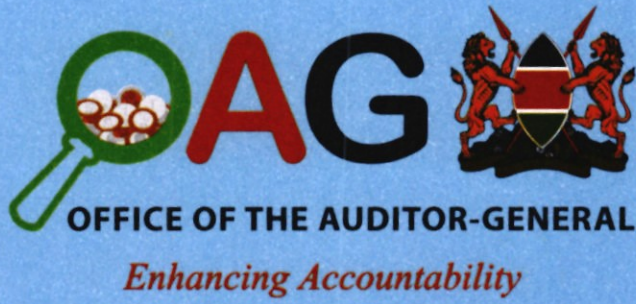


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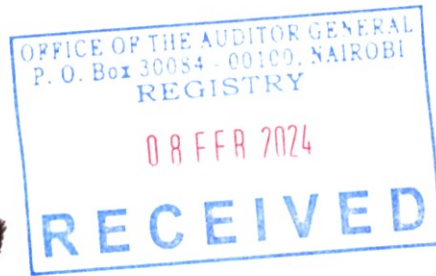
OF

THE AUDITOR-GENERAL

ON

WILDLIFE CLUBS OF KENYA

FOR THE YEAR ENDED
30 JUNE, 2023



WILDLIFE CLUBS OF KENYA
ANNUAL REPORT AND FINANCIAL STATEMENTS
FOR THE FINANCIAL YEAR ENDED
30TH JUNE 2023

**Prepared in accordance with the Accrual Basis of Accounting
Method under the International Public Sector Accounting
Standards (IPSAS)**

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Acronyms, Abbreviations and Glossary of Terms

A: Acronyms and Abbreviations

AFEW	African Fund for Endangered Wildlife
AWF	African Wildlife foundation
CEO	Chief Executive Officer
CTTR	Centre for Tourism Training and Research
GC	Governing Council
GOK	Government of Kenya
CBK	Central Bank of Kenya
HRM	Hotel and Restaurant Management
ICEA	Insurance Company of East Africa
ICPAK	Institute of Certified Public Accountants of Kenya
IUCN	The International Union for Conservation of Nature
IAS	International Accounting Standards
IPSAS	International Public Sector Accounting Standards
KES	Kenya Shillings
KAM	Kenya Association of Manufacturers
NSSF	National Social Security Fund
NGO	Non-Governmental Organisation
LEEC	Lang'ata Environmental Education Centre
NT	National Treasury
OCOB	Office of the Controller of Budget
OAG	Office of the Auditor General
OSHA	Occupational Safety and Health Act of 2007
PFM	Public Finance Management
PPE	Property Plant & Equipment
PSASB	Public Sector Accounting Standards Board
SAGAs	Semi-Autonomous Government Agencies
SC	State Corporations
WB	World Bank
WCK	Wildlife Clubs of Kenya
WWF	World Wide Fund for Nature

B: Glossary of Terms

Fiduciary Management- Members of Management directly entrusted with the responsibility of financial resources of the organisation.

Comparative Year- Means the prior period.

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Key Entity Information and Management

(a) Background information

Wildlife Clubs of Kenya (WCK) is a Conservation Education organization founded in December 1968 by 12 students at Kagumo High School. The first conservation education programme of its kind in the continent of Africa. WCK is managed by a National Secretariat with the backing of a Member Governing Council consisting of representation from the Ministry of Tourism & Wildlife, representation from the National Treasury & Planning, representatives from other relevant ministries departments and agencies(MDAs), schools, donor partners, core NGO's and an Executive Committee composed of specialists in conservation education, business and public administration. Currently WCK provides conservation education in many schools in Kenya. With a staff compliment of forty-eight (48), WCK offers various programmes that include Mobile Education Unit, Ecology Programmes, Outreach Conservation Education, Habitat Restoration through Tree Growing, Sustainable Waste Management, Teachers and Students Training Workshops, Wildlife and Conservation Resource Materials Production, Conservation Campaigns and Rallies, Production of Komba Magazine, student hostels and hands on conservation activities among others. The organisation also offers Certificates and Diploma courses at the Centre for Tourism Training & Research (CTTR) College. In recognition of the very important role played by the WCK, the organisation receives support from the Government of Kenya through the Ministry of Tourism & Wildlife.

Wildlife Clubs of Kenya has its headquarters in Nairobi and operates in several other regions, namely.

- Nakuru Region
- Mombasa Region
- Kisumu Region
- Eastern/ Kitui Region
- Central Region
- Malindi Region
- North Rift Region
- South Rift Region
- North Eastern Region

(b) Principal Activities

The principal activities of the Wildlife Clubs of Kenya include;

- Conservation education.
- Establishing Wildlife Clubs in schools and facilitating the implementation of conservation education projects in schools and communities.
- Centre for Tourism Training and Research (CTTR).
- Provision of hostel facilities.

Mission

Enhancing Wildlife and Environmental Conservation for Posterity

Vision

Proactive Society in Wildlife and Environmental Conservation

Core Functions

In order to provide efficient and effective services to the people of Kenya, the Wildlife Clubs of Kenya undertakes the following core functions:

- Conservation education and awareness.
- Teachers training on conservation education and Education for Sustainable Development.
- Establishment of Wildlife Clubs in schools and facilitating the implementation of conservation education projects in schools and communities.
- Training at Centre for Tourism Training and Research (CTTR) College.

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- Production and dissemination of Komba magazine and other Wildlife & environment conservation education resources materials.
- Liaising with all relevant Ministries, Departments and Agencies (MDAs) on matters relating to Wildlife & environmental education, sustainability, conservation education, and tourism.
- Provision of affordable transport facilities to schools and other learning institutions.
- Provision of affordable accommodation facilities for students and teachers across all levels.
- Carrying out conservation education campaigns and rallies in schools and other learning institutions
- Initiating projects geared towards saving the endangered species through schools
- Sustainable waste management initiatives in schools and the community
- Habitat restoration through tree growing in all schools across the country

Core Objectives

The activities are undertaken with the aim of achieving the objectives of the organization, that include;

- To share knowledge and stimulate interest on wildlife, conservation of the environment and biodiversity amongst Kenyan communities with youth as the entry target.
- To create awareness on the economic, cultural, and aesthetic value of natural resources.
- To develop a better understanding of the need to conserve wildlife and other biodiversity for the benefit of the present and future generations.
- To develop careers through training and education

(c) Key Management

Wildlife Clubs of Kenya's day-to-day management is under the following key organs:

NO.	DESIGNATION	NAME
1.	Trustees;	Commissioner Philemon E. Mwisaka, EBS, SS Mr. Jagi Gakunju (Appointed on 20 August 2020) Dr. Alice Kaudia (Appointed on 21 May 2021)
2.	Governing Council	Mr. Hadley Becha (Chairman) Ms. Margaret Otieno (Secretary/CEO) Mr. Benjamin Njoroge (Member) Mr. Robert Mwema (Member) Ms. Janet Mwadiga (Member) Mr. Boniface Gichunge (Member) Ms. Josephine Iwangale (Member) Mr. George Nyangoje (Member) Mr. Ayub Yusuf Mahat (Member) Dr. Erastus Kanga- (Member Representing Ministry of Tourism & Wildlife) Ms. Christine Nyang'aya- (Member Representing AFEW Kenya) Mr. Simon Mururi- (Member Representing Ministry of Education Science & Technology) Ms. Margaret Wamuyu Kibui- (Member Representing National Treasury and Planning)
3.	Chief Executive Officer	Dr. Margaret Otieno
4.	Conservation Education & Awareness Manager	Dr. George Njagi
5.	Principal In charge-CTTR	Ms. Isabella Mbandi
6.	Head of Operations	Ms. Shaiya Adan
7.	Head of Finance	Mr. Joshua Mutie Maima
8.	Human Resource Manager	Ms. Caroline Acholla

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(d) Fiduciary Management

The key management personnel who held office during the financial year ended 30th June 2023 and who had direct fiduciary responsibility were:

NO.	DESIGNATION	NAME
1.	Chief Executive Officer	Dr. Margaret Otieno
2.	Conservation Education & Awareness Manager	Dr. George Njagi
3.	Principal In charge-CTTR	Ms. Isabella Mbandi
4.	Head of Operations	Ms. Shaiya Adan
5.	Head of Finance	Mr. Joshua Mutie Maima
6.	Human Resources Manager	Ms. Caroline Acholla

(e) Fiduciary Oversight Arrangements

Fiduciary Oversight Arrangements

The Governing Council, through the Executive Committee is responsible for the governance of the WCK and is accountable to the Trustees in ensuring that it complies with the various laws while maintaining high ethical standards and corporate governance.

The roles and the functions of the Chairman and the CEO are distinct, and their respective responsibilities clearly defined in the WCK Constitution and Policy Documents.

Governing Council

The Governing Council defines the Policy Guidelines for effective management of WCK. Except for direction and guidance on general policy, the Governing Council delegates authority of its day-to-day business to the management through the CEO.

Audit, Risk and Finance

The Executive Committee of the Governing Council oversees the organisation's audit, risk and finance. WCK considers risk management to be fundamental to good management practice and a significant aspect of corporate governance. Effective management of risks provide an essential contribution towards the achievement of WCK's strategic and operational objectives. Wildlife Clubs of Kenya is committed to managing risks to an acceptable level across all areas of its operations in order to achieve her objectives and to implement all regulatory requirements.

In addressing risk, WCK ensures transparency and accountability and seeks to identify and address all areas where there is need for improvement in risk management or risk reduction. WCK has a 3-tier finance approval system that includes; the Finance Manager, Accounts Assistant, Operations Manager, CEO and the Chairman. Updated finance procedures are monitored and adhered to at all times. WCK is committed to implementing the organisation's risk management framework for effective operations.

Development Partnerships

WCK enters into partnerships as guided by the organisation's framework which specifies the criteria for partnership development and engagement. WCK believes that targeted partnerships are important ingredients in the growth, development, and sustainability of organisations. Wildlife Clubs of Kenya sources for and engages in partnerships that guarantee to build networks, resources, and technical skills support.

After proper review of the intentions of prospective development partners and the potential alignment with the WCK mandate, an MOU covering the details of the engagement is developed.




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- (f) **Entity Headquarters**
Langata road, next to Bomas of Kenya
P.O. Box 20814 - 00200
Nairobi
- (g) **Entity Contacts**
Tel: 020 891904 / 0208067640 / 0724 656 667
Email: info@wildlifeclubsofkenya.or.ke
Website: wildlifeclubsofkenya.or.ke
- (h) **Entity Bankers**
NCBA Bank
P.O. Box 30437- 00100
Nairobi

Standard Chartered Bank Limited
P.O. Box 20173 - 00200
Nairobi

Equity Bank Limited
P.O. Box 75104 - 00200
Nairobi
- (i) **Independent Auditor**
Auditor-General
Office of the Auditor General
Anniversary Towers, University Way
P.O. Box 30084
GPO 00100
Nairobi, Kenya
- (j) **Principal Legal Adviser**
The Attorney General
State Law Office and Department of Justice
Harambee Avenue
P.O. Box 40112
City Square 00200
Nairobi, Kenya



GOVERNING COUNCIL

COUNCIL MEMBERS	DETAILS
 <p>Mr. Hadley Becha (Chairman)</p>	<p>Hadley Becha is a multidisciplinary environmentalist with over twenty years' professional and practical experience in natural resource governance and conservation advocacy work in Kenya.</p> <p>He holds a Master's Degree in Environmental Studies with a focus on Rural Development obtained from York University, Ontario, Canada. He also has a Bachelor's of Art Degree in Geography and Sociology, and Post Diploma in Education, both obtained from the University of Nairobi, Kenya. He holds many postgraduate diploma certificates including, Non-Governmental Organisations management, Organizational Development, Human Resource Management, and International Environmental Law, among others.</p> <p>Becha is a grassroots community mobiliser with great skills in galvanizing community voices and collective action as well as building legitimate and formal civil society/community collective action institutions. At the same time, Becha engages with ease policy/decision makers at both National and County levels.</p> <p>Currently, Becha is the Executive Director of Community Action for Nature Conservation (CANCO), having joined in 2010.</p>
 <p>Mr. Benjamin Njoroge (Member)</p>	<p>Mr. Benjamin Njoroge – Holds a Bachelor's of Education Degree (Geography and Business) from Kenyatta University.</p> <p>Currently, Mr. Benjamin is a senior teacher at Chania Boys High School in Thika and he is the Wildlife Clubs of Kenya Nairobi Region Chairperson.</p>
 <p>Mr. Robert Mwema (Member)</p>	<p>Mr. Robert Musee Mwema – Holds a Bachelor of Education Degree (Arts) from University of Nairobi.</p> <p>Currently, Mr. Robert is a teacher at Vinda Mixed Secondary School in Kitui and he is the Wildlife Clubs of Kenya Eastern Region Chairperson.</p>




