

REPUBLIC OF KENYA



Enhancing Accountability

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REPORT

OF

PARLIAMENT
OF KENYA
LIBRARY

THE AUDITOR-GENERAL

ON

**COUNTY GOVERNMENT OF MURANG'A
SMALL TRADERS EMPOWERMENT
PROGRAMME FUND**

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



OFFICE OF THE AUDITOR GENERAL
CENTRAL REGIONAL OFFICE
★ 14 MAY 2024 ★
RECEIVED
P. O. Box 267 - 10100, NYEP

COUNTY GOVERNMENT OF MURANG'A
(SMALL TRADERS EMPOWERMENT PROGRAMME FUND)

ANNUAL REPORT AND FINANCIAL STATEMENTS
FOR THE FINANCIAL YEAR ENDED
JUNE 30, 2021

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

Small Traders Empowerment Programme Fund
Annual Report and Financial Statements for the year ended June 30, 2021

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1. Acronyms and Glossary of Terms

a) Acronyms

BOM	Board of Management
ICPAK	Institute of Certified Public Accountants of Kenya
IPSAS	<i>International Public Sector Accounting Standards</i>
PFM	Public Finance Management
PSASB	Public Sector Accounting Standards Board
Kshs	Kenya Shillings

b) Glossary of Terms

Fiduciary Management The key management personnel who had financial responsibility

2. Key Entity Information and Management

a) Background information

Small traders' empowerment programme fund is established by and derives its authority and accountability from Murang'a county Act 2020 of 9th November 2020. The Fund is wholly owned by the County Government of Murang'a and is domiciled in Kenya.

The fund's objective is to empower economically small traders of Murang'a County.

b) Principal Activities

- (i) To assist small traders with low interest loans to cushion them from effects of Covid 19 pandemics.
- (ii) To enable small traders to access capital to expand their business
- (iii) To provide loans to small traders to boost their business growth and sustainability
- (iv) To support small traders to develop linkages with high value markets
- (v) To facilitate welfare programmes for small traders
- (vi) To support capacity building of the beneficiaries through training, mentorship among other areas.
- (vii) To promote access to government procurement opportunities for small traders

c) Advisory Board Members

Ref	Name	Position
1	Prof. Kinandu Maragu	Chairperson
2	Peter G. Kahora	Chief Officer Finance
3	Benard K Wanyoike	Chief Officer , Trade And Cooperatives
4	Edwin Kimani Kimuyu	Director, Finance
5	Samuel Gatitu	CEO(Ex Official/Secretary)
6	Joyce Wachiego Mwangi	Member
7	Monicah M Muiruri	Member
8	Simon Ichahuria	Fund Administrator

d) Key Management team

Ref	Name	Position
1	Samuel Gatitu	Chief executive officer
2	Moses Waiharo Mburu	C.O. Trade And Special Programmes (Programme Coordinator)
3	Simon Ichahuria	Fund Manager/ Administrator
4	Rose Muthoni Maingi	Director of trade
5		

e) **Fiduciary Oversight Arrangements**

SN	Position	Name
1	Directorate Internal Audit	Samuel Kaaga Maina
2	County assembly committee chairperson for cooperatives, trade and investment	Jacinta Ng'ang'a

f) **Registered Offices**

P.O. Box 52 – 10200
County Headquarters
Murang'a town, KENYA

g) **Fund Contacts**

Telephone: (254) 060 – 2030271
E-mail: info@muranga.go.ke
Website: www.muranga.go.ke

h) **Fund Bankers**

FAMILY BANK
Murang'a Town
Murang'a, KENYA

i) **Independent Auditors**

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

j) **Principal Legal Adviser**

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

k) **County Attorney**

The County Attorney
County Headquarters
P.O. Box 52 – 10200
Murang'a, KENYA

3. Report of The Fund Administrator

a) The fund has faced the following challenges

Key management team has not been provided for in the Murang'a County Small Traders Fund Regulations, 2021. The signatories of the fund have been acting as the management team.

b) The budget allocation of this programme was Ksh. 52,000,000 as noted in approved budget estimates for FY 2020/2021

c) The fund administrator is an employee of county government of Murang'a seconded to department of Cooperatives Development and Trade as accountant from county treasury.

