



**NOMADIC ASSISTANCE FOR PEACE
AND DEVELOPMENT**

**Financial Statements and Accounts
For the Period Ended 28 February 2013**

**SOLOMON GEORGE & COMPANY
CERTIFIED PUBLIC ACCOUNTANTS (K)
P.O. Box 3998 00100
Nairobi, Kenya.**

**Nomadic Assistance for Peace and Development (NAPAD)
Audited Financial Statements & Report
For The Year Ended 28 February 2013**

Table of Contents

CONTENTS	PAGE
Acronyms	1
Corporate Information	2
Directors' Report	3-4
Statement of Directors' Responsibilities	5
Auditor's Report on the Financial Statements	6
Income & Expenditure Statement	7
Balance Sheet	8
Statement of Changes in Funds	9
Cash Flow Statement	10
Notes to the Financial Statements	11-15
Auditor's Opinion on Propriety of Expenses	16
Auditor's Opinion on Compliance with Agreement Terms, Applicable Laws & Regulations	17

**Nomadic Assistance for Peace and Development (NAPAD)
Audited Financial Statements & Report
For The Year Ended 28 February 2013**

Acronyms

FAO	- Food and Agriculture Organization of United Nations
NCA	- Norwegian Church Aid
UN-OCHA	- United Nations Office for the Coordination of Humanitarian Affairs
NAPAD	- Nomadic Assistance for Peace and Development
MEDICO	- Medico International e.V.
UNICEF	- United Nation Children's Fund
Ksh	- Kenya Shillings
USD	- United States Dollars

Nomadic Assistance for Peace and Development (NAPAD)
Audited Financial Statements & Report
For The Year Ended 28 February 2013

Corporate Information

Registered Office	Mandera town P.O.Box 100 - 70300 Mandera, Kenya
Nairobi support Office	House No. 8, Wendy Court David Osieli Road, Off Waiyaki Way URL: www.napad.or.ke
Directors	Abdirashid A. Warsame -Chairman Mohamed Ahmed Arai - Executive Director/Secretary Nur Muse Abdi -Treasurer
Key Management Staff	Mohamed Ahmed Arai - Executive Director/Secretary Abdi Ali Botan -Programme Coordinator Nur Shiekh Muse -Finance Director
Auditors	Solomon George & Company Certified Public Accountants of Kenya P.O. Box 3998 – 00100 Nairobi URL: www.solomongeorgeCPA.com
Bankers	Equity Bank Ltd Mandera Branch P.O Box 536 - 70300 Mandera, Kenya

**Nomadic Assistance for Peace and Development (NAPAD)
Audited Financial Statements & Report
For The Year Ended 28 February 2013**

Directors' Report

The Directors have the pleasure of presenting their report together with the audited financial statements for the period ended 28 February, 2013.

1. NAPAD Background Information

NAPAD is registered as a Local NGO under Section 10 of the Non-Governmental organizations Co-ordination Act Laws of Kenya on 3rd December 2009.

2. Mission Statement

To promote peace and sustainable development amongst (agro) pastoralist communities in the Horn of Africa through social-economic empowerment and advocacy

3. Current NAPAD Projects

During the period under the audit, NAPAD implemented the following programs/projects:

- (a) Emergency Education Project in Gedo Funded by Trocaire
- (b) Emergency Food Aid Project Funded by Medico
- (c) Baseline Survey Funded by Medico
- (d) Cash For Work Funded by FAO
- (e) Drought Response for Somalia Project Funded by NCA
- (f) Wash and FSL Project Funded by OXFAM

4. NAPAD Partners

NAPAD recognize donations and grants received from Governments, Corporations, Foundations and individuals.

The following are the key NAPAD partners/donors for the period ended 28 February 2013:

- (a) Medico International
- (b) NCA
- (c) OXFAM GB
- (d) FAO
- (e) TROCAIRE

5. Operations Results

The operating results are as set out on page 7

**Nomadic Assistance for Peace and Development (NAPAD)
Audited Financial Statements & Report
For The Year Ended 28 February 2013**

Directors report Cont'd

6. Directors

The Directors who served during the year, to date of this reports are as shown on page 2

7. Auditors

Solomon George & Company, Certified Public Accountants of Kenya have expressed their willingness to continue in office

BY ORDER OF THE BOARD

(For and on its behalf)



At Nairobi 10th July, 2013

Nomadic Assistance for Peace and Development (NAPAD)
Audited Financial Statements & Report
For The Year Ended 28 February 2013

Statement of Directors' Responsibility

The Directors of Nomadic Assistance for Peace and Development are required to prepare financial statements which give a true and fair view of the state of affairs of the Organization as at the end of the period and of its operating results for that period.


