

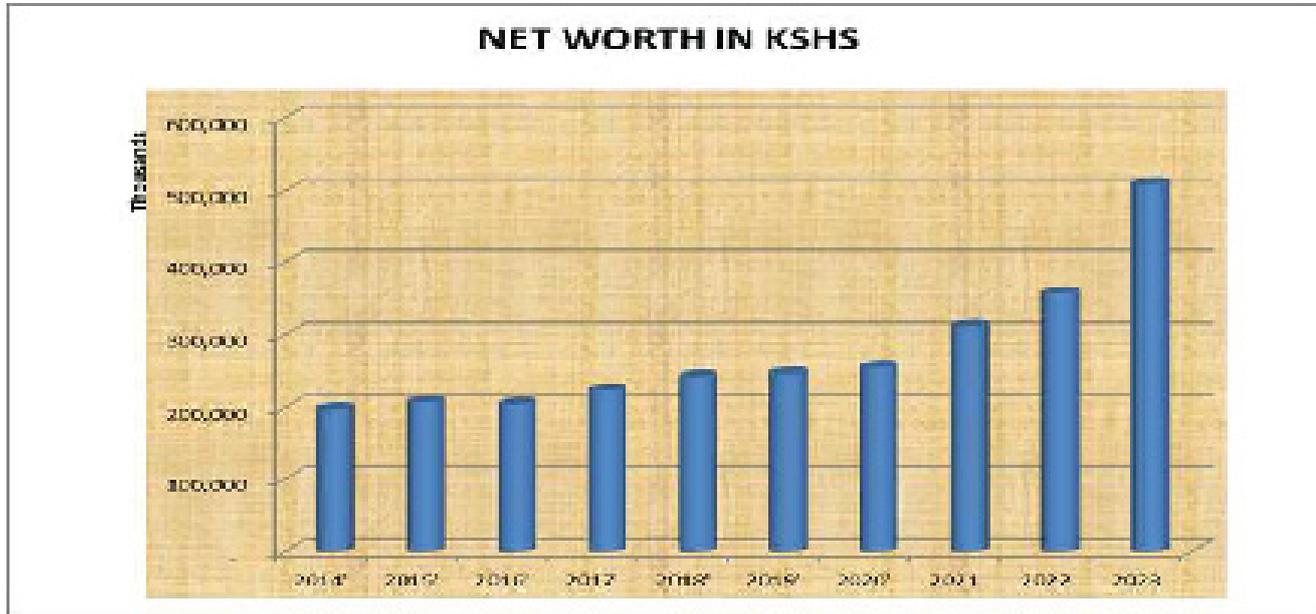
**CHAK
FINANCIAL
REPORT 2023**



NET ASSETS GROWTH

The Association's net asset value recorded an increase of Ksh151.7 million from Ksh357.6 million in 2022 to Ksh509.4 million at the close of 2023. A

major contributor was the revaluation of leasehold land after receiving a new lease of 99 years. After accounting for depreciation, we recorded a surplus of Ksh3.8 million.



