pipe(JTP) Tap-water Station in Nairobi's main recreational park – Uhuru Park – which serves the public with free clean drinking tap water.

2nd JTP Tap-water Station at Uhuru Park



European Union – Erasmus + Projects

ERASMUS



This year has marked a smooth transition from the BEE (building empowering environment for youth employability) and READ (reducing social exclusion through a creative approach to reading) Projects whose implementation and completion was a success having impacted 101 youth in 2017 and 87 youth in 2018. Erasmus plus is the (EU) European Union's Program that supports education, training, youth and sport in collaboration with a wide variety of individuals or organizations.

Erasmus+ also aims to promote the sustainable development of its partners in the field of higher education and contributes to achieving the objectives of the EU Youth Strategy.

Erasmus + and ITF

The three new projects that were approved for financing through European Union's Erasmus plus programme are

a) The Young Social Innovators -Engines Of Social Change, b) Reflect Experiment Capture (REC) and c) Social Entrepreneurship Training 4 Youth Power "SETYP".

The Young Social Innovators – Engines of Social Change



The project aims on one hand to conduct a comparative analysis of Youth Issues, Attitudes and Policies in relation with the social innovation processes from the perspective of various world regions, and on the other hand to promote the recognition of Youth Work by building youth workers' and youth leaders' capacity to empower young people by using social innovation in finding local answers to complex social and societal challenges in participating communities.

Reflect Experiment Capture



Reflect Experiment Capture is a project entailing art, experimental filmmaking and new technologies and violence prevention in a single initiative. It tackles violence in general and bullying in particular through experimental filmmaking as an innovative and attractive technique for any audience, especially the youth which is our target group. This improves the administrative functioning, social and dissemination skills.

The project will be the first of its kind to design a programme for disadvantaged youth to prevent violence and bullying.



Social Entrepreneurship Training 4 Youth Power “SET YP”

“SET YP” activity plan contributes “to acquire and develop a mix of knowledge, skills and aptitudes that the youth need to succeed in the labour market” and generally to achieving the objectives of the Europe 2020 Strategy and objectives of the Commission in the field of social entrepreneurship.

The project aims to develop structured and innovative solutions towards increasing employability potential of young people throughout providing them with knowledge on social entrepreneurship & innovation.

Specific issues tackled by the Erasmus + programme include:

- *Reducing unemployment, especially among young people*
- *Promoting adult learning, especially for new skills and skills required by the labor market.*
- *Encouraging young people to take part in European democracy*
- *Supporting innovation, cooperation and reform*
- *Reducing early school leaving*
- *Promoting cooperation and mobility with the European Union's partner countries*

The ITF dream challenge has become a reality through the establishment of ITF Rwanda in March 2018. This is after attaining a memorandum of understanding (MoU) with the Ministry of education - Rwanda on December 12, 2017.

The ITF Rwanda main office is now located in Muhanga District, Southern Province. For starters, the main focus project of ITF Rwanda will be the Join the Pipe – A Water Kiosk at School.

ITF Rwanda's work commencement was marked with the establishment of a water kiosk at Rubugurizo Primary School in Shyogwe, a rural community in Muhanga District with no working tap water system. Once complete the kiosk is set to be the main source of clean water for all households. Directly servicing the school members (students & teachers) and the general community residents.



In the spirit of Umuganda, on Saturday, September 29th 2018, residents of Shyogwe sector (Muhanga District) helped in drilling water trenches. These trenches will later be used to lay down the piping infrastructure for a water kiosk at Rubugurizo primary school, which is an essential step towards the successful opening of the kiosk scheduled for January 24th, 2019.

Umuganda is a practice from the Rwandan culture which means ‘coming together in common purpose to achieve an outcome’. It is one of Rwanda’s home-grown solutions to reinforce socio-economic development and to promote the use of cultural resources.

