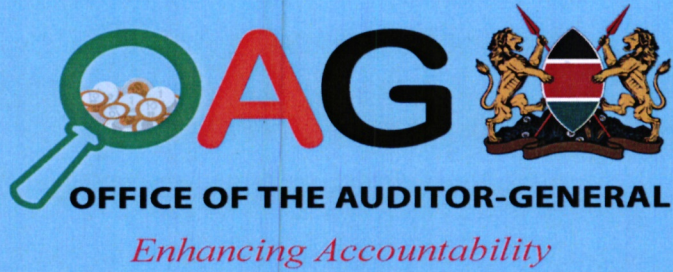


REPUBLIC OF KENYA

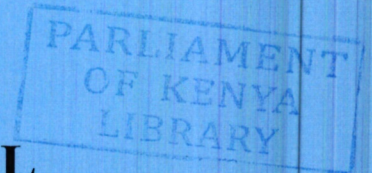


REPORT

PAPERS LAID	
DATE	31/5/2023
TABLED BY	Majority Leader
COMMITTEE	—
CLERK AT THE TABLE	Chania

OF

THE AUDITOR-GENERAL



ON

**SAMBURU COUNTY PERSONS
LIVING WITH DISABILITY FUND**

**FOR THE YEAR ENDED
30 JUNE, 2022**

2



OFFICE OF THE AUDITOR GENERAL
UPPER EASTERN REGIONAL OFFICE - ISIOLO
15 FEB 2023
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P. O. Box 1027 - 60300, ISIOLO



SAMBURU COUNTY PERSONS LIVING WITH DISABILITY FUND

ANNUAL REPORT AND FINANCIAL STATEMENTS

**FOR THE FINANCIAL YEAR ENDED
JUNE 30, 2022**

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

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Samburu County Persons Living with Disability Fund
Annual Report and Financial Statements for the year ended June 30, 2022

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**Samburu County Persons Living With Disability Fund
Reports and Financial Statements
For the year ended June 30, 2022**

1. Key Entity Information and Management

a) Background information

Samburu County Persons Living with Disability Fund was established by County Assembly of Samburu and derives its authority and accountability from Samburu County Persons Living with Disability Act on 28th June 2016. The Fund is wholly owned by the County Government of Samburu and is domiciled in Kenya.

The fund's objective is to

- The establishment of a County Board for persons living with disability.
- The establishment of a fund for persons living with disability.
- Setting out of the rights and privileges of persons with disability.
- Generally, protect persons with disabilities from any form of discrimination and promote their welfare.

The Fund's principal activity is

- Provide assistive devices to persons living with disability.
- Perform any other function of the board in providing for the rights of persons living with disability.
- Meeting any expenditure related to administration of the fund.

b) Principal Activities

The principal activity/mission/ mandate of the Fund is to Provide for the rights and privileges of persons with Disability and to Ensure equalization of opportunities for persons with disability and connected purpose.

c) Board of Trustees/Fund Administration Committee

1	Lesingiran Joseph	Chairperson
2	Miriam Nagusi Lesaana	Treasurer
3	Nasieku Letipila	Secretary
4	Lasi P Letiwa	Member
5	Francis Ekinyi Eris	Member
6	Lily Lengoiboni	Member
7	Jackson Lekarsia	Member
8	Josphine Lengopito	Member
9.	Alfred Lenaola	Member
10.	Isli Julia Leseela	Member

**Samburu County Persons Living With Disability Fund
Reports and Financial Statements
For the year ended June 30, 2022**

d) Key Management

Ref	Name	Position
1	Lesingiran Joseph	Chairperson
2	Miriam Nagusi Lesaana	Treasurer
3	Nasieku Letipila	Secretary

e) Registered Offices

P.O. Box 3-20600
Samburu County Head Quarters
Maralal, Kenya

f) Fund Contacts

Telephone:(254) 729-382-987
E-mail: aletipila@yahoo.com

g) Fund Bankers

1. Central Bank of Kenya
Haile Selassie Avenue
P.O. Box 60000
City Square 00200
Nairobi, Kenya
2. Kenya Commercial Bank
P.O Box 2060
Maralal Branch

h) Independent Auditors





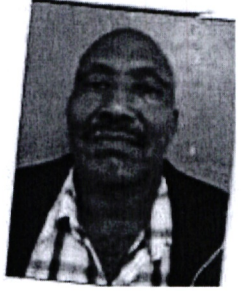
Auditor General
Office of the Auditor General
Anniversary Towers, University Way
P.O. Box 30084
GOP 00100
Nairobi, Kenya

i) Principal Legal Adviser






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

**Samburu County Persons Living With Disability Fund
Reports and Financial Statements
For the year ended June 30, 2022**

2. The Board of Trustees (or any other governing body for the Fund)


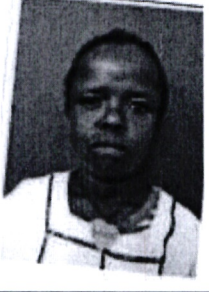

Name	Details of qualifications and experience
<p>1.</p> 	<p>Joseph Lesingiran was born in 06/08/1976. Education: O level. Joseph is currently a receptionist at the county headquarters. He has over 17 years of experience of community work as he champions for rights of persons with disability.</p>
<p>2.</p> 	<p>Mary Naguzi Lesaanais born in 1974 Education: O Levels Mary is a farmer, a person living with disability with 10 years 'experience on social work working with persons with disability.</p>
<p>3.</p> 	<p>Nasieku Letipila was born on 14/10/1981. She holds bachelors in Business Administration. Has 15 years working experience both at private and public sector. Currently Director Gender, Culture and Social Services</p>
<p>4.</p> 	<p>Lasi P Letiwa born in 1976. Lasi hold a Diploma in Community Development. Currently a businessman and has 18 years' work experience in private sector and community work.</p>
<p>5.</p> 	<p>Name; Jackson Lekarsia born in 1961. Holds bachelors in community development currently works as National council for persons with disability Service Officer with. He has 35 years' work experience working with public service.</p>

**Samburu County Persons Living With Disability Fund
Reports and Financial Statements
For the year ended June 30, 2022**

<p>6.</p> 	<p>Francis Eris Ekinyi born in 1978. Holds Diploma in ECDE. Currently a ECDE Teacher with 10 Years work experience as a teacher.</p>
<p>7.</p> 	<p>Lily Lengoiboni was born on 6/3/1978. She holds a bachelors in Special Education specialising on the hearing impaired. Has 19 years' work experience in public service.</p>
<p>8.</p> 	<p>Josphine Lengopito was born on 25/5/1987. Holds bachelors in Human Resource management. Works as an Adminstrator at World Vision Department of Gender and Child Protection. Has 14 years' work experience in the private sector.</p>
<p>9.</p> 	<p>Alfred Lenaola was born in 1987. Alfred holds a diploma in nursing and works as a Manager at Find the Cure Kenya. He has 10 years work experience in private sector.</p>
<p>10.</p> 	<p>Isli Julia Leseela is born in 1980. Currently a Community Volunteer Social Worker With 10 years' work experience in social and community work.</p>

**Samburu County Persons Living With Disability Fund
Reports and Financial Statements
For the year ended June 30, 2022**

3. Management Team

Name	Details of qualifications and experience
<p>1. </p>	<p>Name; Joseph Lesingiran Date of Birth: 06/08/1976 Education: Form Four Board Chairperson</p>
<p>2. </p>	<p>Name; Mary Naguzi Lesaana Date of Birth: 0/00/1974 Education: Form Three Board Treasurer</p>
<p>3. </p>	<p>Name; Nasieku Letipila Date of Birth; 14/10/1981 Education; Graduate Occupation; Director Gender, Culture and Social Services Board Secretary</p>
<p><i>Note: The Fund Administrator will feature under both the 'Board' and 'Management'.</i></p>	

**Samburu County Persons Living With Disability Fund
Reports and Financial Statements
For the year ended June 30, 2022**

4. Board/Fund Chairperson's Report

On behalf of the board of directors the annual report and financial statements of Samburu County Board of Persons with Disabilities for the year 2021/2022.

