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**REPORT**

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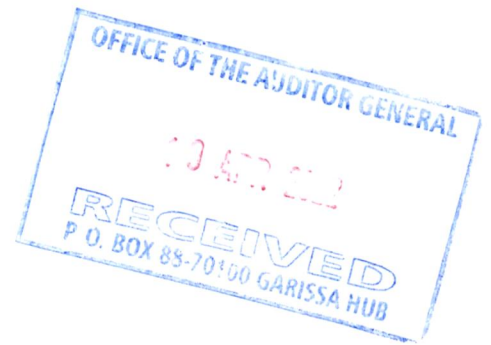
**OF**

**THE AUDITOR-GENERAL**

**ON**

**LAMU COUNTY DISABILITY DEVELOPMENT  
FUND**

**FOR THE YEAR ENDED  
30 JUNE, 2021**



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**COUNTY GOVERNMENT OF LAMU**  
**Lamu County Disability Development Fund**  
**ANNUAL REPORT AND FINANCIAL STATEMENTS**  
**FOR THE FINANCIAL YEAR ENDED**  
**30<sup>TH</sup> JUNE 2021**

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

*Lamu County Disability Development Fund*  
**Reports and Financial Statements**  
**For the year ended June 30, 2021**

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## **1. KEY ENTITY INFORMATION AND MANAGEMENT**

### **a) Background information**

Lamu County Disability Development Fund is established by and derives its authority and accountability from Lamu County Disability Development Act on 2018. The Fund is fully owned by the County Government of Lamu and is domiciled in Kenya.

The fund's objective is to unlock the people living with disability potential for sustainable and wealth creation and development.

The Fund's principal activity is to provide funds for economic empowerment.

### **b) Principal Activities**

The principal activity/mission/ mandate of the Fund is to provide:

- (a) Providing access to capital and financial facilities to the small and medium enterprises owned by the people with disabilities;
- b) Providing access to capital and financial facilities to the civil societies comprised of the people with disabilities;
- c) Spurring socio-economic development of people with disabilities;
- d) Supporting people with disabilities' small and medium enterprises and civil societies to develop linkages with larger enterprises, national and international funding organizations;
- e) Marketing products of small and medium enterprises for the people with disabilities;
- f) Supporting entrepreneurship training for small and medium enterprises to groups benefitting from the Fund.

### **c) Board of Trustees/Fund Administration Committee**

<b>Ref</b>	<b>Name</b>	<b>Position</b>
1	Mr. Joseph Nganga Kuria	Chief Officer Youth, Gender, Sports – Fund Administrator
2	Mr. Fadhil Maamun Ali	Chief Officer – Finance, Economy and Strategic Planning
2	Mrs. Firdaus Mohamed	Member
4	Mr. Mohamed Faraj	Member

**Lamu County Disability Development Fund**  
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**d) Key Management**

Ref	Position	Name
1	Fund Manager/ Administrator	Joseph Nganga Kuria
2	Chief Officer Finance	Mr. Fadhil Maamun Ali
2	Fund Accountant	Mr. Ahamed Olow
3	Chairman	Firdaus Mohamed
4	Member	Faraj Mohamed
5	Secretary	Samwel Wanyui ( <b>Passed On</b> )

***Lamu County Disability Development Fund***  
**Reports and Financial Statements**  
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**e) Registered Offices**

County Government of Lamu  
P.O. Box 74- 80500  
Mokowe, Lamu.

**f) Fund Contacts**

Telephone: (254) 726 582 387  
E-mail: josenganga051@gmail.com  
Website: www.lamucounty.go.ke

**g) Fund Bankers**

Cooperative Bank of Kenya limited

**h) Independent Auditors**


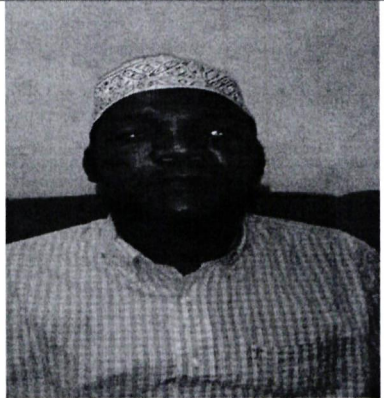

Auditor General  
Office of The Auditor General  
Anniversary Towers, University Way  
P.O. Box 30084  
GPO 00100  
Nairobi, Kenya

**i) Principal Legal Adviser**

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


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**2. THE BOARD OF TRUSTEES/ FUND ADMINISTRATION COMMITTEE (or any other corporate governance body for the Fund)**

Name	Details of qualifications and experience
 <p><b>Mrs. Firdaus Mohamed</b></p>	<p><b>Personal Details</b></p> <p><b>Date of birth:</b> 25.02.1970</p> <p><b>Academic:</b> Primary Education</p> <p><b>Professional:</b> Business woman</p> <p><b>Work experience:</b> 5 yrs</p> <p><b>Chairman:</b> Independent:</p>
 <p><b>Mr. Mohamed Faraj Mohamed</b></p>	<p><b>Personal Details</b></p> <p><b>Date of birth:</b> 05.10.1979</p> <p><b>Academic:</b> Primary Education</p> <p><b>Professional:</b> Businessman</p> <p><b>Work experience:</b> 5 yrs</p> <p><b>Member:</b> Independent:</p>
	<p><b>Personal Details</b></p> <p><b>Date of birth:</b> 24.12.1967</p> <p><b>Academic:</b> Doctor of Philosophy</p> <p><b>Professional:</b> Sociologist</p> <p><b>Work experience:</b> 15 yrs</p> <p><b>Fund Manager:</b> Independent:</p>

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<b>Mr. Joseph Nganga Kuria</b>	
 <b>Mr. Fadhil Maamun Ali</b>	<b>Personal Details</b> <b>Date of birth:</b> 17.05.1980 <b>Academic:</b> Masters of Arts (Project) <b>Professional:</b> Accountant <b>Work experience:</b> 5 yrs <b>Member:</b> Independent:

### **3. STATEMENT OF PERFORMANCE AGAINST COUNTY ENTITY'S PREDETERMINED OBJECTIVES**

#### **Guidance**

There was need to hold our first meeting at Tamasha Guest house on the 14<sup>th</sup> of July, 2020. The agenda of the meeting was as the following:

- Introduction of Members
- Formulate and plan for the induction Budget
- Develop the induction tools

The induction training was conducted as from 3<sup>rd</sup> to 5<sup>th</sup> of August, 2020 as from 8.00 am to 5.00 pm daily for three days' farmers training Center at Mpeketoni. Some of the key areas of induction was on:

- Leadership,
- Communication skills
- Record Keeping
- National value and ethics
- Interpersonal Skills
- Problem solving
- Financial management
- Group formation
- Group dynamics
- Project management

#### **Elections:**

Election was conducted and for disability Board Mr. Samwel Wanyui was elected the Secretary and the Bank signatory while Ms. Firdaus Mohamed was elected the Chairlady and alternative Bank signatory.

Next meeting was held on the 19<sup>th</sup> August, 2020 at the County headquarter to deliberate on further on formulation of training budget and the program.

According to the training program it was planned and scheduled to be held as from 28<sup>th</sup> to 31<sup>st</sup> October 2020

The fund was utilized to facilitate the induction course for the members. The induction course of three days was held at Farmers Training Centre in Mpeketoni as from 3<sup>rd</sup> - 5<sup>th</sup> August, 2020

The induction Course was meant to build capacity for both the technical team and newly appointed members.