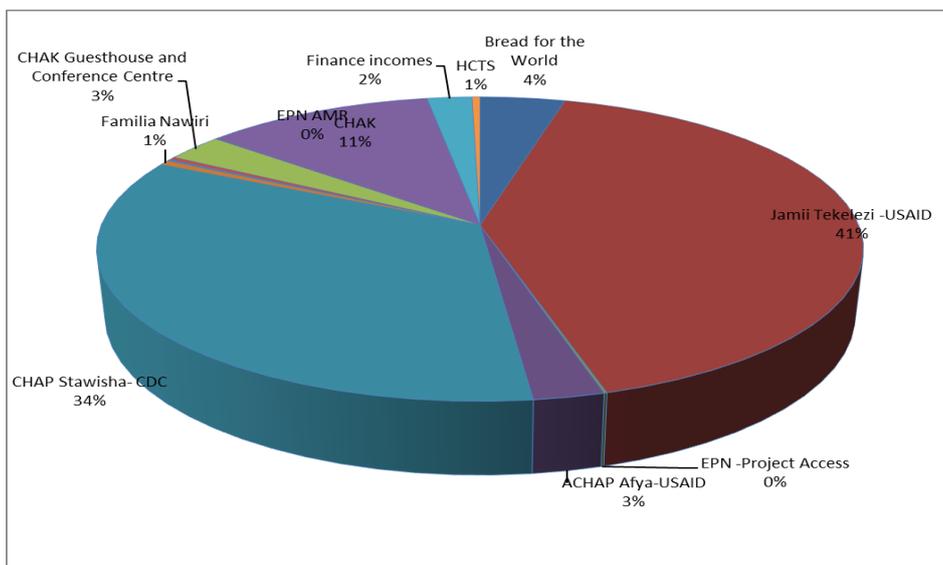
TOTAL REVENUE

The Association's gross revenue grew from Ksh1.0 billion in 2022 to close at Ksh1.32 billion in 2023, representing a 30 per cent increase. The increase was because of the scale up of CHAP Stawisha project. The UJT Project contributed 41 per cent of total

revenues followed closely by CHAP Stawisha at 34 per cent. The other key funding sources were Bread for the World (4 per cent). The table on revenue contribution per project is presented below.

Sources of funds in Year 2023	Ksh	USD
Bread for the World	55,020,021	471,264
USAID Jamii Tekelezi	544,708,520	4,665,598
EPN Access Project	1,335,400	11,438
USAID ACHAP Afya	34,232,257	293,210
CHAP Stawisha - CDC	449,883,583	3,853,393
Familia Nawiri	6,815,193	58,374
Novo Nordisk I-CARE project	2,257,584	19,337
EPN AMR	4,341,884	37,190
CHAK Guest House and Conference Centre	37,579,921	321,884
CHAK	150,261,364	1,287,035
Finance incomes	29,009,952	248,479
NHCTS	5,222,687	44,734
Total funds received during the year	1,320,668,365	11,311,935

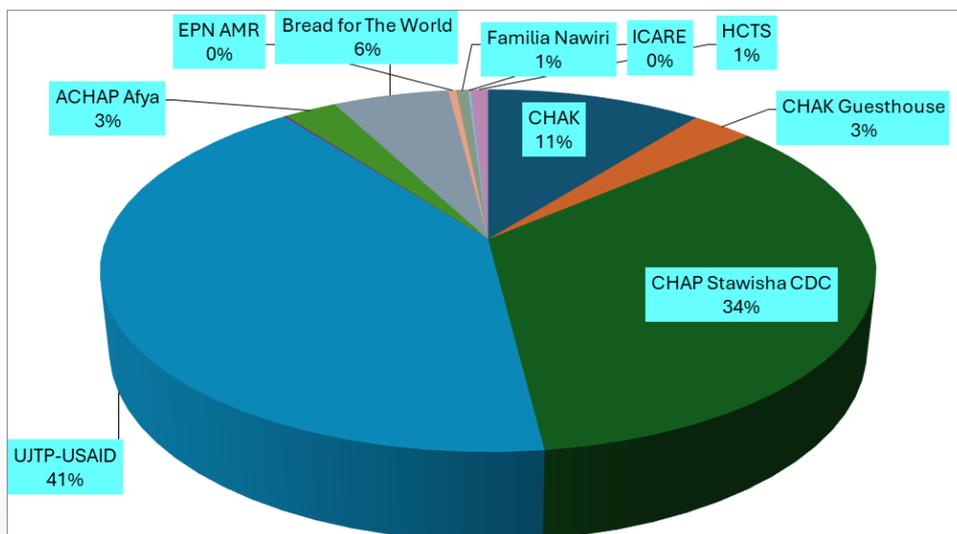
The pie chart below shows the distribution of sources of funds



The table below shows expenditure by project category.

