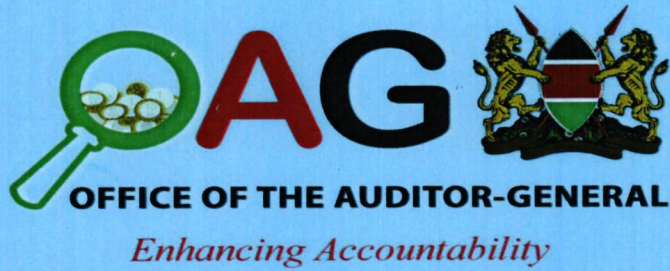


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**REPORT**

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CLERK AT THE TABLE	A. Machana

**OF**

**THE AUDITOR-GENERAL**

**ON**

**KAJIADO COUNTY DISABILITY  
MAINSTREAMING FUND**

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



---

**COUNTY GOVERNMENT OF KAJIADO**

**DISABILITY MAINSTREAMING FUND**

**ANNUAL REPORT AND FINANCIAL STATEMENTS**

**FOR THE FINANCIAL YEAR ENDED**  
**30<sup>TH</sup> JUNE, 2021**

---

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

***KAJIADO COUNTY DISABILITY MAINSTREAMING FUND***

**Reports and Financial Statements**

**For the year ended June 30, 2021**

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**1. KEY ENTITY INFORMATION AND MANAGEMENT**

**a) Background information**

Kajiado County Disability Mainstreaming Fund is established by and derives its authority and accountability from section 116 of the Kajiado Public Finance Management Act, 2012 on 1<sup>st</sup> February, 2016. The Fund is wholly owned by the County Government of Kajiado and is domiciled in Kenya.

The fund's objective is to provide:

The fund was started with the main aim of improving the welfare, income and the social wellbeing of the people living with disability in the County Government of Kajiado. The activities of the fund are geared towards attainment of self-reliance among the people living with disability

The Fund's principal activity is to educate the people living with disability on entrepreneurial skills and provide them with loans either as a group or individuals to boost their entrepreneurial activities that make them self-reliant and be able to improve their life status in the society.

**b) Principal Activities**

1. Entrepreneur loans to persons with disabilities either in groups or as individuals
2. Bursary and/or scholarship support students with disabilities from secondary level and above
3. Assorted assistive devices such as Braille machines, white canes, crutches, polio boots, hearing aids, among others
4. Assistive to organization supporting persons with disabilities
5. Capacity building and training of person with disability groups and the community in order to fight stigma and discrimination
6. Routine baseline surveys and accessibility audits on matters to do with disabilities
7. Assistance to the yearly celebration of the disability day
8. Assistance to special needs units and hospitals overcome challenges on matters to do with disability

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**c) Fund Administration Committee**

Ref	Position	Name
1	Chairperson of the Board	Irene Katete
2	Member	Jackson Moile
3	Member	Solomon Onunga
4	Member	Judith Norbene
5	Member	Elijah Kanake
6	Member	Daniel Sapayia
7	Member	Simon Lemaron
8	Member	Joseph Nkeyesha
9	Member	Julius Sazia
10	Member	Anthony Saitabau
11	Member	David Mbaiwa
12	Fund Manager/ Administrator	David Tuke

**d) Key Management**

Ref	Position	Name
1	Fund Manager/ Administrator	David Tuke
2	Fund Accountant	Jonathan Tito
3	Chief officer	Jonathan Kulei
3	County Executive Committee Member	Florence Waiganjo

**e) Fiduciary Oversight Arrangements**

Ref	Position	Name
1	Directorate of Internal Audit	Internal Audit
2	County	Audit Committee
3	County Assembly	County Assembly Accounts Committee

***KAJIADO COUNTY DISABILITY MAINSTREAMING FUND***  
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**E) Registered Offices**

P.O. Box 11-01100  
Kajiado County headquarters  
Kajiado, Kenya.

