

2016 Annual Report

Centrum Narovinu

Summary of Goals

The main goal of 2016 was construction of the secondary school in Kenya and implementation of the „Professionalization of the Organization in Fundraising“ grant from the Czech Development Agency.

The secondary school building was under construction all year. In February, the 1st year was started and the 1st construction phase completed while the 2nd phase continued for the rest of the year. With the new secondary school, the Island of Hope Community Centre project continues. This complex project has been expanding since 2005.

The main goal of the fundraising support grant was to extend the network of corporate donors and to submit a higher number of grant applications to institutional donors which made working with the current donors systematic and efficient and cleared the way for recruiting new donors.

Two work trips to Kenya were made during which several seminars were held, for project coordinators, teachers and students of the Island of Hope and for volunteers.

The year 2016 was a successful one bringing new experience and possibilities for future cooperation.

About us

Centrum Narovinu was established in 1995 and in 2014 was transformed into a public benefit organization. The goal of the project is to increase the level of the education, health care and overall quality of life. Main scope of the activities are projects focusing on the development of the international collaboration and volunteering. All projects put strong emphasis on sustainability, self-sufficiency and active role of local people/ community in taking responsibility for their own resources. Centrum Narovinu supports the campaign called Czech Republic against poverty.

Projects of Center Narovinu:

- 🌀 Adoption of African children – project of distant support
- 🌀 Community center „Island of Hope“ on the island Rusinga, Kenya
- 🌀 Water for Kauti, Kenya
- 🌀 Mini-market Africa managed in the theme of „fair trade“
- 🌀 Project Africa with through different eyes – program for schools and public
- 🌀 Partnership program between school from Czech Republic and Kenya
- 🌀 Volunteering courses to help Africa



Organizational structure

The management of the company is through the administration and supervisory board. The office is lead by the director which is the core of the organization.

Functions of Center Narovinu

Governing board

- Simona Heřtusová – Chairwoman of governing board
- Daniela Cachová – Member of governing board
- Vlasta Pauke Dobešová – Member of governing board

Supervisory board

- Hana Jodasová – Chairwoman of supervisory board
- Martin Mevald – Member of supervisory board
- Simona Strakošová – Member of supervisory board

Founders

- Dana Feminová
- Simona Heřtusová

Office „Centrum Narovinu“

- Dana Feminová – Executive Director and Chief Coordinator for developmental projects.
- Simona Heřtusová – Chief Coordinator for projects in Czech Republic, promotion
- Lenka Čápková – Administrative support for project adoption
- Hana Jodasová – Administrative support for project adoption
- Pavel Procházka – Administrative support for project adoption
- Helena Andrejová – fundraising

Center Narovinu has a partner office in Nairobi, Kenya which is managed by four local employees.

Centrum Narovinu

Address: Sokolská 1802/32, 120 00 Praha 2.

Mobil: +420 732 203 196, +420 777 831 836

Internet: www.centrumnarovinu.cz; www.adopceafrika.cz.

E-mail: info@centrumnarovinu.cz

The register led by the Municipal Court in Prague, Section O, entry 1304.

Bank details: KB Praha 5, a.n. 19-1460510217/0100; Czech a.n. in EUR:

KB 35-3076360217/100; collection a.n.: KB 107-6829480277 / 0100.

Slovakia: ČSOB Zvolen, a.n. 4001055909/7500

IČO: 63109948, DIČ: CZ 63109948



PROJECT IN THE CZECH REPUBLIC

Adoption of African children – project of distant support

The project enables access to education for the poorest children in Kenya, without moving them away from their natural environment. Since 2002 the program has helped more than 4000 children.

Number of children studying in 2016: I. trimestr – 2 246 children, II. trimestr – 2 218 children, III. trimestr – 2 203 children

Healthcare was provided to 919 children through the program of health insurance. 550 health cases were resolved during the year.

It will not be able to run the project without the team of volunteer coordinators – 29 working in the Czech Republic and 21 in Kenya. Valuable support was also provided by 2 interns.

Two adoptive parents visited children they support in Kenya and 1 student visited Czech Republic thanks to the invitation of the adoptive parent.