The fund administrator reports to the following officials


i) To Chief officer, Cooperatives Development

ii) The Chief Officer, Special Programme who also doubles up as the STEP programme coordinator

iii) To the Advisory Board of STEP

iv) The fund faces inadequate staffing to operationalize its activities

d) The fund faces inadequate staffing to operationalize its activities

Name: Simon Ichahura 9/9/2024 Sign 

**Small Traders Empowerment Programme Fund
Annual Report and Financial Statements for the year ended June 30, 2021**

4. Report of County Executive Committee Member of Finance

The Financial Statements for FY 2020/2021 have been prepared in accordance with the International Public Sector Accounting Standards (IPSAS) and the Public Finance Management Act, 2012. The Murang'a County Small Traders Empowerment fund Regulations, 2021 also provides for the preparation of financial statements and submit the same to the Office of Auditor General.

The allocation for the financial year under review was done subsequent to development priorities as guided by policy-development blueprints. The budget estimates were prepared in accordance with the County Fiscal Strategy Paper (CFSP) as well as the strategic interventions contained in the CIDP and the Annual Development Plan 2020/2021.

The priority target for this programme was to empower small traders economically and improve their livelihoods. The intention was to provide them with working capital to help their business grow and enhance business sustainability.

In the financial year under review, these traders were not provided with working capital/loans because the programme was at its initial stages of getting approvals from the Office of Controller of Budget, developing policies /concept paper and establishing enabling Act by Murang'a County Assembly (Murangá County Act, of 9th November 2020).



.....
Prof. Kiarie Mwaura,
CECM, Finance & Economic Planning,
Murang'a County Government.

5. 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 *Murang'a County Act, 2020 of 9th November 2020* 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 Small Traders Empowerment Programme 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) selecting and applying appropriate accounting policies; and (v) making accounting estimates that are reasonable in the circumstances.

The Administrator of the Small Traders Empowerment Programme Fund is responsible for the preparation of 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 *Murang'a County Act, 2020 of 9th November 2020*

Approval of the financial statements

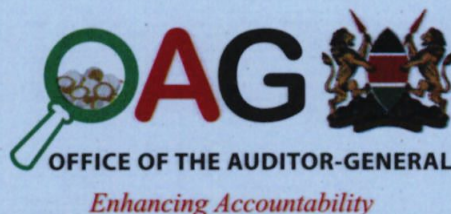
The Fund's financial statements were approved by the Board on _____ 2021 and signed on its behalf by:

.....  9.15.21

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 COUNTY GOVERNMENT OF MURANG'A SMALL TRADERS EMPOWERMENT PROGRAMME FUND FOR THE YEAR ENDED 30 JUNE, 2021

PREAMBLE

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

- A. Report on the Financial Statements that considers whether the financial statements are fairly presented in accordance with the applicable financial reporting framework, accounting standards and the relevant laws and regulations that have a direct effect on the financial statements.
- B. Report on Lawfulness and Effectiveness in Use of Public Resources which considers compliance with applicable laws, regulations, policies, gazette notices, circulars, guidelines and manuals and whether public resources are applied in a prudent, efficient, economic, transparent and accountable manner to ensure Government achieves value for money and that such funds are applied for the intended purpose.
- C. Report on 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

Adverse Opinion

I have audited the accompanying financial statements of County Government of Murang'a Small Traders Empowerment Programme Fund set out on pages 8 to 18, which comprise of the statement of financial position as at 30 June, 2021, and the statement of financial

Report of the Auditor-General on County Government of Murang'a Small Traders Empowerment Programme Fund for the year ended 30 June, 2021

performance, statement of cash flows, statement of changes in net assets 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, because of the significance of the matters discussed in the Basis for Adverse Opinion section of my report, the financial statements do not present fairly, the financial position of County Government of Murang'a Small Traders Empowerment Programme 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 do not comply with the Public Finance Management (The Murang'a County Small Traders Empowerment Fund) Regulations, 2021 and the Public Finance Management Act, 2012.

