

Charity registration number: SC020037

Kenya Children's Homes (UK)

Annual Report and Financial Statements
for the Year Ended 31 December 2024

Morris & Young
Chartered Accountants
6 Atholl Crescent
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Kenya Children's Homes (UK)

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Kenya Children's Homes (UK)

Reference and Administrative Details

Trustees



Charity Registration Number SC020037

Principal Office



Independent Examiner

Morris & Young
Chartered Accountants
6 Atholl Crescent
Perth
PH1 5JN

Kenya Children's Homes (UK)

Trustees' Report

The trustees present the annual report together with the financial statements of the charity for the year ended 31 December 2024.

The financial statements have been prepared in accordance with the accounting policies set out in note 1 to the financial statements and comply with the charity's trust deed, the Charities and Trustee Investment (Scotland) Act 2005, the Charities Accounts (Scotland) Regulations 2006, FRS 102 "The Financial Reporting Standard applicable in the UK and Republic of Ireland" and Accounting and Reporting by Charities: Statement of Recommended Practice applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102).

Objectives and activities

The objectives of the charity as defined in its trust deed are broadly drawn and permit many charitable activities but with an emphasis on the relief of human suffering and deprivation whether in the United Kingdom or abroad. In particular, the charity has developed, over a number of years, a close working relationship with Kenya Children's Homes, Nairobi, Kenya ("KCH").

The trustees' focus in the reporting period and for the foreseeable future is concentrated on:

- providing personnel and financial resource to KCH;
- it is the intention of Kenya Children's Homes (UK) to cease providing personnel or financial support to Kenya Children's Homes, Nairobi from 31 December 2025. KCH UK is working with KCH in Nairobi on this transition during 2025;
- continued mentoring the local directors and senior management of KCH during the transition period.

Achievements and performance

The charity continued its normal operations of providing assistance to KCH during the year, with UK management continuing to provide guidance and support to the KCH leadership team.

The economic conditions in Kenya continued to decline in 2024 and there was significant civil and political unrest linked to continued economic challenges. This unrest caused some disruption to KCH operations but it was minimised and handled well by the local management team.

The consequence of the 2022 Children's Bill is the mandated closure of all non-governmental orphanages, with the expectation that all orphaned and abandoned children are reintegrated with family, move into fostering or be adopted.

KCH UK and KCH Kenya management teams, with the support of the KCH Kenya board members, continued to reintegrate children back to families and guardians through the rigorous process that has taken place for many years.

By November 2024, all orphaned and abandoned children resident at KCH Kenya were successfully reintegrated with extended family, fostered or adopted and the orphanage element of KCH ceased to exist.

Kenya Children's Homes (UK)

Trustees' Report

As a result, KCH has transitioned fully to an education-focused charity, supporting vulnerable, orphaned and abandoned children access education.

As stated above, 2024 saw the completion of all orphaned and abandoned children resident at KCH Kenya being successfully reintegrated with extended family, fostered or adopted and the orphanage element of KCH ceased to exist. These children became part of the Butterfly programme.

Jonathan Gloag Academy (JGA) had a positive year with strong exam results for those going on to Secondary School. 2024 saw the full transition to the CBC curriculum with the new Junior Secondary facilities in use and, having worked with parents during 2024, the new PTA was established by January 2025. JGA also saw a transition of leadership to a new Head Teacher who has provided continuity and stability to the pupils and parents. The school closed the year with 1001 pupils and the school management had to put considerable effort into marketing for 2025 to maintain the number of pupils due to continued economic pressures on parents.

The number of children supported through the offsite KCH programmes were as follows:

- Outreach - 127
- Butterfly Support Programme (BSP) - 76
- Suswa - 110
- Mashimoni (education provision) - 65

Soila Girls Rescue Centre at Suswa continued to provide refuge and education to Maasai girls at risk of FGM and child marriage. With the co-operation of the local chiefs, the project demonstrates the power for education to provide a different path in life.

2025 is going well so far for KCH but the weakening economy and continued political and civil unrest are likely to have some impact on operations during the year.

The Trustees thank Gloag Foundation for providing logistical support to the charity and for covering the costs of administrative functions in the UK.