The involvement of the community in the process towards realizing the project ‘A Water Kiosk at School’, seeks to build a sense of value towards the running and sustainability of the project. The project is both school-based and community-owned in the sense that it involves selling clean tap water to community residents at an affordable price. This in turn creates extra income for the school which is used primarily for WASH activities such as buying toilet paper, maintaining the kiosk and catering for other school needs beyond WASH activities to improve the quality of sanitation and education.

Awards 2018



The Spindle

ITF took home €5.000 for its initiative 'A Water Kiosk at School' at the **Spindle Awards** held at the Partos Innovation Festival held in Amsterdam (Netherlands) on Friday, October 12, 2018 .

ITF took third place in the 'Best Innovation for Development' category which rewards the best innovative concepts in the field of international development.

Word from Spindle:

“By honouring multiple Awards during the Festival, the Spindle promoted innovations that are focused on creating a fairer, more inclusive, sustainable world.”

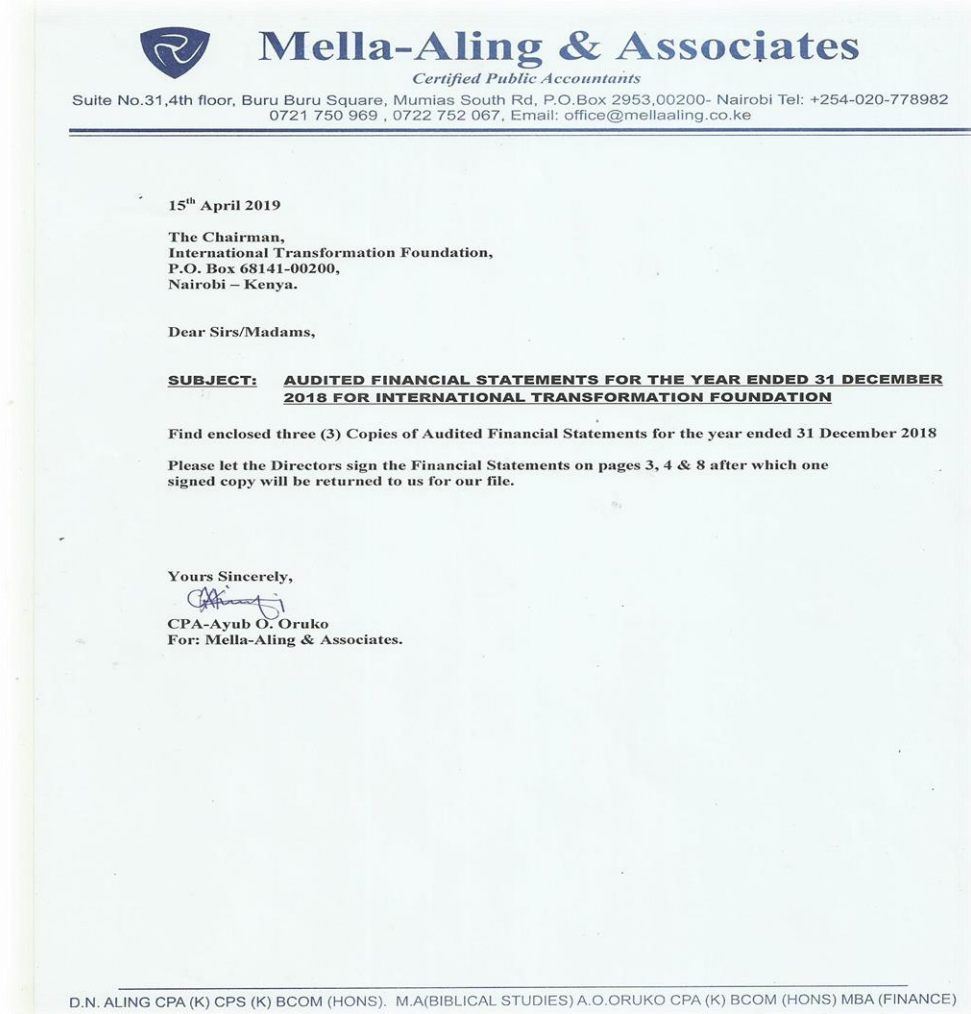
Tables and Figures

Comparison in various areas of performance in ITF from 2016 - 2018

	No. of Secretariat office	No. of Volunteers at the Secretariat	No. of Youth Impacted by our Projects	Re-usable Water Bottles Distributed	No. Water kiosks & Points built	No. of school children served by water kiosk	No. of community Residents served by water kiosk	No. of people served by Water Tap Station/Point	Awards Received	Income for the Year
2016	1	9	164	4,445	1	0		400 – 500 Daily	1	1,759,639
2017	1	9	103	1798	1	500	2000	0	2	4,241,046
2018	2	11	86	5765	1	0	0	500 Daily	1	4,792,602
Total since 2010	2	60	27300	16346	11	4815	73087	450 Daily	6	18,744,973

Financial Statement & Report

The following page contain a full report and financial statements for the year ended December 31st, 2018.



INTERNATIONAL TRANSFORMATION FOUNDATION
INFORMATION OF THE ORGANIZATION
FOR THE YEAR ENDED 31 DECEMBER 2018

1. BOARD OF DIRECTORS:

The Board Members during the year 2018 were:

Mr. Boniface N. Nyambura	-	Chairman