Basis for Adverse Opinion

1. Inaccuracies in the Financial Statements

The statement of financial performance erroneously includes transfers from the County Government amount of Kshs.12,000,000 which should have been reflected in the statement of changes in net assets. Further, Note 8 to the financial statements reflects disbursement amounting to Kshs.20,000,000 which has been omitted in the statement of financial position and statement of cash flows. In addition, the statement of financial position reflects cash and cash equivalents balance of Kshs.10,010,150 erroneously under Note 12 instead of Note 15 to the financial statements.

In the circumstances, the accuracy and completeness of the financial statements could not be confirmed.

2. Unsupported Expenditure

The statement of financial performance reflects total expenses amounting to Kshs.1,989,850. However, supporting schedules and documents were not provided for audit review.

In the circumstances, the accuracy, completeness and propriety of the expenditure amounting to Kshs.1,989,850 could not be confirmed.

The audit was conducted in accordance with International Standards of Supreme Audit Institutions (ISSAIs). I am independent of the County Government of Murang'a Small Traders Empowerment Programme 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 adverse 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, because of the significance of the matters discussed in the Basis for Adverse Opinion, Basis for Conclusion on Lawfulness and Effectiveness in Use of Public Resources and Basis for Conclusion on Effectiveness of Internal Controls, Risk Management and Governance sections of my report, based on the audit procedures performed, I confirm that public resources have not been applied lawfully and in an effective way.

Basis for Conclusion

1. Unauthorized Transfer of Funds

The statement of financial performance reflects transfers from the County Government amounting to Kshs.12,000,000. Available information indicate that the Murang'a County Executive transferred a total of Kshs.12,000,000 on 12 April, 2021 to an account by the name of "Small Traders Empowerment Fund Account" domiciled at a local Bank during financial year ended 30 June, 2021. However, the transfer was made without an approved budget. This was contrary to Regulation 53(1) of the Public Finance Management (County Governments) Regulations, 2015 which provides that except as provided for in the Act and these Regulations, an Accounting Officer of an entity may not authorize payment to be made out of funds earmarked for specific activities for purposes other than those activities.

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

2. Late Submission of Financial Statements

The Fund's financial statements for the financial year ended 30 June, 2021 were submitted to the Auditor-General on 12 January, 2024, more than two years and three months after the statutory deadline of 30 September, 2021. This was contrary to Section 101(4) of the Public Finance Management (County Governments) Regulations, 2015 which provides that an Accounting Officer shall prepare the financial statements in a form that complies with the relevant accounting standards prescribed by the Public Sector Accounting Standards Board, not later than three months after the end of the financial year and submit them to the Auditor-General with a copy to the County Treasury, the Controller of Budget and The National Treasury.

In the circumstances, the 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, because of the significance of the matters discussed in the Basis for Adverse Opinion, Basis for Conclusion on Lawfulness and Effectiveness in Use of Public Resources and Basis for Conclusion on Effectiveness of Internal Controls, Risk Management and Governance sections of my report, based on the audit procedures performed, I confirm that internal controls, risk management and governance were not effective.

Basis for Conclusion

Lack of Policy Documents and Manuals

During the year under review, the Fund did not have in place a risk management policy, human resource policy, information technology (ICT) policy, finance manual, and business recovery policy.

In the circumstances, the effectiveness of the Fund's internal controls and risk management could not be confirmed.

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 controls, risk management and overall governance were operating effectively, in all material respects. I believe that the audit evidence I have obtained is sufficient and appropriate to provide a basis for my conclusion.

Responsibilities of Management and those Charged with Governance

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

In preparing the financial statements, Management is responsible for assessing the Fund's ability to continue to sustain its 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.

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

Auditor-General's Responsibilities for the Audit

The audit objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes my opinion in accordance with the provisions of Section 48 of the Public Audit Act, 2015 and submit the audit report in compliance with Article 229(7) of the Constitution. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with ISSAIs will always detect a material misstatement and weakness when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

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

Further, in planning and performing the audit of the financial statements and audit of compliance, I consider internal controls in order to give an assurance on the effectiveness of internal controls, risk management and overall 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 controls 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 controls 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 controls may not prevent or detect misstatements and instances of noncompliance. Also, projections of any evaluation of effectiveness to future periods are subject to the risk that controls may become inadequate because of changes in conditions, or that the degree of compliance with the Fund's policies and procedures may deteriorate.