**F) Fund Contacts**

Telephone: (254) 0202043075  
E-mail: [kajiadocounty.go.ke](mailto:kajiadocounty.go.ke)  
Website: [www.kajiadocounty.go.ke](http://www.kajiadocounty.go.ke)

**G) Fund Bankers**

Equity Bank Kenya  
P.O.Box 456-01100  
Kajiado, Kenya

**f) Independent Auditors**







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

**g) Principal Legal Adviser**




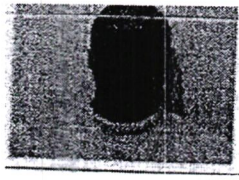

The Attorney General  
State Law Office  
Harambee Avenue  
P.O. Box 40112  
City Square 00200  
Nairobi, Kenya

**KAJIADO COUNTY DISABILITY MAINSTREAMING FUND**  
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**2. THE BOARD OF TRUSTEES/ FUND ADMINISTRATION COMMITTEE**

Name and photo	Details of qualifications and experience
1. Irene Katete 	<b>D.o.b.</b> 1991 <b>Qualification:</b> bachelor of commerce in finance <b>Work experience:</b> 15 years <b>Independent/director:</b> Director
2. David Tuke 	<b>D.o.b.</b> ...15/01/1972..... <b>Qualification:</b> Bachelor of commerce finance option, Diploma in Business Administration <b>Work experience:</b> 20 years <b>Independent/director:</b> Fund Administrator
3. Jackson Moile 	<b>D.o.b.</b> ...1/1/1968..... <b>Qualification:</b> Diploma in Education Management in Kenya Education Primary Teachers Certificate Kenya Institute of Special Education Certificate in Lower Primary Education <b>Work experience</b> ...20 years..... <b>Independent/director</b> ..Independent.....
4. Simon Lemaron 	<b>D.o.b.</b> .....12/12/1978 <b>Qualification.</b> Diploma in Business Management K.C.S.E. Certificate..... <b>Work experience</b> ...7 years <b>Independent/director</b> ....Independent.....
5. Elijah Kanake 	<b>D.o.b.</b> .....1/1/1982..... <b>Qualification</b> .....Certificate in Computer Application K.C.S.E <b>Work experience</b> .....3 Years <b>Independent/director</b> .....Independent.....
6. Judith Norbene 	<b>D.o.b.</b> .....11/11/1979..... <b>Qualification:</b> Bachelor of commerce in Business Administration Full secretarial course certificate <b>Work experience:</b> 15 years <b>Independent/director</b> ....Independent.....

**KAJIADO COUNTY DISABILITY MAINSTREAMING FUND**  
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<p>7. Joseph Nkeyesha</p> 	<p><b>D.o.b</b>.....1/1/1965.....</p> <p><b>Qualification</b>.....KACE..</p> <p>PTE... Teacher</p> <p><b>Work experience</b>.....25 years.....</p> <p><b>Independent/director</b>....Independent.....</p>
<p>8. Anthony Saitabau</p> 	<p><b>D.o.b</b>.....09/04/1982.....</p> <p><b>Qualification</b>.....Bachelor of Development Studies Diploma in Community Development.....</p> <p><b>Work experience</b>.....11 years.....</p> <p><b>Independent/director</b>.....Independent.....</p>
<p>9. Julius Sazia</p> 	<p><b>D.o.b</b>.....1974.....</p> <p><b>Qualification</b>....Bachelor of science in health community Diploma in nursing and community development.</p> <p><b>Work experience</b>...15 years.....</p> <p><b>Independent/director</b>.....Independent.....</p>
<p>10. David Mbaiwa</p> 	<p><b>D.o.b</b>.....15/03/1968.....</p> <p><b>Qualification</b>.....Bachelor of Arts.....</p> <p><b>Work experience</b>.....24 years.....</p> <p><b>Independent/director</b>.....Independent.....</p>
<p>11. Daniel Sapayia</p> 	<p><b>D.o.b</b> : 1959</p> <p><b>Qualification</b>: Diploma in project Management Diploma Orthopaedic technology</p> <p><b>Work experience</b>: 30 years</p> <p><b>Independent/director</b>: Independent</p>

