



AAK | PROMOTING EXCELLENCE
IN THE BUILT ENVIRONMENT

THE ARCHITECTURAL ASSOCIATION OF KENYA

ANNUAL REPORT 2020



THE ARCHITECTURAL ASSOCIATION OF KENYA

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Magazine

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Notice of the 54th Annual General Meeting

NOTICE IS HEREBY GIVEN THAT THE FIFTY FOURTH ANNUAL GENERAL MEETING OF THE ARCHITECTURAL ASSOCIATION OF KENYA (AAK) WILL BE HELD AT THE NAIROBI SERENA HOTEL, ON THURSDAY 25TH MARCH 2021 AT 1500HRS

AGENDA

- 54-10 Record of Attendance
- 54-11 Reading of the Notice calling the Annual General Meeting by AAK Hon. Secretary
- 54-12 Confirmation of Minutes of the 53rd Annual General Meeting
- 54-13 Governing Council Report from the President of AAK
- 54-14 Receiving Trustees Report from the Chairman of AAK Registered Trustees
- 54-15 Receiving Honorary Treasurer's Report
- 54-16 Receiving Auditors Report for the Financial Year ended 31 December 2020
- 54-17 Appointment of Auditors for the 2021 Financial Year
- 54-18 Presentation of newly elected members of the AAK College of Fellows
- 54-19 Receiving Scrutineers' Report on election of office bearers - 2021/2023 Session
- 54-20 Announcement from the Chapters on elections of members of Chapter Councils
- 54-21 Announcement of the nomination of Chapter representatives to the AAK Governing Council
- 54-22 Any Other Business for which fourteen (14 No.) days' Notice has been given to members in writing

DATED THIS 1ST DAY OF MARCH 2021

A handwritten signature in black ink, which appears to read 'Marilyn Musyimi', is positioned above the printed name of the signatory.

**MARYLYN MUSYIMI
HONORARY SECRETARY, AAK**

About AAK

The Architectural Association of Kenya continues to be the leading umbrella Association for Professionals in the Built Environment: Architects, Quantity Surveyors, Engineers, Town Planners, Landscape Architects, Construction Project Managers and Environmental Design Consultants.

Mission

To Promote Professionalism and Integrity in the Built and Natural Environment.

Vision

To be the leading Professional Organization in the Built and Natural Environment in the region and globally.

Our Core Values

- a) Good governance
- b) Integrity
- c) Service Delivery
- d) Team Work
- e) Innovation
- f) Knowledge Based Advocacy



Membership at AAK



Membership Growth since 2017

	2017	2018	2019	2020
	1,073	1,645	1,931	2,066



Public Communications Reach



76 Text Messages
64 Emails



210,699 Post Reaches on Facebook
16,431 Post Engagement on Facebook



168 Tweets
198,000 Impressions on Twitter
609 Mentions on Twitter



11,500 Views on YouTube
80,600 Impressions on YouTube
830 Views on Top Video



9 Television Coverages
10 Radio Interviews
13 Articles in the Print



AAK CALENDAR OF EVENTS 2021

JANUARY

- 20 AAK CPD Seminar: Architects' Chapter
- 29 Launch of Status of the Built Environment (Jul – Dec 2020)

FEBRUARY

- 2 World Wetlands Day
- 4 AAK Webinar: Landscape Architects' Chapter
- 9 QS Chapter AGM/ Engineers' Chapter AGM
- 11 Landscape Architects Chapter AGM
- 12 CPM Chapter AGM
- 16 EDC Chapter AGM
- 17 AAK CPD Seminar: Engineers' Chapter
- 18 Architects' Chapter AGM
- 19 Town Planners Chapter AGM/ Mombasa Branch AGM

MARCH

- 2 College of Fellows Quarterly Meeting
- 3 AAK Webinar: Landscape Architects' Chapter
- 17 AAK CPD Seminar: Town Planners' Chapter
- 18 AAK Candidates Debate
- 22 AAK 2021 Elections
- 25 Annual General Meeting and Gala Dinner

APRIL

- 1 Publishing of Issue 3 of the *BuildPress* Magazine
- 7 AAK CPD Seminar: Construction Project Managers' Chapter
- 9 Architects' Chapter Golf Tournament
- 15 AAK CPD Seminar: L. Arch Chapter
- 21 AAK CPD Seminar: Environmental Design Consultants' Chapter

MAY

- 5 AAK CPD Seminar: Mombasa Branch
- 19 AAK Webinar: Architects' Chapter
- 29 AAK Je, Una mjengo? Public awareness Campaign

JUNE

- 2 AAK CPD Seminar: Quantity Surveyors' Chapter
- 3 College of Fellows Quarterly Meeting
- 5 World Environment Day
- 16 AAK CPD Seminar: Engineers' Chapter
- 26 AAK CSR Run

JULY

- 7 AAK Webinar: Landscape Architects' Chapter
- 9 Release of the State of the Built Environment Report (Jan – Jun 2021)
- 21 AAK CPD Seminar: Town Planners' Chapter

AUGUST

- 12 Publishing of the Convention Magazine
- 12-13 AAK Annual Convention
- 27 Revision Seminar for BORAQS Candidates 2021

SEPTEMBER

- 1 AAK CPD Seminar: Construction Project Managers' Chapter
- 7 College of Fellows Quarterly Meeting
- 15 AAK CPD Seminar: Environment Design Consultants' Chapter
- 16 AAK Landscape Architects' Chapter event at JKUAT
- 22 World Car Free Day

OCTOBER

- 3-9 World Fire Prevention Week
- 4 World Architecture Day
- 6 AAK CPD Seminar: Mombasa Branch
- 4-8 Customer Service Week
- 31 World Cities Day

NOVEMBER

- 5 Landscape Architects' Chapter Symposium
- 8 World Town Planning Day

DECEMBER

- 2 AAK President's Dinner
- 7 College of Fellows Quarterly Meeting
- 9 Publishing of Issue 4 of the *BuildPress* Magazine



•HIGHLIGHTS•

The new year stands before us, like a chapter in a book, waiting to be written.

-Melody Beattie

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Minutes of the 53rd Annual General Meeting of the Architectural Association of Kenya (AAK) held on 26th March 2020 via the Zoom Video Conferencing Platform

- 53-10 Record of Attendance
- 53-11 Reading of the Notice calling the Annual General Meeting by AAK Hon. Secretary
- 53-12 Confirmation of the Minutes of the 52nd Annual General Meeting
- 53-13 Governing Council Report from the President of AAK
- 53-14 Receiving Trustees Report from the Chairman of AAK Registered Trustees
- 53-15 Receiving Honorary Treasurer's Report
- 53-16 Receiving Auditors Report for the Financial Year ended 31 December 2019
- 53-17 Any Other Business for which fourteen (14 No.) days Notice has been given to members in writing



53-10 Record of Attendance

53-10-01 Members Present

1. Abdul Razaq Warfa (2995)
2. Aggrey Maganga (2529)
3. Allen Mwiwawi (4049)
4. Ambrose Ofafa (2756)
5. Ashley Mwangi (4292)
6. Benjamin Nyawade (2859)
7. Brenda Nyawara (3904)
8. Charity Nyaga (2500)
9. Christine Namagulu (4453)
10. Daniel Kimoro (1090)
11. Denis Chek (3278)
12. Dr. Mochache Jason (705)
13. Emma Miloyo (2512)
14. Etta Madete (4007)
15. Faith Tangara (4152)
16. Florence Nyole (3444)
17. George Arabbu Ndege (2511)
18. Gerald Maina (3877)
19. Gideon Olawo (1885)
20. Grace Kagonda (2731)
21. Ham Wesonga (2876)
22. Hitesh Mehta (1518)
23. Isabel Njoroge (4261)
24. J.F.M. van der Eerden (3369)
25. Jacton Mwembe (4693)
26. James Odongo (4609)
27. Jemimah N Maina (4816)
28. Jerusha Ngungui (2825)
29. Jesse Karanga (4187)
30. John Mbatia (4474)
31. Joseph Kedogo (2191)
32. Juliet Rita (2248)
33. Kenneth Kamau (3301)
34. Kennedy Samoka (3228)
35. Lawrence Gitau (2118)
36. Lindah Njani (3072)
37. Lorraine Odhiambo (2770)
38. Lucy Wanjiku (4737)
39. Maina Poulet Waruguru (4511)
40. Mary Kimani (2207)
41. Marylyn Musyimi (3439)
42. Maseghe Tairo Martin (3969)
43. Mohammed Munyanya (1758)
44. Mugure Njendu (2153)
45. Mugwima Bernard Njuguna (2255)
46. Musembi Mumo (1798)
47. Mwaniki JN (2811)
48. Mwiwawi Allen (4049)
49. Naicca C.M (1253)
50. Nathan Mutunga (4750)
51. Nathaniel Matalanga (2023)
52. Olivia Sally Otieno (2444)
53. Onyango N. Makagutu (3213)
54. Onyango Nicholas (2658)
55. Patrick Karugo (1376)
56. Paul Maringa (1171)
57. Paul Okich (2637)
58. Richard Aghak (4206)
59. Samuel Chacha (4141)
60. Samuel Ochola (2523)
61. Shammah Kiteme Munyoki (4203)
62. Stephen Lutta (3873)
63. Stephen Nyagaya (4776)
64. Steven Ogwapit (2136)
65. Sylvester Muli (1211)
66. Tom Sitati (1886)
67. Valerie Atieno (4705)
68. Waburiri Wycliffe (3973)
69. Warfa Abdul Razaq (2995)
70. Waweru Gathecha (2084)
71. Wilfred Omollo (2229)
72. Wilson Mugambi (2333)

53-10-02 Absent with Apologies

No submissions were made



53-10-03 In attendance

1. Mwangi J.W – Chief Executive Officer, AAK
2. Jamwa L. – Membership and Communications Manager, AAK
3. Gikonyo M.W – Research and Advocacy Manager, AAK
4. Ndungu S.W – Finance and Administration Manager, AAK
5. Mwaura C.N – Communications Officer, AAK
6. Ombewa J.O – Advocacy and Partnerships Officer, AAK

Upon confirmation of attainment of quorum, the meeting was called to order at 1610hrs

MINUTE	PARTICULARS
53-11	<p>Reading of the Notice calling the Annual General Meeting by AAK Honorary Secretary</p> <p>Notice calling the 53rd Annual General Meeting was read by Arch. Marylyn Musyimi, AAK Hon. Secretary at 1610hrs. She further noted that the Annual General Meeting was being held via the Zoom Video Conferencing platform following a Government of Kenya directive to suspend all public gatherings as a means of containing the spread of the COVID-19 global pandemic.</p>
53-12	<p>Confirmation of the Minutes of the 52nd Annual General Meeting</p> <p>53-12-01 Minutes of the 52nd Annual General Meeting which was held at the Radisson Blu Hotel on 28th March 2019 were read and confirmed as a true record of the proceedings.</p> <p>53-12-02 Motion to confirm the minutes proposed by Arch. John Mwaniki and seconded by Planner/Dr. Mary Kimani, with a correction of Minute 25-22-03.2 that "... Plan. Mary Kimani was elected and NOT chosen as published in the Minutes.</p>
52-13	<p>Governing Council Report from the President of AAK</p> <p>Copy of AAK Governing Council’s Report, included in the AAK Annual Report 2019, was read by the President. Highlights of the Report are as below:</p>



MINUTE	PARTICULARS
53-13-01	Research and Advocacy 2019 Report
53-13-01.1	Regulation of Built Environment Professionals: The Coalition of Built Environment Professionals made significant progress towards advocating for reforming the regulation of built environment professions in Kenya including: the publication of a report titled Developing Stronger and Effective Regulation of Built Environment Professions in Kenya; a Policy Position Paper towards the same; drafting of a Bill; and meeting with legislators with an educational background in built environment professions - they committed to support this initiative as it approached legislative processes.
53-13-01.2	Physical and Land Use Planning Act, 2019: Following the Association's submission of a comprehensive memorandum on the draft Bill, the Physical and Land Use Planning Act, 2019 was assented to by H.E. the President on 16th July 2019 and commenced on 5th August 2019, repealing the Physical Planning Act, 1996. This prompted the Association to engage a consultant, M/S Planning Solutions Ltd to undertake a comparative study between AAK's Memorandum and the Act in order to assess the extent to which AAK's concerns were incorporated into the Act and advise on areas that could be considered in the regulations. The Ministry of Lands and Physical Planning later convened a team to draft regulations pursuant to Section 90 of the Physical and Land Use Planning Act. AAK was represented in this activity by Plan. Juliet Rita and Arch. Stephen Lutta in December 2019.
53-13-01.3	Building Code: AAK had actively participated in the review of the Building Code over the last decade up until January 2020. The Association was therefore pleased to inform members that the revision exercise of the Building Code was complete, after H. E. the President of the Republic assented the Business Laws (Amendment Bill) 2019. This amendment includes changes to the National Construction Authority Act which places the function of enforcing the Building Code on the Authority. The AAK President thanked AAK members who had been part of this initiative including Arch./Dr/ Reuben Mutiso, Prof. Robert Rukwaro, Arch Waweru Gathecha, Arch Stephen Mwilu, Landscape Arch. Robert Kariuki, Planner Juliet Rita among other members.
53-13-01.4	Status of the Built Environment Report 2019: The Association released 2 publications of the Status of the Built Environment. The first half of 2019 was released in July 2019 and the second half of 2019 was released in February 2020.



MINUTE	PARTICULARS
53-13-01.5	<p>Construction Permit Approval Process Information Portal: Following the conclusion of research undertaken by AAK on the Construction Permit Approval Processes of 12 Counties Kenya, the Association developed an online portal, dubbed BuildHub (buildhub.aak.or.ke) meant to detail the procedures and fees of obtaining both building permits and planning approvals of various counties in Kenya. The processes of 12 counties had so far been uploaded. BuildHub was successfully launched on 4th February 2020.</p>
53-13-01.6	<p>Automation of Development Control: It was reported that Kajiado County is still in the process of developing solution to automate its Development Control processes but was yet to officially launch it. During the year, the Association had noted that County Governance and administrative issues became a predominant concern as they had disrupted the operation of Nairobi County's e-CPS for nearly four months.</p> <p>The Association continues to hold the view that a better and possibly centralized management of e-permitting system will resolve many of the challenges faced on the industry. AAK engaged a consultant, Plan. Fawcett Komollo, to undertake research on this matter upon whose findings and recommendations will be used to launch advocacy initiatives to reform the manner in which construction permits in Kenya are managed.</p>
53-13-01.7	<p>Big 4 Agenda (Affordable Housing): The Research and Advocacy Committee continued to spearhead advocacy in the project delivery of the Affordable Housing Agenda. It is AAK's position that there should be significant engagement of local content which should then be monitored. In this effort, AAK wrote to KEPSA for our sector to be included in the Local Content Initiative that is being driven by Private sector. The Association further facilitated a visit to the Park Road Affordable Housing Project. AAK presented a report to the Ministry as a benchmark on the Project and to inform future projects on matters of local content and holistic housing.</p>
53-13-01.8	<p>AAK Baraza: In the year 2019, the Association introduced the AAK Baraza. This is a forum which brings together professionals in the built environment to discuss pertinent topical issues affecting the built and natural environment industry. Following the forums, AAK compiles a position for the Association on the matter at hand and communicates to the relevant authority accordingly and informs its members.</p> <p>During the period 2019/ 2020, the Association held AAK Barazas discussing the following:-</p> <ul style="list-style-type: none">- The JKIA-Westlands Expressway- Railway City Master-Plan- Construction Permits at the Nairobi City County <p>As professionals in the Built Environment, the Association recognizes that it is its duty to the public good to speak on matters of concern on behalf of the citizenry and the AAK Baraza platform has become the place to do so.</p>



MINUTE	PARTICULARS
53-13-01.9	Salary Survey: The Association conducted a survey whose objective was to provide much needed information about remuneration of built environment professions and which would be of value to its members. The AAK President noted that it would be an ongoing exercise and encouraged all members to contribute to the exercise.
53-13-01.10	Joint Building and Construction Council: Towards a reformed and more inclusive Built Environment lobby group, the following organisations formally agreed to be members of the Council:- <ul style="list-style-type: none">- The Architectural Association of Kenya (AAK)- Kenya Association of Building and Civil Engineering Contractors (KABCEC)- Institute of Quantity Surveyors of Kenya (IQSK)- Kenya Property Developers Association (KPDA)- Chartered Institute of Arbitrators (Kenya Branch) It was announced that the new 'AGREEMENT AND CONDITIONS OF CONTRACT FOR BUILDING WORKS' had been completed and was ready for official launch and use by Members.
53-13-01.11	Friday Focus: The Association continued to hold open discussions on built environment issues via its social media handles using the #FridayFocus as its main hashtag. This initiative has helped the Association identify advocacy issues to take up with the government and other relevant authorities.
53-13-01.12	The AAK-TUM Memorandum of Understanding: In 2019, the AAK signed a Memorandum of Understanding with the Technical University of Mombasa (TUM) to undertake mutually beneficial programs as well as enhance the experience of faculty and members of AAK. The TUM also undertook to host the AAK Coast Branch as part of the memorandum of understanding.
53-13-01.13	Education: Validation of Courses by the Commonwealth Association of Architects (CAA): Both the University of Nairobi (UoN) and Jomo Kenyatta University of Agriculture and Technology (JKUAT) got unconditional validation of their architecture programmes from the validation exercise undertaken by the visiting Board of the Commonwealth Association of Architects (CAA). The Board consisted of Jayantha Perera (Sri Lanka) and Lenano Mosime (Botswana) as well as local members Patrick Karugo and Wilson Mugambi.
53-13-01.14	E-Construction Permitting at Nairobi County: Following challenges experienced by members of the construction permitting processes in Nairobi County for the better part of 2019, AAK worked collaboratively with other industry players e.g. the Kenya Property Developers Association (KPDA), and held a media conference to ensure the county government resolved the issues they were experiencing and restore the system. These initiatives bore fruit as the county government resolved to hold weekly meetings to consider and approve low-risk development applications. The County Government of Nairobi gazetted a Public Notice towards the same following an AAK Baraza on the same matter.