As part of an audit conducted in accordance with ISSAIs, I exercise professional judgement and maintain professional skepticism throughout the audit. I also:

- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for my opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal controls.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the Management.
- Conclude on the appropriateness of the Management's use of the applicable basis of accounting and based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Fund's ability to continue to sustain its services. If I conclude that a material uncertainty exists, I am required to draw attention in the auditor's report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify my opinion. My conclusions are based on the audit evidence obtained up to the date of my audit report. However, future events or conditions may cause the 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 controls that are identified during the audit.

I also provide Management with a statement that I have complied with relevant ethical requirements regarding independence and communicate with them all relationships and other matters that may reasonably be thought to bear on my independence and where applicable, related safeguards.


FCPA Nancy Gathungu, CBS
AUDITOR-GENERAL

Nairobi

13 May, 2024

Small Traders Empowerment Programme Fund
Annual Report and Financial Statements for the year ended June 30, 2021

7. Statement of Financial Performance for the Year Ended 30th June 2021

Description	Note	2020/2021	2019/2020
		Kshs	Kshs
Revenue From Non-Exchange Transactions			
Public Contributions and Donations	1	0	0
Transfers From the County Government	2	12,000,0000	0
Fines, Penalties and Other Levies	3	0	0
		12,000,0000	0
Revenue From Exchange Transactions			
Interest Income	4	0	0
Other Income	5	0	0
		0	0
Total Revenue		12,000,0000	0
Expenses			
Training Expenses	6	1,989,850	0
Use of goods and services	7	0	0
Disbursement	8	0	0
Bank Charges	9	0	0
Total Expenses		1,989,850	0
Other Gains/Losses			
Gain/Loss on Disposal of Assets	10	0	0
Gain /Loss on fair value of investments	11	0	0
Surplus/(Deficit) for the Period		10,010,150	0

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

.....
Name:

ICPAK MEMBER NO. 18732

.....
Name:

Small Traders Empowerment Programme Fund
Annual Report and Financial Statements for the year ended June 30, 2021

8. Statement of Financial Position As at 30 June 2021

Description	Note	2020/2021 Kshs	2019/2020 Kshs
Assets			
Current Assets			
Cash and Cash Equivalents	12	10,010,150	0
Current Portion of Long- Term Receivables From Exchange Transactions	13	0	0
Prepayments	14	0	0
Inventories	15	0	0
Investments in financial assets	16	0	0
Total current assets		10,010,150	0
Non-Current Assets			
Property, Plant and Equipment	17	0	0
Intangible Assets	18	0	0
Long Term Receivables from Exchange Transactions	13	0	0
Investment Property	19	0	0
Total non- current assets		0	0
Total Assets		10,010,150	0
Liabilities			
Current Liabilities			
Trade and Other Payables from Exchange Transactions	20	0	0
Current Portion of Borrowings	21	0	0
Employee Benefit Obligations	22	0	0
Social benefit liabilities	23	0	0
Total current liabilities		0	0
Non-Current Liabilities			
Long Term Portion of Borrowings	21	0	0
Non-Current Employee Benefit Obligation	22	0	0
Social benefit liabilities	23	0	0
Total Liabilities		0	0

Small Traders Empowerment Programme Fund
Annual Report and Financial Statements for the year ended June 30, 2021

Description	Note	2020/2021 Kshs	2019/2020 Kshs
Net Assets			
Revolving Fund		0	0
Reserves		0	0
Accumulated Surplus		10,010,150	0
Total Net Assets and Liabilities		10,010,150	0

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 _____ 2021 and signed by:

.....  9/5/2024

Name:

ICPAK MEMBER NO. 18732

.....  9/5/2024

Name:

Small Traders Empowerment Programme Fund
Annual Report and Financial Statements for the year ended June 30, 2021