During the year under review the funds were first channelled to the board account in late March 2022. On behalf of the board I would like to thank the department of Gender, Culture and Social Services mostly the CEC, Chief Officer in supporting the formation of the board and its secretariat.

The board was new in office after it was appointed to the office on 27th October 2019. The new board took office and held their first meeting after the first funds were transferred to the boards account.

During their first meeting the board came up with a finalized program plan on the utilization of funds for the year 2021/2022.

The board was also oriented on the roles and management of the funds, the program plan and the activities as per the program plan of financial year 2021/2022.

The board approved the program for the year 2021/2022 and took special interest in reviewing PWDs Act 2016 to align it with the Kenyan Constitution and the changing needs of PWDs to the county assembly of Samburu legal office in drafting. It is our hope that the Samburu County Persons with disability Act, 2016 is in full force in enabling persons with disabilities' needs addressed,

After the first funds were channelled to the fund account we were caught in the midst of the pandemic (Covid-19) which brought all the activities planned for the financial year 2021/2022 to a standstill since all funds in our county government were channelled to fight outbreak. Programs were then aligned to follow the COVID-19 guidelines.

There were no changes in the board in the year under review. The board remained to be same.

Signed: _____ -

JOSEPH LESINGIRAN

**Samburu County Persons Living With Disability Fund
Reports and Financial Statements
For the year ended June 30, 2022**

5. Report of The Fund Administrator

In the financial year 2021/2022 the Samburu County Board of persons with Disabilities received Ksh. 1,500,000/- from the county treasury. The funds have been applied in various programs namely:

1. Provision of assistive devices and services
2. School requirements to PWDs
3. Referral treatment PWDs
4. Correction of Surgeries to PWDs
5. Better housing facilitated to PWDs
6. Drought mitigation in food stuff provision to PWDs among others.

Due to the outbreak of the pandemic the board did not meet again to request for more funds since all county funds were channelled to fight the pandemic.

Provision of Assistive Devices and Services

During the period the board utilized Ksh 300, 000/- to provide assistive devices to PWDs who were in need of Orthopaedic shoes and callipers. 12 persons in need of Orthopaedic benefited with 4 more getting callipers.

Education Assistance

The fund supported 5 orphans and disabled PWDs students with school requirements as they joined form 1.

All the students joined school and presently fully enrolled after the board utilized 141,000 in shopping for their school requirements.

Better Housing Facilities

Many PWDs are living in poor housing conditions while some are still living in the streets.

The fund supported decent living of PWDs by providing building materials to some of its members.

Food Stuff Provision

The Outbreak of COVID-19 pandemic covid-19 together with the escalating drought period affected most of the PWDs. The board due to the emergency through the fund provided food stuff to cushion PWDs. Food stuffs were distributed to all the 15 wards of Samburu County reaching vulnerable PWDs.

**Samburu County Persons Living With Disability Fund
Reports and Financial Statements
For the year ended June 30, 2022**

Referral and Corrective Surgeries

In the year the board received more than 25 requests of referral and corrective surgeries due to shortage of funds the board has allocated Ksh. 360,000 for corrective surgeries and referrals. 8 persons with disability benefited during the approval of this activity where four of PWDs were undertaking life support medication while remaining were supported for their corrective surgeries.

Signed: _____ -



Fund Administrator

**Samburu County Persons Living With Disability Fund
 Reports and Financial Statements
 For the year ended June 30, 2022**

6. Statement of Performance Against the County Fund’s Predetermined Objectives

Progress on attainment of Strategic development objectives
 Below we provide the progress on attaining the stated objectives:

Program	Objective	Outcome	Indicator	Performance
Public Works, Roads & Transport	To develop and maintain roads and storm water drainage to global standards	Increased efficient transportation of people, goods and services	% of motorable and passable roads within the city	In FY 21/22 we increased motorable and passable roads by 0% The following roads were upgraded 0
Program 2	Objective	outcome	indicator	Performance

**Samburu County Persons Living With Disability Fund
Reports and Financial Statements
For the year ended June 30, 2022**

7. Corporate Governance Statement

Corporate governance entails the process and structures used to direct and manage the business affairs of the organization, the respective roles of the board of management and the frame work for the internal control.

The board is guided by its core values of inclusivity; social justice, human dignity, equality and equity.

Integrity; transparency and accountability and good governance culture which underpin the board decision-making process.

The board has at all times endeavoured in delivery of its mandate to comply with the relevant legal principles and the highest ethical standards.

Principles and Guidelines Governing Board

The board embraces corporate governance guidelines and principals governing the board and staff includes.

1. State corporation Act
2. Public officer's ethics act; that applies to public officers
3. Chapter six of the constitution of Kenya

The board members are required to make a written disclosure of any transaction which will constitute a conflict of interest and to abstain from voting when such matters are being considered during the board meetings.

The board operates under the rules that governs the conduct of individual board members spelt out in the board of director code of enable them operate effectively and in the best interest if the organization

The code of conduct required a member to act honestly and in good faith, exercise duty with care and diligence avoid and disclose conflict of interest: maintain confidentiality of information about the organization show commitment and attend to organization business and respect fellow board members.

Constitution of the Board Members

The current board members consist of 10 members including the Director social services, member of National persons with disability council, member from special education, member from find the cure, a representative from NGOs, and other members elected by persons living with disability.

The board members are consisted according to section 2 of the persons with disability act 2016 (Samburu County Government on the appointment of members of the board).

**Samburu County Persons Living With Disability Fund
Reports and Financial Statements
For the year ended June 30, 2022**

Roles of the Board

The board of management provide leadership and strategic direction to the organization. The main responsibility of the board is:

1. Development of strategic plan for the board
2. Ensuring preparation of the annual and financial statements.
3. Approval and review of annual budgets
4. Setting and periodically reviewing key performance indicators and management performance.
5. Risk management by ensuring that the organization has adequate system of internal controls together with appropriate monitoring compliance activities to ensure continuity

Chairman of the Board of Management

The principal role of the chairman is to provide leadership to the board. He chairs board meetings, ensures order and proper conduct of meetings.

Ensure that fair decisions are made and facilitate active management of the board.

The chairman also ensures that the board is provided with timely and sufficient information to enable it to discharge its duties.

The Director

The director is the chief executive officer and is responsible for the day to day management of the board.

Board work plan and meetings

In order to guide the board, scheduled of meetings are prepared annually in advance the board meets at least once a quarter or more depending on the requirement of the business. During the year under the review the operation for the first quarter and was disbanded by the outbreak of the pandemic.

Corporate social responsibility statement

Social and environmental responsibilities are critical areas of concern for the Samburu Board for person with disabilities. By the nature of its mandate the board focuses on the well-being of the PWDs of the society through its various programs. The board support the very vulnerable PWDs members of communities living in both rural and urban areas so that they can live a life of dignity. The resources provided by Samburu Count Government are aimed at ensuring that the much marginalized communities are not only empowered but are also included in the national development programs.

**Samburu County Persons Living With Disability Fund
Reports and Financial Statements
For the year ended June 30, 2022**

This is important considering the people with disabilities are the most marginalized in communities because of the many barriers that hinder their effective participation in the development process.

It is in this regard that the board aims at making a difference in the lives of PWDs. To this end the board takes overall responsibility for continued development and implementation of appropriate intervention addressing the various needs of the least privileged.

During the year under review, the board continued to dedicate its resources toward supporting several initiatives in the key areas of medication and education.

Succession plan

The purpose of this fund is to establish a fund for the county PWDs on their rights and privileges are generally observed.

The succession plan of the board of trustee is founded under the standing cores that protect PWDs from any form of discrimination and promote their welfare in Samburu County.

Existence of Aboard Charter

The board was fully established in 2019 September and has since worked guided by the act of PWDs Samburu County Act 2016. Currently they don't have a charter but act according to then Samburu County PWDs Act 2016.