MINUTE	PARTICULARS
53-13-02	Membership Services and Communication
53-13-02.1	<p>Membership at AAK: The Association's membership continued to grow steadily largely because of vibrant CPD programs which impact the members in their professional environment.</p> <p>Within 2019, the Association experienced an increase in the number of members. The total number of paid up members as at 31st December 2019 was 1,931 compared to 1,645 as at December 31st 2018.</p>
53-13-02.2	<p>AAK Membership benefits include the following:-</p> <ul style="list-style-type: none">- Networking opportunities- Fresh and vibrant CPD events- Business opportunities- Career mentorship- Subsidized rates for attending events- Subsidized rates for purchase of documents- Representation in the industry- Advocacy ventures- Identifying with a strong, professional body
53-13-02.3	<p>AAK Events: The Association held 54 events spread across Advocacy, CSR, Networking, CPD Events, Public Awareness, Students' mentorship and the CAA Validation at the Jomo Kenyatta University of Agriculture and Technology (JKUAT) and the University of Nairobi (UoN).</p>
53-13-02.4	<p>The Je, Una Mjengo? Campaign: The campaign's main aim is to create public awareness on the building and construction processes in Kenya. In 2019, the campaign was held online as well as a physical event at the Aga Khan Walk, Nairobi. The Association plans to spread the campaign to other locations nationwide. The campaign managed to reach about 3,290,481 members of the public through AAK's several communication channels as well as physically and via mainstream media.</p>
53-13-02.5	<p>AAK BuildTalk: The Association continued to impact on its members' professionalism through these sessions. In 2019 the Association held eleven (11) BuildTalk sessions across a wide range of industry-relevant topics.</p>
53-13-02.6	<p>AAK BuildTour: About 750 members participated in the 6 BuildTours the Association held in 2019. The tours have been instrumental in providing case studies for our professionals to learn from as they help to bridge the gap between theory and practical execution.</p>
53-13-02.7	<p>AAK Convention: The 2019 AAK Convention was held at the Sarova Whitesands Hotel on 14th – 16th August 2019 under the theme 'Building Blocks and the Built Environment'.</p>



MINUTE	PARTICULARS
53-13-02.8	<p>Student Activities: During 2019, the Association supported several student associations comprising of students undertaking courses in the built and natural environment by participating in the following events:-</p> <ul style="list-style-type: none">- CPM Chapter 4th year finalist event- Architects Chapter Students' BIM Event - Technical University of Kenya. Both Architecture and Construction Management students attended the event.- JKUAT student membership drive- Students trip to Pescara Summer School, Italy- The AAK President participated in a panel session with ASA JKUAT- AAK Vice President attended the launch of TUM Students Association
53-13-02.9	<p>AAK Corporate Social Responsibility: In November 2019, AAK held its CSR run at the Arboretum. The proceeds went into supporting eight (8) students from the University of Nairobi (UoN), Jomo Kenyatta University of Agriculture and Technology (JKUAT) and the Technical University of Kenya (TUK) through the Association's bursary kitty. The CSR Event was flagged off by past chair of the AAK Mombasa Branch, Steven Ogwapit and the tree planting exercise was led by the BORAQS Chair and Chief Architect, S. Muli.</p>
53-13-02.10	<p>Mentor-Mentee Program: AAK introduced an intentional mentor-mentee program that is focused on providing mentorship to students and professionals alike. In the program, mentors are linked to mentees to which they offer career guidance as well as professional upbringing. In 2019, 70 mentees were linked to 30 mentors.</p>
53-13-02.11	<p>Publications: The Association published the following publications:</p> <ul style="list-style-type: none">- The AAK BuildPress: Formerly The Architect magazine, the AAK BuildPress Magazine covers issues cutting across the built and natural environment under the disciplines represented by the AAK Chapters. This was launched at the 53rd Annual General Meeting (AGM) via the Zoom Video Conferencing platform. The AAK BuildPress will fully transition onto an online platform thus facilitating the publishing of AAK members' papers as a membership value proposition.- The AAK Convention Magazine: Published annually during the AAK Convention, 2019's magazine articles rotated under the convention theme 'Building Blocks and the Built Environment'.- The Weekly Press Review: The Association shares with its members the mainstream media coverage of AAK advocacy (and other) ventures in a weekly online newsletter dubbed The AAK Weekly Press Review.- The AAK Monthly Newsletter: This publication covers advocacy and membership initiatives by the Association during the respective month. The newsletter is usually shared online with all the Association members.



MINUTE	PARTICULARS
53-13-02.12	<p>AAK Communication: The Association continued to engage its members through various channels as outlined below:-</p> <ul style="list-style-type: none">- The AAK Website: In 2019, it had 40,500 views- Social media: The Association continued actively using social media to engage its members and stakeholders at large.- Mainstream media: AAK's media presence was fairly strong during the year across television, radio and newspaper
53-13-02.12	<p>The AAK Store: AAK members are now able to purchase documents and AAK memorabilia through an efficient platform via the AAK Shop that is on the Association's website. This has made it easy and efficient for members as they do not have to be at the AAK Secretariat to purchase the documents.</p> <p>The AAK President, Mugure Njendu, thanked members for availing themselves and logging into the virtual AGM. She further invited members on a Call to Service (that would go out) by volunteering themselves into a technical advisory taskforce to advise on repurposing and/or constructing quick and safe, care and treatment centres for COVID-19 patients. The President wended up her presentation by also inviting members to log into an AAK Webinar titled '<i>The Construction Industry: Coping under COVID-19</i>' that would be held via the Zoom Platform on 27th March 2020 at 1500hrs</p>
53-13-03	Adoption of Report
53-13-03.1	The President's report was adopted.
53-13-03.2	Motion to adopt report by President proposed by Arch. Nicholas Onyango and seconded by Arch. Wycliffe Waburiri
53-13-04	Comments from Members
53-13-04.1	Members submitted appreciation of AAK championing the utility of technology to hold the AAK AGM virtually
53-13-04.2	There was an enquiry on the status of JBCC transitioning into a company. It was noted that operationally it was still the old JBC, however the process was still in transition as some items were yet to be fully revised e.g. the new directors. It was anticipated that the process would ideally be completed prior to the end of the year.
53-13-04.3	The sharing with members of the exact structure of JBCC was enquired. Towards this, the AAK President committed that it would be shared with AAK members once the shareholding had been defined in detail.



MINUTE	PARTICULARS
53-13-04.4	The IEK President (who is also an AAK member, M/No. 2023), Nathaniel Matalanga, noted that the IEK was not acknowledged on the JBCC document. It was however noted that the issue raised would be addressed through the JBC Chair.
53-13-04.5	The IEK President (who is also an AAK member, M/No. 2023), Nathaniel Matalanga, raised concern on the drafting of some clauses in the JBCC contract. It was noted that the issues had been addressed in subsequent meetings and that the contract was shared with IEK. He was advised to enquire from IEK if the document was received and review it to see if it captured their input.
53-14	Receiving Trustees Report from the Chairman of AAK Registered Trustees
53-14-01	The Trustees Report was presented by Planner/ Dr. Mary Kimani, Chair of the AAK Registered Trustees
53-14-02	It was noted that the AAK Registered Board of Trustees was reconstituted in the 52nd AGM held on 28th March 2019 when the Chairman, Arch. Gitau Mungai as well as one member, Eng. Ratna Hirani retired. Arch. Juma Oino and Arch. Steve Oundo were elected to replace the two retired members.
53-14-03	<p>The Board of Trustees held an election in their first meeting where they elected the following:-</p> <p>Eng. Grace Kagondou – Vice-Chair Qs. Hussein Were – Treasurer Arch. Juma Oino - Secretary.</p> <p>The current members of the Board of Trustees is therefore as follows:-</p> <ol style="list-style-type: none">1. Plan. Dr. Mary Kimani - Chair2. Eng. Grace Kagondou - Vice-Chair3. QS Hussein Were - Treasurer4. Arch. Juma Oino - Secretary5. Arch. Steve Oundo - Member
53-14-04	The Role of the Architectural Association of Kenya (AAK) Board of Trustees: It was noted that the AAK founder Trustees envisaged a body through which some of the funds raised in the activities of the Association could be channeled and used to achieve some of the long-term objectives of the Association. These funds would then be used to invest for the Association. The relationship between the Association and the Board of Trustees was through a Trust Deed. The Board of Trustees' members were appointed by the President of the Architectural Association of Kenya upon nomination through voting by the Annual General Meeting. The Trustees' role was therefore to hold the assets of the Association and further, to grow the Association's wealth to enable it build a portfolio of assets that can support the growth and sustainability of the Association.



MINUTE	PARTICULARS
53-14-05	AAK Properties and Assets held by the Board of Trustees: The Trustees held in custody two properties i.e. the Golf Villa property that earns rental income and the Blue Violet office which houses the AAK secretariat. It was noted that the current Board of Trustees had embarked on the path to saving funds to enable the identification of another property for the Association with the vision being the building of an AAK Plaza.
53-14-06	Trustees Accounts for the Year 2019: The Trustees audited accounts were presented by the Auditor Messrs Mazars, Certified Public Accountants (K) in the Trustees meeting held on 17th March 2020. The accounts were adopted.
53-14-07	In the year ending 31st December, 2019, the Golf Villa property earned KShs. 960,000/=. Additionally, the Trustees also received KShs. 90,000/= from the AAK Governing Council. This followed a meeting held with the AAK Governing Council on 18th July 2019 where it was agreed that the Association would remit on a monthly basis some amount at the discretion of the AAK Governing Council to cover payment of rent by AAK Secretariat for the Blue Violet offices, 30% funds Percentage from sale of Documents and end of year surpluses.
53-14-08	Relationship with the AAK Governing Council in the year ended: The trustees held a joint meeting with the AAK Governing Council on 18th July 2019. The Governing Council was represented by the President Mugure Njendu and the Treasurer Olivia Otieno. In attendance was the Chief Executive Officer and the Finance and Administration Manager. In this meeting the Association committed as per the AGM resolution to be making regular remittances from designated sources including:- i. Payment of rent by AAK Secretariat for the Blue Violet property offices ii. Surpluses So far the Trustees account had received Kshs. 90,000/= being a lump sum remittance for all the above items. It was the hope of the Trustees that the Association would honour its obligation of remitting the funds in the spirit of enabling the Board of Trustees to fulfil its long-term mandate of securing the Association's future financially.
53-14.09	Adoption of Report
53-14-09.1	The Trustees report was adopted.
53-14-09.2	Motion to adopt report by Trustees proposed by Arch. Martin Tairo and seconded by QS Dan Kimoro.



MINUTE	PARTICULARS
53-14.10	Comments from Members
53-14-10.1	It was proposed that the Association should inculcate the discipline to pay rent for the Blue Violet Plaza office at market rate so as to ensure that the Trustees recovered the investment. It was however noted that there was a thin balance between spending money to advocate for the interests of members and putting some money aside as savings. It was reiterated that there was the commitment to save some of the money. It was further mentioned that a percentage of the surplus at the end of the year would be sent to the Trustees account as savings.
53-14-10.2	An enquiry was made on any plans in place towards development of the AAK Plaza. The Board of Trustees Chair noted that the Trustees already had a team in place which was looking at the strategy but it needed to have something in store first so as to move to the next level.
53-14-10.3	It was suggested that a growth in membership would be a viable way of raising funds. The AAK President noted that the AAK undertook a robust review of the membership platform after it noted that it had problems and came up with a new solution which was in the testing stage by a small team of AAK members while giving feedback to the provider to be able to improve it before launching the system.
53-15	Receiving Hon. Treasurer's Report
53-15-01	The Honorary Treasurer's Report was presented by Q.S. Olivia Sally Otieno, AAK Honorary Treasurer.
53-15-02	Revenue: The Association witnessed an increase in revenue from 2018 to 2019 but not as large of a percentage increase as past years due to the economic challenges the country had witnessed.
53-15-03	<p>Expenditure: While ensuring that usage of AAK Funds was in line with the Association's mandate and its financial policy, AAK's expenditure in 2019 increased to ensure that it addressed issues of value to our members.</p> <p>In line with relooking at the Association's revenue streams, AAK has developed an organisational sustainability programme that is focused on this with the following focus:-</p> <ul style="list-style-type: none">• All activities and programs rolled out must be self-sustaining at all levels of the Association.• A relook at the job descriptions of the AAK staff and ensuring that these provide value proposition for the Association.• Revamp the AAK Store to galvanise merchandise purchase from all sources



MINUTE	PARTICULARS
	<ul style="list-style-type: none">• Grant writing to seek funding for our research and advocacy activities• The Association has moved the BUILDPRESS to an online magazine, with only Firm members receiving hard copies moving forward. <p>It was noted that during the year, the Association changed its policy on how it accounted for funds received from donors. This meant that AAK would only account for the funds received and spent during the year which, compared to the previous years' method, gives a more accurate record of grant revenue received, as viewed against the advocacy expenditure. This has had an impact on AAK's financial statements for last year.</p> <p>The Association also made a contribution to the AAK Co-operative SACCO to help in maintaining a staff member who has had a positive impact. The society adds an important membership benefit as outlined in the AAK Constitution and By-Laws</p>
53-15-05	Human Resource Capacity: In 2019, the Association did not hire any permanent staff bearing in mind the challenges witnessed economically
53-15-06	Technology: Our membership services platform went through a robust audit system after being in use for some time. Challenges were witnessed by members on the system and as a result, a migration exercise to a new online based platform was underway. The Association continued to maintain a robust financial management system, having recently invested in a web based accounting platform - 'Xero' and which ensured that proper and accurate books of account were maintained.
53-15-07	AAK Budget: In light of the challenges in the economic environment, and the need for increased value for the members, the Treasurer presented a budget that was conservative in expenditure and revenue generation.
53-15-08	The Honorary Treasurer proceeded to invite the auditor from Messrs Ronalds & Associates, Certified Public Accountants (K) to make a presentation of the audited financial accounts after which all questions and comments from both sections would be taken.
53-15-09	Comments from Members
53-15-09.1	Hon. Secretary proposed for the adoption of the Hon. Treasurer's Report from the floor. Arch. John Kedogo was recorded as the proposer and Arch. Mohammed Munyanya as seconding it.
53-15-09.2	An explanation was sought on the doubling cost of the AAK AGM when the years 2018 and 2019 were compared against each other. It was noted that 2019 was an election year and every election year incurred the costs for the voting system and the auditing that came with it. Further, the AGM of an election year tends to have a higher attendance and it reflected on the room hire costs and AGM dinner.



MINUTE	PARTICULARS
53-15-09.3	Clarification was sought on why there seemed to be a considerable surplus between costs and revenue generated for CAA. The Hon. Treasurer noted that the Association would reexamine the matter.
53-15-09.4	Clarification was sought on the insurance the Association was paying for. It was noted that the Association offered medical insurance to all its members of staff and family members. Further, 2018 insurance costs were captured as staff costs. In 2019, insurances were instead reported as a separate line item as 'Insurance'.
53-15-09.5	It was suggested that the Association should take bold steps that would be taken towards the financial sustainability of the Association. The Hon. Treasurer noted that the journey towards financial sustainability should be a combined effort at both the Association and Chapter level. The Treasurer invited members to suggest more ideas of how the Association could raise funds and minimize costs
53-15-09.6	It was suggested that for purposes of reporting, AAK election costs should be recorded as a separate item. They shouldn't be lumped together with other AGM costs for clarity on line items
53-15-09.7	It was noted that both the President's and Treasurer's report did not comment or make any statement on costs incurred by AAK on account of legal challenges it has had in court associated with the 2019 AAK elections. The Hon. Treasurer noted that the legal fees was part of professional fees which was incurred and it had been captured on page 59 under 'Professional Fees'. She noted that it was paid in parts and therefore part of it will be reflected in 2020's audited accounts.
53-15-10	Adoption of Honorary Treasurer's Report and Budget
53-15-10.1	The Honorary Treasurer's Report and Budget were adopted
53-15-10.2	Motion to adopt Treasurer's Report was proposed by Arch. Joseph Kedogo and seconded by Arch. Mohammed Munyanya
53-16	Receiving Auditors Report for the Financial Year ended 31st December 2019
53-16-01	Audited Accounts for the financial year ended 31st December 2019 were presented by Evelyn Kanjagua, a representative of Messrs Ronalds & Associates, Certified Public Accountants (K)
53-16-02	Comments from Members
53-16-02.1	There were no comments



MINUTE	PARTICULARS
53-16-03	Adoption of Audited Accounts 2019
53-16-03.1	The meeting approved and adopted the Audited Accounts 2019
53-16-04	Appointment of Auditors of the 2020 Financial Year
53-16-04.1	Hon. Treasurer noted that it was AAK's policy that an Auditor serves the Association for three financial years and that Messrs Ronalds & Associates, Certified Public Accountants (K) had already done so.
53-16-04.2	The Hon. Treasurer proposed for members' consideration the adoption of MGK Associates to provide external audit services to the Association for the Financial Year 2020. She noted that the Association had developed a prequalified list of auditors towards the end of 2019 following the review of submission of technical ability and fees from various auditing companies
53-16-04.3	The Hon. Secretary presented to the floor the Hon. Treasurer's proposal for members to adopt.
53-16-04.4	Motion to adopt proposed auditor – MGK Associates- was proposed by Eng. Nathaniel Matalanga and seconded by Arch. Abdul Warfa Motion to adopt proposed auditor – MGK Associates- was proposed by Eng. Nathaniel Matalanga and seconded by Arch. Abdul Warfa
53-17	Any other business for which fourteen (14 No.) days' Notice has been given to members in writing

There being no other business, the meeting adjourned at 1836hrs

MARYLYN MUSYIMI
HONORARY SECRETARY, AAK

MUGURE NJENDU
PRESIDENT, AAK



Governing Council Report from the AAK President

Good afternoon Ladies and Gentlemen,

On behalf of the Governing Council, it is my pleasure to be before you today and welcome you to the 54th Annual General Meeting of the Architectural Association of Kenya.