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

**Introduction**

The key development objectives of the Kajiado County Government Disability Mainstreaming Fund 2018-2022 plan are to:

- a) Provide entrepreneur loans to persons with disabilities either in groups or as individuals
- b) Provide Bursary and/or scholarship support students with disabilities from secondary level and above
- c) Provide Assorted assistive devices such as Braille machines, white canes, crutches, polio boots, hearing aids, among others
- d) Capacity building and training of person with disability groups and the community in order to fight stigma and discrimination

**KAJIADO COUNTY DISABILITY MAINSTREAMING FUND**  
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**Progress on attainment of Strategic development objectives**

Below we provide the progress on attaining the stated objectives:

<b>Program</b>	<b>Objective</b>	<b>Outcome</b>	<b>Indicator</b>	<b>Performance</b>
Entrepreneur loans	To support persons with disabilities in obtaining stalls for businesses either in groups or as individuals start a business	Ten stalls occupied and there is increased independent groups of persons with disability	High no. of borrowings	In FY 2020/21 we introduced asset financing in stalls as opposed to cash. Ten stalls were built
Assorted assistive devices	To improve mobility of people with disability from one place to another	Better service delivery	Well maintained devices	In FY 2020/21 we assisted children's homes maintain their devices
Capacity building and training	training of person with disability groups and the community in order to fight stigma and discrimination	Stigma reduction and more awareness of rights of people with disability	80% awareness and stigma reduction within the county	In FY 2020/21 we increased training and included leprosy education
Bursary and/or scholarship	Provide bursary or scholarship support to students with disabilities	Increased number of disability students in the county.	100% increase of applicants	In FY 2020/21 we increased our grants to students by half

**KAJIADO COUNTY DISABILITY MAINSTREAMING FUND**  
**Reports and Financial Statements**  
**For the year ended June 30, 2021.**

**4. MANAGEMENT TEAM**

Name and photo	Details of qualifications and experience
<p>1. Joseph Jama Ole Lenku</p> 	<p><b>D.o.b.</b> 20<sup>th</sup> October 1970  <b>Qualification:</b> Bachelor of commerce in marketing  Masters of Business Administration in strategic Management  <b>Work experience:</b> 20 years  <b>Independent/director:</b> director</p>
<p>2. Samuel K. Seki</p> 	<p><b>D.o.b.</b> 1974  <b>Qualification:</b> Bachelor of commerce in Human Resource  <b>Work experience:</b> 16  <b>Independent/director:</b> Director</p>
<p>3. Florence Waiganjo</p> 	<p><b>D.o.b.</b> 1991  <b>Qualification:</b> bachelor of commerce in finance  <b>Work experience:</b> 15 years  <b>Independent/director:</b> Director</p>
<p>4. David Tuke</p> 	<p><b>D.o.b.</b>.....15/01/1972  <b>Qualification:</b> Bachelor of commerce finance option  Diploma in Business Administration  <b>Work experience:</b> 20 years  <b>Independent/director:</b> Fund Administrator</p>

**KAJLADO COUNTY DISABILITY MAINSTREAMING FUND**

**Reports and Financial Statements**

**For the year ended June 30, 2021.**

**5. FUND ADMINISTRATION COMMITTEE CHAIRPERSON'S REPORT**

The board and management team steering the day to day activities of the fund have done recommendable work to make the fund perform better. The period of the board was extended for a second and final term. There was a change in the management for the department County Executive Committee Member (CECM) and the County Secretary. The performance of disability fund for the year was impressive. We managed to address issues concerning disability awareness through capacity building in relation to support to cerebral palsy children, and entrepreneurship training, conducting data base collection exercises, routine surveys, mobility empowerment, yearly celebration of disability day as considered by the board.

During this period, the Disability Fund received Kshs. 5 million from the County treasury, the also had a balance brought forward of ksh 6,233,961. The fund made payments amounting to Kshs. 10,723,600 to various activities of persons living with disability and leaving a balance of Kshs 299,101. The board is putting in place sound measures to recover outstanding loan of Kshs. 4,749,500 and creating awareness to the persons with disability on proper investment of the loans from the fund.