Process of Appointment

The board is a cooperate body appointed to represent all kins of disabilities county wide.

The board is fully established under the appointment tall to be made by the county executive committee member as shown by the Samburu County PWDs Act 2016.

The composition of the board includes:

1. Five persons nominated by representing persons with various disabilities within the county.
2. Three members appointed from a parcel of names submitted to the CEC by organization for PWDs.
3. The director of social services who shall be the secretary to the board.
4. A representative of NGO in the county.

The county executive member shall appoint one member appointed as the chairperson and the vice chair. The chair person and vice chair shall be of the opposite gender.

**Samburu County Persons Living With Disability Fund
Reports and Financial Statements
For the year ended June 30, 2022**

Board shall appoint one of its members as the treasurer during their first meeting. In nominating or appointing person as the chairperson and members of the board the CEC member shall ensure that the process is carried out in an open a transparent manner and that:

1. The membership of the board shall equitably represent the type of disabilities occurring in the county.
2. Not more than two thirds of the members are of the same gender.
3. The composition of the board shall reflect the regional and ethnic diversity of their public of Kenya.

Removal of Trustee

The chairperson, vice chairperson and members of the board of trustee shall hold office for a period not exceeding three years and shall be eligible for re-appointment for al further term not exceeding two years.

Roles and Functions of the Board

- a) Issue adjustment order under provision of Act 2016
- b) Formulate development measures and policies designed.
 1. Achieve equal opportunities for PWDs by ensuring to the maximum extent possible that they obtain education and employment and participate fully in sporting and recreational and cultural activities and are afforded full access to community and social services.
 2. Cooperate with the national government during the national census to ensure that accurate figures of PWDs are obtained in the county for purpose of planning.
 3. Advice CEC member on the provision of any National legislation or agreement of PWDs and its benefit to the county
 4. Recommend measures to prevent discrimination against PWDs.
 5. Put into operation schemes and project for self-employment or sheltered employment for the generation of income by PWDs.
 6. Encourage and secure the rehabilitation of PWDs within their own communities and social environment.
 7. Encourage and secure the establishment of vocational rehabilitation centre and other institution and other services for the welfare rehabilitation and employment of PWDs.
 8. Coordinate services provided in the county for the welfare and rehabilitation of PWDs to implement programs for vocational guidance and counselling.

**Samburu County Persons Living With Disability Fund
Reports and Financial Statements
For the year ended June 30, 2022**

C. To Register Persons with Disabilities

1. Institution, associations and organization including those controlled by the county government and local authorities that provide services for rehabilitation of PWDs.
2. Places at which services for rehabilitation of PWDs are provided
3. Places of which services for rehabilitation of PWDs are provided
4. Persons living with disability whose condition requires constant medical attention for the purposes of availing subsidized medical services.

D. To provide to the maximum intent possible.

1. Assistive devices, appliances and other equipment to PWDs.
2. Access to available information and technical assistance to all institutions association and organization concerned with welfare and rehabilitation of PWDs including those managed and controlled by the count government.

E. To consult with the county government in the formulation of suitable curricula for vocational rehabilitation centres and other training facilities for PWDs

F. Make provision for assistance to students living with disabilities in form of scholarships, loan program fee subsidies and other similar form of assistance in both public and private institution.

G. To assess report to the CEC member n the welfare and rehabilitation of PWDs and to advise on the relative priorities to be given to the implementation of those measures.

H. To consult on the county government to the provision of suitable and affordable housing for PWDs

I. To prepare budgetary annual estimates for the presentation to the chief officer department of social services.

J. Generally, to carry out measures for public information on the right of PWDs and the provision of PWDs Act 2016.

K. To perform such other function in relation to the welfare and rehabilitation of PWDs as the board may deem necessary.

The board has powers to all things that promote the welfare and rehabilitation of PWDs

1. To conduct inquiries into any matter relating to the welfare and rehabilitation of PWDs.
2. Constitute committees consisting of its members and where necessary to involve experts to service on such committee with the approval of CEC

**Samburu County Persons Living With Disability Fund
Reports and Financial Statements
For the year ended June 30, 2022**

3. To vest in or delegate to any committee constituted such function of the board with the approval of CEC.
4. With the approval of CEC member engage or make arrangements other persons to carry research on or supply information on any matter relating to the welfare and rehabilitation of PWDs.

**Samburu County Persons Living With Disability Fund
Reports and Financial Statements
For the year ended June 30, 2022**

8. Management Discussion and Analysis

Two- three pages

(Under this section, the management gives a report on the operational and financial performance of the Fund/Board during the period, entity's key projects or investments decision implemented or ongoing, Fund's compliance with statutory requirements, major risks facing the Fund, material arrears in statutory and other financial obligations, and any other information considered relevant to the users of the financial statements.)

The management should make use of tables, graphs, pie charts and other descriptive tools to make the information as understandable as possible.)

9. Environmental and Sustainability Reporting

Samburu County Persons Living With Disability Fund exists to transform lives. This is our purpose; the driving force behind everything we do. It's what guides us to deliver our strategy, which is founded on 5 pillars: putting the customer/Citizen first, delivering relevant goods and services, and improving operational excellence. Below is a brief highlight of our achievements in each pillar

- 1. Sustainability strategy and profile -**
- 2. Environmental performance**
- 3. Employee welfare.**
- 4. Market place practices-**
- 5. Community Engagements-**

**Samburu County Persons Living With Disability Fund
Reports and Financial Statements
For the year ended June 30, 2022**

10. Report of The Trustees

The Trustees submit their report together with the audited financial statements for the year ended June 30, 2022 which show the state of the Fund affairs.

Principal activities

1. Assistive devices and services for individual person with disabilities.
2. Education assistance for individual persons with disabilities who are needy and incapable of financing themselves educationally.
3. Economic empowerment and revolving fund for groups for persons with disabilities.
4. Infrastructure and equipment for social care/education institution

Results

The results of the Fund for the year ended June 30, 2022 are set out on page 1

Trustees

The members of the Board of Trustees who served during the year are shown on page (v) in accordance with Samburu County PWDs Act 2016

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. OR [XYZ Certified Public Accountants were nominated by the Auditor General to carry out the audit of the *entity* for the year/period ended June 30, 2022 in accordance to section 23 of the Public Audit Act, 2015 which empowers the Auditor General to appoint an auditor to audit on his behalf].

By Order of the Board

Lasi Letiwa

Member of the Board

Date: _____

**Samburu County Persons Living With Disability Fund
Reports and Financial Statements
For the year ended June 30, 2022**

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. OR [XYZ Certified Public Accountants were nominated by the Auditor General to carry out the audit of Samburu County Persons Living With Disability Fund for the year/period ended June 30, 2022 in accordance to section 23 of the Public Audit Act, 2015 which empowers the Auditor General to appoint an auditor to audit on his behalf].

By Order of the Board

.....
Chair of the Board/Fund Administration Committee

Date:

**Samburu County Persons Living With Disability Fund
Reports and Financial Statements
For the year ended June 30, 2022**

11. Statement of Management’s Responsibilities

Section 167 of the Public Finance Management Act, 2012 requires that, at the end of each financial year, the Administrator of a County Public Fund established by Samburu County Persons Living With Disability Act, 2016 shall prepare financial statements for the Fund in accordance with the standards and formats prescribed by the Public Sector Accounting Standards Board.

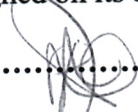
The Administrator of the County Public Fund is responsible for the preparation and presentation of the Fund’s financial statements, which give a true and fair view of the state of affairs of the Fund for and as at the end of the financial year ended on June 30, 2022. This responsibility includes: (i) 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. 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, 2022, and of the Fund’s financial position as at that date. The Administrator further confirm the completeness of the accounting records maintained for the Fund, which have been relied upon in the preparation of the Fund’s financial statements as well as the adequacy of the systems of internal financial control.

