

REPUBLIC OF KENYA



*Enhancing Accountability*

**REPORT**

PAPERS LAID	
DATE	12/04/2024
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COMMITTEE	-
CLERK AT THE TABLE	GROLYNE C.

PARLIAMENT  
OF KENYA  
LIBRARY

**OF**

**THE AUDITOR-GENERAL**

**ON**

**BARINGO COUNTY EXECUTIVE  
MORTGAGE SCHEME FUND**

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





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**COUNTY GOVERNMENT OF BARINGO**  
**BARINGO COUNTY EXECUTIVE MORTGAGE SCHEME FUND**

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

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

**Baringo County Executive Mortgage Scheme Fund**  
**Annual Report and Financial Statements for the year ended June 30, 2023**

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**1. Acronyms and Glossary of Terms**

a) Acronyms

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

b) Glossary of Terms

Fiduciary Management	The key management personnel who had financial responsibility
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**2. Key Entity Information and Management**

**a) Background information**

Baringo County Executive Mortgage Scheme Fund is established by and derives its authority and accountability from Public Finance Management (Baringo County Executive Members Mortgage Scheme Fund Regulations 2016)2012Act on 22<sup>nd</sup> February 2016. The Fund is wholly owned by the County Government of Baringo and is domiciled in Kenya.

The fund's objective is to provide a mortgage scheme for the purchase, development, renovation or repair of residential property by members of the County Executive as is prescribed by the Salaries and Remuneration Commission in their letter dated 27 November 2013.

The Fund's principal activity is the provision of loans and mortgages to the Members of County Executive and ensuring that loans advanced are recovered.

**b) Principal Activities**

The principal activity/mission/ mandate of the Fund is to continue in provision of loan scheme for the purchase, development, renovation or repair of residential property by members of the County Executive as prescribed by the Salaries and Remuneration Commission. The funds' vision is to provide quality life to its' members through quality loan book.

**c) Fund Administration Committee**

Ref	Name	Position
1	Reuben Rutto	Chairperson
2	Wilson Cheserek Ruto Zachary Kiprotich Jacob Chepkwony Joseph Korir Gikono Kiptoo Julius Tarus	Committee Members
3	David Rerimoi	Fund Administrator

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**d) Key Management team**

Ref	Name	Position
1	David Rerimoi	Fund Administrator
2	Nicholas Kiprotich	Fund Accountant
3	Francis Karimi	Accountant

**e) Fiduciary Oversight Arrangements**

SN	Position	Name
1	Directorate Internal Audit	Catherine Kibet
2	Staff Mortgage and car Loan Advisory Committee	Julius Tarus Patricia Tororei

**f) Registered Offices**

P.O Box 53-30400  
AFC Building  
Kabarnet –Iten Road  
Nairobi, KENYA

**g) Fund Contacts**

Telephone:(254) 053-22115  
E-mail: baringocountyexecutive@gmail.com  
Website: www.baringoExecutive.go.ke

**h) Fund Bankers**

Kenya Commercial Bank  
Kabarnet Branch  
P.o. Box 175-30400  
Kabarnet  
A/C NO. 1179329708

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**i) Independent Auditors**

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

**j) Principal Legal Adviser**


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

**k) County Attorney**




P.O Box 53-30400  
Office of the Governor  
Kabarnet Referral Hospital Road  
Kabarnet, KENYA

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**3. Fund Administration Committee**

Name	Details of qualifications and experience
<p>1. Reuben Cheruiyot Rutto</p> 	<p>Hon. Reuben Rutto holds a Master of Urban Development degree from University of Nairobi and bachelor’s degree in Building Science from University Nairobi. He is also a computer user Support Professional. He has attended Policy formulation and Implementation at Kenya Institute of Administration, Environmental Impact Assessment, Senior Management Course (KSG), Strategic Leadership Development Programme (KSG) and Qualitative and Data Analysis using SPSS (UON). Before joining Baringo Cabinet, he worked in Arc-One Consult Ltd as a Managing partner. Previously he worked with Judiciary as Deputy Director Building Services, Bungoma</p> <p>County as County Public Works Officer and Ministry of Roads and Public Works Headquarters as Ag Chief Supt Architect.</p> <p>He is a Member Board of Architects and Quantity Surveyors, Member Architectural Association of Kenya, Member Environmental Institute of Kenya and Member Town and County Planners Association of Kenya. Further, he is Board Chairman Baringo Technical Institute, Kapsogo Schwenk Secondary and Kapropita Girls High School.</p>
<p>2. Wilson Cheserek Ruto</p>	<p>Hon. Wilson Ruto holds a Master of Business Administration degree from Moi University and bachelor’s degree in Commerce from Marathwada University in India. Before joining Baringo Cabinet, he</p>

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	<p>worked in Access Bank Kenya, PLC as a General Manager having risen from Branch Manager and a Manager corporate Banking. Hon. Ruto also worked at Oriental Commercial Bank as branch manager. He also worked as an Assistant Projects Officer in ICDC Central Province. He is Certified Trustee College of Insurance, Certified Trustee Access Bank Kenya PLC and a Fit and Proper Person Certification Central Bank of Kenya.</p>
<p>3. Zackary Kipsang Kiprotich</p> 	<p>Hon. Zachary Kiprotich holds a Bachelor's Degree from Kenyatta University and a CPA part III. He has worked with Christian Children's Fund as the Project Development Officer in charge of Sponsor relating to community Mobilization, project implementation, Monitoring and evaluation, budgeting, planning and project appraisal. Previously he had worked at Kimani Kerretts Certified Public Accountants as an Auditor.</p>
<p>4. Jacob Chepkwony</p> 	<p>H.E Jacob Chepkwony holds a Master's of science in Applied Mathematics from Egerton University, Njoro Campus and a Bachelor of Education (Science) with specialty in Education, Mathematics and Physics. He is currently undertaking Doctor of Philosophy in Applied Mathematics from University of Eldoret.</p> <p>Hon.Chepkwony started his teaching career on January 1997 at Sacho High School and later became a senior graduate teacher at Kapropita Girls High school from January 2005 to December 2006.</p> <p>After leaving the teaching career, HE. Chepkwony joined the Ministry of youth affairs and sports in January 2007 as a district youth officer and rose through the ranks until he</p>

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	<p>become assistant director, youth training in the state department of vocational and technical training in 2017. He has also taught at Moi University and University of Eldoret (Chepkoilel) since 2005 to 2012 as a part time lecturer having taught students ranging from 1<sup>st</sup> to 4<sup>th</sup> years. He brings on board 20 years' experience in public service in the field of education, training and management which is very instrumental in steering the County's affairs.</p>
<p>5. David Rerimoi</p> 	<p>Year of birth 1980 Key Qualifications: Masters in Business Administration(UON) ,BCOM,CPA(K) Senior Management Course, SLDP</p>
<p>6. Joseph Korir</p>	<p>Member of the Committee. Chairman Public Service Board</p>
<p>7. Gikono Kiptoo</p> 	<p>Year of Birth:1980 Key Qualifications: Masters in Business Administration (JKUAT),BCOM,CPA(K) Senior Management Course.</p>
<p>8. Julius Tarus</p>	<p>Member of the Committee. County Attorney</p>

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**4. Management Team**

Name	Details of qualifications and experience
<p>1. Gikono Kiptoo</p> 	<p>Chief Officer Finance and Revenue Management Year of Birth:1980 Key Qualifications: Masters in Business Administration (JKUAT),BCOM,CPA(K) Senior Management Course.</p>
<p>2. David Rerimoi</p> 	<p>Director Accounting Services. Fund Administrator. Year of birth 1980 Key Qualifications: Masters in Business Administration(UON) ,BCOM,CPA(K) Senior Management Course, SLDP</p>
<p>3. Nicholas Kiprotich</p> 	<p>Chief Accountant Year of birth 1981 Key Qualifications: Masters in Business Administration(UON) ,BCOM Senior Management Course, SLDP</p>
<p>4. Francis Karimi</p> 	<p>Senior Accountant Year of Birth 1981 Key Qualifications: BCOM,CPA(K) Senior Management Course</p>


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**5. Fund Chairman's Report**

It is my pleasure to present the Baringo County Executive Members Mortgage Scheme Fund financial statements for the year ended 30 June 2023. The financial statements present the financial performance of the Fund over the past year. During the year under review, the fund did witness a change in the composition of its board and management team. Reuben Ruto took over Chairpersons position from Elijah Kipkoros. New members are Wilson Cheserek Ruto, Zachary Kiprotich, Jacob Chepkwony and Gikono Kiptoo. Joseph Korir, and Julius Tarus remained as members.

The total income was ksh1,631,542 while total expenses was Ksh 103,671. During the year ended 30 June 2023, mortgage disbursements was Ksh7,500,000 and a total of ksh4,155,675.04 was received as proceeds from loan principal repayments. During the year ended 30 June 2023, the Fund realized a surplus of Ksh 1,527,871. Total assets held at the end of financial year was Ksh 64,789,491 with Long Term Receivable from exchange transaction being Ksh43,361,338. The Fund intends to transfer its lending activity to a reputable Commercial Bank. In conclusion, FY 2022/2023 was not a good year in general despite the good progress made and the momentum created to enable the Fund on a trajectory into prosperity because of defaulted loans created by leadership change in the county. However, the Fund has been instrumental in facilitating the Members purchase or develop residential property to improve their welfare and enable them deliver on their mandate. I thank all Members and staff in the entire County Executive for their continued commitment and dedication through hard work in delivering services to the people of Baringo County.