During the period we managed to acquire software for registration and maintenance of the people with disability data base for ease of service delivery. Under my leadership we have engaged the county assembly committee on the legal framework that when passed will ensure that the fund allocation increases and more activities for the people with disabilities.

As I conclude, I would like to thank the National Treasury, County Treasury and the county department in charge for the support they gave during the financial year to ease the operations of the fund.

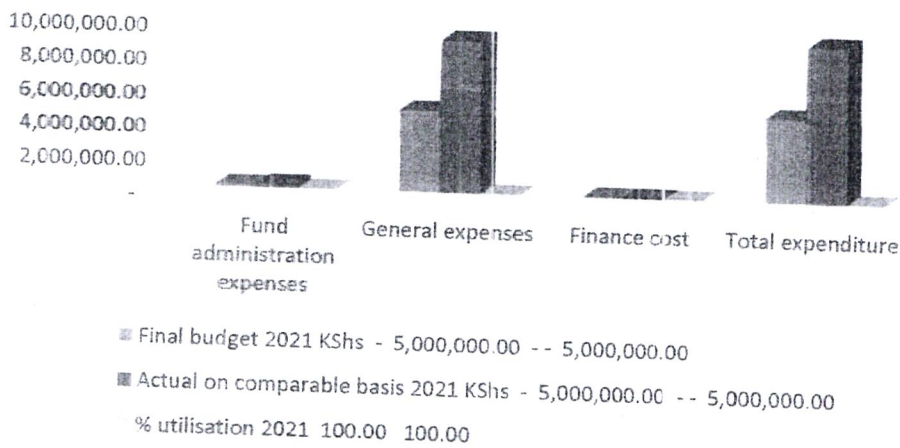
Signed: 

Irene Katete  
Chairperson

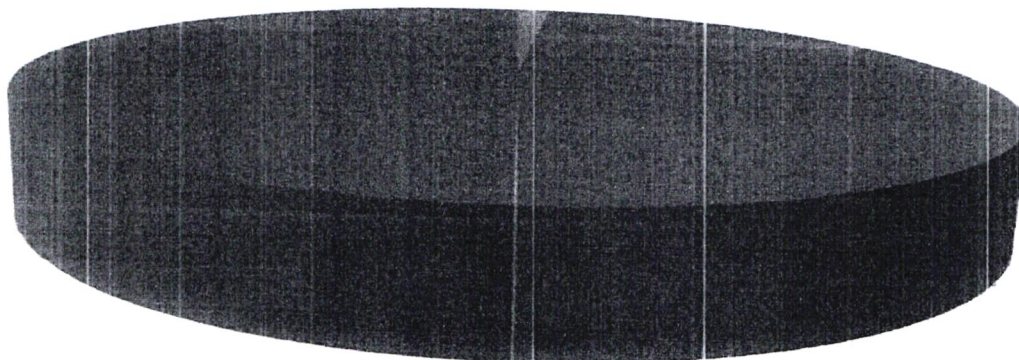
**6. REPORT OF THE FUND MANAGER/ ADMINISTRATOR**

The funds' performance has been good in terms of utilisation of the county government resources to offer services to the people living with disability. The board managing the fund budgeted to offer services with Ksh. 10,000,000 but due to constraint in the county budget managed to receive Kshs 5,000,000 from the county treasury and the previous year's balance for service delivery to people living with disability. We managed to utilise the available funds as budgeted in asset financing, bursary, assistive devices for disable and registration software as shown in the pie chart.

**Comparison of Budget and Actual Performance**



Final budget 2021 KShs - 5,000,000.00 -- 5,000,000.00



■ Fund administration expenses ■ General expenses ■ Finance cost ■ Total expenditure

## ***KAJIADO COUNTY DISABILITY MAINSTREAMING FUND***

### **Reports and Financial Statements**

**For the year ended June 30, 2021.**

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The fund main objective was to issue loans to the people living with disability which through my leadership we managed to issue loan amounting to Kshs 4,850,000 to pwd groups during the FY2016/2017. The management also approved provision of asset finance of which we have managed to build Ten stalls, at accost of ksh 2,000,000, in Kiserian market during the year under review with intention of putting up more in each and every Sub County in the subsequent years. We believe this strategy will boost their entrepreneurial capability.

