

NETWORK OF AFRICAN NATIONAL HUMAN RIGHTS INSTITUTIONS
REPORT AND FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2022

NETWORK OF AFRICAN NATIONAL HUMAN RIGHTS INSTITUTIONS 1
REPORT AND FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2022

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Organisation information

Steering committee	Dr. Elasto Hilarious Mugwadi	Chairperson
	Mr. Joseph Whittal	Vice-Chairperson
	Amb. Moushira Khattab	Member
	Dr. Roseline Dorine Adhiambo Adede	Member
	Ms Amina Bouayach	Member
	Ms. Scader Louis	Member
	Mr. Yaovi Sronvie	Member
	Mrs. Mukasine Marie Claire	Member
	Mr. Mwamba Mushikonke Mwamus	Member

Network executive director Mr. Gilbert Sebihogo

Registered office 3rd Floor, CVS Plaza, along Lenana Road
P.O Box 74359-00200
Nairobi Kenya

Auditors MGK Associates LLP
Certified Public Accountants
Mayfair Business Centre, off Parklands Road
P.O Box 6358-00100
Nairobi

Legal advisors Anne Babu & Co.
B28, Upperhill Gardens, 3rd Ngong Avenue
P.O Box 50062-00100
Nairobi

Principal bankers Kenya Commercial Bank Limited
Milimani Branch
P.O Box 69695-00400
Nairobi

NCBA Bank Limited
Prestige Plaza Branch
P.O Box 44599-00100
Nairobi

Report of the Steering Committee

The Steering Committee submits its report together with the audited financial statements for the year ended 31 December 2022, which disclose the state of affairs of the organization.

Incorporation

The organization is incorporated in Kenya under the Kenya Companies Act as a company limited by guarantee and is domiciled in Kenya. The address of the registered office is as set out on page 2.

Principal activities

The main activity for the organization is to support the establishment and strengthening of Paris Principles compliant national human rights institutions that effectively discharge their mandate.

Results

The financial results of the organization are reflected on pages 7.

Steering committee

The Steering Committee members who held office during the year and to date of this report are set out on page 2.

Auditor

MGK Associates LLP, Certified Public Accountants have expressed their willingness to continue in office. The Steering Committee monitors the effectiveness, objectivity and independence of the auditors. The Steering Committee also approves the annual audit engagement contract which sets out the terms of the auditor's appointment and the related fees.

By order of the Steering Committee

Gilbert Sebihogo: Network Executive Director

Nairobi _____ 2023

Statement of Steering Committee responsibilities

The Steering Committee is required to prepare financial statements for each financial year that give a true and fair view of the financial position of the organization as at the end of the financial year and of its balance or deficit for that year. The committee is also required to ensure that the organization keeps proper accounting records that: (a) show and explain the transactions of the organization; (b) disclose, with reasonable accuracy, the financial position of the organization; and (c) enable the steering committee to ensure that every financial statements required to be prepared complies with the relevant financial reporting requirements.

The Steering Committee accepts responsibility for the preparation and presentation of these financial statements that are free from material misstatements whether due to fraud or error. 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 judgements that are reasonable in the circumstances.

Having made an assessment of the organization's ability to continue as a going concern, the Steering Committee 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 Steering Committee acknowledge that the independent audit of the financial statements does not relieve them of their responsibilities.

Approved by the Steering Committee on 2023 and signed on its behalf by:

Dr. Elasto Hilarious Mugwadi : Chairperson

Mr. Gilbert Sebihogo : Network Executive Director

REPORT OF THE INDEPENDENT AUDITOR TO THE MEMBERS OF NETWORK OF AFRICAN NATIONAL HUMAN RIGHTS INSTITUTIONS (NANHRI) FOR THE YEAR ENDED 31 DECEMBER 2022.

Opinion

We have audited the accompanying financial statements of Network of African National Human Rights Institutions (NANHRI), set out on pages 7 to 18, which comprise the statement of financial position as at 31 December 2022, the statement of income and expenditure, statement of funds movement and statement of cash flows for the year then ended, and notes, including 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 the Organisation as at 31 December 2022 and of its operating results and cash flows for the year then ended in accordance with the organization accounting policies.