Name.....*Reuben C. Ruto*.....Signature..........Date.....*5/1/2024*.....  
Chairperson

Baringo County Executive Mortgage Scheme Fund

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**Annual Report and Financial Statements for the year ended June 30, 2023**

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**6. Report of the Fund Administrator**

The financial statements present the financial performance of the Fund over the past year. During the year under review, the fund did witness a change in the composition of its board and management team. Reuben Ruto took over Chairpersons position from Elijah Kipkoros.

New members are Wilson Cheserek Ruto, Zachary Kiprotich, Jacob Chepkwony and Gikono Kiptoo. Joseph Korir, and Julius Tarus remained as members.

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**7. Statement of Performance against the County Fund’s Predetermined Objectives**

**Introduction**

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

The key development objectives of the Fund as per the annual plan for 2022-2023 Financial Year are to:

- a. Provide a loan scheme for the purchase, development, renovation or repair of residential property for state officers and public servants as prescribed by Salaries and Remuneration Commission.
- b. Ensure the stated money is used for the intended purpose by putting control measures.
- c. Recovery of loans in time.
- d. Adherence to regulations governing Baringo County Executive Mortgage Scheme Fund.
- e. Train the fund management committee.
- f. Grow the fund using internal and external sources.

**Progress on attainment of Strategic development objectives**

Below we provide the progress on attaining the stated objectives:

<b>Program</b>	<b>Objective</b>	<b>Outcome</b>	<b>Indicator</b>	<b>Performance</b>
Loan for state officers and Public servants	Employee motivation	Increased number of staff owning residential houses in the County	% of staff who have accessed mortgage loans.	In FY 2022/2023, three employees accessed mortgage loans
Usage of mortgage	Used for residential houses	Increased number of residential	% of staff who owns residential	In FY 2022/2023,

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		property	property	state officers and public servant benefited from mortgage loans.
Mortgage recovery	Quality revolving fund	Zero arrears	% of good loans	In FY 2022/2022, mortgage loan recovery was below average.
Legal adherence	Compliance to regulations	Zero deviation from the regulations	Number of queries and court cases on mortgage loans	In FY 2022/2023, a number of mortgage loans had compliance issues.
Training	Employees awareness and fund management committee training	Well trained Baringo County Executive Mortgage Scheme Fund committee. Employee awareness on mortgage loans.	Number of trainings. Number of mortgage loan applications.	In FY 2022/2023 no training was conducted however 3 applications were received.

## **8. Corporate Governance Statement**

Baringo County Executive Members Mortgage Scheme Fund remains committed to the highest standards of corporate governance and ethics in order to deliver long term and sustainable stakeholder value. It continues to adhere to its obligations as a public entity in Kenya in compliance with Code of Corporate Governance Practices.

The primary role of Baringo County Executive Members Mortgage Scheme Fund is to:

- Process applications for loans in accordance with the existing terms and conditions of borrowing;
- Liaise with the housing company (if any) to set up a revolving fund for the disbursements of the loans; and
- Supervise the day-to-day running of the Fund so as to achieve sustainable long-term success.

The Committee is solely responsible for its agenda. However, it is the responsibility of the chairman and the fund secretary to come up with the annual committee work plan and an agenda for the meetings. Baringo County Executive Members Mortgage Scheme Fund meets at least four times a year and the meetings are structured in a way that allows for open discussions. During financial year 2022-2023, the Loans Management Committee held 2 meetings. The meetings of the Committee are convened by the Chairperson or in the absence of the Chairperson, by a member designated by the Chairperson and shall be convened at such times as may be necessary for the discharge of the Committee's functions. The quorum for a meeting of the Committee shall be Chairperson and any other three members.

Comprehensive board papers are prepared and circulated to all fund committee members for all substantive agenda items at least two weeks prior to the meeting. This allows time for the committee members to undertake an appropriate review of the board papers to facilitate full and effective discussions at the meetings.

The Board Charter is critical to the funds governance framework, and offers guidance on matters including but not limited to the following; The separation of the roles, functions, responsibilities and powers of the fund management committee and its individual members; Powers delegated to the fund committees; Matters reserved for final decision-making and approval by the fund management committee; Policies and practices of the fund management on matters of corporate governance, committees' declarations and conflict of interest, conduct of fund and fund

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committee meetings; and Nomination, appointment, induction, on-going training and performance evaluation of the fund and its committees.

The committee members and chairman are obligated to fully disclose any real or potential conflict of interest, which comes to any committee's attention, whether direct or indirect. The statutory duty to avoid situations in which the committee have or may have interests that conflict with those of the fund has been observed by the board in the financial year under review. All business transactions with all parties, committee or their related parties are carried out at arm's length. An acknowledgement that should it come to the attention of a committee member that a matter concerning the fund may result in a conflict of interest, obligates the fund committee member to declare the same and exclude himself / herself from any discussion or decision over the matter in question.

Baringo County Executive Members Mortgage Scheme Fund committee members are expected to act with honesty, integrity and fairness in all their dealings with one another and with stakeholders and to respect the diverse cultures of the Kenyan people. The fund adopted Baringo County Government code of conduct. When joining the Fund management, every committee members are provided with a copy of the code and must commit to abide by its requirements.

Committee members undergo regular training and education to enable them fulfil their responsibilities. All members receive an induction upon joining. This provides an overview of the fund, new developments in the environment in which the fund operates, accounting and financial reporting developments, as well as any regulatory changes. Committee members are appointed depending on the departmental representation however the committee is made up of employees on contract and permanent terms. This ensures that there is continuity at all times. The annual financial statements of the Fund are subject to audit by the Auditor- General. Fund committee members are not paid sitting allowance as the management of the fund is within their mandate.

**Baringo County Executive Mortgage Scheme Fund**  
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**9. Management Discussion and Analysis**

During the period under review, the total income was ksh 1,631,542.03 (2021/2022 was ksh 1,560,822.65). For the year under review, total expenses were ksh 103,671 while in the year 2021/2022 was ksh 2,025. During the year ended 30 June 2023, the Fund realized a surplus of Ksh 1,527,871.03 compared to ksh 1,558,797.65 in FY 2021/2022. During the year ended 30<sup>th</sup> June 2023, a total of Ksh 7,500,000 was disbursed but a total of ksh 4,155,675.04 was received as proceeds from loan principal repayments. The current portion of long-term receivables from exchange transactions was ksh 19,289,859.38 (ksh 13,037,150.21 in FY 2021/2022). Long term receivables from exchange transactions was ksh 43,361,338.23 ( ksh 46,286,287.02 in FY 2021/2022). Total revolving fund was ksh 63,337,985 (ksh 61,769,167.32 in FY 2021/2022). Total assets stands at ksh 64,789,491.61 against ksh 64,340,160 in the previous year.

Baringo County Executive Members Mortgage Scheme Fund is in the process of engaging financial institution to manage the fund. The major risk facing the Fund is loan default in case of the death of a member. However, this risk has been mitigated by insuring all the members' loans for the benefit of the member of the scheme. This ensures that in the unfortunate death of a member of the Fund, the loan balance due to the Fund will be reimbursed by the insurance company. Further, the fund has never met its statutory obligation on the Fringe Benefit tax.

Where a repayment of loan is not made in accordance with the terms and conditions of the Regulations, the sums of money due and owing to the Fund shall be recoverable by the Loans Committee, without prejudice to any other remedy, in civil proceedings in the High Court.

All mortgages granted to the Members are currently being recovered through the payroll check-off system from the members' monthly emolument. There is currently no major financial improbity as reported by internal audit/Board audit committee, external auditors, or other County Government Agencies providing oversight.

## **10. Environmental and Sustainability Reporting**

Baringo County Executive Members Mortgage Scheme Fund exists to transform lives. We recognize that Corporate Social Investment (CSI) issues are of increasing importance to our stakeholders. Thus, a tradition that ensures we operate our business in a responsible manner at all times for the benefit of our customers, staff, suppliers, and the wider community. We exercise CSI by partnering with and investing in communities to find sustainable solutions. We also encourage employees of Baringo County Government to take part in CSI initiatives aimed at improving the standards of living of the communities that they come from. Our CSI activities for the financial year under review are disclosed herein.

### **1. Sustainability strategy and profile -**

Sustainable efforts adopted by the fund include recycling, reducing and reuse programs. Further, the fund has adopted responsible disposal and promotion of sustainable consumption of building materials.

### **2. Environmental performance**

Baringo County Executive Members Mortgage Scheme Fund aims to minimize any harmful effects and consider the development and implementation of environmental standards that are compatible with the topography of Baringo County. As such, we strongly encourage the internationally established 3 Rs: Reduce, Re-use and Recycle. Through the County department of Environment, the fund has a policy to guide its operations. Further, fund regulations stipulate adoption of environmentally compatible buildings and respect for environment. We seek to identify opportunities to optimise consumption of energy, water and other natural resources by striving to re-use and recycle where possible and dispose of non-recyclable items responsibly, thereby minimizing negative impact of waste on the environment.

### **3. Employee welfare**

Hiring process is guided by the Human Resource Manual. This is undertaken by the department of Human resource after receiving request from Baringo County Executive Members Mortgage Scheme Fund. Staff is trained periodically on professional issues.

### **4. Market place practices**

#### **a) Responsible competition practice.**

Baringo County Executive Members Mortgage Scheme Fund has maintained responsible competition practices by adopting various strategies. Code of ethics and anti- corruption

**Baringo County Executive Mortgage Scheme Fund**  
**Annual Report and Financial Statements for the year ended June 30, 2023**

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declaration form is used to reduce instances of corruption malpractices. Open tenders, framework contracts and quotations are used to maintain fair competition amongst suppliers. Declaration of conflict of interest is usually adopted to avoid instances where stakeholders interfere with the activities of the fund.

b) Responsible Supply chain and supplier relations

Baringo County Executive Members Mortgage Scheme Fund maintains good business practices with suppliers through timely provision of information, prompt payments, good communication and proper record keeping of supplier documents. This has resulted in harmonious relationship.

c) Responsible marketing and advertisement

During members' awareness and loan recovery, Baringo County Executive Members Mortgage Scheme Fund ensures that advertisements are structured in such a manner that it does not infringe the rights of citizens and also ensures that confidentiality is kept.

d) Product stewardship

While making mortgage loans approval, Baringo County Executive Members Mortgage Scheme Fund committee ensures that members' rights and interest are protected apart from adhering to the recommended quality standards for the purpose of ensuring safety of beneficiaries.