We have been able to issue bursary and/or scholarship support students with disabilities from secondary level and above. During the current year we issued bursary amounting to Kshs. 1,700,000 and upto date many students living with disability have benefited from the fund bursary

We have also managed to provide assorted assistive devices such as Wheel chairs (including specialised), prosthesis, white canes, crutches, polio boots, among others to persons living with disability since the inception of the fund. This has been done by purchasing the equipment and distributing to persons with disabilities including pwd students as per their requests. The cost on the same during this financial year was ksh 1,700,000.

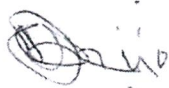
Capacity building and training of person with disability groups and the community in order to fight stigma and discrimination. This has been done through celebration of the world disability days and also organising trainings in different parts of Kajiado, during launching of the registration plat form etc at a cost of ksh 2,703,600.

The individuals living with disability have appreciated activities related to the fund since they are able to do the business through loans and obtaining the stalls through asset finance. The assistive/mobility devices have been of great help to people with disability.

The major problem with fund is reduction in the yearly allocation which has limited the operations of the fund to meet the set objectives and goals. Harsh weather condition and lack of know how among the people with disability lead to death of animals acquired through the loans provided leading to failure to repay the loans advanced by the fund.

Having assessed the level harsh climate, we have resorted to provision of asset financing of the business stalls to the disabled individuals carrying out businesses. Farther we have engaged the law committee of the county assembly to pass a law to solve the issues emerging in relation to objectives of the fund and also make a favourable provision for budget to engage in many viable activities and be able to revolve the fund.

Signed:



David Tuke

Fund Administrator

## **7. CORPORATE GOVERNANCE STATEMENT**

During the financial year 2020-2021 the committee members managed to hold two meetings out of four meetings required in a year and this was as a result of Covid 19 requirement which limited physical gatherings. The two meetings were attended by all twelve members of the committee and deliberations have been successfully concluded.

The committee members are appointed on a three-year term for a maximum of two terms. The Board of management has ensured that terms of all members of the committee do not end at the same time to provide for smooth transition and also succession during expiry of the terms of leaders. Leadership in the conduct of business is also alternated and acting capacities to prepare members for leadership roles.

The fund operates on the parent ministry's service charter of 2021 which defines the roles and activities to be engaged in.

Appointment and removal of the board members are done by the County Public Service Board as stipulated in the county Government Act, 2012. The positions are declared vacant, advertisements are made and recruitment process carried out to get suitable committee members. The roles and functions of the committee members are defined in the County Public Financial Management Regulation and public service manual.

Committee members on appointment are taken through orientation and training on the roles and conduct of the business of the committee and annually members are trained and benchmarking programs done for the exchange of knowledge and practices.

Members have been declaring their conflict of interest every time meetings are held and during execution of the mandate of the fund and there has been no any complication on conflicts of interest among committee members. Remuneration of committee members is defined by the Salaries and Remuneration Committee and are aid on the basis of attendance of the meetings and participation. Members are inducted on the code of ethics and conduct to equip them with best practices and morals to adhere to while in the office and conducting businesses of the fund as planned

**KAJIADO COUNTY DISABILITY MAINSTREAMING FUND**  
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**8. MANAGEMENT DISCUSSION AND ANALYSIS**

The operational performance of the fund is guided by the cash plan defining the activities which the management of the fund has to implement. Funding of the entity is based on the plan approved by the board as the requirement of the people living with disability. Once the county treasury disburses the fund to the entity, the management ensures proper application following proper internal controls in place. The controls put in place include; requisition, Approval and authorisation, payment and recording of the transaction in the books of account. Compliance to the controls put in place are audited by the Office of Auditor General and have not been found questionable hence properly working.

