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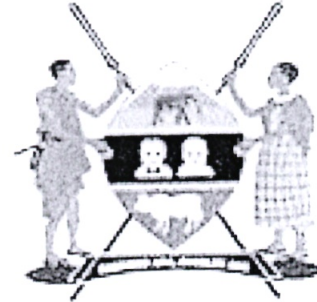
ON

**KAJIADO COUNTY YOUTH AND
WOMEN ENTERPRISE FUND**

**FOR THE YEAR ENDED
30 JUNE, 2023**

PAPERS LAID	
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COMMITTEE	FINANCE
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KAJIADO COUNTY YOUTH AND WOMEN ENTERPRISE FUND

**ANNUAL REPORT AND FINANCIAL STATEMENTS
FOR THE FINANCIAL YEAR ENDED
JUNE 30, 2023**

Prepared in accordance with the Accrual Basis of Accounting Method under the International Public Sector Accounting Standards (IPSAS)

Kajiado County Youth & Women Enterprise Fund
Annual Report and Financial Statements for the year ended June 30, 2023

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1. Acronyms and Glossary of Terms

a) Acronyms

BOM	Board of Management
ICPAK	Institute of Certified Public Accountants of Kenya
IPSAS	International Public Sector Accounting Standards
PFM	Public Finance Management
PSASB	Public Sector Accounting Standards Board
Kshs	Kenya Shillings
SRC	Salaries and Remuneration Commission
FY	Financial Year

b) Glossary of Terms

Fiduciary Management The key management personnel who had financial responsibility and risk assessment of the Fund

Fund Administration Committee The Key Management personnel who deal with the day to day activities of the Fund.

Key Management Team The Key management personnel who are the fiscal policy makers responsible in administration of the Fund

**Kajiado County Youth & Women Enterprise Fund
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2. Key Entity Information and Management

a) Background information

Kajiado County Youth & Women Enterprise Fund is established pursuant to Article 176(1) of the Constitution of Kenya. According to section 12 of the county government act establishes Kajiado County Youth & Women Fund Committee. Among the function bestowed upon the Kajiado county Youth & Women Enterprise Fund Committee is preparation of annual financial estimate of expenditure, exercising budgetary control and performing other functions prescribed by national legislation. Section 116(1) of the Public Finance Management Act 2012 empowers the county Executive committee member for finance to establish county public Funds with the approval of the county executive committee and county assembly. Sub Section 7 requires the administrator of county public Fund to prepare accounts for each financial year and submit them for to the Auditor General. The Fund is wholly owned by the County Government of Kajiado and is domiciled in Kenya.

Arising from the above provisions and as advised by Salaries and Remuneration Commission (SRC) the Fund's principal activity is to advanced interest free loans to under these Regulations and applicable from time to time by the Kajiado County Youth & Women Enterprise Fund Policy.

b) Principal Activities

The Fund principal activity is to advance interest free loans to women and youth groups to empower them economically in the manner under these Regulations and Fund Policy

c) Fund Administration Committee

Ref	Name	Position
1	Jeremiah Taiko	Director Youth/Committee Chair
2	Jeremiah Ole Ncharo	County Executive Committee Member-Education
3	Yeshe Lesinko Parkire	Fund Administrator
4	Samson Parashina	Chief Officer-Education, Youth & Sports
5	Lilian Kenyatta	Gender Officer

d) Key Management Team

Ref	Name	Position
1	HE. Joseph Jama Ole Lenku	Governor-County Government of Kajiado
2	Yeshe Lesinko Parkire	Fund Administrator/Signatory
3	Samson Parashina	Chief Officer-Education, Youth & Sports/Signatory
4	Lilian Kenyatta	Gender Officer/Signatory
5	Jeremiah Ole Ncharo	CEC-Member-Education

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Key Entity and Management (Continued)

e) Fiduciary Oversight Arrangements

SN	Position	Name
1	Directorate Internal Audit	Julius Sikoyo
2	Directorate Finance & Accounting	CPA. Joshua Majakusi

f) Registered Offices

P.O. Box 11-01100
Kajiado County Headquarters
Kajiado, KENYA

g) Fund Contacts

Telephone: (254) 0202043075
E-mail: treasury.cgk@gmail.com
Website: www.go.ke

h) Fund Bankers

1. Kenya Commercial Bank
P.O. Box 43- 01100
Kajiado

Key Entity and Management (Continued)

i) Independent Auditors

Auditor General
Office of the Auditor General
Anniversary Towers, University Way
P.O. Box 30084
GOP 00100
Nairobi, Kenya

j) Principal Legal Adviser






The Attorney General
State Law Office
Harambee Avenue
P.O. Box 40112
City Square 00200
Nairobi, Kenya

k) County Attorney

The County Attorney
County Attorney Office
Governors Court
P.O. Box 11-01100
Kajiado, Kenya






**Kajiado County Youth & Women Enterprise Fund
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3. Fund Administration Committee

Name	Details of qualifications and experience
<p>1. Jeremiah Ntari Taiko</p> 	<p>D.o.B. 1/1/1987 Qualification: Bachelor of Art in Development Studies Work experience 12 years Independent. Fund Administration Committee Chair</p>
<p>2. Lilian Kenyatta</p> 	<p>D.o.B. 11/01/1980. Qualification: Certificate in Primary Education (P1) Work experience: 10 years Director: Gender Officer</p>
<p>3. Samson Parashina</p> 	<p>D.o.B. 15/01/1976. Qualification: Bachelor of Art in Political Science, Work experience: 15 years Executive Director: Chief Officer –Education Youth & Sports</p>
<p>4. Jeremiah Ole Ncharo</p> 	<p>D.o.B. 11/01/1970. Qualification: Bachelor of Arts in Education Work experience: 25 years Executive Director: County Executive Committee- Education</p>
<p>5. Yeshe Lesinko Parkire</p> 	<p>D.o.B. 19/04/1981. Qualification: Bachelor of Science Finance Work experience: 10 years Director: Fund Administrator</p>

**Kajiado County Youth & Women Enterprise Fund
Annual Report and Financial Statements for the year ended June 30, 2023**

4. Management Team

Name	Details of qualifications and experience
<p>1. <u>H.E Joseph Jama Ole Lenku</u></p> 	<p>D.O.B. 20th October 1970 Qualification: Bachelor of commerce in marketing Masters of Business Administration in strategic Management Work experience: 20 years Independent/director: His Excellency the Governor</p>
<p>2. Yesho Lesinko Parkire</p> 	<p>D.o.B. 19/04/1981. Qualification: Bachelor of Science Finance Work experience: 10 years Director: Fund Administrator</p>
<p>3. Jeremiah Ole Ncharo</p> 	<p>D.o.B. 11/01/1970. Qualification: Bachelor of Arts in Education Work experience: 25 years Executive Director: County Executive Committee-Education</p>
<p>4. Samson Parashina</p> 	<p>D.o.B. 15/01/1976. Qualification: Bachelor of Art in Political Science, Work experience: 15 years Executive Director: Chief Officer –Education Youth & Sports</p>
<p>5. Lilian Kenyatta</p> 	<p>D.o.B. 11/01/1980. Qualification: Certificate in Primary Education (P1) Work experience: 10 years Director: Gender Officer</p>

5. Fund Chairperson’s Report

After the 2022 general election, the governor has hit the ground running in all aspect of the County functions. There have been a transition of the Fund from the Gender Department to the Youth Department through an executive order where the Director Youth automatically took over as the Fund Chairperson as per the Kajiado County Youth & Women Fund Regulation of 2016. Further the CEC-M Education appointed an interim committee to carry out the day to day of the Fund awaiting the Public Service Board to undertake advertisement and appointment of the five members from the sub-counties.

Upon review of the Fund both in its operation and the legal framework, it was evident that the Fund has operated on a political vector other than a verifiability and accuracy in vetting. Further, the Fund regulation had a very weak collection policy where the debt management is not clear on the threshold on when and how to take up risks of defaulters. There is a need to review on the regulation both on administration of the Funds and execution of the same. The long outstanding loans are long overdue and the framework in which the same can be recovered is not appropriate, the committee seek to look for an avenue to write off the entire amount of money since the same cannot be traced back.

The Fund has made tremendous effect to both Women & Youth groups this is evident in various groups visited that showed a lift of both sales and stock of goods and service. The aspect of going concern of the Fund to the future is certain if some of administrative actions are considered and corrected. Towards 2026 being the 10 years recommended for review of the Fund, it is prudent that a regulation is reviewed and a new formulation of the regulation to suit the emerging issues in society.

After the inauguration of the committee set to be done once in office, there will be a call to the county executive and the office of the economic planning to review the Fund budget to cover a bigger number of groups and have it effective in the grassroots. It is also to put in place of a lending system that will prompt cancellation if there is double application. The system will also be able to put up an ageing summary of the trade receivable to access the aspect of bad debts provision. Further to this, the Fund wishes to reduce the aspect of a 6 months grace period which has brought about reluctance in the side of the loaned groups to take up the obligation earlier.

In conclusion, the functionality and the perpetual continuity of the Fund fully depend on all stakeholders to functionally execute it. It is our collective mandate to put our foot on the ground and make it a workable.

Name JEREMIAH NTARISignature Date 11-DEC, 2023

Chairperson of the Fund

**Kajiado County Youth & Women Enterprise Fund
Annual Report and Financial Statements for the year ended June 30, 2023**

6. Report of The Fund Administrator

The first tranche of exchequer release for FY 2022/2023 was received on 9th June 2023, amounting to Kshs. 7, 500,000. In addition to this the Fund had an adjusted balance brought forward of Kshs. 4,489 from the FY 2021/2022, within the financial year under review loan repayments worth Kshs 47,380 which was an addition to the revolving Fund account. These repayments are so low compared to the last financial year and the future would be uncertain in terms of repayments to the loans.

The Fund has made tremendous effect to both Women & Youth group is evident in various groups visited that showed a lift of both sales and stock of goods and service. The aspect of going concern of the Fund to the future is certain if some of administrative actions are considered and corrected. Towards 2026 being the 10 years recommended for review of the Fund, it is prudent that a regulation is reviewed and a new formulation of the regulation to suit the emerging issues in society.