5. **Corporate Social Responsibility**

- Training staff on mortgage loan.
- Advisory services to its members on green building technology.

**Baringo County Executive Mortgage Scheme Fund  
Annual Report and Financial Statements for the year ended June 30, 2023**

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**11. Report of the Trustees**

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

**Principal activities**

The principal activities of the Fund are to continue in provision of loan scheme for the purchase, development, renovation or repair of residential property by members of the County Executive as prescribed by the Salaries and Remuneration Commission.

**Results**

The results of the Fund for the year ended June 30, 2023 are set out on page 1-7

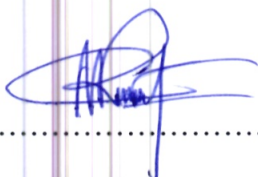
**Fund Management Committee**

The members of the Board of Trustees who served during the year are shown on page Vii to x. During the year, some changes took place in the Fund Management Committee. Elijah Kipkoros, David Sergon, Richard Rotich and Jane Barus left service due to a change in county leadership. Jacob Chepkwony, Reuben Ruto, Zachary Kiprotich and Wilson Cheserek joined the committee.

**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 Board



.....  
**Chair of the Fund Administration Committee**

**Date:**

5/1/2024

## **12. Statement of Management's Responsibilities**

Section 167 of the Public Finance Management Act, 2012 requires that, at the end of each financial year, the Administrator of a County Public Fund established by Public Finance Management Act 2012(Baringo County Executive Members Mortgage Scheme Fund Regulations 2016) shall prepare financial statements for the Fund in accordance with the standards and formats prescribed by the Public Sector Accounting Standards Board.

The Administrator of the County Public Fund is responsible for the preparation and presentation of the Fund's financial statements, which give a true and fair view of the state of affairs of the Fund for and as at the end of the financial year ended on June 30, 2023. This responsibility includes: (i) maintaining adequate financial management arrangements and ensuring that these continue to be effective throughout the reporting period; (ii) maintaining proper accounting records, which disclose with reasonable accuracy at any time the financial position of the Fund; (iii) designing, implementing and maintaining internal controls relevant to the preparation and fair presentation of the financial statements, and ensuring that they are free from material misstatements, whether due to error or fraud; (iv) safeguarding the assets of the Fund; (v) selecting and applying appropriate accounting policies; and (vi) making accounting estimates that are reasonable in the circumstances.

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

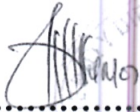
In preparing the financial statements, the Administrator of the County Public Fund has assessed the Fund's ability to continue as a going concern and disclosed, as applicable, matters relating to the use of going concern basis of preparation of the financial statements.

**Baringo County Executive Mortgage Scheme Fund  
Annual Report and Financial Statements for the year ended June 30, 2023**

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**Approval of the financial statements**

The Fund's financial statements were approved by the Board on 05/01 2023 and signed on its behalf by:

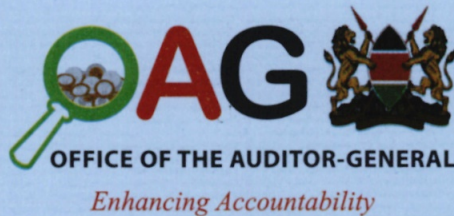


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**Fund Administrator**

# REPUBLIC OF KENYA

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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 EXECUTIVE MORTGAGE SCHEME FUND FOR THE YEAR ENDED 30 JUNE, 2023**

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### **PREAMBLE**

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

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

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

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

### **REPORT ON THE FINANCIAL STATEMENTS**

#### **Qualified Opinion**

I have audited the accompanying financial statements of Baringo County Executive Mortgage Scheme Fund set out on pages 1 to 44, which comprise the statement of financial position as at 30 June, 2023 and the statement of financial performance, statement of changes in net assets, statement of cash flows and statement of comparison of budget and actual amounts for the year then ended and a summary of significant

accounting policies and other explanatory information in accordance with the provisions of Article 229 of the Constitution of Kenya and Section 35 of the Public Audit Act, 2015. I have obtained all the information and explanations which to the best of my knowledge and belief, were necessary for the purpose of the audit.

In my opinion, except for the effect of the matters described in the Basis for Qualified Opinion section of my report, the financial statements present fairly, in all material respects, the financial position of the Baringo County Executive Mortgage Scheme Fund as at 30 June, 2023 and of its financial performance and its cash flows for the year then ended, in accordance with International Public Sector Accounting Standards (Accrual Basis) and comply with the Public Finance Management Act, 2012 and the Public Finance Management (Baringo County Executive Mortgage Scheme Fund) Regulations, 2018.

## **Basis for Qualified Opinion**

### **1. Inaccuracies in the Financial Statements**

#### **1.1 Net Assets**

The statement of financial position reflects net assets amounting to Kshs.64,789,492 which differs with the total net assets and liabilities amounting to Kshs.64,855,836 resulting to a variance of Kshs.66,344 resulting in an imbalanced statement of financial position.

#### **1.2 Revolving Fund**

The statement of financial position reflects revolving fund balance of Kshs.63,327,965 which differs with the statement of changes in net assets balance of Kshs.60,052,160 in resulting to an unreconciled and unexplained variance of Kshs.3,275,805.

#### **1.3 Accumulated Surplus**

The statement of financial position reflects accumulated surplus balance of Kshs.1,527,871 which differs with the statement of changes in net assets balance of Kshs.4,803,675 resulting to an unreconciled and unexplained variance of Kshs.3,275,804.

Further, the statement of changes in net assets reflects comparative surplus balance of Kshs.3,275,804 which differs from the previous audited balance of Kshs.1,558,798 resulting to overstatement by Kshs.1,717,007.

#### **1.4 Statement of Cash Flows**

The statement of cash flows reflects interest received amounting to Kshs.1,074,467 which differs with the amount reflected in the statement of financial performance of Kshs.1,631,542 resulting to an unreconciled and unexplained variance of Kshs.557,075.

Further, the statement reflects net cash flows from operating activities amounting to Kshs.465,896 which differs with the nil amount reflected in Note 25 to the financial

statements. The statement also reflects other payments amounting to Kshs.504,900 which was not reflected in the statement of financial performance.

In the circumstances, the accuracy of the financial statements balances could not be ascertained.

## **2. Unsupported Balances - Receivables from Exchange Transactions**

The statement of financial position and as disclosed in Note 13 to the financial statements reflects a balance of Kshs.19,289,859 in respect to current portion of long-term receivables from exchange transactions. However, the supporting schedule provided reflected an amount of Kshs.5,293,164 resulting in a variance of Kshs.13,996,695 which has not been explained or reconciled.

Further, the statement of financial position and as disclosed in Note 13 to the financial statements reflects a balance of Kshs.43,361,338 in respect to long term receivables from exchange transactions. However, ageing analysis for the receivables was not provided for audit.

In the circumstances, the accuracy and completeness of the long-term receivables from exchange transactions could not be confirmed.

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

### **Emphasis of Matter**

#### **Budgetary Control and Performance**

The statement of comparison of budget and actual amounts reflects total revenue budget and actual on comparable basis of Kshs.57,500,000 and Kshs.1,631,542 respectively, resulting to underfunding of Kshs.55,868,457 or 97% of the budget. Further, the Fund spent an amount of Kshs.103,671 against an approved budget expenditure of Kshs.755,000 resulting to an under-expenditure of Kshs.651,329. The underfunding and underutilization of the Fund impacted on the planned activities of the Fund while the Management was in breach of the law.

My opinion is not modified in respect of this matter.

### **Key Audit Matters**

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

## **Other Matter**

### **Unresolved Prior Year Matters**

Various prior year audit issues remained unresolved as at 30 June, 2022. Management did not provide evidence of progress made in resolving the prior year audit issues. This was contrary to the requirements of the Public Sector Accounting Standards Board reporting guidelines.

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

### **Conclusion**

As required by Article 229(6) of the Constitution and based on the audit procedures performed, except for the matters described in the Basis for 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. Loans Issued Without Requisite Documents**

The statement of financial position reflects long-term receivables balance of Kshs.43,361,338 which includes disbursements of Kshs.9,000,000 to three (3) applicants in previous year. However, the loans were not supported by way of loan applications, design of house plans duly approved by the relevant Government departments, bill of quantities, official search for titles to the property, certified copies of sale agreement and valuation report from registered valuers. This is contrary to Section 9 of the Public Finance Management (Baringo County Executive Mortgage Scheme Fund) Regulation, 2018. Further, the mortgage granted to members were not approved by the Fund administration Committee pursuant to Section 7(3) of the Fund Regulation.

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

#### **2. Lack of Mortgage Protection Policy**

The statement of financial position reflects current portion of long-term receivables and long-term receivables from exchange transaction balance of Kshs.19,289,859 and Kshs.43,361,338 respectively, all amounting to Kshs.62,651,197. However, no mortgage protection policy has been taken against the assets financed or any charges registered against the properties. Further, the Fund Administration Committee did not take custody of the ownership documents and title deeds contrary to Section 19(b) of the Public Finance Management (Baringo County Executive Mortgage Scheme Fund) Regulations 2018. This implies that the Fund may not recover the outstanding loan balance in an event of default of repayment.