Basis for 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 organisation 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 other 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 Steering Committee is responsible for the other information. Other information comprises the report of the Steering Committee and the schedule of expenditure 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.

Steering Committee's responsibility for the financial statements

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

REPORT OF THE INDEPENDENT AUDITOR TO THE MEMBERS OF NETWORK OF AFRICAN NATIONAL HUMAN RIGHTS INSTITUTIONS (NANHRI) FOR THE YEAR ENDED 31 DECEMBER 2022 (CONTINUED).

Steering Committee's responsibility for the financial statements (continued)

In preparing the financial statements, the Steering Committee is responsible for assessing the organisation'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 Steering Committee either intend to liquidate the organisation or to cease operations, or have no realistic alternative but to do so.

Auditor's responsibilities for the 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 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 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 organisation'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 organisation'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 organisation 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.

The engagement partner responsible for the audit resulting in this independent auditor's report is CPA James Gichuru of Practising Certificate No. 2640

For and on behalf of
MGK Associates LLP
Certified Public Accountants
Nairobi, Kenya

2023

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Statement of income and expenditure		2022	2022	2021	2021
		KES	USD	KES	USD
Income					
Members contributions	5	19,936,000	169,668	19,931,270	180,701
Grants and donations	6	116,893,322	994,837	122,858,533	1,113,858
Other income	7	29,202,092	248,529	11,764,384	106,658
Total income		<u>166,031,414</u>	<u>1,413,034</u>	<u>154,554,187</u>	<u>1,401,217</u>
Expenditure					
Programme expenses	8 a	91,893,575	782,073	52,013,678	471,566
Administration expenses	8 b	46,323,736	394,244	27,619,046	250,399
Provision for bad debts	10	(8,581,132)	(73,031)	50,283,510	455,880
Total expenditure		<u>129,636,179</u>	<u>1,103,286</u>	<u>129,916,234</u>	<u>1,177,845</u>
Balance for the year		<u><u>36,395,235</u></u>	<u><u>309,748</u></u>	<u><u>24,637,953</u></u>	<u><u>223,372</u></u>

The notes on pages 11 to 18 are an integral part of these financial statements

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Statement of financial position

	Notes	2022 KES	2022 USD	2021 KES	2021 USD
Assets					
Non-current assets					
Property and equipment	9	2,375,498	19,313	992,466	8,997
Current assets					
Account receivables	10	43,748,999	355,683	26,613,107	241,279
Cash and cash equivalents	12	158,848,737	1,291,453	154,979,652	1,405,074
		<u>202,597,736</u>	<u>1,647,136</u>	<u>181,592,759</u>	<u>1,646,353</u>
Total assets		<u>204,973,234</u>	<u>1,666,449</u>	<u>182,585,225</u>	<u>1,655,350</u>
Reserves and liabilities					
Reserve funds					
General fund		195,321,867	1,587,983	160,309,663	1,453,397
Capital fund		2,375,498	19,313	992,466	8,997
Restricted fund		1,360,033	11,057	1,360,033	12,330
		<u>199,057,398</u>	<u>1,618,353</u>	<u>162,662,162</u>	<u>1,474,724</u>
Current liabilities					
Other payables	13	5,915,837	48,096	19,923,063	180,626
Total reserves and liabilities		<u>204,973,235</u>	<u>1,666,449</u>	<u>182,585,225</u>	<u>1,655,350</u>

The notes on pages 11 to 18 are an integral part of these financial statements

The financial statements on pages 7 to 18 were approved for issue by the Steering Committee on 2023 and were signed on their behalf by:

