

NAIROBI CHESS CLUB

31 AUGUST 2011

Khalid & Company

Certified Public Accountants

Nairobi

Nairobi Chess Club
Financial Statements for the year ended 31st August 2011

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Nairobi Chess Club
Financial Statements for the year ended 31st August 2011

Club information

Executive Committee

Chairman	K S Bhari	
Vice Chairman	Peter Gilruth	
Secretary	Mehul Gohil	
Treasurer	Mayuri Bhari	
Director of Play	Paras Gudka	Resigned 16th June 2011

Committee members	Dr Nikolai van Beek	
	Francis Thuo	Resigned 20th September 2011
	Jules Cerera Daproza	

Auditors	Khalid & Company
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Bankers	FINA Bank
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Nairobi Chess Club

Executive Committee's report for the year ended 31st August 2011

The Executive Committee present the report and accounts for the year ended 31st August 2011

Results

Deficit for the year carried forward

KShs (32,750)

Club officials

The names of the officials are set out on page 1.

Auditors

The auditors, Khalid & Co will continue in office in accordance with Section 10 of the Nairobi Chess Club constitution.

By order of the committee



**K.S Bhari
Chairman
Nairobi Chess Club**

Nairobi Chess Club

Chairman's Statement for the year ended 31st August 2011

This has been a milestone 12 months for Nairobi Chess Club.

Nairobi Chess Club remains the oldest and most active club in Kenya having been registered in 26th February 1958.

Nairobi Chess Club has continued to provide various opportunities for chess players in Kenya through its various programs over the period. These have included the following events:

Grandmaster Dimitri Reinderman's visit to Kenya

This event hosted the Chess Grandmaster from Holland for a seven days visit upon which he accomplished the following:

- He carried out a very extensive and thorough four day training session.
- He played a simultaneous chess match where he faced 35 opponents simultaneously in which he won thirty three and drew two.
- He also had a blindfold match against one of Kenya's top player Ben Nguku in which the grandmaster had a blindfold while the opponent had full sight of the chess board, and that also, he was victorious.
- Lastly GM Reinderman visited a school upcountry school, to which we donated all Chess sets.

We wish to thank the following for having this event a great a success:

- The Landmark Hotel for hosting the Grandmaster on a complimentary basis
- Tarpo Industries Ltd for being the title sponsor for this event with a donation of KShs 100,000.
- Kange Saiti, Neils Lauritsen, Nikolai van Beek, and Peter Gilruth for supplementary donations.



In this photo GM Dimitri Reinderman makes his move against long time Nairobi Chess Club supporter Asim Shah of Tarpo Industries Ltd

2011 Nairobi Chess League

This event attracted a total of 10 teams and the eventual winner was Nairobi Gambit who won a top cash prize of KShs 15,000 in a hotly contested event.

Fizza Blitz

The club hosted two very strong Blitz events sponsored by Aslam Adam of the United Kingdom and Mehul Gohil on 19th February and 10th July 2011. In both events the cash prizes paid out was KShs 20,000 and in both cases Martin Gateri won.

53rd Nairobi Chess Club Championship

The 53rd Nairobi Chess Club Championship began on Saturday, 27th August with a record 41 participants, one of the highest numbers seen at a club tournament in recent times.



Dr Nikolai van Beek (right) makes his move against Chess Kenya Vice Chairman Francis Ngesa during the 53rd Nairobi Chess Club Championship.

This event was proudly sponsored by Chess Supporter Rodgers Adai of ARM Engineering to the tune of KShs 30,000.

The event was won by Ben Magana who pocketed KShs 7,500. Total cash prizes paid out was KShs 20,000.

Venue

The club has now for the past 2 ½ years been meeting at the Goan Gymkhana Club which is one of the best venues in terms of ambience and easy and safe parking for members. The club currently meets every Saturday of every month and has also launched a junior program to spread the game amongst the youth.

Other plans

The club is actively seeking sponsors for various forthcoming events like the 54th Nairobi Chess Club Championship, 2012 Nairobi Chess League and the inaugural Grand Prix event which will end in an exciting Knockout Match in the end. Preliminary discussions are being held by the executive to organise the Nairobi Open Chess Tournament during the 2012 Easter Holidays.

