

REPUBLIC OF KENYA

PARLIAMENT
OF KENYA
LIBRARY



Enhancing Accountability

REPORT

OF

THE AUDITOR-GENERAL

ON

**KISUMU COUNTY WOMEN, YOUTH AND
PEOPLE WITH DISABILITIES FUND**

**FOR THE YEAR ENDED
30 JUNE, 2020**

PAPERS LAID	
DATE	24/08/2022
TABLED BY	GMU
COMMITTEE	-
CLERK AT THE TABLE	GETRUE





KISUMU COUNTY WOMEN YOUTH AND PWD FUND
ANNUAL REPORT AND FINANCIAL STATEMENTS

FOR THE FINANCIAL YEAR ENDED
JUNE 30, 2020

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

21 APR 2021

**Kisumu County Women Youth and PWD Fund
Reports and Financial Statements
For the year ended June 30, 2020**

1. KEY ENTITY INFORMATION AND MANAGEMENT	2
2. THE BOARD OF TRUSTEES (or any other corporate governance body for the Fund)	4
3. STATEMENT OF PERFORMANCE AGAINST COUNTY ENTITY'S PREDETERMINED OBJECTIVES	5
4. MANAGEMENT TEAM	6
5. BOARD/FUND CHAIRPERSON'S REPORT	7
6. REPORT OF THE FUND ADMINISTRATOR	8
7. CORPORATE GOVERNANCE STATEMENT	9
8. MANAGEMENT DISCUSSION AND ANALYSIS	11
9. CORPORATE SOCIAL RESPONSIBILITY STATEMENT/SUSTAINABILITY REPORTING	11
10. REPORT OF THE TRUSTEES	
11. STATEMENT OF MANAGEMENT'S RESPONSIBILITIES	13
12. REPORT OF THE INDEPENDENT AUDITOR	14
13. FINANCIAL STATEMENTS	15
13.1. STATEMENT OF FINANCIAL PERFORMANCE FOR THE YEAR ENDED 30th JUNE 2020	15
13.2. STATEMENT OF FINANCIAL POSITION AS AT 30 JUNE 2020	16
13.3. STATEMENT OF CHANGES IN NET ASSETS AS AT 30 JUNE 2020	17
13.4. STATEMENT OF CASH FLOWS FOR THE YEAR ENDED 30 JUNE 2020	18
13.5. STATEMENT OF COMPARISON OF BUDGET AND ACTUAL AMOUNTS FOR THE PERIOD ENDED 30th JUNE 2020	19
13.6. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES	20
13.7. NOTES TO THE FINANCIAL STATEMENTS	29
14. PROGRESS ON FOLLOW UP OF PRIOR YEAR AUDITOR'S RECOMMENDATIONS	42

**Kisumu County Women Youth and PWD Fund
Reports and Financial Statements
For the year ended June 30, 2020**

1. KEY ENTITY INFORMATION AND MANAGEMENT

a) Background information

Trade Fund was established by and derives its authority and accountability from Kisumu County Trade Fund Act on 30th May 2016. The Fund is wholly owned by the County Government of Kisumu and is domiciled in Kenya.

The fund's objective is Poverty eradication and economic empowerment to Women Youth and People living With Disability.

The Fund's principal activity is to grant loans inform of revolving fund to eligible groups.

b) Principal Activities

Current situation that the fund was formed to intervene on economic scale and independency to kisumu county women youth and people with disability

c) Board of Trustees/Fund Administration Committee

Sl. No	Name	Position
1	George Owino Ogol	Chairman
2	Gerald Ondiek	Fund Administrator
3	Caren Aketch	Committee Member
4	Robert Och ieng Odundo	Committee Member
5	Nick McOndwat	Committee Member
6	David Chuchu	Committee Member
7	William Ngore Oseng	Committee Member
8	Owich Isaac	Accountant

d) Key Management

Sl. No	Name	Position
1	George Owino Ogol	Chairman
2	Gerald Ondiek	Fund Administrator
3	Caren Aketch	Committee Member
4	Robert Ochieng Odundo	Committee Member
5	Nick McOndwat	Committee Member
	David Chuchu	Committee Member
	William Ngore Oseng	Committee Member

**Kisumu County Women Youth and PWD Fund
Reports and Financial Statements
For the year ended June 30, 2020**

Registered Offices

Name: Kisumu County Women Youth and People Living With Disability Fund
P.O. Box 2837-40100
Prosperity Building House