During the financial year, the Fund budgeted to spend Kshs 10M for projects pertaining people living with disability but received Kshs 5,000,000 during the financial year and hence forced to review the budget. During the year the management acquired software to register people with disability which is a great step towards identifying people with disability in the county and planning resources for their wellbeing. Farther, the management decided to engage in asset financing for the people living with disability through building stalls for the entrepreneurs to advance their businesses.

The funds operations are guided by the constitution, various parliamentary acts and regulations like Public Procurement and Asset Disposal Act, 2015, Public Financial Management Act, 2012, Public Financial Management-County Government Regulations, 2015, County Government Act, 2013 and Kajiado County Public Finance Management (Disability Mainstreaming Fund) Regulations, 2016. The Fund complies to the statutory requirement of all the laws, regulations and circulars in force from time to time guiding its operations.

Sections 115 of the Public Finance Management Act, 2012 requires that, at the end of each financial year, the County Treasury shall, not later than three months after the end of each financial year, prepare and submit to the Auditor-General, financial statements in respect of the Emergency Fund for that year.

The County Executive Committee (CEC) member for Finance of the County Government is responsible for the preparation and presentation of the financial statements of Disability fund, which give a true and fair view of the state of affairs of the fund for and as at the end of the financial year ended on June 30, 2021.

The CEC member for Finance accepts responsibility for the Disability fund financial statements, which have been prepared on the Accrual Method of Financial Reporting, using appropriate accounting policies in accordance with International Public Sector Accounting Standards (IPSAS). The CEC member for Finance is of the opinion that the Disability fund financial statements give a true and fair view of the state of the fund transactions during the financial year ended June 30, 2021, and of its financial position as at that date. The CEC member for finance further confirms the completeness of the accounting records maintained for the County Government which have been relied upon in the preparation of the disability fund financial statements.

The CEC member for Finance confirms that the County Government has complied fully with applicable Government Regulations and the terms of external financing covenants (where applicable), and that the County Government's funds received during the year under audit were used

***KAJIADO COUNTY DISABILITY MAINSTREAMING FUND***  
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**For the year ended June 30, 2021.**

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for the eligible purposes for which they were intended and were properly accounted for. Further the CEC member for Finance confirms that the County Government's financial statements have been prepared in a form that complies with relevant accounting standards prescribed by the Public Sector Accounting Standards Board of Kenya.

The major risk facing the fund is the non-disbursement of loans to the persons with disability due to the poor response on repayment of the loan disbursed Three years ago which has posed challenge on the recovery. Poor investment decisions by the beneficiaries is also a threat to the funds existence since the investment chosen don't generate income to service the loans issued to the persons with disability. The management has put more resources to sensitise and create awareness on the need to invest wisely and maintain independent life through resources obtained from the fund.

## **9. CORPORATE SOCIAL RESPONSIBILITY STATEMENT/SUSTAINABILITY REPORTING**

Kajiado County Disability Mainstreaming 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 Kajiado County Disability Mainstream Fund 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**

A sustainable strategy translates into long term success. Those benefits are not simply economic but benefit environment, local community and overall society. In addition to driving social and environmental change, sustainability initiatives can contribute to an institution's overall success. Sustainability strategy basically has implications on human, social, economic and environmental dimensions.

The overall strategies of the fund is to improve enhance social and economic support for the people living with disability and efficiency must include complete environmental obligations and energy consumption guidelines.

The Sustainable Development Goals (SDGs), also known as the Global Goals, were adopted by the United Nations in 2015 as a universal call to action to end poverty, protect the planet, and ensure that by 2030 all people enjoy peace and prosperity. The 17 SDGs are integrated in such a way that action in one area will affect outcomes in others, and that development must balance social, economic and environmental sustainability. Quite a number SDGs touches on environmental sustainability. These include SDG 3 (good health and wellbeing), SDG 6 (clean water and sanitation), SDG 7 (affordable and clean energy), SDG 11 (sustainable cities and communities), SDG 12 (responsible consumption and production), SDG 13 (climate change) and SDG 17 (partnerships for goals). These goals are anchored or reflected in Kenya's vision 2030 (The Social Strategy) and the current governments Big-Four Agenda.