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	 <p><i>Ms. Janet Mwadiga (Member)</i></p>	<p>Mrs. Janet Mkang'ombe Mwadiga – Holds a master's in agriculture education and a BSC Agriculture Education from Egerton University. A Diploma in agriculture Education and Extension from the Same university. She also holds a Diploma in Education Management from KEMI and a Diploma in Project Management from KIM.</p> <p>Currently, Janet is the Principal Galana Teachers Training College Kilifi County and she is the Wildlife Clubs of Kenya Chairperson, Coast Region.</p>
	 <p><i>Mr. Boniface Gichunge (Member)</i></p>	<p>Mr. Bonface Kimathi Gichunge – Holds a bachelor's Degree in Physical Education and Computer Studies from Methodist University, a Diploma in Physical Education from Kagumo T.T.C and he is currently pursuing a Master's Degree in Recreation and Sports Management from Kenyatta University.</p> <p>Currently, Mr. Gichunge is a teacher at St. Mary's Girls High School Igoji, Meru and he is the Wildlife Clubs of Kenya Chairperson, Central and Mount Kenya Region.</p>
	 <p><i>Ms. Josephine lwangale (Member)</i></p>	<p>Mrs. Josephine Lwangale – Holds a bachelor's degree in education- Science Biology and Chemistry from University of Eldoret.</p> <p>Currently, Mrs. Josephine is a teacher at Teremi Boys High School in Bungoma County and she is the Wildlife Clubs of Kenya Western Region Chairperson.</p>
	 <p><i>Mr. George Nyangoje (Member)</i></p>	<p>Mr. George Nyangoje – Holds a BED in Social Studies and English from Kampala International University, a Diploma in Education Management from KEMI and a P1 Certificate from Meru T.T.C.</p> <p>Currently, Mr. George is a teacher at Isanja D.E.B Primary School in Homabay and he is the Wildlife Clubs of Kenya Nyanza Region Chairperson.</p>

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 <p>Mr. James Nguri (Member)</p>	<p>Mr. James Nguri – Holds a bachelor’s Degree in Education from Kenyatta University. He has vast experience in teaching and has served in various bodies such as the KNEC.</p> <p>Currently, Mr. James is the Head teacher, Kenyatta Primary School in Nakuru and he is the Wildlife Clubs of Kenya Rift Valley Region Chairperson. James is passionate about teamwork, dedication to duty and service to humanity.</p>
 <p>Dickson Kaelo (Member representing Kenya Wildlife Conservancies Association)</p>	<p>Mr. Dickson Kaelo - Holds a Master of Philosophy degree in Wildlife Management, a Bachelors of Science degree in Animal Production and is currently pursuing his PhD in Range Management. Mr. Dickson is the founding CEO of Kenya Wildlife Conservancies Association (KWCA) and has a passion for working with communities and landowners to conserve and benefit from wildlife conservation.</p> <p>He is a Kenya Wildlife Service Honorary Warden and winner of the Sustainability Science Award from the Ecological Society of American, Dickson has over two decades of experience in conservation.</p>
 <p>Dr. Erastus Kanga (Member Representing Ministry of Tourism & Wildlife)</p>	<p>Dr. Erastus Kanga (HSC) is the Director General of Kenya Wildlife Service (KWS). Dr. Kanga has over 20 years’ experience in biodiversity conservation, climate change vulnerability assessment and mapping, bio-enterprises, and community livelihood support. He has a long trajectory in biodiversity conservation, including (five) 5 years of service as the Secretary for Wildlife at the Ministry of Tourism, Wildlife & Heritage, and 16 years of extensive work experience with the Kenya Wildlife Service, where he was responsible for Biodiversity Research and Monitoring across the Protected Areas. In 2017, he was awarded the Head of State Commendation (HSC) in recognition for his outstanding and distinguished services in the field of biodiversity conservation. Dr. Kanga attained his PhD in Natural Resources Conservation from the University of Groningen in the Netherlands in the year 2011. He has authored over 30 publications and is driven by the passion to work towards the core purpose of biodiversity conservation.</p>
 <p>Ms. Christine Nyang'aya (Member Representing AFEW Kenya)</p>	<p>Ms. Christine Nyang’aya Odhiambo – Holds a Bachelors Degree in Business Administration from the University of East Africa, Baraton and she is currently Pursuing an MBA at Strathmore University.</p> <p>Ms. Christine has 12 years’ experience in strategic management and project coordination, Sustainable Development, Sustainable tourism and biodiversity conservation. She is the grant manager for AFEW Kenya Grant disbursement Programme.</p> <p>Currently, Ms. Christine is the Chief Executive Officer (CEO) of the African Fund for Endangered Wildlife, Kenya (Giraffe Centre).</p>

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 <p><i>Mr. Simon Mururi</i> <i>(Member Representing Ministry of Education Science & Technology)</i></p>	<p>Mr Simon Mururi - Holds a Bachelor of Education Science Degree and he is currently the Deputy director of Education. MoE HQs- Directorate of Field Coordination and co-curricular activities, in charge of science activities and exhibitions.</p>
 <p><i>Ms. Margaret Wamuyu Kibui</i> <i>(Member Representing National Treasury and Planning)</i></p>	<p>CPA Margaret Wamuyu is a Certified Public Accountant and a Member of the Institute of Certified Public Accountants of Kenya (ICPAK).</p> <p>She holds a Master of Business Administration degree from the University of Nairobi and Bachelor of Commerce degree (First Class Honors) from KCA University. She is a Senior Government officer with a wealth of experience in Public Financial Management and works at the National Treasury.</p>
 <p><i>Dr. Margaret Otieno</i> <i>(Secretary/CEO)</i></p>	<p>Dr. Margaret holds a Doctor of Philosophy in Climate Change Education and Education for Sustainable Development from Kenyatta University, a Master of Education for Sustainable Development from South Bank University, and a BA from the University of Nairobi. She has over 10 years' experience working with WCK. She is the CEO/National Coordinator and the secretary of the Governing Council.</p>

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Key Management Team

MANAGEMENT	DETAILS
 <p>Dr. Margaret Otieno Chief Executive Officer</p>	<p>Her role as the CEO is overseeing the operations of the organisation, setting goals and objectives, developing strategies, managing resources, and ensuring the entity’s success.</p>
 <p>Dr. George Njagi Conservation Education and Awareness Manager</p>	<p>Dr. George Njagi is in charge of the organization’s Conservation Education programmes and activities.</p>
 <p>Ms. Isabella Mbandi Principal In-charge-CTTR</p>	<p>Ms. Isabella Mbandi is the Principal of CTTR College, which is the formal training arm of WCK. She oversees the overall management of WCK – CTTR college.</p>

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 <p>Ms. Shaiya Adan Head of Operations</p>	<p>Ms. Shaiya Adan is the Head of Operations at WCK. She oversees the administration, risk, security and management of assets of the organisation.</p>
 <p>CPA Joshua Mutie Maima Head of Finance</p>	<p>Mr. Joshua Mutie Maima is the Head of Finance. He is responsible for overseeing all aspects of financial management and accounts within the organisation.</p>
 <p>Ms. Caroline Acholla Human Resources Manager</p>	<p>Ms. Caroline Acholla is responsible for execution of Human Resource Management strategy of the organization.</p>

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Chairman's Statement

Wildlife Clubs of Kenya (WCK) provides opportunities for young people to develop interest in Wildlife and environment and acquire skill enabling them to make contributions in conservation-oriented activities. Wildlife Clubs play a pivotal role in conservation not only in schools and surrounding communities but also back at home even as the members discover their career paths. Wildlife Clubs, initiated in schools are therefore key incubators for nurturing future manpower in areas of wildlife and environmental conservation.

Wildlife Clubs of Kenya is a Wildlife and Environmental Conservation Education Organisation with the mandate of empowering youth and Communities to proactively engage in wildlife and environmental conservation. The main objectives of WCK are to: share knowledge and stimulate interest in wildlife, conservation of the environment and biodiversity amongst Kenyan communities, with the youth as the entry target; create awareness on the economic, cultural, and aesthetic value of natural resources; develop a better understanding of the need to conserve wildlife and other biodiversity for the benefit of the present and future generations as well as develop careers through training and education. To achieve this, WCK carries out outreach programmes through her Regional offices located in wildlife key areas in the country, to include; Mombasa, Nairobi, Nakuru, Meru, Kisumu, Malindi and Kitui. WCK also operates Fully fledged Wildlife Resource Centres that facilitate teaching and learning in wildlife and environment, hosts ecological field labs facilities across the Country which includes; Nairobi, Nakuru, Meru, Kisumu and Mombasa Wildlife Resource Centres.

The overall drive of the strategic plan period 2018-2023, was guided by three aspects with a business approach. The first, is to enhance business development with innovations, adapting the state-of-the art competencies, second is to enhance business acumen in the Conservation Education and Awareness department (renamed from Programmes department), basing its work partly on the functional analysis outcomes and the third aspect is on a 360-degree quality performance management direction and thrust.

On behalf of the Governing Council of WCK, I am pleased to present the 2022/2023 financial statement. The strong foundation that we have laid since 1969 by embracing our vision of a Proactive Society in Wildlife and Environmental Conservation, supported by a robust governance structure and a learning culture continue to drive growth of WCK and providing momentum for a sustainable future. The overall performance of WCK is in line with our strategic focus. The Governing Council is therefore committed in ensuring prudent utilisation of resources towards WCK's growth. We thank the Presidency and the Ministry of Tourism and Wildlife for the support towards empowering Kenyans with conservation knowledge.



Mr. Hadley Becha
Chairman, Governing Council.

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Report of the Chief Executive Officer

The Wildlife Clubs of Kenya is committed in fulfilling its mandate to empower youth and communities to proactively engage in wildlife and environmental conservation. The tenet is that conservation education is essential for wildlife and environment conservation outcomes. In the FY 2022/2023, the WCK has undertaken various initiatives such as teachers training workshops on Education for Sustainable Development (ESD), countrywide tree growing initiatives, pollinator conservation projects in Kilifi, Laikipia and Kajiado counties, human wildlife co-existence projects in Kajiado, Samburu and Narok counties, piloting the digital iLearn environmental education in Nairobi, PET plastic project in Nairobi and Mombasa counties amongst others.

During the year under review WCK succeeded in securing land for conservation in the Maasai Mara Ecosystem through support from "This is my Earth" (TiMe) which is an Israel conservation organisation. Empowering the youth through outdoor action teaching and learning programme has had the effect of making the abstract concepts of the environment learnt in class to be a reality when practised. The understanding of the three pillars of Education for Sustainable Development(ESD) instils in youth an appreciation of the environment that enables them to make informed decisions for sustainable development.

WCK partnered with likeminded organisations to include; KFS, NEMA, KWS, COTTAS, WWF, AWF, Giraffe Centre, and KEFRI to actualise core business such as tree planting whereby WCK took advantage of the rains and planted a total of 175,102 trees as a contribution to ameliorate climate change vagaries and to meet the 15 billion trees challenge.

I am pleased to present the WCK financial results for the financial period ended on 30th June 2023. The Wildlife Clubs of Kenya received Kshs 29M from GOK for recurrent vote and Kshs 19M for the Development Vote against the approved estimate of Ksh 29M for Recurrent and Ksh 9.5M for Development respectively. WCK continued to mobilise for financial resources from partners to meet the organisation's financial requirements.

WCK endeavours to incorporate emerging issues such as biodiversity credits, ecopreneureship, behaviour change, blue-economy, Nature-based Solutions (NbS) and others to ensure that the future leaders are environmentally literate. Despite the challenges of the vastness of the areas to be covered and the limited finances, WCK has been able to make good progress on planned activities. We are aware that with the worrying levels of environmental degradation, habitat loss and fragmentation in addition to the impacts of climate change, there is urgent need to spread our reach and it is our hope that WCK will be in a better position to meet these challenges in the coming year.

I appreciate the support from the Ministry of Tourism and Wildlife and guidance of the Governing Council during the year under review. I am grateful for the continued confidence of the employees of WCK and hope the same will continue.