Kisumu, Kenya

e) Fund Contacts

Telephone: (254) 0725112009
E-mail: Kisumu county.go.ke

f) Fund Bankers

1. Kenya Commercial Bank
P.O. Box 4
Kisumu

g) Independent Auditors

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

h) Principal Legal Adviser

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

**Kisumu County Women Youth and PWD Fund
Reports and Financial Statements
For the year ended June 30, 2020**

2. THE BOARD OF TRUSTEES

Name	Details of qualifications and experience
1. George Owino Ogol	DoB: - Academic and Professional qualifications BMA – Finance – UON BcM – UON Experience A BANKER
2. Gerald Ondiek	DoB: - Academic and Professional qualifications MBA – (Operating Management) PhD – (Operating Management) Experience Lecturer and Researcher UON Matters related to Youth, Gender, PWD and Trade
3. Caren Aketch	DoB: - Academic and Professional qualifications B.ED - Arts – MOI UNV. Experience TEACHER
4. Nick McOndwat	DoB: - Academic and Professional qualifications O' Level Experience Rep. People living with disabilities
5. William Ngore Oseng	DoB: - Academic and Professional qualifications O' Level Experience Rep. business community

**Kisumu County Women Youth and PWD Fund
Reports and Financial Statements
For the year ended June 30, 2020**

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

The Fund is under the supervision of the department of Education

The Departmental goals of the fund are: -

- a) Poverty eradication.**
- b) Empower Women Youth and People living with disabilities.**

Achievement of strategic goals

- a) Administer enough funds to people with disability.**
- b) No groups were funded this financial year**
- c) No groups were empowered this financial year**

Current situation that the fund was formed to intervene

- a) Economic scale**
- b) Independency to Women Youth and People living with disabilities**

Fund Duration: -

- a) The fund started on July 2019 and is expected to run until 30th June, 2020**

**Kisumu County Women Youth and PWD Fund
Reports and Financial Statements
For the year ended June 30, 2020**

4. MANAGEMENT TEAM

	Details of qualifications and experience
1. George Owino Ogol	DoB: - Academic and Professional qualifications BMA – Finance – UON BcM – UON Experience A BANKER
2. Caren Aketch	DoB: - Academic and Professional qualifications B.ED - Arts – MOI UNV. Experience TEACHER
3. Nick McOndwat	DoB: - Academic and Professional qualifications O' Level Experience Rep. People living with disabilities
4. William Ngore Oseng	DoB: - Academic and Professional qualifications O' Level Experience Rep. business community
5. Gerald Ondiek	DoB: - Academic and Professional qualifications MBA – (Operating Management) PhD – (Operating Management) Experience Lecturer and Researcher UON Matters related to Youth, Gender, PWD and Trade

**Kisumu County Women Youth and PWD Fund
Reports and Financial Statements
For the year ended June 30, 2020**

5. BOARD/FUND CHAIRPERSON'S REPORT

The Department of Education accounts office is mandated to prepare an annual report on Women Youth and PWD fund and submit the same to the County Assembly not later than three months after the end of each quarter in accordance with section 166(4) of the public finance Management Act 2012. It is upon this report has been sent to the relevant statutory bodies as provided for in the PFM ACT. The report represents the budget execution status covering the period 1st July,2019 to 30th June 2020. It contains revenue transfers from the exchequer also included in the report are the annual budgeted revenue and the accumulative revenue and expenditure for 2019/2020 as at 30th june2020.

A detailed analysis of the revenue heads and their major classification together with a detailed analysis of payments has been included for better understanding of the consolidated figure contained herein. It is my hope and believe that you will find this annual report a useful tool for your respective management decisions and policy.

During this year ended 30th june2020 the department did not receive any funding from the exchequer.

Signed:-



Mr. George Owino Ogor

6. REPORT OF THE FUND ADMINISTRATOR

This Fund was established vide ACT 2016 of Kisumu County Assembly. The Fund, which has been in operation since 2016, is provided for by Kisumu County Women Youth and PWD Fund (Act, 2015).

The fund is under the Department of Education since insertion in fy 2015/2016

The strategic goals for the fund are: -

- a) Poverty eradication
- b) Empower women youth and people living with disabilities

Achievements of strategic goals

- a) Administer enough funds to people with disabilities
- b) Administer more groups to benefit In the meantime,

Current situation that the project was formed to intervene. The project was formed to intervene in the following areas: -

- a) Economic scale
 - a) Independency to people living with disabilities.

Conclusion

The Fund plays a key role in achieving socio- economic equality as is evidenced by the many applicants and the deserving cases that take it up. It has vindicated the County Government's commitment and responsiveness to give Loans to Women Youth and PWD GROIPS. The Fund should therefore be maintained, sustained, improved and monitored to ensure return on investment.


GERALD ONDIEK

Fund Administrator.