As we all know, we have had a very unusual year, with the Covid-19 pandemic hitting our country just before our last Annual General Meeting, bringing with it uncertainties and disruption of social and economic lives across the globe. It was the year we learnt that the world could actually do everything differently. In this year, we learnt that in staying at home and staying safe, the world could still connect virtually and still move businesses. While other businesses like home deliveries, data service providers among other thrived in this time, other businesses dwindled or closed their doors altogether. I would like to thank you our members because with your support, we were able to remain afloat.

Before we proceed, I wish to request members to rise and observe a moment of silence in honour of the following who have departed during the year:

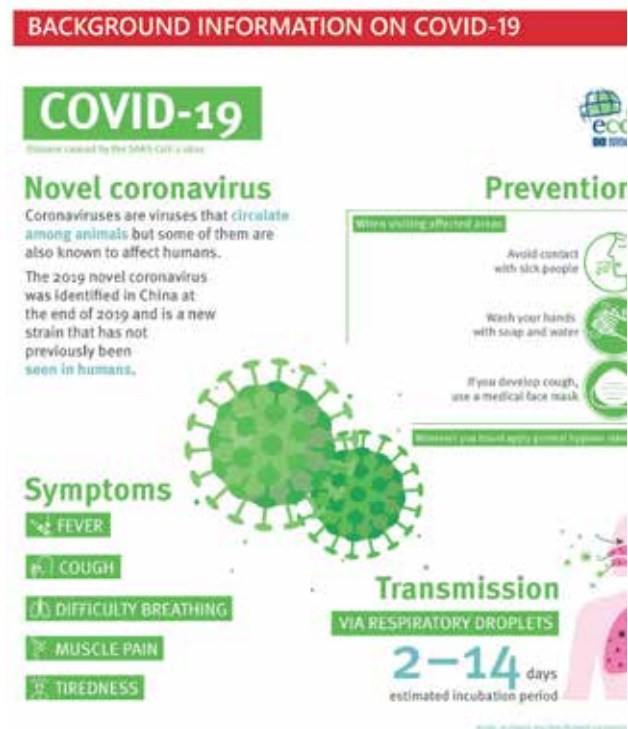
1. **Arch. Richard Hughes** - Founding member of AAK, Architects' Chapter
2. **QS Adam Syngidura Marjan** - Fellow member, Quantity Surveyors' Chapter
3. **Eng. I. B Patel** - Fellow member, Engineers' Chapter
4. **Arch. Daniel Nguku Chamia** - Corporate Member, Architects' Chapter
5. **Arch. Cyrus Gachira Thairu** - Corporate member, Architects' Chapter
6. **Arch. Patrick Maina Gituthu** - Corporate member, Architects' Chapter
7. **Arch. Ngure Kairu** - Corporate member, Architects' Chapter
8. **Dr. Paul Gachanga Ndarua** - Corporate member, Architects' Chapter
9. **Arch. Nguyo Ngibuini** - Corporate Member, Architects' Chapter
10. **Tech. Arch. George Omoro Mokaya** - Technician Member, Architects' Chapter
11. **Alois Kaberia Irimba** - Corporate Architects Chapter
12. **John Ndungu Mbuthia**
13. **QS. Joseph Nandi Odhingo**

1. Dealing with the Pandemic

The Covid-19 pandemic has brought unprecedented challenges to the social and economic lives of people across the world, affecting businesses and economies. This pandemic has also brought to the fore the significance of the built environment in managing pandemics and providing safe and healthy spaces to live and work and the challenges that our country has faced in building spaces that meet minimum standards for health and safety.

Our Association took up the challenge and set up a Task Force to review and advise on the interventions necessary to effectively manage the pandemic in our situation, from the built environment perspective.

The efforts of the team and in collaboration with the Kenya Healthcare Federation, we published '**Proposed Guidelines on Planning and Design of Covid-19 Quarantine and Treatment Centres and Long-term Infrastructural Interventions for the Kenyan Context**'. The objective of this document is to provide quick and innovative infrastructure guidelines to public and private health care sector players in response to Covid-19 pandemic. The publication was shared widely with national and county governments and other health sector stakeholders is also available on the AAK website.





The Kenyan health infrastructure has been inadequate even before the pandemic struck. One of the immediate challenges that our nation faced was building capacity of our health system to manage possible sharp rise in infections in the country in the context of budgetary and time constraints. Some of the recommendations that we made include:

INTERVENTIONS



1. Immediate design input on retrofitting of existing hospitals and schools required for Covid-19 Patients

2. Innovative Design Solutions - container conversion, retrofitting of facilities, isolation units



3. Urban Scale solutions - mapping out identified facilities, urban parks and fields from city, neighbourhood, county level

4. Public Health solutions on sanitization, provision of water, emergency accesses etc.



5. Post Covid-19 strategies: longterm interventions and regulations, policies, legislation, guidelines on urban management

Kenyan schools have considerably weaker infrastructure lacking in essential facilities such as running water and clean sanitation facilities. This, coupled with the expanded learner populations made schools to be seen as rather risky places that would expose the students and teachers to infections. The Government ordered the closure of all schools and our children stayed and learnt from home for more than nine months.

Again, our nation faced budgetary and time challenges to transform our educational institutions to be safer for our children. The re-opening of schools required careful review of the facilities available and our team made various recommendations contained in **Safe Learning Post Covid 19 – Proposed Guidelines for the Safe Reopening of Schools Post Covid-19**.

The publication covers wide areas, including:

i. Review of Existing Legislation & Policies

- Health and Safety in Education
- Legislative Framework Guiding Construction & Management of Education Facilities

ii. Resource Availability and Retrofitting of Existing Infrastructure

- Mapping of Existing Education Infrastructure
- Architectural & Planning Considerations for Retrofitting existing infrastructure (Including MOH & WHO standards)
- Innovative Design Solutions at Classroom Scale and External Scale

iii. Sustainability and long-term Interventions to Future-Proof Learning Environments



Despite the challenges, our Association hosted the AAK Annual Convention on 5-6 November 2022 at the Great Rift Valley Lodge, Naivasha. The theme of the Convention was **COVID-19: The Built Environment in Africa Amidst a Global Pandemic, Lessons and the Way Forward**. Having learnt from experiences in all parts of the world, it was a time to review and discuss and assess the impact that the pandemic had in Africa and develop appropriate responses on our continent. This was a hybrid event with speakers drawn from different parts of the continent. We thank all members and other industry partners who made time to join the convention virtually and in-person.



2. Promoting Local Content

AAK Memorandum on the Proposed Kenya - United States of America Free Trade Area Agreement

AAK submitted our memorandum on the Proposed Kenya - United States of America Free Trade Area Agreement. We proposed that deliberate efforts must be taken to cushion local practitioners from being overshadowed by professionals from other countries with well-established structures and financial strength. In addition, AAK proposed that among others, the Proposed Kenya - United States of America Free Trade Area Agreement must:

- Include a cap for the maximum number of such citizens that can be registered annually as professionals. Local professional bodies should also be mandated to provide temporary practicing licenses.
- The requirements that cross border services suppliers establish must a local presence and must be properly monitored and evaluated.
- Retain the existing differentiation mechanisms between domestic and foreign consultants. This should be underscored by terms for ownership of firms and partnership with locals, as well as visa and work permit requirements for foreigners.
- Ensure there is mutual reciprocity of MRA and recognition of built environment education and registration requirements to facilitate inter-country transfer of professional skills and trade

Further, the Association recognises the challenges faced by Kenyan players and has been actively involved, alongside KEPSA and other key partners in various initiatives to promote local content – both goods and services in projects carried out in Kenya and has made contribution to the local content policy.

3. Climate Change

The impact and effect of climate change is being felt, louder than ever before and it is now a priority focus are across the world, for governments, international organisations and other stakeholders. The built environment is a major contributor to greenhouse gas emissions and it is our duty to implement activities that will reduce the effects on the environment.

Our association has developed a Memorandum of Understanding with the Kenya Green Building Society (KGBS) to start working on programmes and projects, liaising with other key industry players including manufacturers and contractors to promote sustainable business practices.

I am also pleased to inform members that the theme of this year's Annual Convention will be **The Built Environment and Climate Action: An Impactful Way Forward.**



THE ARCHITECTURAL ASSOCIATION OF KENYA INVITES YOU TO THE

AAK Annual Convention

The Built Environment and Climate Action: An Impactful Way Forward



11th - 14th
AUGUST

AAK ANNUAL CONVENTION 2021

The Built Environment and Climate Action:
An Impactful Way Forward

SAROVA WHITESANDS BEACH RESORT, MOMBASA



11th-14th August



Sarova Whitesands Beach Resort, Mombasa



[f @ArchKE](#) [t @arch_ke](#) [i @arch_ke](#)

Email: aak@aak.or.ke Phone: 020 242 0806, 0721 691 337



4. Revisions to the Building Code

We are pleased to report that the revision of the Building Code that started more than 20 years ago is nearing completion. As reported, the necessary amendments to the National Construction Authority Act have been enacted to place the enforcement of the Building Code and a function of the Authority. We commend the NCA for playing an active role to progress this initiative.

The Authority is currently conducting public participation sessions across the country and it is our hope that this will be completed and gazetted in the coming weeks.

It is also our hope that the completion of this exercise, together with the completion of the regulations developed under the Physical and Land Use Planning Act will promote a sustainable, safer and more orderly built environment in Kenya that takes full advantage of the more recent technological advancement for the benefit of Kenyans.

I take this opportunity to appreciate and acknowledge the effort some of our members have put toward this initiative and wish to recognize Dr. Reuben Mutiso, Prof. Robert Rukwaro, Waweru Gathecha, Robert Kariuki, Florence Nyole, Juliet Rita.



LEGAL NOTICE NO.....

THE NATIONAL CONSTRUCTION AUTHORITY ACT
(No. 41 of 2011)

THE NATIONAL BUILDING CODE, 2020



5. Urban Thinkers Campus

The Association hosted an urban thinkers campus with the theme 'Urban Resilience in the Face of a Crisis'. This is a UN Habitat Initiative under the World Urban Campaign that that was hosted online on 16th -18th November 2020. This campus was organized in collaboration with the International Union of Architects (UIA), International Society of City and Regional Planners (ISOCARP), International Federation of Landscape Architects (IFLA) and the County Government of Mombasa.

We had a fully virtual event with very vibrant and high level discussions. The opening session of the UTC featured the President of the International Union of Architects, Thomas Vonier, the President of ISOCARP, Martin Dubbeling (International Society of City and Regional Planners) and the President of IFLA- Africa (International Federation of Landscape Architects). The Session was closed by former AAK Chairman and UIA Regional Vice President, Arch. Mohammed Munyanya.

Notable advocacy areas identified during the UTC and which the Association intends to pursue include the need for establishment of a local sustainability index and the design of actual 'affordable' housing units for informal settlements.

6. The National Construction Authority (Defects And Liability) Regulations 2020

The Cabinet Secretary, Ministry of Transport, Infrastructure, Housing, Urban Development and Public Works published the National Construction Authority (Defects Liability) Regulations in the Kenya Gazette Supplement No. 51 dated 20th April 2020. These regulations were developed without stakeholder consultation as required by the Constitution and other laws. Further the regulations have serious flaws that limit the freedom of contract, adversely changing the responsibilities of built environment professionals and introduced ambiguity in the apportionment of liability between consultant and contractors.

The Association raised this matter and petitioned the Cabinet Secretary and other government organs, including the legislature on the matter. The Cabinet Secretary was subsequently invited to a meeting with the Standing Committee on Roads and Transportation of the Senate on 29th June 2020 to deliberate on the Statement sought by Sen. (Arch) Sylvia Kasanga, and AAK member on the operationalization of the National Construction Authority (Defects Liability) Regulations, 2020. AAK, together with other industry stakeholders presented our case.

This matter has been taken up by the Joint Building and Construction Council which has moved to the High Court to challenge the regulations.



7. Automation of Development Control

The Association remains committed to work toward expansion of the automation of development control process in the country. While there have been a number of challenges at the county government level in ensuring the systems operate in an efficient manner, the function has broadly improved from the manual system.

We are also pleased to report that the County Government of Kajiado has officially launched an electronic permitting system in December 2020. We will continue to work with county governments and key partners in this regard. We are also pleased to note that the Nairobi Metropolitan Services has enhanced its system to include QR code function.

8. Status of the Built Environment Report

In the year ending 2020, the AAK released two editions of the *Status of Built Environment Report* with the first edition being the January – July 2020 and the second edition being the August–December 2020 report. Markedly, our continued collaboration with other industry players saw the July – December 2020 edition being published with the support of the National Construction Authority (NCA) and Shelter Afrique. The preparation of the July-December SBE Report saw the Association embark on a data collection exercise via a survey to our members to establish how the Covid-19 pandemic affected their operations. The survey revealed that our industry had severely been affected with majority of our members indicating that they had recorded a decline in client inquires while others had been forced to halt ongoing projects.





9. The Establishment of a Real Estate Developers' Regulatory Board

The State Department for Housing and Urban Development of the Ministry of Transport, Infrastructure, Housing, Urban Development has initiated an exercise to establish a Real Estate Developers Regulatory Board. Our Association supports the establishment of the board to protect the public from loss of money as a result of dishonest actions by property developers.

We have submitted our memorandum to the State Department highlighting some of our concerns and proposals to which the state department acknowledged receipt and indicated that they would be engaging us further.

10. Integrated, Inclusive, Infrastructure for Kenya 3IF

The Architectural Association of Kenya, in partnership with Konkuey Design Initiative (KDI), Arup Group, University College London, Akiba Mashinani are involved in an initiative, funded by the Royal Academy of Engineering to promote Integrated, Inclusive, Infrastructure for Kenya. The key activities will include developing 3IF for slum upgrading in Kenya including infrastructure needs methodology, design principles guidelines, application and testing of 3IF principles in real neighbourhoods, influencing policy and participation and institute professional learning for professionals. This project will run for approximately 1 year and we will be communicating as it progresses.

11. East Africa Institute of Architects

I wish to inform members that Fellow Member David Mutiso has officially communicated his retirement from service as the Senior Trustee of EAIA and custodian of the EAIA Bursary Fund. Our Association will be forever grateful for his long and devoted service to the institute. Consequently, appropriate action is being taken to replace him. Arch. Philip Kungu who has served as an EAIA Trustee will take over from David Mutiso as Senior Trustee while James Gitoho will take up the role of Trustee.



B. MEMBERSHIP SERVICES AND COMMUNICATIONS

Despite the global pandemic, the Association’s membership continued increasing at a steady rate. This was occasioned by the membership benefits we have that continue to attract members to join the Association.

1. AAK Membership trends and growth in 2020

a. Overall membership numbers as at 31st December 2020

The Association’s overall active membership has increased over the years from 1,073 to 2,066.