Financial review

Results for the year ended 31 December 2024 are given in the Statement of Financial Activities on page 8. The assets and liabilities are given in the Balance Sheet on page 9. The financial statements should be read in conjunction with the related notes which appear on pages 10 to 18.

In summary total income amounted to £227,201 (2023 - £99,268), total expenditure totalled £298,340 (2023 - £135,672) resulting in net expenditure for the year of £71,139 (2023 - £36,404).

Reserves policy

Reserves are needed to bridge any gap between spending commitments and receiving of income. At the balance sheet date the charity held total reserves of £53,907 (2023 - £125,046) of which £33,723 (2023 - £21,618) are unrestricted and £20,184 (2023 - £103,428) are restricted.

Kenya Children's Homes (UK)

Trustees' Report

To continue its operations at its current level, the charity is dependent on donations from Gloag Foundation and while no formal commitment has been received from that charity, the trustees have no reason to believe that the current level of funding received will be reduced and, accordingly, these accounts have been prepared on a going concern basis.

The charity's reserve policy is to maintain unrestricted reserves of greater than £25,000 which they believe to be sufficient to ensure the continuation of the charity.

Risk Management

The trustees consider that the major risks comprise:

Financial Risk

- The charity is dependent on donations from Gloag Foundation in order to make up the shortfall between public donations and its net operating costs. A key element of the management of this risk is the charity's close relationship with Gloag Foundation and the trustees engage in regular discussions with that charity.
- The charity's level of funding of KCH is dependent upon KCH's active fundraising programme in Kenya. The fundraising programme covers both local donations and profit flows from in-house programmes such as Jonathan Gloag Academy and other commercial activities. These programmes make a significant contribution to covering the operating costs of the main children's home and the Outreach, Butterfly Support Program (BSP) and Suswa projects. Trustees manage this risk through regular monitoring of the fundraising activities of KCH at local board and executive level.

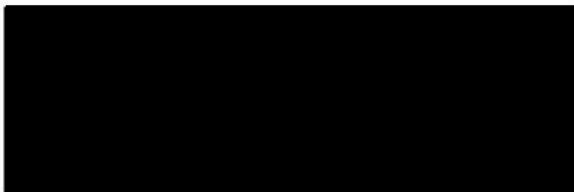
Operational Risk

The charity has very limited exposure to direct operating risks and such risk arises primarily in relation to its supporting KCH's capacity to deliver the goals and objectives to which they commit when awards are made. Under normal circumstances the senior management of Kenya Children's Homes (UK) spend in the order of 12-15 man weeks per annum at KCH supporting local management.

Structure, governance and management

The charity is constituted under a trust deed dated 24 March 1992.

The trustees who served during the period from 1 January 2024 to the date the financial statements were approved were as follows:



Kenya Children's Homes (UK)

Trustees' Report

All of the trustees served throughout the period, with four of them continuing to serve as at the date of this report. All policy and administrative matters are dealt with by the trustees. There are no plans to make any changes to the board of trustees or to admit any new trustees.

The majority of the trustees are close relatives of the founder and trustees meet formally at least twice per annum and have informal meetings on a regular basis.

Senior Management

[REDACTED]

The Trustees acting as a management committee have all the powers necessary to conduct the business of the charity. The committee is responsible for appointing new trustees and for ensuring that they are fully aware of their responsibilities as trustees.

Pay Policy for Senior Staff

None of the senior staff above are employed by or receive any remuneration from the charity. The services of the senior management team are delivered free of charge under an arrangement with Gloag Foundation, who are their employers. As at 1 June 2025 [REDACTED] was appointed Chief Executive of Gloag Foundation.

Related parties and co-operation with other charities

None of the trustees receive remuneration or other benefits from their work with the charity. [REDACTED] is a trustee of Gloag Foundation, with whom the charity works in close collaboration. Senior management, except [REDACTED] are each directors of KCH, the sole recipient of the funds raised by the charity, but charity appointed directors do not control the board of KCH, which has a majority of Kenyan nationals.

The annual report was approved by the trustees of the charity on 15/09/2025 and signed on its behalf by:

[REDACTED]

Kenya Children's Homes (UK)

Statement of Responsibilities

The trustees are responsible for preparing the trustees' report and the financial statements in accordance with the United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice) and applicable law and regulations.