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

The audit was conducted in accordance with the International Standards for Supreme Audit Institutions (ISSAI) 4000. The Standard requires that I comply with ethical requirements and plan and perform the audit to obtain assurance about whether the activities, financial transactions and information reflected in the financial statements was 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 THE EFFECTIVENESS OF INTERNAL CONTROLS, RISK MANAGEMENT AND GOVERNANCE

### **Conclusion**

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

### **Basis for Conclusion**

#### **Lack of a Risk Management and Fraud Policies**

During the year under review, the Fund's Management did not have in place a risk management and fraud policy. This is contrary to Regulation 158(1)(a) and (b) of the Public Finance Management (County Governments) Regulations, 2015 which requires the Accounting Officer to develop risk management strategies which include fraud prevention mechanism and internal control that builds robust business operations. Further, disaster recovery and business continuity plans were not in place.

In the circumstances, it has not been possible to confirm whether the internal controls built within the financial and operational systems were functioning as intended during the year under review.

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

### **Responsibilities of the Management and those Charged with Governance**

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

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

### **Auditor-General's Responsibilities for the Audit**

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

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

Further, in planning and performing the audit of the financial statements and audit of compliance, I consider internal control in order to give an assurance on the effectiveness of internal controls, risk management and overall governance processes and systems in accordance with the provisions of Section 7(1) (a) of the Public Audit Act, 2015 and submit the audit report in compliance with Article 229(7) of the Constitution. My consideration of the internal control would not necessarily disclose all matters in the internal controls that

might be material weaknesses under the ISSAIs. A material weakness is a condition in which the design or operation of one or more of the internal 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 policies and procedures may deteriorate.

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

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

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

  
FCPA Nancy Gathungu, CBS  
AUDITOR-GENERAL

Nairobi

22 March, 2024

**Baringo County Executive Mortgage Scheme Fund  
Annual Report and Financial Statements for the year ended June 30, 2023**

**14. Statement of Financial Performance for the Year ended 30<sup>th</sup> June 2023**

	Note	2022-2023	2021-2022
		Kshs	Kshs
<b>Revenue From Non-Exchange Transactions</b>			
Public Contributions and Donations	1	-	-
Transfers From the County Government	2	-	-
Fines, Penalties and Other Levies	3	-	-
		-	-
<b>Revenue From Exchange Transactions</b>			
Interest Income	4	1,631,542.03	1,560,822.65
Other Income	5	-	-
<b>Total Revenue</b>		<b>1,631,542.03</b>	<b>1,560,822.65</b>
<b>Expenses</b>			
Employee Costs	6	-	-
Use of goods and services	7	103,671.00	2,025.00
Depreciation and Amortization Expense	8	-	-
Finance Costs	9	-	-
<b>Total Expenses</b>		<b>103,671.00</b>	<b>2,025.00</b>
<b>Other Gains/Losses</b>			
Gain/Loss on Disposal of Assets	10	-	-
<b>Surplus/(Deficit) For The Period</b>		<b>1,527,871.03</b>	<b>1,558,797.65</b>



05 JAN 2024

BARINGO COUNTY GOVERNMENT  
P.O. BOX 53-30400 KABARNET

Name: David Rerimoi  
Administrator of the Fund  
ICPAK M/No: 6624



Name: Nicholas Kiprotich  
Fund Accountant

FUND ACCOUNTANT  
BARINGO COUNTY GOVERNMENT

04 JAN 2024

P O BOX 53.30400 KABARNET

**Baringo County Executive Mortgage Scheme Fund**  
**Annual Report and Financial Statements for the year ended June 30, 2023**

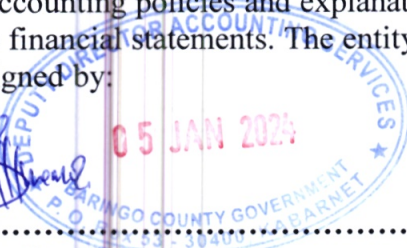

**15. Statement of Financial Position as at 30<sup>th</sup> June 2023**

	Note	2022-2023	2021-2022
		Kshs	Kshs
<b>Assets</b>			
<b>Current Assets</b>			
Cash and Cash Equivalents	12	2,138,294.00	5,016,723.55
Current Portion of Long- Term Receivables From Exchange Transactions	13	19,289,859.38	13,037,150.21
Prepayments	14	-	-
Inventories	15	-	-
		<b>21,428,153.38</b>	<b>18,053,873.76</b>
<b>Non-Current Assets</b>			
Property, Plant and Equipment	17		-
Intangible Assets	18	-	-
Long Term Receivables from Exchange Transactions	13	43,361,338.23	46,286,287.02
		<b>43,361,338.23</b>	<b>46,286,287.02</b>
<b>Total Assets</b>		<b>64,789,491.61</b>	<b>64,340,160.78</b>
<b>Liabilities</b>			
<b>Current Liabilities</b>			
Trade and Other Payables from Exchange Transactions	20	-	992,069.65
Provisions	21	-	-
Current Portion of Borrowings	22	-	-
Employee Benefit Obligations	23	-	-
		-	<b>992,069.65</b>
<b>Non-Current Liabilities</b>			
Non-Current Employee Benefit Obligation	23	-	-
Long Term Portion of Borrowings	22	-	-
<b>Total Liabilities</b>		-	<b>992,069.65</b>
<b>Net Assets</b>		<b>64,789,491.61</b>	<b>63,348,091.13</b>
Revolving Fund		63,327,964.98	60,052,160.64
Reserves			-
Accumulated Surplus		1,527,871.03	3,275,805.34
<b>Total Net Assets and Liabilities</b>		<b>64,855,836.15</b>	<b>63,327,964.98</b>

**Baringo County Executive Mortgage Scheme Fund  
Annual Report and Financial Statements for the year ended June 30, 2023**

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



.....  
**Name: David Rerimoi**  
**Administrator of the Fund**  
**ICPAK Member Number: 6624**



.....  
**Name: Nicholas Kiprotich**  
**Fund Accountant**

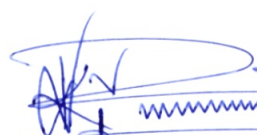
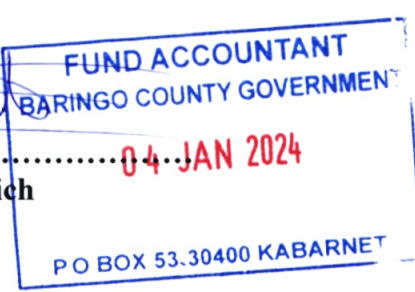
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**Baringo County Executive Mortgage Scheme Fund**  
**Annual Report and Financial Statements for the year ended June 30, 2023**

**16. Statement of Changes in Net Assets for the year ended 30<sup>th</sup> June 2023**

	Revolving Fund	Revaluation Reserve	Accumulated surplus	Total
		Kshs	Kshs	Kshs
<b>Balance As At 1 July 2021</b>	<b>60,052,160.00</b>	-	-	<b>60,052,160.00</b>
Surplus/(Deficit) For the Period	-	-	3,275,804.00	<b>3,275,804.00</b>
Funds Received During the Year	-	-	-	-
Transfers	-	-	-	-
Revaluation Gain	-	-	-	-
<b>Balance As At 30 June 2022</b>	<b>60,052,160.00</b>	-	<b>3,275,804.00</b>	<b>63,327,985.12</b>
<b>Balance As At 1 July 2022</b>	<b>60,052,160.00</b>	-	<b>3,275,804.00</b>	<b>63,327,985.12</b>
Surplus/(Deficit)For the Period	-	-	1,527,871.03	<b>1,527,871.03</b>
Funds Received During the Year	-	-	-	-
Transfers	-	-	-	-
Revaluation Gain	-	-	-	-
<b>Balance As At 30 June 2023</b>	<b>60,052,160.00</b>	-	<b>4,803,675.03</b>	<b>64,855,856.16</b>

  
  
 Name: David Rerimoi  
 Administrator of the Fund  
 ICPAK Member Number: 6624

  
  
 Name: Nicholas Kiprotich  
 Fund Accountant


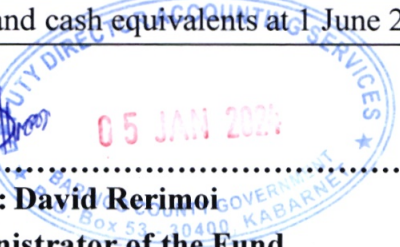
**Baringo County Executive Mortgage Scheme Fund**  
**Annual Report and Financial Statements for the year ended June 30, 2023**

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

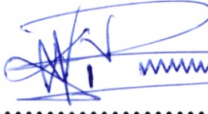
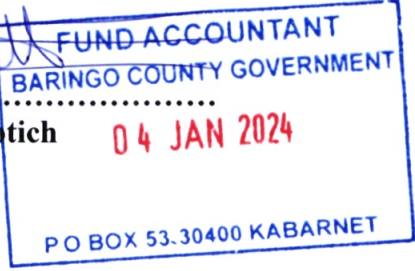
	Note	2022-2023	2021-2022
		Kshs	Kshs
<b>Cash flows from operating activities</b>			
<b>Receipts</b>			
Public contributions and donations		-	-
Transfers from the county government		-	-
Interest received		1,074,466.78	1,521,953.24
Receipts from other operating activities		-	821,546.65
Mortgage payments erroneously banked in car loan fund		-	-
<b>Total receipts</b>		<b>1,074,466.78</b>	<b>2,343,499.89</b>
<b>Payments</b>		-	
Fund administration expenses		(103,671.00)	(2,025.00)
General expenses		-	-
Finance cost		-	-
Other payments		(504,900.00)	(1,482,415.00)
<b>Total Payments</b>		<b>(608,571.00)</b>	<b>(1,484,440.00)</b>
<b>Net cash flows from operating activities</b>		<b>465,895.78</b>	<b>859,059.89</b>
<b>Cash flows from investing activities</b>		-	-
Purchase of property, plant, equipment and Intangible assets		-	-
Proceeds from sale of property, plant& equipment		-	-
Proceeds from loan principal repayments		4,155,675.04	5,048,410.16
Loan disbursements paid out		(7,500,000.00)	(9,000,000.00)
<b>Net cash flows used in investing activities</b>		<b>(3,344,324.96)</b>	<b>(3,951,589.84)</b>
<b>Cash flows from financing activities</b>		-	-
Proceeds from revolving fund receipts		-	-
Additional borrowings		-	-
Repayment of borrowings		-	-
<b>Net cash flows used in financing activities</b>		-	-
<b>Net increase/(decrease) in cash &amp; cash Equivalents</b>		<b>(2,878,429.18)</b>	<b>(3,092,529.96)</b>