In preparing the financial statements, the Administrator of the County Public Fund has assessed the Fund’s ability to continue as a going concern and disclosed, as applicable, matters relating to the use of going concern basis of preparation of the financial statements. Nothing has come to the attention of the Administrator to indicate that the Fund will not remain a going concern for at least the next twelve months from the date of this statement.

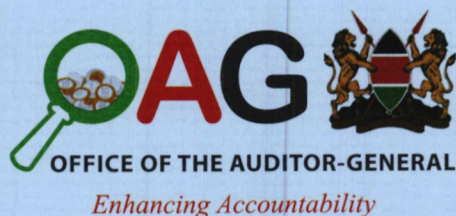
Approval of the financial statements

The Fund’s financial statements were approved by the Board on 10th Feb 2023 and signed on its behalf by:

.....


Administrator of the County Public Fund

REPUBLIC OF KENYA



Telephone: +254-(20) 3214000
E-mail: info@oagkenya.go.ke
Website: www.oagkenya.go.ke

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

REPORT OF THE AUDITOR-GENERAL ON SAMBURU COUNTY PERSONS LIVING WITH DISABILITY FUND FOR THE YEAR ENDED 30 JUNE, 2022

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 intended purpose.
- C. Report on Effectiveness of Internal Controls, Risk Management and Governance which considers how the entity has instituted checks and balances to guide internal operations. This responds to the effectiveness of the governance structure, the risk management environment and the internal controls, developed and implemented by those charged with governance for orderly, efficient and effective operations of the entity.

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

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

REPORT ON THE FINANCIAL STATEMENTS

Qualified Opinion

I have audited the accompanying financial statements of Samburu County Persons Living with Disability Fund set out on pages 1 to 44, which comprise the statement of financial

position as at 30 June, 2022, and the statement of financial performance, statement of changes in net assets, statement of cash flows and the 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 effects of the matter described in the Basis for Qualified Opinion section of my report, the financial statements present fairly, in all material respects, the financial position of Samburu County Persons Living with Disability Fund as at 30 June, 2022, 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 Samburu County Persons Living With Disability Act, 2016.

Basis for Qualified Opinion

Misclassification and Unsupported Expenditure

The statement of financial performance and as disclosed in Note 9 to the financial statements reflects an expenditure of Kshs.847,000 in respect to Persons Living with Disability Fund (PLWD) disbursement. However, included in this component is Kshs.732,000 being an expenditure on Board allowances for the members and facilitation of election of a new Board which ought to have been classified under administrative expenses.

Further, the component includes Kshs.115,000 which was not supported by payment schedules, disbursement notices and receipt acknowledgements.

In the circumstances, the accuracy, completeness and classification of the PLWD disbursement of Kshs.847,000 could not be confirmed.

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

Key Audit Matters

Key audit matters are those matters that, in my professional judgment, are of most significance in the audit of the financial statements. There were no key audit matters to communicate in my report.

Other Matter

Budgetary Controls and Performance

The statement of comparison of budget and actual amounts reflects final revenue budget of Kshs.5,000,000. However, only Kshs.1,500,000 or 30% of the approved budget was

received from the County Treasury leaving a balance of Kshs.3,500,000 of the approved budget undisbursed.

In the circumstances, the underfunding affected the planned activities and may have impacted negatively on service delivery to the public.

REPORT ON LAWFULNESS AND EFFECTIVENESS IN USE OF PUBLIC RESOURCES

Conclusion

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

Basis for Conclusion

The audit was conducted in accordance with ISSAI 4000. The standard requires that I comply with ethical requirements and plan and perform the audit to obtain assurance about whether the activities, financial transactions and information reflected in the financial statements are in compliance, in all material respects, with the authorities that govern them. I believe that the audit evidence I have obtained is sufficient and appropriate to provide a basis for my conclusion.

REPORT ON EFFECTIVENESS OF INTERNAL CONTROLS, RISK MANAGEMENT AND GOVERNANCE

Conclusion

As required by Section 7(1)(a) of the Public Audit Act, 2015, based on the audit procedures performed, I confirm that, nothing has come to my attention to cause me to believe that internal controls, risk management and overall governance were not effective

Basis for Conclusion

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

Responsibilities of Management and those Charged with Governance

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

In preparing the financial statements, Management is responsible for assessing the Fund's ability to continue to sustain services, disclosing, as applicable, matters related to

sustainability of services and using the applicable basis of accounting unless Management is aware of the intention to terminate the Fund or to cease operations.

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

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

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 control that might be material weaknesses under the ISSAIs. A material weakness is a condition in which the design or operation of one or more of the internal control components does not reduce to a relatively low level the risk that misstatements caused by error or fraud in

amounts that would be material in relation to the financial statements being audited may occur and not be detected within a timely period by employees in the normal course of performing their assigned functions.

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

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

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

I communicate with the Management regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that are identified during the audit.

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


CPA Nancy Gathungu, CBS
AUDITOR-GENERAL

Nairobi

19 April, 2023

**Samburu County Persons Living with Disability Fund
Annual Report and Financial Statements for the year ended June 30, 2022**

13. Statement of Financial Performance For The Year Ended 30th June 2022

	Note	2021-2022	2020-2021
		Kshs	Kshs
Revenue From Non-Exchange Transactions			
Public Contributions and Donations	1	0	0
Transfers From the County Government	2	1,500,000	1,600,000
Fines, Penalties and Other Levies	3	0	0
		1,500,000	1,600,000
Revenue From Exchange Transactions			
Interest Income	4	0	0
Other Income	5	0	0
		0	0
Total Revenue		1,500,000	1,600,000
Expenses			
Employee Costs	6	732,000	0
Use of goods and services	7	10,192	2,370
Depreciation and Amortization Expense	8	0	0
PLWD Disbursement	9	847,000	1,507,950
Total Expenses		1,589,192	1,510,320
Other Gains/Losses			
Gain/Loss on Disposal of Assets	10	0	0
Surplus/(Deficit) For The Period		(89,192)	89,680

(The notes set out on pages 0 to 0 form an integral part of these Financial Statements)

.....
Name: Nasieku Letipila
Administrator of the Fund

.....
Name: Joseph Lekalkuli
Fund Accountant
ICPAK Member Number: 6711

**Samburu County Persons Living With Disability Fund
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14. Statement of Financial Position As At 30 June 2022

	Note	2021-2022 Kshs	2020-2021 Kshs
Assets			
Current Assets			
Cash and Cash Equivalents	11	3,423	92,615
Current Portion of Long- Term Receivables From Exchange Transactions	12	0	0
Prepayments	13	0	0
Inventories	14	0	0
		3,423	92,615
Non-Current Assets			
Property, Plant and Equipment	15	0	0
Intangible Assets	16	0	0
Long Term Receivables from Exchange Transactions	12	0	0
		0	0
Total Assets		3,423	92,615
Liabilities			
Current Liabilities			
Trade and Other Payables from Exchange Transactions	17	0	0
Provisions	18	0	0
Current Portion of Borrowings	19	0	0
Employee Benefit Obligations	20	0	0
		0	0
Non-Current Liabilities			
Non-Current Employee Benefit Obligation	20	0	0
Long Term Portion of Borrowings	19	0	0
Total Liabilities		0	0
Net Assets		0	0
Revolving Fund		0	0
Reserves		0	0
Accumulated Surplus		3,423	92,615
Total Net Assets and Liabilities		3,423	92,615

**Samburu County Persons Living With Disability Fund
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For the year ended June 30, 2022**

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 10th Feb 2023 and signed by:



.....
Name: Nasieku Letipila
Administrator of the Fund



.....
Name: Joseph Lekalkuli
Fund Accountant
ICPAK Member Number: 6711

**Samburu County Persons Living with Disability Fund
Annual Report and Financial Statements for the year ended June 30, 2022**

