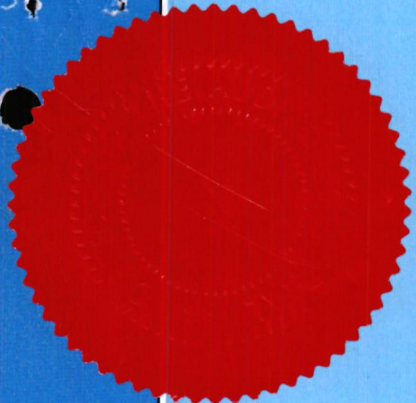


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REPORT

OF

THE AUDITOR-GENERAL

ON

**BARINGO COUNTY YOUTH AND WOMEN
FUND**

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





COUNTY GOVERNMENT OF BARINGO

BARINGO COUNTY YOUTH AND WOMEN FUND

ANNUAL REPORT AND FINANCIAL STATEMENTS

FOR THE FINANCIAL YEAR ENDED

30TH JUNE 2021

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

**Baringo County Youth and Women Fund
Reports and Financial Statements
For the year ended June 30, 2021**

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1. KEY ENTITY INFORMATION AND MANAGEMENT

a) Background information

The Baringo County Youth and Women Fund is established by Section 116(1) of Public Finance Management Act, 2012 and derives its authority and accountability from Baringo County Youth and Women Fund Regulations, 2014. The Fund is wholly owned by the County Government of Baringo and is domiciled in Kenya.

The fund's objective is to ensure that a portion of the County Budget is devoted to the youth and women for purpose of fighting poverty and improvement of their standard of living and social development in the Baringo County.

The Fund's principal activity is to....

1. Make provisions for giving Youth and Women loans
2. The enhancement of equitable access to loan opportunities for the youth and women
3. Empower youth and women Economically
4. Helping youth and women to access loans at low interest rate
5. Providing convenient loans to youth and women
6. Ensuring that youth and women grow in their business enterprises

b) Principal Activities

The principal activity/mission/ mandate of the Fund is to ensure that a portion of the County Budget is devoted to the youth and women for purpose of fighting poverty and improvement of their standard of living and social development in the Baringo County

County Credit Management Committee

Ref	Position	Name
1	CECM - Education, Youth, Gender, Culture, Sports and Social Services	Dr. David Sergon
2	CECM - Treasury & Economic Planning	CPA Enoch Keston
3	County Chief Officer – Youth, Gender, Culture, Sports and Social Services Secretary & Fund Administrator	Gladys M. Kiseku
4	Chief Officer – Treasury Finance	John Kisang
5	Ag. Director - Youth, Gender and Social Services	Aengwo Daudi
6	Deputy Director Accounting Services	CPA David Rerimoi

**Baringo County Youth and Women Fund
Reports and Financial Statements
For the year ended June 30, 2021.**

c) Key Management

Ref	Position	Name
1	CECM - Education, Youth, Gender, Sports, Culture and Social Services Chairperson	Hon. Dr. David Serгон
2	County Chief Officer – Youth, Gender, Sports, Culture and Social Services Secretary& Fund Administrator	Gladys M. Kiseku
3	Chief Officer – Treasury Finance	John Kisang
4	Ag. Director - Youth, Gender and Social Services	Aengwo Daudi
5	Fund Accountant	Thomas Chesaro

d) Fiduciary Oversight Arrangements

Ref	Position	Name
1	Directorate Internal Audit	CPA James Rotich
2		
3		

e) Registered Offices

P.O. Box 53-30400,
Youth Empowerment Centre Kabarnet,
Near Kabarnet Fire Station,
Kabarnet, KENYA

f) Fund Contacts

Telephone:053-22290
E-mail: ceceducationbaringo@gmail.com.
Website: www.baringo.go.ke

g) Fund Bankers

1. BORESHA SACCO LTD
P.O. Box 80- 20103
ELDAMA RAVINE, Kenya
KABARNET BRANCH

Baringo County Youth and Women Fund
Reports and Financial Statements
For the year ended June 30, 2021.

- a) Youth and Women Main A/C.NO 504511846-1-01
- b) Youth and Women Disbursement and Repayment A/C.NO 5-30-000005-0(Closed)
- c) Youth and Women Interest Recovery A/C.NO 7-10-000011-0
- d) Loan Recovery/Disbursement A/c No. 5-43-000028-0

h) Independent Auditors

Auditor General

Office of The Auditor General

Anniversary Towers, University Way

P.O. Box 30084

GPO 00100

Nairobi, Kenya.

i) Principal Legal Adviser

The County Attorney







Office of the Governor building

P.O. Box 53 - 30400

Kabarnet, Kenya

**Baringo County Youth and Women Fund
Reports and Financial Statements
For the year ended June 30, 2021.**

2. THE COUNTY CREDIT MANAGEMENT COMMITTEE

Name	Passport-Size Photo	Details of qualifications and experience
1.Hon. Dr. David Serгон - CECM - Education, Youth, Gender, Sports, Culture and Social Services Chairperson		Year of Birth: 1974 Key Qualifications: Doctorate in Entrepreneurship Studies (Moi University), Masters in Business Administration (KU), B.ED (Accounting and Mathematics) UON. Work Experience: 21 Years
2.Hon. CPA Enock Keston - CECM Treasury Finance & Economic Planning		Year of Birth: 1983 Key Qualifications: MBA(Finance) – Egerton, B.COM(Accounting), CPA-K Work Experience: 17 Years
3.Gladys M. Kiseku - County Chief Officer – Youth, Gender, Sports, Culture and Social Services Secretary& Fund Administrator		Year of Birth: 1985 Key Qualifications: Bachelor of Education Arts (Mathematics & Business) MBA (Strategic Management) Work Experience: 10 Years
4.John Kisang - Chief Officer – Treasury Finance		Year of Birth: 1972 Key Qualifications: Bachelor of Science Natural Resource Management. SMC and several workshops and Seminars Work Experience: 15 Years
5.Aengwo Daudi - Ag. Director - Youth, Gender and Social Services		Year of Birth: 1976 Key Qualifications: B.ED (SC) SMC, SLDP, Management of Social Protection Services (MSPS), Advanced Professional Mediator (APM). Work Experience: 19 years
6.David Rerimoi - Deputy Director Accounting Services		Year of Birth: 1980 Key Qualifications: Masters in Business Administration (UON),BCOM,CPA(K) Senior Management Course. Work Experience: 21 years