Dr Margaret Otieno
National Coordinator/CEO

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WCK has 9 strategic goals within the current Strategic Plan for the FY 2018-2023
 These strategic pillars/ themes/ issues are as follows:

- Pillar /Strategic Goal 1: Business Development
- Pillar /Strategic Goal 2: Functional Analysis and Quality Performance
- Pillar /Strategic Goal 3: Program Competency Development
- Pillar /Strategic Goal 4: Innovation and Learning
- Pillar /Strategic Goal 5: Communication, ICT, Documentation and Reporting
- Pillar /Strategic Goal 6: Engagement with Ministries and County Governments
- Pillar /Strategic Goal 7: Networking and Collaboration
- Pillar /Strategic Goal 8: Process for Change of Organizational Name
- Pillar /Strategic Goal 9: Strengthening Niche, Visibility and Branding

The WCK achieved its performance targets set for the FY 2022-2023 period for its 9 strategic pillars, as indicated in the table below:

Strategic Pillar/ Theme/Issues	Objective	Key Performance Indicators	Activities	Achievements
Business Development	WCK to systematically develop its business competencies and link it to its sources of capital	A newly introduce business development, unit responsible for business development of all the revenue generating sources of WCK	<ol style="list-style-type: none"> 1. Sets up a Business Development portfolio reporting to the CEO. ▪ Systematic development of the business for each facility establishing its core market, developing business products for that market. ▪ Hiring a competent professional to manage the facility 	15%
Functional Analysis and Quality Performance	Optimize functions, staff and operations at WCK.	<ol style="list-style-type: none"> 1. Refined Organization structure 2. Complete functional analysis report 3. Established and implemented benchmarks, indicators, standards of performance at all levels in the organization 	<ol style="list-style-type: none"> 1. Carry out job assessment, analysis, specification and comparative market job review for its sector. 2. Establish benchmarks, indicators, and standards of performance. 3. Carry out an organization competency analysis 	65%
Programme Competency Development	WCK to adopt appropriate results-based approaches to its programmes which culminate in outcome-based reporting, projecting benefits realized and profiling results	WCK competency development framework	<ul style="list-style-type: none"> - Carry out a Needs Assessment - Stakeholders' engagements - Competencies mapping - Competencies Training and development 	50%

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Innovation and Learning	To gather information, document, record and develop relevant conservation education materials in print, ICT and make use of other media platforms that promote wildlife and environmental conservation, appropriate for youth and communities.	<ul style="list-style-type: none"> • Conservation education materials documented, developed and printed and used on media platforms to promote WCK agendas 	<ul style="list-style-type: none"> • CTTR to set up an eLearning module and online courses • WCK to fully utilize online platforms – Zoom, Google meets for meetings, workshops, and conferences 	90%
Communication, ICT, Documentation and Reporting	WCK to strengthen its capabilities, approaches and competencies in communication and use of ICT, recording, documentation and reporting.	<ul style="list-style-type: none"> • Adopted use of social media as a means of communication to its members and the public • Fully utilized online platforms in conducting its programmes and day to day operation i.e. Zoom, Google meets for meetings, workshops, and conferences. 	<ul style="list-style-type: none"> - Regular assessments, training, and a supportive learning environment to ensure the organization ICT capabilities are aligned with the overall business objectives of the organization. - Regularly reassess ICT priorities based on evolving business needs 	65%
Engagement with Ministries and County Governments	WCK to seize the opportunity to engage relevant government ministries at national and county levels to provide technical support for local wildlife and environmental conservation in sync with education for sustainable development.	Regular engagements with relevant government ministries at national and county levels	WCK participation in ministerial and governmental meetings, forums, conferences, workshops at both national and county levels	100%

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Networking and Collaboration	WCK to revamps its networking and collaborations in a more robust manner with key players at the international, national, and county level for field practice linkages, visibility and to enhance and enrich its experience and innovatively build on its model.	New implemented projects New MoU with partners Increased visibility and recognition	<ul style="list-style-type: none"> - sharing information about WCK activities and services. - Collaborations and cooperation in workshops and meetings 	89%
Process for Change of Organizational Name	WCK to undertake a process for reviewing its name in accordance with the statutory requirements and reconfirm whether it continues to use the current logo, or design a different one.	New organization Name	<ul style="list-style-type: none"> - Stakeholders' engagements i.e. meetings with stakeholders, staff, Governing council - Legal consideration on regulatory bodies, government agencies, 	
Strengthening Niche, Visibility and Branding	WCK to profile its niche, visibility and branding in promoting the messages of wildlife and environmental conservation	<ul style="list-style-type: none"> - Increased WCK membership base - WCK Brand recognition - Increased collaborators and partners 	<ul style="list-style-type: none"> - Networking and collaborations - Use of social media - market the organization 	50%

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Corporate Governance Statement

We believe in good corporate governance as an organisation. The Wildlife Clubs of Kenya (WCK) Governing Council is responsible for the governance of the organisation and is accountable to the Trustees in ensuring that it complies with the WCK Constitution and various laws while maintaining high ethical standards and corporate governance.

General Responsibilities

The Governing Council is the primary decision-making body of all matters considered material to WCK. The Council has the appropriate mix of skills, knowledge and experience to perform its role effectively. The roles and functions of the Chairman and the CEO/National Coordinator are distinct. The Council has a duty to the people of Kenya to ensure that WCK achieves her objectives efficiently and effectively and in compliance with WCK Constitution.

The Council elects a maximum of 5 members to form the Executive Committee which supports management on behalf of the Governing Council. The Council defines the policy guidelines for effective management. Except for direction and guidance on general policy, the Council delegates authority of its day-to-day business to the management through the CEO/National Coordinator. In working to meet its obligations, the Council focuses on matters of corporate governance and ensures that personal and private interest are put aside for the good of WCK.

Specific Responsibilities

Given the powers afforded above and taking into considerations matters of corporate governance, the Governing Council executes the following specific responsibilities:

1. Determine a clear statement of WCK's vision, mission, purpose and values
2. Make recommendations for appointment of the National Coordinator/CEO
3. Approves staff employment policies and practices
4. Ensure adequate strategic planning
5. Ensure adequate standards of internal controls
6. Ensure adequate operational planning
7. Ensure WCK has adequate financial resources
8. Manage, protect and enhance WCK reputation

Council Meetings

The Governing Council holds meetings at least 3 times a year while special meetings are called when it is deemed necessary.

Governing Council Remuneration

The Governing Council is a volunteer appointment, but the WCK meets the cost of travel to and from Council meetings.

Internal Controls

WCK has in place a system of internal controls with defined procedures, financial and operational controls to ensure that resources are safeguarded; transactions authorized, validated and reported in line with International Reporting Standards.

Conflicts of interest

The Governing Council members are under a duty to avoid conflicts of interest as is enshrined in Mwongozo. This entails not engaging directly or indirectly in any business that competes or conflicts with WCK activities. WCK has established a robust process requiring Council members to disclose outside business interests before they are entered into. Any potential or actual conflicts of interest are reported to the CEO.

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Management Discussion and Analysis

Operational and Financial Performance

Wildlife Clubs of Kenya (WCK) is a Conservation Education organization with the mandate to empower youth and communities to proactively engage in wildlife and environmental conservation, WCK is involved in the implementation of diverse programmes/ projects and activities. Some of the conservation activities undertaken by WCK during the year as follows:

Mobile Education Unit (MEU)

This is the WCK's outreach programme which is continuously in touch with the grassroots clubs in schools that are in the rural areas of Kenya where electricity has yet to reach. The National MEU is a fully equipped vehicle that takes Environment Conservation, Education talks, lectures, films and video shows to schools throughout Kenya. WCK operates full-time MEUs out of Nairobi Headquarters, at the regional level to include; Mombasa, Kisumu, Nakuru, Kitui, Meru

Ecology Activities in all WCK's Education Centres

- In Nairobi the focus is on Nairobi National Park and WCK's own Mokoyeti Nature Trail
- Mombasa uses the Mombasa Marine Parks using a glass bottomed boat to interpret marine ecosystems
- In Kisumu the focus is on the vast Lake Victoria catchment such as Dunga wetlands, Kakamega forest, Mt Elgon and others
- In Nakuru the focus is on the Lake Nakuru National Park "Bird Watchers Sanctuary"
- In Meru the focus is on Imenti Forest Ecosystem
- In Kitui the activities are based on restoration of native vegetation in this arid and semi-arid ecosystem
- Seed collection and tree growing
- Teachers Training Workshops on Education for Sustainable Development (ESD)
- Youth leader's workshops, Park and beach clean ups
- Implementation of alternative energy sources
- Anti-poaching & despairing campaign
- Habitat restoration through tree growing
- Hands on conservation activities
- Conservation campaigns and rallies
- Ecology programmes and outdoor learning
- Production of conservation education materials
- Saving the endangered wildlife

Resource Materials Production

The WCK produces in-house conservation education resource materials mainly composed of activity guides for used by school clubs; these materials have proved popular elsewhere in Africa. The organisation also produces various ecology courses resource materials and the termly Komba Magazine. KOMBA Magazine, whose purpose is to educate, and involve the club members through the printed word is sent free to every Wildlife Club member school in Kenya, each school term.

Saving the Endangered Wildlife

This is a donor funded project that has seen many schools across the country engaged in hands on activities that are geared towards saving the endangered wildlife species including; elephants, Rothschild's giraffe, lions and others through the implementation of projects as well as raising awareness on the same. The second phase of the project has incorporated the following schools

1. Sekanini Girls High School in the Maasai Mara Ecosystem are implementing the project: Mitigating Human-Elephant Conflict through Beekeeping.

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2. Sereolipi Secondary School in Samburu ecosystem is implementing the project: Conservation of the northern Kenya endangered wildlife through Education.
3. Kahingoni Primary School in Kilifi County on the edge of Arabuko Sokoke forest is implementing the project: Saving the Arabuko Sokoke Habitat and Wildlife Species
4. Nairrabala Primary School in Kikesen River Conservancy, Kajiado County is implementing the project: Restoration of the Maasai Giraffe Habitat and Combating Illegal Trade on Ostrich Eggs at Kikesen River Conservancy.
5. Inaudot Primary School at Kwenia valley in Magadi Kajiado County is implementing the project: Saving the endangered Vultures of Kwenia Valley through conservation education.

Teachers Training Workshops

Teachers workshops are meant to capacity build teachers and empower them with conservation knowledge for multiplier effect in schools and enable them to communicate conservation knowledge and facts to the learners and community. WCK conducts countrywide teachers' training workshops with the aim of changing mind-sets and attitudes. During the financial year under review, teachers were trained under the broad theme; **Strengthening WCK Through ESD for Sustainable Wildlife Conservation.**

These workshops are implemented in 2 sections:

1. Teachers Training on ESD, Wildlife & Environment
2. Environmental Resource Material Development

The objectives of this workshops are to:

1. Empower teachers through capacity building on how to integrate environmental issues into the school curriculum.
2. Train teachers to become trainers for other teachers on issues environment and ESD and strengthen Networks through capacity building.
3. Train teachers and learners on how to manage successful Wildlife Clubs in schools
4. Empower teachers and pupils/ students to enable them implement standard environmental micro-projects in schools and manage them, through printed and audio-visual materials.
5. Connect teachers and the learners with nature, through hands on activities
6. Ensure WCK's Compliance with statutory requirements and achieve her mandate.

Art and Essay Competitions

WCK conducted a National Art and Essay competition under the theme; **'Combat Climate Change, Restore Nature for Posterity'** which saw about 5, 000 entries received. After marking and grading, we realized 200 winners and 25 best performed students benefited from a 1-week safari which saw them visit Lake Nakuru National Park and other wildlife as well as archaeological sites within the circuit.

WCK is fully compliant with the statutory requirements in remitting all statutory deductions and taxes, it also pays all bills on timely basis, WCK is therefore not exposed to any contingency liabilities. Key Projects and investments decisions the entity planned for and implemented, are as follows;

In the financial year 2022/2023 WCK implemented one program under development vote:

- Wildlife Resources Centers

This entailed the establishment of Resource Centers at the county level, to ensure a continuous provision of environmental and wildlife conservation education and awareness. Through these Resource Centres, students, communities as well as local tourists are exposed and have access to various learning resources, hands-on experiences through WCK diverse educational programmes and activities geared towards conservation of wildlife and our natural resources. Change will be visible through the various programmes implemented by schools after interacting with WCK conservation education programmes including; clean-

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ups, tree growing, adaption of conservation lifestyles among the youth and communities in these various counties as well as change in visitor attitudes towards Wildlife and related resources.

Key Achievements

Completed the establishment of Wildlife resource centre in Nakuru county, currently ongoing construction of Wildlife resource center in Kisumu County.

Major Risks facing the entity.

- Delay in receiving exchequer release from National Treasury
- Inadequate funding
- Understaffing

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Environmental, Social and Governance (ESG) Statement

i) Sustainability strategy and profile

Sustainability of an organization cannot be delinked from the Sustainable Development Goals or the Global goals. WCK in her endeavour to achieve this, has entrenched youth capacity building workshop through her conservation education programmes and projects which have seen a change of attitudes and mind-sets in the youth towards the conservation of Kenya's natural capital. Formation of Wildlife Clubs in all learning institutions across the country is a guarantee that we have nurtured a generation that will in many years to come conserve Kenya's wildlife and environment.

During this period, WCK was able to nurture over 1 million young people through the Wildlife Clubs in their respective schools. These are energetic, vibrant and full of new ideas who are ready to pick the mantle of conservation in Kenya and take conservation field to a whole new level, this is in line with COP 27 and COP 28 which identified the role of the youth as a critical component in mitigating drivers of climate change and in general the degradation of our environment.

ii) Environmental performance

Guided by the Constitution of Kenya Chapter 5 (Land and Environment), Environmental Management and Coordination Act (EMCA 1999), the Wildlife Conservation and Management Act, 2013, the Forest Act 2016, Sustainable Waste Management Act, 2022 and other legal frameworks, WCK has taken upon herself the duty to raise awareness on these policies to her target audience which are largely learning institutions. Through her Conservation Education programmes WCK's key duty is to educate the learners across the Country on policies and frameworks that govern the wise use and management of Kenya's natural resources for the present generation and the future generation. Through this we have seen a positive trend towards change of attitudes towards wildlife hence mitigating issues around HWC. Around the same, WCK has come up with awareness posters that have been distributed in schools that are in wildlife hot spot areas such as Amboseli and Maasai Mara.

iii) Employee welfare

WCK hiring process is guided by a comprehensive set of policies that ensure fairness, transparency, and equal opportunity for all candidates. These policies include the WCK **Recruitment and Selection Policy**: WCK is committed to providing equal employment opportunities to all qualified candidates, irrespective of gender, race, ethnicity, or other protected characteristics. The policy also emphasizes the importance of diversity and inclusion, aiming to create a workforce that reflects the varied perspectives and backgrounds of our community.

Stakeholder Engagements: WCK actively engages with stakeholders, including its internal members i.e. employees, the community members, and even potential candidates to gather input and ensure our hiring practices align with the needs and expectations of our diverse stakeholders.

Continuous Improvement: WCK hiring policies undergo regular reviews, with updates made to reflect best practices, legal requirements, and feedback from candidates and employees.