15. Statement Of Changes in Net Assets for the year ended 30th June 2022

	Revolving Fund	Revaluation Reserve	Accumulated surplus	Total
	Kshs	Kshs	Kshs	Kshs
Balance As At 1 July 2020	0	0	2,935	2,935
Surplus/(Deficit) For the Period	-	-	89,680	89,680
Funds Received During the Year	0	-		-
Transfers	0		-	-
Revaluation Gain	-	0		
Balance As At 30 June 2021	0	0	92,615	92,615
Balance As At 1 July 2021	0	0	92,615	92,615
Surplus/(Deficit) For the Period		-	(89,192)	(89,192)
Funds Received During the Year	0	-		-
Transfers	0			-
Revaluation Gain	-	0	0	0
Balance As At 30 June 2022	0	0	3,423	3,423

(Provide details on the nature and purpose of reserves)



.....
Name: Nasieku Letipila
Administrator of the Fund



.....
Name: Joseph Lekalkuli
Fund Accountant
ICPAK Member Number: 6711

**Samburu County Persons Living with Disability Fund
Annual Report and Financial Statements for the year ended June 30, 2022**

16. Statement Of Cash Flows For The Year Ended 30 June 2022

	Note	2021-2022 Kshs	2020-2021 Kshs
Cash flows from operating activities			
Receipts			
Public contributions and donations		0	0
Transfers from the county government		1,500,000	1,600,000
Interest received		0	0
Receipts from other operating activities		0	0
Total receipts		1,500,000	1,600,000
Payments			
Fund administration expenses		(732,000)	0
General expenses		(10,192)	(2,370)
Finance cost		0	0
Other payments (PLWD Disbursement)		(847,000)	(1,507,950)
Net cash flows from operating activities	21	(89,192)	89,680
Cash flows from investing activities			
Purchase of property, plant, equipment and Intangible assets		(0)	(0)
Proceeds from sale of property, plant & equipment		0	0
Proceeds from loan principal repayments		0	0
Loan disbursements paid out		(0)	(0)
Net cash flows used in investing activities		(0)	(0)
Cash flows from financing activities			
Proceeds from revolving fund receipts		0	0
Additional borrowings		0	0
Repayment of borrowings		(0)	(0)
Net cash flows used in financing activities		(0)	(0)
Net increase/(decrease) in cash & cash Equivalents		(89,192)	89,680
Cash and cash equivalents at 1 July	11	92,615	2,935
Cash and cash equivalents at 30 June	11	3,423	92,615

**Samburu County Persons Living With Disability Fund
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For the year ended June 30, 2022**

(IPSAS 2 allows an entity to present the cash flow statement using the direct or indirect method but encourages the direct method. PSASB also recommends the use of direct method of cash flow preparation. The above illustration assumes direct method)



.....
Name: Nasieku Letipila
Administrator of the Fund



.....
Name: Joseph Lekalkuli
Fund Accountant
ICPAK Member Number: 6711

17. Statement Of Comparison Of Budget And Actual Amounts For The Period

	Original budget	Adjustments	Final budget	Actual on comparable basis	Performance difference	% utilisation
	2022	2022	2022	2022	2022	2022
	KShs	KShs	KShs	KShs	KShs	
Revenue						
Public contributions and donations	-	-	-	-	-	0%
Transfers from County Govt.	5,000,000		5,000,000	1,500,000	3,500,000	30%
Interest income	-	-	-	-	-	0%
Other income	-	-	-	-	-	0%
Total income	5,000,000		5,000,000	1,500,000	3,500,000	30%
Expenses						
PLWD Disbursement	4,300,000	-	4,300,000	847,000	3,453,000	20%
Administrative Costs	700,000		700,000	732,000	-32,000	105%
Use of Goods and Services	0	-	0	10,192	-10,192	0%
Finance cost					-	100%
Total expenditure	5,000,000	0	5,000,000	1,589,192	3,410,808	32%
Surplus for the period	0	0	0	-89,192	89,192	0%

Budget notes

1. Provide explanation of differences between actual and budgeted amounts (10% over/ under) IPSAS 24.14
2. Provide an explanation of changes between original and final budget indicating whether the difference is due to reallocations or other causes. (IPSAS 24.29)
3. Where the total of actual on comparable basis does not tie to the statement of financial performance totals due to differences in accounting basis(budget is cash basis, statement of financial performance is accrual) provide a reconciliation.

**Samburu County Persons Living With Disability Fund
Annual Report and Financial Statements for the year ended June 30, 2022**

18. Notes to the Financial Statements

1. General Information

Samburu County Persons Living With Disability Fund is established by and derives its authority and accountability from Samburu County Persons Living with Disability Act, 2016. The entity is wholly owned by the Samburu County Government and is domiciled in Kenya. The entity's principal activity is Provision of Support to the Persons Living With Disabilities.

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 1st January 2022 owing to Covid 19. This was done to provide entities with time to effectively apply the standards. The deferral was set for 1st January 2023.

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

Standard	Effective date and impact
IPSAS 41: Financial Instruments	<p>Applicable: 1st January 2023:</p> <p>The objective of IPSAS 41 is to establish principles for the financial reporting of financial assets and liabilities that will present relevant and useful information to users of financial statements for their assessment of the amounts, timing and uncertainty of an Entity's future cash flows.</p> <p>IPSAS 41 provides users of financial statements with more useful information than IPSAS 29, by:</p>

**Samburu County Persons Living With Disability Fund
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Standard	Effective date and impact
	<ul style="list-style-type: none"> • Applying a single classification and measurement model for financial assets that considers the characteristics of the asset’s cash flows and the objective for which the asset is held; • Applying a single forward-looking expected credit loss model that is applicable to all financial instruments subject to impairment testing; and • Applying an improved hedge accounting model that broadens the hedging arrangements in scope of the guidance. The model develops a strong link between an Entity’s risk management strategies and the accounting treatment for instruments held as part of the risk management strategy. <p><i>(State the impact of the standard to the Entity if relevant)</i></p>
<p>IPSAS 42: Social Benefits</p>	<p>Applicable: 1st January 2023</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"> (a) The nature of such social benefits provided by the Entity; (b) The key features of the operation of those social benefit schemes; and (c) The impact of such social benefits provided on the Entity’s financial performance, financial position and cash flows. <p><i>(State the impact of the standard to the Entity if relevant)</i></p>
<p>Amendments to Other IPSAS resulting from IPSAS 41, Financial Instruments</p>	<p>Applicable: 1st January 2023:</p> <ul style="list-style-type: none"> a) Amendments to IPSAS 5, to update the guidance related to the components of borrowing costs which were inadvertently omitted when IPSAS 41 was issued.

**Samburu County Persons Living With Disability Fund
Annual Report and Financial Statements for the year ended June 30, 2022**

Standard	Effective date and impact
	<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>
<p>Other improvements to IPSAS</p>	<p><i>Applicable 1st January 2023</i></p> <ul style="list-style-type: none"> • <i>IPSAS 22 Disclosure of Financial Information about the General Government Sector.</i> <p>Amendments to refer to the latest System of National Accounts (SNA 2008).</p> <ul style="list-style-type: none"> • <i>IPSAS 39: Employee Benefits</i> <p>Now deletes the term composite social security benefits as it is no longer defined in IPSAS.</p> <ul style="list-style-type: none"> • IPSAS 29: Financial instruments: Recognition and Measurement <p>Standard no longer included in the 2021 IPSAS handbook as it is now superseded by IPSAS 41 which is applicable from 1st January 2023.</p> <p><i>State the impact of the standard to the Entity if relevant</i></p>
<p>IPSAS 43</p>	<p><i>Applicable 1st January 2025</i></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>

**Samburu County Persons Living With Disability Fund
Annual Report and Financial Statements for the year ended June 30, 2022**

Standards	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 1st 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.

**Samburu County Persons Living With Disability Fund
Annual Report and Financial Statements for the year ended June 30, 2022**

4. 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.

b) Budget information

The original budget for FY 2021-2022 was approved by the County Assembly on 30th June 2021. 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 nil amount on the FY 2021-2022 budget following the governing body's approval.

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

In addition to the Basis difference, adjustments to amounts in the financial statements are also made for differences in the formats and classification schemes adopted for the presentation of the financial statements and the approved budget.