Ms. Pauline Mwaura	-	Treasurer
Mr. Venuste Kubwimana	-	Secretary
Mr. Javan Churu	-	Board Liaison

2. PRINCIPLE PLACE OF OPERATION:

Buruburu Phase 1, Oldebe Road, Cassia Crescent, House 29 Ext.
P.O Box: 68141- 00200 Nairobi, Kenya
Tel: +254 0770306839
E-mail: secretariat@itfsecretariat.org
www.itfsecretariat.org

3. AUDITORS:

Mella-Aling & Associates
Certified Public Accountants
P. O. Box 2953-00200 - Nairobi, Kenya
E-MAIL: office@mellaaling.co.ke

4. BANKERS:

Bank of Africa Limited
Monrovia Branch
P. O. Box 69562-00400
Nairobi

INTERNATIONAL TRANSFORMATION FOUNDATION

REPORT OF THE BOARD OF DIRECTORS

The Directors submit their report together with audited Financial Statements for the year ended 31 December 2018, which disclose the state of affairs of International Transformation Foundation.

LEGAL STATUS:

International Transformation Foundation was registered in Kenya as a Non-Profit making Organization on the 25 August 2010 by the Registrar of Societies with Registration Number 32667 and File No. SOC/57435.

PRINCIPAL ACTIVITY:

An internationally youth led non-profit organization providing youth educational and self development programs encompassing leadership and entrepreneurship.

RESULTS:

The results for the year are set out on page 7.

BOARD OF DIRECTORS:

The Directors who held office during the year and to the date of this report are listed on page 2.

AUDITORS:

The Auditors, Mella-Aling & Associates have indicated their willingness to continue in Office as Auditors of the Foundation.

BY ORDER OF THE BOARD

(Board Chairman)

Date.....15th April 2019

INTERNATIONAL TRANSFORMATION FOUNDATION

STATEMENT OF THE DIRECTOR'S RESPONSIBILITIES FOR THE YEAR ENDED 31 DECEMBER 2018

The Board of Directors are required to prepare Financial Statements for each financial year that gives a true and fair view of the financial position of the Organization as at the end of the financial year and of its financial performance for that year. It also requires the Board to ensure that the Organization keeps proper accounting records that: (a) show and explain the transactions of the Organization; and (b) disclose, with reasonable accuracy, the financial position of the Organization.