**Baringo County Executive Mortgage Scheme Fund  
Annual Report and Financial Statements for the year ended June 30, 2023**

Cash and cash equivalents at 1 July 2022	12	5,016,723.54	8,109,253.50
Cash and cash equivalents at 1 June 2023		<b>2,138,294.37</b>	<b>5,016,723.54</b>

  
  
**05 JAN 2024**

.....  
**Name: David Rerimoi**  
**Administrator of the Fund**  
**ICPAK Member Number: 6624**

  
  
**04 JAN 2024**

.....  
**Name: Nicholas Kiprotich**  
**Fund Accountant**

**18. Statement of Comparison of Budget and Actual Amounts for the Period**

	Original budget	Adjustments	Final budget	Actual on comparable basis	Performance difference	% Utilisation
	2023	2023	2023	2023	2023	2023
<b>Revenue</b>	<b>Kshs</b>	<b>Kshs</b>	<b>Kshs</b>	<b>Kshs</b>	<b>Kshs</b>	
Public Contributions And Donations	-	-	-	-	-	-
Transfers From County Govt.	56,000,000.00	-	56,000,000.00	-	56,000,000.00	0%
Interest Income	1,500,000.00	-	1,500,000.00	1,631,542.03	(131,542.03)	109%
Other Income	-	-	-	-	-	0%
<b>Total Income</b>	<b>57,500,000.00</b>	<b>-</b>	<b>57,500,000.00</b>	<b>1,631,542.03</b>	<b>55,868,457.97</b>	<b>3%</b>
<b>Expenses</b>						
Fund Administration Expenses	150,000.00	-	150,000.00	96,000.00	54,000.00	64%
General Expenses	605,000.00	-	605,000.00	7,671.00	597,329.00	1%
Finance Cost	-	-	-	-	-	0%
<b>Total Expenditure</b>	<b>755,000.00</b>	<b>-</b>	<b>755,000.00</b>	<b>103,671.00</b>	<b>651,329.00</b>	<b>14%</b>
<b>Surplus For The Period</b>				<b>1,527,871.03</b>	<b>55,217,128.97</b>	<b>3%</b>

**Baringo County Executive Mortgage Scheme Fund**  
**Annual Report and Financial Statements for the year ended June 30, 2023**

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**19. Notes to the Financial Statements**

**1. General Information**

Baringo County Executive Mortgage Scheme Fund is established by and derives its authority and accountability from The Public Finance Management Act, 2012. The entity is wholly owned by the Baringo County Government and is domiciled in Kenya. The entity's principal activity is lending funds for the purchase, development, renovation or repair of residential property by members of the County Executive as prescribed by the Salaries and Remuneration Commission..

**2. Statement of compliance and basis of preparation**

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

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

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

**(i) Relevant new standards and amendments to published standards effective for the year ended 30 June 2022**

IPSASB deferred the application date of standards from 1<sup>st</sup> January 2022 owing to Covid 19. This was done to provide entities with time to effectively apply the standards. The deferral was set for 1<sup>st</sup> January 2023.

**(ii) New and amended standards and interpretations in issue but not yet effective in the year ended 30 June 2022**

<b>Standard</b>	<b>Effective date and impact:</b>
<b>IPSAS 41: Financial Instruments</b>	<b>Applicable: 1<sup>st</sup> January 2023:</b> 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. IPSAS 41 provides users of financial statements with more useful

**Baringo County Executive Mortgage Scheme Fund  
Annual Report and Financial Statements for the year ended June 30, 2023**

Standard	Effective date and impact:
	<p>information than IPSAS 29, by:</p> <ul style="list-style-type: none"> <li>• Applying a single classification and measurement model for financial assets that considers the characteristics of the asset’s cash flows and the objective for which the asset is held;</li> <li>• Applying a single forward-looking expected credit loss model that is applicable to all financial instruments subject to impairment testing; and</li> <li>• Applying an improved hedge accounting model that broadens the hedging arrangements in scope of the guidance. The model develops a strong link between an Entity’s risk management strategies and the accounting treatment for instruments held as part of the risk management strategy.</li> </ul> <p><i>(State the impact of the standard to the Entity if relevant)</i></p>
<p><b>IPSAS 42: Social Benefits</b></p>	<p><b>Applicable: 1<sup>st</sup> January 2023</b></p> <p>The objective of this Standard is to improve the relevance, faithful representativeness and comparability of the information that a reporting Entity provides in its financial statements about social benefits. The information provided should help users of the financial statements and general-purpose financial reports assess:</p> <ul style="list-style-type: none"> <li>(a) The nature of such social benefits provided by the Entity;</li> <li>(b) The key features of the operation of those social benefit schemes; and</li> <li>(c) The impact of such social benefits provided on the Entity’s financial performance, financial position and cash flows.</li> </ul> <p><i>(State the impact of the standard to the Entity if relevant)</i></p>
<p>Amendments to Other IPSAS resulting from IPSAS</p>	<p><b>Applicable: 1st January 2023:</b></p> <ul style="list-style-type: none"> <li>a) Amendments to IPSAS 5, to update the guidance related to the components of borrowing costs which were inadvertently</li> </ul>

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Standard	Effective date and impact:
41, Financial Instruments	<p>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> <p><i>(State the impact of the standard to the Entity if relevant)</i></p>
Other improvements to IPSAS	<p><b>Applicable 1<sup>st</sup> January 2023</b></p> <ul style="list-style-type: none"> <li>• <i>IPSAS 22 Disclosure of Financial Information about the General Government Sector.</i></li> </ul> <p>Amendments to refer to the latest System of National Accounts (SNA 2008).</p> <ul style="list-style-type: none"> <li>• <i>IPSAS 39: Employee Benefits</i></li> </ul> <p>Now deletes the term composite social security benefits as it is no longer defined in IPSAS.</p> <ul style="list-style-type: none"> <li>• <b>IPSAS 29: Financial instruments: Recognition and Measurement</b></li> </ul> <p>Standard no longer included in the 2021 IPSAS handbook as it is now superseded by IPSAS 41 which is applicable from 1<sup>st</sup> January 2023.</p> <p><i>State the impact of the standard to the Entity if relevant</i></p>
IPSAS 43	<p><b>Applicable 1<sup>st</sup> January 2025</b></p> <p>The standard sets out the principles for the recognition, measurement, presentation, and disclosure of leases. The objective is to ensure that lessees and lessors provide relevant information in a manner that faithfully represents those transactions. This information gives a basis for users of financial statements to assess the effect that leases have on the financial position, financial performance and cashflows of an Entity.</p>

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Standard	Effective date and impact:
	<p>The new standard requires entities to recognise, measure and present information on right of use assets and lease liabilities.</p> <p><i>State the impact of the standard to the Entity if relevant</i></p>
<p>IPSAS 44: Non-Current Assets Held for Sale and Discontinued Operations</p>	<p><i>Applicable 1<sup>st</sup> January 2025</i></p> <p>The Standard requires,</p> <p>Assets that meet the criteria to be classified as held for sale to be measured at the lower of carrying amount and fair value less costs to sell and the depreciation of such assets to cease and:</p> <p>Assets that meet the criteria to be classified as held for sale to be presented separately in the statement of financial position and the results of discontinued operations to be presented separately in the statement of financial performance.</p> <p><i>State the impact of the standard to the Entity if relevant</i></p>

**(iii) Early adoption of standards**

The entity did not early – adopt any new or amended standards in year 2022.

**Baringo County Executive Mortgage Scheme Fund**  
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**1. Significant Accounting Policies**

**a) Revenue recognition**

**i. Revenue from non-exchange transactions**

**Transfers from other government entities**

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

**ii. Revenue from exchange transactions**

**Interest income**

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

**Dividends**

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

**Rental income**

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

**b) Budget information**

The original budget for FY 2022-2023 was approved by the County Assembly on 30<sup>th</sup> June 2022. Subsequent revisions or additional appropriations were made to the approved budget in accordance with specific approvals from the appropriate authorities. The additional appropriations are added to the original budget by the entity upon receiving the respective approvals in order to conclude the final budget. Accordingly, the Fund recorded additional appropriations of two on the FY 2022-2023 budget following the governing body's approval.

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

**Baringo County Executive Mortgage Scheme Fund**  
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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 of these financial statements.

**c) Property, plant and equipment**

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

**d) Intangible Assets**

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

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

**e) Investment property**

Investment properties are measured initially at cost, including transaction costs. The carrying amount includes the replacement cost of components of an existing investment property at the time that cost is incurred if the recognition criteria are met and excludes the costs of day-to-day maintenance of an investment property. Investment property acquired through a non-exchange transaction is measured at its fair value at the date of acquisition. Investment properties are derecognized either when they have been disposed of or when the investment property is permanently withdrawn from use and no future economic benefit or service potential is expected from its disposal. The difference between the net disposal proceeds and the carrying amount of the asset is recognized in the surplus or deficit in the period of de-recognition.