3. STATEMENT OF PERFORMANCE AGAINST COUNTY FUND'S PREDETERMINED OBJECTIVES

Introduction

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

The key development objectives of the Baringo County Youth and Women Fund 2020-2021 plan are to:

- a) Ensure timely and efficient disbursement of funds to Youth and Women groups;
- b) Administer and manage loan recovery process and mechanism including sanctions and enforcement in case of loan repayment defaults;
- c) Prepare financial statements of the fund periodically

**Baringo County Youth and Women Fund
Reports and Financial Statements
For the year ended June 30, 2021.**

Progress on attainment of Strategic development objectives (Adopted from Baringo County Government,

Below we provide the progress on attaining the stated objectives:

Program	Objective	Outcome	Indicator	Performance
Youth and Women	To ensure timely and efficient disbursement of funds to Youth and Women groups	Increased number of group beneficiaries accessing loans	25% of increased groups which accessed loans	In Financial Year 2020/2021 we increased loan access by 25% to beneficiary groups
Youth and Women	To Administer and manage loan recovery process and mechanism including sanctions and enforcement in case of loan repayment defaults	Improved loan access and recoveries by the groups	Equal disbursement and recovery of loans	In Financial Year 2020/2021 we improved loan equity to the beneficiary groups
Youth and Women	To Ensure that youth and women grow in their business enterprises	Increased number of youth and Women enterprises	Growth in business enterprises	In Financial Year 2020/2021 there were great development in beneficiary groups
Youth and Women	To prepare financial statements of the fund periodically	Reports made on timely basis	Reports submitted on time in line with regulation	In Financial Year 2020/2021 we presented timely quarterly reports for Youth and Women as required

**Baringo County Youth and Women Fund
Reports and Financial Statements
For the year ended June 30, 2021.**

4. MANAGEMENT TEAM

Name	Details of qualifications and experience
1. Gladys M. Kiseku – Secretary and Fund Administrator	<p>Year of Birth:1985 Key Qualifications: BED Arts (Mathematics & Business) MBA (Strategic Management). Work Experience: 10 years</p>
2. John Kisang - Member	<p>Year of Birth: 1972 Key Qualifications: Bachelor of Science Natural Resource Management. SMC and several workshops and Seminars Work Experience:15 Years</p>
3. Aengwo Daudi - Ag. Director - Youth, Gender and Social Services	<p>Year of Birth:1976 Key Qualifications: B.ED (SC) SMC, SLDP, Management of Social Protection Services (MSPS), Advanced Professional Mediator (APM). Work Experience: 19 years</p>
4. David Rerimoi - Deputy Director Accounting Services	<p>Year of Birth:1980 Key Qualifications: Masters in Business Administration (UON),BCOM,CPA(K) Senior Management Course. Work Experience: 21 years</p>
5. Thomas Chesaro –Fund Accountant	<p>Year of Birth:1979 Key Qualifications: BCOM – Finance Option, (UON), CPA(K) Work Experience: 21 years</p>

**Baringo County Youth and Women Fund
Reports and Financial Statements
For the year ended June 30, 2021.**

5. COUNTY CREDIT MANAGEMENT COMMITTEE CHAIRPERSON'S REPORT

During the year under review, the fund did not witness any change in the composition of its board and management team. Despite financial constraints, the fund was able to utilize the available resources at its disposal to meet its objectives. Total revenue was kshs 296,788.66 (previous year kshs. 303,257.86) while total expenses were Kshs 209,143.21 (previous year expenses Kshs. 5,790.00). For a fruitful impact, the fund should be allocated more funds in the future estimates.

Description and reference of the transfer	Date of transfer	2020-2021	2019-2020
Revenue from Non-Exchange Transaction		Kshs	Kshs
Balance Brought Forward	1/7/2020	0.00	0.00
Loan Repayment		0.00	2,695,960.96
Interest Income/Earned		296,788.66	303,257.86
Total Revenue		296,788.66	2,999,218.82

FUND USES / EXPENDITURE / DISBURSEMENT	2020-2021	2019-2020
	Kshs	Kshs
Award of the Loans / disbursement	0.00	4,285,000.00
Domestic travel and subsistence Allowances (Adm. Costs)	200,000.00	0.00
Other operating expenses (Bank Charges/Tax Deducted)	9,143.21	5,790.00
Total Revenue	209,143.21	4,290,790.00

Signed: _____

Fund Chairperson Name: Dr. David Sergon
CECM - Education, Youth, Gender, Sports, Culture and Social Services

**Baringo County Youth and Women Fund
Reports and Financial Statements
For the year ended June 30, 2021.**

6. REPORT OF THE FUND ADMINISTRATOR

The performance of the Baringo County Youth and Women Fund was disbursed as stipulated in the law. Total budget allocated was kshs 296,788.66 out of which the same is Kshs 296,788.66 being receipts from interest earned during the year under review. Kshs 200,000.00 was Funds disbursed to Youth and Women groups. Administration expenses Kshs. 200,000.00 and bank charges were Kshs. 9,143.21. This resulted in a balance of Ksh. 9,106,187.00 (Balance as per cash books for Main Account Kshs 2,331,458.53, Interest Recovery Account Kshs 2,223,058.79, Loans and Repayment Account Kshs 4,551,669.68)

Description and reference of the transfer	Date of transfer	2020-2021	2019-2020
Revenue from Non-Exchange Transaction		Kshs	Kshs
Balance Brought Forward	1/7/2020	0.00	0.00
Loan Repayment		0.00	2,695,960.96
Interest Income/Earned		296,788.66	303,257.86
Total Revenue		296,788.66	2,999,218.82

FUND USES / EXPENDITURE / DISBURSEMENT	2020-2021	2019-2020
Revenue from Non-Exchange Transaction	Kshs	Kshs
Award of the Loans / disbursement	0.00	4,285,000.00
Domestic travel and subsistence Allowances (Adm. Costs)	200,000.00	0.00
Other operating expenses (Bank Charges/Tax Deducted)	9,143.21	5,790.00
Total Revenue	209,143.21	4,290,790.00

Name of Bank, Account No. & currency	2020-2021	2019-2020
	Kshs	Kshs
Boresha Sacco, Main A/c no. 504511846-01 (Kshs)	2,331,458.53	2,506,316.65
Loan Recovery/Disbursement A/c No. 5-30-000005-0 (Closed)	0.00	13,373.00
Loan Recovery/Disbursement A/c No. 5-43-000028-0	4,551,669.68	3,305,528.04
Interest Earned (A/c no. 504511846-01 and A/c no. 7-10-000011-0)	2,223,058.79	1,948,401.61
Total Balance	9,106,187.00	7,773,619.30

Baringo County Youth and Women Fund
Reports and Financial Statements
For the year ended June 30, 2021.