The Directors are required to ensure that the Organization maintains proper accounting records which disclose, with reasonable accuracy, the financial position of the Organization. The Directors are also responsible for safeguarding the assets of the Organization.

The Directors accept responsibility for the financial statements, which have been prepared using appropriate accounting policies supported by reasonable and prudent judgments and estimates, consistent with previous years, and in conformity with generally accepted non profit accounting principles and applicable International Financial Reporting Standards.

The Directors are of the opinion that the financial statements give a true and fair view of the state of the financial affairs of the Organization as at 28 February, 2013 and of its operating results for the period then ended. The Directors further confirm the accuracy and completeness of the accounting records maintained by the Organization which have been relied upon in the preparation of the financial statements, as well as on the adequacy of the systems of internal financial controls.

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

Approved by the Board on 10th July, 2013 and signed on its behalf by:



Abdirashid A. Warsame
(Chairman)



Mohamed A. Arai
(Chief Executive Officer)

Auditors' Report No. 1

Auditors' Report on Financial Statements

To the members of:

Nomadic Assistance for Peace and Development (NAPAD)

Report on the Financial Statements

We have audited the accompanying financial statements set out on pages 5 to 13 of Nomadic Assistance for Peace and Development which comprise the balance sheet as at 28 February, 2013 and the operating statement, statement of changes in funds and cash flow statement for the period then ended and a summary of significant accounting policies and other explanatory notes. We have obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purpose of the audit.

Responsibility for the Financial Statements

As stated on page 2 the Directors are responsible for the preparation and fair presentation of these financial statements in accordance with generally accepted non-profit accounting principles and applicable International Financial Reporting Standards. This responsibility includes designing, implementing and maintaining internal controls 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.

Responsibility of the Auditor

Our responsibility is to express an opinion on these financial statements based on our audit. We conducted our audit in accordance with International Standards on Auditing. Those standards require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance whether the financial statements are free from material misstatement. An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal controls relevant to the entity's preparation and fair presentation of the financial statements 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 entity's internal controls. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of accounting estimates made by the Directors, as well as evaluating the overall presentation of 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, proper books of account have been kept and the accompanying financial statements, which are in agreement therewith, give a true and fair view of the financial position of Nomadic Assistance for Peace and Development as of 28 February, 2013, and of its financial performance and its cash flows for the period then ended in accordance with generally accepted non-profit accounting principles and applicable International Financial Reporting Standards.



SOLOMON GEORGE & Co.
Certified Public Accountants of Kenya



Nairobi 15.07.2013

Nomadic Assistance For Peace and Development
Audited Financial Statements and Report
For The Year Ended 28 February 2013

INCOME	Note	2012 Usd	2013 Usd	2013 Kshs
Grants Received	7	2,614,407	741,488	63,767,942
Other Income		0	0	0
Total Income		<u>2,614,407</u>	<u>741,488</u>	<u>63,767,942</u>
EXPENDITURE				
Direct Project Costs				
Technical Staff Costs	8	167,010	77,897	6,699,136
Other - Works	8	2,325,953	638,818	54,938,382
Total Direct Project Costs		<u>2,492,963</u>	<u>716,715</u>	<u>61,637,518</u>
General Administration Cost				
Administration & Support Costs	8	50,735	25,177	2,165,233
Total General Administration Cost		<u>50,735</u>	<u>25,177</u>	<u>2,165,233</u>
Total Expenditure		<u>2,543,698</u>	<u>741,892</u>	<u>63,802,752</u>
Exchange Gain		1,432	0	0
Net Operating Balance for the period	Usd	<u>72,142</u>	Usd	<u>(405)</u>
			Kshs	<u>(34,810)</u>

Auditor's report - page 6

The notes on pages 11 to 15 form part of these financial statements

Nomadic Assistance For Peace and Development
Audited Financial Statements and Report
For The Year Ended 28 February 2013