**Summary of Significant Accounting Policies (Continued)**

**f) Financial instruments**

IPSAS 41 addresses the classification, measurement and de-recognition of financial assets and financial liabilities, introduces new rules for hedge accounting and a new impairment model for financial assets. The entity does not have any hedge relationships and therefore the new hedge accounting rules have no impact on the County fund financial statements. A financial instrument is any contract that gives rise to a financial asset of one entity and a financial liability or equity instrument of another entity. At initial recognition, the entity measures a financial asset or financial liability at its fair value plus or minus, in the case of a financial asset or financial liability not at fair value through surplus or deficit, transaction costs that are directly attributable to the acquisition or issue of the financial asset or financial liability.

**Financial assets**

**Classification of financial assets**

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

**Subsequent measurement**

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

**Baringo County Executive Mortgage Scheme Fund**  
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**Summary of Significant Accounting Policies (Continued)**

**Amortized cost**

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

**Fair value through net assets/ equity**

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

**Fair value through surplus or deficit**

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

**Trade and other receivables**

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

**Impairment**

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

**Baringo County Executive Mortgage Scheme Fund**  
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**Significant Accounting Policies (Continued)**

**Financial liabilities**

**Classification**

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

**g) Inventories**

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

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

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

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

**h) Provisions**

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

**i) Social Benefits**

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

**Baringo County Executive Mortgage Scheme Fund**  
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*Summary of Significant Accounting Policies (Continued)*

**j) Contingent liabilities**

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

**Contingent assets**

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

**k) Nature and purpose of reserves**

The Entity creates and maintains reserves in terms of specific requirements.

**l) Changes in accounting policies and estimates**

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

**m) Employee benefits– Retirement benefit plans**

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

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

**Baringo County Executive Mortgage Scheme Fund**  
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*Summary of Significant Accounting Policies (Continued)*

**n) Foreign currency transactions**

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

**o) Borrowing costs**

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

**p) Related parties**

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

**q) Cash and cash equivalents**

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

**r) Comparative figures**

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

*Summary of Significant Accounting Policies (Continued)*

**5. Significant judgments and sources of estimation uncertainty**

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

**a) Estimates and assumptions –**

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

**b) Useful lives and residual values**

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

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

**c) Provisions**

Provisions were raised and management determined an estimate based on the information available.

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.

**Baringo County Executive Mortgage Scheme Fund**  
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**6. Notes to The Financial Statements**

**1. Public contributions and donations**

Description	2022-2023	2021-2022
	Kshs	Kshs
Donation From Development Partners	-	-
Contributions From The Public	-	-
<b>Total</b>	-	-

**2. Transfers from County Government**

Description	2022-2023	2021-2022
	Kshs	Kshs
Transfers From County Govt. –Operations	-	-
Payments By County On Behalf Of The Entity	-	-
Unconditional Development grants	-	-
<b>Total</b>	-	-

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

Description	2022-2023	2021-2022
	Kshs	Kshs
Late Payment Penalties	-	-
Fines	-	-
<b>Total</b>	-	-

**4. Interest income**

Description	2022-2023	2021-2022
	Kshs	Kshs
Interest Income from Mortgage Loans	1,631,542.03	1,560,822.65
Interest Income From Car Loans	-	-
Interest Income From Investments in financial assets	-	-
Interest Income On Bank Deposits	-	-
<b>Total Interest Income</b>	<b>1,631,542.03</b>	<b>1,560,822.65</b>

**Baringo County Executive Mortgage Scheme Fund**  
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**Notes to the Financial Statements Continued**

**5. Other income**

Description	2022-2023	2021-2022
	Kshs	Kshs
Insurance Recoveries	-	-
Income from Sale of Tender Documents	-	-
Bad debts recovered	-	-
Miscellaneous Income	-	-
<b>Total Other Income</b>	-	-

**6. Employee Costs**

Description	2022-2023	2021-2022
	Kshs	Kshs
Salaries And Wages	-	-
Staff Gratuity	-	-
Staff Training Expenses	-	-
Social Security Contribution	-	-
<b>Total</b>	-	-

**7. Use of Goods and Services**

Description	2022-2023	2021-2022
	Kshs.	Kshs.
General Office Expenses	-	-
Loan Processing Costs	-	-
Professional Services Costs	-	-
Administration Fees	96,000.00	-
Committee Allowances	-	-
Bank Charges	7,671.00	2,025.00
Provision For Doubtful Debts	-	-
Other	-	-
<b>Total</b>	<b>103,671.00</b>	<b>2,025.00</b>

**Baringo County Executive Mortgage Scheme Fund**  
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**8. Depreciation and Amortization Expense**

Description	2022-2023	2021-2022
	Kshs.	Kshs.
Property Plant and Equipment	-	-
Intangible Assets	-	-
<b>Total</b>	-	-

**9. Finance costs**

Description	2022-2023	2021-2022
	Kshs	Kshs
Interest On Bank Overdrafts	-	-
Interest On Loans From Banks	-	-
<b>Total</b>	-	-

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

Description	2022-2023	2021-2022
	Kshs	Kshs
Property, Plant and Equipment	-	-
Intangible Assets	-	-
<b>Total</b>	-	-

**11. Gain/ (loss) on Fair Value Investments**

Description	2022-2023	2021-2022
	Kshs	Kshs
Investments at Fair Value- Equity investments	-	-
Fair value – Investment property	-	-
Fair value- other financial assets (specify)	-	-
<b>Total Gain</b>	-	-

**12. Cash and cash equivalents**

Description	2022-2023	2021-2022
	Kshs	Kshs
Baringo County Car Loan Account	-	-
Baringo County Mortgage Account	2,138,294.00	5,016,723.55
Fixed Deposits Account	-	-

**Baringo County Executive Mortgage Scheme Fund**  
**Annual Report and Financial Statements for the year ended June 30, 2023**

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On – Call Deposits	-	-
Current Account	-	-
Others	-	-
<b>Total Cash and Cash Equivalentents</b>	-	-

**Baringo County Executive Mortgage Scheme Fund**  
**Annual Report and Financial Statements for the year ended June 30, 2023**

**Notes to the Financial Statements Continued**

Financial Institution	Account number	2022-2023	2021-2022
		Kshs	Kshs
<b>a) Fixed Deposits Account</b>			
Kenya Commercial Bank		-	-
Equity Bank, Etc.		-	-
<b>Sub- Total</b>		-	-
<b>b) On - Call Deposits</b>			
Kenya Commercial Bank		-	-
Equity Bank - Etc.		-	-
<b>Sub- Total</b>		-	-
<b>c) Current Account</b>			
Kenya Commercial Bank	1179329708	2,138,294.00	5,016,723.55
Bank B		-	-
<b>Sub- Total</b>		<b>2,138,294.00</b>	<b>5,016,723.55</b>
<b>d) Others(Specify)</b>			
Cash In Transit		-	-
Cash In Hand		-	-
<b>Sub- Total</b>		-	-
<b>Grand Total</b>		<b>2,138,294.00</b>	<b>5,016,723.55</b>

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

**13. Receivables from exchange transactions**

Description	2022-2023	2021-2022
	Kshs	Kshs
<b>Current Receivables</b>		
Interest Receivable	1,578,885.41	1,021,810.16
Current Loan Repayments Due	17,710,973.97	12,015,340.05
Other Exchange Debtors	-	-
Less: Impairment Allowance	-	-
<b>Total Current Receivables</b>	<b>19,289,859.38</b>	<b>13,037,150.21</b>
<b>Non-Current Receivables</b>		
Long Term Loan Repayments Due	43,361,338.23	46,286,287.02
<b>Total Non- Current Receivables</b>	<b>43,361,338.23</b>	<b>46,286,287.02</b>

**Baringo County Executive Mortgage Scheme Fund  
Annual Report and Financial Statements for the year ended June 30, 2023**

<b>Total Receivables From Exchange Transactions</b>	<b>62,651,197.61</b>	<b>59,323,437.23</b>
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**Notes to the Financial Statements Continued**

**Additional disclosure on interest receivable**

Description	2022-2023	2021-2022
	Kshs	Kshs
<b>Interest Receivable</b>		
Interest receivable from current portion of long-term loans of previous years	1,578,885.41	681,858.69
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	-	339,951.47
<b>Current loan repayments due</b>		
Current portion of long-term loans from previous years	6,630,018.68	3,062,938.50
Accrued principal from long-terms loans from previous periods	9,425,220.39	-
Current portion of long-term loans issued in the current year	1,655,734.90	2,638,968.70

**14. Prepayments**

Description	2022-2023	2021-2022
	Kshs	Kshs
Prepaid Rent	-	-
Prepaid Insurance	-	-
Prepaid Electricity Costs	-	-
Other Prepayments ( <i>Specify</i> )	-	-
<b>Total</b>	-	-

**15. Inventories**

Description	2022-2023	2021-2022
	Kshs	Kshs
Consumable Stores	-	-
Spare Parts and Meters	-	-
Catering	-	-
Other Inventories ( <i>Specify</i> )	-	-
<b>Total Inventories At The Lower Of Cost And Net Realizable Value</b>	-	-

**Baringo County Executive Mortgage Scheme Fund**  
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**Notes to the Financial Statements Continued**

**16. Investments in financial assets**

Description	2022-2023	2021-2022
	Kshs	Kshs
<b>a. Investment in Treasury bills and bonds</b>		
Financial institution		
CBK	-	-
CBK	-	-
Sub- total	-	-
<b>b. Investment with Financial Institutions/ Banks</b>		
Bank	-	-
Bank	-	-
Sub- total	-	-
<b>c. Equity investments (specify)</b>		
Equity/ shares	-	-
Sub- total	-	-
<b>Grand total</b>	-	-