Year	Number of Members
2017	1,073
2018	1,645
2019	1,931
2020	2,066

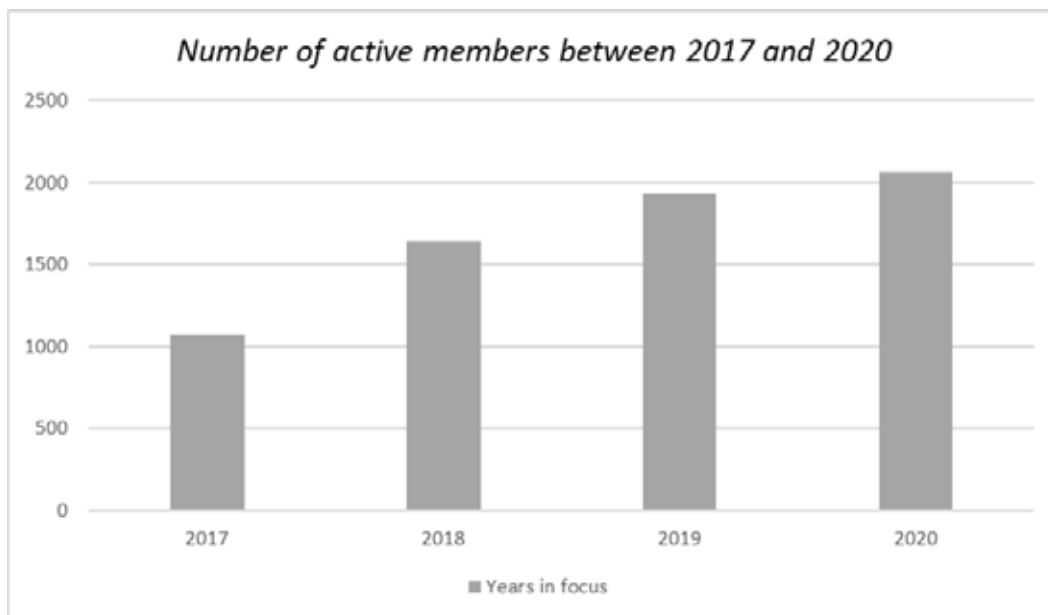


Figure 1: Number of Active Members at the Association between 2017 and 2020



b. Membership (per chapter) as at 31st December 2020

The Association's membership per chapter was as represented below in the year 2020.

	Arch	QS	Eng	TP	LA	CPM	EDC	Total
Fellow	25	12	6	4	3	0	0	50
Corporate	388	109	32	71	15	46	9	670
Licentiate	41	2	0	0	1	2	0	46
Graduate	254	31	8	18	51	19	1	382
Technician	47	5	1	0	0	1	0	54
Student	272	199	41	116	91	35	0	754
Firm	67	25	5	3	4	1	0	105
Total	1094	383	93	212	165	104	10	2,061

c. Membership services

The Association held the following campaigns within 2020:

- The Je, UnaMjengo? Campaign:** The campaign was focused on creating awareness amongst the general public with regards to the Built Environment industry. The 2020 *Je, una mjengo?* Campaign took place between 25th to 29th May 2020. Owing to restrictions necessitated by the existence of the Covid-19 virus, the campaign was held entirely online in partnership with the National Construction Authority (NCA). The campaign reached a total of 245,044 via social media and about 2,738,000 via mainstream media (television, radio and newspaper).
- The AAK #MeetTheFellows Campaign:** The campaign was meant to familiarize the members to the fellow members, which is the highest and most prestigious level of membership at the Association. We thank members of the College of Fellows who participated in this activity which was carried out via video recordings that continue to attract good viewership on the AAK YouTube Channel.



2. Events in 2020

The AAK held a total of 25 Continuous Professional Development (CPD) and networking events. Some of the events were physical while some were virtual as well as hybrid. The events were on several topics as captured below:

Event and Topic	Date and venue
AAK Baraza: <i>Towards improving development permitting in the city of Nairobi.</i>	4th February, Ngong Hills Hotel
Awards of Excellence and Gala Dinner	27th February, Serena hotel.
Annual General Meeting	26th March, Virtual
<i>Je, Una Mjengo?</i> Awareness campaign	Virtual
AAK Webinar: The Construction Industry: Coping under Covid 19	31st March
AAK Webinar: Working from Home: Making it Work for You	8th April
AAK Webinar: Business Information Modelling (BIM) for Remote Working	15th April
AAK Webinar: Business Continuity, Risk Mitigation and Financial Planning for Built Environment Professionals	22nd April 2020
AAK Webinar: Realignment / adapting the informal settlements to be more resilient to Covid 19	29th April 2020
AAK Webinar: Sources of capital amid covid-19 Pandemic: This was held in conjunction with the Kenya Bankers Association	10th June
AAK Webinar: Remote collaboration for Architects and Engineers	3rd June
AAK Webinar: The Joint Building and Construction Council (JBCC) Contract	8th July
AAK Webinar: Influence of early day architects on present day and architecture of the future in the region hosted by the Architects' Chapter	15th July



Event and Topic	Date and venue
AAK Webinar: Opportunities for Built Environment Professionals in Gas, Mining and Petroleum Industry hosted by the Quantity Surveyors' Chapter	29th July
AAK Webinar: The Street Design Manual for Urban Areas in Kenya (SDMUAK) hosted by the Town Planners' Chapter	12th August
AAK Webinar: Emerging Fire Protection Challenges, Risks and the Response Strategies hosted by the EDC Chapter	26th August
AAK Webinar: Webinar on how to make e-learning work for you	30th September
Customer Appreciation Week	5th – 9th October, Virtual
World Architecture Day	5th October, Virtual
Webinar on Best Practices for School Design Post Covid-19	13th October
The AAK Convention 2021	5th and 6th November, Hybrid event. Physical event held at the Great Rift Valley Lodge and virtual event
World Town Planning Day	8th November, Virtual
Urban Thinkers Campus	18th – 20th November, Virtual
The AAK President's dinner	10th December 2020, Nairobi Serena Hotel
The AAK #MeetTheFellows Campaign	December 2020



3. Communication trends and Consumption at the Association

a. Email communication

Number of emails sent	Total number of recipients (per month)	Average open rate	Average click rate
64	2,798	35%	2%

b. Text messages

The Association sent out 76 text messages within the year 2020 to its members.

c. Social media

i. Facebook

The following figures represent the average engagement on AAK's Facebook page within 2020.

Followers	Post reaches	Page Views	Page Likes	Post Engagement	Video views
11,000	210,699	817	81	16,431	5,074

ii. Twitter

The following figures represent the average engagement on AAK's Twitter page within 2020.

Followers	Tweets	Impressions	Profile Visits	Mentions
12,600	168	198,000	4,656	609

iii. Youtube

The AAK YouTube channel had the following reach within 2020:

Subscribers	419
Total views	11,500
Watch time	800.5
Top videos	#MeetTheFellowsCampaign: Arch. James Waweru (830 Views) Winners Announcement: Floods Resilient Competition (742 Views) Je, Una Mjengo? Campaign: E-Permitting Construction Approval – Plan. Gatimu David (679 Views)
Impressions	80,600
Click through rate	3.6%

d. Mainstream media

The Association reached a wide audience within the year 2020 through several of its campaigns. The launch of the *BuildHub* (Facilitated by the Business Advocacy Fund) especially as well as the *Je, Una Mjengo?* Campaign and the AAK Convention resulted in most of the coverage on the mainstream media throughout 2020. Other coverage especially on print media was from editorial and opinion pieces written by the Association on particular topical issues. The following data shows media coverage within 2020.

Media	Coverage	Details
Television	9	Mount Kenya TV (Je, Unamjengo? Campaign) Switch TV (Launch of BuildHub) NTV (AAK Launches Website) – 4th February K24 (Kenya goes Digital to address Building Permits) – 4th February NTV (News Ticker: Housing Ministry seeks harmonized processing of construction permits. New website launched to avail information on all approvals for construction works) – 5th February



Media	Coverage	Details
Television	9	<p>K24 (AAK Launches Public Information Portal to Promote Transparency) – 5th February</p> <p>Ebru TV (Website to Ease Access of Construction Information) – 5th February twice (1.31pm and 9.50pm)</p> <p>NTV (Govt. Decries Corruption Stifling Investment in Corruption) – 6th February 9.44pm</p> <p>KBC TV (Mai Mahiu industrial Park inland container depot gazetted as special economic zones)</p>
Radio	10	<p>Classic 105 (AAK to Launch Public Information Portal to Promote Transparency) Twice 7.26am and 9.32am</p> <p>East FM (AAK to Launch Public Information Portal to Promote Transparency) – 4th February 7.32am and 9.30am</p> <p>KBC English service (Municipalities to have Approved Architects – Messaging on website included) – 4th February</p> <p>Radio Taifa (Municipalities to have Approved Architects) – 4th February</p> <p>Classic 105 – (AAK Goes Digital to address Building Permits Delay) – 5th February Twice 1.05pm and 6.28pm</p> <p>County FM (Housing Deals Fall Sh. 69bn on City Hall Permits hitch) – 5th February Twice 7.24am and 9.20am</p> <p>East FM (Kenyan's to access Building Permits through a website) – 5th February</p> <p>Baraka FM (Je, Unamjengo? Campaign)</p> <p>Sidai FM (Je, Unamjengo? Campaign)</p> <p>Gukena FM (5 days features) (Je, Unamjengo? Campaign)</p>



Media	Coverage	Details
Print Media	13	<p>Business Daily (Housing Deals fall Sh69bn on city hall permits hitch) – 5th February</p> <p>Business Daily (Architects Ease public Access to Information) – 5th February</p> <p>Daily Nation (Portal Launch) – 5th February</p> <p>The People Daily (Nairobi Taps Sh 57bn Deals on Approval)</p> <p>The Standard (New Portal to Smoothen Approvals) – 5th February</p> <p>Business Daily (Quotable Quotes: Despite strides taken by county governments) – 7th February</p> <p>Business Daily (Architects push for Covid-19 Redesign)</p> <p>Business Daily (A Future of Redesign public, working spaces)</p> <p>Standard Newspaper (Architects to Guide on Quarantine Centers)</p> <p>Business Daily (Builders told to use experts to minimize disasters)</p> <p>People Daily (Don't just build ... do it right, says architects' boss)</p> <p>Standard Media (Cities told to focus on people, not cars)</p> <p>People Daily (Corona Virus raises stakes for healthy buildings)</p>



4. AAK Publications

a. The AAK BuildPress Magazine:

This year, the Association rebranded its quarterly magazine, The Architect to the AAK BuildPress Magazine. The Association published two issues of the BuildPress magazine within 2020. These were:

- Issue 1: Unpacking BIM
- Issue 2: Covid 19: Challenges, interventions and road to recovery

b. The AAK Convention Magazine:

The Association published the Convention magazine themed Covid-19: The Built Environment in Africa Amidst a Global Pandemic: Lessons and the Way Forward

c. The Status of the Built Environment report:

The Association published the report of the Status of Built Environment report for the July – December 2019 quarter in January 2020. It also published the January – June 2020 report within the month of July 2020.

d. The Covid-19 Rapid Response:

Proposed Guidelines on Planning and Design of Covid-19 Quarantine and treatment centres, and long term infrastructural interventions for the Kenyan Context. This publication was shared with the Ministry of Health and other stakeholders for information.

e. Safe Learning Post Covid-19:

Proposed Guidelines for the Safe Re-opening of Schools Post Covid-19

f. The AAK monthly Newsletter:

The AAK monthly newsletter is published every first week of the month and it covers events that have taken place within AAK and the industry at large. In 2020, we sent out 12 (twelve) monthly newsletters. These had an average opening rate of 8.34%

g. The Weekly Press Review:

Every week, the Association sends out a weekly press review to its members. This is a weekly round-up of issues that have shaped or are shaping the Built and Natural Environment that are important to our members and partners.



5. The Membership and Communications Committee focus for 2021

- a. **Member value addition:** The focus is to add value for members and ensure they get their membership's worth and also enforce membership retention
- b. **Reviewing the membership benefits across all membership classes**
- c. **Focus on upgrade of membership class**
- d. **New member recruitment – to expand membership base**
- e. **Forging meaningful and strategic relationships with industry players for the benefit of our members**



Finance and Administration

Despite the challenges we continue to face with the pandemic, we have been able to record an improvement in our finances, thanks to your support as members, especially with regard to your timely remittance of membership subscriptions. I encourage all to continue in this spirit for the growth of our Association. The AAK Secretariat remains robust and has ably delivered on the programmes and projects of the Association. We had some changes at the Secretariat during the year – Maureen Gikonyo left her position as Research and Advocacy Manager in April 2020 and has since been replaced by Mr. James Odongo while Susan Ndung'u has recently exited and the Association has recruited Judy Jerotich to take up the position.

Finally, as we come to the end of this session and my term of service as the President of the Association, I take this opportunity to sincerely thank all members for your support and participation in Association activities during this period. I also wish to thank the entire leadership team at the Association, both at the Governing Council, Chapter Council and Secretariat for the cordial working relationship and cooperation.

As I exit, I wish the newly elected leadership team and the entire Association every success in advancing the objects of the Association.



Trustees' Report

INTRODUCTION

The President of AAK, Arch Mugure Njendu,
Members of the AAK Governing Council,
Honorable AAK members,
Ladies and Gentlemen,

It gives me great pleasure to present the AAK Registered Board of Trustees Report for the year 2021. The year was characterized by very new circumstances brought on by the Covid-19 pandemic which is yet to be tamed. Under these challenging circumstances, the activities of the Board over the past year were very limited, as indeed were other public activities nationally and internationally. Nonetheless, we are keen to continue engaging with our stakeholders in particular you, the members of AAK, so as to actualize our mandate.

AAK PROPERTIES AND ASSETS HELD BY THE BOARD OF TRUSTEES

As at now, the Trustees have custody of two properties. The Golf Villa property which is a residential house in Golf Course Nairobi and an office space at Blue Violet Plaza that houses the AAK secretariat. We still desire to acquire more assets including a major development to add to our portfolio, even as we look forward to diversifying the category of assets we hold in our portfolio.

TRUSTEES ACCOUNTS FOR THE YEAR 2020

The Trustees accounts for the year 2020 have been audited and presented to this AGM as per the detailed Report to AAK Members attached herewith.

In the year ending 31st December 2020 the Golf Villa property generated a total sum of Kshs 960,000/- as rental income. Additionally, the Trustees received Kshs 2million from the AAK Governing Council in January 2021. This is very commendable given the unprecedented turn of events caused by the COVID- 19 pandemic which no doubt put a strain on the Association activities. It is our hope as Trustees that the Governing Council shall continue to make timely remittances based on office rent for the Secretariat at Blue Violet Plaza, 30% of sale of Documents and end of year surpluses. We also pray that the Association will continue to be innovative and find new ways to boost their income and remittance to the Trustees, so as to enable the Board undertake more ambitious investment plans as envisaged. Indeed, a strong asset base means a more financially secure association in the long term.

RELATIONSHIP WITH AAK GOVERNING COUNCIL IN THE YEAR ENDED

Over the year we continued to consult closely with the Governing Council on matters touching on the obligations of the Governing Council and the role of the Trustees. We hope to continue with these engagements in the coming year in order to foster our collective mandates and secure a sound financial future for the Association.

3/03/2021

For
Plnr Dr. Mary Kimani
Chair, AAK Board of Trustees



Treasurer's Report

Distinguished members of the Architectural Association of Kenya, I am pleased to present to you the Treasurers Report for the year 2020.0 AAK business performance in of 2020 was influenced by the coronavirus global pandemic, as were most businesses and professional Associations. During this period, AAK saw substantial decline in revenue, primarily due to a decline in number of activities. However, the Association implemented turn around strategies to ensure sustainability in an unprecedented year.

REVENUE

Facing a global pandemic that affected businesses and the global supply chain, the Associations revenue dropped to Kshs From Kshs However, we mitigated this effect by managing our Expenses in line with this.

Subscription income-However, we positively note that AAK maintained vibrant communication to members and conducted free webinars hence we noted that members paid annual subscriptions well.

EXPENDITURE

While ensuring that usage of AAK Funds is in line with our mandate and our financial policy, our expenditure in 2019 increased to ensure that we addressed issues of value to our members. In addition, due to the ongoing pandemic, the reduced physical event and activities, we further implemented additional strategies to manage expenditure and keep our Members safe, while still engaging them vibrantly. This included:

Virtual AGM - Instead of conducting a physical AGM, a virtual AGM was conducted hence cost reduced by 93% compared to 2019.

Salary Reductions – Due to Covid -19 AAK offices remained closed for a period of three months, there was an agreement between staff and the AAK Executive committee to pay salaries at 20% of regular pay as we mitigated the reduced income from Covid-19.

AAK CPD Events – AAK conducted virtual events mostly in line with the need to reduce one on one contact. The Annual Convention was held as a hybrid event with Covid-19 protocols taken into consideration. This reduced our costs by 80%



1. TRANSFER TO TRUSTEES

As part of AAK's long term sustainability and investment goals, the Association in January 2021 has transferred Ksh 2,000,000 to the AAK registered trustee account which holds funds in trust for development of AAK.

2. SURPLUS

The Association recorded an improvement in surplus income during the financial year ended 31 December 2020. This was due to prudent financial management and a keen eye on expenses against income. We realized significant improvement in profit margin from net deficit of Ksh 627,759 to surplus of Ksh 1,126,997

We are proud of this achievement in a fundamentally difficult year.

This will make it possible for the Association to expand its activities as well as to improve its services to members.

3. HUMAN RESOURCE CAPACITY

In 2020, the Association did not on board any new permanent staff bearing in mind the challenges we have witnessed economically. We continued to support our existing staff to build capacity via online engagements. We further promoted one staff member from within to a Management position based on their exemplary performance.