Chess Kenya

The club actively supports Chess Kenya by participating in the National League and came out 4th in the 2009/10 edition narrowly being piped by Kenya Polytechnic by 0.5 points for third place.



Nairobi Chess Club has also provided logistical support for the National League run by Chess Kenya by allowing games to be played by other teams at its venue without any charge.

Jules Daproza (in blue shirt) & John Hadley of Nairobi Chess Club facing National Bank of Kenya during the National League match

Administration

The club executive have committed to ensuring that the club is properly organised in terms of its financial affairs and is the only chess club to present a proper set of accounts. The accounts are maintained on the QUICKBOOKS system and quarterly accounts are presented to members and sponsors.

A separate section in the financial statements discloses all the transactions with the club officials.

A Facebook group page has been in existence for over one year and continues to attract new members. The website was launched on 13th January 2011 and has received almost 1,000 hits so far.

Many to thank

It is always difficult to single out thanks in a report like this. Nairobi Chess Club has hundreds of supporters in Kenya and abroad who support us in our endeavours.

I wish to specifically thank my committee members, sponsors and all the players who grace our events.

God Bless.

KS Bhari
Chairman
Nairobi Chess Club
3rd November 2011

**REPORT OF THE AUDITORS TO THE MEMBERS
OF NAIROBI CHESS CLUB**

We have audited the accounts set out on pages 7 to 11 which have been prepared on the basis of the accounting policies set out in note 1. We have obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purposes of our audit and to provide a reasonable basis for our opinion. The accounts are in agreement with the books of account.

Executive Committee's responsibility of the financial standards:

The executive committee are responsible for the preparation of accounts which give a true and fair view of the Club's state of affairs and its operating results. Our responsibility is to express an independent opinion on the accounts based on our audit and to report our opinion to you.

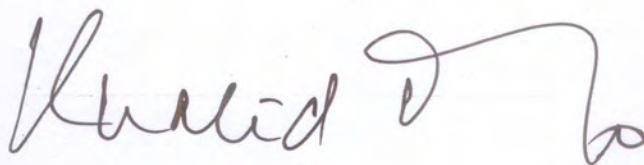
Auditors' responsibility:

Our responsibility is to express an opinion on these financial statements based on our audit. We conducted our audit in accordance with International Standards on auditing. Those standards require that we comply with requirements and plan and perform the audit to obtain reasonable assurance whether the financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditor's judgement, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the entity's preparation and fair presentation of the financial statements in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the entity's internal control. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of accounting estimates made by management, as well as evaluating the overall presentation of the financial statements.

Opinion:

In our opinion, proper books of accounts have been kept and the accounts give a true and fair view of the state of the Club's affairs as at 31 August 2011 and of its excess of expenditure over income for the year then ended.



KHALID & COMPANY
Certified Public Accountants
Nairobi.

Date.....4 November.....2011

Nairobi Chess Club
Income & Expenditure for the year ended 31st August 2011

	Note	2011 KShs	2010 KShs
Income			
Sponsorship income	1	310,289	349,162
Other income	2	125,665	95,300
Total Income		<u>435,954</u>	<u>444,462</u>
Expenses			
Operational expenses	3	304,699	225,860
Cash prizes	4	102,000	127,100
Administration expenses	5	62,005	77,097
Total Expenses		<u>468,704</u>	<u>430,057</u>
Surplus/(deficit) for the period		<u>(32,750)</u>	<u>14,405</u>

Nairobi Chess Club
Balance Sheet as at 31st August 2011

	Notes	KShs 2011	KShs 2010
ASSETS			
Fina Bank		11,799	31,493
Petty Cash		0	62,936
Accounts Receivable		11,000	11,000
TOTAL ASSETS		22,799	105,429
LIABILITIES & EQUITY			
Liabilities			
Accounts Payable		-	49,880
Total Liabilities		-	49,880
Equity			
Natwest Bank Reserve		41,144	41,144
Retained Earnings		14,405	0
Net income/(deficit) for the year		(32,750)	14,405
Total Equity		22,799	55,549
TOTAL LIABILITIES & EQUITY		22,799	105,429