7. CORPORATE GOVERNANCE STATEMENT

2. **The number of meetings held per year is not more than 6 times and not more than 3 special meetings convened by the Chairperson in case there is need.**
3. **The quorum should be met during attendance for the meetings to proceed.**

Members are appointed by the CECM Education who takes charge for a period of three years. A member can be removed from the committee if he/she is absent from three consecutive meetings without good cause, if the member violates the Act or any other Law, if the member is guilty of gross misconduct, if the member is physically or mentally

4. *Responsibilities*

- a) Formulate policies for regulating the fund
- b) Solicit for funds and other assistance to promote the function of the committee in consultation with the CECM.
- c) Set the criteria and conditions governing the granting of loans including the rate of interests and recovery of loans.
- d) Establish and maintain links with other persons, bodies or organisations within or outside Kenya as the committee may consider appropriate for the furtherance of the purpose to which the fund is establishment.
- e) Receive and approve/withhold / reject loan applications accordance the provision of the Act.
- f) Enter into a contract with financial institutions for the purpose of loans disbursement and recovery.
- g) Formulate and enforce following and recovery regulations for the fund.
- h) Cause to be kept proper books of accounts (specifying in-come, expenditure, assets, and liabilities of the fund).
- i) Invest surplus from the fund.
- j) Spend part of the fund in strict adherence to the Act within authorization from the CECM.
- k) Monitor inclusion criteria in the administration of the fund.

7. CORPORATE GOVERNANCE STATEMENT - CONTINUES

Two-to-three pages

(Under this section, include the number of Board meetings held and the attendance to those meetings by members, succession plan, existence of a board charter, process of appointment and removal of trustees, roles and functions of the Board, induction and training, board and member performance, conflict of interest, board remuneration, ethics and conduct as well as governance audit.)

**Kisumu County Women Youth and PWD Fund
Reports and Financial Statements
For the year ended June 30, 2020**

8. MANAGEMENT DISCUSSION AND ANALYSIS

Women Youth and People living with disabilities fund is a revolving fund which is mandated to extend small loans (micro-loans) to borrowers (Women Youth and People living with disabilities) who typically lack collateral, steady employment and a verifiable credit history and are capable of undertaking business and service the loan. It is designed not only to support entrepreneurship and alleviate poverty, but also to empower the neglected groups of the society in order to uplift entire community's living standards

In the Financial Year 2016/2017 the Fund was advanced **kshs. 50,000,000** to give out as loans to various Women Youth and People living with disabilities groups in Kisumu County.

However, this current financial year, there were no loan advances to the targeted beneficiaries.

Statement of receipts and payments for the period ended 30th June, 2020.

Revenue from non-exchange transactions	Note	2019/2020 (Ksh)	2018/2019 (Ksh)
Public contributions and donations	1	-	-
Transfers from the County Government	2	-	-
Fines, penalties and other levies	3	-	-
Repayment of loans		-	1,039,533
Revenue from exchange transactions			
Interest income	4	482,864	54,712
Other income	5	-	-
		-	-
Total revenue		482,864	1,094,245
Expenses			
Fund administration expenses	6	915,000	
General expenses	7	-	-
Finance costs	8	624	14,970
Other grants, transfer and payments			107,108
Total expenses		915,624	122,078
Other gains/losses			
Gain/loss on disposal of assets	9		
Surplus/(deficit) for the period		(432,760)	(122,078)

9. CORPORATE SOCIAL RESPONSIBILITY STATEMENT/SUSTAINABILITY REPORTING

This Fund was established vide ACT 2016 of Kisumu County Assembly. The Fund, which has been in operation since 2016, is provided for by Kisumu County Women Youth and PWD Fund t) Act, 2015.

The fund is under the Department of Education since insertion in fy 2015/2016

The strategic goals for the fund are: -

- c) Poverty eradication
- d) Empower women youth and people living with disabilities

Achievements of strategic goals

- c) Administer enough funds to people with disabilities
- d) Administer more groups to benefit In the meantime,

Current situation that the project was formed to intervene. The project was formed to intervene in the following areas: -

- b) Economic scale
- b) Independency to people living with disabilities.

Conclusion

The Fund plays a key role in achieving socio- economic equality as is evidenced by the many applicants and the deserving cases that take it up. It has vindicated the County Government's commitment and responsiveness to give Loans to Women Youth and PWD GROIPS. The Fund should therefore be maintained, sustained, improved and monitored to ensure return on investment.

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. OR [XYZ Certified Public Accountants were nominated by the Auditor General to carry out the audit of the *entity* for the year/period ended June 30, 2020 in accordance to section 23 of the Public Audit Act, 2015 which empowers the Auditor General to appoint an auditor to audit on his behalf].

By the Board



GERALD ONDIEK

Member of the Board

Date: 20/04/21

**Kisumu County Women Youth and PWD Fund
Reports and Financial Statements
For the year ended June 30, 2020**

10. 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 Kisumu County Women Youth and PWD Fund Act 2015 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, 2020. 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 Kisumu County Women Youth and PWD Fund Act 2015. 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, 2020 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.

Approval of the financial statements

The Fund's financial statements were approved by the Board on 30/06/ 2020 and signed on its behalf by:



f _____
Administrator of the County Public Fund

REPUBLIC OF KENYA

Telephone: +254-(20) 3214000
E-mail: 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 KISUMU COUNTY WOMEN, YOUTH AND PEOPLE WITH DISABILITIES FUND FOR THE YEAR ENDED 30 JUNE, 2020

REPORT ON THE FINANCIAL STATEMENTS

Qualified Opinion

I have audited the accompanying financial statements of Kisumu County Women, Youth and People with Disabilities Fund set out on pages 15 to 43, which comprise the statement of financial position as at 30 June, 2020, and the statement of financial performance, statement of changes in 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 effect of the matters described in the Basis for Qualified Opinion section of my report, the financial statements present fairly, in all material respects, the financial position of the Kisumu County Women, Youth and People with Disabilities Fund as at 30 June, 2020, 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 Kisumu County Women, Youth and People Living with Disabilities Fund Act, 2015.