**Lamu County Disability Development Fund  
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A 10% allocation of the fund administration was used to facility board meeting and the training across the entire county. The training targeted Pwds.

The objective of this fund is to empower persons living with disability economically through giving them grants to start small micro economic enterprises.

Targeted groups were individual's persons living with disability and dully registered Pwds self-help groups.

Below we provide the progress on attaining the stated objectives:

Program	Objective	Outcome	Indicator	Performance
Lamu County Disability Development Fund	To economically empower persons living with disabilities	Increased number of persons living with disabilities accessing Grants in the County	No of persons living with disabilities doing business and small micro-enterprises	<b>In FY 20/21 we increased funding access by 58%</b>

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**4. MANAGEMENT TEAM**

	<b>Board of Management</b>	<b>Designation</b>
1.	Joseph Nganga Kuria	Fund Manager
2.	Fadhil Maamun Ali	Chief Officer-Finance
3.	Mrs. Firdaus Mohamed	Chairlady
4.	Mr. Mohamed Faraj Mohamed	Member

## **5. BOARD/FUND ADMINISTRATION COMMITTEE CHAIRPERSON'S REPORT**

### **Board Chairlady**

The Fund committee members held their first induction training where they too conducted election. Mr. Samwel Wanyui was elected as the secretary and bank signatory.

Other member elected was Ms. Firdaus Mohamed as the Chairlady and Alternative Bank signatory while in case one was not available. The election was conducted as per the Lamu County Disability Development Fund Act, 2018.

Members were also inducted as from 3<sup>rd</sup> to 5<sup>th</sup> of August, 2020 where the induction training took place at farmers training centre Mpektoni.

Through the Chairman all members agreed to use the 10% of allocated funds to conduct training of all self-help women group to build capacity to manage their small micro business enterprises.

The training was successfully conducted across the county as from the 28<sup>th</sup> to 31<sup>st</sup> October, 2020.

The Chairman reported that though the Board has not issued the grants to the beneficiaries the process has been completed and currently ready for disbursement. The chairperson sighted numerous challenges in terms of structures for the funds.

In conclusion he assured the Board and the management team that they are fully determined and will ultimately achieve the objectives of the fund.

Signed:  \_\_\_\_\_

**CHAIRLADY**  
**Mrs. Firdaus Mohamed**

**Lamu County Disability Development Fund  
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**6. REPORT OF THE FUND MANAGER/ ADMINISTRATOR**

**Fund Administrator**

**Manager Report:**

The Fund received Ksh. 5,000,000.00 at the end of 2019/2020 financial year hence only the 10% administrative expenditure was spent on induction and training for capacity building has so far been utilized.

Funds disbursements to targeted registered groups have been finalised. The groups did apply and board members vetted them and came up with a list of beneficiaries that is awaiting H.E the Governor approval in order to be disbursed.

The criteria of disbursement were unanimously agreed upon. Each group to receive Ksh. 30,000 and for each individual to receive 10,000.

The fund manager also did report to the members that there was an extra amount transferred into the kitty towards the end of financial year. This was Ksh. 2,000,000 which was an allocation by the County Government for 2020-2021 financial year.

The fund Manager reported that there have not been activities since the establishment of fund but all processes for the issuance of these funds are now complete.

We have been putting structures for the fund and currently all the process is now complete and the Board is now ready to disburse the funds to the targeted youth beneficiaries.



Signed: \_\_\_\_\_

**Joseph Nganga Kuria**  
**Fund Manager**

## **7. CORPORATE GOVERNANCE STATEMENT**

### **THE FUND**

The Lamu County Persons with Disability Act 2018 established Lamu County Disability Fund which is wholly owned by County Government of Lamu and is domiciled in Kenya.

### **PRINCIPAL ACTIVITIES**

- a) Providing access to capital and financial facilities to the small and medium enterprises owned by the people with disabilities;
- b) Providing access to capital and financial facilities to the civil societies comprised of the people with disabilities;
- c) Spurring socio-economic development of people with disabilities;
- d) Supporting people with disabilities' small and medium enterprises and civil societies to develop linkages with larger enterprises, national and international funding organizations;
- e) Marketing products of small and medium enterprises for the people with disabilities;
- f) Supporting entrepreneurship training for small and medium enterprises to groups benefitting from the Fund.

### **FUND MEETINGS**

The board members are to meet at least three times a year in order to monitor the implementation of the funds strategic plan and achievement of the targets. However, as provided by the act the Chairman shall, upon requisition by members convene a special meeting of the board at any time. The members held Six full board meetings during the Financial year 2020/2021

### **Risk Management**

The Fund target to develop a risk management framework which will guide the fund in identifying, assessing and managing the risks and prescribe mitigating measures of all the risks both external and internal is facing the fund.

### **Management Team**

The management team headed by the Fund Administrator implements the committee decisions and policies through action plans. The team meets regularly to review these action plans to ensure that the fund's objectives are achieved effectively and efficiently.

### **Auditor**

The Fund is audited by the Auditor-General.

***Lamu County Disability Development Fund***  
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**8. MANAGEMENT DISCUSSION AND ANALYSIS**

The Fund received Kshs 5,000,000.00 financial year 2019/2020 and another Ksh. 2,000,000 at the end 2020/2021 financial year, only the 10% of the fund has been spent on induction of the board members and training of the targeted beneficiaries.

The Fund focus is looking to build a robust and sustainable fund with a motivated workforce and structures that enhance efficiency and effectiveness in the service delivery.

The Fund looks forward to continued support from the County Government of Lamu to the realization of its mandate.

**9. CORPORATE SOCIAL RESPONSIBILITY STATEMENT/SUSTAINABILITY  
REPORTING**

The fund was not involved in any corporate social responsibility activities in Financial Year 2020/2021.

**Lamu County Disability Development Fund  
Reports and Financial Statements  
For the year ended June 30, 2021.**

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**10. REPORT OF THE TRUSTEES/ FUND ADMINISTRATION COMMITTEE**

The Fund committee submits their report together with the audited financial statements for the year ended June 30, 2021 which show the state of the Fund affairs.

**Principal activities**

The purpose of the fund is to provide access to capital and financial facilities to the small and medium enterprises owned by the people with disabilities;

**Results**

The results of the Fund for the year ended June 30, 2021 are set out on page 18-23

**Fund Key Management**

The members of the Fund who served during the year are shown on page 5 and 6

**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.

  
Date: 4/4/2022

**JOSEPH NG'ANG'A  
MEMBER  
LAMU COUNTY DISABILITY FUND**

**Lamu County Disability Development Fund  
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**11. STATEMENT OF MANAGEMENT'S RESPONSIBILITIES**

Sections 163,164 and 165 of the Public Finance Management Act, 2012 requires that, at the 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 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, 2021. 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 Lamu County Disability 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. 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, 2021, 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 Lamu County Disability 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.