The Physical progress based on outputs, outcomes and impacts since establishment of Baringo County Youth and Women Fund is that there has been increase in fund beneficiaries due to revolving funds allocated to groups annually. The value-for-money has been achieved since the Youth and Women who were supported through the fund have been increasing while most of them have fought poverty and improved in their standard of living and social development.

The implementation challenges of strategic objectives for the Baringo County Youth and Women Fund may include the credit risk and loan sanctions and enforcement strategies to mitigate loan defaulters and its future outlook is encouraging as the improved revolving funds and loan repayments will enable the Fund to undertake its mandate in line with the fund's strategic plan.

Some of the key risk management strategies include frequent changes of the management team members as well as delay in funds loan repayment by the Youth and Women groups and improper record keeping by the financial institution.

Signed: _____



Gladys M. Kiseku – Fund Administrator



7. CORPORATE GOVERNANCE STATEMENT

The Fund Administration Committee held a meeting and the attendance to that meeting by members was satisfactory,

The succession plan of the fund is that when a member resigns or retires or removed a new member shall be appointed or replaced on such terms and conditions as may be specified in the instrument of appointment,

An appointed of a County Credit Committee member shall hold office for a period of five years or until new members of the committee are appointed and trustees/ Administration Committee members are removed from office by the Governor on recommendation of the committee if the member has been absent from three consecutive meetings.

The roles and functions of the County Credit Committee member, the executive committee Member for Education chairs the meetings, the County Chief Officer in charge of Finance is financial advisor, the County Chief Officer responsible for the youth and women is the Secretary and Fund administrator.

The induction and training, County Credit Committee members and member's performance is not usually done due to insufficient management resources,

To address conflict of interest the County Credit Committee members are advised to avoid any specific interest during loan awards, but if there is any it is stated that in case there is such incident then it should be declared early enough so that relevant member may not attend the meeting or may be exempted during the loan award process.,

The members of the board are not entitled for remuneration, but the allocation of 3% of the Fund, administrative expenses is used to pay sitting allowances and transport reimbursement during the meetings held.

The members are guided by Chapter Six of the constitution so as to work while observing the integrity issues on allocating loans. All beneficiaries shall be vetted through a transparent, equitable and fair process that is Community-based in order to ensure that prospective benefits of the fund are available to a widespread cross-section of groups.

Baringo County Youth and Women Fund
Reports and Financial Statements
For the year ended June 30, 2021.

8. MANAGEMENT DISCUSSION AND ANALYSIS

During the period under review, the Fund had an Interest earned of Kshs 296,788.66. The expenditure amounted to Kshs 209,143.21 as compared to the previous period of Kshs 5,790.00 as below:-

Description and reference of the transfer	Date of transfer	2020-2021	2019-2020
Revenue from Non-Exchange Transaction		Kshs	Kshs
Balance Brought Forward	1/7/2020	0.00	0.00
Loan Repayment		0.00	2,695,960.96
Interest Income/Earned		296,788.66	303,257.86
Total Revenue		296,788.66	2,999,218.82

FUND USES / EXPENDITURE / DISBURSEMENT	2020-2021	2019-2020
Revenue from Non-Exchange Transaction	Kshs	Kshs
Award of the Loans / disbursement	0.00	4,285,000.00
Domestic travel and subsistence Allowances (Adm. Costs)	200,000.00	0.00
Other operating expenses (Bank Charges/Tax Deducted)	9,143.21	5,790.00
Total Revenue	209,143.21	4,290,790.00

The Fund core mandate is to ensure that a portion of the County Budget is devoted to the youth and women for purpose of fighting poverty and improvement of their standard of living and social development in the Baringo County,

The Fund is prepared in accordance with Public Finance Management Act, 2012 and Baringo County Youth and Women Fund Regulation 2014.

There are Credit risks facing the Fund, also, material arrears in statutory and other financial obligations are not applicable.

9. CORPORATE SOCIAL RESPONSIBILITY STATEMENT/SUSTAINABILITY REPORTING

Baringo County Youth and Women Fund exists to transform lives by ensuring that a portion of the County Budget is devoted to the youth and women for purposes of fighting poverty and improvement of their standard of living and social development. This is our purpose; the driving force behind everything we do. It's what guides us to deliver our strategy, which is founded on loan allocation pillar: putting the beneficiaries first, delivering equitable access to loans for the Youth and Women, and improving operational excellence. Below is a brief highlight of our achievements in the pillar.

1. Sustainability strategy for Loan Allocation

The top management especially the accounting officer made reference to sustainable efforts, broad trends in loan grants assistance affecting sustainability of business enterprises, in reference to the best practices for fair and equitable business opportunities.

CORPORATE SOCIAL RESPONSIBILITY STATEMENT / SUSTAINABILITY REPORTING (CONTINUED)

2. Employee welfare

The Fund set aside 5% of the total budget allocation to cater for the Administration Expenses during County Credit Committee and ward Credit Committee meeting allowances and transport reimbursements.

3. Market place practices

The Fund tries its best give notices for applicants to take opportunity at equal chance through proper communication

a) Responsible competition practice.

All applicants are vetted through a transparent, democratic, equitable and fair process that is community-based in order to ensure that prospective benefits of the Fund are available to widespread cross-section of youth and women in the entire Baringo County.

b) Responsible Supply chain and supplier relations

The Fund ensures that every youth and women wishing to be considered for loans shall make an application to respective ward committee by filling a prescribed application form.

c) Responsible marketing and advertisement

The Fund ensures that every applicant gets the prescribed form at convenient points, that is at ward level and low costs.

d) Product stewardship

The Fund enables applicants to deposit their forms at ward level

4. Community Engagements

The fund engages the Community in ward and County Credit committees. Respective ward committee members compost of ward administrator as secretary, one youth, two women and two men appointed by Executive Committee Member of Youth and Women in consultation with the patron, a person with disability, two religious persons and a chief or assistant chief in the ward. In the board there are four community members appointed by the Governor.