Dr. Elasto Hilarious Mugwadi : Chairperson

Mr. Gilbert Sebihogo : Network Executive Director

Statement of funds movement

	Capital fund KES	General fund KES	Restricted fund KES	Total KES	Total USD
Year ended 31 December 2022					
At 1st January 2022	992,466	160,309,663	1,360,033	162,662,162	1,474,725
Assets acquired during the year	2,399,297	(2,399,297)	-	-	-
NBV of assets disposed during the year	(27,836)	27,836	-	-	-
Depreciation	(988,429)	988,429	-	-	-
Operating balance for the year	-	36,395,235	-	36,395,235	309,747
Foreign currency translation difference	-	-	-	-	(166,119)
At 31 December 2022	<u>2,375,498</u>	<u>195,321,867</u>	<u>1,360,033</u>	<u>199,057,397</u>	<u>1,618,353</u>
At 31 December 2022 (USD)	<u>19,313</u>	<u>1,587,983</u>	<u>11,057</u>	<u>1,618,353</u>	<u>1,618,353</u>
Year ended 31 December 2021					
At 1st January 2021	1,384,621	135,279,555	1,360,033	138,024,209	1,251,353
Assets acquired during the year	47,375	(47,375)	-	-	-
Depreciation	(439,530)	439,530	-	-	-
Operating balance for the year	-	24,637,953	-	24,637,953	223,372
At 31 December 2021	<u>992,466</u>	<u>160,309,663</u>	<u>1,360,033</u>	<u>162,662,162</u>	<u>1,474,725</u>
At 31 December 2021 (USD)	<u>8,997</u>	<u>1,453,397</u>	<u>12,330</u>	<u>1,474,725</u>	<u>1,474,725</u>

The notes on pages 11 to 18 are an integral part of these financial statements

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Statement of cash flows	Notes	2022 KES	2022 USD	2021 KES	2021 USD
Cash flows from operating activities					
Balance for the year		36,395,235	295,896	24,637,953	223,372
Adjusted for:					
Depreciation		988,429	8,036	439,530	3,984
Loss on disposal of assets		16,836	137	-	-
Changes in working capital					
Trade receivables		(17,135,892)	(139,316)	36,097,125	327,233
Trade payables		(14,007,226)	(113,880)	(4,584,457)	(41,560)
Net cash flow generated from operating activities		<u>6,257,382</u>	<u>50,873</u>	<u>56,590,151</u>	<u>513,030</u>
Cash flow from investing activities:					
Purchase of property and equipment	9	(2,472,873)	(20,105)	(185,320)	(1,680)
Proceeds from disposal		11,000	89	-	-
VAT refunds adjustment		73,576	598	137,946	1,251
Net cash used in investing activities		<u>(2,388,297)</u>	<u>(19,418)</u>	<u>(47,374)</u>	<u>(429)</u>
Net increase in cash and cash equivalents		<u>3,869,085</u>	<u>31,455</u>	<u>56,542,777</u>	<u>512,601</u>
Movement in cash and cash equivalents					
At the start of the year		154,979,652	1,405,074	98,436,875	901,669
Translation differences		-	(145,076)	-	(9,196)
Increase in cash and cash equivalents		3,869,085	31,455	56,542,777	512,601
Cash and cash equivalents at 31 December	12	<u><u>158,848,737</u></u>	<u><u>1,291,453</u></u>	<u><u>154,979,652</u></u>	<u><u>1,405,074</u></u>

The notes on pages 11 to 18 are an integral part of these financial statements

Notes to the financial statements

1 General Information

The Network of African National Human Rights Institutions is incorporated in Kenya under the Companies Act Cap.486, laws of Kenya as a company limited by guarantee and not having share capital. The address of its registered office and principal place of business and the company principal activities are set out on page 2.

2 Basis of preparation and summary of significant accounting policies

These financial statements have been prepared in accordance with generally accepted not for profit accounting principles and in compliance with the International Financial Reporting Standards (IFRS's) issued by the International Accounting Standards Board. They are presented in both Kenya Shillings (KES) and the US dollar (USD). The measurement basis used is the historical cost basis except where otherwise stated in the accounting policies below.

a) Revenue recognition

Grants

Grants income is recognized in the accumulated funds upon receipt. Subsequently, the amounts expended are transferred from the grant fund account to the statement of comprehensive income as grant income.

Interest income

Interest on bank deposit are credited to statement of comprehensive income and are accounted for as other income.

b) Property and equipment

All property and equipment are initially recorded at cost and subsequently stated at historical cost less accumulated depreciation and any impairment in value.

Depreciation is calculated on a straight line basis to write down the cost of each asset annually to their residual values over their estimated useful life as follows:-

Computers	30%
Furniture & fittings	12.5%

A full year's depreciation is charged in the year of acquisition. No depreciation is charged in the year of disposal.