During the financial year under audit, Kshs. 9,550,000 was disbursed as Group Loans to beneficiaries all over the 25 wards, of the total disbursed loans compared to the Funds received by the end of the financial year is high. This is because of anticipated Exchequer release not received as the end of the financial year of Kshs. 2,500,000 which was received after. The amount of Kshs. 4,489 is the Bank closing balance carried forward to the following fiscal year, at the close of the financial year two cheques amounting to Kshs. 200,000 were un-presented cheques, leaving in our cash book a balance Equivalent to balance of Kshs. 4,489 for the year ended 30th June, 2023.

Sub County	2022/23			
	No. of Groups	Male	Female	Amount
Kajiado Central	16	9	7	2,300,000
Kajiado North	14	8	6	2,430,000
Kajiado East	9	5	4	1,600,000
Kajiado South	9	5	4	1,320,000
Kajiado West	14	8	6	1,900,000
Total	62	35	27	9,550,000

Like any other entity the Fund has a share of challenges as enumerated below:
The Fund has a regulation that has a number of challenges arising from the manner in which a number of deductions can be done and to outline a clear purpose of the same. The management are in consultation with the county attorney to see a way to amend the regulation.

Kajiado County Youth & Women Enterprise Fund
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Subsequently the Fund requires a debt collection policy that allows the Fund management to apply mechanism to collect loans issued to groups as it is the Fund does not illustrate the extent to which the management can stretch in collecting defaulted loans. By this the Fund has seen increasing loans being defaulted to a tune of Kshs 71,426,696 as at 30th June, 2023.

By dissemination of duties under these Funds, will gives clear mandate of shareholders in running of the Fund which further distance political influence in allocation of the Fund. Without the dissemination, the Fund will face much political interference which in turn compromise on documentation of the process

The budget allocation though not enough was prudently and efficiently used to run the Fund. However, there were challenges faced during the implementation of strategic objectives of the Fund since it was still a new Fund. Some of the challenges are delay payment of loans, Inconsistency in payment of loans, the narration of loan repayment in the bank statements to advice on the group that has paid the loan.

In preparing the financial statements, the Administrator of the County Public Fund has assessed the Fund's ability to continue as a going concern and disclosed, as applicable, matters relating to the use of going concern basis of preparation of the financial statements. Nothing has come to the attention of the Administrator to indicate that the Fund will not remain a going concern for at least the next twelve months from the date of this statement.

**Kajiado County Youth & Women Enterprise Fund
Annual Report and Financial Statements for the year ended June 30, 2023**

7. Statement of Performance Against the County Fund's Predetermined Objectives

Introduction

Section 164 (2) (f) of the Public Finance Management Act, 2012 requires that, at the end of each financial year, the Accounting Officer when preparing financial statements of each County Government entity in accordance with the standards and formats prescribed by the Public Sector Accounting Standards Board which includes a statement of the County Government entity's performance against predetermined objectives.

Following the PFM Act 2012 requirement below is a table to illustrate the annual budget as received from the county exchequer; The Fund has an initial budget of Kshs. 10 Million but could not receive the entire amount due to the availability of money from the National Treasury against own generated revenue. As a result, the Fund received Kshs. 7.5 Million which were distributed among the five sub-counties which presented application forms for vetting. 43 forms were cleared and approved to be issued with loans the agreed distribution formulae is as shown below.

Sub County	2022/23			
	No. of Groups	Male	Female	Amount
Kajiado Central	16	9	7	2,300,000
Kajiado North	14	8	6	2,430,000
Kajiado East	9	5	4	1,600,000
Kajiado South	9	5	4	1,320,000
Kajiado West	14	8	6	1,900,000
Total	62	35	27	9,550,000

Like any other entity the Fund has a share of challenges as enumerated below:
The Fund has a regulation that has a number of challenges arising from the manner in which a number of deductions can be done and to outline a clear purpose of the same. The management is in consultation with the County Attorney to see a way to amend the Fund Regulation. Subsequently the Fund requires a debt collection policy that allows the Fund management to apply mechanism to collect loans issued to groups. As it is, the Fund Regulation does not indicate the extent to which the management can stretch in collecting defaulted loans. By this the Fund has seen increasing loans being defaulted to a tune of Kshs 71,426,696 as at 30th June, 2023.

**Kajiado County Youth & Women Enterprise Fund
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By dissemination of duties under these Funds, will gives clear mandate of shareholders in running of the Fund which further distance political influence in allocation of the Fund. Without the dissemination, the Fund will face much political interference which in turn compromise on documentation of the process.

Progress on attainment of Strategic development objectives

Below we provide the progress on attaining the stated objectives:

Program	Objective	Outcome	Indicator	Performance
Provision of Loan facilities to all Groups within the county	To ensure all vetted groups have access to Mortgage facilities	62 groups successfully received Funding of Kshs. 9,550,000	98 % Absorption rate of loans issued	During financial year under audit ,62 groups received Loans to boast their businesses

8. Corporate Governance Statement

The Fund has an existing committee member drawn as per the Fund regulation of 2016, Under No. 6 (1) which states; there is established the Kajiado County Youth and Women Enterprise Fund. In No. 6(2) the committee shall assist the Fund administrator in the administration and management of the Fund. In No. 6(3) The Committee shall ensure access and equity to the Fund in all parts of the county to the extent that it is practicable to do so.

Further to this No. 7(1) of the regulation states the composition of the committee to consist of;

- a) The Fund administrator who shall be the secretary to the committee
- b) One person from each Sub-County representing the Youth and Women provided that no more than two third of the person are of the same gender appointed competitively by the county public service committee
- c) The county director of youth who shall be the chairperson
- d) County Director of trade
- e) County Director of Gender

Appointment of members under (1) (b) is subject to such person satisfying the chapter six of the constitution on integrity

During the financial year the committee has held a number of several meetings. Being the beginning of their one-year contract period as per their appointment of their term as committee members which commenced in 1st July, 2022 as per their contract, the committee ensured that they contact training in the five sub counties to the beneficiaries.

- **Succession Plan**

The Fund has had a transitioned to a new government having gone through two administrations of the newly formed devolved county units, the contribution made by all stakeholders including the Fund committee has enable the Fund achieve a number of objectives they intended to and oversee the functionality of the committee. Committee members were devoted even when there was lack of finances to ensure that the functionality of the committee is not compromised. Further with the term limit of committee members, the committee has reminded the members that their term is ending by end of March and a number have been released of duties due to their political ambitions which informed the county administration to take up and look into a possible recruitment of other committee members who shall propel the function of the Fund.

- **Process of appointment and removal of Committee Member**

The Fund has an existing committee member drawn as per the Fund regulation of 2016, Under No. 6 (1) which states; there is established the Kajiado County Youth and Women Enterprise Fund. In No. 6(2) the committee shall assist the Fund administrator in the administration and management of the Fund. In No. 6(3) The Committee shall ensure access and equity to the Fund in all parts of the county to the extent that it is practicable to do so.

Kajiado County Youth & Women Enterprise Fund
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Under the Fund Regulation No. 8 (1) outlines grounds in which a member of the committee can be removed from office;

Violation of the constitution or any other law

Gross Misconduct, whether in the performance of the member's function or otherwise

Physical or mental incapacity to perform the functions of office

Incompetence or neglect of duty

No. (2) Of 8 the Executive committee member may upon the recommendation of the committee terminate the appointment of a member of the committee on any of the grounds specified under sub-regulation (1)

- Roles and functions of the Committee Member,

No. 9 (1) of the Fund regulation stipulates the powers and functions of the committee that are necessary for the proper performance of the committee under this regulation. No. 9(2) outlines without prejudice to the generality of the provision of sub-regulation 91), the committee shall have powers to;

Enter into contracts on matters connected with the Fund, Promote and popularize the Fund, Establish procedures and guidelines for matters relating to registration of small enterprises of target group, Loan application, loan approval and loan recovery, Coordinates with the Fund administrator and financial institution engaged by the committees to, Receive and consider all loans application from eligible persons;

Approve or reject such application in accordance with the provision of these regulation and recovery of matured loans. Subject to approval by the executive committee member responsible for finance and economic planning, invest any of the monies of the Fund not immediately required for the purpose of these regulations, as it may determine. Set up vetting committees within the county and approve target groups for Funding and exercise such other lawful powers as may be conferred by the regulation

Kajiado County Youth & Women Enterprise Fund
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9. Management Discussion and Analysis

The Fund has an existing regulation that was formulated in the year 2016 since its inception it has gone through transitions evidence by budgetary allocation from its first disbursement in 2017. The Fund has positively improved standards of SMEs and groups economically by introducing value addition to the products of the groups and SMEs.