4. TECHNOLOGY

The Association continues to invest in technology to provide better services to the members as well as to enhance efficiencies. The membership system and accounting systems are now fully automated – from membership applications to payment of annual subscriptions. This enabled AAK staff to work from home during the pandemic efficiently.

5. AAK BUDGET

The Association experienced significant decrease in revenue and expenditure. The continued pandemic and no widespread availability of the vaccine in the country as yet, indicate that we must maintain financial prudence in 2021. We have proposed a budget that is conservative in expenditure and revenue generation. We present our budget for the current financial year.



Annual Budget 2021

DESCRIPTION	Budget Amount	AAK-Main	Architects	CPM	Engineers	Landscape	QS	Planners	EDC
Sale of Documents	3,000,000.00	3,000,000.00		-	-	-	-	-	-
Golf Tournament	3,000,000.00		3,000,000.00	-	-	-	-	-	-
Build press and Merchandise	600,000.00	600,000.00	-	-	-	-	-	-	-
AAK Events: Annual Convention	9,000,000.00	9,000,000.00	-	-	-	-	-	-	-
AAK Dinners	2,200,000.00	2,200,000.00	-	-	-	-	-	-	-
Membership Subscriptions	9,200,000.00	9,200,000.00	-	-	-	-	-	-	-
Other CPD Income	1,500,000.00	500,000.00	800,000.00	300,000.00	300,000.00	300,000.00	300,000.00	300,000.00	300,000.00
Other Services									
Arbitration - Appointment Fees	800,000.00	800,000.00	-	-	-	-	-	-	-
Other/CSR Grants	600,000.00	600,000.00	-	-	-	-	-	-	-
Research & Advocacy Project Grants	1,500,000.00	1,500,000.00	-	-	-	-	-	-	-
Projected Revenue Total	31,400,000.00	27,400,000.00	3,800,000.00	300,000.00	300,000.00	300,000.00	300,000.00	300,000.00	300,000.00
Research & Advocacy Project Expenses									
AAK COVID-Related Projects	250,000.00	250,000.00							
Status of the Built Environment 2021	600,000.00	600,000.00							
Advance Good Practice in the Built Environment in Kenya	250,000.00	250,000.00							
Human resource development	400,000.00	400,000.00							
Membership Development & Communication									
1. Events									
AAK Annual General Meeting	350,000.00	350,000.00							
AAK Elections	400,000.00	400,000.00							
Je, Una mjengo? Campaign	300,000.00	300,000.00							
AAK CSR Run	150,000.00	150,000.00							
AAK Annual Convention	6,500,000.00	6,500,000.00							
Customer appreciation week	50,000.00	50,000.00							
Golf Tournament	1,500,000.00		1,500,000.00						
AAK Webinars	100,000.00	100,000.00							
AAK Dinner	2,000,000.00	2,000,000.00							



Annual Budget 2021

DESCRIPTION	Budget Amount	AAK-Main	Architects	CPM	Engineers	Landscape	QS	Planners	EDC
2. Communication costs									
Website maintenance	100,000.00	100,000.00							
Social media boosts	50,000.00	50,000.00							
Flyer preparation	100,000.00	100,000.00							
Publicity material (banners etc)	100,000.00	100,000.00							
Public relations consultancy	200,000.00	200,000.00							
Purchase of merchandise	250,000.00	250,000.00							
Magazine expenses	240,000.00	240,000.00							
Other branding items (T-shirts etc)	60,000.00	60,000.00							
Communications Costs	200,000.00	200,000.00							
Finance & Administration									
Salaries, Wages & Staff Medical Insurance	9,400,000.00	9,400,000.00							
Meetings Expenses	600,000.00	600,000.00							
Professional Fees	300,000.00	300,000.00							
Local & International Travel (Staff & Officials)	1,000,000.00	500,000.00	500,000.00						
Other CPD Programmes	750,000.00	600,000.00	600,000.00	200,000.00	200,000.00	200,000.00	200,000.00	200,000.00	200,000.00
Subscriptions to other Associations (Local/ International)	1,050,000.00	800,000.00	250,000.00						
General Operational Expenses	1,000,000.00	1,000,000.00							
Licences and Permits	500,000.00	500,000.00							
Service charge	240,000.00	240,000.00							
	28,990,000.00	26,590,000.00	2,850,000.00	200,000.00	200,000.00	200,000.00	200,000.00	200,000.00	200,000.00
Projected Surplus /(Deficit)	2,410,000.00	810,000.00	950,000.00	100,000.00	100,000.00	100,000.00	100,000.00	100,000.00	100,000.00



Auditor's Report

ARCHITECTURAL ASSOCIATION OF KENYA ANNUAL REPORT AND FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST DECEMBER 2020

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ARCHITECTURAL ASSOCIATION OF KENYA ANNUAL REPORT AND FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST DECEMBER 2020

ASSOCIATION INFORMATION

Office Bearers

Mugure Njendu	President
Wilson Macharia	Vice President
Marylyn Musyimi	Secretary
John Mwaniki	Assistant Secretary
Olivia Otieno	Hon. Treasurer
Alex Nyaga	Hon. Registrar

Registered Office

Suite 605, Blue Violets Plaza,
Kindaruma Road,
P.O. Box 44258-00100,
Nairobi, Kenya.

Independent Auditor

MGK Associates LLP
Certified Public Accountants of Kenya
2nd floor, Mayfair Business Centre, Off Parklands Road
P. O. Box 6358 - 00100
Nairobi

Principal Banker

Kenya Commercial Bank Limited,
Kipande House Branch,
P.O. Box 30012-00100,
Nairobi, Kenya.



ARCHITECTURAL ASSOCIATION OF KENYA ANNUAL REPORT AND FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST DECEMBER 2020

Report of the office bearers

The Office Bearers submit their report together with the consolidated audited financial statements of the Association for the year ended 31st December 2020, which disclose the state of the financial affairs of the association.

Office Bearers

The Office Bearers who held office during the year and to the date of this report are listed on page 2.

Principal Activities

The principal activity of the Association is to bring together professionals from the Private Sector, Public Sector and Academia and also act as a link between professionals and stakeholders in the construction industry.

Business review

The financial statements have been prepared in accordance with International Financial Reporting Standard. The accounting policies have been applied consistently compared to the prior year.

The results for the year ended 31 December 2020 are set out on page 7.

Statement as to disclosure to the Association's auditor

With respect to each director at the time this report was approved:-

(a) there is, so far as the person is aware, no relevant audit information of which the Association's auditor is unaware; and

(b) the person has taken all the steps that the person ought to have taken as an office bearer so as to be aware of any relevant audit information and to establish that the Association's auditor is aware of that information.

Terms of appointment of auditors

MGK Associates LLP, who were appointed during the year have expressed their willingness to continue in office. The Office Bearers monitor the effectiveness, objectivity and independence of the auditors. The Office Bearers also approve the annual audit engagement contract which sets out the terms of the auditor's appointment and the related fees.

Secretary

ARCHITECTURAL ASSOCIATION OF KENYA ANNUAL REPORT AND FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST DECEMBER 2020

Statement of Office Bearers responsibilities

The Office Bearers of Architectural Association of Kenya are required to prepare financial statements, which give a true and fair view of the state of the financial affairs of the Association for the financial year ended 31 December 2020 and operating results of the Association for that year.

The Office Bearers are also required to ensure the Association keeps proper accounting records, which disclose with reasonable accuracy at any time the financial position of the Association. They are also responsible for safeguarding the assets of the Association.

The Office Bearers accept responsibility for the annual financial statements, which have been prepared using appropriate accounting policies supported by reasonable and prudent judgements and estimates. The Office Bearers are of the opinion that the financial statements give a true and fair view of the state of the financial affairs of the Association and of its operating results. The Office Bearers further accept responsibility for the maintenance of accounting records, which may be relied upon in the preparation of financial statements, as well as adequate systems of internal financial control.

Nothing has come to the attention of the Office Bearers to indicate that the Association will not remain a going concern for at least the next twelve months from the date of this statement.

The Office Bearers acknowledge that the independent audit of the financial statements does not relieve them of their responsibilities.

Approved by the Office Bearers on03/03/2021..... and signed on its behalf by:



President: Mugure Njendu



Secretary: Marylyn Musyimi



Hon. Treasurer: Olivia Sally Otieno



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CONSOLIDATED ANNUAL REPORT OF THE INDEPENDENT AUDITOR TO THE MEMBERS OF ARCHITECTURAL ASSOCIATION OF KENYA FOR THE YEAR ENDED 31ST DECEMBER 2020.

Opinion

We have audited the accompanying consolidated financial statements of Architectural Association of Kenya, set out on pages 7 to 24, which comprise the statement of financial position as at 31 December 2020, the statement of comprehensive income and statements of changes in fund balances and cash flows for the year then ended, and notes, including a summary of significant accounting policies and other explanatory information.

In our opinion, the accompanying consolidated financial statements give a true and fair view of the financial position of the Association as at 31 December 2020 and of its financial performance and cash flows for the year then ended in accordance with the International Financial Reporting Standards.

Basis for opinion

We conducted our audit in accordance with International Standards on Auditing (ISAs). Our responsibilities under those standards are further described in the Auditor's Responsibilities for the Audit of the Financial Statements section of our report. We are independent of the association in accordance with the International Ethics Standards Board for Accountants' Code of Ethics for Professional Accountants (IESBA Code) together with the ethical requirements that are relevant to our audit of the financial statements in Kenya, and we have fulfilled our other responsibilities in accordance with these requirements and the IESBA Code. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Other information

The office bearers are responsible for the other information. Other information comprises the information included in the Annual Report, but does not include the financial statements and our auditor's report thereon.

Our opinion on the financial statements does not cover the other information and we do not express any form of assurance conclusion thereon.

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. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.

Office bearers' responsibility for the financial statements

The office bearers are responsible for the preparation and fair presentation of the financial statements that give a true and fair view in accordance with the International Financial Reporting Standards and for such internal control as the office bearers determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

CONSOLIDATED ANNUAL REPORT OF THE INDEPENDENT AUDITOR TO THE MEMBERS OF ARCHITECTURAL ASSOCIATION OF KENYA FOR THE YEAR ENDED 31ST DECEMBER 2020 (CONTINUED).

Office bearers' responsibility for the financial statements (continued)

In preparing the financial statements, the Office bearers is responsible for assessing the association'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 Office bearers either intend to liquidate the association or to cease operations, or have no realistic alternative but to do so.

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 ISAs 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 ISAs, 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 association's 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 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 association'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 association 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 those charged with governance 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.

The engagement partner responsible for the audit resulting in this independent auditor's report is CPA Daniel Muhia of Practising Certificate No. 1717

M&K Associates LLP

Certified Public Accountants
Nairobi

15th March 2021



ARCHITECTURAL ASSOCIATION OF KENYA STATEMENTS OF FINANCIAL ACTIVITIES FOR THE YEAR ENDED 31 DECEMBER 2020

Consolidated Statement of Comprehensive Income

	NOTES	2020 KSHS	2019 KSHS
Income	2	<u>26,135,159</u>	<u>48,380,197</u>
Expenditure			
Programme expenses	3	(14,759,585)	(37,169,696)
Administration expenses	4	(10,793,033)	(11,771,504)
		<u>(25,552,618)</u>	<u>(48,941,200)</u>
Surplus/(Deficit) transferred to accumulated funds		<u><u>582,541</u></u>	<u><u>(561,003)</u></u>

Secretariat Statement of Comprehensive Income

	NOTES	2020 KSHS	2019 KSHS
Income	2	<u>23,963,123</u>	<u>43,951,897</u>
Expenditure			
Programme expenses	3	(12,259,879)	(32,808,153)
Administration expenses	4	(10,793,033)	(11,771,504)
		<u>(23,052,912)</u>	<u>(44,579,657)</u>
Surplus/(Deficit) transferred to accumulated funds		<u><u>910,211</u></u>	<u><u>(627,760)</u></u>

The notes on pages 14 to 22 form an integral part of these financial statements



**ARCHITECTURAL ASSOCIATION OF KENYA
STATEMENT OF FINANCIAL POSITION
AS AT 31 DECEMBER 2020**

Consolidated Statement of Financial Position as at 31 December 2020

	NOTES	2020 KSHS	2019 KSHS
NON-CURRENT ASSETS			
Registered trustee account	5	31,925,358	31,925,358
Property and equipment	6	963,943	1,144,960
Intangible assets	7	188,650	269,500
		<u>33,077,951</u>	<u>33,339,818</u>
CURRENT ASSETS			
Investments	8	2,020,113	1,859,443
Cash and cash equivalents	9	9,026,445	6,292,983
Accounts receivables	10	6,210,479	7,952,445
Inventory	11	123,973	96,587
		<u>17,381,011</u>	<u>16,201,458</u>
CURRENT LIABILITIES			
Accounts payables	12	2,928,815	1,645,367
Deferred Income	13	418,715	-
		<u>3,347,530</u>	<u>1,645,367</u>
Net Current Assets		<u>14,033,481</u>	<u>14,556,091</u>
		<u>47,111,432</u>	<u>47,895,909</u>
PRESENTED BY			
FUND BALANCES			
Designated fund		-	951,666
Accumulated fund		<u>47,111,432</u>	<u>46,944,243</u>
		<u>47,111,432</u>	<u>47,895,909</u>

The notes on pages 14 to 22 form an integral part of these financial statements

The financial statements were authorized and approved for issue on 2021 and were signed by the Office Bearers.

President: Mugure Njendu

Secretary: Marylyn Musyimi

Hon. Treasurer: Olivia Sally Otieno



**ARCHITECTURAL ASSOCIATION OF KENYA
STATEMENT OF FINANCIAL POSITION
AS AT 31 DECEMBER 2020**

Secretariat Statement of Financial Position as at 31 December 2020

	NOTES	2020 KSHS	2019 KSHS
NON-CURRENT ASSETS			
Registered trustee account	5	31,925,358	31,925,358
Property and equipment	6	963,943	1,144,960
Intangible assets	7	188,650	269,500
		<u>33,077,951</u>	<u>33,339,818</u>
CURRENT ASSETS			
Cash and cash equivalents	9	7,303,913	4,454,325
Accounts receivables	10	5,061,198	6,774,664
Inventory	11	123,973	96,587
		<u>12,489,084</u>	<u>11,325,576</u>
CURRENT LIABILITIES			
Accounts payables	12	<u>1,859,818</u>	<u>501,370</u>
Net Current Assets		<u>10,629,266</u>	<u>10,824,206</u>
		<u>43,707,217</u>	<u>44,164,024</u>
PRESENTED BY			
FUND BALANCES			
Designated fund		-	951,666
Accumulated fund		<u>43,707,217</u>	<u>43,212,358</u>
		<u>43,707,217</u>	<u>44,164,023</u>

The notes on pages 14 to 22 form an integral part of these financial statements

The financial statements were authorized and approved for issue on 2021 and were signed by the Office Bearers.

President: Mugure Njendu

Secretary: Marylyn Musyimi

Hon. Treasurer: Olivia Sally Otieno



ARCHITECTURAL ASSOCIATION OF KENYA STATEMENT OF CHANGES IN FUND BALANCES FOR THE YEAR ENDED 31 DECEMBER 2020

Consolidated statement of changes in fund balances

	DESIGNATED FUNDS	ACCUMULATED FUNDS	TOTAL
	KSHS	KSHS	KSHS
Year ended 31st December 2019			
As at 1 January 2019	652,698	47,869,062	48,521,760
Grants received in the year	4,043,786	-	4,043,786
Grant utilised during the year	(3,744,818)	-	(3,744,818)
Depreciation for the year	-	(248,316)	(248,316)
Amortisation for the year	-	(115,500)	(115,500)
Deficit for the year	-	(561,003)	(561,003)
As at December 2019	951,666	46,944,243	47,895,909
Year ended 31st December 2020			
As at 1 January 2020	951,666	46,944,243	47,895,909
AAK Contribution	138,585	(138,585)	-
Grant utilised during the year	(1,090,251)	-	(1,090,251)
Depreciation for the year	-	(195,917)	(195,917)
Amortisation for the year	-	(80,850)	(80,850)
Surplus for the year	-	582,541	582,541
As at December 2020	-	47,111,432	47,111,432

The notes on pages 14 to 22 form an integral part of these financial statements



ARCHITECTURAL ASSOCIATION OF KENYA STATEMENT OF CHANGES IN FUND BALANCES FOR THE YEAR ENDED 31 DECEMBER 2020

Secretariat statement of changes in fund balances

	DESIGNATED FUNDS	ACCUMULATED FUNDS	TOTAL
	KSHS	KSHS	KSHS
Year ended 31st December 2019			
As at 1 January 2019	652,698	44,203,934	44,856,632
Grants received in the year	4,043,786	-	4,043,786
Grant utilised during the year	(3,744,818)	-	(3,744,818)
Depreciation for the year	-	(248,316)	(248,316)
Armotisation for the year	-	(115,500)	(115,500)
Deficit for the year	-	(627,760)	(627,760)
As at December 2019	951,666	43,212,358	44,164,024
Year ended 31st December 2020			
As at 1 January 2020	951,666	43,212,358	44,164,024
AAK Contribution	138,585	(138,585)	-
Grant utilised during the year	(1,090,251)	-	(1,090,251)
Depreciation for the year	-	(195,917)	(195,917)
Armotisation for the year	-	(80,850)	(80,850)
Surplus for the year	-	910,211	910,211
As at December 2020	-	43,707,217	43,707,217

The notes on pages 14 to 22 form an integral part of these financial statements



ARCHITECTURAL ASSOCIATION OF KENYA STATEMENT OF CASHFLOWS FOR THE YEAR ENDED 31 DECEMBER 2020

Secretariat Statement of Cash flows

	NOTE	2020 KSHS	2019 KSHS
Cash flows from operating activities			
Surplus/(deficit) for the year		910,211	(627,760)
Adjustment for			
Operating surplus/(deficit) before working capital changes		<u>910,211</u>	<u>(627,760)</u>
Accounts payables		1,358,446	(60,812)
Accounts receivables		1,713,466	(901,251)
Inventory		(27,384)	92,908
Net cash generated from/(used in) operating activities		<u><u>3,954,739</u></u>	<u><u>(1,496,915)</u></u>
Cash flows used in Investing activities			
Purchase of assets		(14,900)	(278,600)
Transfer to trustee account		-	(90,000)
Net cash used in investing activities		<u><u>(14,900)</u></u>	<u><u>(368,600)</u></u>
Cash flows from financing activities			
Designated grant received		-	4,043,786
Designated grants paid out		(1,090,251)	(3,744,818)
Net cash (used in)/generated from financing activities		<u><u>(1,090,251)</u></u>	<u><u>298,968</u></u>
At start of the year		4,454,325	6,020,872
Movement during the year		2,849,588	(1,566,547)
At the end of the year		<u><u><u>7,303,913</u></u></u>	<u><u><u>4,454,325</u></u></u>

The notes on pages 14 to 22 form an integral part of these financial statements



ARCHITECTURAL ASSOCIATION OF KENYA ACCOUNTING POLICIES FOR THE YEAR ENDED 31 DECEMBER 2020

1 ACCOUNTING POLICIES

The principal accounting policies adopted in the preparation of these financial statements are set out below. These policies have been consistently applied to all the years presented, unless otherwise stated.

a) Basis of preparation

The financial statements have been prepared on a going concern basis and in compliance with International Financial Reporting Standards (IFRS) issued by the International Accounting Standards Board (IASB).