Gains or deficits arising from disposal of property and equipment are computed by reference to the sales proceeds and the net carrying amounts at the date of disposal. The gains or deficits are dealt with through the statement of comprehensive income.

c) Cash and cash equivalents

For the purposes of the cash flow statement, cash and cash equivalents comprise cash in hand and bank balances.

d) Taxation

The organization has a Host Country Agreement with the Government of Kenya which exempts it from income tax, import duty and Value Added tax (VAT). Therefore, no tax provision has been made in the financial statements.

Notes to the financial statements (continued)

2 Basis of preparation and summary of significant accounting policies (continued)

e) Employee entitlements

Pension Obligation

The organization operates a defined contribution pension scheme for its employees. The employees contribute 10% of their basic pay and the employer matching the same contribution. The organization also contributes to a statutory defined contribution pension scheme, the National Social Security Fund (NSSF). Contributions are determined by local statute and are currently limited to KES.200 per employee per month, with the organization contribution similar amount. The organization's contributions to the above scheme are charged to the statement of comprehensive income in the year to which they relate.

f) Translation of foreign currencies

Income received in foreign currency is converted at an average rate received from the organization's bankers. Expenses incurred are also translated into Kenya shillings at the rate of exchange received from the bankers. Gains and deficits arising from the translation are dealt with in the statement of comprehensive income.

g) Financial instruments

Financial assets and liabilities are recognized on the organization's statement of financial position when the organization has become a party to the contractual provisions of the instruments.

(i) Financial assets

The organization classifies its financial assets into the following categories: financial assets at fair value through balance or deficit; loans and receivables; held-to-maturity investments; and available-for-sale financial assets. Management determines the appropriate classification of its investments at initial recognition.

Financial assets at fair value through balance or deficit

This category has two sub-categories: Financial assets held for trading and those designated at fair value through balance or deficit at inception. A financial asset is classified in this category if acquired principally for the purpose of selling in the short term or if so designated by management. Gains and deficits arising from changes in fair value are recognized in the income statement.

Loans and receivables

Loans and receivables are non-derivative financial assets with fixed or determinable payments that are not quoted in an active market. They arise when the organization provides money, goods or services directly to a debtor with no intention of trading the receivable.

Held-to-maturity investments

Financial assets with fixed or determinable payments and fixed maturity where the bank has the positive intent and ability to hold to maturity other than loans and receivables originated by the bank are measured at amortized cost.

Notes to the financial statements (continued)

2 Basis of preparation and summary of significant accounting policies (continued)

h) Financial instruments (continued)

(ii) Financial liabilities

Grants payable and other payables

The liabilities for grants payables are carried the committed amount as per contract, which is measured at the fair or contractual value to be paid in respect of goods or services supplied to the organization, whether billed or not.

i) Provisions

Provisions for liabilities are recognized when there is a present obligation (legal or constructive) resulting from a past event, and it is probable that an outflow of economic resources will be required to settle the obligation and a reliable estimate can be made of the monetary value of the obligation.

j) Contingent liabilities

Contingent liabilities are possible obligations whose existence will be confirmed only by uncertain future events or present obligations where the transfer of economic benefit is uncertain or cannot be reliably measured. Contingent liabilities are not recognized but are disclosed unless they are remote.

k) Comparatives

Where necessary, the comparative amounts have been adjusted to comply with the financial reporting requirements

3 Risk Management objectives and policies

a) Financial risks

The organisation's activities expose it to a variety of financial risks: market risk (including foreign exchange risk, interest rate risk and price risk), credit risk and liquidity risk.

The organization does not have any financial assets subject to price risk.

The organisation's overall risk management programme focuses on the unpredictability of financial markets and seeks to minimise potential adverse effects on the entity's financial performance.

Risk management is carried out by the management under policies approved by the Steering Committee. Management identifies, evaluates and hedges financial risks in close co-operation with various functions heads.

i) Market risk

Foreign exchange risk

The organisation is exposed to foreign exchange risk arising from various currency exposures primarily with respect to the US Dollar. The risk arises from future transactions, assets and liabilities in the statement of financial position.