Approval of the financial statements

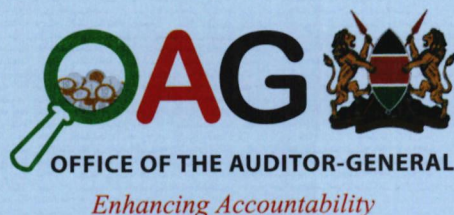
The Fund's financial statements were approved by the committee on 4/4/2022 and signed on its behalf by:



Joseph Nga'ng'a  
CHIEF OFFICER Youth, Gender, Sports and Culture  
Fund Administrator- Lamu County Disability Fund

# REPUBLIC OF KENYA

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

## **REPORT OF THE AUDITOR-GENERAL ON LAMU COUNTY DISABILITY DEVELOPMENT FUND FOR THE YEAR ENDED 30 JUNE, 2021**

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### **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 intended purpose.
- C. Report on 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, the risk management environment, and the 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**

#### **Opinion**

I have audited the accompanying financial statements of Lamu County Disability Development Fund set out on pages 18 to 55, which comprise the statement of financial

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*Report of the Auditor-General on the Lamu County Disability Development Fund for the year ended 30 June, 2021*

position as at 30 June, 2021, and the statement of financial performance, 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, the financial statements present fairly, in all material respects, the financial position of the Lamu County Disability Development Fund as at 30 June, 2021, 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 Lamu County Disability Development Act, 2018 and the Public Finance Management Act, 2012.

### **Basis for Opinion**

The audit was conducted in accordance with International Standards of Supreme Audit Institutions (ISSAIs). I am independent of the Lamu County Disability Development Fund Management in accordance with ISSAI 130 on 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 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 Matter**

### **Budgetary Control and Performance**

The statement of comparative budget and actual amounts reflects final expenditure budget and actual on comparable basis of Kshs.7,000,000 and Kshs.492,736 respectively resulting in under absorption of Kshs.6,507,364 or 93% of the budget.

The under absorption affected the planned activities and impacted negatively on service delivery to the public.

## **REPORT ON LAWFULNESS AND EFFECTIVENESS IN USE OF PUBLIC RESOURCES**

### **Conclusion**

As required by Article 229(6) of the Constitution, I confirm that, nothing has come to my attention to cause me to believe that public resources have not been applied lawfully and in an effective way.

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*Report of the Auditor-General on the Lamu County Disability Development Fund for the year ended 30 June, 2021*

## **Basis for Conclusion**

The audit was conducted in accordance with 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 are in compliance, 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 matter described in the Basis for Conclusion on Effectiveness of Internal Control, 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 overall governance were not effective.

### **Basis for Conclusion**

#### **Lack of Risk Management Policy and Strategy**

The Management had not put in place Risk Management Policy, Strategies, and Risk Register to mitigate against risk. It was, therefore, not clear how the Management manages risk exposures. This is in contravention of Regulation 158 (1)(a) and (b) of the Public Finance Management (County Governments) Regulations, 2015 which requires the Accounting Officer to ensure that the county government entity develops risk management strategies, which include fraud prevention mechanism; and the county government entity develops a system of risk management and internal control that builds robust business operations.

The audit was conducted in accordance with ISSAI 2315 and ISSAI 2330. The standards require that I plan and perform the audit to obtain assurance about whether effective processes and systems of internal control, 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 the Management and the Fund Administration Committee**

The 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 control as 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 control, risk management and governance.

In preparing the financial statements, Management is responsible for assessing the Fund's ability to continue to sustain services, disclosing, as applicable, matters related to sustainability of services and using the applicable basis of accounting unless Management is aware of the intention to terminate the Fund or 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 are in compliance with the authorities which govern them, and that public resources are applied in an effective way.

The Fund Administration Committee is responsible for overseeing the Fund's financial reporting process, reviewing the effectiveness of how the 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 control.
- 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 Fund 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 to communicate with them all relationships and other matters that may reasonably be thought to bear on my independence, and where applicable, related safeguards.

  
CPA Nancy Gathungu, CBS  
AUDITOR-GENERAL

Nairobi

18 July, 2022

**Lamu County Disability Development Fund**  
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**12 FINANCIAL STATEMENTS**

**12.1 STATEMENT OF FINANCIAL PERFORMANCE FOR THE YEAR ENDED 30<sup>th</sup> JUNE 2021.**

	Note	2020/2021	2019/2020
		KShs	KShs
<b>Revenue from non-exchange transactions</b>			
Public contributions and donations	1	0.00	0.00
Transfers from the County Government	2	2,000,000.00	5,000,000.00
Fines, penalties and other levies	3		-
		<b>2,000,000.00</b>	<b>5,000,000.00</b>
<b>Revenue from exchange transactions</b>			
Interest income	4	0.00	0.00
Other income	5	0.00	0.00
		<b>0.00</b>	<b>0.00</b>
<b>Total revenue</b>		<b>2,000,000.00</b>	<b>5,000,000.00</b>
<b>Expenses</b>			
Fund administration expenses	6	488,536.00	0.00
General expenses	7	4,100.00	0.00
Finance costs	8	0.00	0.00
<b>Total expenses</b>		<b>(492,636.00)</b>	<b>0.00</b>
<b>Other gains/losses</b>			
Gain/loss on disposal of assets	9	<b>0.00</b>	<b>0.00</b>
<b>Surplus/(deficit) for the period</b>		<b>1,507,364.00</b>	<b>5,000,000</b>

**Lamu County Disability Development Fund**  
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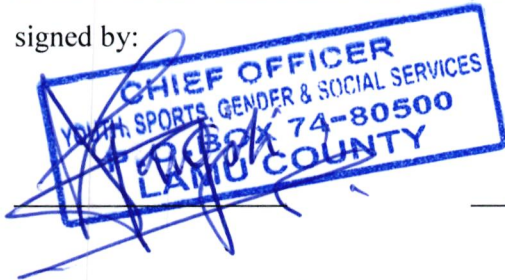
**12.2 STATEMENT OF FINANCIAL POSITION AS AT 30 JUNE 2021**


	Note	2020/2021	2019/2020
		KShs	KShs
<b>Assets</b>			
<b>Current assets</b>			
Cash and cash equivalents	10	6,507,364.00	5,000,000.00
Current portion of long- term receivables from exchange transactions	11	0.00	0.00
Receivables from Non- exchange transactions	12	0.00	0.00
Prepayments	13	0.00	0.00
Inventories	14	0.00	0.00
		<b>6,507,364.00</b>	<b>5,000,000.00</b>
<b>Non-current assets</b>			
Long term receivables from exchange transactions	11	0.00	0.00
Property, plant and equipment	15	0.00	0.00
Intangible assets	16	0.00	0.00
		<b>0.00</b>	<b>0.00</b>
<b>Total assets</b>		<b>6,507,364.00</b>	<b>5,000,000.00</b>
<b>Liabilities</b>			
<b>Current liabilities</b>			
Trade and other payables from exchange transactions	17	0.00	0.00
Provisions	18	0.00	0.00
Current portion of borrowings	19	0.00	0.00
Employee benefit obligations	20	0.00	0.00
		0.00	0.00
<b>Non-current liabilities</b>			
Long term portion of borrowings	19	0.00	0.00
Non-current employee benefit obligation	20	0.00	0.00
<b>Total liabilities</b>		<b>0.00</b>	<b>0.00</b>
<b>Net assets</b>		<b>6,507,364.00</b>	<b>5,000,000.00</b>
Revolving Fund/PWDs Fund		5,000,000.00	0.00
Reserves		0.00	0.00
Accumulated surplus/Deficits		1,507,364.00	5,000,000.00
<b>Total net assets and liabilities</b>		<b>6,507,364.00</b>	<b>5,000,000.00</b>