Basis for Qualified Opinion

1. Interest Income

As disclosed in Note 4 to the financial statements, the statement of financial performance for the year ended 30 June, 2020 reflects interest income of Kshs.482,864. However, supporting documents including schedules and ledgers were not provided for audit.

Consequently, the accuracy and validity of the Kshs.482,864 on interest income for the year ended 30 June, 2020 could not be confirmed.

2. Cash and Cash equivalents

The statement of financial position as at 30 June, 2020 reflects a cash and cash equivalents balance of Kshs.27,374,719. However, the bank reconciliation statements, bank confirmation certificate and cash books were not provided for audit review.

Consequently, the accuracy and completeness of the cash and cash equivalents of Kshs.27,374,719 as at 30 June, 2020 could not be confirmed.

3. Current Portion of Long-Term Receivables from Exchange Transactions

The statement of financial position reflects current portion of long-term receivables from exchange transactions as Kshs.16,535,969. However, supporting documents including individual debtor control ledgers, general ledger, a register for all persons awarded the loans, loanees' identification files or personal files, annual returns for the year ended, records of loan repayments, contact addresses for the loanees' and the securities for the loans issued were not provided for audit.

Consequently, the accuracy and completeness of the current portion of long-term receivables from exchange transactions of Kshs.16,535,969 as at 30 June, 2020 could not be confirmed.

4. Statement of Changes in Net Assets

The statement of changes in net assets shows revolving fund balance of Kshs.48,500,000 and accumulated deficit of Kshs.4,156,552 as at 1 July, 2019. However, supporting documents including ledgers and schedules were not provided for audit. In addition, the horizontal totals are not reflected in the statements.

Consequently, the accuracy, validity and completeness of the balances in the statement of changes in net assets for the year ended 30 June, 2020 could not be confirmed.

5. Presentation of the Financial Statements

5.1 Statement of Comparison of Budget and Actual Amounts

The statement of comparison of budget and actual amounts does not reflect balances on the original and final budgets, performance differences and percentage of utilization contrary to the prescribed format by the Public Sector Accounting Standards Board (PSASB).

5.2 Other Presentation Anomalies

The financial statements submitted on 21 April, 2021 for audit reflect the following anomalies:

- i. Page 3 on background information refers to the trade fund instead of the Kisumu County Women, Youth and People with Disabilities Fund.
- ii. The initials PWD are used on the cover page of the financial statements instead of "People With Disabilities" as per the Kisumu Women, Youth and People living with Disabilities Act 2015.
- iii. The report of trustees is not included in the financial statements.

- iv. Notes 7 to 19 in the statement of financial performance and statement of financial position are not aligned to the actual notes in the Fund's financial statements.

Consequently, the accuracy of the statement of comparison of budget and actual amounts for the year ended 30 June, 2020 could not be confirmed. In addition, the Fund's financial statements are not prepared in accordance with the format prescribed by the PSASB.

The audit was conducted in accordance with International Standards of Supreme Audit Institutions (ISSAIs). I am independent of the Kisumu County Women, Youth and People with Disabilities 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 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.

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 matters described in the Basis for Conclusion on Lawfulness 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

Lack of Approved Budget

The Fund's Management did not prepare annual estimates for its income and expenditure for the year under review contrary to Section 19 of the Kisumu County Women, Youth and People Living with Disabilities Fund Act, 2015.

Consequently, the Fund's Management was in breach of the law.

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. I confirm that, nothing has come to my attention to cause me to believe that internal controls, risk management and overall governance were not effective.

Basis for Conclusion

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 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 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.

In preparing the financial statements, Management is responsible for assessing the Funds 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 abolish 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 manner.

Those charged with governance are 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. The nature timing and extent of the compliance work is limited compared to that designed to express an opinion with reasonable assurance on the financial statements.