Sub County	2017/18				2018/19			
	No. of Groups	Male	Female	Amount	No. of Groups	Male	Female	Amount
Kajiado Central	23	10	13	2,385,000	50	24	26	7,500,000
Kajiado North	26	15	11	2,600,000	48	23	25	7,050,000
Kajiado East	25	12	13	2,500,000	46	23	23	6,900,000
Kajiado South	24	12	12	2,450,000	49	28	21	8,000,000
Kajiado West	24	12	12	2,400,000	52	25	27	7,150,000
Total	122	61	61	12,335,000	245	123	122	36,600,000

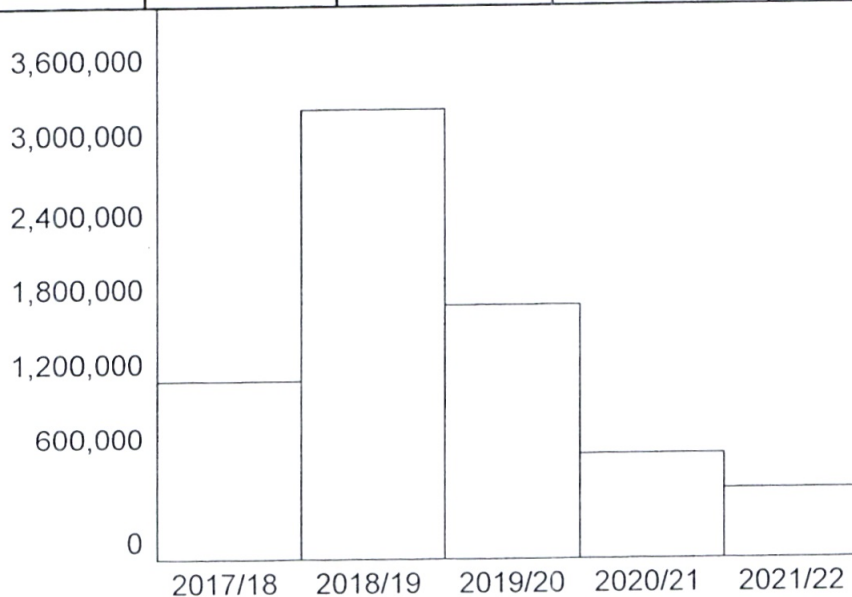
Sub County	2019/20				2020/21		
	No. of Groups	Male	Female	Amount	No. of Groups	Female	Amount
Kajiado Central	18	6	12	2,300,000	18	9	2,300,000
Kajiado North	9	4	5	950,000	26	14	3,300,000
Kajiado East	8	4	4	900,000	23	11	2,950,000
Kajiado South	16	9	6	1,900,000	17	13	2,250,000
Kajiado West	17	9	8	2,400,000	18	15	2,700,000
Total	68	32	35	8,450,000	102	62	13,500,000

Kajiado County Youth & Women Enterprise Fund
Annual Report and Financial Statements for the year ended June 30, 2023

Sub County	2021/22			
	No. of Groups	Male	Female	Amount
Kajiado Central		4	4	1,300,000
	8			
Kajiado North		4	3	1,100,000
	7			
Kajiado East		5	4	1,500,000
	9			
Kajiado South		3	4	1,100,000
	7			
Kajiado West	10	4	6	2,000,000
Total	41	20	21	7,000,000

The Fund has so far disbursed loans to 578 groups since its inception of a total amount of Kshs. 77,885,000. Out of the total loan book Kshs. 71,380,855 are still outstanding. The repayment has been on a downward trend since its inception, a tune of Kshs. 6,504,145 is spread through the years under operation.

Description	Audited Financial Years				
	2017/18	2018/19	2019/20	2020/21	2021/22
Repayments	997,762	3,273,753	1,654,960	527,340	50,330



**Kajiado County Youth & Women Enterprise Fund
Annual Report and Financial Statements for the year ended June 30, 2023**

From the analysis above it is evident that payments are on a downward trend. This can be contributed to the political environment in which the Fund operates. In most cases the groups are not sensitized on the nature of the funds and that they are obligated to refund the money over and above having a political secondment.

Subsequently over and above the Kajiado County Youth & Women Fund attaining its objective, the Fund has shouldered a number of challenges as analysed in the above comparison. The Fund has been under budgeted as evident in the number of groups that benefited from the loan from time to time.

The Fund further wishes to come up with a debt management policy that puts into consideration the threshold at which loans can be recovered and the instance at which the management can apply force in the recovery process.

10. Environmental and Sustainability Reporting

The Fund has no allocation within its budget to conserve the environment, promote education, sports, healthcare, labour relations, staff training and development, and water and sanitation initiatives.

1. Sustainability strategy and profile -

This is looked in the future to focus on climate change mitigation system towards global efforts to get back and repair climate change.

2. Environmental performance

This was not done during the year.

3. Employee welfare

Not done during the year

4. Market place practices-

This is outside the core mandate of the Fund. This could be looked into in future with reference to change of regulations

5. Corporate Social Responsibility / Community Engagements

Due to budget constrains the Fund management did not have any CRS or community engagements during the year. This was attributed to the nature of the Fund and budget lines

**Kajiado County Youth & Women Enterprise Fund
Annual Report and Financial Statements for the year ended June 30, 2023**

11. Report of The Committee

The Committee submit their report together with the audited financial statements for the year ended June 30, 2023 which show the state of the Fund affairs.

Principal activities

The principal activity of the Fund is to disburse interest free loans to Youth and Women

Results

The results of the Fund for the year ended June 30, 2023 are set out in this financial report on page 1 to page 24

Committee

The members of the Committee of the Fund who served during the year are shown on page vii.

Auditors

The Auditor General is responsible for the statutory audit of the Fund in accordance with Article 229 of the Constitution of Kenya and the Public Audit Act 2015.

By Order of the Committee

JEREMIAH NTAZI
.....

Chair of the Fund Administration Committee

Date: 11-DEC, 2023

12. Statement of Management's Responsibilities

Section 167 of the Public Finance Management Act, 2012 requires that, at the end of each financial year, the Administrator of a County Public Fund established by Kajiado County Public Finance Management (Youth and Women Enterprise Fund) Regulation, 2016 shall prepare financial statements for the Fund in accordance with the standards and formats prescribed by the Public Sector Accounting Standards Board.

The Administrator of the County Public Fund is responsible for the preparation and presentation of the Fund's financial statements, which give a true and fair view of the state of affairs of the Fund for and as at the end of the financial year ended on June 30, 2023. This responsibility includes:

- (i) maintaining adequate financial management arrangements and ensuring that these continue to be effective throughout the reporting period;
- (ii) maintaining proper accounting records, which disclose with reasonable accuracy at any time the financial position of the Fund;
- (iii) designing, implementing and maintaining internal controls relevant to the preparation and fair presentation of the financial statements, and ensuring that they are free from material misstatements, whether due to error or fraud;
- (iv) safeguarding the assets of the Fund;
- (v) selecting and applying appropriate accounting policies; and
- (vi) Making accounting estimates that are reasonable in the circumstances.

The Administrator of the County Public Fund accepts responsibility for the Fund's financial statements, which have been prepared using appropriate accounting policies supported by reasonable and prudent judgements and estimates, in conformity with International Public Sector Accounting Standards (IPSAS), and in the manner required by the PFM Act, 2012 and Kajiado County Public Finance Management (Youth and Women Enterprise Fund) Regulation, 2016. The Administrator of the Fund is of the opinion that the Fund's financial statements give a true and fair view of the state of Fund's transactions during the financial year ended June 30, 2023, and of the Fund's financial position as at that date. The Administrator further confirm the completeness of the accounting records maintained for the Fund, which have been relied upon in the preparation of the Fund's financial statements as well as the adequacy of the systems of internal financial control.

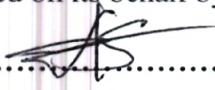
In preparing the financial statements, the Administrator of the County Public Fund has assessed the Fund's ability to continue as a going concern and disclosed, as applicable, matters relating to the use of going concern basis of preparation of the financial statements. Nothing has come to the attention of the Administrator to indicate that the Fund will not remain a going concern for at least the next twelve months from the date of this statement.

There has been had several disbursements of Funds from the exchequer received by the Fund during the FY 2022/2023 amounting to Kshs. 10,000,000. The amount of Kshs. 4,489 is the Bank balance carried forward to the following fiscal year.

Kajiado County Youth & Women Enterprise Fund
Annual Report and Financial Statements for the year ended June 30, 2023

Approval of the financial statements

The Fund's financial statements were approved by the Committee on 11-DEC 2023
and signed on its behalf by:



.....
Administrator of the County Public Fund

REPUBLIC OF KENYA

Telephone: +254-(20) 3214000
Email: info@oagkenya.go.ke
Website: www.oagkenya.go.ke



HEADQUARTERS
Anniversary Towers
Monrovia Street
P.O. Box 30084-00100
NAIROBI

REPORT OF THE AUDITOR-GENERAL ON KAJIADO COUNTY YOUTH AND WOMEN ENTERPRISE FUND FOR THE YEAR ENDED 30 JUNE, 2023

PREAMBLE

I draw your attention to the contents of my report which is in three parts:

- A. Report on the Financial Statements that considers whether the financial statements are fairly presented in accordance with the applicable financial reporting framework, accounting standards and the relevant laws and regulations that have a direct effect on the financial statements.
- B. Report on Lawfulness and Effectiveness in Use of Public Resources which considers compliance with applicable laws, regulations, policies, gazette notices, circulars, guidelines and manuals and whether public resources are applied in a prudent, efficient, economic, transparent and accountable manner to ensure Government achieves value for money and that such funds are applied for the intended purpose.
- C. Report on the Effectiveness of Internal Controls, Risk Management and Governance which considers how the entity has instituted checks and balances to guide internal operations. This responds to the effectiveness of the governance structure, risk management environment and internal controls, developed and implemented by those charged with governance for orderly, efficient and effective operations of the entity.

An unmodified opinion does not necessarily mean that an entity has complied with all relevant laws and regulations and that its internal controls, risk management and governance systems are properly designed and were working effectively in the financial year under review.

The three parts of the report are aimed at addressing the statutory roles and responsibilities of the Auditor-General as provided by Article 229 of the Constitution, the Public Finance Management Act, 2012 and the Public Audit Act, 2015. The three parts of the report when read together constitute the report of the Auditor-General.

REPORT ON THE FINANCIAL STATEMENTS

Qualified Opinion

I have audited the accompanying financial statements of Kajiado County Youth and Women Enterprise Fund set out on pages 1 to 30, which comprise of the statement of financial position as at 30 June, 2023 and the statement of financial performance,

Report of the Auditor-General on Kajiado County Youth and Women Enterprise Fund for the year ended 30 June, 2023

statement of net assets, statement of cash flows and statement of comparison of budget and actual amounts for the year then ended and a summary of significant accounting policies and other explanatory information in accordance with the Provisions of Article 229 of the Constitution of Kenya and Section 35 of the Public Audit Act, 2015. I have obtained all the information and explanations which to the best of my knowledge and belief, were necessary for the purpose of the audit.

In my opinion, except for the effects of the matter described in the Basis for Qualified Opinion section of my report, the financial statements present fairly, in all material respects, the financial position of Kajiado County Youth and Women Enterprise Fund as at 30 June, 2023 and of its financial performance and its cash flows for the year then ended, in accordance with International Public Sector Accounting Standards (Accrual Basis) and comply with the Public Finance Management Act, 2012.