The law applicable to charities requires the trustees to prepare financial statements for each financial year which give a true and fair view of the state of affairs of the charity and of the incoming resources and application of resources of the charity for that period. In preparing these financial statements, the trustees are required to:

- select suitable accounting policies and then apply them consistently;
- observe the methods and principles in the Charities SORP;
- make judgements and estimates that are reasonable and prudent;
- state whether applicable accounting standards have been followed, subject to any material departures disclosed and explained in the financial statements; and
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the charity will continue in business.

The trustees are responsible for keeping proper accounting records that disclose with reasonable accuracy at any time the financial position of the charity and enable them to ensure that the financial statements comply with the Charities and Trustee Investment (Scotland) Act 2005, the Charity Accounts (Scotland) Regulations 2006 (as amended), and the provisions of the constitution. The trustees are also responsible for safeguarding the assets of the charity and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

The trustees are responsible for the maintenance and integrity of the corporate and financial information included on the charitable company's website. Legislation governing the preparation and dissemination of financial statements may differ from legislation in other jurisdictions.

Kenya Children's Homes (UK)

Independent Examiner's Report to the trustees of Kenya Children's Homes (UK)

I report on the accounts of the charity for the year ended 31 December 2024 which are set out on pages 8 to 18.

Respective responsibilities of trustees and examiner

The charity's trustees are responsible for the preparation of the accounts in accordance with the terms of the Charities and Trustee Investment (Scotland) Act 2005 and the Charities Accounts (Scotland) Regulations 2006. The charity's trustees consider that the audit requirement of Regulation 10(1)(a) to (c) of the 2006 Accounts Regulations does not apply. It is my responsibility to examine the accounts as required under Section 44(1)(c) of the Act and to state whether particular matters have come to my attention.

Basis of independent examiner's report

My examination was carried out in accordance with Regulation 11 of the Charities Accounts (Scotland) Regulations 2006. An examination includes a review of the accounting records kept by the charity and a comparison of the accounts presented with those records. It also includes consideration of any unusual items or disclosures in the accounts, and seeking explanations from you as trustees concerning any such matters. The procedures undertaken do not provide all the evidence that would be required in an audit, and consequently I do not express an audit opinion on the view given by the accounts.

Independent examiner's statement

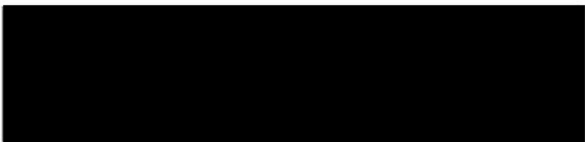
In connection with my examination, no matter has come to my attention:

(1) which gives me reasonable cause to believe that in any material respect the requirements:

- to keep accounting records in accordance with Section 44(1)(a) of the 2005 Act and Regulation 4 of the 2006 Accounts Regulations; and
- to prepare accounts which accord with the accounting records and comply with Regulation 8 of the 2006 Accounts Regulations

have not been met; or

(2) to which, in my opinion, attention should be drawn in order to enable a proper understanding of the accounts to be reached.



Morris & Young Chartered Accountants

6 Atholl Crescent
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22 September 2025

Kenya Children's Homes (UK)

Statement of Financial Activities for the Year Ended 31 December 2024

	Note	Unrestricted £	Restricted £	Total 2024 £	Total 2023 £
Income and Endowments from:					
Donations and legacies	2	201,152	24,745	225,897	91,459
Charitable activities	3	689	-	689	676
Investment income	4	<u>496</u>	<u>119</u>	<u>615</u>	<u>7,133</u>
Total Income		<u>202,337</u>	<u>24,864</u>	<u>227,201</u>	<u>99,268</u>
Expenditure on:					
Raising funds	5	(259)	-	(259)	(265)
Charitable activities	6	<u>(189,973)</u>	<u>(108,108)</u>	<u>(298,081)</u>	<u>(135,407)</u>
Total Expenditure		<u>(190,232)</u>	<u>(108,108)</u>	<u>(298,340)</u>	<u>(135,672)</u>
Net movement in funds		12,105	(83,244)	(71,139)	(36,404)
Reconciliation of funds					
Total funds brought forward		<u>21,618</u>	<u>103,428</u>	<u>125,046</u>	<u>161,450</u>
Total funds carried forward	15	<u><u>33,723</u></u>	<u><u>20,184</u></u>	<u><u>53,907</u></u>	<u><u>125,046</u></u>

All of the charity's activities derive from continuing operations during the above two periods.