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 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

28 February, 2022

**Kisumu County Women Youth and PWD Fund
Reports and Financial Statements
For the year ended June 30, 2020**

11. REPORT OF THE INDEPENDENT AUDITOR

12. FINANCIAL STATEMENTS

**12.1. STATEMENT OF FINANCIAL PERFORMANCE FOR THE YEAR ENDED 30th
JUNE 2020**

	Note	2019/2020	2018/2019
		KShs	KShs
Revenue from non-exchange transactions			
Public contributions and donations	1	-	-
Transfers from the County Government	2	-	-
Fines, penalties and other levies	3	-	-
Repayment of loans		-	-
Revenue from exchange transactions			1,039,533
Interest income	4	482,864	54,712
Other income	5	-	-
		-	-
Total revenue		482,864	1,094,245
Expenses			
Fund administration expenses	6	915,000	-
General expenses	7	-	-
Finance costs	8	624	14,970
Other grants, transfers and payments			107,108
Total expenses		915,624	122,078
Other gains/losses			
Gain/loss on disposal of assets	9		
Surplus/(deficit) for the period		(432,760)	972,167


The notes set out on pages 14 to 42 form an integral part of these Financial Statements


Kisumu County Women Youth and PWD Fund
Reports and Financial Statements
For the year ended June 30, 2020

12.2. STATEMENT OF FINANCIAL POSITION AS AT 30 JUNE 2020

	Note	2019/2020	2018/2019
		KShs	KShs
Assets			
Current assets			
Cash and cash equivalents	10	27,374,719	28,247,993
Current portion of long- term receivables from exchange transactions	11	16,535,969	16,095,455
Prepayments	12		
Inventories	13		
		43,910,688	44,343,448
Non-current assets			
Property, plant and equipment	14		
Intangible assets	15		
Long term receivables from exchange transactions	11		
Total assets		43,910,688	44,343,448
Liabilities			
Current liabilities			
Trade and other payables from exchange transactions	16	-	-
Provisions	17	-	-
Current portion of borrowings	18	-	-
Employee benefit obligations	19	-	-
		-	-
Non-current liabilities			
Non-current employee benefit obligation	19	-	-
Long term portion of borrowings	18	-	-
Total liabilities		-	-
Net assets		43,910,688	
Revolving Fund			
Reserves		48,500,000	48,500,000
Accumulated surplus		(4,589,312)	(4,156,552)
Total net assets and liabilities		43,910,688	44,343,448

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 _____ 2020 and signed by:


 Administrator of the Fund
 Name:


 Head of Treasury Accounting
 Name: KEZIAH OKOTH
 ICPAK Member Number:

**Kisumu County Women Youth and PWD Fund
Reports and Financial Statements
For the year ended June 30, 2020**

12.3. STATEMENT OF CHANGES IN NET ASSETS AS AT 30 JUNE 2020

	Revolving Fund	Revaluation Reserve	Accumulated Surplus	
		KShs	KShs	KShs
Balance as at 1 July 2018	48,500,000	-	(4,034,474)	-
Surplus/(deficit) for the period		-	(122,078)	-
Funds received during the year	-	-	-	-
Revaluation gain		-		-
Balance as at 30 June 2019	48,500,000	-	(4,156,552)	-
Balance as at 1 July 2019	48,500,000	-	(4,156,552)	-
Surplus/(deficit) for the period		-	(432,760)	-
Funds received during the year	-	-	-	-
Revaluation gain		-	-	-
Balance as at 30 June 2020	48,500,000	-	(4,589,312)	-

**Kisumu County Women Youth and PWD Fund
Reports and Financial Statements
For the year ended June 30, 2020**

12.4. STATEMENT OF CASH FLOWS FOR THE YEAR ENDED 30 JUNE 2020

	Note	2019/2020	2018/2019
		KShs	KShs
Cash flows from operating activities			
Receipts			
Public contributions and donations		-	-
Transfers from the County Government		-	-
Loan Repayment			1,039,533
Interest received		482,864	54,712
Receipts from other operating activities		-	-
Total Receipts		-	1,094,245
Payments			
Fund administration expenses		(915,000)	
General expenses		-	-
Finance cost		(624)	(14,970)
Other grants, transfer and payments			(107,108)
Adjusted for:			
Decrease/(Increase) in Accounts receivable: (outstanding Loans)	21	(440,513.65)	
Increase/(Decrease) in Accounts Payable: (deposits and retention)	22	-	-
Net cash flows from operating activities		-	972,167
Cash flows from investing activities			
Purchase of property, plant, equipment and intangible assets		-	-
Proceeds from sale of property, plant and equipment		-	-
Proceeds from loan principal repayments		-	-
Loan disbursements paid out		-	-
Net cash flows used in investing activities		-	-
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 and cash equivalents		(873,274)	972,167
Cash and cash equivalents at 1 JULY	15	28,247,993	27,275,826.35
Cash and cash equivalents at 30 JUNE	15	27,374,719	28,247,993.35

12.5. STATEMENT OF COMPARISON OF BUDGET AND ACTUAL AMOUNTS FOR THE PERIOD ENDED 30th JUNE 2020

	Original budget	Adjustments	Final budget	Actual on comparable basis	Performance difference	Utilisation
	2020	2020	2020	2020	2020	2020
	KShs	KShs	KShs	KShs	KShs	
Revenue						
Public contributions and donations	-	-	-	-	-	-
Transfers from County Govt.	-	-	-	-	-	-
Interest income	-	-	-	482,864	-	
Other income	-	-	-	-	-	
Total income	-	-	-	482,864	-	
Expenses						
Fund administration expenses	-	-	-	-	-	
General expenses	-	-	-	915,000	-	
Finance cost	-	-	-	624	-	
Total expenditure	-	-	-	915,624	-	
Surplus for the period	-	-	-	(432,760)	-	

Budget notes

1. There was no additional budget allocation to the during the year.

12.6. 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.

SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

2. 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.

3. Budget information

The original budget for FY 2019/2020 was approved by the County Assembly on . 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 entity upon receiving the respective approvals in order to conclude the final budget. Accordingly, the Fund recorded additional appropriations of on the FY 2019/2020 budget following the governing body's approval.

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 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 actuals as per the statement of financial performance has been presented under section of these financial statements.

SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

4. 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.

5. Comparative figures

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

6. Events after the reporting period

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

7. Ultimate and Holding Entity

The entity is a County Public Fund established by Kisumu County Education Fund Act 2016 under the Ministry of Education. Its ultimate parent is the County Government of KISUMU.

8. Currency

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

SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

9. 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

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.

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

Provisions

Provisions were raised and management determined an estimate based on the information available. Additional disclosure of these estimates of provisions is included in Note.

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.

**Kisumu County Women Youth and PWD Fund
Reports and Financial Statements
For the year ended June 30, 2020**

SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

10. 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:

a) 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 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
At 30 June 2019				
Receivables from exchange transactions				
Receivables from non exchange transactions				
Bank balances				
Total				
At 30 June 2018				
Receivables from exchange transactions				
Receivables from non exchange transactions				
Bank balances				

**Kisumu County Women Youth and PWD Fund
Reports and Financial Statements
For the year ended June 30, 2020**

Total				
--------------	--	--	--	--

SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

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 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.

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
At 30 June 2019				
Trade payables				
Current portion of borrowings				
Provisions				
Employee benefit obligation				
Total				
At 30 June 2018				
Trade payables				
Current portion of borrowings				
Provisions				
Employee benefit obligation				
Total				

**Kisumu County Women Youth and PWD Fund
Reports and Financial Statements
For the year ended June 30, 2020**

SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

c) Market risk

The board has put in place an internal audit function to assist it in assessing the risk faced by the entity 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 entity's 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 entity's exposure to market risks or the manner in which it manages and measures the risk.

i. Foreign currency risk

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

	Other currencies		Total
	KShs	KShs	KShs
At 30 June 2019			
Financial assets			
Investments			
Cash			
Debtors/ receivables			
Liabilities			
Trade and other payables			
Borrowings			
Net foreign currency asset/(liability)			

**Kisumu County Women Youth and PWD Fund
Reports and Financial Statements
For the year ended June 30, 2020**

The Fund manages foreign exchange risk from future commercial transactions and recognised assets and liabilities by projecting for expected sales proceeds and matching the same with expected payments.

SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

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.

	Change in currency rate	Effect on surplus/ deficit	Impact on equity
	KShs	KShs	KShs
2020			
Euro	10%		
USD	10%		
2019			
Euro	10%		
USD	10%		

ii. 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.

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 of KShs xxx (2020: KShs xxx). A rate

**Kisumu County Women Youth and PWD Fund
Reports and Financial Statements
For the year ended June 30, 2020**

increase/decrease of 5% would result in a decrease/increase in profit before tax of KShs xxx (2019 – KShs xxx)

SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

d) 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:

	2019/2020	2018/2019
	KShs	KShs
Revaluation reserve		
Revolving fund	48,500,000	48,500,000
Accumulated surplus	(4,589,312)	(4,156,552)
Total funds		
Total borrowings		
Less: cash and bank balances		
Net debt/(excess cash and cash equivalents)	(4,589,312)	(4,156,552)
Gearing		

**Kisumu County Women Youth and PWD Fund
Reports and Financial Statements
For the year ended June 30, 2020**

12.7. NOTES TO THE FINANCIAL STATEMENTS

1. Public contributions and donations

Description	2019/2020	2018/2019
	KShs	KShs
Donation from development partners		
Contributions from the public		
Total		

2. Transfers from County Government

Description	2019/2020	2018/2019
	KShs	KShs
Transfers from County Govt. – operations		
Payments by County on behalf of the entity		
Total		

3. Fines, penalties and other levies

Description	2019/2020	2018/2019
	KShs	KShs
Late payment penalties		
Fines		
Total		

4. Interest income

Description	2019/2020	2018/2019
	KShs	KShs
Interest income from loans 3% of Kshs 16,095,455	482,864	-
Interest income from car loans		
Interest income from investments		
Interest income on bank deposits		
Total interest income	482,864	

(Provide brief explanation for this revenue)

5. Other income

**Kisumu County Women Youth and PWD Fund
Reports and Financial Statements
For the year ended June 30, 2020**

Description	2019/2020	2018/2019
	KShs	KShs
Insurance recoveries		
Income from sale of tender documents		
Miscellaneous income		
Total other income		