Expenses by project in 2023	Ksh	USD
CHAK	148,585,289	1,272,679
CHAK Guest House	39,524,380	338,539
CHAP Stawisha CDC	449,704,833	3,851,862
USAID JTP	543,087,435	4,651,713
EPN Access project	1,300,009	11,135
USAID ACHAP Afya	34,232,257	293,210
Bread for the World	74,719,955	640,000
EPN AMR	5,154,381	44,149
Familia Nawiri	7,556,506	64,724
I-CARE	1,704,665	14,601
NHCTS	11,219,554	96,099
Totals	1,316,789,265	11,278,709

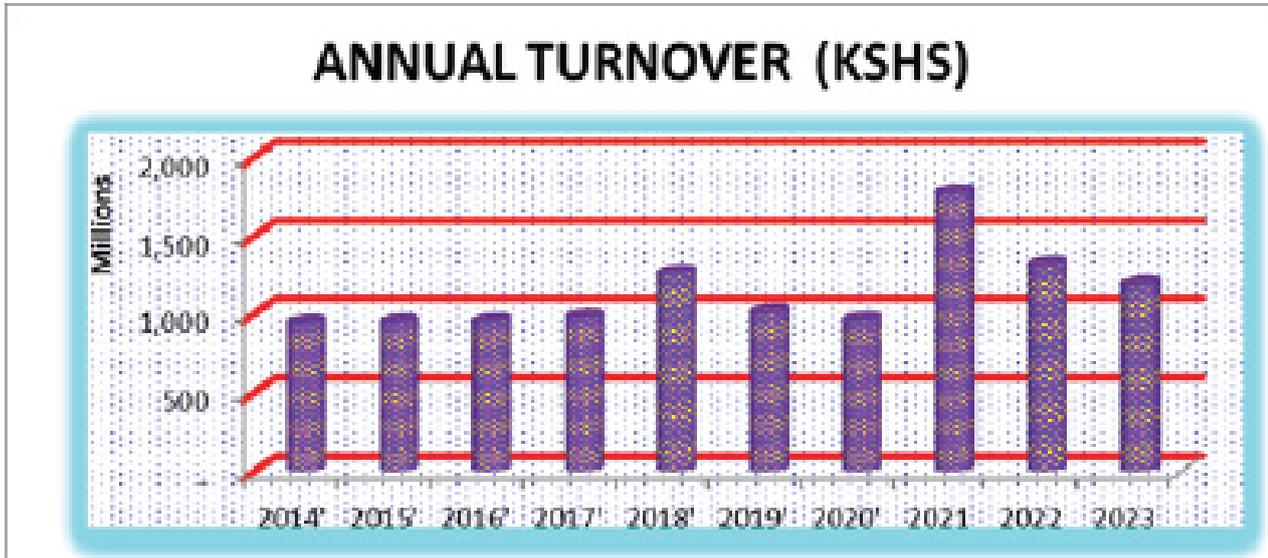
The table below shows expenditure by project category.



The table below shows CHAK revenue generation for the last ten years.

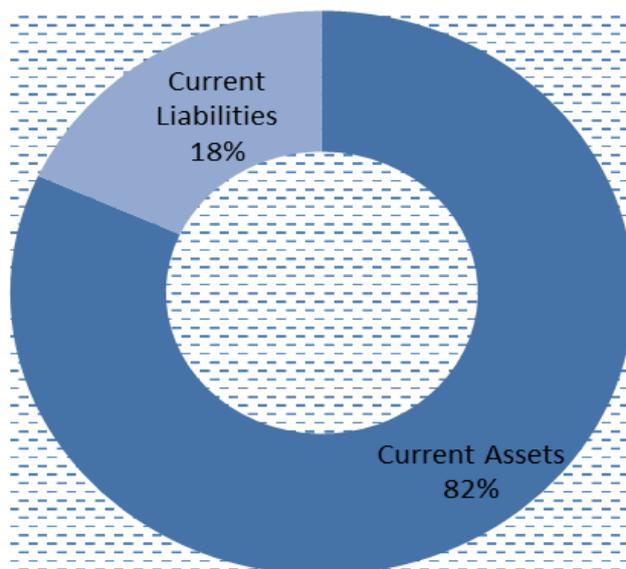
The revenues show an incremental decline from the year 2021. The year 2023 turnover declined 30 per cent compared to 2022. Generally, CHAK has had growth over the 10-year period. The growth, however, seems to be plateauing out.