Balance Sheet				
	Note	2012 USD	2013 USD	2013 Kshs
FIXED ASSETS				
Property and Equipment	3	<u>18,623</u>	<u>22,993</u>	<u>1,977,423</u>
Current Assets				
Receivables	4	506,972	86,729	7,458,682
Cash and Bank	5	<u>101,619</u>	<u>3,022</u>	<u>259,885</u>
		<u>608,591</u>	<u>89,751</u>	<u>7,718,567</u>
Current Liabilities				
Payables and Accruals	6	515,917	76,950	6,617,670
Net Current Assets		<u>92,673</u>	<u>12,801</u>	<u>1,100,897</u>
Net Assets	Usd	<u>111,296</u>	Usd	Kshs
		<u>111,296</u>	<u>35,794</u>	<u>3,078,320</u>
FINANCED BY:				
General Fund		0	(405)	(34,810)
Capital Fund		18,623	22,993	1,977,423
Project Funds		92,673	13,206	1,135,706
Total Fund	Usd	<u>111,296</u>	Usd	Kshs
		<u>111,296</u>	<u>35,794</u>	<u>3,078,320</u>

These accounts were approved by the Executive Committee on 10th July, 2013
and signed on its behalf by:



Abdirashid A. Warsame
Chairman



Mohamed Ahmed Arai
Executive Director

Auditor's report - page 6

The notes on pages 11 to 15 form part of these financial statements

**Nomadic Assistance For Peace and Development
Audited Financial Statements and Report
For The Year Ended 2 February 2013**

Statement of Changes in Funds

	General Fund KSH	Project Fund KSH	Capital Fund KSH	Total Fund KSH
Balance As At 01.03.2011	0	1,642,522	506,065	2,148,587
Balance / (Deficit) for the period	0	6,327,380	1,095,513	7,422,893
Balance As At 29.02.2012	<u>0</u>	<u>7,969,901</u>	<u>1,601,578</u>	<u>9,571,479</u>
Balance As At 01.03.2012	0	7,969,901	1,601,578	9,571,479
Surplus/(Deficit) for the period	0	(6,840,336)	375,846	(6,464,491)
Balance As At 28.02.2013	<u>0</u>	<u>1,129,565</u>	<u>1,977,423</u>	<u>3,106,989</u>

Auditor's report - page 6

The notes on pages 11 to 15 form part of these financial statements

Nomadic Assistance For Peace and Development
Audited Financial Statements and Report
For The Year Ended 28 February 2013

Cash Flow Statement

	2013	2012
	Kshs	Kshs
Cashflows from Operating Activities		
Net Operating Balance for the year (page 7)	(34,810)	6,204,191
<i>Adjustments for:</i>		
Unrealised Exchange Gain	-	123,189
Increase in Capital Fund	498,270	1,513,299
Decrease in project funds	(3,792,365)	0
<i>Changes in working capital:</i>		
(Increase) in receivables, prepayments and deposits	33,099,051	(43,023,358)
(Decrease) Increase in payables and accruals	(37,751,225)	44,368,895
Net Cashflows from Operating Activities	<u>(7,981,079)</u>	<u>9,186,216</u>
Cashflows from Investing Activities		
Purchase of fixed assets	<u>(498,270)</u>	<u>(1,513,299)</u>
Increase / (Decrease) in Cash and Cash Equivalents	<u>(8,479,349)</u>	<u>7,672,917</u>
Movement in Cash and Cash Equivalents		
Cash and Cash Equivalents b / f	8,739,234	1,066,316
Net Increase / (Decrease) in Cash and Cash Equivalents	(8,479,349)	7,672,917
Cash and Cash Equivalents c / f - 29.02.2012	<u>259,885</u>	<u>8,739,234</u>

Auditor's report - page 6

The notes on pages 11 to 15 form part of these financial statements.

Nomadic Assistance for Peace and Development (NAPAD)
Audited Financial Statements & Report
For The Year Ended 28 February 2013

1. BACKGROUND INFORMATION

(a) Legal Status

Nomadic Assistance for Peace and Development is registered in Kenya as a non-profit organisation under section 10 of the Non-Governmental Organizations Co-ordination Act.

(b) Registered Office

The registered address of the office is Wendy Court, David Osieli Road, P. O. Box 100-70300 Mandera, Kenya.

2. ACCOUNTING POLICIES

(a) Basis of Accounting

The accounts are prepared in accordance with the historical cost convention and on accrual basis.

(b) Income

Income represents funding/transfers from the donors.

(c) Expenditure

Expenditure is recognized when payments are made. Accruals are made for expenses incurred but not paid for at year end.

(d) Property & Equipment

Fixed assets are reflected in the balance sheet on a memorandum basis. Memorandum accounts (property and equipment and capital fund) are maintained to track/capture the carrying amount of fixed assets through the balance sheet. A fixed assets register is maintained to track the fixed assets for Nomadic Assistance for Peace and Development.