The Board of Directors accepts responsibility for the preparation and presentation of the Financial Statements in accordance with the International Financial Reporting Standards for Small and Medium-sized Entities. They also accept responsibility for:

- (i) Designing, implementing and maintaining such internal control as they determine necessary to enable the presentation of Financial Statements that are free from material misstatement, whether due to fraud or error;
- (ii) Selecting suitable accounting policies and applying them consistently; and
- (iii) making accounting estimates and judgments that are reasonable in the circumstances.

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

The Board acknowledges that the independent audit of the Financial Statements does not relieve them of their responsibilities.

Approved by the Board of Directors on.....15/4/.....2019 and signed on their behalf by:

Position:	Signature:
Chairman	
Secretary	
Treasurer	



Mella-Aling & Associates

Certified Public Accountants

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REPORT OF THE INDEPENDENT AUDITORS TO THE MEMBERS OF INTERNATIONAL TRANSFORMATION FOUNDATION

Opinion:

We have audited the accompanying Financial Statements of International Transformation Foundation, set out on pages 7 to 12, which comprise the Balance Sheet as at 31 December 2018, the Statement of Income and Expenditure, the Statement of Changes in Reserves and Cash Flows for the year then ended and notes, including a summary of significant accounting policies.

In our opinion the accompanying Financial Statements give a true and fair view of the financial position of the Organization as at 31 December 2018 and of its financial performance and Cash Flows for the year then ended in accordance with International Financial Reporting Standard for Small and Medium-sized Entities.

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.

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

Other Information:

The Board of 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 statement, our responsibility is to read the other information identified above and, in doing so, consider whether the other information is materially inconsistent with the financial statements of 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.

Board of Director's Responsibilities for the Financial Statements:

The Board of 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 Standard for Small and Medium-sized Entities, and for such internal control as the Board 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 Board of Directors are responsible for assessing the Organization'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 Board either intends to liquidate the Organization or to cease operations, or has no realistic alternative but to do so.

REPORT OF THE INDEPENDENT AUDITORS (Cont.)

Auditor's Responsibilities for 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 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 aggregate, they could reasonably be expected to influence the economical decisions of users taken on the basis of these Financial Statements.

As part of an audit in accordance with ISA's 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 Organization's internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the 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 Organization'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 Organization 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 may identify during our audit.

The engagement partner responsible for the audit resulting in independent auditor's report was CPA Ayub O. Oruko - Practicing Certificate No. 2025.

Mella - Aling & Associates

Certified Public Accountants

Mella-Aling & Associates

Mella-Aling & Associates
Certified Public Accountants (Kenya)

16th April 2019

INTERNATIONAL TRANSFORMATION FOUNDATION

STATEMENT OF INCOME AND EXPENDITURE

FOR THE YEAR ENDED 31 DECEMBER 2018

	Notes	2018 Kshs.	2017 Kshs.
INCOME:			
Sponsorship/Grants	1b	1,216,836	2,670,234
Join The Pipe Project Funding	1b	2,603,875	1,330,236
Members Loans		39,600	-
Membership Donations		468,964	8,000
Membership Contribution		1,000	21,950
Interest Income and Currency Exchange		171,076	192,516
Join The Pipe Bottle bike		291,251	18,110
		<u>4,792,602</u>	<u>4,241,046</u>
EXPENDITURE:			
Uhuru Park Tap Water Station Construction		108,537	68,491
Office Kitchen		86,155	-
Patriana Education Center Expenses (Water Kiosk)		462,828	788,076
READ Project Expenses		297,304	888,933
ITF Rwanda Expense		1,959,584	47,971
Office Rent		372,000	356,600
Office House Bills		177,892	329,359
Volunteer House Bills		92,096	108,232
Volunteer Transport		34,230	22,912
Volunteer Support		782,603	189,450
Bank/Mpesa Charges		12,854	6,872
General Expenses		290,891	286,763
Audit Fees		20,000	20,000
JTP Agawo Primary School		27,815	313,060
JTP Motor bike		44,480	101,700
JTP Vending trolley		-	19,900
AGM Expenses		20,000	34,120
Office Vehicle expenses		81,960	81,700
Capital Expenditure		-	601,900
TOTAL EXPENDITURE		<u>4,871,229</u>	<u>4,266,039</u>
(DEFICIT) FOR THE YEAR		<u>(78,627)</u>	<u>(24,993)</u>