CHAK revenue generation over 10 years



LIQUIDITY RATIOS

The Association maintained a cash ratio of 4.5:1. Total current assets were Ksh364 million while current liabilities were Ksh80.9 million. This implies that the liabilities can be settled without causing cash flow challenges. The pie chart below shows asset strength in terms of liquidity proportions with **current assets at 82 per cent compared to current liabilities at 18 per cent.**



MOVEMENT IN DESIGNATED FUNDS

Designated funds are project funds that we manage. The table below thus shows movement of funds by project.

Projects	Opening balance	Income 2023	Expenses 2023	Closing balance
CHAP Stawisha CDC	10,500,883	435,698,444	449,883,583	-3,684,256
CHAP Uzima CDC	13,938,840	1,725,708	15,664,548	0
I-CARE Novo Nordisk	0	2,257,584	1,903,628	353,956
Familia Nawiri	0	6,815,193	8,087,061	-1,271,868
ACHAP Afya	-8,664,385	43,467,043	34,232,257	570,401
EPN Access project	441,470	1,335,400	1,300,009	476,861
EPN AMR project	3,010,221	4,341,884	5,154,381	2,197,724
USAID JTP	13,995,002	509,516,556	532,762,809	-9,251,251
Totals	33,222,031	1,005,157,812	1,048,988,276	-10,608,433

CHAK GUEST HOUSE AND CONFERENCE CENTRE

The gross revenue increased from Ksh34.5 million in 2022 to Ksh37.5 million in 2023, representing an increase of nine per cent. The expenses increased from Ksh37.7 million in 2022 to Ksh39.5 million in 2023, a five per cent increase. The major contributors to the increase are the rising cost of food items and cost of living. The Guest House therefore recorded a loss of Ksh1.9M in 2023 compared to a loss of Ksh3.1M in 2022.

EXTERNAL AUDITS AND REVIEWS

During the year, CHAK was externally audited and received unqualified (favorable) audit reports. Several audits and assessments were conducted as follows.

1. CHAK and Guest House & Conference Centre and Bread for the World project were audited by KKCO.
2. The CHAP Stawisha project was audited by Deloitte.

CHAK also had routine review of internal controls conducted by the internal auditor.

The statement of financial position is shown below. It summarizes the financial position of CHAK as at December 31, 2023.

CHAK FINANCIAL POSITION – DECEMBER 31, 2023

Assets	2023 (Ksh)	2022 (Ksh)
Non-current assets		
Property and equipment	226,382,820	88,626,956
Current assets		
CHAK Guest House inventory	2,394,291	1,892,859
Trade and other receivables	27,583,663	17,592,589
Due from related parties	50,525,699	48,799,192
Short term investments	71,699,862	54,576,382
Fixed deposits	168,426,797	99,246,197
Cash and bank balances	43,404,581	166,939,374
	364,034,892	389,046,594
Total assets	590,417,714	477,673,549
Funds and liabilities		
Funds		
Capital fund	231,831,440	94,075,577
Accumulated fund	242,551,401	227,286,766
Development fund	47,291,186	47,291,186
CHAK Guest House fund	(12,236,487)	(10,972,937)
Total funds	509,437,540	357,680,592
Current liabilities		
Trade and other payables	70,140,760	64,313,757
Due to related parties	-	9,298,377
Deferred income	10,839,414	46,380,823
	80,980,174	119,992,957
Total funds and liabilities	590,417,714	477,673,549