10. REPORT OF THE COUNTY CREDIT MANAGEMENT COMMITTEE

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

10.1 Principal activities

The principal activities of the Fund are:-

1. Make provisions for giving Youth and Women loans
2. The enhancement of equitable access to loan opportunities for the youth and women
3. Empower youth and women Economically
4. Helping youth and women to access loans at low interest rate
5. Providing convenient loans to youth and women
6. Ensuring that youth and women grow in their business enterprises

10.2 Performance

The performance of the Fund for the year ended June 30, 2021, are set out on page 22

10.3 Trustees

The members of the County Credit Management Committee who served during the year are shown on page 5. The changes in the Board during the financial year are as shown below:

10.4 Auditors

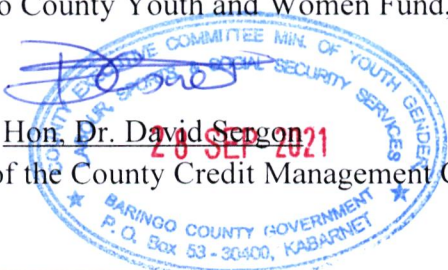
The Auditor General is responsible for the statutory audit of the Fund in accordance with Article 229 of the Constitution of Kenya and the Public Audit Act 2015.

By Order of the County Credit Management Committee
Baringo County Youth and Women Fund,

Sign:

Name: ~~Hon. Dr. David Serگون~~
Chair of the County Credit Management Committee

Date: _____



**Baringo County Youth and Women Fund
Reports and Financial Statements
For the year ended June 30, 2021.**

11. 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 Baringo County Youth and Women Fund established by the Public Finance Management Act 2012 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 Youth and Women Fund is responsible for the preparation and presentation of the Fund's financial statements, which give a true and fair view of the state of affairs of the Fund for and as at the end of the financial year ended on June 30, 2021. This responsibility includes: (i) maintaining adequate financial management arrangements and ensuring that these continue to be effective throughout the reporting period; (ii) maintaining proper accounting records, which disclose with reasonable accuracy at any time the financial position of the fund; (iii) Designing, implementing and maintaining internal controls relevant to the preparation and fair presentation of the financial statements, and ensuring that they are free from material misstatements, whether due to error or fraud; (iv) Safeguarding the assets of the fund; (v) Selecting and applying appropriate accounting policies; and (vi) Making accounting estimates that are reasonable in the circumstances.

The Administrator of the Youth and Women 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 Baringo County Youth and Women Fund Regulations, 2014. The Administrator of the Fund is of the opinion that the Fund's financial statements give a true and fair view of the state of Fund's transactions during the financial year ended June 30, 2021, and of the Fund's financial position as at that date.

The Administrator further confirm the completeness of the accounting records maintained for the Fund, which have been relied upon in the preparation of the Fund's financial statements as well as the adequacy of the systems of internal financial control.

**Baringo County Youth and Women Fund
Reports and Financial Statements
For the year ended June 30, 2021.**

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.

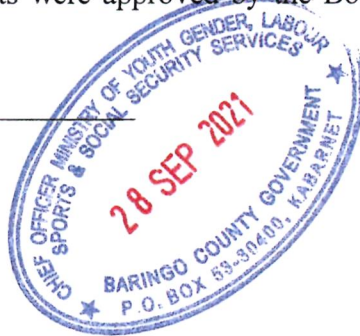
Nothing has come to the attention of the Administrator to indicate that the Fund will not remain a going concern for at least the next twelve months from the date of this statement.

Approval of the financial statements

The Fund's financial statements were approved by the Board on 28/9/ 2021 and signed on its behalf by:



Name: Gladys M. Kiseku

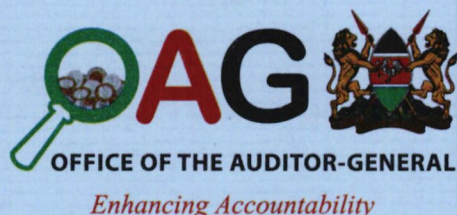


Administrator

Baringo County Youth and Women 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 BARINGO COUNTY YOUTH AND WOMEN 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 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

Qualified Opinion

I have audited the accompanying financial statements of Baringo County Youth and Women Fund set out on pages 20 to 61, which comprise of the statement of financial position as at 30 June, 2021, and the statement of financial performance, statement of changes in net assets, statement of cash flows and statement of comparison of budget

Report of the Auditor-General on Baringo County Youth and Women Fund for the year ended 30 June, 2021

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 Baringo County Youth and Women Fund as at 30 June, 2021, and of its financial performance and its cash flows for the year then ended, in accordance with International Public Sector Accounting Standards (Accrual Basis) and comply with the Public Finance Management Act, 2012 and with the Baringo County Youth and Women Regulations, 2014.

Basis for Qualified Opinion

1. Inaccuracies in Transfer from County Government

The statement of financial performance reflects Nil amount as transfer from County Government. However, the report of the Fund Administrator indicates that Kshs.200,000 was disbursed to the Fund, no evidence was provided to support the disbursements, and the amount was not received in the Fund books.

In the circumstances, the accuracy and completeness of transfers from the County Government could not be confirmed.

2. Unsupported Interest Income

The statement of financial performance reflects other income amount of Kshs.296,789 as disclosed in Note 4 to the financial statements in respect of interest income on bank deposits. However, no documentary evidence such as fixed deposit receipt and bank statements were provided to confirm the amount deposited, the interest rate and the interest earned.

In the circumstances, the accuracy and completeness for interest income of Kshs.296,789 could not be confirmed.

3. Unsupported Cash and Cash Equivalents

The statement of financial position reflects cash and cash equivalents balance of Kshs.9,106,187 as disclosed in Note 10 to the financial statements. However, bank statements, bank reconciliation statements and cashbooks were not provided for audit.

In the circumstances, the accuracy and completeness of cash and cash equivalent balance of Kshs.9,106,187 could not be confirmed.

4. Unsupported Trade and Other Payables

The statement of financial position reflects trade and other payables balance of Kshs.17,620,195 as disclosed in Note 17 to the financial statements which has not been supported.