6. Fund administration expenses

Description	2019/2020	2018/2019
	KShs	KShs
Staff costs (Note 7)		
Other grants, transfers and payments		107,108
Professional services costs		
Administration fees	915,000	
Total	915,000	107,108

7. Staff costs

Description	2019/2020	2018/2019
	KShs	KShs
Salaries and wages		
Staff gratuity		
Staff training expenses		
Social security contribution		
Other staff costs		
Total		

**Kisumu County Women Youth and PWD Fund
 Reports and Financial Statements
 For the year ended June 30, 2020**

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

8. General expenses

Description	2019/2020 KSh	2018/2019
Consumables		
Electricity and water expenses		
Fuel and oil costs		
Insurance costs		
Postage		
Printing and stationery		
Rental costs		
Security costs		
Telecommunication		
Bank Charges		
Hospitality		
Depreciation and amortization costs		
Other expenses		
Total		

**Kisumu County Women Youth and PWD Fund
Reports and Financial Statements
For the year ended June 30, 2020**

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

9. Finance costs

Description	2019/2020	2018/2019
	KShs	KShs
Interest on Bank overdrafts		
Interest on loans from banks		
Total		

10. Gain/(loss) on disposal of assets

Description	2019/2020	2018/2019
	KShs	KShs
Property, plant and equipment		
Intangible assets		
Total		

11. Cash and cash equivalents

Description	2019/2020	2018/2019
	KShs	KShs
Xxx Car loan account		
Kisumu County mortgage account		
Fixed deposits account		
On – call deposits		
Current account	27,374,719	28,247,993
Others		
Total cash and cash equivalents	27,374,719	28,247,993

(The amount should agree with the closing and opening balances as included in the statement of cash flows)

**Kisumu County Women Youth and PWD Fund
Reports and Financial Statements
For the year ended June 30, 2020**

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

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

Financial Institution	Account number	2019/2020	2018/2019
		KShs	KShs
a) Fixed deposits account			
Kenya Commercial bank			
Equity Bank, etc			
Sub- total			
b) On - call deposits			
Kenya Commercial bank			
Equity Bank – etc			
Sub- total			
c) Current account			
Kenya Commercial bank	1176300148	27,374,719	
Bank B			28,247,993
Sub- total			
d) Others(specify)			
Cash in transit			
Cash in hand			
M Pesa			
Sub- total			
Grand total			

12. Receivables from exchange transactions

Description	2019/2020	2018/2019
	KShs	KShs
Current Receivables		
Interest receivable		
Current loan repayments due		
Other exchange debtors		
Less: impairment allowance		
Total Current receivables		
Non-Current receivables		
Long term loan repayments due		
Total Non- current receivables		
Total receivables from exchange transactions		

**Kisumu County Women Youth and PWD Fund
Reports and Financial Statements
For the year ended June 30, 2020**

Additional disclosure on interest receivable

Description	2019/2020	2018/2019
	KShs	KShs
Interest receivable		
Interest receivable from current portion of long-term loans of previous years		
Accrued interest receivable from of long-term loans of previous years		
Interest receivable from current portion of long-term loans issued in the current year		
Current loan repayments due		
Current portion of long-term loans from previous years		
Accrued principal from long-terms loans from previous periods		
Current portion of long-term loans issued in the current year		

13. Revenue from Non-Exchange transaction

	KShs	KShs
Description	2019/2020	2018/2019
	KShs	KShs
Transfer to County Executive		
Transfer to Fund		
Total receivables from non-exchange transactions		

**Kisumu County Women Youth and PWD Fund
 Reports and Financial Statements
 For the year ended June 30, 2020**

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

14. Prepayments

Description	2019/2020	2018/2019
	KSh	KSh
Prepaid rent		
Prepaid insurance		
Prepaid electricity costs		
Other prepayments(specify)		
Total		

15. Inventories

Description	2019/2020	2018/2019
	KSh	KSh
Consumable stores		
Spare parts and meters		
Catering		
Other inventories(specify)		
Total inventories at the lower of cost and net realizable value		

**Kisumu County Women Youth and PWD Fund
Reports and Financial Statements
For the year ended June 30, 2020**

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

16. Property, plant and equipment

	Land and Buildings	Motor vehicles	Furniture and fittings	Computers and office equipment	Total
Cost	KShs	KShs	KShs	KShs	KShs
At 1st July 2018					
Additions					
Disposals					
Transfers/adjustments					
At 30th June 2019					
At 1st July 2019					
Additions					
Disposals					
Transfer/adjustments					
At 30th June 2020					
Depreciation and impairment					
At 1st July 2018					
Depreciation					
Impairment					
At 30th June 2019					
At 1st July 2019					
Depreciation					
Disposals					
Impairment					
Transfer/adjustment					
At 30th June 2020					
Net book values					
At 30th June 2019					