**Movement of Equity Investments**

Impairment allowance/ provision	2022-2023	2021-2022
	Kshs	Kshs
At the beginning of the year	-	-
Purchase of investments in the year	-	-
Sale of investments during the year	-	-
Gain/(loss) in fair value of investments through surplus or deficit	-	-
<b>At the end of the year</b>	-	-

**e) Shareholding in other entities**

*For investments in equity share listed above, list down the equity investments under the following categories:*

Name of Entity where investment is held	No of shares			Nominal value of shares	Fair value of shares	Fair value of shares
	Direct shareholding	Indirect shareholding	Effective shareholding			
	%	%	%	Kshs	Current year	Prior year
Entity A	-	-	-	-	-	-
Entity B	-	-	-	-	-	-
Entity C	-	-	-	-	-	-
	-	-	-	-	-	-

**Baringo County Executive Mortgage Scheme Fund**  
**Annual Report and Financial Statements for the year ended June 30, 2023**

**Notes to The Financial Statements (Continued)**

**17. Property, plant and equipment**

	Land and Buildings	Motor vehicles	Furniture and fittings	Computers and office equipment	Total
Cost	Kshs	Kshs	Kshs	Kshs	Kshs
<b>At 1<sup>st</sup> July 2021</b>	-	-	-	-	-
Additions	-	-	-	-	-
Disposals	-	-	-	-	-
Transfers/Adjustments	-	-	-	-	-
<b>At 30<sup>th</sup> June 2022</b>	-	-	-	-	-
<b>At 1<sup>st</sup> July 2022</b>	-	-	-	-	-
Additions	-	-	-	-	-
Disposals	-	-	-	-	-
Transfer/Adjustments	-	-	-	-	-
<b>At 30<sup>th</sup> June 2023</b>	-	-	-	-	-
<b>Depreciation And Impairment</b>	-	-	-	-	-
At 1 <sup>st</sup> July 2020	-	-	-	-	-
Depreciation	-	-	-	-	-
Impairment	-	-	-	-	-
<b>At 30<sup>th</sup> June 2021</b>	-	-	-	-	-
<b>At 1<sup>st</sup> July 2021</b>	-	-	-	-	-
Depreciation	-	-	-	-	-
Disposals	-	-	-	-	-

**Baringo County Executive Mortgage Scheme Fund**  
**Annual Report and Financial Statements for the year ended June 30, 2023**

	Land and Buildings	Motor vehicles	Furniture and fittings	Computers and office equipment	Total
Cost	Kshs	Kshs	Kshs	Kshs	Kshs
Impairment	-	-	-	-	-
Transfer/Adjustment	-	-	-	-	-
<b>At 30<sup>th</sup> June 2022</b>	-	-	-	-	-
<b>Net Book Values</b>	-	-	-	-	-
<b>At 30<sup>th</sup> June 2021</b>	-	-	-	-	-
<b>At 30<sup>th</sup> June 2022</b>	-	-	-	-	-

**Baringo County Executive Mortgage Scheme Fund  
Annual Report and Financial Statements for the year ended June 30, 2023**

**Notes to The Financial Statements (Continued)**

**18. Intangible assets**

Description	2022-2023	2021-2022
	Kshs	Kshs
<b>Cost</b>		
<b>At Beginning of The Year</b>	-	-
Additions	-	-
<b>At End of The Year</b>	-	-
<b>Amortization And Impairment</b>		
<b>At Beginning of The Year</b>	-	-
Amortization	-	-
<b>At End of The Year</b>	-	-
Impairment Loss	-	-
<b>At End of The Year</b>	-	-
<b>NBV</b>	-	-

**19. Investment Property**

Description	2022-2023	2021-2022
	Kshs	Kshs
<b>At beginning of the year</b>	-	-
Additions	-	-
Disposal during the year	-	-
Depreciation	-	-
Impairment	-	-
Gain/(loss) in fair value (if fair value is elected)	-	-
<b>At end of the year</b>	-	-

**Baringo County Executive Mortgage Scheme Fund  
Annual Report and Financial Statements for the year ended June 30, 2023**

**Notes To The Financial Statements (Continued)**

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

Description	2022-2023		2021-2022	
	Kshs		Kshs	
Trade Payables	-		-	
Refundable Deposits	-		-	
Accrued Expenses	-		-	
Other Payables	-		-	
<b>Total Trade and Other Payables</b>	-		-	
<b>Ageing analysis(Trade and other payables)</b>	<b>Current FY</b>	<b>% of the Total</b>	<b>Comparative FY</b>	<b>% of the Total</b>
Under one year	-	%	-	%
1-2 years	-	%	-	%
2-3 years	-	%	-	%
Over 3 years	-	%	-	%
<b>Total (tie to above total)</b>	-		-	

**21. Provisions**

Description	Leave provision	Bonus provision	Other provision	Total
	Kshs	Kshs	Kshs	Kshs
Balance At the Beginning Of The Year	-	-	-	-
Additional Provisions	-	-	-	-
Provision Utilised	-	-	-	-
Change Due To Discount And Time Value For Money	-	-	-	-
Transfers From Non -Current Provisions	-	-	-	-
<b>Balance At The End of The Year</b>	-	-	-	-

**Baringo County Executive Mortgage Scheme Fund  
Annual Report and Financial Statements for the year ended June 30, 2023**

**Notes To The Financial Statements (Continued)**

**22. Borrowings**

Description	2022-2023	2021-2022
	Kshs	Kshs
<b>Balance At Beginning of The Period</b>	-	-
External Borrowings During the Year	-	-
Domestic Borrowings During the Year	-	-
Repayments Of External Borrowings During the Period	-	-
Repayments Of Domestic Borrowings During the Period	-	-
<b>Balance At End of The Period</b>	-	-

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

Description	2022-2023	2021-2022
	Kshs	Kshs
<b>External Borrowings</b>		
Dollar Denominated Loan From 'X Organization'	-	-
Sterling Pound Denominated Loan From 'Y Organization'	-	-
Euro Denominated Loan from Z Organization'	-	-
<b>Domestic Borrowings</b>		
Kenya Shilling Loan From KCB	-	-
Kenya Shilling Loan from Barclays Bank	-	-
Kenya Shilling Loan from Consolidated Bank	-	-
Borrowings From Other Government Institutions	-	-
<b>Total Balance at End of The Year</b>	-	-

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

Description	2022-2023	2021-2022
	Kshs	Kshs
Short Term Borrowings (Current Portion)	-	-
Long Term Borrowings	-	-
<b>Total</b>	-	-

**Baringo County Executive Mortgage Scheme Fund  
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**Notes To The Financial Statements (Continued)**

**23. Employee benefit obligations**

Description	Defined benefit plan	Post employment medical benefits	Other Provisions	2022-2023	2021-2022
	<b>Kshs</b>	<b>Kshs</b>	<b>Kshs</b>	<b>Kshs</b>	<b>Kshs</b>
Current Benefit Obligation	-	-	-	-	-
Non-Current Benefit Obligation	-	-	-	-	-
<b>Total</b>	-	-	-	-	-

**24. Social Benefit Liabilities**

Description	2022-2023	2021-2022
	<b>Kshs</b>	<b>Kshs</b>
Health social benefit scheme	-	-
Unemployment social benefit scheme	-	-
Orphaned and vulnerable benefit scheme	-	-
Elderly social benefit scheme	-	-
Bursary social benefits	-	-
<b>Total</b>	-	-
Current social benefits	-	-
Non-current social benefits	-	-
<b>Total (tie to totals above)</b>	-	-

**Baringo County Executive Mortgage Scheme Fund  
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**Notes To The Financial Statements (Continued)**

**25. Cash generated from operations**

Description	2022-2023	2021-2022
	Kshs	Kshs
<b>Surplus/ (Deficit) For the Year Before Tax</b>	-	-
<b>Adjusted For:</b>		
Depreciation	-	-
Amortisation	-	-
Gains/ Losses on Disposal of Assets	-	-
Interest Income	-	-
Finance Cost	-	-
<b>Working Capital Adjustments</b>		
Increase In Inventory	-	-
Increase In Receivables	-	-
Increase In Payables	-	-
<b>Net Cash Flow From Operating Activities</b>	-	-

**Baringo County Executive Mortgage Scheme Fund**  
**Annual Report and Financial Statements For the year ended 30<sup>th</sup> June 2023**

**Notes To The Financial Statements (Continued)**

**26. Related party balances**

**a) Nature of related party relationships**

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

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

**b) Related party transactions**

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

**c) Key management remuneration**

Description	2022-2023	2021-2022
	Kshs	Kshs
Board Of Trustees	-	-
Key Management Compensation	-	-
<b>Total</b>	-	-

**d) Due from related parties**

Description	2022-2023	2021-2022
	Kshs	Kshs
Due From Parent Ministry	-	-
Due From County Government	-	-
<b>Total</b>	-	-

**Baringo County Executive Mortgage Scheme Fund**  
**Annual Report and Financial Statements For the year ended 30<sup>th</sup> June 2023**

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**Other Disclosures Continued**

**e) Due to related parties**

Description	2022-2023	2021-2022
	Kshs	Kshs
Due To Parent Ministry	-	-
Due To County Government	-	-
Due To Key Management Personnel	-	-
<b>Total</b>	-	-

**27. Contingent assets and contingent liabilities**

Contingent Liabilities	2022-2023	2021-2022
	Kshs	Kshs
Court Case Against the Fund	-	-
Bank Guarantees	-	-
<b>Total</b>	-	-

**Baringo County Executive Mortgage Scheme Fund**  
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**Notes To The Financial Statements (Continued)**