In the circumstances, the accuracy and completeness of the trade and other payables balance of Kshs.17,620,196 could not be ascertained

The audit was conducted in accordance with International Standards of Supreme Audit Institutions (ISSAIs). I am independent of the Baringo County Youth and Women 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 and Effectiveness in Use of Public Resources section of my report, I confirm that, nothing else has come to my attention to cause me to believe that public resources have not been applied lawfully and in an effective way.

Basis for Conclusion

1. Non-Compliance with Public Finance Regulations on Opening Bank Account

The statement of financial position reflects cash and cash equivalents balance of Kshs.9,106,187 as disclosed in Note 10 to the financial statements. However, the bank accounts are maintained in a SACCO Society contrary to Regulation 82(1)(b) of the Public Finance Management (County Regulations), 2015 which stipulates that all County Government bank accounts to be opened at the Central Bank of Kenya except for imprest bank accounts.

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

2. Irregular Composition of the County Credit Management Committee and Appointment of the Fund Administrator

Review of records indicated that the County Credit Management Committee comprise of the County Executive Committee Member (CECM)-Education, Youth, Gender, Culture, Sports and Social Services, CECM-Treasury and Economic Planning and Deputy Director Accounting services who are not constituted as stipulated in Regulation 9(2) of Baringo County Youth and Women Fund Regulations, 2014.

Further, no documentary evidence was provided to confirm that the Fund administrator was appointed by CECM Finance and approved by the County Assembly as stipulated in Regulation 6(1) of Baringo County Youth and Women Fund Regulations, 2014.

In the circumstances, the County Credit Management Committee was not properly constituted, and the appointment of the Fund Administrator was in breach of the law.

3. Lack of Approved Budget

The statement of comparison of budget and actual amounts reflects total revenue and expenditure final budget of Kshs.296,789 and Kshs.209,143 respectively which is not balanced. However, the approved budget was not entered in the County Government budget in accordance with Regulation 31(a) of the Public Financial Management (County Governments) Regulations, 2015 which requires that all revenue and expenditure to be entered into the County Government budget estimates and approved for one year only.

In the circumstances, the revenue received and expenditure incurred were unauthorized and 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 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 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 controls, risk management and overall governance.

In preparing the financial statements, Management is responsible for assessing the Fund's ability to continue to sustain services, disclosing, as applicable, matters related to sustainability of services and using the applicable basis of accounting unless Management is aware of the intention to terminate the Fund or to cease operations.

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

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

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

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

- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for my opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal controls.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the Management.
- Conclude on the appropriateness of the Management's use of the applicable basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Fund's ability to 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 Baringo County Youth and Women 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 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 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

06 September, 2022

**Baringo County Youth and Women Fund
Reports and Financial Statements
For the year ended June 30, 2021.**

13. FINANCIAL STATEMENTS

13.1 STATEMENT OF FINANCIAL PERFORMANCE FOR THE YEAR ENDED 30TH JUNE 2021.

	Note	2020/2021 KShs	2019/2020 KShs
Revenue from non-exchange transactions			
Public contributions and donations	1	-	-
Transfers from the County Government	2	-	-
Fines, penalties and other levies	3	-	-
		-	-
Revenue from exchange transactions			
Interest income	4	296,788.66	303,257.86
Other income	5	0.00	2,695,960.96
		296,788.66	2,999,218.82
Total revenue		296,788.66	2,999,218.82
Expenses			
Fund administration expenses	6	200,000.00	0.00
General expenses	7	9,143.21	5,790.00
Disbursement of loans	6	0.00	4,285,000.00
Finance costs	8	0.00	0.00
Total expenses		209,143.21	4,290,790
Other gains/losses			
Gain/loss on disposal of assets	9	0.00	0.00
Surplus/(deficit) for the period		87,645.45	(1,291,571.18)

**Baringo County Youth and Women Fund
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13.2 STATEMENT OF FINANCIAL POSITION AS AT 30TH JUNE 2021

	Note	2020/2021	2019/2020
		KShs	KShs
Assets			
Current assets			
Cash and cash equivalents	10	9,106,187.00	7,773,619.30
Current portion of long- term receivables from exchange transactions	11	12,893,993.65	-
Receivables from Non- exchange transactions	12	-	-
Prepayments	13	-	-
Inventories	14	-	-
		22,000,180.65	7,773,619.30
Non-current assets			
Long term receivables from exchange transactions	11	4,726,201.74	-
Property, plant and equipment	15	-	-
Intangible assets	16	-	-
		4,726,201.74	-
Total assets		26,726,382.51	7,773,619.30
Liabilities			
Current liabilities			
Trade and other payables from exchange transactions	17	17,620,195.51	-
Provisions	18	-	-
Current portion of borrowings	19	-	-
Employee benefit obligations	20	-	-
		-	-
Non-current liabilities			
Long term portion of borrowings	19	-	-
Non-current employee benefit obligation	20	-	-
Total liabilities		17,620,195.51	-
Net assets		9,106,187.00	7,773,619.30
Revolving Fund		19,000,000.00	2,512,106.65
Reserves		(10,581,470.29)	7,660,719.63
Accumulated surplus		687,657.29	(2,399,206.98)
Total net assets and liabilities		9,106,187.00	7,773,619.30

**Baringo County Youth and Women Fund
Reports and Financial Statements
For the year ended June 30, 2021.**

The accounting policies and explanatory notes to these financial statements form an integral part of the financial statements. The fund financial statements were approved on 11/11 2021 and signed by:



Administrator of the Fund

Name: Gladys M. Kiseku



Fund Accountant

Name: Thomas Chesaro

ICPAK Member Number: 15566

**Baringo County Youth and Women Fund
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13.3 STATEMENT OF CHANGES IN NET ASSETS AS AT 30TH JUNE 2021

	Revolving Fund	Revaluation Reserve	Accumulated surplus	Total
	KShs	KShs	KShs	KShs
Balance as at 1 July 2019	19,000,000.00	(11,826,392.54)	1,891,583.02	9,065,190.48
Surplus/(deficit) for the period	-	-	(1,291,571.18)	(1,291,571.18)
Funds received during the year	-	-	-	-
Revaluation gain	-	-	-	-
Balance as at 30 June 2020	19,000,000.00	(11,826,392.54)	600,011.84	7,773,619.30
Balance as at 1 July 2020	19,000,000.00	(11,826,392.54)	600,011.84	7,773,619.30
Surplus/(deficit) for the period	-	-	87,645.45	87,645.45
Funds received during the year	-	-	-	-
Revaluation gain	-	1,244,922.25	-	1,244,922.25
Balance as at 30 June 2021	19,000,000.00	(10,581,470.29)	687,657.29	9,106,187.00