A statement to reconcile the actual amounts on a comparable basis included in the statement of comparison of budget and actual amounts and the actuals as per the statement of financial performance has been presented under section 0 of these financial statements.

**Samburu County Persons Living With Disability Fund
Annual Report and Financial Statements for the year ended June 30, 2022**

Summary Of Significant Accounting Policies (Continued)

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.

b) Financial instruments

Financial assets

Initial recognition and measurement

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

Loans and receivables

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

Samburu County Persons Living With Disability Fund
Annual Report and Financial Statements for the year ended June 30, 2022

Summary Of Significant Accounting Policies (Continued)

Held-to-maturity

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

Impairment of financial assets

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

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

Financial liabilities

Initial recognition and measurement

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

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

Loans and borrowing

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

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

**Samburu County Persons Living With Disability Fund
Annual Report and Financial Statements for the year ended June 30, 2022**

Summary Of Significant Accounting Policies (Continued)

c) 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.

d) Provisions

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

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

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

Contingent liabilities

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

Samburu County Persons Living With Disability Fund
Annual Report and Financial Statements for the year ended June 30, 2022

Summary Of Significant Accounting Policies (Continued)

Contingent assets

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

e) Nature and purpose of reserves

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

f) 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.

g) 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.

h) 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.

**Samburu County Persons Living With Disability Fund
Annual Report and Financial Statements for the year ended June 30, 2022**

Summary Of Significant Accounting Policies (Continued)

i) 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.

j) 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.

k) 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.

l) Comparative figures

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

m) Events after the reporting period

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

n) Ultimate and Holding Entity

The entity is a County Public Fund established by Samburu County Persons Living with Disability Act, 2016 under the Ministry of Planning and Devolution. Its ultimate parent is the County Government of Samburu.

o) Currency

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

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.

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

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

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. Additional disclosure of these estimates of provisions is included in Note.

Provisions are measured at the management's best estimate of the expenditure required to settle the obligation at the reporting date and are discounted to present value where the effect is material.

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

**Samburu County Persons Living With Disability Fund
Annual Report and Financial Statements for the year ended June 30, 2022**

6. Notes To The Financial Statements

1. Public contributions and donations

Description	2021-2022	2020-2021
	Kshs	Kshs
Donation From Development Partners	0	0
Contributions From The Public	0	0
Total	0	0

(Provide brief explanation for this revenue)

2. Transfers from County Government

Description	2021-2022	2020-2021
	Kshs	Kshs
Transfers From County Govt. –Operations	1,500,000	1,600,000
Payments By County On Behalf Of The Entity	0	0
Total	1,500,000	1,600,000

3. Fines, penalties and other levies

Description	2021-2022	2020-2021
	Kshs	Kshs
Late Payment Penalties	0	0
Fines	0	0
Total	0	0

(Provide brief explanation for this revenue)

4. Interest income

Description	2021-2022	2020-2021
	Kshs	Kshs
Interest Income From Mortgage Loans	0	0
Interest Income From Car Loans	0	0
Interest Income From Investments	0	0
Interest Income On Bank Deposits	0	0
Total Interest Income	0	0

(Provide brief explanation for this revenue)

**Samburu County Persons Living With Disability Fund
Annual Report and Financial Statements for the year ended June 30, 2022**

Notes to the Financial Statements Continued

5. Other income

Description	2021-2022	2020-2021
	Kshs	Kshs
Insurance Recoveries	0	0
Income From Sale Of Tender Documents	0	0
Miscellaneous Income		
Total Other Income	0	0

(NB: All income should be classified as far as possible in the relevant classes and other income should be used to recognise income not elsewhere classified).

6. Employee Costs

Description	2021-2022	2020-2021
	Kshs	Kshs
Salaries And Wages	0	0
Staff Gratuity	0	0
Staff Training Expenses	0	0
Social Security Contribution	0	0
Admin Costs	732,000	0
Total	732,000	0

7. Use of Goods and Services

Description	2021/22	2020/21
	Kshs	Kshs
General Office Expenses	0	0
Loan Processing Costs	0	0
Professional Services Costs	0	0
Administration Fees	0	0
Committee Allowances	0	0
Bank Charges	10,192	2,370
Electricity And Water Expenses	0	0
Fuel And Oil Costs	0	0
Insurance Costs	0	0
Postage And Courier	0	0
Printing And Stationery	0	0

**Samburu County Persons Living With Disability Fund
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Description	2021/22 Kshs.	2020/21 Kshs.
Rental Costs	0	0
Security Costs	0.	0.
Telephone And Communication Expenses	0	0
Bank Charges	0	0
Audit Fees	0	0
Provision For Doubtful Debts	0	0
Other (<i>Specify</i>)	0	0
Total	10,192	2,370

8. Depreciation and Amortization Expense

Description	2021/22 Kshs.	2020/21 Kshs.
Property Plant and Equipment	0	0
Intangible Assets	0	0
Total	0	0

9. PLWD Disbursements

Description	2021-2022 Kshs	2020-2021 Kshs
PLWD Disbursments	847,000	1,507,950
Interest On Loans From Banks	0	0
Total	847,000	1,507,950

10. Gain/(loss) on disposal of assets

Description	2021-2022 Kshs	2020-2021 Kshs
Property, Plant And Equipment	0	0
Intangible Assets	0	0
Total	0	0

**Samburu County Persons Living With Disability Fund
Annual Report and Financial Statements for the year ended June 30, 2022**

Notes to the Financial Statements Continued

11. Cash and cash equivalents

Description	2021-2022	2020-2021
	Kshs	Kshs
0 Car Loan Account	0	0
0 County Mortgage Account	0	0
Fixed Deposits Account	0	0
On – Call Deposits	0	0
Current Account	3,423	92,615
Others	0	0
Total Cash And Cash Equivalents	3,423	92,615

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

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

Financial Institution	Account number	2021-2022	2020-2021
		Kshs	Kshs
a) Fixed Deposits Account			
Kenya Commercial Bank		0	0
Equity Bank, Etc.		0	0
Sub- Total		0	0
b) On - Call Deposits			
Kenya Commercial Bank		0	0
Equity Bank - Etc.		0	0
Sub- Total		0	0
c) Current Account			
Kenya Commercial Bank		3,423	92,615
Bank B		0	0
Sub- Total		3,423	92,615
d) Others(Specify)			
Cash In Transit		0	0
Cash In Hand		0	0
Sub- Total		0	0
Grand Total		3,423	92,615

**Samburu County Persons Living With Disability Fund
Annual Report and Financial Statements for the year ended June 30, 2022**

12. Receivables from exchange transactions

Description	2021-2022	2020-2021
	Kshs	Kshs
Current Receivables		
Interest Receivable	0	0
Current Loan Repayments Due	0	0
Other Exchange Debtors	0	0
Less: Impairment Allowance	(0)	(0)
Total Current Receivables		
Non-Current Receivables		
Long Term Loan Repayments Due	0	0
Total Non- Current Receivables	0	0
Total Receivables From Exchange Transactions	0	0

Additional disclosure on interest receivable

Description	2021-2022	2020-2021
	Kshs	Kshs
Interest Receivable		
Interest receivable from current portion of long-term loans of previous years	0	0
Accrued interest receivable from of long-term loans of previous years	0	0
Interest receivable from current portion of long-term loans issued in the current year	0	0
Current loan repayments due		
Current portion of long-term loans from previous years	0	0
Accrued principal from long-terms loans from previous periods	0	0
Current portion of long-term loans issued in the current year	0	0

13. Prepayments

Description	2021-2022	2020-2021
	Kshs	Kshs
Prepaid Rent	0	0
Prepaid Insurance	0	0
Prepaid Electricity Costs	0	0
Other Prepayments (Specify)	0	0
Total	0	0

Samburu County Persons Living With Disability Fund
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14. Inventories