The funds breakdown for 2023 is shown in note 15.

Kenya Children's Homes (UK)
(Registration number: SC020037)
Balance Sheet as at 31 December 2024

	Note	2024 £	2023 £
Current assets			
Debtors	12	-	2,985
Cash at bank and in hand	13	<u>62,777</u>	<u>131,833</u>
		62,777	134,818
Creditors: Amounts falling due within one year	14	<u>(8,870)</u>	<u>(9,772)</u>
Net assets		<u>53,907</u>	<u>125,046</u>
Funds of the charity:			
Restricted		20,184	103,428
Unrestricted		<u>33,723</u>	<u>21,618</u>
Total funds	15	<u>53,907</u>	<u>125,046</u>

The financial statements on pages 8 to 18 were approved by the trustees, and authorised for issue on 15.01.2025 and signed on their behalf by:



Trustee

Kenya Children's Homes (UK)

Notes to the Financial Statements for the Year Ended 31 December 2024

1 Accounting policies

Statement of compliance

The financial statements have been prepared in accordance with Accounting and Reporting by Charities: Statement of Recommended Practice applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) (effective 1 January 2019) - (Charities SORP (FRS 102)), the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102), the Charities and Trustee Investment (Scotland) Act 2005 and the Charities Accounts (Scotland) Regulations 2006 (as amended).

Basis of preparation

Kenya Children's Homes (UK) meets the definition of a public benefit entity under FRS 102. Assets and liabilities are initially recognised at historical cost or transaction value unless otherwise stated in the relevant accounting policy notes.

The financial statements are presented in sterling (£), which is the functional currency of the charity and are rounded to the nearest £1.

Going concern

At the time of approving the accounts, the trustees have a reasonable expectation that the charity has adequate resources to continue in operational existence for at least the next 12 months. The trustees have not identified any material uncertainties with respect to the charity's financial position and ability to continue as a going concern. While no formal commitment has been received from Gloag Foundation, it has expressed its willingness to provide financial support to the charity sufficient to cover the charity annual running cost of the principal office, thus maximising the funds available for partner charities. Taking these factors together, the trustees therefore continue to adopt the going concern basis of accounting in preparing the accounts.

Critical accounting estimates and judgements

In the application of the charity's accounting policies, the trustees are required to make judgements, estimates and assumptions about the carrying amount of assets and liabilities that are not readily apparent from other sources. The estimated and associated assumptions are based on historical experience and other factors that are considered to be relevant. Actual results may differ from these estimates.

The estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognised in the period in which the estimate is revised where the revision affects only that period, or in the period of the revision and future periods where the revision affects both current and future periods.

The trustees consider there to be no critical accounting estimates and judgements.

Kenya Children's Homes (UK)

Notes to the Financial Statements for the Year Ended 31 December 2024

Income and endowments

Voluntary income including donations, gifts, legacies and grants that provide core funding or are of a general nature is recognised when the charity has entitlement to the income, it is probable that the income will be received and the amount can be measured with sufficient reliability.

Donations and legacies

Donations and legacies are recognised on a receivable basis when receipt is probable and the amount can be reliably measured.

Deferred income

Deferred income represents amounts received for future periods and is released to incoming resources in the period for which, it has been received. Such income is only deferred when:

- The donor specifies that the grant or donation must only be used in future accounting periods; or
- The donor has imposed conditions which must be met before the charity has unconditional entitlement.

Investment income

Dividends are recognised once the dividend has been declared and notification has been received of the dividend due.

Expenditure

All expenditure is recognised once there is a legal or constructive obligation to that expenditure, it is probable settlement is required and the amount can be measured reliably. All costs are allocated to the applicable expenditure heading that aggregate similar costs to that category. Where costs cannot be directly attributed to particular headings they have been allocated on a basis consistent with the use of resources, with central staff costs allocated on the basis of time spent, and depreciation charges allocated on the portion of the asset's use. Other support costs are allocated based on the spread of staff costs.