13.4 STATEMENT OF CASH FLOWS FOR THE YEAR ENDED 30TH JUNE 2021

	Note	2020/2021	2019/2020
		KShs	KShs
Cash flows from operating activities			
Receipts			
Public contributions and donations		-	-
Transfers from the County Government		-	-
Interest received		296,788.66	303,257.86
Receipts from other operating activities		-	-
Total Receipts		296,788.66	303,257.86
Payments			
Fund administration expenses		200,000.00	-
General expenses		9,143.21	5,790.00
Finance cost		-	-
Total Payments		209,143.21	5,790.00
Net cash flows from operating activities		87,645.45	(297,467.86)
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		1,444,922.25	2,695,960.96
Loan disbursements paid out		(200,000.00)	(4,285,000.00)
Net cash flows used in investing activities		1,244,922.25	(1,589,039.04)
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		1,332,567.70	(1,291,571.18)
Cash and cash equivalents at 1 JULY, 2020	10	7,773,619.30	9,065,190.48
Cash and cash equivalents at 30 JUNE, 2021	10	9,106,187.00	7,773,619.30

13.5 STATEMENT OF COMPARISON OF BUDGET AND ACTUAL AMOUNTS FOR THE PERIOD ENDED 30TH JUNE 2021.

	Original budget	Adjustments	Final budget	Actual on comparable basis	% utilisation
	2021	2021	2021	2021	2021
	KShs	KShs	KShs	KShs	
Revenue					
Public contributions and donations	-	-	-	-	0%
Transfers from County Govt.	-	-	-	-	0%
Interest income	296,788.66	-	296,788.66	296,788.66	100%
Other income	0.00	-	0.00	0.00	100%
Total income	296,788.66	-	296,788.66	296,788.66	100%
Expenses					
Fund administration expenses	200,000.00	-	200,000.00	200,000.00	100%
General expenses	9,143.21	-	9,143.21	9,143.21	100%
Finance cost – Loan Disbursement	0.00	-	0.00	0.00	100%
Total expenditure	209,143.21	-	209,143.21	209,143.21	100%
Surplus for the period	87,645.45	-	87,645.45	87,645.45	100%

13.6 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.

SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

2. Adoption of new and revised standards

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

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

SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

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

Standard	Effective date and impact:
<p>IPSAS 41: Financial Instruments</p>	<p>Applicable: 1st January 2022:</p> <p>The objective of IPSAS 41 is to establish principles for the financial reporting of financial assets and liabilities that will present relevant and useful information to users of financial statements for their assessment of the amounts, timing and uncertainty of an entity’s future cash flows.</p> <p>IPSAS 41 provides users of financial statements with more useful information than IPSAS 29, by:</p> <ul style="list-style-type: none"> • Applying a single classification and measurement model for financial assets that considers the characteristics of the asset’s cash flows and the objective for which the asset is held; • Applying a single forward-looking expected credit loss model that is applicable to all financial instruments subject to impairment testing; and • Applying an improved hedge accounting model that broadens the hedging arrangements in scope of the guidance. The model develops a strong link between an entity’s risk management strategies and the accounting treatment for instruments held as part of the risk management strategy. <p><i>(State the impact of the standard to the entity if relevant)</i></p>
<p>IPSAS 42: Social Benefits</p>	<p>Applicable: 1st January 2022</p> <p>The objective of this Standard is to improve the relevance, faithful representativeness and comparability of the information that a reporting entity provides in its financial statements about social benefits. The information provided should help users of the financial statements and general purpose financial reports assess:</p>

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Standard	Effective date and impact:
	<p>(a) The nature of such social benefits provided by the entity;</p> <p>(b) The key features of the operation of those social benefit schemes; and</p> <p>(c) The impact of such social benefits provided on the entity’s financial performance, financial position and cash flows.</p> <p><i>(State the impact of the standard to the entity if relevant)</i></p>
<p>Amendments to Other IPSAS resulting from IPSAS 41, Financial Instruments</p>	<p>Applicable: 1st January 2022:</p> <p>a) Amendments to IPSAS 5, to update the guidance related to the components of borrowing costs which were inadvertently omitted when IPSAS 41 was issued.</p> <p>b) Amendments to IPSAS 30, regarding illustrative examples on hedging and credit risk which were inadvertently omitted when IPSAS 41 was issued.</p> <p>c) Amendments to IPSAS 30, to update the guidance for accounting for financial guarantee contracts which were inadvertently omitted when IPSAS 41 was issued.</p> <p>Amendments to IPSAS 33, to update the guidance on classifying financial instruments on initial adoption of accrual basis IPSAS which were inadvertently omitted when IPSAS 41 was issued.</p>

SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

c) Early adoption of standards

The entity did not early – adopt any new or amended standards in year 2020.

3. Revenue recognition

i) Revenue from non-exchange transactions

Transfers from other government entities

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

ii) Revenue from exchange transactions

Interest income

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.

4. Budget information

The original budget for FY 2020/2021 was approved by the County Assembly on 17th July, 2020 (Date). 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 Kshs Nil (Amount) on 20th May, 2021 (Date) the FY 2020/2021 budget following the Baringo County Government's approval.

The Baringo County Youth and Women's Fund budget is prepared on a different basis to the actual income and expenditure disclosed in the financial statements. The financial statements are prepared on accrual basis using a classification based on the nature of expenses in the statement of financial performance, whereas the budget is prepared on a cash basis. The amounts in the financial statements were

SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

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 167 of these financial statements.

5. Property, plant and equipment

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

5. Intangible assets

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

SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

6. Financial instruments

a) Financial assets

Initial recognition and measurement

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

Loans and receivables

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

Held-to-maturity

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

Impairment of financial assets

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

SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

asset or the entity of financial assets that can be reliably estimated. Evidence of impairment may include the following indicators:

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

b) Financial liabilities

Initial recognition and measurement

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

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

Loans and borrowing

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

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

7. Inventories

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

SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

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

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

After initial recognition, inventory is measured at the lower of cost and net realizable value. However, to the extent that a class of inventory is distributed or deployed at no charge or for a nominal charge, that class of inventory is measured at the lower of cost and current replacement cost.