Adoptive parents provided 103 extraordinary payments in the total amount of 351,276,- CZK. These payments helped Kenyan families with additional family expenses, most being used for school needs, food purchase, household expenses, and business start-up.





Project Africa by unusual eyes

Programs of global developing education at schools

Project days with developing topics and African workshop were conducted at 8 schools, for most of the schools this was the first event of such kind, as they have not been participating in any of our programs before. The aim of the teachers was to inform students about developing cooperation in African countries, specific projects and possibilities of support and engagement.

Cooperation with partnership schools

In the third year of the partnership projects there were 3 topics offered to partnerships school for joint realization — Health, Music and Transportation. Due to limited time, headcount and financial capacities of Narovinu Centre we had to make a few changes in this program. The schools were communicating directly among themselves, very often schools also chose their own topics, supporting activities and time schedule. In total 11 schools from the whole Czech Republic and 11 from Kenya took part in this project in 2016.

Activities for the public

There were 21 events conducted (discussions with projections, information and selling stands, beneficiary events, meetings with adoptive parents), 5 photo exhibitions organized with the aim to inform the public about developing topics and issues and to find new supporters of the projects in Kenya and in the Czech Republic.

Courses - Volunteers for developing cooperation

The first course for volunteers took place in Ostrava, 3 participants attended. The volunteers got involved in the project of Distant Adoptions as coordinators, they also help with the support of the developing project of community centre Island of Hope, advertising and administrative assistance.

Regular 2 motivational and informative seminars were organized for coordinators of Narovinu Centre — 2-day seminar in May and 1-day in October. In total 48 people participated.

PROJECTS IN KENYA

Community Centre Island of Hope on Rusinga Island

Island of Hope in 2016 in numbers:

- Total number of employees: 47
- Number of children in the orphanage: 65
- Number of available free spots in orphanage: 12
- Number of children in the kindergarten: 93
- Number of children at primary school: 272
- Number of students at secondary school: 31
- Total number of adopted children at standard rate: 231
- Total number of adopted children at double rate: 67
- Number of registered patients at the clinics: 15 120
- Number of new born children: 68
- Number of hens on the farm: 197
- Number of tilapia farming lakes: 2
- Number of tilapia farming cages directly in Victoria lake: 6