Basis for Qualified Opinion

Long Outstanding Loans

The statement of financial position reflects current portion of long-term receivables and long-term receivables from exchange transactions amount of Kshs.9,550,000 and Kshs.71,328,986 respectively totalling Kshs.80,878,986 as disclosed in Notes 6 (a) and 6 (b) to the financial statements. Review of loan repayment records revealed that the amount of Kshs.80,878,986 was in arrears. However, there was no evidence of measures put in place by the Management to recover the long outstanding loans. Further, Management had not made provision for bad and doubtful debts on these long outstanding loans, whose recovery was in doubt considering that they were not secured.

In the circumstances, recoverability of the long-term receivables of Kshs.71,328,986 could not be confirmed.

The audit was conducted in accordance with the International Standards for Supreme Audit Institutions (ISSAIs). I am independent of the Kajiado County Youth and Women Enterprise Fund Management in accordance with ISSAI 130 on the Code of Ethics. I have fulfilled other ethical responsibilities in accordance with the ISSAI and in accordance with other ethical requirements applicable to performing audits of financial statements in Kenya. I believe that the audit evidence I have obtained is sufficient and appropriate to provide a basis for my qualified opinion.

Key Audit Matters

Key audit matters are those matters that, in my professional judgment, are of most significance in the audit of the financial statements. There were no key audit matters to report in the year under review.

Other Matters

Prior Year Matters

In the audit report of the previous year, several paragraphs were raised under the Report on Financial Statements and Report on Lawfulness and Effectiveness in Use of Public

Resources. However, Management has not resolved the issues or given any explanation for the failure to adhere to the provisions of the Public Sector Accounting Standards Board reporting template.

REPORT ON LAWFULNESS AND EFFECTIVENESS IN USE OF PUBLIC RESOURCES

Conclusion

As required by Article 229(6) of the Constitution, based on the audit procedures performed, except for the matter described in the Basis for Conclusion on Lawfulness and Effectiveness in Use of Public Resources section of my report, I confirm that, nothing else has come to my attention to cause me to believe that public resources have not been applied lawfully and in an effective way.

Basis for Conclusion

Failure to Deduct Management Fee

The statement of financial position reflects current portion of long-term receivables from exchange transactions of Kshs.9,550,000 as disclosed in Note 6 to the financial statements. However, review of loan applications and disbursements records revealed that Management did not charge management fee of 5% of the loan granted upfront amounting to Kshs.477,500, contrary to the requirements of the County Public Finance Management (Youth and Women Enterprise Fund) Regulations, 2016 which requires the fee to be charged upfront on loans

In the circumstances, Management was in breach of the law.

The audit was conducted in accordance with the International Standards for Supreme Audit Institutions (ISSAI) 4000. The standard requires that I comply with ethical requirements and plan and perform the audit to obtain assurance about whether the activities, financial transactions and information reflected in the financial statements comply, in all material respects, with the authorities that govern them. I believe that the audit evidence I have obtained is sufficient and appropriate to provide a basis for my conclusion.

REPORT ON EFFECTIVENESS OF INTERNAL CONTROLS, RISK MANAGEMENT AND GOVERNANCE

Conclusion

As required by Section 7(1)(a) of the Public Audit Act, 2015, based on the audit procedures performed, except for the matters described in the Basis for Conclusion on Effectiveness of Internal Controls, Risk Management and Governance section of my report, I confirm that nothing else has come to my attention to cause me to believe that internal controls, risk management and governance were not effective.

Basis for Conclusion

1. Unsupported Loan Disbursements

The statement of financial position reflects current portion of long-term receivables and long-term receivables from exchange transactions balances of Kshs.9,550,000 and Kshs.71,328,986 respectively as disclosed in Notes 6 (a) and 6 (b) to the financial statements. However, the balances were not adequately supported with relevant application documents. It was noted that the applications forms were incomplete and sections for chief endorsement, loan agreement and guarantee were left blank. Further, there was no vetting committee recommendations and signatures for loan disbursed within the year, minutes of the loans approval from the members were not attached, and some minutes attached had not been signed by the chair and secretary. In addition, some application forms lacked copies of identification documents and bank statements which are the requisite documents before loans are issued to youth and women groups.

In the circumstances, the controls over loan disbursements are weak and may expose the Fund to the risk of default with no recourse.

2. Appointment and Composition of Board Members

Review of information provided by Management revealed that Youth and Women Enterprise Fund established a board committee. However, relevant documents such as applications of those appointed, report of the selection panel, evidence of fulfillment of the requirements of Section 7(2)(a) and (b) of the Fund Regulations on matters of composition of the committee, letters of appointment, qualifications and gazettement of the committee members were not provided for audit review.

In the circumstances, the board committee was not properly constituted.

The audit was conducted in accordance with the International Standards for Supreme Audit Institutions (ISSAIs) 2315 and 2330. The standards require that I plan and perform the audit to obtain assurance about whether effective processes and systems of internal controls, risk management and overall governance were operating effectively, in all material respects. I believe that the audit evidence I have obtained is sufficient and appropriate to provide a basis for my conclusion.

Responsibilities of Management and those Charged with Governance

Management is responsible for the preparation and fair presentation of these financial statements in accordance with International Public Sector Accounting Standards (Accrual Basis) and for maintaining effective internal controls as the Management determines is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error and for its assessment of the effectiveness of internal controls, risk management and overall governance.

In preparing the financial statements, Management is responsible for assessing the Fund'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 Management is aware of the intention to cease operations.

Management is also responsible for the submission of the financial statements to the Auditor-General in accordance with the Provisions of Section 47 of the Public Audit Act, 2015.

In addition to the responsibility for the preparation and presentation of the financial statements described above, Management is also responsible for ensuring that the activities, financial transactions and information reflected in the financial statements comply with the authorities which govern them and that public resources are applied in an effective way.

Management is responsible for overseeing the Fund's financial reporting process, reviewing the effectiveness of how Management monitors compliance with relevant legislative and regulatory requirements, ensuring that effective processes and systems are in place to address key roles and responsibilities in relation to governance and risk management and ensuring the adequacy and effectiveness of the control environment.

Auditor-General's Responsibilities for the Audit

The audit 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 my opinion in accordance with the provisions of Section 48 of the Public Audit Act, 2015 and submit the audit report in compliance with Article 229(7) of the Constitution. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with ISSAIs will always detect a material misstatement and weakness 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.

In addition to the audit of the financial statements, a compliance audit is planned and performed to express a conclusion about whether, in all material respects, the activities, financial transactions and information reflected in the financial statements are in compliance with the authorities that govern them and that public resources are applied in an effective way, in accordance with the provisions of Article 229(6) of the Constitution and submit the audit report in compliance with Article 229(7) of the Constitution.

Further, in planning and performing the audit of the financial statements and audit of compliance, I consider internal control in order to give an assurance on the effectiveness of internal controls, risk management and governance processes and systems in accordance with the provisions of Section 7(1)(a) of the Public Audit Act, 2015 and submit the audit report in compliance with Article 229(7) of the Constitution. My consideration of the internal control would not necessarily disclose all matters in the internal control that might be material weaknesses under the ISSAIs. A material weakness is a condition in which the design or operation of one or more of the internal control components does not reduce to a relatively low level the risk that misstatements caused by error or fraud in

amounts that would be material in relation to the financial statements being audited may occur and not be detected within a timely period by employees in the normal course of performing their assigned functions.

Because of its inherent limitations, internal control may not prevent or detect misstatements and instances of non-compliance. Also, projections of any evaluation of effectiveness to future periods are subject to the risk that controls may become inadequate because of changes in conditions, or that the degree of compliance with the Fund's policies and procedures may deteriorate.

As part of an audit conducted in accordance with ISSAIs, I exercise professional judgement and maintain professional skepticism throughout the audit. I 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 my 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 controls.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the Management.
- Conclude on the appropriateness of the Management's use of the applicable 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 Fund's ability to continue to sustain its services. If I conclude that a material uncertainty exists, I am required to draw attention in the auditor's report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify my opinion. My conclusions are based on the audit evidence obtained up to the date of my audit report. However, future events or conditions may cause the County Executive to cease to continue to sustain its services.
- 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.
- Obtain sufficient appropriate audit evidence regarding the financial information and business activities of the Fund to express an opinion on the financial statements.
- Perform such other procedures as I consider necessary in the circumstances.

I communicate with the Management regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that are identified during the audit.

I also provide Management with a statement that I have complied with relevant ethical requirements regarding independence and communicate with them all relationships and

other matters that may reasonably be thought to bear on my independence and where applicable, related safeguards.



FCPA Nancy Gathungu, CBS
AUDITOR-GENERAL

Nairobi

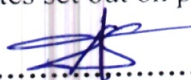
20 February, 2024

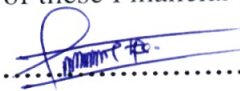
Kajiado County Youth & Women Enterprise Fund
Annual Report and Financial Statements for the year ended June 30, 2023

14. Statement of Financial Performance for the Year Ended 30th June 2023

	Note	2022-2023	2021-2022
		Kshs	Kshs
Revenue From Non-Exchange Transactions			
Transfers From the County Government (Operation)	1		
-3% of Fund of Budget (10,000,000)	1a	300,000	210,000
-10% of Fund Budget (7,500,000)		-	750,000
Total Revenue		300,000	960,000
Expenses			
Fund Administration Expense	3	300,000	515,000
Finance Costs	4	15,222	19,821
Total Expenses		(315,222)	(534,821)
Other Gains/Losses			
Gain/Loss on Disposal of Assets	-	-	-
Surplus/(Deficit) For The Period		(15,222)	425,179

(The notes set out on pages 6 to 24 form an integral part of these Financial Statements)

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Name: KETHO KERIKO
Administrator of the Fund

.....