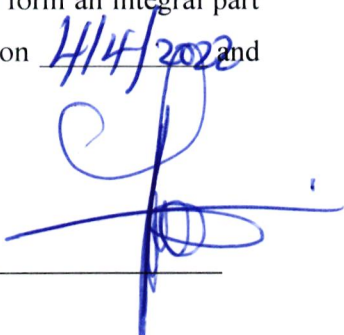
**Lamu County Disability Development Fund  
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The accounting policies and explanatory notes to these financial statements form an integral part of the financial statements. The entity financial statements were approved on 4/4/2022 and signed by:



  
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\_\_\_\_\_

**Administrator of the Fund**  
Name: Joseph Nganga Kuria

**Chief Officer**  
Name: Fadhil Mamuun  
ICPAK Member Number:

**Accountant**  
Name: Ahamed Olow

**Lamu County Disability Development Fund**  
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**12.3 STATEMENT OF CHANGES IN NET ASSETS AS AT 30 JUNE 2021**

	Revolving Fund	Revaluation Reserve KShs	Accumulated surplus KShs	Total KShs
<b>Balance as at 1 July 2019</b>	0.00	0.00	0.00	0.00
Surplus/(deficit) for the period	0.00	0.00	0.00	0.00
Funds received during the year	5,000,000.00	0.00	0.00	5,000,000.00
Revaluation gain	0.00	0.00	0.00	0.00
<b>Balance as at 30 June 2020</b>	<b>5,000,000.00</b>	<b>0.00</b>	<b>0.00</b>	<b>5,000,000.00</b>
<b>Balance as at 1 July 2020</b>	<b>5,000,000.00</b>	<b>0.00</b>	<b>0.00</b>	<b>5,000,000.00</b>
Surplus/(deficit) for the period	0.00	0.00	(492,364.00)	(492,364.00)
Funds received during the year	2,000,000.00	0.00	0.00	2,000,000.00
Revaluation gain	0.00	0.00	0.00	0.00
<b>Balance as at 30 June 2021</b>	<b>7,000,000.00</b>	<b>0.00</b>	<b>(492,364.00)</b>	<b>6,507,364.00</b>

**Lamu County Disability Development Fund**  
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**13.4 STATEMENT OF CASH FLOWS FOR THE YEAR ENDED 30 JUNE 2021**

	Note	2020/2021	2019/2020
		KShs	KShs
<b>Cash flows from operating activities</b>			
<b>Receipts</b>			
Public contributions and donations		0.00	0.00
Transfers from the County Government		2,000,000.00	5,000,000.00
Interest received		0.00	0.00
Receipts from other operating activities		0.00	0.00
<b>Total Receipts</b>		<b>2,000,000.00</b>	<b>5,000,000.00</b>
<b>Payments</b>			
Fund administration expenses		488,536.00	0.00
General expenses		4,100.00	0.00
Finance cost		0.00	0.00
<b>Total Payments</b>		<b>492,736.00</b>	<b>0.00</b>
<b>Adjusted for</b>			
Adjustments during the year- (Increase)/ Decrease in Accounts Receivables			
<b>Net cash flows from operating activities</b>		<b>1,507,364.00</b>	<b>5,000,000.00</b>
<b>Cash flows from investing activities</b>			
Purchase of property, plant, equipment and intangible assets		(0.00)	(0.00)
Proceeds from sale of property, plant and equipment		0.00	0.00
Proceeds from loan principal repayments		0.00	0.00
Loan disbursements paid out		(0.00)	(0.00)
<b>Net cash flows used in investing activities</b>		<b>(0.00)</b>	<b>(0.00)</b>
<b>Cash flows from financing activities</b>			
Proceeds from revolving fund receipts		0.00	0.00
Additional borrowings		0.00	0.00
Repayment of borrowings		(0.00)	(0.00)
<b>Net cash flows used in financing activities</b>		<b>(0.00)</b>	<b>(0.00)</b>
<b>Net increase/(decrease) in cash and cash equivalents</b>		<b>1,507,364.00</b>	<b>5,000,000.00</b>
Cash and cash equivalents at 1 JULY	10	5,000,000.00	0.00
<b>Cash and cash equivalents at 30 JUNE</b>	10	<b>6,507,364.00</b>	<b>5,000,000.00</b>

**12.4 STATEMENT OF COMPARISON OF BUDGET AND ACTUAL AMOUNTS FOR THE PERIOD ENDED 30<sup>th</sup> JUNE 2021**

	Original budget	Adjustments	Final budget	Actual on comparable basis	% utilization
	2021	2021	2021	2021	2021
	KShs	KShs	KShs	KShs	
<b>Revenue</b>					
Public contributions and donations	0.00	(0.00)	0.00	0.00	0.00
Transfers from County Govt.	2,000,000.00	5,000,000.00	7,000,000.00	7,000,000.00	100%
Interest income	0.00	0.00	0.00	0.00	0.00
Other income	0.00	0.00	0.00	0.00	0.00
<b>Total income</b>	<b>2,000,000.00</b>	<b>5,000,000.00</b>	<b>7,000,000.00</b>	<b>7,000,000</b>	<b>100%</b>
<b>Expenses</b>					
Fund administration expenses	1,995,000.00	4,995,000.00	6,995,000.00	488,636.00	6.99%
General expenses	5,000.00	5,000.00	5,000.00	4,100.00	82%
Finance cost	0.00	0.00	0.00	0.00	
<b>Total expenditure</b>	<b>2,000,000.00</b>	<b>5,000,000.00</b>	<b>7,000,000.00</b>	<b>492,736.00</b>	<b>7.04%</b>
<b>Surplus for the period</b>	<b>0.00</b>	<b>0.00</b>	<b>0.00</b>	<b>6,507,364.00</b>	

**Budget Notes**

There was additional budget amounting to ksh.2, 000,000 in the financial year 2020/2021.

## **12.5 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES**

### **1. 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.

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**SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)**

**2. Adoption of new and revised standards**

**a) Relevant new standards and amendments to published standards effective for the year ended 30 June 2021**

Standard/ Amendments : Applicable: 1 <sup>st</sup> January 2021:	Impact
a) Amendments to IPSAS 13, to include the appropriate references to IPSAS on impairment, in place of the current references to other international and/or national accounting frameworks	There was no impact of the amendment to IPSAS 13 with respect to the current financial report
b) IPSAS 13, Leases and IPSAS 17, Property, Plant, and Equipment. Amendments to remove transitional provisions which should have been deleted when IPSAS 33, First Time Adoption of Accrual Basis International Public Sector Accounting Standards (IPSASs) was approved	There was no impact of the amendment to IPSAS 13 and IPSAS 17 with respect to the current financial report as the entity did not apply any of the transitional provisions in the FY 2020/2021
c) IPSAS 21, Impairment of Non-Cash-Generating Assets and IPSAS 26, Impairment of Cash Generating Assets. Amendments to ensure consistency of impairment guidance to account for revalued assets in the scope of IPSAS 17, Property, Plant, and Equipment and IPSAS 31, Intangible Assets.	There was no impact of the amendment to IPSAS 21 and IPSAS 26 with respect to the current financial report as the entity does not have Non-Cash Generating Assets and neither did it have impaired cash generating assets.
d) IPSAS 33, First-time Adoption of Accrual Basis International Public Sector Accounting Standards (IPSASs). Amendments to the implementation guidance on deemed cost in IPSAS 33 to make it consistent with the core principles in the Standard	<b><i>Document the impact if the fund is reporting for the first time on accrual/ Otherwise indicate that there was no impact</i></b>