Skills Improvement and Career Management: WCK invest in ongoing training programs to enhance the skills of its employees, ensuring they remain competitive in their roles and the industry. as provided for. Under the WCK Performance Management Policy, the organization works closely with its employees to create individualized career development plans, identifying opportunities for growth and advancement within the organization. The WCK performance appraisal system is designed to provide constructive feedback and set goals for professional development.

Safety and Compliance: WCK strictly adheres to the guidelines outlined in the Occupational Safety and Health Act -2007 to ensure a safe and healthy work environment for all employees. WCK has established a

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Health, Safety and Environmental Policy which is very comprehensive and clearly outlines the procedures, that ensure the organization maintains a culture of safety.

iv) Corporate Social Responsibility / Community Engagements

Through the Conservation Education and Awareness Department, WCK has continued to engage the communities living adjacent to protected areas on conservation and Habitat restoration programmes which have seen communities' members in Kajiado, Meru and Maasai Mara engaged in tree growing activities through WCK Regional offices. Communities have also benefited from tree seedlings from WCK as well as technical knowledge on the right species of trees to plant in different areas within the country as well as given basic skills on tree growing. Pupils and students have also benefited from free ecological field trips to our Parks and Reserves through donor funded programmes that have been implemented through WCK. Both the schools and the general community members have also benefited by receiving the termly Komba Magazines which have a lot of information on conservation during this period.

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Report of the Governing Council

The Governing Council submit their report together with the audited financial statements for the year ended June 30, 2023, which show the state of the Wildlife Clubs Kenya affairs.

i) Principal activities

The principal activities of WCK are;

- a) To spread interest and knowledge about wildlife and the environment among the people of Kenya in particular and East Africa in general.
- b) In the context of (a) above, to make the people aware of the great economic, cultural and aesthetic value of natural resources.
- c) To develop a better understanding of the need to conserve natural resources, for the benefit of the nation and its people.
- d) To do all things in furtherance of the above objectives.

ii) Results

The results of the Entity for the year ended June 30, 2023 are set out on page 30-55.

iii) Governing Council

The members of the Governing Council who served during the year are shown on page 8-12.

iv) Statement of disclosure to the Organisation auditors

The Council confirm that with respect to each Council member at the time of approval of this report:

- a) there was, as far as each Council members is aware, no relevant audit information of which the Company's auditor is unaware; and
- b) each council members has taken all steps that ought to have been taken as a council member so as to be aware of any relevant audit information and to establish that the Company's auditor is aware of that information.

v) Auditors

The Auditor-General is responsible for the statutory audit of Wildlife Clubs of Kenya in accordance with Article 229 of the Constitution of Kenya and the Public Audit Act 2015.

By Order of the Council



.....
Name: Dr. Margaret Otieno
Secretary to the Board/CEO

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Statement of the Governing Council Responsibilities

Section 81 of the Public Finance Management Act, 2012 and section 14 of the State Corporations Act, require the Governing Council to prepare financial statements in respect of that Wildlife Clubs of Kenya, which give a true and fair view of the state of affairs of the Wildlife Clubs of Kenya at the end of the financial year/period and the operating results of the Wildlife Clubs of Kenya for that year/period. The Governing Council is also required to ensure that the Wildlife Clubs of Kenya keeps proper accounting records which disclose with reasonable accuracy the financial position of the Wildlife Clubs of Kenya. The Governing Council is also responsible for safeguarding of the assets of the Wildlife Clubs of Kenya.

The Governing Council is responsible for the preparation and presentation of the Wildlife Clubs of Kenya's financial statements, which give a true and fair view of the state of affairs of the Wildlife Clubs of Kenya for and as at the end of the financial year (period) ended on June 30, 2023. This responsibility includes: (i) Maintaining adequate financial management arrangements and ensuring that these continue to be effective throughout the reporting period; (ii) Maintaining proper accounting records, which disclose with reasonable accuracy at any time the financial position of the Wildlife Clubs of Kenya; (iii) Designing, implementing and maintaining internal controls relevant to the preparation and fair presentation of the financial statements, and ensuring that they are free from material misstatements, whether due to error or fraud; (iv) Safeguarding the assets of the Wildlife Clubs of Kenya; (v) Selecting and applying appropriate accounting policies; and (vi) Making accounting estimates that are reasonable in the circumstances.

The Governing Council accept responsibility for the Wildlife Clubs of Kenya's financial statements, which have been prepared using appropriate accounting policies supported by reasonable and prudent judgements and estimates, in conformity with International Public Sector Accounting Standards (IPSAS), and in the manner required by the PFM Act, 2012 and the State Corporations Act. The Governing Council is of the opinion that the Wildlife Clubs of Kenya's financial statements give a true and fair view of the state of Wildlife Clubs of Kenya's transactions during the financial year ended June 30, 2023, and of the Wildlife Clubs of Kenya's financial position as at that date. The Governing Council further confirms the completeness of the accounting records maintained for the Wildlife Clubs of Kenya, which have been relied upon in the preparation of the Wildlife Clubs of Kenya's financial statements as well as the adequacy of the systems of internal financial control.

In preparing the financial statements, the Governing Council have assessed the Wildlife Clubs of Kenya's ability to continue as a going concern. Nothing has come to the attention of the Governing Council to indicate that the Wildlife Clubs of Kenya will not remain a going concern for at least the next twelve months from the date of this statement.

Approval of the financial statements

The Wildlife Clubs of Kenya's financial statements were approved by the Council on _____
2023 and signed on its behalf by:



.....
Name: Mr. Hadley Becha
Chairperson of the Governing Council



.....
Name: Dr. Margaret Otieno
National Coordinator/CEO

REPUBLIC OF KENYA

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Anniversary Towers
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NAIROBI

REPORT OF THE AUDITOR-GENERAL ON WILDLIFE CLUBS OF KENYA FOR THE YEAR ENDED 30 JUNE, 2023

PREAMBLE

I draw your attention to the contents of my report which is in three parts:

- A. Report on the Financial Statements that considers whether the financial statements are fairly presented in accordance with the applicable financial reporting framework, accounting standards and the relevant laws and regulations that have a direct effect on the financial statements.
- B. Report on Lawfulness and Effectiveness in Use of Public Resources which considers compliance with applicable laws, regulations, policies, gazette notices, circulars, guidelines and manuals and whether public resources are applied in a prudent, efficient, economic, transparent and accountable manner to ensure the Government achieves value for money and that such funds are applied for the intended purpose.
- C. Report on the Effectiveness of Internal Controls, Risk Management and Governance which considers how the entity has instituted checks and balances to guide internal operations. This responds to the effectiveness of the governance structure, risk management environment and internal controls, developed and implemented by those charged with governance for orderly, efficient and effective operations of the entity.

An unmodified opinion does not necessarily mean that an entity has complied with all relevant laws and regulations and that its internal controls, risk management and governance systems are properly designed and were working effectively in the financial year under review.

The three parts of the report are aimed at addressing the statutory roles and responsibilities of the Auditor-General as provided by Article 229 of the Constitution, the Public Finance Management Act, 2012 and the Public Audit Act, 2015. The three parts of the report when read together constitute the report of the Auditor-General.

REPORT ON THE FINANCIAL STATEMENTS

Qualified Opinion

I have audited the accompanying financial statements of Wildlife Clubs of Kenya set out on pages 1 to 25, which comprise of the statement of financial position as at 30 June, 2023 and the statement of financial performance, statements of changes in net assets, statement of cash flows and statement of comparison of budget and actual amounts for the year then ended and a summary of significant accounting policies and

other explanatory information in accordance with the provisions of Article 229 of the Constitution of Kenya and Section 35 of the Public Audit Act, 2015. I have obtained all the information and explanations which to the best of my knowledge and belief, were necessary for the purpose of the audit.

In my opinion, except for the effects of the matter described in the Basis for Qualified Opinion section of my report, the financial statements present fairly, in all material respects, the financial position of the Wildlife Clubs of Kenya as at 30 June, 2023 and of its financial performance and its cash flows for the year then ended, in accordance with International Public Sector Accounting Standards (Accrual Basis) and comply with the Public Finance Management Act, 2012.

Basis for Qualified Opinion

Inaccuracies in the Statement of Cash Flows

The statement of financial position reflects cash and bank balance of Kshs.50,947,724 as disclosed in Note 12 to the financial statements. However, the statement of cash flows reflects cash and cash equivalents balance of Kshs.50,945,573, thus resulting to unreconciled and unexplained variance of Kshs.2,151

In the circumstances, the accuracy and completeness of cash and cash equivalents balance of Kshs.50,947,724 as at 30 June, 2023 could not be confirmed.

The audit was conducted in accordance with the International Standards for Supreme Audit Institutions (ISSAIs). I am independent of the Wildlife Clubs of Kenya Management in accordance with ISSAI 130 on the Code of Ethics. I have fulfilled other ethical responsibilities in accordance with the ISSAI and in accordance with other ethical requirements applicable to performing audits of financial statements in Kenya. I believe that the audit evidence I have obtained is sufficient and appropriate to provide a basis for my qualified opinion.

Emphasis of Matter

Budgetary Control and Performance

The statement of comparison of budget and actual amounts reflects final receipts budget and actual receipts on comparable basis of Kshs.110,707,873 and Kshs.104,562,126 respectively resulting in an under-funding of Kshs.6,145,747 or 5% of the budget. Similarly, the Wildlife Clubs spent Kshs.80,283,670 against an approved budget of Kshs.110,707,873 resulting to an under-expenditure of Kshs.30,424,203 or 27% of the budget.

The under-funding and under-performance affected the planned activities and may have impacted negatively on service delivery to the public.

My opinion is not modified in respect of this matter.

Key Audit Matters

Key audit matters are those matters that, in my professional judgement, are of most significance in the audit of the financial statements. There were no key audit matters to report in the year under review.

REPORT ON LAWFULNESS AND EFFECTIVENESS IN USE OF PUBLIC RESOURCES

Conclusion

As required by Article 229(6) of the Constitution, based on the audit procedures performed, except for the matters described in the Basis for Conclusion on Lawfulness and Effectiveness in Use of Public Resources section of my report, I confirm that, nothing else has come to my attention to cause me to believe that public resources have not been applied lawfully and in an effective way.

Basis for Conclusion

1. Un-Authorised Overdraft

The statement of financial position reflects bank overdraft of Kshs.2,151 as disclosed in Note 12 to the financial statements. However, the Management did not provide for audit, authority from The National Treasury allowing the Wildlife Clubs to obtain bank overdraft facility.

In the circumstances, Management was in breach of the law.

2. Unbalanced Budget

Review of the statement of comparison of budget and actual amounts revealed that the Management prepared an unbalanced budget that reflects budgeted income of Kshs.110,707,873 and budgeted expenditure of Kshs.99,707,873 resulting to an unexplained variance of Kshs.11,000,000. This is contrary to Regulation 33(c) of the Public Finance Management Regulations, 2015 which states that 'Unless provided otherwise in the Act, these Regulations or any other guidelines developed in furtherance of the Act or these Regulations, the following guidelines shall be observed at all times during budget formulation and approval—(c) budget shall be balanced'.

In the circumstances, Management was in breach of the law.

REPORT ON THE EFFECTIVENESS OF INTERNAL CONTROLS, RISK MANAGEMENT AND GOVERNANCE

Conclusion

As required by Section 7(1)(a) of the Public Audit Act, 2015, based on the audit procedures performed, except for the matter described in the Basis for Conclusion on Effectiveness of Internal Controls, Risk Management and Governance section of my report, I confirm that, nothing else has come to my attention to cause me to believe that internal controls, risk management and governance were not effective.

Basis for Conclusion

Understaffing

The Wildlife Clubs approved staff establishment allows for employment of a total number of sixty-nine (69) members of staff for it to effectively carry out its duties and obligations. However, review of the staffing documents presented for audit revealed that the Wildlife

Clubs has only forty-nine (49) members of staff in post against the approved establishment of sixty-nine (69) members. Further, the Wildlife Clubs of Kenya does not have procurement and ICT departments in place to carry out procurement and ICT processes to effectively and efficiently to achieve the intended objectives.

In the circumstances, failure to employ and fill the posts as per the approved establishment may affect the efficient operations of the Wildlife Clubs.

The audit was conducted in accordance with the International Standards for Supreme Audit Institutions (ISSAIs) 2315 and 2330. The standards require that I plan and perform the audit to obtain assurance about whether effective processes and systems of internal controls, risk management and overall governance were operating effectively, in all material respects. I believe that the audit evidence I have obtained is sufficient and appropriate to provide a basis for my conclusion.

Responsibilities of Management and those Charged with Governance

Management is responsible for the preparation and fair presentation of these financial statements in accordance with International Public Sector Accounting Standards (Accrual Basis) and for maintaining effective internal control as Management determines is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error and for its assessment of the effectiveness of internal controls, risk management and overall governance.

In preparing the financial statements, Management is responsible for assessing the Wildlife Clubs' ability to continue to sustain its services, disclosing, as applicable, matters related to sustainability of services and using the applicable basis of accounting unless Management is aware of the intention to terminate the Wildlife Clubs or to cease operations.

Management is also responsible for the submission of the financial statements to the Auditor-General in accordance with the provisions of Section 47 of the Public Audit Act, 2015.