Raising funds

These are costs incurred in attracting voluntary income, the management of investments and those incurred in trading activities that raise funds.

Charitable activities

Charitable expenditure comprises those costs incurred by the charity in the delivery of its activities and services for its beneficiaries. It includes both costs that can be allocated directly to such activities and those costs of an indirect nature necessary to support them.

Grant provisions

Provisions for grants are made when the intention to make a grant has been communicated to the recipient but there is uncertainty about either the timing of the grant or the amount of grant payable.

Kenya Children's Homes (UK)

Notes to the Financial Statements for the Year Ended 31 December 2024

Other expenditure

Gloag Foundation has expressed its willingness to provide financial support to the charity sufficient to cover the charity annual running cost of the principal office, thus maximising the funds available for partner charities.

Support costs

Support costs include central functions and have been allocated to activity cost categories on a basis consistent with the use of resources, for example, allocating property costs by floor areas, or per capita, staff costs by the time spent and other costs by their usage.

Governance costs

These include the costs attributable to the charity's compliance with constitutional and statutory requirements, including audit, strategic management and trustees's meetings and reimbursed expenses.

Cash and cash equivalents

Cash and cash equivalents comprise cash on hand and call deposits, and other short-term highly liquid investments that are readily convertible to a known amount of cash and are subject to an insignificant risk of change in value.

Foreign exchange

Transactions in foreign currencies are recorded at the rate of exchange at the date of the transaction. Monetary assets and liabilities denominated in foreign currencies at the balance sheet date are reported at the rates of exchange prevailing at that date.

Fund structure

Unrestricted income funds are general funds that are available for use at the trustees's discretion in furtherance of the objectives of the charity.

Restricted income funds are those donated for use in a particular area or for specific purposes, the use of which is restricted to that area or purpose.

Financial instruments

The charity only has financial assets and liabilities of a kind that would qualify as basic financial instruments which are recognised at their transaction value and subsequently measured at their settlement value.

Kenya Children's Homes (UK)

Notes to the Financial Statements for the Year Ended 31 December 2024

2 Income from donations and legacies

	Unrestricted funds General £	Restricted funds £	Total 2024 £	Total 2023 £
Donations and legacies	201,152	24,745	225,897	91,459

3 Income from charitable activities

	Unrestricted funds General £	Total 2024 £	Total 2023 £
Rental income	689	689	676

4 Investment income

	Unrestricted funds General £	Restricted funds £	Total 2024 £	Total 2023 £
Interest receivable	496	119	615	7,133

5 Expenditure on raising funds

Costs of generating donations and legacies

	Unrestricted funds General £	Total 2024 £	Total 2023 £
Fundraising events	259	259	265

Kenya Children's Homes (UK)

Notes to the Financial Statements for the Year Ended 31 December 2024

6 Expenditure on charitable activities

	Note	Unrestricted funds General £	Restricted funds £	Total 2024 £	Total 2023 £
Grant funding of activities	7	171,089	113,480	284,569	100,045
Allocated support costs	8	18,559	(5,372)	13,187	31,079
Governance costs	8	325	-	325	4,283
		<u>189,973</u>	<u>108,108</u>	<u>298,081</u>	<u>135,407</u>

7 Grant making

Below are details of material grants made to institutions.

Name of institution	2024 £	2023 £
Kenya Children's Homes	<u>284,569</u>	<u>100,045</u>

8 Analysis of governance and support costs

Support costs allocated to raising funds

	Basis of allocation	Governance costs £	Administration costs £	Total 2024 £	Total 2023 £
Administrative expenses	actual cost	-	1,117	1,117	1,966
Foreign exchange (gain)/loss	actual cost	-	(5,302)	(5,302)	28,403
Professional fees	actual cost	-	1,372	1,372	710
Consultancy fees	actual cost	-	16,000	16,000	-
Audit fees	actual cost	325	-	325	4,283
		<u>325</u>	<u>13,187</u>	<u>13,512</u>	<u>35,362</u>

Kenya Children's Homes (UK)

Notes to the Financial Statements for the Year Ended 31 December 2024

9 Trustees remuneration and expenses

No trustees, nor any persons connected with them, have received any remuneration from the charity during the year.