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**SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)**

**b) New and amended standards and interpretations in issue but not yet effective in the year ended 30 June 2021**

Standard	Effective date and impact:
<p><b>IPSAS 41: Financial Instruments</b></p>	<p><b>Applicable: 1<sup>st</sup> January 2022:</b></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"> <li>• 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;</li> <li>• Applying a single forward-looking expected credit loss model that is applicable to all financial instruments subject to impairment testing; and</li> <li>• 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.</li> </ul> <p><i>(State the impact of the standard to the entity if relevant)</i></p>
<p><b>IPSAS 42: Social Benefits</b></p>	<p><b>Applicable: 1<sup>st</sup> January 2022</b></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>

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Standard	Effective date and impact:
	<p>(a) The nature of such social benefits provided by the entity;</p> <p>(b) The key features of the operation of those social benefit schemes; and</p> <p>(c) The impact of such social benefits provided on the entity’s financial performance, financial position and cash flows.</p> <p><i>(State the impact of the standard to the entity if relevant)</i></p>
<p>Amendments to Other  IPSAS resulting from  IPSAS 41, Financial  Instruments</p>	<p><b>Applicable: 1st January 2022:</b></p> <p>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.</p> <p>b) Amendments to IPSAS 30, regarding illustrative examples on hedging and credit risk which were inadvertently omitted when IPSAS 41 was issued.</p> <p>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> <p>Amendments to IPSAS 33, to update the guidance on classifying financial instruments on initial adoption of accrual basis IPSAS which were inadvertently omitted when IPSAS 41 was issued.</p>

**SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)**

**c) Early adoption of standards**

The Lamu County Disability Development Fund did not early – adopt any new or amended standards in year 2020/2021.

**3. 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***

The Entity did not accrue any Interest Income

**4. Budget information**

The original budget for the financial year 2020/2021 was approved by the County Assembly on May 2019. No subsequent revisions or additional appropriations were made to the approved budget in accordance with specific approvals from the appropriate authorities.

The entity's 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 basic 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 actuals as per the statement of financial performance has been presented under section 12 of these financial statements.

## **5. 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.

## **2. 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.

## **3. Financial instruments**

### **a) Financial assets**

#### **Initial recognition and measurement**

Financial assets within the scope of IPSAS 29 Financial Instruments: Recognition and Measurement are classified as financial assets at fair value through surplus or deficit, loans and receivables, held-to-maturity investments or available-for-sale financial assets, as appropriate. The Entity determines the classification of its financial assets at initial recognition.

#### **Loans and receivables**

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Loans and receivables are non-derivative financial assets with fixed or determinable payments that are not quoted in an active market. After initial measurement, such financial assets are subsequently measured at amortized cost using the effective interest method, less impairment. Amortized cost is calculated by taking into account any discount or premium on acquisition and fees or costs that are an integral part of the effective interest rate. Losses arising from impairment are recognized in the surplus or deficit.

**Held-to-maturity**

Non-derivative financial assets with fixed or determinable payments and fixed maturities are classified as held to maturity when the Entity has the positive intention and ability to hold it to maturity. After initial measurement, held-to-maturity investments are measured at amortized cost using the effective interest method, less impairment. Amortized cost is calculated by taking into account any discount or premium on acquisition and fees or costs that are an integral part of the effective interest rate. The losses arising from impairment are recognized in surplus or deficit.

**Impairment of financial assets**

The Entity assesses at each reporting date whether there is objective evidence that a financial asset or a entity of financial assets is impaired. A financial asset or a entity of financial assets is deemed to be impaired if, and only if, there is objective evidence of impairment as a result of one or more events that has occurred after the initial recognition of the asset (an incurred ‘loss event’) and that loss event has an impact on the estimated future cash flows of the financial asset or the entity of financial assets that can be reliably estimated. Evidence of impairment may include the following indicators:

- The debtors or a entity of debtors are experiencing significant financial difficulty
- Default or delinquency in interest or principal payments
- The probability that debtors will enter bankruptcy or other financial reorganization
- Observable data indicates a measurable decrease in estimated future cash flows (e.g. changes in arrears or economic conditions that correlate with defaults)

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***b) Financial liabilities***

**Initial recognition and measurement**

Financial liabilities within the scope of IPSAS 29 are classified as financial liabilities at fair value through surplus or deficit or loans and borrowings, as appropriate. The Entity determines the classification of its financial liabilities at initial recognition.

All financial liabilities are recognized initially at fair value and, in the case of loans and borrowings, plus directly attributable transaction costs.

**Loans and borrowing**

After initial recognition, interest bearing loans and borrowings are subsequently measured at amortized cost using the effective interest method. Gains and losses are recognized in surplus or deficit when the liabilities are derecognized as well as through the effective interest method amortization process.

Amortized cost is calculated by taking into account any discount or premium on acquisition and fees or costs that are an integral part of the effective interest rate.

**4. 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.

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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.

**5. 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.

**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.

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**6. Nature and purpose of reserves**

Lamu Disability Development Fund did not have any reserved maintained and appropriate policies adopted.

**7. 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.

**8. Employee benefits – Retirement benefit plans**

The Lamu Disability Fund does not have any retirement benefits plan in place.

**9. 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.

**10. 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.

**11. 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.

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Members of key management are regarded as related parties and comprise the directors/Trustee, the Fund Managers and Fund Accountant.

**12. 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.

**13. Comparative figures**

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

**14. Events after the reporting period**

There were no material adjusting and non- adjusting events after the reporting period.

**15. Ultimate and Holding Entity**

The Fund is a County Public Fund established by Lamu County Disability Development Act 2018 under the Ministry of Education. Its ultimate parent is the County Government of Lamu

**16. Currency**

The financial statements are presented in Kenya Shillings (KShs).

**17. 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.

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**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:

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

**c) Provisions**

Provisions are measured at the managements 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. The fund did not maintain any provision for the financial year under review.

**18. 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.

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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:

**a) Credit risk**

The Fund has no 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 net of allowances for doubtful receivables, estimated by the entity's management based on prior experience and their assessment of the current economic environment.

The carrying amount of financial assets recorded in the financial statements representing the entity's maximum exposure to credit risk without taking account of the value of any collateral obtained is made up as follows:

	Total amount KShs	Fully performing KShs	Past due KShs	Impaired KShs
<b>At 30 June 2021</b>				
Receivables from exchange transactions	0.00	0.00	0.00	0.00
Receivables from non-exchange transactions	0.00	0.00	0.00	0.00
Bank balances	0.00	0.00	0.00	0.00
<b>Total</b>	<b>0.00</b>	<b>0.00</b>	<b>0.00</b>	<b>0.00</b>
<b>At 30 June 2020</b>				
Receivables from exchange transactions	0.00	0.00	0.00	0.00
Receivables from non-exchange transactions	0.00	0.00	0.00	0.00
Bank balances	0.00	0.00	0.00	0.00
<b>Total</b>	<b>0.00</b>	<b>0.00</b>	<b>0.00</b>	<b>0.00</b>

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

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uncollectible amounts that the entity has recognised in the financial statements is considered adequate to cover any potentially irrecoverable amounts.

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

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**b) 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 entity's short, medium and long-term funding and liquidity management requirements. The entity 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.