In addition to the responsibility for the preparation and presentation of the financial statements described above, Management is also responsible for ensuring that the activities, financial transactions and information reflected in the financial statements are in compliance with the authorities which govern them, and that public resources are applied in an effective way.

Those charged with governance are responsible for overseeing the Wildlife Clubs' financial reporting process, reviewing the effectiveness of how Management monitors compliance with relevant legislative and regulatory requirements, ensuring that effective processes and systems are in place to address key roles and responsibilities in relation to governance and risk management, and ensuring the adequacy and effectiveness of the control environment.

Auditor-General's Responsibilities for the Audit

The audit 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 my opinion in accordance with the provisions of Section 48 of the Public Audit Act, 2015 and submit the audit report in compliance with Article 229(7) of the Constitution. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with ISSAIs will always detect a material misstatement and weakness 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.

In addition to the audit of the financial statements, a compliance audit is planned and performed to express a conclusion about whether, in all material respects, the activities, financial transactions and information reflected in the financial statements are in compliance with the authorities that govern them and that public resources are applied in an effective way, in accordance with the provisions of Article 229(6) of the Constitution and submit the audit report in compliance with Article 229(7) of the Constitution.

Further, in planning and performing the audit of the financial statements and audit of compliance, I consider internal control in order to give an assurance on the effectiveness of internal controls, risk management and overall governance processes and systems in accordance with the provisions of Section 7(1)(a) of the Public Audit Act, 2015 and submit the audit report in compliance with Article 229(7) of the Constitution. My consideration of the internal control would not necessarily disclose all matters in the internal control that might be material weaknesses under the ISSAIs. A material weakness is a condition in which the design or operation of one or more of the internal control components does not reduce to a relatively low level the risk that misstatements caused by error or fraud in amounts that would be material in relation to the financial statements being audited may occur and not be detected within a timely period by employees in the normal course of performing their assigned functions.

Because of its inherent limitations, internal control may not prevent or detect misstatements and instances of non-compliance. Also, projections of any evaluation of effectiveness to future periods are subject to the risk that controls may become inadequate because of changes in conditions, or that the degree of compliance with the Wildlife Clubs' policies and procedures may deteriorate.

As part of an audit conducted in accordance with ISSAIs, I exercise professional judgement and maintain professional skepticism throughout the audit. I 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 my 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.
- 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 applicable 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 Wildlife Clubs' ability to continue to sustain its services. If I conclude that a material uncertainty exists, I am required to draw attention in the auditor's report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify my opinion. My conclusions are based on the audit evidence obtained up to the date of my audit report. However, future events or conditions may cause the Wildlife Clubs to cease to sustain its services.

- 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.
- Obtain sufficient appropriate audit evidence regarding the financial information and business activities of the Wildlife Clubs to express an opinion on the financial statements.
- Perform such other procedures as I consider necessary in the circumstances.

I communicate with Management regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that are identified during the audit.

I also provide Management with a statement that I have complied with relevant ethical requirements regarding independence and communicate with them all relationships and other matters that may reasonably be thought to bear on my independence and where applicable, related safeguards.


FCPA Nancy Gathungu, CBS
AUDITOR-GENERAL

Nairobi

07 March, 2024

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Statement of Financial Performance for the year ended 30 June 2023

		2022-2023	2021-2022
	Note	KES	KES
Revenue from non-exchange transactions			
Transfers from Government entities	6a)	35,989,380	29,995,940
Grants and donations	6b)	6,848,117	18,825,975
Hostels, Trade items and subscriptions	6c)	19,833,167	11,744,175
		<u>62,670,664</u>	<u>60,566,090</u>
Revenue from exchange transactions			
Other income	7b)	3,884,919	2,247,816
Net CTTR income	7c)	2,659,261	1,392,897
Interest income	7a)	11,610,246	8,998,930
		<u>18,154,426</u>	<u>12,639,643</u>
Total revenue		<u>80,825,090</u>	<u>73,205,732</u>
Expenses			
Staff costs	8	30,415,412	30,050,414
Direct programme expenses	9	14,753,308	12,468,869
Administration and other operating expenses	10	13,888,535	13,174,753
Total expenses		<u>59,057,254</u>	<u>75,116,946</u>
Surplus for the year		21,767,837	17,511,696
Endowment Fund Interest		(10,460,384)	(8,989,597)
Retained surplus for the year		<u>11,307,453</u>	<u>8,522,099</u>

The notes set out on pages 1 to 27 form an integral part of these Financial Statements. The Financial Statements were signed on behalf of the Governing Council on by:



.....
Name: Dr. Margaret Otieno
National Coordinator/CEO

Date 07/02/2024



.....
Name: Joshua Mutie Maima
Head of Finance
ICPAK M/No:21643

Date 07/02/2024



.....
Name: Mr. Hadley Becha
Chairman of the Council

Date 07/02/2024

WILDLIFE CLUBS OF KENYA
Annual Report and Financial Statements
For the year ended June 30, 2023

Statement of Financial Position as at 30 June 2023

Assets		2022-2023	2021-2022
	Note	KES	KES
Non-current assets			
Property and equipment	20	241,188,172	193,146,198
Work-in-progress	11	1,472,307	48,547,334
		<u>242,660,479</u>	<u>241,693,532</u>
Total non-current assets			
Current assets			
Trade receivables from non-exchange transactions	13	17,109,889	3,981,880
Trade receivables from exchange transactions	14	574,802	799,380
Investment (endowment fund)	16	140,123,849	129,663,465
Inventory	18	462,381	484,549
Cash and bank	12	50,947,724	54,462,861
		<u>209,218,645</u>	<u>189,392,135</u>
Total current assets			
Current liabilities			
Trade payables and accruals	15	8,127,479	11,348,075
Bank Overdraft	12	2151	
Net current assets		<u>201,089,015</u>	<u>178,044,060</u>
Longterm liabilities			
Deferred Income	23	20,264,680	17,754,060
Total Long-term liabilities		<u>20,264,680</u>	<u>17,754,060</u>
Net assets		<u>423,484,814</u>	<u>401,983,532</u>
Represented by:			
Fund balance (Page 32)		<u>423,484,814</u>	<u>401,983,532</u>

The financial statements set out on pages 1 to 27 were signed on behalf of the Governing Council by:



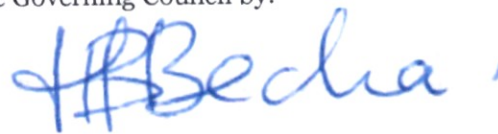
.....
Name: Dr. Margaret Otieno
National Coordinator/CEO

Date 07/02/2024.....



.....
Name: Joshua Mutie Maima
Head of Finance
ICPAK M/NO:21643

Date 07/02/2024.....



.....
Name: Mr. Hadley Becha
Chairman of the Council

Date 07/02/2024.....

WILDLIFE CLUBS OF KENYA
Annual Report and Financial Statements
For the year ended June 30, 2023

Statement of Changes in Net Assets for the year ended 30 June 2023

	Property fund	Endowment fund	Revenue reserve	Specific grants	Total
	KES	KES	KES	KES	KES
At 01 July, 2021	228,730,878	120,673,868	18,969,026	16,098,279	384,472,051
Interest capitalised	-	8,989,597	(8,989,597)	-	-
Net assets additions	12,962,654	-	(12,962,654)	-	-
Balance for the year	-	-	24,830,614	(7,318,918)	17,511,696
At 30 June, 2022	<u>241,693,532</u>	<u>129,663,465</u>	<u>21,847,389</u>	<u>8,779,361</u>	<u>401,983,747</u>
At 01 July, 2022	241,693,532	129,663,465	21,847,389	8,779,361	401,983,747
Interest capitalised	-	10,460,384	(10,460,384)	-	-
Net assets additions	48,785,151	-	(49,051,921)	-	(266,770.00)
Operating balance for the year	-	-	21,767,837	-	21,767,837
Transfer between specific grants & revenue reserves	-	-	(3,242,049)	3,242,049	-
At 30 June, 2023	<u>290,478,683</u>	<u>140,123,849</u>	<u>(19,139,128)</u>	<u>12,021,410</u>	<u>423,484,814</u>

WILDLIFE CLUBS OF KENYA
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Statement of Cash Flows for the year ended 30 June 2023

	2022-2023	2021-2022
	KES	KES
Cash flows from operating activities		
Receipts		
Transfers from Government entities	26,489,380	29,995,940
Grants and donations	6,848,117	18,825,975
Hostels, Trade items and subscriptions	19,833,167	11,744,175
Other income	3,884,919	2,247,816
Net CTTR income	1,230,664	14,040,960
Interest income	1,149,862	9,333
Total receipts	59,436,109	76,864,198
Payments		
Employee costs	30,415,412	12,366,387
Programme costs	14,753,308	12,468,869
Payment to suppliers	9,968,180	9,276,712
	55,136,899	34,111,968
Net cash generated from operating activities	4,299,210	42,752,230
Cash flows from investing activities		
Acquisition of property and equipment (note 12)	(7,340,091)	(15,318,442)
Increase in work-in-progress	(476,407)	(3,155,292)
Net decrease in cash from investing activities	(7,816,498)	(18,473,734)
Net (decrease) / increase in cash and cash equivalents	(3,517,288)	24,278,496
Movement in cash and cash equivalents		
Cash and cash equivalents at 01 July	54,462,861	30,184,365
Net (decrease) / increase in cash and cash equivalents	(3,517,288)	24,278,496
Cash and cash equivalents at 30 June	50,945,573	54,462,861

WILDLIFE CLUBS OF KENYA
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Statement of Comparison of Budget and Actual amounts for the year ended 30 June 2023

Description	Approved Budget	Adjustments	Final Budget	Actual on comparable basis	Performance differences	% Variance	Comments
	2022-2023	2022-2023	2022-2023	2022-2023	2022-2023	2022-2023	
	KES	KES	KES	KES	KES	KES	
Grants & Donations	766,800	4,771,073	5,537,873	6,848,117	1,310,244	24	1
Transfers from the Government	48,000,000	-	48,000,000	38,500,000	(9,500,000)	-20	2
Revenue & other incomes	17,480,000	4,200,000	21,680,000	23,718,086	2,038,086	9	
CTTR Income	20,980,000	3,510,000	24,490,000	23,885,677	(604,323)	-2	
Interest from Endowment fund	11,000,000	-	11,000,000	11,610,246	610,246	6	
Total income	98,226,800	12,481,073	110,707,873	104,562,126	(6,145,747)		
Expenses							
Staff costs	29,000,000	-	29,000,000	30,415,412	(1,415,412)	-5	
Direct Programme cost	15,957,553	658,253	21,799,995	14,753,308	1,862,499	11	3
Administration & other Operating expenses	9,270,000	4,595,651	13,865,651	13,888,535	(22,884)	0	
CTTR Cost	18,220,000	3,006,416	24,490,000	21,226,416	-	0	
Project cost	19,000,000	-	19,000,000	-	19,000,000	100	4
Total expenditures	91,447,553	8,260,320	99,707,873	80,283,670	19,424,203		
Surplus	6,779,247	4,220,753	11,000,000	24,278,457	(25,569,950)		
Interest from Endowment-Capitalized	6,779,247	4,220,753	11,000,000	10,460,384	539,616		
	-	-	-	13,818,073	(26,109,566)		

WILDLIFE CLUBS OF KENYA
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Reconciliation with operating surplus

Deferred Income from transfers	(9,500,000)
Deferred Income from transfers realized	6,989,380
Operating surplus (as above – Actual)	<u>13,818,073</u>
Surplus /Deficit in Statement of financial Performance	<u>11,307,453</u>

Notes to the budget

1. Grants & Donations had a positive variance of Kes. 1.3. Million equivalent to 24%. This was because of partners coming on board during the year to support conservation activities.
2. We had a reduction of 20% of Gok form funding from **Kes 48Million to Kes. 38.5** million funding due to austerity measures.
3. Direct Programme cost was underutilized by 1.8 million translating to 11%, this was due to delay by our partners in implementing conservation activities as had been planned.
4. The final project budget was 19million , but we managed to receive only 9.5.Million this has been posted to deferred income.

WILDLIFE CLUBS OF KENYA
Annual Report and Financial Statements
For the year ended June 30, 2023

Notes to the Financial Statements

1. General Information

WCK is established by and derives its authority and accountability from an executive order.

2. Statement of Compliance and Basis of Preparation

The financial statements have been prepared on a historical cost basis except for the measurement at re-valued amounts of certain items of property, plant and equipment, marketable securities and financial instruments at fair value, impaired assets at their estimated recoverable amounts and actuarially determined liabilities at their present value. The preparation of financial statements in conformity with International Public Sector Accounting Standards (IPSAS) allows the use of estimates and assumptions. It also requires management to exercise judgement in the process of applying the Wildlife Clubs of Kenya's accounting policies. The areas involving a higher degree of judgement or complexity, or where assumptions and estimates are significant to the financial statements, are disclosed in Note 5 of these financial statements.

The financial statements have been prepared and presented in Kenya Shillings, which is the functional and reporting currency of the Wildlife Clubs of Kenya. The financial statements have been prepared in accordance with the PFM Act, the State Corporations Act and International Public Sector Accounting Standards (IPSAS). The accounting policies adopted have been consistently applied to all the years presented.