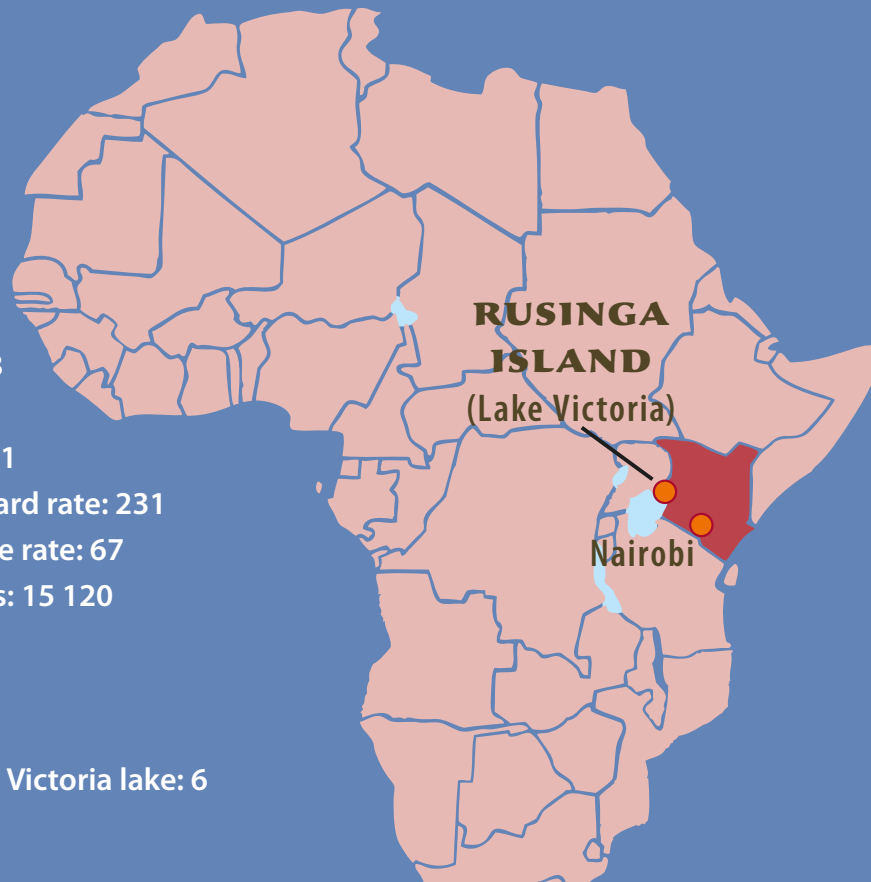


Photo Jan Šibík



Photo Jan Šibík

Projects updates in 2016:

All parts of the community center – orphanage, Montessori kindergarten, primary school (lasting 8 years) with emphasis on non-violent upbringing, health clinics, agricultural farm as well as manufactory for soap stones decorations – were successfully running throughout the year.

The main topic for this complex development project in 2016 was to open a secondary boarding school for 120 students as well as its further construction:

The Phase I of the construction was finished: 2 buildings of dormitory for girls with 8 rooms, toilets and bathrooms, 2 buildings of dormitory for boys with 8 rooms, toilets and bathrooms, 1 school building with 2 classrooms and lab for physics, chemistry and biology;

In order to prepare for the opening of the secondary school, the director of the secondary school Mr. Philip Odero Obuya from Kenya took part in 2-weeks training with emphasis on direct experience with school management and hands-on teaching methods at Park Lane International School in Prague;

The lessons for the first grade with 31 students and 6 teachers started on February 22nd;

The Phase II of the construction went on: the construction of administrative block with room for teachers and offices, second building with 2 classrooms and cabinets for teachers and 2 remaining dormitories for boys and girls.

2 methodical seminars were organized in 2016 for all teachers and the pedagogical staff of Hope Island:

30 people took part in the first seminar. This seminar was divided in 3 parts: part 1 dedicated to philosophy of humanistic school and vision of educational institution with non-violent understanding approach (4 days), practical part 2 with children – full-day game with children from orphanage and practical part 3 dedicated work with computers and new teaching software which was donated by Kenyan company CyberSchool (3 days);

The second seminar for teachers of the Hope Island was organized thanks to the partnering with international school Park Lane from Prague and was led by 2 lecturers from England.

The construction of the new kitchen with canteen for more than 500 boarders of the Hope Island was initiated.

New IT room and library with donated computers and books from collection organized in the Czech Republic was opened in 2016.

New playground for the kindergarten and orphanage was opened using the seesaws donated by the Czech company TR Antoř.

The children from the 8th grade of the primary school took part in the 44th Annual of the International Children's Exhibition of Fine Arts Lidice with collection of 5 photos that were taken during the photographic workshop organized in January in the Hope Island. The topic of the competition was "school" and the children got a medal award.

The first earnings of the manufactory for soap stones decorations were used to buy another 5 000 pieces of soap stone which has been partially wrought. 8 selected women from local community were working on those stones. Once they finished their work and the products were delivered to the Czech Republic, only 3 the most skilled women were selected to continue their work in cooperative in 2017. The remaining local women that participated in the workshops will be supporting the manufactory in case of larger orders as part-timers.

Jan Šibík, famous Czech photographer visited the Island of Hope with his partner Daniela Matulova in July 2016 and they took photos of the everyday life in the community center as well as on Rusinga Island. The photos became part of the travelling exhibition and are for sale. The earnings contribute to the community center development.

Finally in December 2016, the community Centre Island of Hope was connected to electricity after 7 long years of waiting!

The advancements in the development of the Island of Hope were supported from the official development support program of the Slovak Republic in the frame of 2 current SlovakAid projects:

„SAMRS/2014/KEN/01/04 – “Secondary school, quality education and gaining practical experiences for young people living in the countryside on Rusinga“. This 2-years project ended in October 2016. The listed activities - construction of the first part of the secondary school with dormitory for 60 students, seminar for teachers in order to increase their qualification and familiarize with innovative teaching methods and starting a fishing farm and manufactory for soak stone decorations in order to increase the economical and food independence of the community center – were part of this project.