	Less than 1 month	Between 1- 3 months	Over 5 months	Total
	KShs	KShs	KShs	KShs
<b>At 30 June 2021</b>				
Trade payables	0.00	0.00	0.00	0.00
Current portion of borrowings	0.00	0.00	0.00	0.00
Provisions	0.00	0.00	0.00	0.00
Employee benefit obligation	0.00	0.00	0.00	0.00
<b>Total</b>	<b>0.00</b>	<b>0.00</b>	<b>0.00</b>	<b>0.00</b>
<b>At 30 June 2020</b>				
Trade payables	0.00	0.00	0.00	0.00
Current portion of borrowings	0.00	0.00	0.00	0.00
Provisions	0.00	0.00	0.00	0.00
Employee benefit obligation	0.00	0.00	0.00	0.00
<b>Total</b>	<b>0.00</b>	<b>0.00</b>	<b>0.00</b>	<b>0.00</b>

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**c) Market risk**

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 entity's income or the value of its holding of financial instruments.

There has been no change to the entity's exposure to market risks or the manner in which it manages and measures the risk.

**d) Foreign currency risk**

The Lamu Disability Development Fund has no transactional currency exposures arising through purchase of goods and services that are done in currencies other than the local currency.

The carrying amount of the entity's foreign currency denominated monetary assets and monetary liabilities at the end of the reporting period are as follows:

	KShs	Other currencies KShs	Total KShs
<b>At 30 June 2021</b>			
Financial assets	0.00	0.00	0.00
Investments	0.00	0.00	0.00
Cash	0.00	0.00	0.00
Debtors/ receivables	0.00	0.00	0.00
<b>Liabilities</b>	0.00	0.00	0.00
Trade and other payables	0.00	0.00	0.00
Borrowings	0.00	0.00	0.00
Net foreign currency asset/(liability)	<b>0.00</b>	<b>0.00</b>	<b>0.00</b>

**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.

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	Change in currency rate	Effect on surplus/ deficit	Effect on equity
	KShs	KShs	KShs
<b>2021</b>			
Euro	10%	0.00	0.00
USD	10%	0.00	0.00
<b>2020</b>		0.00	0.00
Euro	10%	0.00	0.00
USD	10%	0.00	0.00

**e) Interest rate risk**

Interest rate risk is the risk that the entity's financial condition may be adversely affected as a result of changes in interest rate levels. The entity's 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.

**f) 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 entity capital structure comprises of the following funds:

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	2020/2021	2019/2020
	KShs	KShs
Revaluation reserve	0.00	0.00
Revolving fund	7,000,000.00	5,000,000.00
Accumulated surplus	(492,736.00)	0.00
<b>Total funds</b>	<b>6,507,364.00</b>	<b>5,000,000.00</b>
Total borrowings	0.00	0.00
Less: cash and bank balances	0.00	0.00
Net debt/(excess cash and cash equivalents)	0.00	0.00
<b>Gearing</b>	<b>0.00</b>	<b>0.00</b>

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**13. NOTES TO THE FINANCIAL STATEMENTS**

**1. Public contributions and donations**

Description	2020/2021	2019/2020
	KShs	KShs
Donation from development partners	0.00	0.00
Contributions from the public	0.00	0.00
<b>Total</b>	<b>0.00</b>	<b>0.00</b>

**2. Transfers from County Government**

Description	2020/2021	2019/2020
	KShs	KShs
Transfers from County Govt. – operations	2,000,000.00	5,000,000.00
Payments by County on behalf of the entity	0.00	0.00
<b>Total</b>	<b>2,000,000.00</b>	<b>5,000,000.00</b>

**3. Fines, penalties and other levies**

Description	2020/2021	2019/2020
	KShs	KShs
Late payment penalties	0.00	0.00
Fines	0.00	0.00
Levies	0.00	0.00
Licences	0.00	0.00
<b>Total</b>	<b>0.00</b>	<b>0.00</b>

**4. Interest income**

Description	2020/2021	2019/2020
	KShs	KShs
Interest income from Mortgage loans	0.00	0.00
Interest income from car loans	0.00	0.00
Interest income from investments	0.00	0.00
Interest income on bank deposits	0.00	0.00
<b>Total interest income</b>	<b>0.00</b>	<b>0.00</b>

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**5. Other income**

Description	2020/2021	2019/2020
	KShs	KShs
Insurance recoveries	0.00	0.00
Income from sale of tender documents	0.00	0.00
Miscellaneous income (specify)	0.00	0.00
<b>Total other income</b>	<b>0.00</b>	<b>0.00</b>

**6. Fund administration expenses**

Description	2020/2021	2019/2020
	KShs	KShs
Staff costs (Note 6a)	0.00	0.00
Loan processing costs	0.00	0.00
Professional services costs	0.00	0.00
Administration fees	488,536.00	0.00
<b>Total</b>	<b>488,536.00</b>	<b>0.00</b>

**6A. Staff costs**

Description	2020/2021	2019/2020
	KShs	KShs
Salaries and wages	0.00	0.00
Staff gratuity	0.00	0.00
Staff training expenses	0.00	0.00
Social security contribution	0.00	0.00
Other staff costs	0.00	0.00
<b>Total</b>	<b>0.00</b>	<b>0.00</b>

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**7. General expenses**

Description	2020/2021	2019/2020
	KShs	KShs
Consumables	0.00	0.00
Electricity and water expenses	0.00	0.00
Fuel and oil costs	0.00	0.00
Insurance costs	0.00	0.00
Postage	0.00	0.00
Printing and stationery	0.00	0.00
Rental costs	0.00	0.00
Security costs	0.00	0.00
Telecommunication	0.00	0.00
Bank Charges	4,100.00	0.00
Hospitality	0.00	0.00
Depreciation and amortization costs	0.00	0.00
Other expenses	0.00	0.00
<b>Total</b>	<b>4,100.00</b>	<b>0.00</b>

**8. Finance costs**

Description	2020/2021	2019/2020
	KShs	KShs
Interest on Bank overdrafts	0.00	0.00
Interest on loans from banks	0.00	0.00
<b>Total</b>	<b>0.00</b>	<b>0.00</b>

**9. Gain/(loss) on disposal of assets**

Description	2020/2021	2019/2020
	KShs	KShs
Property, plant and equipment	0.00	0.00
Intangible assets	0.00	0.00
<b>Total</b>	<b>0.00</b>	<b>0.00</b>

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**10. Cash and cash equivalents**

Description	2020/2021	2019/2020
	KShs	KShs
Xxx Car loan account	0.00	0.00
Xxx County mortgage account	0.00	0.00
Fixed deposits account	0.00	0.00
On – call deposits	0.00	0.00
Current account	6,507,364.00	5,000,000.00
Others	0.00	0.00
<b>Total cash and cash equivalents</b>	<b>6,507,364.00</b>	<b>5,000,000.00</b>

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

Financial institution	Account number	2020/2021	2019/2020
		KShs	KShs
<b>a) Fixed deposits account</b>			
Kenya Commercial bank		0.00	0.00
Equity Bank, etc		0.00	0.00
<b>Sub- total</b>		<b>0.00</b>	<b>0.00</b>
<b>b) On - call deposits</b>			
Kenya Commercial bank		0.00	0.00
Equity Bank - etc		0.00	0.00
<b>Sub- total</b>		<b>0.00</b>	<b>0.00</b>
<b>c) Current account</b>			
Kenya Commercial bank		0.00	0.00
Co-operative Bank		6,507,364.00	5,000,000.00
<b>Sub- total</b>		<b>6,507,364.00</b>	<b>5,000,000.00</b>
<b>d) Others(specify)</b>			
Cash in transit		0.00	0.00
Cash in hand		0.00	0.00
Mobile Money		0.00	0.00
<b>Sub- total</b>		<b>0.00</b>	<b>0.00</b>
<b>Grand total</b>		<b>6,507,364.00</b>	<b>5,000,000.00</b>