The carrying amounts of the company's foreign currency denominated monetary assets at the balance sheet date are as follows:

	2022	2021
	KES	KES
Bank balances	<u>156,469,610</u>	<u>149,944,771</u>

Notes to the financial statements (continued)

3 Risk management objectives and policies (continued)

a) Financial risks

i) Market risk (continued)

Foreign exchange risk (continued)

10% is the rate used when reporting foreign currency risk internally to key management personnel and represents management's assessment of the reasonably possible change in foreign exchange rates. The sensitivity analysis includes only outstanding foreign currency denominated monetary items and adjusts their translation at the period end for a 10% change in foreign currency rates.

As at 31 December 2022, if the Shilling had weakened/strengthened by 10% against the US Dollar and Euro with all other variables held constant, the impact on the balance/deficit for the year would have been Kshs.15,684,099 higher/lower, mainly as a result of US Dollar and Euro cash balances.

In management's opinion, the sensitivity analysis is unrepresentative of the inherent foreign exchange risk as the year end exposure does not reflect the exposure during the year.

ii) Credit risk

Credit risk arises from cash and cash equivalents and deposits with banks and financial institutions.

None of the financial assets that are fully performing has been renegotiated in the last year.

The Organisation's cash and cash equivalents and short term deposits are placed with reputable financial institutions.

4 Critical accounting estimates and judgments

Estimates and judgements are continually evaluated and are based on historical experience and other factors, including expectations of future events that are believed to be reasonable under the circumstances:

i) Critical accounting estimates and assumptions

Property and equipment

Critical estimates are made by the management in determining depreciation rates for the property, plant and equipment. The rates are set out in note 2 (b) above.

ii) Critical judgments in applying the entity's accounting policies

In the process of applying the organization's accounting policies, management has made judgments in determining:

- Whether assets are impaired
- The classification of financial assets and leases
- Contingencies and commitments

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Notes to the financial statements (continued)

	2022	2022	2021	2021
	KES	USD	KES	USD
5 Member contributions				
Contributions	19,936,000	169,668	19,931,270	180,701
6 Grants and donations				
RWI	12,368,715	105,266	19,240,996	174,442
GIZ	12,700,000	108,085	16,187,500	146,759
OSF	11,999,220	102,120	10,699,305	97,002
EU.DIHR	2,772,924	23,599	(1,210,194)	(10,972)
DIHR-Collaboration	8,511,857	72,441	10,426,114	94,525
Protection International Kenya	-	-	1,375,610	12,472
Plan International	-	-	3,082,403	27,946
Stichting Health Action International	10,424,316	88,718	-	-
Hivos Foundation	17,512,500	149,043	-	-
Arcus Foundation	24,058,790	204,756	31,241,744	283,243
UNDP-TPP	-	-	10,326,865	93,625
Foundation of Just Society	16,545,000	140,809	16,440,000	149,048
Others	-	-	5,048,190	45,768
	<u>116,893,322</u>	<u>994,837</u>	<u>122,858,533</u>	<u>1,113,858</u>
7 Other income				
Interest income	1,051,720	8,951	575,048	5,213
Foreign exchange gains	20,926,357	178,097	6,590,576	59,751
Contributions in kind	7,224,015	61,481	4,598,760	41,693
	<u>29,202,092</u>	<u>248,529</u>	<u>11,764,384</u>	<u>106,658</u>
8 Expenditure				
a Programme expenses				
i) Training workshops and conferences				
Regional workshop	48,122,115	409,550	20,032,911	181,622
Sub-regional workshop	20,409,752	173,700	16,050,493	145,517
Total	<u>68,531,867</u>	<u>583,250</u>	<u>36,083,404</u>	<u>327,139</u>
i) Other programme expenses				
Professional fees	12,932,280	110,062	8,042,226	72,912
Personnel costs	8,869,354	75,484	5,596,452	50,738
International travel	1,159,821	9,871	1,902,994	17,253
Local travel	400,253	3,406	388,602	3,523
Total	<u>23,361,708</u>	<u>198,823</u>	<u>15,930,274</u>	<u>144,427</u>
Total programme expenses	<u>91,893,575</u>	<u>782,073</u>	<u>52,013,678</u>	<u>471,566</u>

Notes to the financial statements (continued)