The financial statements are presented in Kenya Shillings (Kshs), which is also the functional currency. The preparation of the financial statements in conformity with IFRS requires the use of certain critical accounting estimates. It also requires the management to exercise its judgement in the process of applying the Association'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 1 c)

The financial statements have been prepared under the historical cost basis, except where otherwise

b) Going concern

The financial performance of the association is set out in the Office Bearers report and in the statement of financial activities. The financial position of the association is set out in the statement of financial position.

Based on the financial performance and position of the association and its risk management policies, the Office Bearers are of the opinion that the association is well placed to continue in business for the foreseeable future and as a result the financial statements are prepared on a going concern basis.

These financial statements comply with the requirements of the Societies Act.

The statement of financial activities represent the income and expenditure account referred to in the Act. The statement of financial position represents the balance sheet referred to in the Act.

c) Critical estimates and judgment

In the application of the accounting policies, the Office Bearers are required to make the judgments, estimates and assumptions about the carrying amount of assets and liabilities that are not readily apparent from other sources. The estimates and associated assumptions are based on historical experience and other relevant factors. Such estimates and assumptions are reviewed on an ongoing basis.

The Office Bearer members have made the following assumptions that have a significant risk of resulting in material adjustment to the carrying amounts of assets and liabilities within the next financial year.

d) New and revised standards

i) Adoption of new and revised standards effective in the current period

Various standards, interpretations, amendments, and improvements were effective in the period under review but had no effect on the Organisation financial statements.

ii) New and revised standards issued but not yet effective

At the date of authorisation of these financial statements, various standards, interpretations, amendments, and improvements were in issue but not yet effective. The directors anticipate that the adoption of these standards, interpretations, amendments, and improvements when effective, will have no material impact on the financial statements of the Organisation.

iii) Early adoption of standards

The Company did not early-adopt any new or amended standards in the year.

e) Foreign currencies

Transactions in foreign currencies are converted into Kenya shillings (Kshs) at the rate of the exchange ruling at the date of the transaction.



ARCHITECTURAL ASSOCIATION OF KENYA ACCOUNTING POLICIES FOR THE YEAR ENDED 31 DECEMBER 2020

1 ACCOUNTING POLICIES (CONTINUED)

f) Inventories

Inventories are stated at the lower of historical cost and the net realizable value. Cost is determined on the direct purchase value and is stated on first-in-first-out (FIFO) method. Net realizable value is the estimate of the selling price in the ordinary course of the association's activities less the selling expense.

g) Income recognition

Subscriptions and other incomes are accounted for in the year they are received. The association recognizes revenue when the amount of revenue can be reliably measured, it is probable that the future economic benefits will flow to the entity and when the specific criteria have been met for each association's activities described below:

- i) Subscriptions, members entrance fees are recognized on cash basis
- ii) Sale of document income is recognized upon delivery of goods/performance of services upon customer acceptance
- iii) Interest income is accounted for in the period in which it is earned
- iv) Other income is accounted for on a receipt basis

h) Accounts receivables

Accounts receivables are carried at anticipated realizable value. Bad debts are written off in the year in which they are identified.

i) Accounts payables

Accounts payables are stated at their nominal value.

j) Cash and cash equivalents

Cash and cash equivalents comprise cash on hand and demand 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 changes in value.

k) Property and equipment

Property and equipment are stated at cost or valuation less accumulated depreciation and any accumulated impairment losses. Any valuation increase arising on the valuation of such property and equipment is credited to the other comprehensive income and accumulated in the revaluation reserve, except to the extent that it reverses a revaluation decrease for the same asset previously recognized in profit or loss, in which case the decrease is credited to the profit or loss to the extent of the decrease previously expensed. A decrease in the carrying amount arising in the revaluation of such property and equipment is recognized in profit or loss to the extent that it exceeds the balance, if any, held in the revaluation reserve relating to a previous revaluation of that asset.

Any accumulated depreciation at the date of valuation is eliminated against the carrying amount of the asset. Depreciation is calculated to write off the cost or valuation of each asset on a reducing cost basis. The annual rate used for the are:-

Per annum	Rate %
Computers and electronic equipments	30.0
Motor vehicles	25.0
Office furniture	10.0
Software	30.0



ARCHITECTURAL ASSOCIATION OF KENYA ACCOUNTING POLICIES FOR THE YEAR ENDED 31 DECEMBER 2020

l) IFRS 9: Financial instrument

The Association has adopted IFRS 9 as issued by the International Accounting Standards Board in July 2014 with a transition date of 1 January 2018, which resulted in changes in accounting policies. IFRS 9: Financial instruments, addresses the classification, measurement and recognition of financial assets and financial liabilities. It replaces the guidance in IAS 39 that relates to the classification and measurement of financial instruments. As permitted by the transitional provisions of IFRS 9, the Association elected not to restate comparative figures. As a result, the comparative information provided continues to be accounted for in accordance with the previous accounting policy.

In addition, provisions are now made for either 12-month or lifetime expected credit losses (ECLs) for all financial assets. The office bearers have opted to apply the simplified approach for receivables, loan to subsidiary and cash and bank balances whereby lifetime ECL are provided for from inception. The adoption of IFRS 9 has resulted in changes in our accounting policies for recognition, classification and measurement of financial assets and financial liabilities and impairment of financial assets. IFRS 9 also significantly amends other standards dealing with financial instruments such as IFRS 7 'Financial Instruments: Disclosures'. Set out below are disclosures relating to the impact of the adoption of IFRS 9 on the Association and Company on classification of financial instruments.

The association classifies its financial instruments into the following categories:

i) **Financial assets and financial liabilities at fair value through profit or loss**, which comprise financial assets and financial liabilities acquired or incurred principally for the purpose of selling or repurchasing in the near term or to generate short-term profit-taking; and/or

Financial assets and financial liabilities at fair value through profit or loss, which comprise financial assets or financial liabilities designated by the association at fair value through profit or loss and which are managed and their performance evaluated on a fair value basis in accordance with the Association's investment strategy.

ii) **Held-to-maturity investments**, which comprise non-derivative financial assets with fixed or determinable payments and fixed maturity that the association has a positive intention and ability to hold to maturity.

iii) **Loans and receivables**, which comprise non-derivative financial assets with fixed or determinable payments that are not quoted in an active market, and excludes assets which the entity intends to sell immediately or in the near term or those which the entity upon initial recognition designates as at fair value through profit or loss or as available-for-sale financial assets.

iv) **Available-for-sale financial assets**, which comprise non-derivative financial assets that are designated as available-for-sale financial assets, and not classified under any of the other categories of financial assets.

m) Employee entitlements

Employee entitlement to long service awards are recognized when they accrue to employees. Provision is made for the estimated liability of such entitlements as a result of services rendered by employees up to the reporting date. The estimated monetary liability for employees' accrued annual leave entitlement at the reporting date is recognized as an expense accrual. During the year, we made a provision for service charge in the financials relating to the monetary liability for employees' benefits.

n) Provisions for liabilities and other charges

Provisions are recognized when the association has a present obligation (legal or constructive) as a result of a past event, it is probable that the association will be required to settle the obligation, and a reliable estimate can be made of the amount of the obligation. The amount recognized as a provision is the best estimate of the consideration required to settle the present obligation at the reporting date, taking into account the risks and uncertainties surrounding the obligation.



ARCHITECTURAL ASSOCIATION OF KENYA ACCOUNTING POLICIES FOR THE YEAR ENDED 31 DECEMBER 2020

o) Financial risk and business risk management

i) Financial risk management

The association's activities expose it to a variety of financial risk including credit, liquidity and market risk. The association risk limits are regularly assessed to ensure alignment with the association objectives and prevalent market conditions. The Office Bearers are closely involved in ensuring a variety of techniques are used to assess and manage the said risk. The association uses various techniques to hedge against any risk.

ii) 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 arise from financial assets, and is managed on a association-wide basis. The association 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 amounts receivable from members is managed by ensuring that members with outstanding accounts are not allowed to enjoy the benefits at the association.

iii) Market risk

Market risk is the risk that the fair value or future cash flows of financial instruments will fluctuate because of changes in market price and comprises three types of risk; currency risk, interest risk and other price risk.

Currency risk is the risk that the value of a financial instrument will fluctuate because of change in foreign exchange rate. The is exposed to currency risk on sale and purchases that are denominated in currency other than its functional currency, primarily the Kenyan shillings (Kshs).



**ARCHITECTURAL ASSOCIATION OF KENYA
NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2020**

	Association		Secretariat	
	2020	2019	2020	2019
	KSH	KSH	KSH	KSH
2 INCOME				
AAK at 50 and merchandise	249,615	70,500	249,615	70,500
Annual convention	6,524,821	17,343,483	6,524,821	17,343,483
Arbitration fees	650,000	926,750	650,000	926,750
Architects awards	1,594,501	-	-	-
Commonwealth Association of Architects validation	-	1,440,000	-	1,440,000
Corporate social responsibility	631,865	801,300	215,000	244,500
Dinner	172,400	1,543,760	172,400	1,543,760
Golf tournament	-	2,808,500	-	-
Grant from business advocacy fund	1,090,252	3,744,818	1,090,252	3,744,818
Interest earned	160,670	-	-	-
Members subscriptions, entrance fee and levy	10,035,285	11,535,036	10,035,285	11,535,036
Professional development seminar	83,250	1,092,000	83,250	29,000
Sale of documents	4,942,500	7,074,050	4,942,500	7,074,050
	<u>26,135,159</u>	<u>48,380,197</u>	<u>23,963,123</u>	<u>43,951,897</u>
3 PROGRAMME EXPENSES				
AAK CPD events	336,368	1,729,462	336,368	1,097,762
AAK sacco	-	563,963	-	563,963
Annual convention	6,174,365	15,462,522	6,174,365	15,462,522
Annual general meeting	168,494	1,287,273	77,894	1,154,593
Architects awards expenses	1,257,650	-	-	-
Bank charges	109,451	140,817	73,804	100,014
Business Advocacy Fund project	1,090,252	3,807,968	1,090,252	3,807,968
Chapters support	51,919	396,716	51,919	396,716
Commonwealth Association of Architects validation	-	989,870	-	989,870
Conference expenses	-	214,500	-	-
Corporate social responsibility	517,400	947,832	211,000	323,970
Dinner expenses	467,875	1,219,720	467,875	1,219,720
Document printing expenses	298,247	371,308	298,247	371,308
Electricity and water	50,905	136,994	50,905	136,994
Golf expenses	-	1,244,167	-	-
Joint Building Council expenses	-	91,730	-	91,730
Meeting expenses	1,050,510	1,836,294	970,610	1,653,754
Printing and stationary	143,142	793,918	141,750	791,598
Professional fees	712,650	346,000	712,650	346,000
Public relations and communication	896,870	1,054,580	896,870	1,054,580
Repairs and maintenance	24,680	69,800	24,680	69,800
Subscriptions	628,851	1,084,520	341,351	827,145
Telephone and internet	75,476	158,970	75,476	158,970
Training expenses	-	329,900	-	329,900
Traveling expenses	704,480	2,890,872	263,863	1,859,276
	<u>14,759,585</u>	<u>37,169,696</u>	<u>12,259,879</u>	<u>32,808,153</u>
4 ADMINISTRATIVE EXPENSES				
Annual audit fees	266,800	266,800	266,800	266,800
Insurance	1,274,784	1,098,490	1,274,784	1,098,490
Licenses	546,806	428,954	546,806	428,954
Office expenses	476,843	631,538	476,843	631,538
Service charge	250,416	376,926	250,416	376,926
Salaries and wages	7,977,384	8,968,796	7,977,384	8,968,796
	<u>10,793,033</u>	<u>11,771,504</u>	<u>10,793,033</u>	<u>11,771,504</u>



**ARCHITECTURAL ASSOCIATION OF KENYA
NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2020**

5 REGISTERED TRUSTEES ACCOUNT	Association		Secretariat	
	2020 KSH	2019 KSH	2020 KSHS	2019 KSHS
Balance b/d	31,925,358	31,835,358	31,925,358	31,835,358
Transfers during the year	-	90,000	-	90,000
	<u>31,925,358</u>	<u>31,925,358</u>	<u>31,925,358</u>	<u>31,925,358</u>
6 PROPERTY AND EQUIPMENT SCHEDULE	MOTOR VEHICLE	COMPUTERS	FURNITURE & FITTINGS	TOTAL
	25%	30%	10%	
	KSHS	KSHS	KSHS	KSHS
2019				
Cost	117,090	1,892,708	888,200	2,897,998
As at 1st January 2019	-	184,100	94,500	278,600
Additions	-	-	-	-
Disposal	<u>117,090</u>	<u>2,076,808</u>	<u>982,700</u>	<u>3,176,598</u>
As at 31st December 2019				
Depreciation	29,273	1,597,729	156,320	1,783,322
As at 1st January 2019	-	-	-	-
Disposal	<u>21,954</u>	<u>143,724</u>	<u>82,638</u>	<u>248,316</u>
Charge for the year	<u>51,227</u>	<u>1,741,453</u>	<u>238,958</u>	<u>2,031,638</u>
As at 31st December 2019				
Net book value				
As at 31st December 2019	<u>65,863</u>	<u>335,355</u>	<u>743,742</u>	<u>1,144,960</u>
2020				
Cost				
As at 1st January 2020	117,090	2,076,808	982,700	3,176,598
Additions	-	14,900	-	14,900
As at 31st December 2020	<u>117,090</u>	<u>2,091,708</u>	<u>982,700</u>	<u>3,191,498</u>
Depreciation				
As at 1st January 2020	51,227	1,741,453	238,958	2,031,638
Charge for the year	<u>16,466</u>	<u>105,077</u>	<u>74,374</u>	<u>195,917</u>
As at 31st December 2020	<u>67,693</u>	<u>1,846,530</u>	<u>313,332</u>	<u>2,227,555</u>
Net book value				
As at 31st December 2020	<u>49,397</u>	<u>245,179</u>	<u>669,368</u>	<u>963,943</u>
7 INTANGIBLE ASSET	Association		Secretariat	
	2020 KSH	2019 KSH	2020 KSHS	2019 KSHS
Computer software				
Cost				
At start of the year	<u>550,000</u>	<u>550,000</u>	<u>550,000</u>	<u>550,000</u>
At end of the year	<u>550,000</u>	<u>550,000</u>	<u>550,000</u>	<u>550,000</u>
Accumulated amortisation and impairment				
At start of the year	280,500	165,000	280,500	165,000
Annual amortisation	<u>80,850</u>	<u>115,500</u>	<u>80,850</u>	<u>115,500</u>
At end of the year	<u>361,350</u>	<u>280,500</u>	<u>361,350</u>	<u>280,500</u>
Carrying amount				
At end of the year	<u>188,650</u>	<u>269,500</u>	<u>188,650</u>	<u>269,500</u>
8 INVESTMENTS	<u>2,020,113</u>	<u>1,859,443</u>	-	-
Investment relates to money markets held by Britam.				