Fixed assets are stated at cost less accumulated depreciation calculated using the straight line method. The rates in use are as follows:-

<u>Asset Category</u>	<u>Annual Rate (%)</u>
Office Equipment	12.5
Computers and Accessories	30.0
Motor Vehicles	25.0

Fixed assets purchased or donated to the organization are expensed on acquisition.

(e) Foreign Currency

Transactions in currencies other than US Dollars (US \$) are converted to base currency (US \$) using the rates ruling at the date of the transaction. Any exchange differences are written off through the operating statement.

(f) 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.

Auditor's report – page 6

The notes on pages 11 to 15 form part of these financial statements

Nomadic Assistance For Peace and Development
Audited Financial Statements and Report
For The Year Ended 28 February 2013

Notes to the Financial Statements (Cont'd)

3. PROPERTY AND EQUIPMENTS

	Furniture & Fittings	Office Appliances	Computers & Accessories	Motor Vehicles	Total
	Ksh	Ksh	Ksh	Ksh	Ksh
Cost					
Balance b /f	969,398	366,600	640,700	830,000	2,806,698
Additions	0	133,481	364,789	0	498,270
Balance At 28/02/2013	<u>969,398</u>	<u>500,081</u>	<u>1,005,489</u>	<u>830,000</u>	<u>3,304,968</u>
Depreciation					
Balance b /f	238,917	69,032	299,476	207,500	814,924
Charge for the year	91,310	53,881	211,804	155,625	512,620
Balance At 28/02/2013	<u>330,227</u>	<u>122,913</u>	<u>511,280</u>	<u>363,125</u>	<u>1,327,545</u>
Net Book Value					
Balance At 28/02/2013	<u>639,171</u>	<u>377,168</u>	<u>494,209</u>	<u>466,875</u>	<u>1,977,423</u>
Balance At 29/02/2012	<u>730,481</u>	<u>297,568</u>	<u>341,224</u>	<u>622,500</u>	<u>1,991,774</u>

Auditor's report - page 6

The notes on pages 11 to 15 form part of these financial statements.

**Nomadic Assistance For Peace and Development
Audited Financial Statements and Report
For The Year Ended 28 February 2013**

Notes to the Financial Statements (Cont'd)

	2013	2013
	US \$	Kshs
4. RECEIVABLES & PREPAYMENTS		
FAO	14,605	1,256,030
TROCAIRE	9,734	837,167
OXFAM	62,389	5,365,485
Total Receivables & Prepayments	US \$ <u>86,729</u>	Kshs <u>7,458,682</u>
5. CASH & BANK		
Equity	3,022	259,885
Total Cash & Bank Balances	<u>3,022</u>	<u>259,885</u>
6. PAYABLES AND ACCRUALS		
Jubba Management & Business Consultants	76,950	6,617,670
Total Payables and Accruals	<u>76,950</u>	<u>6,617,670</u>
7. GRANTS RECEIVED		
MEDICO	223,328	19,206,208
FAO	75,519	6,494,634
OXFAM GB	149,079	12,820,794
TROCAIRE	193,562	16,646,306
NCA	100,000	8,600,000
Total Grants Received	US \$ <u>741,488</u>	Kshs <u>63,767,942</u>

Auditor's report - page 6

The notes on pages 11 to 15 form part of these financial statements.

Namibie Assistance For Peace and Development
Audited Financial Statements and Report
For The Year Ended 28 February 2013

Notes to the Financial Statements (Cont'd)