Name: KETI PULEI
Fund Accountant
ICPAK Member Number: 17884

Kajiado County Youth & Women Enterprise Fund
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15. Statement of Financial Position As at 30th June 2023

	Note	2022-2023	2021-2022
		Kshs	Kshs
Assets			
Current Assets			
Cash and Cash Equivalents	5	4,266,647	4,489
Current Portion of Long- Term Receivables From Exchange Transactions	6(a)	9,550,000	7,000,000
		13,816,647	7,004,489
Non-Current Assets			
Long Term Receivables from Exchange Transactions	6(b)	71,328,986	64,376,366
Loan Receivable from Non-Exchange Transaction	6(c)	2,500,000	-
		73,828,986	64,376,366
Total Assets		87,645,633	71,380,855
Liabilities			
Current Liabilities			
Trade and Other Payables from Non- Exchange Transactions	7	6,580,000	-
		-	-
Non-Current Liabilities			
Long Term Portion of loans Payable		-	-
Total Liabilities		-	-
Net Assets		81,065,633	71,380,855
Revolving Fund		75,593,960	65,893,960
Reserves		-	-
Accumulated Surplus		5,471,673	5,486,895
Total Net Assets and Liabilities		81,065,633	71,380,855

The accounting policies and explanatory notes to these financial statements form an integral part of the financial statements. The entity financial statements were approved on 11-DEC 2023 and signed by:

.....
 Name: YERHO LEZINKO
 Administrator of the Fund

.....
 Name: KEN PUKET
 Fund Accountant
 ICPAK Member Number: 17884

**Kajiado County Youth & Women Enterprise Fund
Annual Report and Financial Statements for the year ended June 30, 2023**

16. Statement Of Changes in Net Assets for the year ended 30th June 2023

	Revolving Fund	Revaluation Reserve	Accumulated surplus	Total
		KShs	KShs	KShs
Balance as at 1 July 2021	55,153,960	-	5,106,716	60,260,676
Funds received during the year (Capital Fund)	4,200,000	-		4,200,000
Overstated Surplus for the previous year			(45,000)	(45,000)
Surplus/(deficit)for the period		-	425,179	425,179
Funds received during the year (Capital Fund)	6,540,000	-	-	6,540,000
Balance as at 30 June 2022	65,893,960		5,486,895	71,380,855
Balance as at 1 July 2022	65,893,960		5,486,895	71,380,855
Surplus/(deficit)for the period		-	(15,222)	(15,222)
Funds received during the year (Capital Fund)	7,200,000	-	-	7,200,000
Funds receivable during the year (Capital Fund)	2,500,000			2,500,000
Balance as at 30 June 2023	75,593,960		5,471,673	81,065,633

**Kajiado County Youth & Women Enterprise Fund
Annual Report and Financial Statements for the year ended June 30, 2023**

17. Statement of Cash Flows for The Year Ended 30 June 2023

	Note	2022-2023	2021-2022
		Kshs	Kshs
Cash flows from operating activities			
Receipts			
Transfers from the county government	1	7,500,000	7,500,000
Total receipts		7,500,000	7,500,000
Payments			
Fund administration expenses	3	(300,000)	(515,000)
Finance cost	4	(15,222)	(19,821)
Adjusted for:			
Decrease/(Increase) in Accounts Receivables	7	(6,580,000)	5,000,000
Increase/(Decrease) in Accounts Payable		6,580,000	(5,045,000)
Net cash flows from operating activities		6,920,179	6,920,179
Cash flows from investing activities			
Proceeds from loan principal repayments	9	47,380	50,330
Loan disbursements paid out	6(a)	(2,970,000)	(7,000,000)
Net cash flows used in investing activities		4,262,158	(29,491)
Cash flows from financing activities			
Proceeds from revolving Fund receipts		-	-
Additional borrowings		-	-
Repayment of borrowings		-	-
Net cash flows used in financing activities		-	-
Net increase/(decrease) in cash & cash Equivalents		4,262,158	(29,491)
Cash and cash equivalents at 1 July	5	4,489	33,980
Cash and cash equivalents at 30 June	5	4,266,647	4,489

18. Statement Of Comparison Of Budget And Actual Amounts For The Period

	Original budget	Adjustments	Final budget	Actual on comparable basis	Performance difference	% utilization
	2023	2023	2023	2023	2023	2023
	KShs	KShs	KShs	KShs	KShs	
Revenue						
Transfers from County Govt.- Operation	300,000	-	300,000	300,000	-	100%
Transfers from County Govt.- Capital	9,700,000		9,700,000	9,550,000	150,000	98.45%
Total income	10,000,000	-	10,000,000	9,850,000	150,000	98.45%
Expenses						
Loans Issued	9,700,000		9,700,000	9,550,000	150,000	98.45%
Fund administration expenses	300,000	-	300,000	300,000	-	100%
Finance cost	-	-	-	15,222	15,222	0
Total expenditure	10,000,000	-	10,000,000	9,865,222	15,222	98.65%

Budget notes

1. Percentages (Over/Under 10%)-

98.65% absorption rate is as a result of Funding of the total budget by the county treasury

19. Notes to the Financial Statements

1. General Information

Kajiado County Youth & Women Fund entity is established by Kajiado County Assembly Regulation of 2016 and derives its authority and accountability from the regulation and the PFM Act. The entity is wholly owned by the Kajiado County Government and is domiciled in Kenya. The entity's principal activity is to issue interest free loans to groups and SMEs.

2. Statement of compliance and basis of preparation

The Fund's financial statements have been prepared in accordance with and comply with International Public Sector Accounting Standards (IPSAS). The financial statements are presented in Kenya shillings, which is the functional and reporting currency of the Fund. The accounting policies have been consistently applied to all the years presented.

The financial statements have been prepared on the basis of historical cost, unless stated otherwise. The cash flow statement is prepared using the direct method. The financial statements are prepared on accrual basis.

3. Adoption of new and revised standards

(i) New and amended standards and interpretations in issue but not yet effective in the year ended 30 June 2023

Standard	Effective date and impact
<p>IPSAS 41: Financial Instruments</p>	<p>Applicable: 1st January 2023</p> <p>The objective of IPSAS 41 is to establish principles for the financial reporting of financial assets and liabilities that will present relevant and useful information to users of financial statements for their assessment of the amounts, timing and uncertainty of an Entity's future cash flows.</p> <p>IPSAS 41 provides users of financial statements with more useful information than IPSAS 29, by:</p> <ul style="list-style-type: none"> • Applying a single classification and measurement model for financial assets that considers the characteristics of the asset's cash flows and the objective for which the asset is held; • Applying a single forward-looking expected credit loss model that is applicable to all financial instruments subject to

**Kajiado County Youth & Women Enterprise Fund
Annual Report and Financial Statements For the year ended 30 June 2023**

Standard	Effective date and impact
	<p>impairment testing; and</p> <ul style="list-style-type: none"> • Applying an improved hedge accounting model that broadens the hedging arrangements in scope of the guidance. The model develops a strong link between an Entity's risk management strategies and the accounting treatment for instruments held as part of the risk management strategy. <p>Relevant to the Entity</p>
<p>IPSAS 42: Social Benefits</p>	<p>Applicable: 1st January 2023</p> <p>The objective of this Standard is to improve the relevance, faithful representativeness and comparability of the information that a reporting Entity provides in its financial statements about social benefits. The information provided should help users of the financial statements and general-purpose financial reports assess:</p> <ul style="list-style-type: none"> (a) The nature of such social benefits provided by the Entity; (b) The key features of the operation of those social benefit schemes; and (c) The impact of such social benefits provided on the Entity's financial performance, financial position and cash flows. <p>Irrelevant to the Entity</p>
<p>Amendments to Other IPSAS resulting from IPSAS 41, Financial Instruments</p>	<p>Applicable: 1st January 2023</p> <ul style="list-style-type: none"> a) Amendments to IPSAS 5, to update the guidance related to the components of borrowing costs which were inadvertently omitted when IPSAS 41 was issued. b) Amendments to IPSAS 30, regarding illustrative examples on hedging and credit risk which were inadvertently omitted when IPSAS 41 was issued. c) Amendments to IPSAS 30, to update the guidance for accounting for financial guarantee contracts which were inadvertently omitted when IPSAS 41 was issued. <p>Amendments to IPSAS 33, to update the guidance on classifying financial instruments on initial adoption of accrual basis IPSAS</p>

Kajiado County Youth & Women Enterprise Fund
Annual Report and Financial Statements For the year ended 30 June 2023

Standard	Effective date and impact
	<p>which were inadvertently omitted when IPSAS 41 was issued.</p> <p>Irrelevant to the Entity</p>
Other improvements to IPSAS	<p>Applicable 1st January 2023</p> <ul style="list-style-type: none"> • IPSAS 22 Disclosure of Financial Information about the General Government Sector. <p>Amendments to refer to the latest System of National Accounts (SNA 2008).</p> <ul style="list-style-type: none"> • IPSAS 39: Employee Benefits <p>Now deletes the term composite social security benefits as it is no longer defined in IPSAS.</p> <ul style="list-style-type: none"> • IPSAS 29: Financial instruments: Recognition and Measurement <p>Standard no longer included in the 2021 IPSAS handbook as it is now superseded by IPSAS 41 which is applicable from 1st January 2023.</p> <p>Irrelevant to the Entity</p>

(ii) New and amended standards and interpretations in issue but not yet effective in the year ended 30 June 2023.