**ARCHITECTURAL ASSOCIATION OF KENYA
NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2020**

	Association		Secretariat	
	2020 KSH	2019 KSH	2020 KSHS	2019 KSHS
9 CASH AND CASH EQUIVALENTS				
Bank balance	8,657,194	5,994,440	6,934,662	4,155,782
Savings fund	89,030	89,030	89,030	89,030
Cash in hand and Mpesa	280,221	209,513	280,221	209,513
	<u>9,026,445</u>	<u>6,292,983</u>	<u>7,303,913</u>	<u>4,454,325</u>
10 ACCOUNTS RECEIVABLE				
Apt Design Solutions	68,000	68,000	68,000	68,000
Loan QS Chapter	-	-	235,657	235,657
Prepaid staff medical insurance	542,966	843,757	542,966	843,757
Convention air tickets	780,000	-	780,000	-
Commonwealth Association of Architects	300,000	300,000	300,000	300,000
Department of defence	180,000	180,000	180,000	180,000
University of Nairobi	445,000	445,000	445,000	445,000
Hosea Omole	56,000	56,000	56,000	56,000
Jomo Kenyatta University of Agriculture and Technology	40,000	40,000	40,000	40,000
Ministry of Public Works	1,458,250	3,566,250	1,458,250	3,566,250
National Construction Authority	280,000	-	280,000	-
Interior Designers Association of Kenya	30,765	-	30,765	-
The Institution of Engineers of Kenya (IEK)	80,765	-	80,765	-
The Kenya Institute of Planners (KIP)	80,765	-	80,765	-
The Association of Construction Managers of Kenya (ACMK)	80,765	-	80,765	-
China State Construction Engineering Corporation (Kenya) Ltd	100,000	-	100,000	-
Shelter Afrique	100,000	-	100,000	-
KTDA	45,000	-	45,000	-
Town and County Planners Association of Kenya	60,765	-	60,765	-
Tuxstyle	50,000	-	50,000	-
Stephen Mwangi	6,000	-	6,000	-
Grace Kagonda	33,500	-	33,500	-
IQSK	7,000	-	7,000	-
Basco paints	-	500,000	-	500,000
Mwakawa Investments	-	100,000	-	100,000
Habitat for Humanity	-	200,000	-	200,000
Kenya Port Authority	-	240,000	-	240,000
Sadolin Paints	96,000	96,000	-	-
Jaguar	288,000	288,000	-	-
Mabati Rollings Mills Ltd	180,000	180,000	-	-
Space & Styles	40,000	40,000	-	-
Ideal Ceramic	100,000	100,000	-	-
Centurion Systems	50,000	50,000	-	-
Accounts receivables	630,938	659,438	-	-
	<u>6,210,479</u>	<u>7,952,445</u>	<u>5,061,198</u>	<u>6,774,664</u>
11 INVENTORY				
Certificate of making goods defects	28,027	7,053	28,027	7,053
Certificate of practical Completion	8,438	3,526	8,438	3,526
Interim payment certificates	16,232	18,758	16,232	18,758
JBC contract documents	46,413	38,975	46,413	38,975
Standard methods of measurements	24,863	28,275	24,863	28,275
	<u>123,973</u>	<u>96,587</u>	<u>123,973</u>	<u>96,587</u>

**ARCHITECTURAL ASSOCIATION OF KENYA
NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2020**

Notes (Continued)	Association		Secretariat	
	2020 KSH	2019 KSH	2020 KSHS	2019 KSHS
12 ACCOUNTS PAYABLE				
AAK Architect Chapter	-	-	191,650	116,650
Accounts payables	1,260,647	1,260,647	-	-
Audit fees payable	266,800	266,800	266,800	266,800
Centrepres Limited	94,918	94,920	94,918	94,920
Hazary Nic	10,000	10,000	10,000	10,000
Jacob W. Mwangi	13,000	13,000	13,000	13,000
The Great Rift Valley Lodge	1,283,450	-	1,283,450	-
	<u>2,928,815</u>	<u>1,645,367</u>	<u>1,859,818</u>	<u>501,370</u>
13 DEFERRED INCOME	<u>418,715</u>	<u>-</u>	<u>-</u>	<u>-</u>
Deferred income relates to income paid in advance for events that did not take place in the year 2020.				

14 RELATED PARTIES

The Association is constituted of the Chapters, Branches and the Governing Council, these parties form the related parties as listed below.

(i). Chapters

- (a) The Chapter of Architects;
- (b) The Chapter of Engineers;
- (c) The Chapter of Quantity Surveyors;
- (d) The Chapter of Town Planners;
- (e) The Chapter of Landscape Architects;
- (f) The Chapter of Environmental Design Consultants;
- (g) The Chapter of Construction Project Managers

(ii). Branches

- (a) Mombasa Branch

(iii) Governing Council

The governing council entails the office bearers for the Association and also for the chapters who have been listed on page 2 of this accounts and also on page 2 of chapters accounts.

(iv) Related party balances

	Association		Secretariat	
	2020 KSHS	2019 KSHS	2020 KSHS	2019 KSHS
Due to:				
The Chapter of Architects	-	-	191,500	116,500
Hazary Nic	10,000	10,000	10,000	10,000
Jacob W. Mwangi	13,000	13,000	13,000	13,000
	<u>23,000</u>	<u>23,000</u>	<u>214,500</u>	<u>139,500</u>
Due from:				
The Chapter of Quantity Surveyors;	<u>-</u>	<u>-</u>	<u>235,657</u>	<u>235,657</u>



ARCHITECTURAL ASSOCIATION OF KENYA NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2020

Notes (Continued)

15 EVENTS AFTER YEAR-END

Since the end of the financial period, no matter or circumstances have occurred that have or may significantly affect the operations or the state of affairs of the association in subsequent financial years.

16 CONTINGENT LIABILITIES

During the year there was an ongoing court cases in which the Association was a respondent. The ruling was delivered on 5th November 2020 and the matter was referred to arbitration.

17 CAPITAL COMMITMENTS

The association has no capital commitments, whether authorised and contracted or authorised and not contracted.

ARCHITECTURAL ASSOCIATION OF KENYA

Appendix

FOR THE YEAR ENDED 31 DECEMBER 2020

Chapter's Statement of Comprehensive Income for the period ended 2020

	Architects Chapter	Engineering Chapter	Enviromental Design Consultants Chapter	Landscape Architects Chapter	Town Planners Chapter	Quantity Surveyors Chapter
Income						
Architects awards	1,594,501	-	-	-	-	-
Corporate social responsibility	-	-	-	416,865	-	-
Interest earned	-	160,670	-	-	-	-
	<u>1,594,501</u>	<u>160,670</u>	<u>-</u>	<u>416,865</u>	<u>-</u>	<u>-</u>
Annual general meeting	81,200	-	-	9,400	-	-
Architects awards expenses	1,257,650	-	-	-	-	-
Bank charges	13,387	1,065	1,065	5,385	10,425	4,320
Corporate social responsibility	10,000	-	-	296,400	-	-
Local and international travel	412,617	28,000	-	-	-	-
Meeting expenses	77,000	-	-	2,900	-	-
Printing and stationery	1,392	-	-	-	-	-
Subscriptions	255,500	32,000	-	-	-	-
	<u>2,108,746</u>	<u>61,065</u>	<u>1,065</u>	<u>314,085</u>	<u>10,425</u>	<u>4,320</u>
(Deficit)/Surplus for the year	<u>(514,245)</u>	<u>99,605</u>	<u>(1,065)</u>	<u>102,780</u>	<u>(10,425)</u>	<u>(4,320)</u>

Chapter's Statement of Comprehensive Income for the period ended 2019

	Architects Chapter	Engineering Chapter	Enviromental Design Consultants Chapter	Landscape Architects Chapter	Town Planners Chapter	Quantity Surveyors Chapter
Income						
Golf tournament	2,808,500	-	-	-	-	-
Continuous professional development seminars	556,800	172,000	245,000	130,000	-	516,000
Corporate social responsibility	-	-	-	-	-	-
	<u>3,365,300</u>	<u>172,000</u>	<u>245,000</u>	<u>130,000</u>	<u>-</u>	<u>516,000</u>
Bank charges	14,208	4,305	400	9,825	9,860	2,205
AAK Convention	-	-	-	-	-	160,000
Continuous professional development expenses	422,262	164,600	118,400	54,500	-	348,700
Golf expenses	1,244,167	-	-	-	-	-
Meeting expenses	146,040	-	-	36,500	-	-
Corporate social responsibility	196,600	-	-	-	-	5,000
Annual general meeting	103,070	28,010	-	1,600	-	-
Local and international travel	922,200	109,396	-	-	-	-
Subscriptions	257,375	-	-	-	-	-
Printing and stationery	2,320	-	-	-	-	-
	<u>3,308,242</u>	<u>306,311</u>	<u>118,800</u>	<u>102,425</u>	<u>9,860</u>	<u>515,905</u>
Surplus/(Deficit) for the year	<u>57,058</u>	<u>(134,311)</u>	<u>126,200</u>	<u>27,575</u>	<u>(9,860)</u>	<u>95</u>



Registered Trustees Audited Accounts

ARCHITECTURAL ASSOCIATION OF KENYA REGISTERED TRUSTEES ANNUAL REPORT AND FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST DECEMBER 2020

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**ARCHITECTURAL ASSOCIATION OF KENYA
REGISTERED TRUSTEES
ANNUAL REPORT AND FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31ST DECEMBER 2020**

ASSOCIATION INFORMATION

Board of Trustees

Plnr. Dr. Mary Kimani
Arch. Juma Oino
QS. Hussein Were
Arch. Stephen Oundo
Eng. Grace Kagonda

Registered Office

Blue Violets Plaza
Kamburu Drive, off Ngong Road
6th Floor, Wing B, Suite 605,
P.O Box 44258-00100
Nairobi.

Bankers

Kenya Commercial Bank Ltd
Kipande House
P.O Box 30012
Nairobi.

Auditors

F1, Four Greenway Apts
Greenway off Westlands Road,
Mutunga D.M & Co
Certified Public Accountants (K)
P.O Box 60365-00200
Nairobi.



ARCHITECTURAL ASSOCIATION OF KENYA REGISTERED TRUSTEES REPORT OF THE TRUSTEES FOR THE YEAR ENDED 31ST DECEMBER 2020

The Trustees submit their report together with the audited financial statements for the year ended 31st December 2020, which disclose the state of affairs of the Association.

1. Registration

The Association is domiciled in Kenya where it is registered as a trustee under Societies Act. The address of the registered office is set out on page 1.

2. Principal Activity

The principal activity of the Association is acquiring real property, investing surplus funds and holding the assets of the members of AAK in trust for the benefit of the Association, and all other responsibilities as provided for in the Trust Deed.

3. Results

This is availed in the statement of comprehensive income set on page 6 and summarized as below;

	2020	2019
	Kshs	Kshs
Net Surplus for the year transferred to statement of changes in equity	672,852	343,080

4. Financial Statements

At the date of this report, the Trustees were not aware of any circumstances which would have rendered the values attributed to the assets in the financial statements misleading.

5. Board of Trustees

The trustees who served during the year and to the date of this report are set out in page 1.

6. Auditor

The Association's auditor, Mutunga D.M and Company, CPA K has indicated willingness to continue in office in accordance with the law.

By order of the Trustees



**ARCHITECTURAL ASSOCIATION OF KENYA
REGISTERED TRUSTEES
STATEMENT OF TRUSTEES' RESPONSIBILITIES
FOR THE YEAR ENDED 31ST DECEMBER 2020**

The Trustees are required to prepare financial statements for each financial year that give a true and fair view of the state of affairs of the Association as at the end of the financial year and of its operating results for that year. It also requires the Trustees to ensure that the Association maintains proper accounting records which disclose, with reasonable accuracy, the financial position of the Association. They are also responsible for designing, implementing and maintaining internal controls relevant to the preparation and fair presentation of financial statements that are free from material misstatement, whether due to fraud or error, selecting and applying appropriate accounting policies and making appropriate estimates that are reasonable in the circumstances. The Trustees are also responsible for safeguarding the assets of the Association.

The Trustees accept responsibility for the financial statements, which have been prepared using appropriate accounting policies supported by reasonable and prudent judgements and estimates, in conformity with International Financial Reporting Standards. The Trustees are of the opinion that the financial statements give a true and fair view of the state of the financial affairs of the Association and of its operating results. The Trustees further accept responsibility for the maintenance of accounting records which have been relied upon in the preparation of the financial statements, as well as on the adequacy of the systems of internal financial controls.

Nothing has come to the attention of the Trustees to indicate that the Association will not remain a going concern for at least the next twelve months from the date of this statement.

Approved by the board of Trustees on 03/03/2021 and signed on its behalf by:

..... Trustee

..... Trustee



REPORT OF THE INDEPENDENT AUDITORS TO THE MEMBERS OF ARCHITECTURAL ASSOCIATION OF KENYA REGISTERED TRUSTEES

Opinion

We have audited the accompanying financial statements of AAK Registered Trustees, set out on pages 6 to 15, which comprise the statement of financial position as at 31st December 2020, the statement of comprehensive income, statement of changes in equity, and statement of cash flows for the year then ended, and a summary of significant accounting policies and other explanatory notes.

Qualified Opinion

In our opinion, except for the possible effects of the matters described in the Basis of Qualified Opinion Paragraph, the financial report of AAK Registered Trustees give a true and fair view of the Association's financial position as at 31 December 2020 and the results of its operation and cash flows for the year ended in accordance with International Financial Reporting Standards and the requirements of the Kenyan Society Act.

Basis of Qualified Opinion

We were unable to independently confirm the ownership of the Non - Current Assets specifically the building and the investment property as we have not received any support documentation.

Basis of Opinion

We conducted our audit in accordance with International Standards on Auditing (ISAs). Our responsibilities under those standards are further described in the Auditor's Responsibilities for the Audit of the Financial Statements section of our report. We are independent of the trustee in accordance with the International Ethics Standards Board for Accountants' Code of Ethics for Professional Accountants (IESBA Code) together with the ethical requirements that are relevant to our audit of the financial statements in Kenya, and we have fulfilled our ethical responsibilities in accordance with these requirements and the IESBA Code. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Other Information

The Board of Trustees committee is responsible for the other information. The other information comprises the information included in the Annual Report, but does not include the financial statements and our auditor's report thereon.

Our opinion on the financial statements does not cover the other information and we do not express any form of assurance conclusion thereon.

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. If, based on the work we have performed on the other information obtained prior to the date of this auditor's report, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.

Responsibilities of Management and those charged with Governance for the Financial Statements

The Trustees are responsible for the preparation of the financial statements in accordance with the International Financial Reporting Standards for Small and medium sized entities and the requirements of the Kenyan Society Act and for such internal control as the Trustees and management 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 Trustees are responsible for assessing the trustee'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 Trustees either intends to liquidate the trustee or to cease operations, or has no realistic alternative but to do so.

Those charged with governance are responsible for overseeing the trustee's financial reporting process.



REPORT OF THE INDEPENDENT AUDITORS TO THE MEMBERS OF ARCHITECTURAL ASSOCIATION OF KENYA REGISTERED TRUSTEES

Auditors' Responsibility

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 ISAs 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 ISAs, 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 Association's 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 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 Association'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 Association to cease to continue as a going concern.

We communicate with those charged with governance 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.

Report on Other Legal Requirements As required by the Kenyan Society Act

As required by the Kenyan Society Act, we report to you, based on our audit, that:

- i. 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;
- ii. in our opinion proper books of account have been kept by the Association, so far as appears from our examination of those books; and
- iii. the Association's balance sheet and profit and loss account, which are referred to as statement of financial position and statement of comprehensive income respectively in this report, are in agreement with the books of account.

The engagement partner responsible for the audit resulting in this independent auditor's report is CPA Dennis Musembi Mutunga of Practising Certificate No 2201.