Ministry of Environment and National Environmental Management Authority have put in place mechanisms towards actualizing and monitoring the environmental sustainability goals and programmes in Kenya. Kenya's Green Economy Strategy and Implementation Plan 2016 – 2030, points as the main environmental thematic areas for focus as Promote sustainable infrastructure,

Building resilience, Sustainable Natural Resource Management, Promoting resource efficiency, Social Inclusion and sustainable livelihoods.

## **2. Environmental performance**

Increasing environmental concerns, stringent rules and regulations combined with public awareness, have changed the outlook of business around the world today. By planning and implementing appropriate strategies and functions like green processes and energy conservations, institutions and businesses can play an important role in achieving sustainability. Ministry of Environment and National Environmental Management Authority have put in place mechanisms towards actualizing and monitoring the environmental sustainability goals and programmes in Kenya. Kenya's Green Economy Strategy and Implementation Plan 2016 – 2030, points as the main environmental thematic areas for focus as Promote sustainable infrastructure, Building resilience, Sustainable Natural Resource Management, Promoting resource efficiency, Social Inclusion and sustainable livelihoods. The funds mandate is also anchored on that.

## **3. Employee welfare**

The management committee members of the fund are competitively recruited by County Public Service Board through appropriate recruitment process. The institution has put in place training mechanism for training its management committee members. The composition of the committee members is gender sensitive and balanced. The operations of the members are guided by the code of regulation and human resource manuals for the county.

## **4. Market place practices**

The organisation should outline its efforts to:

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

Procurement department often rely upon a competitive bidding process to achieve better value for money in its procurement activities. To enhance competing on the same platform the bidders are issues with the same tender document which on submission is evaluated based on the evaluation criteria provided in the tender document.

### **b.) Low prices and/or better products.**

They are desirable because they result in resources either being saved or freed up for use on other goods and services. Procurement methods such as open tender require that the lowest evaluated bidder be awarded the tender. However, to avoid price under cutting, the lowest bid has to be within prevailing market rate. After evaluation and award of tender the winning

***KAJIADO COUNTY DISABILITY MAINSTREAMING FUND***  
**Reports and Financial Statements**  
**For the year ended June 30, 2021.**

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bidder is issued with award notification letter and at the same time the other bidders are debriefed on reasons they were not awarded the tender.

**c.) Responsible Supply chain and supplier relations**

Contracts are honoured as per the contractual terms agreed between the suppliers and the University, Payments are also done as per the agreed timelines. Youth, Women and PWD's are paid within 30 days and as per the Government Circular. We are fair with our suppliers and advise them accordingly on documentation required in order to process the payments in good time.

**d.) Responsible marketing and advertisement**

The management of the fund advertises for bursary issuance, meetings with PWD in open media that have large coverage to reach many participants.

**e.) Product stewardship**

Information concerning the bursary application particulars are kept safely and confidential. Discussions with PWD private affairs are kept secret

**5. Community Engagements**

The management of the fund has been involving in the community activities geared towards improving the social and economic welfare of the PWD through, issuance of bursary to needy disable families, organising sports for the disable people, ensuring that buildings have facilities that can improve movement of PWD within the county. The fund management also assist PWD with assistive devices for their comfort.

**KAJIADO COUNTY DISABILITY MAINSTREAMING FUND**  
**Reports and Financial Statements**  
**For the year ended June 30, 2021.**

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**10. FUND ADMINISTRATION COMMITTEE**

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

**10.1 Principal activities**

The principal activities of the Fund are:

- a) Provide entrepreneur loans to persons with disabilities either in groups or as individuals
- b) Provide Bursary and/or scholarship support students with disabilities from secondary level and above
- c) Provide Assorted assistive devices such as Braille machines, white canes, crutches, polio boots, hearing aids, among others
- d) Capacity building and training of person with disability groups and the community in order to fight stigma and discrimination

**10.2 Performance**

The performance of the Fund for the year ended June 30, 2021, are set out on page 1 to 65.