Standard	Effective date and impact:
IPSAS 43	<p>Applicable 1st January 2025</p> <p>The standard sets out the principles for the recognition, measurement, presentation, and disclosure of leases. The objective is to ensure that lessees and lessors provide relevant information in a manner that faithfully represents those transactions. This information gives a basis for users of financial statements to assess the effect that leases have on the financial position, financial performance and cash flows of an Entity.</p> <p>The new standard requires entities to recognise, measure and present information on right of use assets and lease liabilities.</p> <p>Irrelevant to the Entity</p>
IPSAS 44: Non-Current Assets Held for Sale and	<p>Applicable 1st January 2025</p> <p>The Standard requires,</p> <p>Assets that meet the criteria to be classified as held for sale to be</p>

**Kajiado County Youth & Women Enterprise Fund
Annual Report and Financial Statements For the year ended 30 June 2023**

Standard	Effective date and impact:
Discontinued Operations	<p>measured at the lower of carrying amount and fair value less costs to sell and the depreciation of such assets to cease and:</p> <p>Assets that meet the criteria to be classified as held for sale to be presented separately in the statement of financial position and the results of discontinued operations to be presented separately in the statement of financial performance.</p> <p>Irrelevant to the Entity</p>

(iii) Early adoption of standards

The entity adopted the following standards early **IPSAS 41: Financial Instruments** has been adopted in the aspect of recognising Derived Financial Instruments attached to the loans issued

4. Significant Accounting Policies

a) Revenue recognition

i. Revenue from non-exchange transactions

Transfers from other government entities

Revenues from non-exchange transactions with other government entities are measured at fair value and recognized on obtaining control of the asset (cash, goods, services and property) if the transfer is free from conditions and it is probable that the economic benefits or service potential related to the asset will flow to the entity and can be measured reliably.

ii. Revenue from exchange transactions

Interest income

Interest income is accrued using the effective yield method. The effective yield discounts estimated future cash receipts through the expected life of the financial asset to that asset's net carrying amount. The method applies this yield to the principal outstanding to determine interest income each period.

Dividends

Dividends or similar distributions must be recognized when the shareholder's or the Entity's right to receive payments is established.

Rental income

Rental income arising from operating leases on investment properties is accounted for on a straight-line basis over the lease terms and included in revenue.

b) Budget information

The original budget for FY 2022/2023 was approved by the County Assembly on 30th June, 2022. Subsequent revisions or additional appropriations were made to the approved budget in accordance with specific approvals from the appropriate authorities. The additional appropriations are added to the original budget by the Kajiado County youth & women Enterprise Fund upon receiving the respective approvals in order to conclude the final budget.

The youth & Women Enterprise Fund budget is prepared on a different basis to the actual income and expenditure disclosed in the financial statements. The financial statements are prepared on accrual basis using a classification based on the nature of expenses in the statement of financial performance, whereas the budget is prepared on a cash basis. The amounts in the financial statements were recast from the accrual basis to the cash basis and reclassified by presentation to be on the same basis as the approved budget. A comparison of budget and actual amounts, prepared on a comparable basis to the approved budget, is then presented in the statement of comparison of budget and actual amounts.

In addition to the Basis difference, adjustments to amounts in the financial statements are also made for differences in the formats and classification schemes adopted for the presentation of the financial statements and the approved budget.

Kajiado County Youth & Women Enterprise Fund
Annual Report and Financial Statements For the year ended 30 June 2023

A statement to reconcile the actual amounts on a comparable basis included in the statement of comparison of budget and actual amounts and the actual as per the statement of financial performance has been presented under financial statements.

Summary of Significant Accounting Policies (Continued)

In addition to the Basis difference, adjustments to amounts in the financial statements are also made for differences in the formats and classification schemes adopted for the presentation of the financial statements and the approved budget.

A statement to reconcile the actual amounts on a comparable basis included in the statement of comparison of budget and actual amounts and the actual as per the statement of financial performance has been presented under page 5 of these financial statements.

c) Property, plant and equipment

All property, plant and equipment are stated at cost less accumulated depreciation and impairment losses. Cost includes expenditure that is directly attributable to the acquisition of the items. When significant parts of property, plant and equipment are required to be replaced at intervals, the entity recognizes such parts as individual assets with specific useful lives and depreciates them accordingly. Likewise, when a major inspection is performed, its cost is recognized in the carrying amount of the plant and equipment as a replacement if the recognition criteria are satisfied. All other repair and maintenance costs are recognized in surplus or deficit as incurred. Where an asset is acquired in a non-exchange transaction for nil or nominal consideration the asset is initially measured at its fair value.

d) Intangible Assets

Intangible assets acquired separately are initially recognized at cost. The cost of intangible assets acquired in a non-exchange transaction is their fair value at the date of the exchange. Following initial recognition, intangible assets are carried at cost less any accumulated amortization and accumulated impairment losses. Internally generated intangible assets, excluding capitalized development costs, are not capitalized and expenditure is reflected in surplus or deficit in the period in which the expenditure is incurred.

The useful life of the intangible assets is assessed as either finite or indefinite.

e) Investment property

Investment properties are measured initially at cost, including transaction costs. The carrying amount includes the replacement cost of components of an existing investment property at the time that cost is incurred if the recognition criteria are met and excludes the costs of day-to-day maintenance of an investment property. Investment property acquired through a non-exchange transaction is measured at its fair value at the date of acquisition. Subsequent to initial recognition, investment properties are measured using the cost model and are depreciated over a period or investment property is measured at fair value with gains and losses recognised through surplus or deficit

Investment properties are derecognized either when they have been disposed of or when the investment property is permanently withdrawn from use and no future economic benefit or service potential is expected from its disposal. The difference between the net disposal proceeds and the carrying amount of the asset is recognized in the surplus or deficit in the period of de-recognition.

Summary of Significant Accounting Policies (Continued)

f) Financial instruments

IPSAS 41 addresses the classification, measurement and de-recognition of financial assets and financial liabilities, introduces new rules for hedge accounting and a new impairment model for financial assets. The entity does not have any hedge relationships and therefore the new hedge accounting rules have no impact on the Company's financial statements.

A financial instrument is any contract that gives rise to a financial asset of one entity and a financial liability or equity instrument of another entity. At initial recognition, the entity measures a financial asset or financial liability at its fair value plus or minus, in the case of a financial asset or financial liability not at fair value through surplus or deficit, transaction costs that are directly attributable to the acquisition or issue of the financial asset or financial liability.

Financial assets

Classification of financial assets

The entity classifies its financial assets as subsequently measured at amortised cost, fair value through net assets/ equity or fair value through surplus and deficit on the basis of both the entity's management model for financial assets and the contractual cash flow characteristics of the financial asset. A financial asset is measured at amortized cost when the financial asset is held within a management model whose objective is to hold financial assets in order to collect contractual cash flows and the contractual terms of the financial asset give rise on specified dates to cash flows that are solely payments of principal and interest on the principal outstanding. A financial asset is measured at fair value through net assets/ equity if it is held within the management model whose objective is achieved by both collecting contractual cash flows and selling financial assets and the contractual terms of the financial asset give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding. A financial asset shall be measured at fair value through surplus or deficit unless it is measured at amortized cost or fair value through net assets/ equity unless an entity has made irrevocable election at initial recognition for particular investments in equity instruments.

Subsequent measurement

Based on the business model and the cash flow characteristics, the entity classifies its financial assets into amortized cost or fair value categories for financial instruments. Movements in fair value are presented in either surplus or deficit or through net assets/ equity subject to certain criteria being met.

Summary of Significant Accounting Policies (Continued)

Amortized cost

Financial assets that are held for collection of contractual cash flows where those cash flows represent solely payments of principal and interest, and that are not designated at fair value through surplus or deficit, are measured at amortized cost. A gain or loss on an instrument that is subsequently measured at amortized cost and is not part of a hedging relationship is recognized in profit or loss when the asset is de-recognized or impaired. Interest income from these financial assets is included in finance income using the effective interest rate method.

Fair value through net assets/ equity

Financial assets that are held for collection of contractual cash flows and for selling the financial assets, where the assets' cash flows represent solely payments of principal and interest, are measured at fair value through net assets/ equity. Movements in the carrying amount are taken through net assets, except for the recognition of impairment gains or losses, interest revenue and foreign exchange gains and losses which are recognized in surplus/deficit. Interest income from these financial assets is included in finance income using the effective interest rate method.

Fair value through surplus or deficit

Financial assets that do not meet the criteria for amortized cost or fair value through net assets/ equity are measured at fair value through surplus or deficit. A business model where the entity manages financial assets with the objective of realizing cash flows through solely the sale of the assets would result in a fair value through surplus or deficit model.

Trade and other receivables

Trade and other receivables are recognized at fair values less allowances for any uncollectible amounts. Trade and other receivables are assessed for impairment on a continuing basis. An estimate is made of doubtful receivables based on a review of all outstanding amounts at the year end.

Impairment

The entity assesses, on a forward-looking basis, the expected credit loss ('ECL') associated with its financial assets carried at amortized cost and fair value through net assets/equity. The entity recognizes a loss allowance for such losses at each reporting date. Critical estimates and significant judgments made by management in determining the expected credit loss (ECL).

Significant Accounting Policies (Continued)

Financial liabilities

Classification

The entity classifies its liabilities as subsequently measured at amortized cost except for financial liabilities measured through profit or loss.

g) Inventories

Inventory is measured at cost upon initial recognition. To the extent that inventory was received through non-exchange transactions (for no cost or for a nominal cost), the cost of the inventory is its fair value at the date of acquisition.

Costs incurred in bringing each product to its present location and conditions are accounted for, as follows:

- Raw materials: purchase cost using the weighted average cost method
- Finished goods and work in progress: cost of direct materials and labour and a proportion of manufacturing overheads based on the normal operating capacity, but excluding borrowing costs

After initial recognition, inventory is measured at the lower of cost and net realizable value. However, to the extent that a class of inventory is distributed or deployed at no charge or for a nominal charge, that class of inventory is measured at the lower of cost and current replacement cost. Net realizable value is the estimated selling price in the ordinary course of operations, less the estimated costs of completion and the estimated costs necessary to make the sale, exchange, or distribution. Inventories are recognized as an expense when deployed for utilization or consumption in the ordinary course of operations of the Entity.

h) Provisions

Provisions are recognized when the Entity has a present obligation (legal or constructive) as a result of a past event, it is probable that an outflow of resources embodying economic benefits or service potential will be required to settle the obligation and a reliable estimate can be made of the amount of the obligation. Where the Entity expects some or all of a provision to be reimbursed, for example, under an insurance contract, the reimbursement is recognized as a separate asset only when the reimbursement is virtually certain. The expense relating to any provision is presented in the statement of financial performance net of any reimbursement.

i) Social Benefits

Social benefits are cash transfers provided to; i) specific individuals and / or households that meet the eligibility criteria, ii) mitigate the effects of social risks and iii) Address the need of society as a whole. The entity recognises a social benefit as an expense for the social benefit scheme at the same time that it recognises a liability. The liability for the social benefit scheme is measured at the best estimate of the cost (the social benefit payments) that the entity will incur in fulfilling the present obligations represented by the liability.