9. Statement of Changes in Net Assets for the year ended 30th June 2021

Accumulated surplus					
Balance As At 1 July 2020					0
Surplus/(Deficit) For the Period					10,010,150
Funds Received During the Year					0
Transfers					0
Revaluation Gain					0
Balance As At 30 June 2021					10,010,150

Small Traders Empowerment Programme Fund
Annual Report and Financial Statements for the year ended June 30, 2021

10. Statement of Cash Flows for The Year Ended 30 June 2021

Description	Note	2020/2021	2019/2020
		Kshs	Kshs
Cash flows from operating activities			
Receipts			
Public contributions and donations		0	0
Transfers from the county government		12,000,000	0
Interest received		0	0
Receipts from other operating activities		0	0
Total receipts		12,000,000	0
Payments			
Training expenses		1,989,850	0
General expenses		0	0
Finance cost		0	0
Disbursement to STEP loan account		0	0
Net cash flows from operating activities	24	10,010,150	0
Cash flows from investing activities			
Purchase of property, plant, equipment and Intangible assets		0	0
Proceeds from sale of property, plant & equipment		0	0
Proceeds from loan principal repayments		0	0
Loan disbursements paid out		0	0
Net cash flows used in investing activities		0	0
Cash flows from financing activities			
Proceeds from revolving fund receipts		0	0
Additional borrowings		0	0
Repayment of borrowings		0	0
Net cash flows used in financing activities		0	0
Net increase/(decrease) in cash & cash Equivalents		10,010,150	0
Cash and cash equivalents at 1 July 2020		0	0
Cash and cash equivalents at 30 June 2021		10,010,150	0

(PSASB has prescribed the direct method of cash flow preparation/ presentation for all entities under the IPSAS accrual basis of accounting.)

Small Traders Empowerment Programme Fund
Annual Report and Financial Statements for the year ended June 30, 2021

11. Statement of Comparison of Budget and Actual Amounts for the Period

Description	Original budget	Adjustments	Final budget	Actual on comparable basis	Performance difference	% Utilization
	Kshs	Kshs	Kshs	Kshs	Kshs	
	a	b	C=(a+b)	D	e=(c-d)	f=d/c*100
Revenue						
Public Contributions and Donations	0	0	0	0	0	
Transfers From County Govt.	52,000,000	0	52,000,000	12,000,000	40,000,000	23%
Interest Income	0	0	0	0	0	
Other Income	0	0	0	0	0	
Total Income	52,000,000	0	52,000,000	12,000,000	40,000,000	23%
Expenses						
Fund Administration Expenses	0	0	0	0	0	
General Expenses	0	0	0	0	0	
Finance Cost	0	0	0	0	0	
Total Expenditure	0	0	0	1,989,850	0	
Surplus For the Period	52,000,000	0	52,000,000	10,010,150	0	
Capital expenditure	0	0	0	0	0	

Small Traders Empowerment Programme Fund
Annual Report and Financial Statements for the year ended June 30, 2021

12. Notes to the Financial Statements Continued

1. Public contributions and donations

Description	2020/2021	2019/2020
	Kshs	Kshs
Donation From Development Partners	0	0
Contributions From The Public	0	0
Total	0	0

(Provide brief explanation for this revenue)

2. Transfers from County Government

Description	2020/2021	2019/2020
	Kshs	Kshs
Transfers From County Govt. –Operations	12,000,000	0
Payments By County On Behalf Of The Entity	0	0
Unconditional Development grants	0	0
Total	12,000,000	0

3. Fines, penalties and other levies

Description	2020/2021	2019/2020
	Kshs	Kshs
Late Payment Penalties	0	0
Fines	0	0
Total	0	0

(Provide brief explanation for this revenue)

4. Interest income

Description	2020/2021	2019/2020
	Kshs	Kshs
Interest Income from Mortgage Loans	0	0
Interest Income From Car Loans	0	0
Interest Income From Investments in financial assets	0	0
Interest Income On Bank Deposits	0	0
Total Interest Income	0	0

(Provide brief explanation for this revenue)

Small Traders Empowerment Programme Fund
Annual Report and Financial Statements for the year ended June 30, 2021

Notes to the Financial Statements Continued

5. Other income

Description	2020/2021	2019/2020
	Kshs	Kshs
Insurance Recoveries	0	0
Income from Sale of Tender Documents	0	0
Bad debts recovered	0	0
Miscellaneous Income	0	0
Total Other Income	0	0

(NB: All income should be classified as far as possible in the relevant classes and other income should be used to recognise income not elsewhere classified. Disclose write backs if any or recoveries from write offs).