The second 2-years project „SAMRS/2015/KEN/01/02 – Secondary school – part II and health center on Rusinga Island“ – will end in September 2017. It will focus on completion of the secondary school with 4 classrooms and dormitory for 120 students and providing a health care and prevention in the existing health care center with special focus on children, mothers and HIV/AIDS and TBC patients for app. 15 000 people (est. ½ of inhabitants of Rusinga island).

Water for Kauti

Except for monitoring the opportunities how to maximize the benefits of the project for the Kauti inhabitants in the future, there were no news or updates in 2016.



Photo Jan Šibík

Fundraising and Propagation

A grant from the Czech Development Agency "Professionalization of Fundraising within an organization" was implemented. New donors were approached by the corporate mailing method – companies got information letter with an invitation to the „FairTrade Breakfast with the scent of Africa“. Four meetings were held in Prague in total. The organization has acquired new resources from private donors, both financial and non-financial. An example of financial growth is the FairTrade Shop – the amount of received orders has more than doubled. In the case of non - financial support it was primarily about helping with promoting or providing space for organized events.

In May a press conference about project "Island of Hope" was held with participation of Barbora Munzarová (actress and adoptive mother within the programme Distant Adoption), Radek Janata from Park Lane International School (partner school of the project The Island of Hope) and Tomáš Kaštil from Inter Cars (project sponsor).

Our projects have been supported also by the Czech Television which provided its e-broadcasting channel as a support to charity performance of the Theatre Semafor on May 12. In the week from November 28 to December 4, Centre's Narovinu spot "Give Education" was broadcast on the Czech Television channels as a part of the project "the Czech Television promotes charity". Our spot was broadcast (for free) 35 times and had been seen by 2 575 217 viewers.

In May we became a non-profit organization of the week on the gateway GIVT (Community Non-profit Organization Funding Portal).

Two new ad spots about The Island of Hope in Kenya were created.

Regular sending of press releases has subsequently allowed us to present our activities and projects on the Czech Television (Sama doma and Studio 6), on the radio (Český rozhlas Dvojka and Applaus), and also on printed and online media.

Acknowledgement

Great thanks to all who are helping us to help and change particular human destinies – to all volunteer coordinators, co-workers, trainees, volunteers, adoptive parents, corporate and private donors. We really appreciate our cooperation with: Adventura, Parklane International School, Inter Cars, RIM, Trado Image, Miro Print, KB Printer, NEWTON Media, Fontana, I Love Africa, Among the Worlds, Europe Easy Energy, TR Antos, FOTOPIXEL, For Dreams, Cafe Museum, Art and Coffee, the Vltavan area, the Czech Television and its e-broadcasting, and many others.



FINANCIAL REPORT for the year 2016

Revenues and expenditures of Centre Narovinu, o.p.s. for 2016

Incomes 2016	Thousands CZK	Expenses 2016	Thousands CZK
Funds for gratuitous performance	23 459	Payments to Kenya	21 006
Sales from a fair trade shop	482	Operating costs	3 558
Received donations	370	Exchange rate loss	2
Bank fees / Exchange rates profit	5	Bank fees	40
Recharging of services – energies	90		
Received paym. for compensation of postage	20		
Releasing of obligation from year 2012	300		
Incomes in total	24 726	Expenses in total	24 606
Economic result	120		

Overview of sent funds to Kenya for projects in 2016

	Thousands CZK		Thousands CZK
Payments for adoption	15 742	Payments for project Pass it on	17
Payments for administration in Kenya	1 922	Payments for gifts – extra payments	481
Payments for health insurance	1 296	Payments for partner schools	17
Payments for Rusinga Island	506	Payments for co-financing	1 025
In total			21 006



Operating expenses of Centre Narovinu, o.p.s.