3. Adoption of New and Revised Standards

- i. *New and amended standards and interpretations in issue effective in the year ended 30 June 2023.*

Standard	Effective date and impact:
IPSAS 41: Financial Instruments	<p>Applicable: 1st January 2023:</p> <p>The objective of IPSAS 41 is to establish principles for the financial reporting of financial assets and liabilities that will present relevant and useful information to users of financial statements for their assessment of the amounts, timing and uncertainty of Wildlife Clubs of Kenya's future cash flows.</p> <p>IPSAS 41 provides users of financial statements with more useful information than IPSAS 29, by:</p> <ul style="list-style-type: none"> • Applying a single classification and measurement model for financial assets that considers the characteristics of the asset's cash flows and the objective for which the asset is held; • Applying a single forward-looking expected credit loss model that is applicable to all financial instruments subject to impairment testing; and • Applying an improved hedge accounting model that broadens the hedging arrangements in scope of the guidance. The model develops a strong link between a Wildlife Clubs of Kenya's risk management strategies and the accounting treatment for instruments held as part of the risk management strategy. <p>No impact of WCK</p>
IPSAS 42: Social Benefits	<p>Applicable: 1st January 2023</p> <p>The objective of this Standard is to improve the relevance, faithful representativeness and comparability of the information that a reporting Entity provides in its financial statements about social benefits. The information provided should help users of the financial statements and general-purpose financial reports assess:</p> <ol style="list-style-type: none"> (a) The nature of such social benefits provided by the Entity. (b) The key features of the operation of those social benefit schemes; and (c) The impact of such social benefits provided on the Entity's financial performance, financial position and cash flows.

WILDLIFE CLUBS OF KENYA
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Standard	Effective date and impact:
Amendments to Other IPSAS resulting from IPSAS 41, Financial Instruments	<p>Applicable: 1st January 2023:</p> <p>a) Amendments to IPSAS 5, to update the guidance related to the components of borrowing costs which were inadvertently omitted when IPSAS 41 was issued.</p> <p>b) Amendments to IPSAS 30, regarding illustrative examples on hedging and credit risk which were inadvertently omitted when IPSAS 41 was issued.</p> <p>c) Amendments to IPSAS 30, to update the guidance for accounting for financial guaranteed contracts which were inadvertently omitted when IPSAS 41 was issued.</p> <p>d) Amendments to IPSAS 33, to update the guidance on classifying financial instruments on initial adoption of accrual basis IPSAS which were inadvertently omitted when IPSAS 41 was issued.</p> <p>IMPACT No impact on WCK</p>
Other improvements to IPSAS	<p>Applicable 1st January 2023</p> <ul style="list-style-type: none"> • <i>IPSAS 22 Disclosure of Financial Information about the General Government Sector.</i> Amendments to refer to the latest System of National Accounts (SNA 2008). • <i>IPSAS 39: Employee Benefits.</i> Now deletes the term composite social security benefits as it is no longer defined in IPSAS. • IPSAS 29: Financial instruments: Recognition and Measurement. Standard no longer included in the 2023 IPSAS handbook as it is now superseded by IPSAS 41 which is applicable from 1st January 2023.

ii. ***New and amended standards and interpretations in issue but not yet effective in the year ended 30 June 2023.***

Standard	Effective date and impact:
IPSAS 43	<p>Applicable 1st January 2025</p> <p>The standard sets out the principles for the recognition, measurement, presentation, and disclosure of leases. The objective is to ensure that lessees and lessors provide relevant information in a manner that faithfully represents those transactions. This information gives a basis for users of financial statements to assess the effect that leases have on the financial position, financial performance and cashflows of an Entity.</p> <p>The new standard requires entities to recognise, measure and present information on right of use assets and lease liabilities.</p> <p>No Impact on WCK</p>
IPSAS 44: Non- Current Assets Held for Sale and Discontinued Operations	<p>Applicable 1st January 2025</p> <p>The Standard requires, Assets that meet the criteria to be classified as held for sale to be measured at the lower of carrying amount and fair value less costs to sell and the depreciation of such assets to cease and:</p> <p>Assets that meet the criteria to be classified as held for sale to be presented separately in the statement of financial position and the results of discontinued operations to be presented separately in the statement of financial performance.</p> <p>Impact: WCK holds no non-current asset held for sale or intend to discontinue any of its operations in the foreseeable future as such the standard will have no impact in its reporting.</p>

iii. ***Early adoption of standards***

The Entity did not early – adopt any new or amended standards in the financial year.

WILDLIFE CLUBS OF KENYA
Annual Report and Financial Statements
For the year ended June 30, 2023

Notes to the financial statements (continued)

4. Summary of Significant Accounting Policies

a) Revenue recognition

i) Revenue from non-exchange transactions

Fees, taxes and fines

WCK recognizes revenues from fees, taxes and fines when the event occurs and the asset recognition criteria are met. To the extent that there is a related condition attached that would give rise to a liability to repay the amount, deferred income is recognized instead of revenue. Other non-exchange revenues are recognized when it is probable that the future economic benefits or service potential associated with the asset will flow to the Entity and the fair value of the asset can be measured reliably.

Transfers from other government entities

Revenues from non-exchange transactions with other government entities are measured at fair value and recognized on obtaining control of the asset (cash, goods, services and property) if the transfer is free from conditions and it is probable that the economic benefits or service potential related to the asset will flow to WCK and can be measured reliably. To the extent that there is a related condition attached that would give rise to a liability to repay the amount, the amount is recorded in the statement of financial position and realised in the statement of financial performance over the useful life of the assets that has been acquired using such funds.

ii) Revenue from exchange transactions

Rendering of services

Wildlife Clubs of Kenya recognizes revenue from rendering of services by reference to the stage of completion when the outcome of the transaction can be estimated reliably. The stage of completion is measured by reference to labour hours incurred to date as a percentage of total estimated labour hours. Where the contract outcome cannot be measured reliably, revenue is recognized only to the extent that the expenses incurred are recoverable.

Sale of goods

Revenue from the sale of goods is recognized when the significant risks and rewards of ownership have been transferred to the buyer, usually on delivery of the goods and when the amount of revenue can be measured reliably, and it is probable that the economic benefits or service potential associated with the transaction will flow to WCK.

Interest income

Interest income is accrued using the effective yield method. The effective yield discounts estimated future cash receipts through the expected life of the financial asset to that asset's net carrying amount. The method applies this yield to the principal outstanding to determine interest income each period.

Rental income

Rental income arising from operating leases on investment properties is accounted for on a straight-line basis over the lease terms and included in revenue.

b) Budget information

Budget information (continued)

Wildlife Clubs of Kenya's annual budget is prepared on the accrual basis, that is, all planned costs and income are presented in a single statement to determine the needs of the entity. As a result of the adoption of the accrual basis for budgeting purposes, there are no basis, timing or entity differences that would require reconciliation between the actual comparable amounts and the amounts presented as a separate additional financial statement in the statement of comparison of budget and actual amounts.

c) Taxes

Current income tax

Current income tax assets and liabilities for the current period are measured at the amount expected to be recovered from or paid to the taxation authorities. The tax rates and tax laws used to compute the amount are those that are enacted or substantively enacted, at the reporting date in the area where WCK operates.

WILDLIFE CLUBS OF KENYA
Annual Report and Financial Statements
For the year ended June 30, 2023

Notes to the Financial Statements (Continued)
Summary of Significant Accounting Policies (Continued)

Management periodically evaluates positions taken in the tax returns with respect to situations in which applicable tax regulations are subject to interpretation and establishes provisions where appropriate.

d) Property, plant, and equipment

All property, plant and equipment are stated at cost less accumulated depreciation and impairment losses. Cost includes expenditure that is directly attributable to the acquisition of the items. When significant parts of property, plant and equipment are required to be replaced at intervals, the Entity recognizes such parts as individual assets with specific useful lives and depreciates them accordingly. Likewise, when a major inspection is performed, its cost is recognized in the carrying amount of the plant and equipment as a replacement if the recognition criteria are satisfied. All other repair and maintenance costs are recognized in surplus or deficit as incurred. Where an asset is acquired in a non-exchange transaction for nil or nominal consideration the asset is initially measured at its fair value. Items of property & equipment are measured at cost less accumulated depreciation and any accumulated impairment losses. Depreciation is charged so as to allocate the cost of assets less their residual value using the straight-line method. The following annual rates are used for depreciation of property and equipment:

Freehold land	Nil
Buildings on long leasehold and freehold land	2%
Computers & accessories	30%
Motor vehicles	25%
Office equipment	12.50%
Furniture & fittings	12.50%
Plant and Machinery	25%

If there is an indication that there has been a significant change in the depreciation rate, useful life or residue value of an asset, the depreciation of that asset is revised prospectively to reflect the new expectations.

On disposal, the difference between the net disposal proceeds and the carrying amount of the item sold is recognized in the statement of comprehensive income.

e) Leases

Finance leases are leases that transfer substantially all the risks and benefits incidental to ownership of the leased item to WCK. Assets held under a finance lease are capitalized at the commencement of the lease at the fair value of the leased property or, if lower, at the present value of the future minimum lease payments. WCK also recognizes the associated lease liability at the inception of the lease. The liability recognized is measured as the present value of the future minimum lease payments at initial recognition. Subsequent to initial recognition, lease payments are apportioned between finance charges and reduction of the lease liability so as to achieve a constant rate of interest on the remaining balance of the liability. Finance charges are recognized as finance costs in surplus or deficit. An asset held under a finance lease is depreciated over the useful life of the asset. However, if there is no reasonable certainty that WCK will obtain ownership of the asset by the end of the lease term, the asset is depreciated over the shorter of the estimated useful life of the asset and the lease term.

Operating leases are leases that do not transfer substantially all the risks and benefits incidental to ownership of the leased item to WCK. Operating lease payments are recognized as an operating expense in surplus or deficit on a straight-line basis over the lease term.

f) Intangible assets

Intangible assets acquired separately are initially recognized at cost. The cost of intangible assets acquired in a non-exchange transaction is their fair value at the date of the exchange. Following initial recognition, intangible assets are carried at cost less any accumulated amortization and accumulated impairment losses. Internally generated intangible assets, excluding capitalized development costs, are not capitalized and expenditure is reflected in surplus or deficit in the period in which the expenditure is incurred. The useful life of the intangible assets is

WILDLIFE CLUBS OF KENYA
Annual Report and Financial Statements
For the year ended June 30, 2023

Notes to the Financial Statements (Continued)
Summary of Significant Accounting Policies (Continued)

assessed as either finite or indefinite. Intangible assets with an indefinite useful life are assessed for impairment at each reporting date.

g) Research and development costs

WCK expenses research costs as incurred. Development costs on an individual project are recognized as intangible assets when WCK can demonstrate:

- i) The technical feasibility of completing the asset so that the asset will be available for use or sale.
- ii) Its intention to complete and its ability to use or sell the asset.
- iii) How the asset will generate future economic benefits or service potential
- iv) The availability of resources to complete the asset.
- v) The ability to measure reliably the expenditure during development.

Following initial recognition of an asset, the asset is carried at cost less any accumulated amortization and accumulated impairment losses. Amortization of the asset begins when development is complete, and the asset is available for use. It is amortized over the period of expected future benefit. During the period of development, the asset is tested for impairment annually with any impairment losses recognized immediately in surplus or deficit.

h) Financial instruments

IPSAS 41 addresses the classification, measurement and de-recognition of financial assets and financial liabilities, introduces new rules for hedge accounting and a new impairment model for financial assets.

WCK does not have any hedge relationships and therefore the new hedge accounting rules have no impact on the Company's financial statements.

i. Financial assets

Classification of financial assets

The entity classifies its financial assets as subsequently measured at amortised cost, fair value through net assets/ equity or fair value through surplus and deficit on the basis of both the entity's management model for financial assets and the contractual cash flow characteristics of the financial asset. A financial asset is measured at amortized cost when the financial asset is held within a management model whose objective is to hold financial assets in order to collect contractual cash flows and the contractual terms of the financial asset give rise on specified dates to cash flows that are solely payments of principal and interest on the principal outstanding. A financial asset is measured at fair value through net assets/ equity if it is held within the management model whose objective is achieved by both collecting contractual cashflows and selling financial assets and the contractual terms of the financial asset give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding. A financial asset shall be measured at fair value through surplus or deficit unless it is measured at amortized cost or fair value through net assets/ equity unless an entity has made irrevocable election at initial recognition for particular investments in equity instruments.

Subsequent measurement

Based on the business model and the cash flow characteristics, the entity classifies its financial assets into amortized cost or fair value categories for financial instruments. Movements in fair value are presented in either surplus or deficit or through net assets/ equity subject to certain criteria being met.

Amortized cost

Financial assets that are held for collection of contractual cash flows where those cash flows represent solely payments of principal and interest, and that are not designated at fair value through surplus or deficit, are measured at amortized cost. A gain or loss on an instrument that is subsequently measured at amortized cost and is not part of a hedging relationship is recognized in profit or loss when the asset is de-recognized or impaired. Interest income from these financial assets is included in finance income using the effective interest rate method.

Fair value through net assets/ equity

Financial assets that are held for collection of contractual cash flows and for selling the financial assets, where the assets' cash flows represent solely payments of principal and interest, are measured at fair value through net assets/ equity. Movements in the carrying amount are taken through net assets, except for the recognition of impairment gains or losses, interest revenue and foreign exchange gains and losses which are recognized in surplus/deficit. Interest income from these financial assets is included in finance income using the effective interest rate method.