These financial statements were approved by the Executive Committee on 3rd November 2011

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Chairman

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Secretary

Nairobi Chess Club

Financial Statements for the year ended to 31st August 2011

1. SIGNIFICANT ACCOUNTING POLICES

1.1 Basis of preparation

The financial statements have been prepared under the historical cost

1.2 Revenue Recogniton

Income is derived substantially from chess related activities

1.3 Trade and other debtors

Debtors are stated at nominal value.

1.4 Cash and cash equivalent

For the purpose of the club the cash and cash equivalents comprise cash in hand, cash at bank.

	KShs	KShs
	2011	2010
2 Sponsorship		
Safaricom	-	300,000
Asim Shah	-	20,000
Aslam Adam	37,089	19,162
KS Bhari	5,000	10,000
ARM Engineering	30,000	-
Kange Saiti	10,000	-
Mehul Gohil	11,000	-
Niels Lauritsen	26,700	-
Nikolai van Beek	68,000	-
Peter Gilruth	22,500	-
Tarpo Industries Ltd	100,000	-
Total sponsorship	<u>310,289</u>	<u>349,162</u>
	KShs	KShs
3 Other Income	2011	2010
League entry fee	50,500	80,300
Membership fee	47,740	15,000
Tournament Entry Fee	1,000	-
53rd NCC Championship	8,425	-
GM Dimitri Reinderman simultaneous	8,000	-
GM Dimitri Reinderman training	10,000	-
Total Other Income	<u>125,665</u>	<u>95,300</u>

Nairobi Chess Club

Notes to the Financial Statements for the year ended 31st August 2011

	KShs	KShs
	2011	2010
4 Operational Expenses		
Accommodation expenses	8,900	-
Chess Grandmaster appearance fee	69,500	-
Chess Grandmaster travel expenses	130,524	-
Entry fee for Chess Kenya league	-	10,000
Entertainment	11,610	-
Hire of venue & equipment	46,704	168,720
Refreshments	23,921	32,070
Tournament administration expenses	2,000	6,500
Trophy expenses	11,540	8,570
Total Operational Expenses	<u>304,699</u>	<u>225,860</u>
	KShs	KShs
5 Cash Prizes	2011	2010
53rd Nairobi Chess Club Championship	20,000	64,500
2011 Nairobi Chess League	41,500	32,600
Club Tournament	500	20,000
Fizza Blitz Event	40,000	10,000
Total Cash Prizes	<u>102,000</u>	<u>127,100</u>
	KShs	KShs
6 Administration Expenses	2011	2010
Audit fees	30,000	-
Bank charges	2,375	8,948
Chess Kenya membership fees	5,000	-
Donations	-	15,000
Printing & stationary	9,550	3,016
Website & internet expense	15,080	50,133
Total Administration Expenses	<u>62,005</u>	<u>77,097</u>
	KShs	KShs
7 Club transactions with club executives	2011	2010
Hire of equipment	-	43,000
Website & internet expenses	-	14,000
Donations received	106,500	10,000

Nairobi Chess Club

Notes to the Financial Statements for the year ended 31st August 2011

	KShs	KShs
	2011	2010
8 Natwest Bank Reserve		
This represents the Sterling Pound 342.87 which was the balance on the Natwest Bank account which was closed on 24th October 2005	<u><u>41,144</u></u>	<u><u>41,144</u></u>

9 Comparatives

Comparatives for the year 2010 includes the 18 month period to 31st August 2010

10 Country of incorporation and address

The club is registered as an Exempt Society as per section 10 of the Societies Act of Kenya and was registered on 26th February 1958 under certificate number 671.

The address of the club is:

Nairobi Chess Club

PO Box 376, Sarit Centre 00606

Nairobi, Kenya

11 Currency

The financial statements are presented in Kenya Shillings (KShs)