	2022 KES	2022 USD	2021 KES	2021 USD
8 Expenditure (continued)				
b General and administration expenses				
Personnel costs	26,816,869	228,229	19,938,311	180,764
Office rent	7,313,335	62,241	2,865,806	25,982
Telephone, postage and Internet	673,298	5,730	700,750	6,353
Travel and accommodation	172,450	1,468	137,980	1,251
Insurance expense	301,840	2,569	108,343	982
Repairs and maintenance	3,979,579	33,869	301,773	2,736
Website expenses	17,400	148	437,410	3,966
Audit fees	1,043,007	8,877	460,000	4,170
Office supplies	154,332	1,313	168,889	1,531
Water	52,040	443	50,112	454
Bank charges	705,284	6,002	498,401	4,519
Printing and stationery	738,786	6,288	754,995	6,845
Conferences and meetings	2,868,170	24,410	713,926	6,473
Penalties	139,302	1,186	42,820	388
Depreciation	988,429	8,412	439,530	3,985
Office expenses	16,350	139	-	-
Cleaning	326,429	2,778	-	-
Loss on sale of asset	16,836	143	-	-
	<u>46,323,736</u>	<u>394,244</u>	<u>27,619,046</u>	<u>250,399</u>
9 Tangible fixed assets				
	Computers and equipment KES	Furniture and fittings KES	Total KES	Total USD
Year 2022				
Cost				
As at 1 January	3,213,532	2,108,916	5,322,448	48,254
Additions	1,735,149	737,724	2,472,873	20,105
VAT refunds adjustment	(1,776)	(71,800)	(73,576)	(598)
Disposal	(51,000)	(55,673)	(106,673)	(867)
Exchange difference	-	-	-	(4,982)
As at 31 December	<u>4,895,905</u>	<u>2,719,167</u>	<u>7,615,072</u>	<u>61,911</u>
Changes in book value				
As at 1 January	2,936,446	1,393,536	4,329,982	39,257
Charge for the year	733,646	254,783	988,429	8,036
Disposal	(51,000)	(27,837)	(78,837)	(641)
Exchange difference	-	-	-	(4,054)
As at 31 December	<u>3,619,092</u>	<u>1,620,482</u>	<u>5,239,574</u>	<u>42,598</u>
Net book value	<u>1,276,813</u>	<u>1,098,685</u>	<u>2,375,498</u>	<u>19,313</u>

Notes to the financial statements (continued)

9 Tangible fixed assets (continued)

	Computers and equipment KES	Furniture and fittings KES	Total KES	Total USD
Year 2021				
Cost				
As at 1 January	3,263,216	2,011,858	5,275,074	51,580
Additions	13,920	171,400	185,320	1,680
VAT refunds adjustment	(63,604)	(74,342)	(137,946)	(1,251)
Exchange difference	-	-	-	(3,755)
As at 31 December	<u>3,213,532</u>	<u>2,108,916</u>	<u>5,322,448</u>	<u>48,254</u>
Depreciation				
As at 1 January	2,665,429	1,225,023	3,890,452	38,897
Charge for the year	271,017	168,513	439,530	3,985
Exchange difference	-	-	-	(3,625)
As at 31 December	<u>2,936,446</u>	<u>1,393,536</u>	<u>4,329,982</u>	<u>39,257</u>
Net book value	<u>277,086</u>	<u>715,380</u>	<u>992,466</u>	<u>8,997</u>
	2022	2022	2021	2021
	KES	USD	KES	USD

10 Account receivables

Due from members	85,376,577	694,119	75,607,887	685,475
Less: Provision for bad and doubtful debts	(41,702,378)	(339,044)	(50,283,510)	(455,880)
	<u>43,674,199</u>	<u>355,075</u>	<u>25,324,377</u>	<u>229,595</u>
Other receivables	74,800	608	1,288,730	11,684
	<u>43,748,999</u>	<u>355,683</u>	<u>26,613,107</u>	<u>241,279</u>

12 Cash and cash equivalents

For the purpose of cash flow statement, the year end cash and cash equivalents comprise of the following:-

	2022 KES	2022 USD	2021 KES	2021 USD
Bank balances	158,797,616	1,291,037	154,964,730	1,404,939
Petty cash	51,121	416	14,922	135
	<u>158,848,737</u>	<u>1,291,453</u>	<u>154,979,652</u>	<u>1,405,074</u>