WILDLIFE CLUBS OF KENYA
Annual Report and Financial Statements
For the year ended June 30, 2023

Trade and other receivables

Trade and other receivables are recognized at fair values less allowances for any uncollectible amounts. Trade and other receivables are assessed for impairment on a continuing basis. An estimate is made of doubtful receivables based on a review of all outstanding amounts at the year end.

Fair value through surplus or deficit

Financial assets that do not meet the criteria for amortized cost or fair value through net assets/ equity are measured at fair value through surplus or deficit. A business model where the entity manages financial assets with the objective of realizing cash flows through solely the sale of the assets would result in a fair value through surplus or deficit model.

Impairment

The entity assesses, on a forward-looking basis, the expected credit loss ('ECL') associated with its financial assets carried at amortized cost and fair value through net assets/equity. The entity recognizes a loss allowance for such losses at each reporting date.

ii. Financial liabilities

Classification

The entity classifies its liabilities as subsequently measured at amortized cost except for financial liabilities measured through profit or loss.

i) Inventories

Inventory is measured at cost upon initial recognition. To the extent that inventory was received through non-exchange transactions (for no cost or for a nominal cost), the cost of the inventory is its fair value at the date of acquisition. Costs incurred in bringing each product to its present location and conditions are accounted for, as follows:

- i) Raw materials: purchase cost using the weighted average cost method.
- ii) Finished goods and work in progress: cost of direct materials and labour and a proportion of manufacturing overheads based on the normal operating capacity but excluding borrowing costs.

After initial recognition, inventory is measured at the lower of cost and net realizable value. However, to the extent that a class of inventory is distributed or deployed at no charge or for a nominal charge, that class of inventory is measured at the lower of cost and current replacement cost. Net realizable value is the estimated selling price in the ordinary course of operations, less the estimated costs of completion and the estimated costs necessary to make the sale, exchange, or distribution. Inventories are recognized as an expense when deployed for utilization or consumption in the ordinary course of operations of WCK.

j) Provisions

Provisions are recognized when the WCK has a present obligation (legal or constructive) as a result of a past event, it is probable that an outflow of resources embodying economic benefits or service potential will be required to settle the obligation and a reliable estimate can be made of the amount of the obligation. Where WCK expects some or all of a provision to be reimbursed, for example, under an insurance contract, the reimbursement is recognized as a separate asset only when the reimbursement is virtually certain. The expense relating to any provision is presented in the statement of financial performance net of any reimbursement.

k) Social Benefits

Social benefits are cash transfers provided to i) specific individuals and / or households that meet the eligibility criteria, ii) mitigate the effects of social risks and iii) Address the need of society as a whole. The entity recognises a social benefit as an expense for the social benefit scheme at the same time that it recognises a liability. The liability for the social benefit scheme is measured at the best estimate of the cost (the social benefit payments) that the entity will incur in fulfilling the present obligations represented by the liability.

l) Contingent liabilities

The WCK does not recognize a contingent liability but discloses details of any contingencies in the notes to the financial statements, unless the possibility of an outflow of resources embodying economic benefits or service potential is remote.

m) Changes in accounting policies and estimates

WCK recognizes the effects of changes in accounting policy retrospectively. The effects of changes in accounting policy are applied prospectively if retrospective application is impractical.

WILDLIFE CLUBS OF KENYA
Annual Report and Financial Statements
For the year ended June 30, 2023

n) Employee benefits

Retirement benefit plans

WCK provides retirement benefits for its employees and directors. Defined contribution plans are post-employment benefit plans under which an Entity pays fixed contributions into a separate Entity (a fund) and will have no legal or constructive obligation to pay further contributions if the fund does not hold sufficient assets to pay all employee benefits relating to employee service in the current and prior periods. The contributions to fund obligations for the payment of retirement benefits are charged against income in the year in which they become payable. Defined benefit plans are post-employment benefit plans other than defined-contribution plans. The defined benefit funds are actuarially valued tri-annually on the projected unit credit method basis. Deficits identified are recovered through lump sum payments or increased future contributions on proportional basis to all participating employers. The contributions and lump sum payments reduce the post-employment benefit obligation.

o) Foreign currency transactions

Transactions in foreign currencies are initially accounted for at the ruling rate of exchange on the date of the transaction. Trade creditors or debtors denominated in foreign currency are reported at the statement of financial position reporting date by applying the exchange rate on that date. Exchange differences arising from the settlement of creditors, or from the reporting of creditors at rates different from those at which they were initially recorded during the period, are recognized as income or expenses in the period in which they arise.

p) Related parties

WCK regards a related party as a person or an entity with the ability to exert control individually or jointly, or to exercise significant influence over WCK, or vice versa. Members of key management are regarded as related parties and comprise the Trustees, Governing Council, the CEO and senior managers.

q) Service concession arrangements

WCK analyses all aspects of service concession arrangements that it enters in determining the appropriate accounting treatment and disclosure requirements. In particular, where a private party contributes an asset to the arrangement, WCK recognizes that asset when, and only when, it controls or regulates the services the operator must provide together with the asset, to whom it must provide them, and at what price. In the case of assets other than 'whole-of-life' assets, it controls, through ownership, beneficial entitlement or otherwise – any significant residual interest in the asset at the end of the arrangement. Any assets so recognized are measured at their fair value. To the extent that an asset has been recognized, WCK also recognizes a corresponding liability, adjusted by a cash consideration paid or received.

r) Cash and cash equivalents

Cash and cash equivalents comprise cash on hand and cash at bank, short-term deposits on call and highly liquid investments with an original maturity of three months or less, which are readily convertible to known amounts of cash and are subject to insignificant risk of changes in value. Bank account balances include amounts held at the CBK and at various commercial banks at the end of the financial year. For the purposes of these financial statements, cash and cash equivalents also include short term cash imprests and advances to authorised public officers and/or institutions which were not surrendered or accounted for at the end of the financial year.

s) Comparative figures

Where necessary comparative figures for the previous financial year have been amended or reconfigured to conform to the required changes in presentation.

t) Subsequent events

There have been no events subsequent to the financial year end with a significant impact on the financial statements for the year ended June 30, 2023.

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5. Significant Judgments and Sources of Estimation Uncertainty

The preparation of the Society's financial statements in conformity with IPSAS requires management to make judgments, estimates and assumptions that affect the reported amounts of revenues, expenses, assets and liabilities, and the disclosure of contingent liabilities, at the end of the reporting period. However, uncertainty about these assumptions and estimates could result in outcomes that require a material adjustment to the carrying amount of the asset or liability affected in future periods.

a) Significant judgements made in applying the Society's accounting policies

The judgements made by the board members of the Society in the process of applying the Society's accounting policies that have the most significant effect on the amounts recognised in the financial statements include: Whether the Society has the ability to hold 'held-to maturity' investments until they mature. If the Society were to sell other than an insignificant amount of such investments before maturity, it would be required to classify the entire class as 'available-for-sale' and measure them at fair value.

b) Key sources of estimation uncertainty

Key assumptions made about the future and other sources of estimation uncertainty that have a significant risk of causing a material adjustment to the carrying amount of assets and liabilities within the next financial year include:

i) Retirement benefit obligations

The pensions contributions into the Defined Contribution (DC) Scheme are expensed as incurred in the year.

ii) Impairment losses

Estimates are made in determining the impairment losses on receivables. Such estimates include the determination of the net realisable value or the recoverable amount of the asset.

Useful lives and residual value

The useful lives and residual values of assets are assessed using the following indicators to inform potential future use and value from disposal:

- a) The condition of the asset based on the assessment of experts employed by the Entity.
- b) The nature of the asset, its susceptibility and adaptability to changes in technology and processes.
- c) The nature of the processes in which the asset is deployed.
- d) Availability of funding to replace the asset.
- e) Changes in the market in relation to the asset

Provisions

Provisions were raised and management determined an estimate based on the information available. Provisions are measured at the management's best estimate of the expenditure required to settle the obligation at the reporting date and are discounted to present value where the effect is material.

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6. Revenue from non-exchange transactions

	2022-2023	2021-2022
	KES	KES
6.(a) Transfers from Government entities		
Ministry of Tourism and Wildlife	35,989,380	29,995,940
Total	<u>35,989,380</u>	<u>29,995,940</u>
6. (b) Donations / transfers		
VI Planterer	359,326	3,707,752
AFEW	2,266,360	-
IUCN	431,818	404,999
WWF-Amboseli	1,334,902	376,600
TIME	-	10081795.3
Giraffe Conservation Foundation	2,053,891	1077890.88
Minara	-	2658577.51
KAM	-	503360
Friends of Forty Jesus		15000
The Born Free Foundation	371,820	-
Tsavo Trust	30,000	-
Total donations / transfers	<u>6,848,117</u>	<u>18,825,975</u>
6.(c) Hostels, Trade items and subscriptions		
Hostels and guest houses	10,998,590	5,813,000
Trade items (revenue)	6,985,392	4,574,070
Subscriptions and registration fees	1,756,960	1,114,800
International ecotourism programme	46,725	174,780
Associates / corporate membership fees	45,500	67,525
Total	<u>19,833,167</u>	<u>11,744,175</u>
7. Revenue from exchange transactions		
7. (a) Interest income		
Interest on endowment fund	10,460,384	8,989,597
Interest on savings account	1,149,862	9,333
Total net interest income	<u>11,610,246</u>	<u>8,998,930</u>
7 (b) Other income		
Bill Board Adverts	400,000	400,000
Bus Hire	1,147,200	563,000
Rent income	18,000	13,500
Miscellaneous income	213,773	52,623
Exchange gain	2,105,946	532,393
Donation in Kind -Oliveseed foundation	-	686,300
	<u>3,884,919</u>	<u>2,247,816</u>

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7. (c)- Centre for Tourism Training and Research (CTTR)

	2022-2023	2021-2022
	KES	KES
Income		
Tuition	20,318,367	18,169,173
Hostel	1,682,000	1,216,350
Examination fees	541,399	97,997
BCC	-	-
Training	340,000	320,000
Application fees	213,100	147,000
Trade items (CTTR)	180,510	144,600
Exam retake	134,000	200,000
Graduation fees	372,000	346,000
Miscellaneous	53,301	58,686
Van hire	15,000	13,000
Certificate storage charges	36,000	103,000
Total income	23,885,677	20,815,806
Expenditure		
Staff salaries	8,122,269	7,551,574
Fieldwork transport / camping	1,949,488	1,888,692
Depreciation (CTTR)	1,974,834	1,653,324
Provisions for bad debts	1,692,020	1,159,970
Security (CTTR)	1,184,476	1,082,920
Staff medical (CTTR)	715,104	551,030
Stationery / education materials	267,110	366,309
HRM practical	950,596	952,979
Marketing and publicity (CTTR)	556,170	965,644
Insurance (CTTR)	630,091	668,891
Repairs and maintenance (CTTR)	442,316	288,111
Professional / consultation fees	168,044	10,000
General expenses (CTTR)	188,424	227,814
Graduation expenses	348,740	360,485
Telephone, postage and internet (CTTR)	240,815	5,000
Motor vehicle repairs (CTTR)	202,015	53,273
Staff pension	247,118	207,180
Electricity, water and rates (CTTR)	533,090	791,911
Local transport	120,215	81,520
Trade license	90,000	90,000
Computers and printers	248,311	201,377
staff Training	-	32,300
Trade Items	179,870	23,440
Kitchen Equipment	175,300	209,166
Total expenditure	21,226,416	19,422,910
Net income from CTTR	2,659,261	1,392,897

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Notes to the Financial Statements (Continued)

8. Staff costs

	2022-2023	2021-2022
	KES	KES
Salaries and wages	24,179,120	24,221,787
Medical expenses	2,583,444	2,303,077
Pension (WCK contribution)	2,083,717	1,527,423
Gratuity	1,466,470	1,979,527
Staff training	102,661	18,600
Total staff costs	<u>30,415,412</u>	<u>30,050,414</u>

9. Direct Programme Costs

Nakuru office expenses	1,250,116	1,045,870
Kisumu office expenses	1,985,810	3,876,132
Mombasa office expenses	2,158,007	1,615,472
LEEC	5,934,355	3,615,428
Support action groups	514,095	10,000
Meru office expenses	1,755,357	1,563,738
Kitui office expenses	868,404	742,230
Mobile education unit	287,164	-
Total direct programme expenses	<u>14,753,308</u>	<u>12,468,869</u>

10. Administration and other Operating Costs

Depreciation	4,607,948	3,857,756
Insurance	1,117,366	1,178,078
Komba magazine	1,104,320	707,020
Security	1,170,556	1,082,930
Trade items	1,094,183	797,844
General expenses	409,319	381,615
Audit & accountancy	598,091	700,000
Travelling and subsistence	970,477	1,290,445
Equipment maintenance and general repairs	658,480	903,467
Transport	66,000	68,858
Internet	236,416	-
Bank charges	269,784	235,770
Electricity, water and rates	533,095	791,913
Printing, stationery and publications	165,380	187,435
Council expenses	128,500	162,443
Postage and telephone	109,291	97,425
Motor vehicle repairs	-	104,800
Subscriptions	133,044	91,350
Marketing and publicity	113,280	-
Computer expenses	283,405	335,605
Benevolent expenses	50,000	200,000
Legal Cost	69,600	-
Total administration and other operating expenses	<u>13,888,535</u>	<u>13,174,753</u>

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11. Work in Programme costs

	2022-2023	2021-2022
	KES	KES
Work-in-progress		
Balance at 01 July	995,900	45,392,042
Additions	476,407	3,155,292
Balance at 30 June	1,472,307	48,547,334

The work in progress relates to construction of Wildlife resource Center in Kisumu.