Summary of Significant Accounting Policies (Continued)

j) Contingent liabilities

The Entity does not recognize a contingent liability but discloses details of any contingencies in the notes to the financial statements, unless the possibility of an outflow of resources embodying economic benefits or service potential is remote.

Contingent assets

The Entity does not recognize a contingent asset, but discloses details of a possible asset whose existence is contingent on the occurrence or non-occurrence of one or more uncertain future events not wholly within the control of the Entity in the notes to the financial statements. Contingent assets are assessed continually to ensure that developments are appropriately reflected in the financial statements. If it has become virtually certain that an inflow of economic benefits or service potential will arise and the asset's value can be measured reliably, the asset and the related revenue are recognized in the financial statements of the period in which the change occurs.

k) Nature and purpose of reserves

The Entity doesn't create nor maintains reserves in terms of specific requirements.

l) Changes in accounting policies and estimates

The Entity recognizes the effects of changes in accounting policy retrospectively. The effects of changes in accounting policy are applied prospectively if retrospective application is impractical.

m) Employee benefits – Retirement benefit plans

The Entity provides retirement benefits for its employees and directors. Defined contribution plans are post-employment benefit plans under which an entity pays fixed contributions into a separate entity (a Fund) and will have no legal or constructive obligation to pay further contributions if the Fund does not hold sufficient assets to pay all employee benefits relating to employee service in the current and prior periods. The contributions to Fund obligations for the payment of retirement benefits are charged against income in the year in which they become payable.

Defined benefit plans are post-employment benefit plans other than defined-contribution plans. The defined benefit Funds are actuarially valued tri-annually on the projected unit credit method basis. Deficits identified are recovered through lump sum payments or increased future contributions on proportional basis to all participating employers. The contributions and lump sum payments reduce the post-employment benefit obligation.

Summary of Significant Accounting Policies (Continued)

n) Foreign currency transactions

Transactions in foreign currencies are initially accounted for at the ruling rate of exchange on the date of the transaction. Trade creditors or debtors denominated in foreign currency are reported at the statement of financial position reporting date by applying the exchange rate on that date. Exchange differences arising from the settlement of creditors, or from the reporting of creditors at rates different from those at which they were initially recorded during the period, are recognized as income or expenses in the period in which they arise.

o) Borrowing costs

Borrowing costs are capitalized against qualifying assets as part of property, plant and equipment. Such borrowing costs are capitalized over the period during which the asset is being acquired or constructed and borrowings have been incurred. Capitalization ceases when construction of the asset is complete. Further borrowing costs are charged to the statement of financial performance.

p) Related parties

The Entity regards a related party as a person or an entity with the ability to exert control individually or jointly, or to exercise significant influence over the Entity, or vice versa. Members of key management are regarded as related parties and comprise the directors, the CEO and senior managers.

q) Cash and cash equivalents

Cash and cash equivalents comprise cash on hand and cash at bank, short-term deposits on call and highly liquid investments with an original maturity of three months or less, which are readily convertible to known amounts of cash and are subject to insignificant risk of changes in value. Bank account balances include amounts held at the Central Bank of Kenya and at various commercial banks at the end of the financial year. For the purposes of these financial statements, cash and cash equivalents also include short term cash imprests and advances to authorised public officers and/or institutions which were not surrendered or accounted for at the end of the financial year.

r) Comparative figures

Where necessary comparative figures for the previous financial year have been amended or reconfigured to conform to the required changes in presentation.

Summary of Significant Accounting Policies (Continued)

5. Significant judgments and sources of estimation uncertainty

The preparation of the Entity's financial statements in conformity with IPSAS requires management to make judgments, estimates and assumptions that affect the reported amounts of revenues, expenses, assets and liabilities, and the disclosure of contingent liabilities, at the end of the reporting period. However, uncertainty about these assumptions and estimates could result in outcomes that require a material adjustment to the carrying amount of the asset or liability affected in future periods.

State all judgements, estimates and assumptions made e.g.

a) Estimates and assumptions –

The key assumptions concerning the future and other key sources of estimation uncertainty at the reporting date, that have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities within the next financial year, are described below. The Entity based its assumptions and estimates on parameters available when the consolidated financial statements were prepared. However, existing circumstances and assumptions about future developments may change due to market changes or circumstances arising beyond the control of the Entity. Such changes are reflected in the assumptions when they occur. IPSAS 1.140.

b) Useful lives and residual values

The useful lives and residual values of assets are assessed using the following indicators to inform potential future use and value from disposal:

- The condition of the asset based on the assessment of experts employed by the Entity
- The nature of the asset, its susceptibility and adaptability to changes in technology and processes
- The nature of the processes in which the asset is deployed
- Availability of Funding to replace the asset
- Changes in the market in relation to the asset

c) Provisions

There were no provisions raised and management could not determine an estimate based on the weakness of the Fund Regulation

Provisions are measured at the management's best estimate of the expenditure required to settle the obligation at the reporting date and are discounted to present value where the effect is material.

**Kajiado County Youth & Women Enterprise Fund
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6. Notes To The Financial Statements

1. Transfers from County Government

Description	Sub Notes	2021/2023	2021/2022
		KShs	KShs
Transfers from County Govt. – operations	1(a)	300,000	960,000
Transfers from County Govt. – Capital Fund	1(b)	9,700,000	6,540,000
Total	1(c)	10,000,000	7,500,000

1(c) is the total Grant Received from the Exchequer-Operation Cost + Capital Fund Cost

Name of the Entity Sending Grant	Amount Recognised to statement of Comprehensive Income 1(a) Kshs.	Amount Deferred Under Deferred Income Kshs.	Amount Recognised to Capital Fund Account 1(b) Kshs.	Total Grant Income During the year 1(c) Kshs.	2022-2023 Kshs.
Kajiado County Treasury	300,000		9,700,000	10,000,000	10,000,000
Total	300,000		9,700,000	10,000,000	10,000,000

2. Loans Issued

Description	2022/2023	2021/2022
	KShs	KShs
Loan Issued	9,550,000	7,000,000
Total	9,550,000	7,000,000

This is gross loans issued within the year of reporting

3. Fund administration expenses

Description	2022/2023	2021/2022
	KShs	KShs
Secretariat services/Operation Cost	205,000	210,000
Administration fees	95,000	305,000
Total	300,000	515,000

**Kajiado County Youth & Women Enterprise Fund
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Notes To The Financial Statements (Continued)

4. Finance costs

Description	2022/2023	2021/2022
	KShs	KShs
Bank Charges	15,222	19,821
Total	15,222	19,821

5. Cash and cash equivalents

Detailed analysis of the cash and cash equivalents are as follows:

Financial institution	Account number	2022/2023	2021/2022
		KShs	KShs
a) Current account	1171696043		
Kenya Commercial Bank			
Kajiado Branch		4,266,647	4,489
Sub- total		4,266,647	4,489
Grand total		4,266,647	4,489

Kajiado County Youth & Women Enterprise Fund
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Notes To The Financial Statements (Continued)

6. Receivables From Exchange Transactions

Description		2023/2023	2021/2022
		Kshs	Kshs
Current Receivables			
Current loan repayments due		9,550,000	7,000,000
Less: impairment allowance/Repayments for the year		-	-
Total Current receivables	A	9,550,000	7,000,000
Non-Current receivables			
Long term loan repayments due		71,328,986	64,376,366
Total Non- current receivables	B	71,328,986	64,903,706
Total receivables from exchange transactions		80,878,986	71,903,706

Notes;

This is the gross loan book balance as at 30th June, 2023. Which entails Loans b/f from the previous year add loans issued within the financial year of reporting.

B/f	Kshs.	71,376,366
Less Repayments for the year=	Kshs.	(47,380)
Total =	Kshs.	71,328,986
Loans Issued During the year =	Kshs.	9,550,000
Total Receivable from Exchange Transaction	Kshs.	80,878,986

**Kajiado County Youth & Women Enterprise Fund
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Notes To The Financial Statements (Continued)

7. Changes In Receivable

Description of the error	2022/2023	2021/2022
	KShs	KShs
Account receivable paid as at 30 th June,2023 (A)	2,970,000	5,000,000
Account receivable issued during the year (B)	(9,550,000)	-
Net changes in account receivables D= A-B	(6,580,000)	5,000,000
<ul style="list-style-type: none">• Being Exchequer release receivable that has Been received by the close of the FY 2022/23		

**Kajiado County Youth & Women Enterprise Fund
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Notes To The Financial Statements (Continued)

8. Trade And Other Payables From Operation Transactions

	2022/2023	2021/2022
	KShs	KShs
Accrued Expense		
Committee/Secretariat Allowance	-	-
Office Administration Expense	-	-
Loan Payable from Non-Exchange Transaction	6,580,000	
Totals	6,580,000	-

Being money committed for payment of already vetted and approved loans as at the close of the financial year.

9. Loan Repayments

	2022/2023	2021/2022
	KShs	KShs
Loan Repayments		
Repayments for the FY 2021/22	47,380	50,330
Totals	47,380	50,330

Other Disclosures

10. Related party balances

a) Nature of related party relationships

Entities and other parties related to the Fund include those parties who have ability to exercise control or exercise significant influence over its operating and financial decisions. Related parties include management personnel, their associates and close family members. The Fund/scheme is related to the following entities:

- a) The County Government;
- b) The Parent County Government Ministry;
- c) Key management;
- d) Committee of The Funds; etc

b) Related party transactions

	2022-2023	2021-2022
	Kshs	Kshs
Transfers From Related Parties'	-	-
Transfers To Related Parties	-	-

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c) Key management remuneration

	2022-2023	2021-2022
	Kshs	Kshs
Committee Of The Funds	-	-
Key Management Compensation	-	-
Total	-	-

d) Due from related parties

	2022-2023	2021-2022
	Kshs	Kshs
Due From Parent Ministry	-	-
Due From County Government	-	-
Total	-	-

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Other Disclosures Continued

e) Due to related parties

	2022-2023	2021-2022
	Kshs	Kshs
Due To Parent Ministry	-	-
Due To County Government	-	-
Due To Key Management Personnel	-	-
Total	-	-

11. Contingent assets and contingent liabilities

Contingent Liabilities	2022-2023	2021-2022
	Kshs	Kshs
Court Case Against The Fund	-	-
Bank Guarantees	-	-
Total	-	-

Other Disclosures Continued

a) Financial risk management

The Fund's activities expose it to a variety of financial risks including credit and liquidity risks and effects of changes in foreign currency. The Fund's overall risk management programme focuses on unpredictability of changes in the business environment and seeks to minimise the potential adverse effect of such risks on its performance by setting acceptable levels of risk. The Fund does not hedge any risks and has in place policies to ensure that credit is only extended to customers with an established credit history.