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**NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)**

**11. Receivables from exchange transactions**

Description	2020/2021	2019/2020
	KShs	KShs
<b>Current Receivables</b>		
Interest receivable	0.00	0.00
Current loan repayments due	0.00	0.00
Other exchange debtors	0.00	0.00
Less: impairment allowance	0.00	0.00
<b>Total Current receivables</b>		
<b>Non-Current receivables</b>		
Long term loan repayments due	0.00	0.00
<b>Total Non- current receivables</b>	<b>0.00</b>	<b>0.00</b>
<b>Total receivables from exchange transactions</b>	<b>0.00</b>	<b>0.00</b>

**Additional disclosure on interest receivable**

Description	2020/2021	2019/2020
	KShs	KShs
<b>Interest receivable</b>		
Interest receivable from current portion of long-term loans of previous years	0.00	0.00
Accrued interest receivable from of long-term loans of previous years	0.00	0.00
Interest receivable from current portion of long-term loans issued in the current year	0.00	0.00
<b>Current loan repayments due</b>	<b>0.00</b>	<b>0.00</b>
Current portion of long-term loans from previous years	0.00	0.00
Accrued principal from long-terms loans from previous periods	0.00	0.00
Current portion of long-term loans issued in the current year	0.00	0.00

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**12. Receivables from Non-Exchange transaction**

<b>Description</b>	<b>2020/2021</b>	<b>2019/2020</b>
	<b>KShs</b>	<b>KShs</b>
Transfer from County Executive	2,000,000.00	0.00
Transfer from XXXX Fund	0.00	0.00
<b>Total receivables from non-exchange transactions</b>	<b>2,000,000.00</b>	<b>0.00</b>

**13. Prepayments**

<b>Description</b>	<b>2020/2021</b>	<b>2019/2020</b>
	<b>KShs</b>	<b>KShs</b>
Prepaid rent	0.00	0.00
Prepaid insurance	0.00	0.00
Prepaid electricity costs	0.00	0.00
Other prepayments(specify)	0.00	0.00
<b>Total</b>	<b>0.00</b>	<b>0.00</b>

**14. Inventories**

<b>Description</b>	<b>2020/2021</b>	<b>2019/2020</b>
	<b>KShs</b>	<b>KShs</b>
Consumable stores	0.00	0.00
Spare parts and meters	0.00	0.00
Catering	0.00	0.00
Other inventories(specify)	0.00	0.00
<b>Total inventories at the lower of cost and net realizable value</b>	<b>0.00</b>	<b>0.00</b>

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**15. Property, plant and equipment**

	Land and Buildings	Motor vehicles	Furniture and fittings	Computers and office equipment	Total
Cost	KShs	KShs	KShs	KShs	KShs
<b>At 1<sup>st</sup> July 2019</b>	<b>0.00</b>	<b>0.00</b>	<b>0.00</b>	<b>0.00</b>	<b>0.00</b>
Additions	0.00	0.00	0.00	0.00	0.00
Disposals	0.00	0.00	0.00	0.00	0.00
Transfers/adjustments	0.00	0.00	0.00	0.00	0.00
<b>At 30<sup>th</sup> June 2020</b>	<b>0.00</b>	<b>0.00</b>	<b>0.00</b>	<b>0.00</b>	<b>0.00</b>
<b>At 1<sup>st</sup> July 2020</b>					
Additions	0.00	0.00	0.00	0.00	0.00
Disposals	0.00	0.00	0.00	0.00	0.00
Transfer/adjustments	0.00	0.00	0.00	0.00	0.00
<b>At 30<sup>th</sup> June 2021</b>	<b>0.00</b>	<b>0.00</b>	<b>0.00</b>	<b>0.00</b>	<b>0.00</b>
<b>Depreciation and impairment</b>					
At 1 <sup>st</sup> July 2019	0.00	0.00	0.00	0.00	0.00
Depreciation	0.00	0.00	0.00	0.00	0.00
Impairment	0.00	0.00	0.00	0.00	0.00
<b>At 30<sup>th</sup> June 2020</b>	<b>0.00</b>	<b>0.00</b>	<b>0.00</b>	<b>0.00</b>	<b>0.00</b>
<b>At 1<sup>st</sup> July 2020</b>					
Depreciation	0.00	0.00	0.00	0.00	0.00
Disposals	0.00	0.00	0.00	0.00	0.00
Impairment	0.00	0.00	0.00	0.00	0.00

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Cost	Land and Buildings	Motor vehicles	Furniture and fittings	Computers and office equipment	Total
	KShs	KShs	KShs	KShs	KShs
Transfer/adjustment	0.00	0.00	0.00	0.00	0.00
<b>At 30<sup>th</sup> June 2021</b>	<b>0.00</b>	<b>0.00</b>	<b>0.00</b>	<b>0.00</b>	<b>0.00</b>
<b>Net book values</b>	<b>0.00</b>	<b>0.00</b>	<b>0.00</b>	<b>0.00</b>	<b>0.00</b>
<b>At 30<sup>th</sup> June 2020</b>	<b>0.00</b>	<b>0.00</b>	<b>0.00</b>	<b>0.00</b>	<b>0.00</b>
<b>At 30<sup>th</sup> June 2021</b>	<b>0.00</b>	<b>0.00</b>	<b>0.00</b>	<b>0.00</b>	<b>0.00</b>

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**16. Intangible assets-software**

Description	2020/2021	2019/2020
	KShs	KShs
<b>Cost</b>		
At beginning of the year	0.00	0.00
Additions	0.00	0.00
<b>At end of the year</b>	<b>0.00</b>	<b>0.00</b>
<b>Amortization and impairment</b>		
At beginning of the year	0.00	0.00
Amortization	0.00	0.00
<b>At end of the year</b>	<b>0.00</b>	<b>0.00</b>
Impairment loss	0.00	0.00
<b>At end of the year</b>	<b>0.00</b>	<b>0.00</b>
<b>NBV</b>	<b>0.00</b>	<b>0.00</b>

**17. Trade and other payables from exchange transactions**

Description	2020/2021	2019/2020
	KShs	KShs
Trade payables	0.00	0.00
Refundable deposits	0.00	0.00
Accrued expenses	0.00	0.00
Other payables	0.00	0.00
<b>Total trade and other payables</b>	<b>0.00</b>	<b>0.00</b>

**18. Provisions**

Description	Leave provision	Bonus provision	Other provision	Total
	KShs	KShs	KShs	KShs
Balance at the beginning of the year (1.07.2020)	0.00	0.00	0.00	0.00
Additional Provisions	0.00	0.00	0.00	0.00
Provision utilised	0.00	0.00	0.00	0.00
Change due to discount and time value for money	0.00	0.00	0.00	0.00
Transfers from non -current provisions	0.00	0.00	0.00	0.00
<b>Balance at the end of the year (30.06.2021)</b>	<b>0.00</b>	<b>0.00</b>	<b>0.00</b>	<b>0.00</b>