Net realizable value is the estimated selling price in the ordinary course of operations, less the estimated costs of completion and the estimated costs necessary to make the sale, exchange, or distribution.

Inventories are recognized as an expense when deployed for utilization or consumption in the ordinary course of operations of the Entity.

8. Provisions

Provisions are recognized when the Entity has a present obligation (legal or constructive) as a result of a past event, it is probable that an outflow of resources embodying economic benefits or service potential will be required to settle the obligation and a reliable estimate can be made of the amount of the obligation.

Where the Entity expects some or all of a provision to be reimbursed, for example, under an insurance contract, the reimbursement is recognized as a separate asset only when the reimbursement is virtually certain.

The expense relating to any provision is presented in the statement of financial performance net of any reimbursement.

Contingent liabilities

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

SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

Contingent assets

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

9. Nature and purpose of reserves

The Entity creates and maintains reserves in terms of specific requirements. *Entity to state the reserves maintained and appropriate policies adopted.*

10. Changes in accounting policies and estimates

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

11. Employee benefits – Retirement benefit plans

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

SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

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

12. Foreign currency transactions

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

13. Borrowing costs

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

14. Related parties

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

SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

15. Cash and cash equivalents

Cash and cash equivalents comprise cash at bank at the end of the financial year.

16. Comparative figures

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

17. Events after the reporting period

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

18. Ultimate and Holding Entity

The entity is a Baringo County Youth and Women Fund established by Public Finance Management Act, 2012 and regulation 2014 under the Department of Education, Youth, Gender, Sports, Culture and Social Services. Its ultimate parent is the County Government of Baringo.

19. Currency

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

SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

20. Significant judgments and sources of estimation uncertainty

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

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

a) Estimates and assumptions

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

a) Useful lives and residual values

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

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

SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

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b) 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 xxx.

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.

(include provisions applicable for your organisation e.g provision for bad debts, provisions of obsolete stocks and how management estimates these provisions)

21. 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.

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SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

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 2021				
Receivables from exchange transactions	-	-	-	-
Receivables from non-exchange transactions	-	-	-	-
Bank balances	9,106,187.00	9,106,187.00	-	-
Total	9,106,187.00	9,106,187.00	-	-
At 30 June 2020				
Receivables from exchange transactions	-	-	-	-
Receivables from non-exchange transactions	-	-	-	-
Bank balances	7,773,619.30	7,773,619.30	-	-
Total	7,773,619.30	7,773,619.30	-	-

(NB: The totals column should tie to the individual elements of credit risk disclosed in the entity's statement of financial position)

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 entity has significant concentration of credit risk on amounts due from groups.

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

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SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

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 2021				
Trade payables	-	-	-	-
Current portion of borrowings	-	-	-	-
Provisions	-	-	-	-
Employee benefit obligation	-	-	-	-
Total	-	-	-	-
At 30 June 2020				
Trade payables	-	-	-	-
Current portion of borrowings	-	-	-	-
Provisions	-	-	-	-
Employee benefit obligation	-	-	-	-
Total	-	-	-	-

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.

d) 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.

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SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

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

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

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.

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	Effect on equity
	KShs	KShs	KShs
2021			
Euro	-	-	-
USD	-	-	-
2020			
Euro	-	-	-
USD	-	-	-

SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

e) Interest rate risk

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

Management of interest rate risk

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

Sensitivity analysis

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

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 9,106,187 (2021: KShs 9,106,187). A rate increase/decrease of 5% would result in a decrease/increase in profit before tax of KShs 388,680.97 (2020 – KShs 388,680.97)

f) Capital risk management

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

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SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

	2020/2021	2019/2020
	KShs	KShs
Revaluation reserve	(10,581,470.29)	(11,826,392.54)
Revolving fund	19,000,000.00	19,000,000.00
Accumulated surplus	687,657.29	600,011.84
Total funds	9,106,187.00	7,773,619.30
Total borrowings	-	-
Less: cash and bank balances	(9,106,187.00)	(7,773,619.30)
Net debt/(excess cash and cash equivalents)	-	-
Gearing	0%	0%

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14. NOTES TO THE FINANCIAL STATEMENTS

1. Public contributions and donations

Description	2020/2021	2019/2020
	KShs	KShs
Donation from development partners	-	-
Contributions from the public	-	-
Total	-	-

(Provide brief explanation for this revenue)

2. Transfers from County Government

Description	2020/2021	2019/2020
	KShs	KShs
Transfers from County Govt. – operations	-	-
Payments by County on behalf of the entity	-	-
Total	-	-

3. Fines, penalties and other levies

Description	2020/2021	2019/2020
	KShs	KShs
Late payment penalties	-	-
Fines	-	-
Levies	-	-
Licences	-	-
Total	-	-

(Provide brief explanation for this revenue)

4. Interest income

Description	2020/2021	2019/2020
	KShs	KShs
Interest income from Mortgage loans	-	-
Interest income from car loans	-	-
Interest income from investments	-	-
Interest income on bank deposits	296,788.66	303,257.86
Total interest income	296,788.66	303,257.86

(Provide brief explanation for this revenue)

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NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

5. Other income

Description	2020/2021 KShs	2019/2020 KShs
Insurance recoveries	-	-
Income from sale of tender documents	-	-
Miscellaneous income (Loan Repayment)	-	-
Total other income	-	-

(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).

6. Fund administration expenses

Description	2020/2021 KShs	2019/2020 KShs
Staff costs (Note 6a)	-	-
Loan processing costs	-	-
Loans Disbursements	-	-
Administration fees	200,000.00	-
Total	200,000.00	-

6A. Staff costs

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

N/B The total amount under staff costs has been included in note 6 as part of Fund Administration Expenses chiefly because most funds do not have separate employee but rather the cost would relate to allowances drawn in line fund administration.