No trustees have received any reimbursed expenses or any other benefits from the charity during the year.

10 Independent examiner's remuneration

	2024 £	2023 £
Examination of the financial statements	<u>325</u>	<u>4,283</u>

11 Taxation

The charity is a registered charity and is therefore exempt from taxation.

12 Debtors

	2024 £	2023 £
Other debtors	<u>-</u>	<u>2,985</u>

13 Cash and cash equivalents

	2024 £	2023 £
Cash at bank	<u>62,777</u>	<u>131,833</u>

Kenya Children's Homes (UK)

Notes to the Financial Statements for the Year Ended 31 December 2024

14 Creditors: amounts falling due within one year

	2024	2023
	£	£
Other creditors	4,347	3,385
Accruals	2,340	4,284
Deferred income	2,183	2,103
	<u>8,870</u>	<u>9,772</u>

	2024	2023
	£	£
Deferred income at 1 January 2024	2,103	1,829
Resources deferred in the period	340	790
Amounts released from previous periods	(260)	(516)
Deferred income at 31 December 2024	<u>2,183</u>	<u>2,103</u>

Deferred income represents donations received in the current and previous years for which entitlement of the income arises in a future accounting period.

Kenya Children's Homes (UK)

Notes to the Financial Statements for the Year Ended 31 December 2024

15 Funds

	Balance at 1 January 2024 £	Incoming resources £	Resources expended £	Balance at 31 December 2024 £
Unrestricted funds				
<i>General</i>				
Unrestricted Fund	21,618	202,337	(190,232)	33,723
Restricted funds				
Kenyan Girls Education Fund	80,597	4,864	(85,044)	417
Souter Charitable Trust	22,831	20,000	(23,064)	19,767
Total restricted funds	<u>103,428</u>	<u>24,864</u>	<u>(108,108)</u>	<u>20,184</u>
Total funds	<u>125,046</u>	<u>227,201</u>	<u>(298,340)</u>	<u>53,907</u>
	Balance at 1 January 2023 £	Incoming resources £	Resources expended £	Balance at 31 December 2023 £
Unrestricted funds				
<i>General</i>				
Unrestricted Fund	41,681	88,247	(108,310)	21,618
Restricted funds				
Kenyan Girls Education Fund	95,771	11,021	(26,195)	80,597
Souter Charitable Trust	23,998	-	(1,167)	22,831
Total restricted funds	<u>119,769</u>	<u>11,021</u>	<u>(27,362)</u>	<u>103,428</u>
Total funds	<u>161,450</u>	<u>99,268</u>	<u>(135,672)</u>	<u>125,046</u>

The specific purposes for which the funds are to be applied are as follows:

The purpose of the Kenyan Girls Education Fund is to provide funding towards an education for Kenyan girls in secondary schools.

The purpose of the Souter Charitable Trust income is to provide support for the Orphanage.

Kenya Children's Homes (UK)

Notes to the Financial Statements for the Year Ended 31 December 2024

16 Analysis of net assets between funds

	Unrestricted funds General £	Restricted funds £	Total funds at 31 December 2024 £
Current assets	42,593	20,184	62,777
Current liabilities	(8,870)	-	(8,870)
Total net assets	33,723	20,184	53,907

	Unrestricted funds General £	Restricted funds £	Total funds at 31 December 2023 £
Current assets	31,390	103,428	134,818
Current liabilities	(9,772)	-	(9,772)
Total net assets	21,618	103,428	125,046

17 Analysis of net funds

The charity had no debt during the year.

18 Related party transactions

During the year the charity made the following related party transactions:

Gloag Foundation

(The trustees [REDACTED] are also trustees of Gloag Foundation)
During the year donations of £169,754 (2023 - £45,000) were received from Gloag Foundation. An intercompany account was also operated between Gloag Foundation and Kenya Children's Homes (UK). At the balance sheet date the amount due to Gloag Foundation was £292 (2023 - £95).

Freedom from Fistula Foundation

[REDACTED] is also a trustee of Freedom from Fistula Foundation)
During the year, an intercompany account was operated between Freedom from Fistula Foundation and Kenya Children's Homes (UK). At the balance sheet date the amount due to Freedom from Fistula Foundation was £120 (2023 - £60).