6. Training Costs

Description	2020/2021	2019/2020
	Kshs	Kshs
Training for coordinators	625,000	0
Training for CHVs & CDAs	361,550	0
Registration and data entry	263,000	0
Launch programme preparations	190,000	0
Training, verification of traders	200,000	0
Training, screening and due diligence on traders	350,000	0
Total	1,989,550	0

7. Use of Goods and Services

Description	2020/2021	2019/2020
	Kshs.	Kshs.
General Office Expenses	0	0
Loan Processing Costs	0	0
Professional Services Costs	0	0
Administration Fees	0	0
Committee Allowances	0	0
Bank Charges	0	0
Electricity And Water Expenses	0	0
Fuel And Oil Costs	0	0
Insurance Costs	0	0

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Description	2020/2021	2019/2020
	Kshs.	Kshs.
Postage And Courier	0	0
Printing And Stationery	0	0
Rental Costs	0	0
Security Costs	0	0
Telephone And Communication Expenses	0	0
Bank Charges	0	0
Audit Fees	0	0
Provision For Doubtful Debts	0	0
Other (<i>Specify</i>)	0	0
Social benefit expenses*	0	0
Total	0	0

Social benefit schemes include benefits such as cash transfers for unemployment or elderly in line with IPSAS 42

8. Disbursement

Description	2020/2021	2019/2020
	Kshs.	Kshs.
Transfer to STEP loan account at family bank	20,000,000	0
Total	20,000,0000	0

12. Finance costs

Description	2020/2021	2019/2020
	Kshs	Kshs
Interest On Bank Overdrafts	0	0
Interest On Loans From Banks	0	0
Total	0	0

13. Gain/(loss) on disposal of assets

Description	2020/2021	2019/2020
	Kshs	Kshs
Property, Plant and Equipment	0	0
Intangible Assets	0	0
Total	0	0

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14. Gain/ (loss) on Fair Value Investments

Description	2020/2021	2019/2020
	Kshs	Kshs
Investments at Fair Value- Equity investments	0	0
Fair value – Investment property	0	0
Fair value- other financial assets (specify)	0	0
Total Gain	0	0

15. Cash and cash equivalents

Description	2020/2021	2019/2020
	Kshs	Kshs
Xxx Car Loan Account	0	0
Xxx County Mortgage Account	0	0
Fixed Deposits Account	0	0
On – Call Deposits	0	0
Current Account	10,010,150	0
Others (<i>Specify</i>)	0	0
Total Cash And Cash Equivalents	10,010,150	0

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Notes to the Financial Statements Continued

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

Financial Institution	Account number	2020/2021	2019/2020
		Kshs	Kshs
a) Fixed Deposits Account			
Kenya Commercial Bank		0	0
Equity Bank, Etc.		0	0
Sub- Total		0	0
b) On - Call Deposits			
Kenya Commercial Bank		0	0
Equity Bank - Etc.		0	0
Sub- Total		0	0
c) Current Account			
Kenya Commercial Bank		0	0
Family Bank		10,010,150	0
Sub- Total		10,010,150	0
d) Others(Specify)			
Cash In Transit		0	0
Cash In Hand		0	0
Sub- Total		0	0
Grand Total		10,010,150	0

16. Receivables from exchange transactions

Description	2020/2021	2019/2020
	Kshs	Kshs
Current Receivables		
Interest Receivable	0	0
Current Loan Repayments Due	0	0
Other Exchange Debtors	0	0
Less: Impairment Allowance	0	0
Total Current Receivables	0	0
Non-Current Receivables		
Long Term Loan Repayments Due	0	0
Total Non- Current Receivables	0	0
Total Receivables From Exchange Transactions	0	0