INTERNATIONAL TRANSFORMATION FOUNDATION

BALANCE SHEET

AS AT 31 DECEMBER 2018

	Notes	2018 Kshs.	2017 Kshs.
EQUITY:			
CAPITAL FUND	5	476,648	628,439
SURPLUS FUND		195,196	273,823
		<u>671,844</u>	<u>902,262</u>
REPRESENTED BY:			
Non-Current Assets:			
Furniture & Equipment	2	476,648	628,439
Current Assets:			
Cash & Cash Equivalents	3	178,096	293,823
Staff Loans		37,100	-
		<u>215,196</u>	<u>293,823</u>
Current Liabilities:			
Accounts Payable	4	20,000	20,000
Net Current Assets:		<u>195,196</u>	<u>273,823</u>
Total Net Assets		<u>671,844</u>	<u>902,262</u>

The Financial Statements were approved by the Board of Directors on 15.1.2019 and signed on their behalf by:

Position:

Chairman

Secretary

Treasurer

Signature:

INTERNATIONAL TRANSFORMATION FOUNDATION

STATEMENT OF CHANGES IN FUNDS

FOR THE YEAR ENDED 31 DECEMBER 2018

Year ended 31 December 2017:

	Surplus Fund Kshs.	Capital Fund Kshs.	Total Kshs.
At 1 January 2017	298,816	241,830	540,646
Fixed Assets Addition	-	601,900	601,900
Deficit for the Year	(24,993)	-	(24,993)
Depreciation Charge	-	(215,291)	(215,291)
At 31 December 2017	<u>273,823</u>	<u>628,439</u>	<u>902,262</u>

Year ended 31 December 2018:

	Surplus Fund Kshs.	Capital Fund Kshs.	Total Kshs.
At 1 January 2018	273,823	628,439	902,262
Fixed Assets Addition	-	85,500	85,500
Deficit for the Year	(78,627)	-	(78,627)
Depreciation Charge	-	(237,291)	(237,291)
At 31 December 2018	<u>195,196</u>	<u>476,648</u>	<u>671,844</u>

INTERNATIONAL TRANSFORMATION FOUNDATION
STATEMENT OF CASH FLOWS
FOR THE YEAR ENDED 31 DECEMBER 2018

	Notes	2018 Kshs.	2017 Kshs.
CASH FLOWS FROM OPERATING ACTIVITIES			
(Deficit) for the year		(78,627)	(24,993)
Increase in Accounts Receivable		(37,100)	-
Increase in Accounts Payable		-	8,000
Cash Generated from Operating Activities		(115,727)	(16,993)
NET (DECREASE) IN CASH AND CASH EQUIVALENTS		(115,727)	(16,993)
CASH AND CASH EQUIVALENTS AT THE START		<u>293,823</u>	<u>310,816</u>
CASH AND CASH EQUIVALENTS AT THE END	3	<u>178,096</u>	<u>293,823</u>

INTERNATIONAL TRANSFORMATION FOUNDATION
NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2018

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

The Financial Statements are prepared in accordance with International Financial Reporting Standards (IFRS).