**28. Financial risk management**

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

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

**a) Credit risk**

The Fund has exposure to credit risk, which is the risk that a counterparty will be unable to pay amounts in full when due. Credit risk arises from cash and cash equivalents, and deposits with banks, as well as trade and other receivables and available-for-sale financial investments. Management assesses the credit quality of each customer, taking into account its financial position, past experience and other factors. Individual risk limits are set based on internal or external assessment in accordance with limits set by the directors. The amounts presented in the statement of financial position are net of allowances for doubtful receivables, estimated by the entity's management based on prior experience and their assessment of the current economic environment. The carrying amount of financial assets recorded in the financial statements representing the entity's maximum exposure to credit risk without taking account of the value of any collateral obtained is made up as follows:

Description	Total amount Kshs	Fully performing Kshs	Past due Kshs	Impaired Kshs
<b>At 30 June 2023</b>				
Receivables From Exchange Transactions	-	-	-	-
Receivables From Non-Exchange Transactions	-	-	-	-
Bank Balances	-	-	-	-
<b>Total</b>	-	-	-	-
<b>At 30 June 2022</b>				
Receivables From Exchange Transactions	-	-	-	-
Receivables From Non-Exchange Transactions	-	-	-	-
Bank Balances	-	-	-	-
<b>Total</b>	-	-	-	-

**Baringo County Executive Mortgage Scheme Fund  
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**Notes To The Financial Statements (Continued)**

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

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

**b) Liquidity risk management**

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

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

Description	Less than 1 month	Between 1-3 months	Over 5 months	Total
	Kshs	Kshs	Kshs	Kshs
<b>At 30 June (2022-2023)</b>				
Trade Payables	-	-	-	-
Current Portion Of Borrowings	-	-	-	-
Provisions	-	-	-	-
Employee Benefit Obligation	-	-	-	-
<b>Total</b>	-	-	-	-
<b>At 30 June (2021-2022)</b>				
Trade Payables	-	-	-	-
Current Portion Of Borrowings	-	-	-	-
Provisions	-	-	-	-
Employee Benefit Obligation	-	-	-	-
<b>Total</b>	-	-	-	-

**Baringo County Executive Mortgage Scheme Fund**  
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**Notes To The Financial Statements (Continued)**

**c) Market risk**

The board has put in place an internal audit function to assist it in assessing the risk faced by the entity on an ongoing basis, evaluate and test the design and effectiveness of its internal accounting and operational controls.

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

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

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

**i. Foreign currency risk**

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

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

Description		Other currencies	Total
	Kshs	Kshs	Kshs
<b>At 30 June (2022-2023)</b>			
Financial Assets	-	-	-
Investments	-	-	-
Cash	-	-	-
Debtors/ Receivables			
<b>Liabilities</b>			
Trade And Other Payables	-	-	-
Borrowings	-	-	-
<b>Net Foreign Currency Asset/(Liability)</b>	-	-	-

**Baringo County Executive Mortgage Scheme Fund  
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**Notes To The Financial Statements (Continued)**

**Foreign currency sensitivity analysis**

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

Description	Change in currency rate	Effect on surplus/ deficit	Effect on equity
	Kshs	Kshs	Kshs
<b>(Current FY)</b>			
Euro	10%	-	-
USD	10%	-	-
<b>(Comparative FY)</b>			
Euro	10%	-	-
USD	10%	-	-

**ii. Interest rate risk**

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

***Management of interest rate risk***

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

***Sensitivity analysis***

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

**Baringo County Executive Mortgage Scheme Fund**  
**Annual Report and Financial Statements For the year ended 30<sup>th</sup> June 2023**

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**Notes To The Financial Statements (Continued)**

**d) Capital risk management.**

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

Description	2022-2023	2021-2022
	Kshs	Kshs
Revaluation reserve	-	-
Revolving fund	-	-
Accumulated surplus	-	-
<b>Total funds</b>	-	-
Total borrowings	-	-
Less: cash and bank balances	-	-
Net debt/(excess cash and cash equivalents)	-	-
<b>Gearing</b>	-	-

**29. Events after the reporting period**

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

**30. Ultimate and Holding Entity**

The fund is a County Public Fund established by Public Finance Management (Baringo County Executive Members Mortgage Scheme Fund) Regulations 2018 Act. The Fund is wholly owned by the County Government of Baringo and is domiciled in Kenya.

**31. Currency**

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

**Baringo County Executive Mortgage Scheme Fund  
Annual Report and Financial Statements For the year ended 30<sup>th</sup> June 2023**

**20. Annexes**

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

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

Reference No. on the external audit Report	Issue / Observations from Auditor	Management comments	Status: (Resolved / Not Resolved)	Timeframe: (Put a date when you expect the issue to be resolved)
Basis of adverse opinion				
1	Inaccuracies in financial statements	Ksh. 821,547 reflected in the statement of cash flow under other operating income relates to car loan funds erroneously deposited in the mortgage account. These funds therefore could not form part of our income in the statement of the financial performance.	Resolved	
2	Unsupported interest income	A detailed schedule showing the total summary and individual accounts is currently in place showing movement of loan and interest.	Resolved	
3	Outstanding receivables from exchange transactions	A detailed schedule showing the total summary and individual accounts for both short term and long portion from exchange transactions is available.	Resolved	
4	Unsupported trade and other payables	Ksh. 462,647 relates to the Car loan deductions that were erroneously deposited in the	Resolved	

**Baringo County Executive Mortgage Scheme Fund  
Annual Report and Financial Statements For the year ended 30<sup>th</sup> June 2023**

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)
		mortgage account while Ksh. 529,442 is overpayments from to members. A schedule relating to each of the above figures are available.		
5	Inaccurate revolving fund balance	The interest earned from the loans issued to the members increases our revolving fund. From the time this fund was incepted, an approximate interest earned is Ksh. 7 million therefore justifying why our revolving fund is more than the total amount disbursed to this fund by the County.	Resolved	
Other matters				
1	Budgetary control and performance	In the financial year 2021/2022, the fund committee had requested for more funds from the County but it was not provided. This led to non attainment of our revenue target by 87%. Due to this non funding issuance of new loans to staff was not possible translating to lower expenditures.	Not resolved	
2	Resolved prior year matters	In the current financial statements, the section of on the prior year matters has been disclosed.	Resolved	

**Baringo County Executive Mortgage Scheme Fund  
Annual Report and Financial Statements For the year ended 30<sup>th</sup> June 2023**

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)
	Basis for conclusion			
1	Non compliance with Public Sector Accounting Standard Board reporting requirement	This error has been rectified in the current year reporting template where these notes form part of the financials.	Resolved	
2	Loans issued without mandatory documents	All loans issued must follow strict vetting process. This includes filling of the prerequisite application form and attachment of required documents before the fund administration committee sit to deliberate on the applied loans. Hence, there were no loans issued without required documents.	Resolved	
3	Lack of mortgage protection policy	The fund administration committee is yet to develop mortgage protection policy.	Not resolved	
4	Lack of approved budget	The fund administrator has ensured that before any commencement of the financial year a budget is prepared and tabled before the fund administration committee for deliberation and approval. This has been done.	Resolved	

**Baringo County Executive Mortgage Scheme Fund  
Annual Report and Financial Statements For the year ended 30<sup>th</sup> June 2023**

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)
	Lack of a risk management and fraud policies	Currently, the risk management policy has been developed and approved by the Cabinet. The county do not have a disaster recovery plan.	Not resolved.	

Fund Administrator

Date.....



**Baringo County**  
**Baringo County Executive Mortgage Scheme**  
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**Annex II: Inter-Fund Confirmation Letter**



Baringo County Executive Mortgage Scheme fund  
P.o Box 53 -30400

The Baringo County Executive Mortgage Scheme fund wishes to confirm the amounts disbursed to you as at 30<sup>th</sup> June 2023 as indicated in the table below. Please compare the amounts disbursed to you with the amounts you received and populate the column E in the table below Please sign and stamp this request in the space provided and return it to us.

Confirmation of amounts received by [Insert name of beneficiary Fund] as at 30 <sup>th</sup> June 2023							
Reference Number	Date Disbursed	Amounts Disbursed by County Government (Kshs) as at 30 <sup>th</sup> June 2023				Amount Received by [beneficiary Fund] (KShs) as at 30 <sup>th</sup> June 2023 (E)	Differences (KShs) (F)=(D-E)
		Recurrent (A)	Development (B)	Inter-Ministerial (C)	Total (D)=(A+B+C)		
-	-	-	-	-	-	-	-
-	-	-	-	-	-	-	-
-	-	-	-	-	-	-	-
<b>Total</b>	-	-	-	-	-	-	-

In confirm that the amounts shown above are correct as of the date indicated.

**Baringo County**  
**Baringo County Executive Mortgage Scheme**  
**Annual Report and Financial Statements for the year ended June 30, 2023**

**Head of Accounts:**

Name ..... DAVID PERIMA ..... Sign .....  ..... Date ..... 05 JAN 2024 .....



**Baringo County**  
**Baringo County Executive Mortgage Scheme**  
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**Annex III: Reporting of Climate Relevant Expenditures**

Project Name	Project Description	Project Objectives	Project Activities	Quarterly Expenditures				Source Of Funds	Implementing Partners
				Q1	Q2	Q3	Q4		
-	-	-	-	-	-	-	-	-	-
-	-	-	-	-	-	-	-	-	-
-	-	-	-	-	-	-	-	-	-
-	-	-	-	-	-	-	-	-	-
-	-	-	-	-	-	-	-	-	-

**Baringo County**  
**Baringo County Executive Mortgage Scheme**  
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**Annex IV: Reporting on Disaster Management Expenditure**

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