The Fund's financial risk management objectives and policies are detailed below:

b) Credit risk

The Fund has exposure to credit risk, which is the risk that a counterparty will be unable to pay amounts in full when due. Credit risk arises from cash and cash equivalents, and deposits with banks, as well as trade and other receivables and available-for-sale financial investments.

Management assesses the credit quality of each customer, taking into account its financial position, past experience and other factors. Individual risk limits are set based on internal or external assessment in accordance with limits set by the directors. The amounts presented in the statement of financial position are gross of doubtful receivables, estimated by the Fund management based on prior experience and their assessment of the current economic environment.

Further the Fund management is in the process of developing a risk policy for doubtful loans

The customers under the fully performing category are paying their debts as they continue trading. The credit risk associated with these receivables is minimal and the allowance for uncollectible amounts that the youth & women Fund has recognised in the financial statements is considered adequate to cover any potentially irrecoverable amounts.

The youth & women Fund has significant concentration of credit risk on amounts due from 2016

The committee of the Funds sets the Fund's credit policies and objectives and lays down parameters within which the various aspects of credit risk management are operated.

Kajiado County Youth & Women Enterprise Fund
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Other Disclosures Continued

	Total amount KShs	Fully performing KShs	Past due KShs	Impaired KShs
At 30 June 2023				
Receivables from Current Portion of Long term Loans	9,550,000	9,550,000	-	-
Receivables from Long Term Receivable	71,328,986	71,328,986	71,328,986	-
Bank balances	4,266,647	4,266,647	-	-
Total	85,145,633	85,145,633	71,328,986	-
At 30 June 2022				
Receivables from Current Portion of Long term Loans	7,000,000	7,000,000	-	-
Receivables from Long Term Receivable	64,376,366	64,376,366	64,376,366	-
Bank balances	4,489	4,489	-	-
Total	71,380,855	71,380,855	64,376,366	-

c) Liquidity risk management

Ultimate responsibility for liquidity risk management rests with the Fund Administrator, who has built an appropriate liquidity risk management framework for the management of the youth & women Fund short, medium and long-term Funding and liquidity management requirements. The youth & women Fund manages liquidity risk through continuous monitoring of forecasts and actual cash flows.

The table below represents cash flows payable by the Fund under non-derivative financial liabilities by their remaining contractual maturities at the reporting date. The amounts disclosed in the table are the contractual undiscounted cash flows. Balances due within 12 months equal their carrying balances, as the impact of discounting is not significant.

Other Disclosures Continued

	Less than 1 month	Between 1- 3 months	Over 5 months	Total
	KShs	KShs	KShs	KShs
At 30 June 2023				
Trade payables	-	-	-	-
Current portion of borrowings	6,580,000	-	-	6,580,000
Provisions	-	-	-	-
Employee benefit obligation	-	-	-	-
Total	6,580,000	-	-	6,580,000
At 30 June 2022				
Trade payables	-	-	-	-
Current portion of borrowings	-	-	-	-
Provisions	-	-	-	-
Employee benefit obligation	-	-	-	-
Total	-	-	-	-

d) Market risk

The committee has put in place an internal audit function to assist it in assessing the risk faced by the youth & women Fund on an ongoing basis evaluate and test the design and effectiveness of its internal accounting and operational controls.

Market risk is the risk arising from changes in market prices, such as interest rate, equity prices and foreign exchange rates which will affect the youth & women Fund income or the value of its holding of financial instruments. The objective of market risk management is to manage and control market risk exposures within acceptable parameters, while optimising the return. Overall responsibility for managing market risk rests with the Audit and Risk Management Committee.

The Fund's Finance Department is responsible for the development of detailed risk management policies (subject to review and approval by Audit and Risk Management Committee) and for the day to day implementation of those policies.

There has been no change to the youth & women Fund exposure to market risks or the manner in which it manages and measures the risk.

i. Foreign currency risk

The youth & women Fund has transactional currency exposures. Such exposure arises through purchases of goods and services that are done in currencies other than the local currency. Invoices denominated in foreign currencies are paid after 30 days from the date of the invoice and conversion at the time of payment is done using the prevailing exchange rate.

The carrying amount of the youth & women Fund foreign currency denominated monetary assets and monetary liabilities at the end of the reporting period are as follows:

Foreign currency sensitivity analysis

The following table demonstrates the effect on the Fund's statement of financial performance on applying the sensitivity for a reasonable possible change in the exchange rate of the three main transaction currencies, with all other variables held constant. The reverse would also occur if the Kenya Shilling appreciated with all other variables held constant.

ii. Interest rate risk

Interest rate risk is the risk that the youth & women Fund financial condition may be adversely affected as a result of changes in interest rate levels. The youth & women Fund interest rate risk arises from bank deposits. This exposes the Fund to cash flow interest rate risk. The interest rate risk exposure arises mainly from interest rate movements on the Fund's deposits.

Management of interest rate risk

To manage the interest rate risk, management has endeavoured to bank with institutions that offer favourable interest rates.

Sensitivity analysis

The Fund analyses its interest rate exposure on a dynamic basis by conducting a sensitivity analysis. This involves determining the impact on profit or loss of defined rate shifts. The sensitivity analysis for interest rate risk assumes that all other variables, in particular foreign exchange rates, remain constant. The analysis has been performed on the same basis as the prior year.

Using the end of the year figures, the sensitivity analysis indicates the impact on the statement of comprehensive income if current floating interest rates increase/decrease by one percentage point as a decrease/increase. A rate of 5% prior deduction on loans issued had no proper ways of use. Hence couldn't be implemented.

e) Capital risk management

The objective of the Fund's capital risk management is to safeguard the Fund's ability to continue as a going concern. The youth & women Fund capital structure comprises of the following Funds:

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20. Annexes

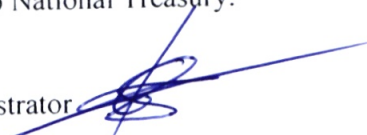
Annex I: Progress on Follow Up Of Prior Year Auditor’s Recommendations

The following is the summary of issues raised by the external auditor, and management comments that were provided to the auditor.

Reference No. on the external audit Report	Issue / Observations from Auditor	Management comments	Status: (Resolved / Not Resolved)	Timeframe: (Put a date when you expect the issue to be resolved)
FY 2018/2019	5% Management fee	Noted. Revision of Regulation and also payment of the fee addition to the loan issued	Not Resolved	1 st July 2024
FY 2018/2019	Long Outstanding Loans	Noted. The Fund is recovering the loans and in the process of strengthening the regulation to give more risk management and debt recovery procedure	Not resolved yet fully	1 st July 2024

Guidance Notes:

- (i) Use the same reference numbers as contained in the external audit report.
- (ii) Obtain the “Issue/Observation” and “management comments”, required above, from final external audit report that is signed by Management.
- (iii) Before approving the report, discuss the timeframe with the appointed Focal Point persons within your Fund responsible for implementation of each issue.
- (iv) Indicate the status of “Resolved” or “Not Resolved” by the date of submitting this report to National Treasury.

Fund Administrator 

Date..... 11/12/2023

Kajiado County Youth & Women Enterprise Fund
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Annex II: Inter-Fund Confirmation Letter



Kajiado County Youth & Women Enterprise Fund
 P.O. Box 11-01100

The County Consolidated Fund wishes to confirm the amounts disbursed to you as at 30th June 2023 as indicated in the table below. Please compare the amounts disbursed to you with the amounts you received and populate the column E in the table below Please sign and stamp this request in the space provided and return it to us.

Confirmation of amounts received by Kajiado County Youth & Women Fund Enterprise as at 30 th June 2023							
Reference Number	Date Disbursed	Amounts Disbursed by [County Consolidated Fund] (Kshs) as at 30 th June 2023				Amount Received by Kajiado County Youth & Women Fund (KShs) as at 30 th June 2023 (E)	Differences (KShs) (F)=(D-E)
		Recurrent (A)	Development (B)	Inter-Ministerial (C)	Total (D)=(A+B+C)		
REC/0010018210	9 th June, 2023	2,500,000			2,500,000	2,500,000	-
REC/0010018209	9 th June, 2023	5,000,000			5,000,000	5,000,000	-
ROC/0000078103	11 th July, 2023	2,500,000			2,500,000		2,500,000
Total		10,000,000			10,000,000	7,500,000	2,500,000

In confirm that the amounts shown above are correct as of the date indicated.
Head of Accountants department of beneficiary Fund:
 Name JOHN KOREE Date 11-DEC-2023
 SIGNATURE: [Signature]
 P. O. Box 11-01100, KAJIADO

Kajiado County Youth & Women Enterprise Fund
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Annex III: Reporting of Climate Relevant Expenditures

Project Name	Project Description	Project Objectives	Project Activities					Source Of Funds	Implementing Partners
				Q1	Q2	Q3	Q4		
			1 DEC 3055						

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Annex IV: Reporting on Disaster Management Expenditure

Column I Programme	Column II Sub-programme	Column III Disaster Type	Column IV Category of disaster related Activity that require expenditure reporting (response/recovery/mitigation/preparedness)	Column V Expenditure item	Column VI Amount (Kshs.)	Column VII Comments