	Thousand czk		Thousand czk
Consumption of small material	216	Accountant, law services	221
Energies	86	Advertising	1
Sold goods	84	Telephone, Internet	38
Travel allowance	116	Other services	106
Small refreshment	7	Staff costs	2 380
Rent	119	Administration fees	3
Postage	181		
In total			3 558



Photo Jan Šibík

INDEPENDENT AUDITOR'S REPORT

to founders of

Centrum Narovinu, o. p. s.,

company address: Sokolská street 1802/32, Prague 2, postcode 120 00

Opinion

We have audited the accompanying financial statements of Centrum Narovinu, o. p. s. (hereinafter also the "Company") prepared in accordance with accounting principles generally accepted in the Czech Republic, which comprise the balance sheet as at 31 December 2016, and the income statement, for the year then ended, and notes to the financial statements, including a summary of significant accounting policies and other explanatory information. For details of the Company, see Note 1 to the financial statements.

In our opinion, the financial statements give a true and fair view of the financial position of Centrum Narovinu, o. p. s. as at 31 December 2016, and of its financial performance and its cash flows for the year then ended in accordance with accounting principles generally accepted in the Czech Republic.

Basis for Opinion

We conducted our audit in accordance with the Act on Auditors and Auditing Standards of the Chamber of Auditors of the Czech Republic, which are International Standards on Auditing (ISAs), as amended by the related application clauses. Our responsibilities under this law and regulation are further described in the Auditor's Responsibilities for the Audit of the Financial Statements section of our report. We are independent of the Company in accordance with the Act on Auditors and the Code of Ethics adopted by the Chamber of Auditors of the Czech Republic and we have fulfilled our other ethical responsibilities in accordance with these requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Other Information in the Annual Report

In compliance with Section 2(b) of the Act on Auditors, the other information comprises the information included in the Annual Report other than the financial statements and auditor's report thereon. The Statutory Body of the Company is responsible for the other information.

Our opinion on the financial statements does not cover the other information. In connection with our audit of the financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the audit or otherwise appears to be materially misstated. In addition, we assess whether the other information has been prepared, in all material respects, in accordance with applicable law or regulation, in particular, whether the other information complies with law or regulation in terms of formal requirements and

procedure for preparing the other information in the context of materiality, i.e. whether any non-compliance with these requirements could influence judgments made on the basis of the other information.

Based on the procedures performed, to the extent we are able to assess it, we report that:

- The other information describing the facts that are also presented in the financial statements is, in all material respects, consistent with the financial statements; and
- The other information is prepared in compliance with applicable law or regulation.

In addition, our responsibility is to report, based on the knowledge and understanding of the Company obtained in the audit, on whether the other information contains any material misstatement of fact. Based on the procedures we have performed on the other information obtained, we have not identified any material misstatement of fact.

Responsibilities of the Company's Statutory Body for the Financial Statements

The Statutory Body, the Executive Director, is responsible for the preparation and fair presentation of the financial statements in accordance with accounting principles generally accepted in the Czech Republic and for such internal control as the Executive Director determines is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, the Executive Director is responsible for assessing the Company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the Executive Director either intends to liquidate the Company or to cease operations, or has no realistic alternative but to do so.

The Board of Trustees is responsible for overseeing the Company's financial reporting process.

Auditor's Responsibilities for the Audit of the Financial Statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with the above mentioned laws and regulations will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

As part of an audit in accordance with the above law or regulation, we exercise professional judgment and maintain professional scepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Company's internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the Statutory Body.
- Conclude on the appropriateness of the Statutory Body use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Company to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

We communicate with the Statutory Body regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

Prague, 11. 04. 2017



ZH BOHEMIA, spol. s r. o.
Na Rybníčku 387/6
Liberec
Licence number of the audit firm 091

Responsible auditor for the audit
Jan Jindřich
Statutory auditor
Licence number of the auditor 1133

Report of supervisory board
of civic association Centre Narovinu, o.p.s. (IČ 63109948)

After a review of a closing of book of Centre Narovinu, o.p.s. from 1.1. to 31.12.2016, and based on external financial guard commissary, the supervisory board states that, bookkeeping was conducted in a demonstrative way and in agreement with generally effectual regulations adjusting guiding of bookkeeping of civic associations.

In Prague 24. 4. 2017

Chairwoman of supervisory board
Hana Jodasová





www.centernarovinu.org