**Kisumu County Women Youth and PWD Fund
Reports and Financial Statements
For the year ended June 30, 2020**

At 30th June 2020					
-------------------------------------	--	--	--	--	--

**Kisumu County Women Youth and PWD Fund
Reports and Financial Statements
For the year ended June 30, 2020**

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

17. Intangible assets-software

Description	2019/2020	2018/2019
	KShs	KShs
Cost		
At beginning of the year		
Additions		
At end of the year		
Amortization and impairment		
At beginning of the year		
Amortization		
At end of the year		
Impairment loss		
At end of the year		
NBV		

18. Trade and other payables from exchange transactions

Description	2019/2020	2018/2019
	KShs	KShs
Trade payables		
Refundable deposits		
Accrued expenses		
Other payables		
Total trade and other payables		

19. Provisions

Description	Leave provision	Bonus provision	Other provision	Total
	KShs	KShs	KShs	KShs
Balance at the beginning of the year(1.07.2018)				
Additional Provisions				
Provision utilised				
Change due to discount and time value for money				
Transfers from non -current provisions				
Balance at the end of the year (30.06.2019)				

**Kisumu County Women Youth and PWD Fund
Reports and Financial Statements
For the year ended June 30, 2020**

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

20. Borrowings

Description	2019/2020	2018/2019
	KSSh	KSSh
Balance at beginning of the period		
External borrowings during the year		
Domestic borrowings during the year		
Repayments of external borrowings during the period		
Repayments of domestic borrowings during the period		
Balance at end of the period		

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

Description	2019/2020	2018/2019
	KSSh	KSSh
External Borrowings		
Dollar denominated loan from 'xxx organisation'		
Sterling Pound denominated loan from 'yyy organisation'		
Euro denominated loan from 'zzz organisation'		
Domestic Borrowings		
Kenya Shilling loan from KCB		
Kenya Shilling loan from Barclays Bank		
Kenya Shilling loan from Consolidated Bank		
Borrowings from other government institutions		
Total balance at end of the year		

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

Description	2019/2020	2018/2019
	KSSh	KSSh
Short term borrowings(current portion)		
Long term borrowings		
Total		

**Kisumu County Women Youth and PWD Fund
Reports and Financial Statements
For the year ended June 30, 2020**

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

21. CHANGES IN RECEIVABLE

Description of the error	2019 - 2020	2018 - 2019
	KShs	KShs
Account receivable as at 1 st July 2019 (A)		
Account receivable issued during the year (B)		
Account receivable settled during the Year (C)		
Net changes in account receivables D= A+B-C		

22. CHANGES IN ACCOUNTS PAYABLE

Description of the error	2019 - 2020	2018 - 2019
	KShs	KShs
Accounts Payable as at 1 st July 2019 (A)		
Accounts Payable held during the year (B)		
Accounts Payable paid during the Year (C)		
Net changes in account receivables D= A+B-C		

23. Employee benefit obligations

Description	Defined benefit plan	Post employment medical benefits	Other Provisions	Total
	KShs	KShs	KShs	KShs
Current benefit obligation				
Non-current benefit obligation				
Total employee benefits obligation				

**Kisumu County Women Youth and PWD Fund
Reports and Financial Statements
For the year ended June 30, 2020**

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

24. Cash generated from operations

	2019/2020	2018/2019
Surplus/ (deficit) for the year before tax		
Adjusted for:		
Depreciation		
Amortisation		
Gains/ losses on disposal of assets		
Interest income		
Finance cost		
Working Capital adjustments		
Increase in inventory		
Increase in receivables		
Increase in payables		
Net cash flow from operating activities		

25. 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) Board of Trustees; etc

**Kisumu County Women Youth and PWD Fund
Reports and Financial Statements
For the year ended June 30, 2020**

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

b) Related party transactions

	2019/2020	2018/2019
	KShs	KShs
Transfers from related parties'		
Transfers to related parties		

c) Key management remuneration

	2019/2020	2018/2019
	KShs	KShs
Board of Trustees		
Key Management Compensation		
Total		

d) Due from related parties

	2019/2020	2018/2019
	KShs	KShs
Due from parent Ministry		
Due from County Government		
Total		

e) Due to related parties

	2019/2020	2018/2019
	KShs	KShs
Due to parent Ministry		
Due to County Government		
Due to Key management personnel		
Total		

26. Contingent assets and contingent liabilities

Contingent liabilities	2019/2020	2018/2019
	KShs	KShs
Court case xxx against the Fund		
Bank guarantees		
Total		

(Give details)

**Kisumu County Women Youth and PWD Fund
Reports and Financial Statements
For the year ended June 30, 2020**

13. 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	Focal Point person to resolve the issue (Name and designation)	Status (Resolved / Not Resolved)	Timeframe (Particular date when expected to be resolved)

Guidance Notes:

- a) Use the same reference numbers as contained in the external audit report;
- b) Obtain the "Issue/Observation" and "management comments", required above, from final external audit report that is signed by Management;
- c) Before approving the report, discuss the timeframe with the appointed Focal Point persons within your entity responsible for implementation of each issue;
- d) Indicate the status of "Resolved" or "Not Resolved" by the date of submitting this report to County Treasury.