Certified Public Accountants _____ **2021**
Nairobi



**ARCHITECTURAL ASSOCIATION OF KENYA
REGISTERED TRUSTEES
STATEMENT OF COMPREHENSIVE INCOME
FOR THE YEAR ENDED 31ST DECEMBER 2020**

	<u>Notes</u>	2020 Kshs	2019 Kshs
Income	4	960,000	960,000
Total income		<u>960,000</u>	<u>960,000</u>
Expenses			
Administrative and Establishment expenses	5	<u>(191,148)</u>	<u>(520,920)</u>
Total expenses		<u>(191,148)</u>	<u>(520,920)</u>
Surplus before tax		768,852	439,080
Tax charge	6	(96,000)	(96,000)
Net Surplus for the Year		<u><u>672,852</u></u>	<u><u>343,080</u></u>



**ARCHITECTURAL ASSOCIATION OF KENYA
REGISTERED TRUSTEES
STATEMENT OF FINANCIAL POSITION
AS AT 31ST DECEMBER 2020**

	<u>Notes</u>	2020 Kshs	2019 Kshs
Capital employed			
Retained earnings	7	18,837,946	18,165,094
Funds held in trust	8	18,126,300	18,126,300
Revaluation reserve	9	10,341,030	10,341,030
		<u>47,305,276</u>	<u>46,632,424</u>
Represented by:			
Non current assets			
Property and equipment	10	22,226,599	22,238,547
Investment property	11	22,500,000	22,500,000
		<u>44,726,599</u>	<u>44,738,547</u>
Current assets			
Cash and cash equivalents	12	2,571,621	2,159,181
Receivables	13	240,000	-
		<u>2,811,621</u>	<u>2,159,181</u>
Current liabilities			
Trade and other payables	14	204,000	236,360
Tax payable	6	28,944	28,944
		<u>232,944</u>	<u>265,304</u>
Net current assets		2,578,677	1,893,877
		<u><u>47,305,276</u></u>	<u><u>46,632,424</u></u>

The financial statements on pages 6 to 14 were approved for issue by the board of trustees on _____ and were signed on its behalf by:

..... Chairman

..... Treasurer



**ARCHITECTURAL ASSOCIATION OF KENYA
REGISTERED TRUSTEES
STATEMENT OF CHANGES IN EQUITY
FOR THE YEAR ENDED 31ST DECEMBER 2020**

	<u>Note</u>	<u>Funds held in trust Kshs</u>	<u>Revaluation Reserve Kshs</u>	<u>Retained Earnings Kshs</u>	<u>Total Kshs</u>
<u>Year 2020</u>					
At 1st January 2020		18,126,300	10,341,030	18,165,094	46,632,424
Surplus for the year		-	-	672,852	672,852
At 31st December 2020		<u>18,126,300</u>	<u>10,341,030</u>	<u>18,837,946</u>	<u>47,305,276</u>
<u>Year 2019</u>					
At 1st January 2019		18,036,300	10,341,030	17,822,014	46,199,344
Surplus for the year		-	-	343,080	343,080
Funds held in trust		90,000	-	-	90,000
At 31st December 2019		<u>18,126,300</u>	<u>10,341,030</u>	<u>18,165,094</u>	<u>46,632,424</u>



**ARCHITECTURAL ASSOCIATION OF KENYA
REGISTERED TRUSTEES
STATEMENT OF CASH FLOWS
FOR THE YEAR ENDED 31ST DECEMBER 2020**

	Notes	2020 Kshs	2019 Kshs
Cash flows from operating activities			
Surplus before tax		768,852	439,080
Adjustments for:			
Depreciation on property, plant and equipment	10	11,948	13,655
Operating surplus before working capital changes		780,800	452,735
Change in;			
Trade and other receivables		(240,000)	-
Trade and other payables		(32,360)	-
Cash generated/(used by) from operating activities		508,440	452,735
Tax paid		(96,000)	(96,000)
Net Cash generated/(used by) from operating activities		412,440	356,735
Cash flows from financing activities			
Contribution to funds held in trust		-	90,000
Net cash (used in) financing activities		-	90,000
Net (decrease) in cash and cash equivalents		412,440	446,735
Cash and cash equivalents at 1st January		2,159,181	1,632,446
Cash and cash equivalents at 31st December	12	2,571,620	2,159,181



ARCHITECTURAL ASSOCIATION OF KENYA REGISTERED TRUSTEES NOTES FOR THE YEAR ENDED 31ST DECEMBER 2020

1. Summary of significant accounting policies

The principal accounting policies adopted in the preparation of these financial statements are set out below.

a) Basis of preparation

The financial statements are prepared in compliance with International Financial Reporting Standards under the historical cost convention, and are presented in the functional currency, Kenya Shillings (Ksh) rounded to the nearest shilling.

The preparation of financial statements in conformity with International Financial Reporting Standards requires the use of estimates and assumptions. It also requires management to exercise its judgement in the process of applying the accounting policies adopted by the Association. Although such estimates and assumptions are based on the directors' best knowledge of the information available, actual results may differ from those estimates.

b) Property, plant and equipment

Property, plant and equipment acquired through members' funds are initially stated at cost or subsequently at valuation, less accumulated depreciation and any impairment in value.

Subsequent costs are included in the asset's carrying amount or recognised as a separate asset as appropriate, only when it is probable that future economic benefits associated with the item will flow to the Association and the cost of the item can be measured reliably. All other repairs and maintenance costs are charged to the Statement of Comprehensive Income in the financial period in which they are incurred.

Depreciation is calculated using reducing balance basis at annual rates estimated to write off carrying values of the property, plant and equipment over their expected useful lives.

The rates in use are;

	Rate - %
Property and Equipment	12.50

The carrying values of property, plant and equipment are reviewed for impairment when events or changes in circumstances indicate that the carrying values may not be recoverable or impairment loss is recognised for the amount by which the asset's carrying amount exceeds its recoverable amount. The recoverable amount is the higher of an asset's fair value less costs to sell and value in use.

If any such indications exist and where the carrying values exceed the recoverable amount, property, plant and equipment are written down to their recoverable amounts.

Gains and losses on disposal of property, plant and equipment are determined by reference to their carrying amount and are taken into account in determining the surplus or deficit.

c) Receivables

Receivables are recognised at original

d) Payables

Payables are stated at their nominal value.

e) Cash and cash equivalents

cash at bank.

For the purposes of the Statement of Cash flow, the year end cash and cash equivalents comprise of cash and cash equivalents as defined above.



**ARCHITECTURAL ASSOCIATION OF KENYA
REGISTERED TRUSTEES
NOTES CONTD'
FOR THE YEAR ENDED 31ST DECEMBER 2020**

1. Summary of significant accounting policies (continued)

f) Related party transactions

No related party transactions noted.

g) Taxation

Current taxation is provided for on the basis of the results for the year as shown in the financial statements, adjusted in accordance with the tax law.

h) Comparatives

The figures for the previous year have been grouped/regrouped, where necessary to conform to changes in presentation for the current year.

i) Provisions

A provision is recognized in the books of account when the Association has a present legal or constructive obligation as a result of past event and it is more likely than not that an outflow of economic benefits will be required to settle the obligation and it can be reliably estimated.

2. Financial risk management objectives and policies

The Association's activities expose it to a variety of financial and credit risks including effects of changes in foreign currency exchange rates and interest rates. The Association's overall risk management programme focuses on unpredictability of financial markets and seeks to minimise the potential adverse effects on its financial performance.

Risk management is carried out by the management under policies approved by the board.

Foreign currency fluctuation risk

The Association is exposed to foreign currency fluctuation risk due to the changes in strength of the local currency (kenya shillings) against the major foreign currencies; the Association does not hedge risks.

Liquidity risk

Prudent liquidity risk management implies maintaining sufficient cash, the availability of capital through adequate budgetary allocation.

Financial Instruments

Financial Instruments carried on the Statement of Financial Position include cash in hand, cash at bank, bank overdraft, receivables, payables, commitments receivables and payables. The particular recognition methods adopted are disclosed in the individual policy statements associated with each item.

Revenue recognition

Revenue is recognized to the extent that is probable that the economic benefits will flow to the Association and the revenue can be reliably measured. The following specific recognition criteria must be met before revenue is recognized.

Income

Income is recorded as revenue in the period earned.



**ARCHITECTURAL ASSOCIATION OF KENYA
REGISTERED TRUSTEES
NOTES CONTD'
FOR THE YEAR ENDED 31ST DECEMBER 2020**

3. Critical accounting estimates and judgements

The Association makes estimates and assumptions that affect the reported amounts of assets and liabilities within the next financial period. Estimates and judgements are continually evaluated and are based on historical experience and other factors, including experience of future events that are believed to be reasonable under the circumstances.

i) Critical accounting estimates and assumptions

Property and equipment

Critical estimates are required in determining the depreciation rates for property and equipment. The management determines these rates of depreciation based on their assessment of the useful lives of the various items of property and equipment.

ii) Critical judgments in applying the entity's accounting policies

In the process of applying the Association's accounting policies, the directors have made judgments in determining;

- Whether assets are impaired.
- The classification of financial assets.
- Contingencies and provisions.

	2020	2019
	Kshs	Kshs
4 Revenue		
Rental Income	960,000	960,000
5 Establishment and Administrative Expenses		
Professional fees(Audit)	130,000	166,360
Meeting expenses	-	156,400
Convention expenses	-	134,000
Letting charges	48,000	48,000
Bank charges	1,200	2,505
Depreciation	11,948	13,655
Total	<u>191,148</u>	<u>520,920</u>
6 Taxation		
Statement of comprehensive income		
Corporation tax at 10% on gross rental income for the year (2020: 30% on net surplus)	96,000	96,000
	<u>96,000</u>	<u>96,000</u>
Statement of financial position		
Balance as at 1 January	28,944	28,944
Corporation tax for the year	96,000	96,000
Tax paid	(96,000)	(96,000)
Balance as at 31st December	<u>28,944</u>	<u>28,944</u>
7 Retained earnings		
At 1 January	18,165,094	17,822,014
Surplus for the year	672,852	343,080
As 31 December	<u>18,837,946</u>	<u>18,165,094</u>

**ARCHITECTURAL ASSOCIATION OF KENYA
REGISTERED TRUSTEES
NOTES CONTD'
FOR THE YEAR ENDED 31ST DECEMBER 2020**

	2020 Kshs	2019 Kshs
8 Funds held in trust		
At 1 January	18,126,300	18,036,300
Movement during the year	-	90,000
As 31 December	<u>18,126,300</u>	<u>18,126,300</u>

Funds held in trust refers to money received from Architectural Association of Kenya. The AAK did not contribute any any funds during the year (2020:NIL, 2019: KShs 90,000)

9 Revaluation reserves		
At 1 January	10,341,030	10,341,030
As 31 December	<u>10,341,030</u>	<u>10,341,030</u>

10 Property, Plant and Equipment

	<u>Building</u> Kshs	<u>Equipment 12.5%</u> Kshs	<u>Totals</u> Kshs
Year ended 31st December 2020			
<u>COST</u>			
At start of year	22,142,962	142,680	22,285,642
Additions	-	-	-
At end of year	<u>22,142,962</u>	<u>142,680</u>	<u>22,285,642</u>
<u>DEPRECIATION</u>			
At start of year	-	47,095	47,095
Charge for the Year	-	11,948	11,948
At end of year	<u>-</u>	<u>59,043</u>	<u>59,043</u>
<u>NET BOOK VALUES</u>			
At end of year	<u>22,142,962</u>	<u>83,637</u>	<u>22,226,599</u>
Year ended 31st December 2019			
<u>COST</u>			
At start of year	22,142,962	142,680	22,285,642
Additions	-	-	-
At end of year	<u>22,142,962</u>	<u>142,680</u>	<u>22,285,642</u>
<u>DEPRECIATION</u>			
At start of year	-	33,440	33,440
Charge for the Year	-	13,655	13,655
At end of year	<u>-</u>	<u>47,095</u>	<u>47,095</u>
<u>NET BOOK VALUES</u>			
At end of year	<u>22,142,962</u>	<u>95,585</u>	<u>22,238,547</u>



**ARCHITECTURAL ASSOCIATION OF KENYA
REGISTERED TRUSTEES
NOTES CONTD'
FOR THE YEAR ENDED 31ST DECEMBER 2020**

	2020	2019
	Kshs	Kshs
11 Investment property		
As at 1st January	<u>22,500,000</u>	<u>22,500,000</u>
As at 31 December	<u>22,500,000</u>	<u>22,500,000</u>

The investment property relates to residential property L.R.Number: 209/8221(House Number 1) Golf Villas Mucai Drive Valuation of investment property was carried out by Kiragu and Mwangi Limited on an open market value during the year 2015. The valued amount are shown above.

12 Cash and cash equivalents		
KCB Ksh	<u>2,571,621</u>	<u>2,159,181</u>
Total Cash at bank	<u>2,571,621</u>	<u>2,159,181</u>
13 Receivable		-
Rent Receivable	<u>240,000</u>	<u>-</u>
	<u>240,000</u>	<u>-</u>
14 Trade and other Payables		
Professional Fees	130,000	166,360
Client deposits	70,000	70,000
Letting charges payable	4,000	-
	<u>204,000</u>	<u>236,360</u>

15 Contingent liabilities

At 31st December 2020, the Association had no contingent liabilities.

16 Incorporation

The Association is registered in Kenya under the Societies Act and domiciled in Kenya. Its registered office is shown on page 1.

17 Currency

These financial statements are presented in Kenya shillings.



About Us

Licensed under the Ministry of Industry, Trade and Cooperatives, AAK Co-operative Sacco Ltd is the premier Sacco serving professionals in the built environment industry.

We mobilize savings, invest and provide friendly & affordable credit facilities and other world-class financial services for our members.

Member Benefits

- **Development:** Members have access to financing for investment in their firms, building homes, or even vehicles for business.
- **Emergencies:** Provision of loans for school fees, medical emergencies and other urgent needs
- **Networking:** A pool of professional colleagues to cooperate with including in access to finance
- **Loans:** 1% per month on a reducing balance, of up to 3 times savings
- **Members Care:** Personalized and quick attention to members.
- **Return on Investments:** Earn dividends on shares and interest on savings.
- **Decision Making:** Via Annual General Meetings

Membership Growth

Year	2014	2015	2016	2017	2018	2019
Membership	86	88	90	94	111	125
Growth(%)	4%	2%	2%	4%	18%	11%



Join Us:

Pick and fill either an individual or corporate membership application form from our offices, or download from our website



THE ARCHITECTURAL ASSOCIATION OF KENYA

Upgrade your membership

Have you upgraded your membership?

Upgrade your membership at AAK and gain:

- More credibility as a member of the Association
- Membership certificate
- More professional opportunities
- Subsidized rates for purchase of documents
- Career mentorship





AAK | PROMOTING EXCELLENCE
IN THE BUILT ENVIRONMENT



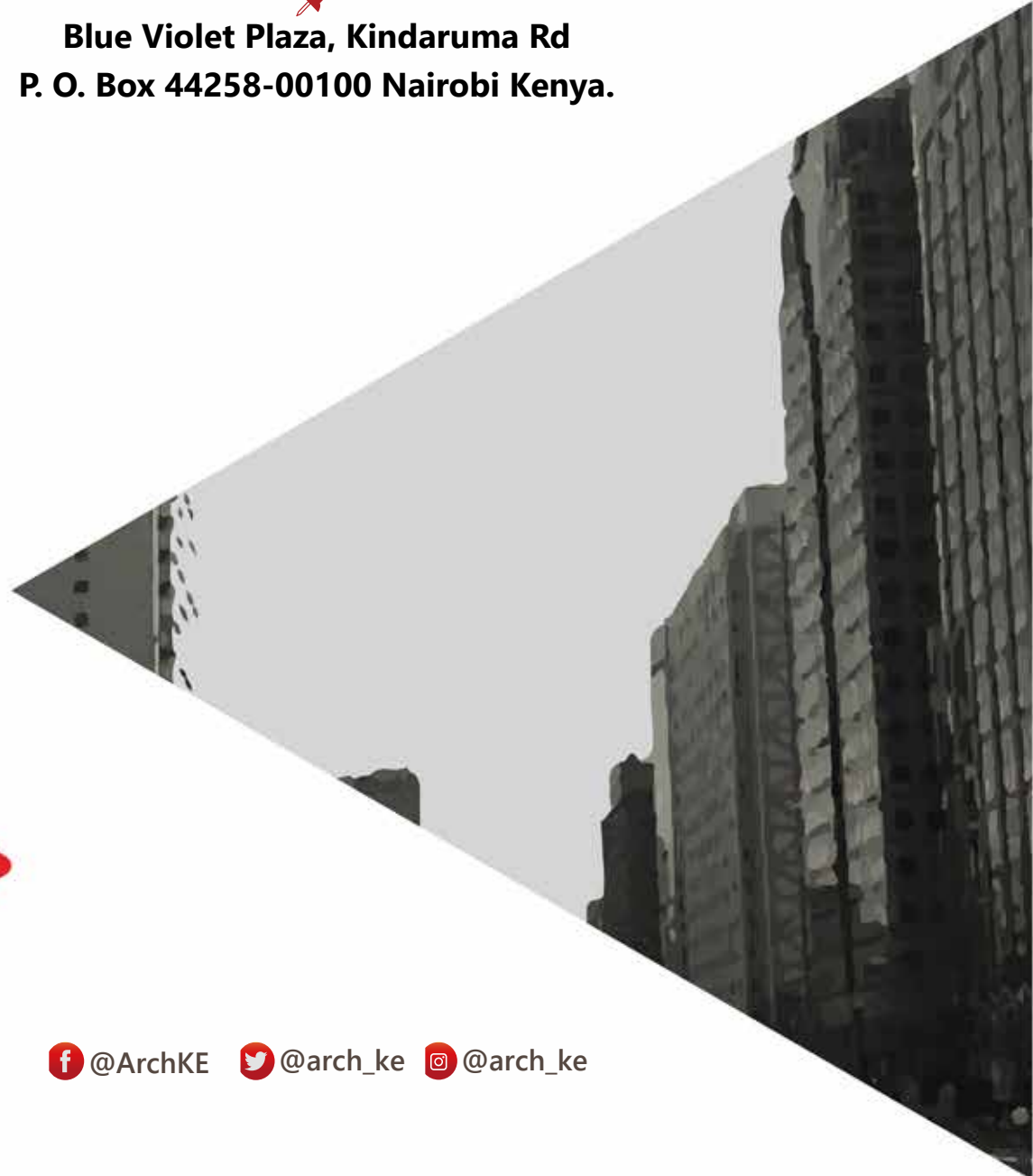
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