Description	2021-2022	2020-2021
	Kshs	Kshs
Consumable Stores	0	0
Spare Parts And Meters	0	0
Catering	0	0
Other Inventories (Specify)	0	0
Total Inventories At The Lower Of Cost And Net Realizable Value	0	0

**Samburu County Persons Living With Disability Fund
Annual Report and Financial Statements for the year ended June 30, 2022**

Notes To The Financial Statements (Continued)

15. Property, plant and equipment

	Land and Buildings	Motor vehicles	Furniture and fittings	Computers and office equipment	Total
Cost	Kshs	Kshs	Kshs	Kshs	Kshs
At 1st July 2020	0	0	0	0	0
Additions	0	0	0	-	0
Disposals	(0)	(0)	-	-	(0)
Transfers/Adjustments	0	(0)	0	(0)	(0)
At 30th June 2021	0	0	0	0	0
At 1st July 2021					
Additions	0	0	0	-	0
Disposals	(0)	-	-	-	(0)
Transfer/Adjustments	(0)	0	0	(0)	(0)
At 30th June 2022	0	0	0	0	0
Depreciation And Impairment					
At 1 st July 2020	(0)	(0)	(0)	(0)	(0)
Depreciation	(0)	(0)	(0)	(0)	(0)
Impairment	(0)	-	-	-	(0)
At 30th June 2021	0	0	0	0	0
At 1st July 2021					
Depreciation	(0)	(0)	(0)	-	(0)
Disposals	0	-	-	-	0
Impairment	(0)	(0)	-	-	(0)

**Samburu County Persons Living With Disability Fund
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	Land and Buildings	Motor vehicles	Furniture and fittings	Computers and office equipment	Total
Cost	Kshs	Kshs	Kshs	Kshs	Kshs
Transfer/Adjustment	0	(0)	(0)	0	0
At 30th June 2022	0	0	0	0	0
Net Book Values					
At 30th June 2021	0	0	0	0	0
At 30th June 2022	0	0	0	0	0

**Samburu County Persons Living With Disability Fund
Annual Report and Financial Statements for the year ended June 30, 2022**

Notes To The Financial Statements (Continued)

16. Intangible assets

Description	2021-2022	2020-2021
	KShs	KShs
Cost		
At Beginning Of The Year	0	0
Additions	0	0
At End Of The Year	0	0
Amortization And Impairment		
At Beginning Of The Year	0	0
Amortization	0	0
At End Of The Year	0	0
Impairment Loss	0	0
At End Of The Year	0	0
NBV	0	0

17. Trade and other payables from exchange transactions

Description	2021-2022	2020-2021
	KShs	KShs
Trade Payables	0	0
Refundable Deposits	0	0
Accrued Expenses	0	0
Other Payables	0	0
Total Trade And Other Payables	0	0

18. Provisions

Description	Leave Provision	Bonus Provision	Other Provision	Total
	KShs	KShs	KShs	KShs
Balance At The Beginning Of The Year (1.07.2021)	0	0	0	0
Additional Provisions	0	0	0	0
Provision Utilised	(0)	(0)	(0)	(0)
Change Due To Discount And Time Value For Money	(0)	(0)	(0)	(0)
Transfers From Non -Current Provisions	0	0	0	0
Balance At The End Of The Year (30.06.2022)	0	0	0	0

**Samburu County Persons Living With Disability Fund
Annual Report and Financial Statements for the year ended June 30, 2022**

Notes To The Financial Statements (Continued)

19. Borrowings

Description	2021-2022	2020-2021
	Kshs	Kshs
Balance At Beginning of The Period	0	0
External Borrowings During the Year	0	0
Domestic Borrowings During the Year	0	0
Repayments Of External Borrowings During the Period	(0)	(0)
Repayments Of Domestic Borrowings During the Period	(0)	(0)
Balance At End of The Period	0	0

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

Description	2021-2022	2020-2021
	Kshs	Kshs
External Borrowings		
Dollar Denominated Loan From 'X Organisation'	0	0
Sterling Pound Denominated Loan From 'Y Organisation'	0	0
Euro Denominated Loan from Z Organisation'	0	0
Domestic Borrowings		
Kenya Shilling Loan From KCB	0	0
Kenya Shilling Loan from Barclays Bank	0	0
Kenya Shilling Loan from Consolidated Bank	0	0
Borrowings From Other Government Institutions	0	0
Total Balance at End Of The Year	0	0

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

Description	2021-2022	2020-2021
	Kshs	Kshs
Short Term Borrowings(Current Portion)	0	0
Long Term Borrowings	0	0
Total	0	0

(NB: the total of this statement should tie to note 18 totals. Current portion of borrowings are those borrowings that are payable within one year or the next financial year. Additional disclosures on terms of borrowings, nature of borrowings, security and interest rates should be disclosed)

**Samburu County Persons Living With Disability Fund
Annual Report and Financial Statements for the year ended June 30, 2022**

Notes To The Financial Statements (Continued)

20. Employee benefit obligations

Description	Defined benefit plan	Post-employment medical benefits	Other provisions	2021-2022	2020-2021
	Kshs	Kshs	Kshs	Kshs	Kshs
Current Benefit Obligation	0	0	0	0	0
Non-Current Benefit Obligation	0	0	0	0	0
Total	0	0	0	0	0

21. Cash generated from operations

	2021-2022	2020-2021
	Kshs	Kshs
Surplus/ (Deficit) For the Year Before Tax	0	0
Adjusted For:		
Depreciation	0	0
Amortisation	0	0
Gains/ Losses On Disposal Of Assets	(0)	(0)
Interest Income	(0)	(0)
Finance Cost	0	0
Working Capital Adjustments		
Increase In Inventory	(0)	(0)
Increase In Receivables	(0)	(0)
Increase In Payables	0	0
Net Cash Flow From Operating Activities	0	0

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

**Samburu County Persons Living With Disability Fund
Annual Report and Financial Statements for the year ended June 30, 2022**

Other Disclosures

22. Related party balances

a) Nature of related party relationships

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

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

b) Related party transactions

	2021-2022	2020-2021
	Kshs	Kshs
Transfers From Related Parties' (County Government)	1,500,000	1,600,000
Transfers To Related Parties	0	0

c) Key management remuneration

	2021-2022	2020-2021
	Kshs	Kshs
Board Of Trustees	0	0
Key Management Compensation	0	0
Total	0	0

d) Due from related parties

	2021-2022	2020-2021
	Kshs	Kshs
Due From Parent Ministry	0	0
Due From County Government	3,500,000	0
Total	3,500,000	0

**Samburu County Persons Living With Disability Fund
Annual Report and Financial Statements for the year ended June 30, 2022**

Other Disclosures Continued

e) Due to related parties

	2021-2022	2020-2021
	Kshs	Kshs
Due To Parent Ministry	0	0
Due To County Government	0	0
Due To Key Management Personnel	0	0
Total	0	0

23. Contingent assets and contingent liabilities

Contingent Liabilities	2021-2022	2020-2021
	Kshs	Kshs
Court Case 0 Against The Fund	0	0
Bank Guarantees	0	0
Total	0	0

(Give details)

**Samburu County Persons Living With Disability Fund
Annual Report and Financial Statements for the year ended June 30, 2022**

Other Disclosures Continued

24. Financial risk management

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

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

a) Credit risk

The Fund has exposure to credit risk, which is the risk that a counterparty will be unable to pay amounts in full when due. Credit risk arises from cash and cash equivalents, and deposits with banks, as well as trade and other receivables and available-for-sale financial investments.

Management assesses the credit quality of each customer, taking into account its financial position, past experience and other factors. Individual risk limits are set based on internal or external assessment in accordance with limits set by the directors. The amounts presented in the statement of financial position are net of allowances for doubtful receivables, estimated by the entity's management based on prior experience and their assessment of the current economic environment.