8. GRANT ACCOUNTABILITY

	FAO		MEDICO		OXFAM		TROCAIRE		NCA		TOTAL	
	USD	USD	USD	USD	USD	USD	USD	USD	USD	USD	USD	Ksbs
GRANTS RECEIVED												
FAO	75,519										75,519	6,494,634
MEDICO		223,328									223,328	19,206,298
OXFAM				149,079							149,079	12,826,794
TROCAIRE						193,562					193,562	16,646,306
NCA								100,000			100,000	8,600,000
TOTAL GRANTS RECEIVED	75,519	223,328	149,079	193,562	100,000	741,488						63,767,942
EXPENDITURE												
TECHNICAL STAFF												
Salaries	13,150	16,800	6,400	41,097	450	77,897					77,897	6,699,136
TOTAL TECHNICAL STAFF	13,150	16,800	6,400	41,097	450	77,897						6,699,136
ADMINISTRATION & SUPPORT COSTS												
Communication	1,465	580	0	1,950	300	4,295					4,295	369,399
Office Costs	2,247	1,725	1,141	5,678	300	11,091					11,091	953,865
Project Audit	0	2,647	0	0	0	2,647					2,647	227,599
Equipment	0	1,256		4,538		5,794					5,794	498,270
Rent and rates	1,350	0	0	0	0	1,350					1,350	116,100
TOTAL ADMINISTRATION & SUPPORT	5,062	6,207	1,141	12,166	600	25,177						2,165,233
ACTION COSTS												
Hire of Vehicles	22,560	12,000	5,940	13,406	350	54,196					54,196	4,660,821
Direct Costs	34,807	188,392	135,931	126,893	98,600	584,623					584,623	50,277,561
TOTAL ACTION COSTS	57,367	200,392	141,871	140,298	98,950	638,818						54,938,382
Exchange (Gain)/Loss	0	0	0	0	0	0					0	0
TOTAL EXPENDITURE	75,519	213,399	149,412	193,562	100,000	741,892						63,802,752
(Deficit) / Balance c/f	-	(71)	(333)	0	0	(405)						(34,810)

Nomadic Assistance for Peace and Development (NAPAD)
Audited Financial Statements & Report
For The Year Ended 28 February 2013

9. TAXATION

No provision for corporate tax has been made in these accounts. The organization qualifies for exemption from corporate tax under paragraph 10 of the 1st schedule to the Income Tax Act, Cap. 470 (Laws of Kenya).

10. CURRENCY

The financial statements for the year ended 28 February, 2013 are presented in Kenya shillings.

11. CAPITAL COMMITMENTS

There were no capital commitments as at 28 February, 2013.

12. EMPLOYEES

There were 12 employees as at 28 February, 2013.

13. STAFF RETIREMENT BENEFITS SCHEME

The organization does not contribute to the National Social Security Fund (NSSF) of the Republic of Kenya. The organization has no retirement benefit scheme in place.

Auditors' Report No. 2

**Auditors' Report on Propriety of Expenses and Internal Controls
To the members of:
Nomadic Assistance for Peace and Development (NAPAD)**

We have examined the statements of expenditure submitted by NAPAD in support of the funds requested, received and expended pursuant to the terms of the various donors. The statements examined comprised a full account of the expenditure made during the year ended 28 February 2013 from the funds received from various donors.

Our examination was conducted in accordance with International Standards on Auditing and accordingly included such tests of accounting records and other auditing procedures we considered necessary in the circumstances.

In our opinion:

- (i) The above statements of expenditure presents fairly in all material respects the expense transactions that have occurred during the year ended 28 February 2013.
- (ii) All material expenses presented are bona fide expenses incurred in accordance with the terms of the Project and Grants Agreement with various donors.
- (iii) All material expenses presented are in agreement with the necessary supporting documentation.
- (iv) All such expense transactions have been correctly incorporated in the audited project financial statements For the Year ended 28 February 2013.

Solomon George & Co

Solomon George & Company
Certified Public Accountants of Kenya
Nairobi



Date 15.07.....2013

Auditors' Report No. 3

Auditors' Report on Compliance with Agreements Terms, Applicable Laws and Regulations

To the members of:

Nomadic Assistance for Peace and Development (NAPAD)

We have audited the financial statements of NAPAD for the year ended 28 February 2013 and have issued our report thereon.

We conducted our audit in accordance with the engagement letter and in context of the International Standards on Auditing issued by the International Federation of Accountants (IFAC), that require that we plan and perform the audit to obtain reasonable assurance as to whether the financial statements are free of material misstatement.

Compliance with financing agreements' terms, laws and regulations applicable to NAPAD Trust is the responsibility of the Directors.

As part of our obtaining reasonable assurance whether the financial statements are free of material misstatement we performed tests of compliance with the provisions of agreements terms, laws and regulations. However, our objective was not to provide an opinion on the overall compliance with such provisions. Accordingly, we do not express such an opinion.

Material instances of non-compliance include failure to follow requirements, or violations of agreements terms, laws and regulations that would cause us to conclude that the aggregation of misstatements resulting from those failures or violations is material to the financial statements.

The results of our tests of compliance did not disclose any material instances of non-compliance.

Solomon George FCMA

Solomon George & Company
Certified Public Accountants of Kenya
Nairobi

Date 15.07.....2013