12. Cash at Bank

Standard Chartered Bank	0158033052100	6,163,580.65	26,479,000
	0102056771200	33,037.95	1,432
	0102033052100	1,375,193.95	1,139,439
	0108033052101	(198.75)	32,142
	0108033052100	612,968.80	625,209
	0102092431400	(1,952.35)	(1,952)
NCBA Bank	6441910086	7,177,398.00	12,863,214
	6441910018	2,375,419.10	2,535,538
	6441910078	2,698.00	48
	6441910023	11,390,405.63	9,129,402
	6441910057	285,400.98	239,299
	6441910039	1,264,073.30	1,024,778
	6441910044	253.00	678
	Fixed account	18,893,761.65	-
Equity Bank	0720261190043	1,353.00	487
	0610295544641	1,155,373.87	423
	0450297776585	225.00	225
		50,728,992	54,069,361
Cash in hand		216,581	393,500
Total cash and bank		50,945,573	54,462,861
Current Asset		50,947,724	54,462,861
Current Liabilities		(2,151)	-

13. Trade Receivables from Non-Exchange Transactions

Fees receivable	15,470,725	15,267,181
Provision for bad and doubtful debts	(14,211,889)	(12,519,869)
Net fees receivable	1,258,836	2,747,312
Trade items receivables	(480.00)	321,485
State Department of Wildlife	9,500,000	-
Vl Planterer	-	913,083
Xerode Civil & Building	6,351,533	-
	17,109,889	3,981,880

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14. Trade Receivables from Exchange Transactions

	2022-2023	2021-2022
	KES	KES
Bill Boards Advertisement	400,000	700,000
SAG - receivables	-	2,400
Staff imprest	103,822	50,000
Prepayments	70,980	46,980
	<u>574,802</u>	<u>799,380</u>

15. Trade payables and accruals

Accrued expenses	4,088,299	8,708,364
Gratuity	3,037,500	1,687,500
Unidentified deposits	342,680	476,211
	<u>7,468,479</u>	<u>10,872,075</u>
Caution fee refundable	659,000	476,000
Total	<u>8,127,479</u>	<u>11,348,075</u>

16. Investment (Endowment Fund)

Balance at 01 July	129,663,465	120,673,868
Income from investment (capitalized)	10,460,384	8,989,597
Balance at 30 June	<u>140,123,849</u>	<u>129,663,465</u>

The endowment fund is held as a term deposit account at NCBA bank at the rate of 8.25% pa.

17. Inventory

Gift items	<u>462,381</u>	<u>484,549</u>
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These comprise gift items made by Wildlife Clubs and supplied to Langata headquarters for sale. The items have been valued at the lower of cost and net realizable value.

18. Specific Grants

The below funds are received for restricted purposes on which WCK is required to report.

Additions during the year [note 7 (a)]

GOK	35,989,380	29,995,940
VI Planterer	359,526	3,707,752
	<u>36,348,906</u>	<u>33,703,692</u>

Utilized during the year:

GOK - recurrent	29,000,000	29,000,000
GOK - capital	3,322,438	8,434,614
VI Planterer- (Conservation Education)	784,419	3,587,996
Total utilized during the year	<u>33,108,857</u>	<u>41,022,610</u>
Balance for the year	<u>324,2049</u>	<u>(7,318,918)</u>
Balance at 01 July	8,779,361	16,098,279
Balance at 30 June	<u>12,021,410</u>	<u>8,779,361</u>

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19. Taxation

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

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Notes to the Financial Statements (Continued)

20. Property, Plant and Equipment

	Land	Buildings	Motor vehicles	Computers & accessories	Furniture & fittings	Office equipment	Plant Machinery	Total
<u>Cost / valuation</u>	KES	KES	KES	KES	KES	KES	KES	KES
As at 01 July, 2021	60,700,000	133,469,085	19,566,581	4,228,545	6,047,146	5,731,751	-	229,743,108
Additions	8,377,240	1,024,437	-	704,300	75,400	131,897	5,005,168	15,318,442
As at 30 June, 2022	69,077,240	134,493,522	19,566,581	4,932,845	6,122,546	5,863,648	5,005,168	245,061,550
As at 01 July, 2022	69,077,240.00	134,493,522	19,566,581	4,932,845	6,122,546	5,863,648	5,005,168	245,061,550
Additions	-	54,417,585	-	374,940	38,500	60,500	-	54,891,525
As at 30 June, 2023	69,077,240	188,911,107	19,566,581	5,307,785	6,161,046	5,924,148	5,005,168	299,953,075
Depreciation								
As at 01 July, 2021	-	15,070,909	18,157,214	3,985,045	4,665,580	4,792,294	-	46,671,042
Charge for the year	-	2,690,470	704,684	379,400	285,031	200,203	1,251,292	5,511,080
As at 30 June, 2022	-	17,761,379	18,861,898	4,364,445	4,950,611	4,992,497	1,251,292	52,182,122
As at 01 July, 2022	-	17,761,379	18,861,898	4,364,445	4,950,611	4,992,497	1,251,292	52,182,122
Charge for the year	-	3,778,822	704,683	390,062	276,459.38	181,462.25	1,251,292	6,582,781
As at 30 June, 2023	-	21,540,201	19,566,581	4,754,507	5,227,070.38	5,173,959.25	2,502,584	58,764,903
Net book value								
At 30 June, 2023	69,077,240	167,370,906	-	553,278	933,975.63	750,188.75	2,502,584	241,188,172
At 30 June, 2022	69,077,240	116,732,143	704,683	803,849	1,183,488	890,919	3,753,876	193,146,198

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Notes to the Financial Statements (Continued)

21. Deferred Income

	2022-2023 KES	2021-2022 KES
Deferred Income	20,264,680	17,754,060
	<u>20,264,680</u>	<u>17,754,060</u>

22. Staff Retirement Benefits

WCK staff have a personal pension plan with ICEA LION to which the employer contributes 12.5% of the employees' basic salary and each employee contributes 7.5% of their basic salary.

In addition, all staff contributes to NSSF. The NSSF Act has revised employers' and employees' monthly contributions to the National Social Security Fund (NSSF). Before implementation of the Act, both employers and employees made monthly contributions of KES. 200/= which capped the total contributions at KES. 400/=.

The NSSF Act provides for a monthly contribution equivalent to 12% of an employee's monthly salary. 6% of the said contribution is deducted from the employee's salary while the other 6% is paid by the employer.

The new NSSF rates apply on a graduated scale. Employees whose salary is KES 18,000/= or more will have to remit contributions of KES. 2,160/= as the upper limit, this is the Tier II contribution. Employers are mandated to pay half the amount, i.e. KES. 1080/=. Whereas for employees who earn below KES. 18,000/=, the contributions are now pegged at KES. 1,440/=, with employers contributing KES. 720/=. this is the Tier I contribution.

23. Revenue Reserves Reconciliations

	2022-2023 KES	2021-2022 KES
Revenue reserves	19,139,128	(21,580,619)
Net liabilities/Assets	9,445,006	(6,082,051)
	<u>28,584,134</u>	<u>(27,662,670)</u>
Represented by:		
Total cash in bank (note 14)	50,945,573	54,462,861
Cash in bank (special grants) (note 19)	(8,779,361)	(8,779,361)
	<u>42,166,212</u>	<u>45,683,500</u>
Long term liabilities		
Deferred Income	20,264,680	17,754,060
	<u>20,264,680</u>	<u>17,754,060</u>

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24. Financial Risk Management

The organization's overall risk management policies are set out by the Governing Council and implemented by Management and focus on the unpredictability of changes in the operating environment and seek to minimize the potential adverse effect of such risks on the organisation's performance by selling acceptable levels of risk. The organization has an endowment fund that it applies in hedging against financial risks to a certain limit dependent on the value of the fund.

Liquidity risk management

Liquidity risk is the risk that the organization will encounter difficulty in meeting obligations associated with financial liabilities. The Trustees have developed a risk management framework for the management of the organization's short, medium and long-term liquidity requirements thereby ensuring that all financial liabilities are settled as they fall due. The organization manages liquidity risk by continuously reviewing forecasts and actual cash flows.

The table below summarises the maturity analysis for financial liabilities to their remaining contractual maturities. The amounts disclosed are the contractual undiscounted cash flows.

The table below summarizes the maturity analysis for financial liabilities to their remaining contractual maturities. The amounts disclosed are the contractual undiscounted cash flows.

	Less than one month Shs	Between 1-3 months Shs	Between 3-12 months Shs	Over 1 year Shs	Total Shs
2022-2023					
Trade payables	-	-	-	-	-
Other payables	-	-	5,092,467	3,037,012	8,127,479
	-	-	5,092,467	3,037,012	8,127,479

	Less than one month Shs	Between 1-3 months Shs	Between 3-12 months Shs	Over 1 year Shs	Total Shs
2021-2022					
Trade payables	-	-	-	-	-
Other payables	-	-	10,100,842	1,247,233	11,348,075
	-	-	10,100,842	1,247,233	11,348,075

Credit risk

Credit risk is the risk that one party to a financial instrument will cause a financial loss for the other party by failing to discharge an obligation. Credit risk mainly arises from financial assets, and is managed on an organisation-wide basis. The Organization does not grade the credit quality of financial assets that are neither past due nor impaired.

Credit risk on financial assets with banking institutions is managed by dealing with institutions with good credit ratings and placing limits on deposits that can be held with each institution.

Credit risk on trade receivables is managed by ensuring that credit is extended to customers with an established credit history. The credit history is determined by taking into account the financial position, past experience and other relevant factors. Credit is managed by setting the credit limit and the credit period for each customer. The utilisation of the credit limits and the credit period is monitored by management on a monthly basis.

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25. Events after the Reporting Period

There were no material adjusting and non- adjusting events after the reporting period.

26. Ultimate and Holding Entity

The Entity collaborates with State Department under the Ministry of Tourism & Wildlife.

27. Currency

The financial statements are presented in Kenya Shillings (Kshs) rounded to the nearest Kshs.

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Appendices

Appendix 1: Implementation Status of Auditor-General's Recommendations

The following is the summary of issues raised by the Auditor- General, and management comments that were provided to the auditor.

Issue	Observations	Management comments	Status: (Resolved / Not Resolved)	Timeframe: (Put a date when you expect the issue to be resolved)
Inaccuracies in Buildings and Work-in Progress	<p>The financial statement reflects non-current assets balance of Kshs.241,693,532. The balance includes buildings net book value of Kshs.116, 732, 143 and work in progress of Kshs.48,547,334. However, the Clubs assets register reflects buildings net book value of Kshs.131,833,051 and Kshs.3,155,292 work in progress. The resulting variance of Kshs.15,100,908 and Kshs.45,392,042 respectively has not been explained or reconciled.</p> <p>It was recommended that the books should be reconciled.</p>	The variance between the net book Values of buildings and Work in progress has been reconciled	Resolved	N/A


.....
Dr. Margaret Otieno
National Coordinator /CEO
Wildlife clubs of Kenya
Date: 07/02/2024

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Appendix II: PROJECTS IMPLEMENTED BY ENTITY

Projects

Projects implemented by WCK Funded by state corporation/SAGA funded by development partners.

Issue	Observations	Management comments	Status: (Resolved / Not Resolved)	Timeframe: (Put a date when you expect the issue to be resolved)	Issue	Observations
Project title	Project Number	Donor	Period/duration	Donor commitment	Separate donor reporting required as per the donor agreement (Yes/No)	Consolidate in the financial statements (Yes/No)
Wildlife Resource learning centers	1203100500	GoK		NO	NO	NO

Status of Projects completion

Issue	Observations	Management comments	Status: (Resolved / Not Resolved)	Timeframe: (Put a date when you expect the issue to be resolved)	Issue	Observations	Management comments
	Project title	Total Project cost	Total expended to date	Completion % to date	Budget	Actual	Source of funds
1	Wildlife Resource learning centers	207.3	112.5	54%	19	9.5	GoK

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APPENDEX IV: Transfer from other Government Entities

Issue	Observations	Management comments	Status: (Resolved / Not Resolved)	Timeframe: (Put a date when you expect the issue to be resolved)	Issue				Observations
					Where recorded				
Name of the MDA/Don or Transferring the funds	Date received	Nature: Recurrent/Development/others	Total Amount	Statement of Financial Performance	Capital Fund	Deferred income	Receivable	Others	Total Transfer during the year
Ministry of Tourism and Wildlife	Monthly	Recurrent	29,000,000	29,000,000					29,000,000
Ministry of Tourism and Wildlife	Monthly	Development	9,500,000			9,500,000			9,500,000
Total			38,500,000	29,000,000	-	9,500,000	-	-	38,500,000

Appendix V: Inter -Entity Confirmation letter.

In the year under review, WCK did not disburse any funds to any other entity.

Appendix VI: Reporting of Climate Relevant Expenditures

There were no Climate relevant expenditures paid by the organization for the year under review.

Appendix VII: Disaster Expenditure Reporting

There were nil disaster expenditures undertaken by Wildlife clubs of Kenya.