Notes to the financial statements (continued)

	2022	2022	2021	2021
	KES	USD	KES	USD
13 Trade and other payables				
Trade payables	4,374,147	35,562	2,412,883	21,876
Deferred income	-	-	16,545,000	150,000
Accrued expenses	281,481	2,288	965,180	8,750
Other payables	1,260,209	10,246	-	-
	<u>5,915,837</u>	<u>48,096</u>	<u>19,923,063</u>	<u>180,626</u>

14 Events after the year end

Since the end of the financial period, no matter or circumstances have occurred that have or may significantly affect the operations or the state of affairs of the organisation in subsequent financial years.

15 Contingent liabilities

The company has no legal matters either for or against pending in any courts

16 Capital commitments

The organization has no capital commitments, whether authorized and contracted or authorized and not contracted.

NETWORK OF AFRICAN NATIONAL HUMAN RIGHTS INSTITUTIONS
FOR THE YEAR ENDED 31 DECEMBER 2022
Proposed Journals

Deficit before adjustments			11,090,638.58
1 Opening balance adjustment			
DR 1140 · NANHRI KCB- USD224	6,502.73		
DR 1100 · Accounts Receivable - USD	36,599.00		
CR 2001 · Accounts Payable - USD		290,242.15	
DR 2170 · Accruals	270.27		
DR 3201 · Unrestricted Net Assets	246,870.15		
2 Foreign balance revaluation			
DR 1231 · Gilbert	1,100.14		
DR 1246 · Mercy Obonyo	186.16		
DR 1247 · Deborah Nyokabi	9,992.40		
DR 1248 · Arudi Laura	920.00		
DR 1249 · Robert Athewa	3,922.00		
DR 1272 · Doreen Nguti	3,850.00		
DR 2430 · NET PAY	22,526.30		
CR 11000 · Exchange Gain or Loss		42,497.00	42,497.00
3 Foreign balance revaluation			
DR 1120 · NANHRI KCB- USD654	6,180,514.83		
DR 1140 · NANHRI KCB- USD224	1,431,933.60		
CR 1160 · NANHRI NIC - USD 387		534,343.14	
DR 1173 · NANHRI- Equality & Non-discrimi	5,779,782.51		
CR 1174 · NANHRI-NHRI EU GRANT		391,788.32	
CR 1175 · NANHRI - DIHR Collaboration		761,493.98	
CR 1176 · NANHRI-AGA PROJECT		653,903.24	
DR 1177 · NANHRI-SRHR PROJECT	269,541.52		
DR 1178 · NANHRI-HIVOS Project	726,248.89		
CR 11000 · Exchange Gain or Loss		12,046,492.67	12,046,492.67
4 Depreciation charge for the year			
CR 1502 · Accum Depr - Furn and Equip		254,782.48	
CR 1512 · Accum Depr - Computers		733,646.02	
DR 10800 · Depreciation Expense:10801 · Depreciation - PPE	988,428.50		(988,428.50)
5 Movement of provision for the year			
DR 1280 · Provision for bad & doubtful de	8,581,131.71		
CR 10000 · Administration expenses:10901 · Bad & doubtful debts		8,581,131.71	8,581,131.71
6 Foreign balance revaluation			
DR Accounts receivable	6,780,555.26		
CR 11000 · Exchange Gain or Loss		6,780,555.26	6,780,555.26
7 Recognition of asset disposed during the year			
DR 1500 · Office furniture and equipment	11,000.00		
DR 1502 · Accum Depr - Furn and Equip	27,836.52		
CR 1501 · Office furniture & equip. cost		55,673.04	
CR 1511 · Computers and accessories- cost		51,000.00	
DR 1512 · Accum Depr - Computers	51,000.00		
DR Loss on sale of asset	16,836.52		(16,836.52)
8 2021 prepaid insurance expense			
DR 10108 · Medical expenses	1,140,815.30		(1,140,815.30)
CR 1300 · Prepaid Expenses		1,140,815.30	
balance after adjustments			<u>36,395,235</u>

Approved by: _____

Date: _____