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

	Total amount Kshs	Fully performing Kshs	Past due Kshs	Impaired Kshs
At 30 June 2022				
Receivables From Exchange Transactions	0	0	0	0
Receivables From Non-Exchange Transactions	0	0	0	0
Bank Balances	0	0	0	0
Total	0	0	0	0
At 30 June 2021				
Receivables From Exchange Transactions	0	0	0	0
Receivables From Non Exchange Transactions	0	0	0	0
Bank Balances	0	0	0	0
Total	0	0	0	0

**Samburu County Persons Living With Disability Fund
Annual Report and Financial Statements for the year ended June 30, 2022**

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

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

The entity has significant concentration of credit risk on amounts due from 0x

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

b) Liquidity risk management

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

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

	Less than 1 month	Between 1-3 months	Over 5 months	Total
	Kshs	Kshs	Kshs	Kshs
At 30 June 2022				
Trade Payables	0	0	0	0
Current Portion Of Borrowings	0	0	0	0
Provisions	0	0	0	0
Employee Benefit Obligation	0	0	0	0
Total	0	0	0	0
At 30 June 2021				
Trade Payables	0	0	0	0
Current Portion Of Borrowings	0	0	0	0
Provisions	0	0	0	0
Employee Benefit Obligation	0	0	0	0
Total	0	0	0	0

c) Market risk

**Samburu County Persons Living With Disability Fund
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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:

	Kshs	Other currencies Kshs	Total Kshs
At 30 June 2021			
Financial Assets	0	0	0
Investments	0	0	0
Cash	0	0	0
Debtors/ Receivables			
Liabilities			
Trade And Other Payables	0	0	0
Borrowings	0	0	0
Net Foreign Currency Asset/(Liability)	0	0	0

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

**Samburu County Persons Living With Disability Fund
Annual Report and Financial Statements for the year ended June 30, 2022**

Foreign currency sensitivity analysis

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

	Change in currency rate	Effect on surplus/ deficit	Effect on equity
	Kshs	Kshs	Kshs
2022			
Euro	10%	0	0
USD	10%	0	0
2021			
Euro	10%	0	0
USD	10%	0	0

ii. Interest rate risk

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

Management of interest rate risk

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

Sensitivity analysis

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

Using the end of the year figures, the sensitivity analysis indicates the impact on the statement of comprehensive income if current floating interest rates increase/decrease by one percentage point as a decrease/increase of KShs 0 (2022: KShs 0). A rate increase/decrease of 5% would result in a decrease/increase in profit before tax of KShs 0 (2021 – KShs 0)

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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:

	2021-2022	2020-2021
	Kshs	Kshs
Revaluation reserve	0	0
Revolving fund	0	0
Accumulated surplus	0	0
Total funds	0	0
Total borrowings	0	0
Less: cash and bank balances	(0)	(0)
Net debt/(excess cash and cash equivalents)	0	0
Gearing	xx%	xx%

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19. Progress On Follow Up Of Prior Year Auditor's Recommendations

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

Reference No. on the external audit Report	Issue / Observation from Auditor	Management comments	Focal Point person to resolve the issue (Name and designation)	Status (Resolved/Not Resolved)	Timeframe (Put a date when you expect the issue to be resolved)
4.1	<p>Errors in Annual Reports and Financial Statements</p> <p>The annual reports and the financial statements prepared and presented for audit had the following errors: -</p> <ol style="list-style-type: none"> Page 3 under the key entity information and management reference is made to Samburu County persons with Disability Act, 2016 instead of Samburu County Persons with Disability, 2016. The error is 	<p>Presented as annexure 1 is an updated FY 2020/21 financial reports whose changes are as follows;</p> <ul style="list-style-type: none"> Values with decimals have been rounded to the nearest whole number. Page 2 under the key entity information and management reference is made to Samburu County persons with Disability Act, 2016 and throughout the report. Page 2 under the Background information, principal 	Nasieku Letipila	Resolved	Resolved

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	<p>repeated throughout the report.</p> <p>2. Page 3 under the Background information, principal activities, fund administration committee, key management, registered offices, fund contacts, independent auditors and principal legal advisor sub-headings are wrongly numbered.</p> <p>3. Page 7 under the statement of performance against county entity's predetermined objectives no period has been indicated for the key development objectives of the fund</p> <p>4. Page 8 under the management team main areas of responsibility for the fund's management team has not</p>	<p>activities, fund administration committee, key management, registered offices, fund contacts, independent auditors and principal legal advisor sub-headings are now correctly numbered.</p> <ul style="list-style-type: none"> • Page 6 under the statement of performance against county entity's predetermined objectives now includes periods. • Page 7 under the management team main areas of responsibility for the fund's management team will be disclosed. • The report of the fund administrator on page 10 has now been signed by the fund administrator 			
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	<p>been disclosed.</p> <p>5. The report of the fund administrator on page 11 has not been signed by the fund administrator.</p> <p>6. Page 12 under the corporate governance statement the report indicates that the board currently consists of 12 members but only 8 members are disclosed under the board of trustees section on page 5</p> <p>7. Page 22 -The statement of management responsibilities has not been signed by the fund administrator</p> <p>8. Page 18- The report on operational and financial performance of the board during the period has not been</p>	<ul style="list-style-type: none"> • Page 11 under the corporate governance statement the report indicates that the board currently consists of 8 members • Page 20 -The statement of management responsibilities has now been signed by the fund administrator • Page 17- The report on operational and financial performance of the board during the period will be provided under the management discussions and analysis • Page 21-The report of the independent auditor has been has now been separated from the financial statements • Page 22- The statement of financial position as at 30 June 2021 has now been signed 			
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	<p>provided under the management discussions and analysis 9. Page 23-The report of the independent auditor has been is not separated from the financial statements 10. Page 24- The statement of financial position as at 30 June 2021 has not been signed by the fund administrator. 11. The annual report and financial statements are not numbered from summary of significant accounting policies onwards 12. Paragraph 4 of the significant accounting policies stipulates that the budget for the financial year 2020/2021 was approved</p>	<p>by the fund administrator .</p> <ul style="list-style-type: none"> • The annual report and financial statements has now been numbered from summary of significant accounting policies onwards • Paragraph 4 of the significant accounting policies stipulates that the budget for the financial year 2020/2021 was approved on 29 June 2020 with no evidence of an approved budget. 			
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	on 29 June 2021 with no evidence of an approved budget.				
4.2	<p>Failure to Prepare a Trial Balance The fund management did not provide the trial balance from which the balances reflected in the financial statements are drawn. Therefore, the source, accuracy and the correctness of the financial statement figures for the year under review could not be confirmed.</p>	<p>Presented as annexure 1 is an updated FY 2020/21 financial reports whose changes are as follows;</p> <ul style="list-style-type: none"> • Values with decimals have been rounded to the nearest whole number. • Page 2 under the key entity information and management reference is made to Samburu County persons with Disability Act, 2016 and throughout the report. • Page 2 under the Background information, principal activities, fund administration committee, key management, registered offices, fund contacts, independent 	Nasieku Letipila	Resolved	Resolved

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		<p>auditors and principal legal advisor sub-headings are now correctly numbered.</p> <ul style="list-style-type: none"> • Page 6 under the statement of performance against county entity's predetermined objectives now includes periods. • Page 7 under the management team main areas of responsibility for the fund's management team will be disclosed. • The report of the fund administrator on page 10 has now been signed by the fund administrator . • Page 11 under the corporate governance statement the report indicates that the board currently 			
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		<p>consists of 8 members</p> <ul style="list-style-type: none"> • Page 20 -The statement of management responsibilities has now been signed by the fund administrator • Page 17- The report on operational and financial performance of the board during the period will be provided under the management discussions and analysis • Page 21-The report of the independent auditor has been has now been separated from the financial statements • Page 22- The statement of financial position as at 30 June 2021 has now been signed by the fund administrator • The annual report and financial statements has now been 			
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		<p>numbered from summary of significant accounting policies onwards</p> <ul style="list-style-type: none"> • Paragraph 4 of the significant accounting policies stipulates that the budget for the financial year 2020/2021 was approved on 29 June 2020 with no evidence of an approved budget. 			

Guidance Notes:

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