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NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

7. General expenses

Description	2020/2021	2019/2020
	KShs	KShs
Consumables	-	-
Electricity and water expenses	-	-
Fuel and oil costs	-	-
Insurance costs	-	-
Postage	-	-
Printing and stationery	-	-
Rental costs	-	-
Security costs	-	-
Telecommunication	-	-
Bank Charges	9,143.21	5,790.00
Hospitality	-	-
Depreciation and amortization costs	-	-
Other expenses	-	-
Total	9,143.21	5,790.00

8. Finance costs

Description	2020/2021	2019/2020
	KShs	KShs
Interest on Bank overdrafts	-	-
Interest on loans from banks	-	-
Total	-	-

9. Gain/(loss) on disposal of assets

Description	2020/2021	2019/2020
	KShs	KShs
Property, plant and equipment	-	-
Intangible assets	-	-
Total	-	-

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NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

10. Cash and cash equivalents

Description	2020/2021 KShs	2019/2020 KShs
Xxx Car loan account	-	-
Xxx County mortgage account	-	-
Fixed deposits account	-	-
On – call deposits	-	-
Current account	9,106,187.00	7,773,619.30
Others	-	-
Total cash and cash equivalents	9,106,187.00	7,773,619.30

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

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

Financial institution	Account number	2020/2021 KShs	2019/2020 KShs
a) Current account			
Boresha Sacco Ltd Kabarnet	504511846-01	2,331,458.53	2,506,316.65
Boresha Sacco Ltd Kabarnet	5-30-000005-0	-	13,373.00
Boresha Sacco Ltd Kabarnet	5-43-000028-0	4,551,669.68	3,305,528.04
Boresha Sacco Ltd Kabarnet	7-10-000011-0	2,223,058.79	1,948,401.61
Grand total		9,106,187.00	7,773,619.30

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NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

11. Receivables from exchange transactions

Description	2020/2021	2019/2020
	KShs	KShs
Current Receivables		
Interest receivable	-	-
Current loan repayments due	4,551,669.68	3,318,901.04
Other exchange debtors	-	-
Less: impairment allowance	-	-
Total Current receivables	4,551,669.68	3,318,901.04
Non-Current receivables		
Long term loan repayments due	-	-
Total Non- current receivables	-	-
Total receivables from exchange transactions	4,551,669.68	3,318,901.04

Additional disclosure on interest receivable

Description	2020/2021	2019/2020
	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	-	-

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NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

12. Receivables from Non-Exchange transaction

Description	2020/2021	2019/2020
	KShs	KShs
Transfer from County Executive	-	-
Transfer from XXXX Fund	-	-
Total receivables from non-exchange transactions	-	-

13. Prepayments

Description	2020/2021	2019/2020
	KShs	KShs
Prepaid rent	-	-
Prepaid insurance	-	-
Prepaid electricity costs	-	-
Other prepayments(specify)	-	-
Total	-	-

14. Inventories

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

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NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

15. Property, plant and equipment

	Land and Buildings	Motor vehicles	Furniture and fittings	Computers and office equipment	Total
	KShs	KShs	KShs	KShs	KShs
At 1st July 2019	-	-	-	-	-
Additions	-	-	-	-	-
Disposals	-	-	-	-	-
Transfers/adjustments	-	-	-	-	-
At 30th June 2020	-	-	-	-	-
At 1st July 2020					
Additions	-	-	-	-	-
Disposals	-	-	-	-	-
Transfer/adjustments	-	-	-	-	-
At 30th June 2021	-	-	-	-	-
Depreciation and impairment					
At 1 st July 2019	-	-	-	-	-
Depreciation	-	-	-	-	-
Impairment	-	-	-	-	-
At 30th June 2020	-	-	-	-	-
At 1st July 2020					
Depreciation	-	-	-	-	-
Disposals	-	-	-	-	-
Impairment	-	-	-	-	-
Transfer/adjustment	-	-	-	-	-

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	Land and Buildings	Motor vehicles	Furniture and fittings	Computers and office equipment	Total
Cost	KShs	KShs	KShs	KShs	KShs
At 30 th June 2021	-	-	-	-	-
Net book values					
At 30 th June 2020	-	-	-	-	-
At 30 th June 2021	-	-	-	-	-

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NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

16. Intangible assets-software

Description	2020/2021	2019/2020
	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	-	-

17. Trade and other payables from exchange transactions

Description	2020/2021	2019/2020
	KShs	KShs
Trade payables	-	-
Refundable deposits	-	-
Accrued expenses	-	-
Other payables (Revolving Loans)	17,620,195.51	-
Total trade and other payables	17,620,195.51	-

18. Provisions

Description	Leave provision	Bonus provision	Other provision	Total
	KShs	KShs	KShs	KShs
Balance at the beginning of the year (1.07.2020)	-	-	-	-
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 (30.06.2021)	-	-	-	-

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NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

19. Borrowings

Description	2020/2021	2019/2020
	KShs	KShs
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:

	2020/2021	2019/2020
	KShs	KShs
External Borrowings		
Domestic Borrowings	-	-
Total balance at end of the year	-	-

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

Description	2020/2021	2019/2020
	KShs	KShs
Short term borrowings(current portion)	-	-
Long term borrowings	-	-
Total	-	-

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

20. Employee benefit obligations

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

21. Cash generated from operations

	2020/2021	2019/2020
	KShs	KShs
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	-	-

(The total of this statement should tie to the cash flow section on net cash flows from operating activities)

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

22. Related party balances

a) Nature of related party relationships

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

- a) The County Government;
- b) The Parent County Government Ministry;
- c) County Assembly;
- d) Key management;
- e) Board of Trustees; etc

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NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

b) Related party transactions

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

c) Key management remuneration

	2020/2021 KShs	2019/2020 KShs
Board of Trustees	-	-
Key Management Compensation	-	-
Total	-	-

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d) Due from related parties

	2020/2021	2019/2020
	KShs	KShs
Due from parent Ministry	-	-
Due from County Government	-	-
Due from County Assembly	-	-
Total	-	-

e) Due to related parties

	2020/2021	2019/2020
	KShs	KShs
Due to parent Ministry	-	-
Due to County Government	-	-
Due to Key management personnel	-	-
Due to County Assembly	-	-
Total	-	-

23. Contingent assets and contingent liabilities

Contingent liabilities	2020/2021	2019/2020
	KShs	KShs
Court case xxx against the Fund	-	-
Bank guarantees	-	-
Total	-	-

(Give details)

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**15. PROGRESS ON FOLLOW UP OF PRIOR YEAR AUDITOR'S
 RECOMMENDATIONS**

The following is the summary of issues raised by the external auditor, and management comments that were provided to the auditor. We have nominated focal persons to resolve the various issues as shown below with the associated time frame within which we expect the issues to be resolved.

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

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16. APPENDIX I: INTER-ENTITY TRANSFERS

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

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

Finance Manager
Youth and Women Fund

Sign -----



Head of County Treasury at
Baringo County

Sign-----