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**19. Borrowings**

Description	2020/2021	2019/2020
	KShs	KShs
<b>Balance at beginning of the period</b>	<b>0.00</b>	<b>0.00</b>
External borrowings during the year	0.00	0.00
Domestic borrowings during the year	0.00	0.00
Repayments of external borrowings during the period	0.00	0.00
Repayments of domestic borrowings during the period	0.00	0.00
<b>Balance at end of the period</b>	<b>0.00</b>	<b>0.00</b>

The table below shows the classification of borrowings into external and domestic borrowings:

	2020/2021	2019/2020
	KShs	KShs
<b>External Borrowings</b>		
Dollar denominated loan from 'xxx organisation'	0.00	0.00
Sterling Pound denominated loan from 'yyy organisation'	0.00	0.00
Euro denominated loan from zzz organisation'	0.00	0.00
<b>Domestic Borrowings</b>	0.00	0.00
Kenya Shilling loan from KCB	0.00	0.00
Kenya Shilling loan from Barclays Bank	0.00	0.00
Kenya Shilling loan from Consolidated Bank	0.00	0.00
Borrowings from other government institutions	0.00	0.00
<b>Total balance at end of the year</b>	<b>0.00</b>	<b>0.00</b>

The table below shows the classification of borrowings long-term and current borrowings:

Description	2020/2021	2019/2020
	KShs	KShs
Short term borrowings(current portion)	0.00	0.00
Long term borrowings	0.00	0.00
<b>Total</b>	<b>0.00</b>	<b>0.00</b>

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**20. Employee benefit obligations**

Description	Defined benefit plan	Post employment medical benefits	Other Provisions	Total
	KShs	KShs	KShs	KShs
Current benefit obligation	0.00	0.00	0.00	0.00
Non-current benefit obligation	0.00	0.00	0.00	0.00
<b>Total employee benefits obligation</b>	<b>0.00</b>	<b>0.00</b>	<b>0.00</b>	<b>0.00</b>

**21. Cash generated from operations**

	2020/2021	2019/2020
	KShs	KShs
<b>Surplus/ (deficit) for the year before tax</b>	<b>0.00</b>	<b>0.00</b>
<b>Adjusted for:</b>	0.00	0.00
Depreciation	0.00	0.00
Amortisation	0.00	0.00
Gains/ losses on disposal of assets	0.00	0.00
Interest income	0.00	0.00
Finance cost	0.00	0.00
<b>Working Capital adjustments</b>	0.00	0.00
Increase in inventory	0.00	0.00
Increase in receivables	0.00	0.00
Increase in payables	0.00	0.00
<b>Net cash flow from operating activities</b>	<b>0.00</b>	<b>0.00</b>

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**22. 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) County Assembly;
- d) Key management;
- e) Board of Trustees; etc

**b) Related party transactions**

	2020/2021	2019/2020
	KShs	KShs
Transfers from related parties'	0.00	0.00
Transfers to related parties	0.00	0.00

**c) Key management remuneration**

	2020/2021	2019/2020
	KShs	KShs
Board of Trustees	0.00	0.00
Key Management Compensation	0.00	0.00
<b>Total</b>	<b>0.00</b>	<b>0.00</b>

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**d) Due from related parties**

	2020/2021	2019/2020
	KShs	KShs
Due from parent Ministry	0.00	0.00
Due from County Government	0.00	0.00
Due from County Assembly	0.00	0.00
<b>Total</b>	<b>0.00</b>	<b>0.00</b>

**e) Due to related parties**

	2020/2021	2019/2020
	KShs	KShs
Due to parent Ministry	0.00	0.00
Due to County Government	0.00	0.00
Due to Key management personnel	0.00	0.00
Due to County Assembly	0.00	0.00
<b>Total</b>	<b>0.00</b>	<b>0.00</b>

**23. Contingent assets and contingent liabilities**

Contingent liabilities	2020/2021	2019/2020
	KShs	KShs
Court case xxx against the Fund	0.00	0.00
Bank guarantees	0.00	0.00
<b>Total</b>	<b>0.00</b>	<b>0.00</b>

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**14. 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. We have nominated focal persons to resolve the various issues as shown below with the associated time frame within which we expect the issues to be resolved.

Reference No. on the external audit Report	Issue / Observations from Auditor	Management comments	Status: <i>(Resolved / Not Resolved)</i>	Timeframe: <i>(Put a date when you expect the issue to be resolved)</i>

*There is no progress report on follow up of prior year auditor’s recommendation since there was no audit query.*

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**APPENDIX I: INTER-ENTITY TRANSFERS**

ENTITY NAME:				
Break down of Transfers from the County Executive of xxx County Government				
FY 2020/2021				
a.	Recurrent Grants	<u>Bank Statement Date</u>	<u>Amount (KShs)</u>	<u>Indicate the FY to which the amounts relate</u>
			0.00	
			0.00	
			0.00	
		<b>Total</b>	<b>0.00</b>	
b.	Development Grants	<u>Bank Statement Date</u>	<u>Amount (KShs)</u>	<u>Indicate the FY to which the amounts relate</u>
			0.00	
			0.00	
			0.00	
		<b>Total</b>	<b>0.00</b>	
c.	Direct Payments	<u>Bank Statement Date</u>	<u>Amount (KShs)</u>	<u>Indicate the FY to which the amounts relate</u>
			0.00	
			0.00	
			0.00	
		<b>Total</b>	<b>0.00</b>	

The above amounts have been communicated to and reconciled with the parent Ministry.

**Lamu County Disability Development Fund  
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Finance Manager  
Lamu County Gender Development Fund

Sign-----



Head of County Treasury at  
County Government of Lamu

Sign-----



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LAMU COUNTY DISABILITY FUND- AC NO. 01141562514800

F. O. 30

**REPUBLIC OF KENYA  
BANK RECONCILIATION**

AS AT 30<sup>th</sup> JUNE 2021

STATION: LAMU COUNTY

**Balance as per bank statement**

**Less:-**

- 1 *Payments in cash book not in bank statement  
(Unrepresented Cheques)* :
- 2 *Receipts in bank statement not recorded in  
cash book* :

**Add:-**

- 3 *Payments in bank statement not in cash book* :
- 4 *Receipts in cash book not recorded in bank  
statement* :

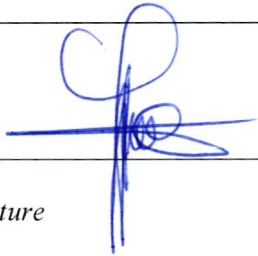

Sh	S h	Sh
		4,507,364.00
		-
		-
		-
		2,000,000.000


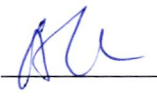
**Balance as per Cash book**


**6,507,364.00**

I certify that I have verified the Bank Balance in the Cash Book with the Bank Statement and the above reconciliation is correct.

**Lamu County Disability Development Fund  
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Prepared by:   15/7/21  
*Signature* *Designation* *Date*

Checked by:   15/7/21  
*Signature* *Designation* *Date*

Approved by:  Co-Disability 15/7/21  
*Signature* *Designation* *Date*



**JUNE 2021 SCHEDULE**

**Receipts in cash book not recorded in bank statement**

DATE	DETAILS	AMOUNT	DATE RECEIVED
30-06-21	TRANSFER S	2,000,000.00	16-07-21
<b>TOTAL</b>		<b>2,000,000.00</b>	