The principal accounting policies adopted in the preparation of these Financial Statements are set out below:

- (a) **Basis of Preparation:**
The Financial Statements are prepared under the historical cost convention in accordance with generally accepted non-profit accounting principles and applicable International Financial Reporting Standards for Small and Medium Entities.
- (b) **Income:**
Income is recognised when received or if confirmed to have been in transit at the Balance Sheet date.
- (c) **Cash and Cash Equivalents:**
For the purposes of the Cash Flow Statement, Cash and Cash Equivalents comprise cash in hand and cash at bank less any overdrafts.
- (d) **Accounts Receivable:**
Receivables are initially recognised at the transaction amount. At the end of the reporting period, the carrying amounts of receivables are reviewed to determine whether there is any objective evidence that the amounts are not recoverable.
- (e) **Fixed Assets:**
Fixed Assets purchased are expensed on acquisition. Memorandum accounts, through the Capital Fund and Fixed Assets account are maintained to track the Fixed Assets through the Balance Sheet.
- (f) **Depreciation:**
Fixed Assets are stated at cost less accumulated depreciation. Depreciation is charged using the straight line method to write down the cost of assets to their residual values over their estimated useful lives using the following rates:

Assets Category	Annual Rate (%)
Electronic Equipments	30
Furniture & Fittings	12.5
Motor Vehicle	25
- (g) **Comparatives:**
Where necessary, comparative figures have been adjusted to conform to changes in presentation in the current year.
- (h) **Taxation:**
No provision for corporate tax has been made in these Financial Statements. Being a charitable entity, the organization qualifies for exemption from Kenyan Corporate Tax under provisions of paragraph ten (10) of the first schedule to the Income Tax Act, Cap 470 (Laws of Kenya).
- (i) **Presentation Currency:**
The Financial Statements are presented in Kenya Shillings as the functional currency.
- (j) **Capital Commitments:**
As at 31 December 2018 International Transformation Foundation had no capital commitments.
- (k) **Transaction of Foreign Currencies:**
Transactions in United States Dollar were converted at rates ruling on the transaction dates. Assets and Liabilities at the end of the reporting period which were in United States Dollar were translated at the ruling on the Balance Sheet dates. The resulting difference from conversion and translation were dealt with in the Statement of Income and Expenditure for the period.

INTERNATIONAL TRANSFORMATION FOUNDATION

NOTES TO THE FINANCIAL STATEMENTS (Cont.)
FOR THE YEAR ENDED 31 DECEMBER 2018

2. FURNITURE AND EQUIPMENT

	Electronic & Equipment Kshs.	Office Furniture & Equipment Kshs.	Bicycle Kshs.	Motor Vehicle Kshs.	Total Kshs.
COST:					
At 1 Jan 2018	404,034	292,650	-	230,000	926,684
Additions	70,000	8,000	7,500	-	85,500
At 31 Dec. 2018	474,034	300,650	7,500	230,000	1,012,184
DEPRECIATION:					
At 1 Jan 2018	193,820	46,925	-	57,500	298,245
Charge for the Year	142,210	37,581	937	57,500	237,291
At 31 Dec. 2018	336,030	84,506	937	115,000	535,536
NET BOOK VALUE:					
At 31 Dec. 2018	138,004	216,144	6,563	115,000	476,648
At 31 Dec. 2017	210,214	245,725	-	172,500	628,439

3. CASH AND CASH EQUIVALENTS

	2018 Kshs.	2017 Kshs.
Bank of Africa Current Account	145,261	293,295
Cash Balance	15,835	-
Mpesa Balance	17,000	528
	178,096	293,823

4. ACCOUNTS PAYABLE

Audit Fees	20,000	20,000
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5. CAPITAL FUND

Capital Funds represents the cost of Fixed Assets brought into the Books less Accumulated Depreciation.



Recommendations

1. Implement a hand-over system/ long-term contracts to mitigate the progress distraction caused by a high volunteer turn over.
2. As experienced some of ITF's former volunteers continue to engage themselves in community development activities on full time basis or part time either through ITF, by starting their own or by joining other organizations. ITF should find ways to keep investing in former volunteers especially those starting up their own community development ventures reference to known hardships of starting up organizations.
3. Enforce the designed, coherent and effective organizational structure developed through the Rhodes Scholars Southern African Forum consulting for the ITF secretariat.

This 2018 Annual Report was prepared and published in April 2019 by:
International Transformation Foundation Secretariat



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