**10.3 Trustees**

The members of the *Administration Committee* who served during the year are shown on page 5 to 6. The changes in the management team during the financial year are as shown below:

<b>S/N</b>	<b>Designation</b>	<b>In</b>	<b>Out</b>
1	County Secretary	Samuel Seki	Francis Sakuda
2	County Executive Committee Member	Florence Waiganjo	Alvin Kimani

***KAJIADO COUNTY DISABILITY MAINSTREAMING FUND***  
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**For the year ended June 30, 2021.**

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**10.4 Auditors**

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

By Order of the Board

Kajiado County Mainstream Disability

Sign: 

Name: Irene Katete

Chair of the Board

Date: 30<sup>th</sup> August, 2021

## **11. STATEMENT OF MANAGEMENT'S RESPONSIBILITIES**

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

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

The Administrator of the County Public Fund accepts responsibility for the Fund's financial statements, which have been prepared using appropriate accounting policies supported by reasonable and prudent judgements and estimates, in conformity with International Public Sector Accounting Standards (IPSAS), and in the manner required by the PFM Act, 2012 and Kajiado County Public Finance Management (Disability Mainstreaming Fund) Regulations, 2016. The Administrator of the Fund is of the opinion that the Fund's financial statements give a true and fair view of the state of Fund's transactions during the financial year ended June 30, 2021, and of the Fund's financial position as at that date.

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

***KAJIADO COUNTY DISABILITY MAINSTREAMING FUND***  
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**For the year ended June 30, 2021.**

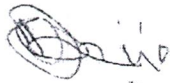
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In preparing the financial statements, the Administrator of the County Public Fund has assessed the Fund's ability to continue as a going concern and disclosed, as applicable, matters relating to the use of going concern basis of preparation of the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

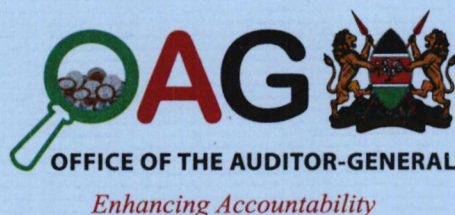
The Fund's financial statements were approved by the Board on 15<sup>th</sup> July, 2021 and signed on its behalf by:



Name: David Tuke  
Fund Administrator

# REPUBLIC OF KENYA

Telephone: +254-(20) 3214000  
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 KAJIADO COUNTY DISABILITY MAINSTREAMING FUND FOR THE YEAR ENDED 30 JUNE, 2021**

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### **PREAMBLE**

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

- A. Report on the Financial Statements that considers whether the financial statements are fairly presented in accordance with the applicable financial reporting framework, accounting standards and the relevant laws and regulations that have a direct effect on the financial statements.
- B. Report on Lawfulness and Effectiveness in Use of Public Resources which considers compliance with applicable laws, regulations, policies, gazette notices, circulars, guidelines and manuals and whether public resources are applied in a prudent, efficient, economic, transparent and accountable manner to ensure 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 Kajiado County Disability Mainstreaming Fund set out on pages 24 to 63, which comprise of the statement of financial position as at 30 June, 2021, 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 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 the Kajiado County Disability Mainstreaming Fund as at 30 June, 2021, and of its financial performance and its cash flows for the year then ended, in accordance with International Public Sector Accounting Standards (Accrual Basis) and comply with the Kajiado County Public Finance Management (Disability Mainstreaming Fund) Regulations, 2016 and the Public Finance Management Act, 2012.

### **Basis for Qualified Opinion**

#### **Unsupported Property, Plant and Equipment**

The statement of financial position reflects property, plant and equipment balance of Kshs.2,000,000. However, the balance has not been supported by a detailed schedule and ownership documents.

In the circumstances, the valuation and ownership of property plant and equipment balance of Kshs.2,000,000 could not be confirmed.

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

#### **Key Audit Matters**

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

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

#### **Conclusion**

As required by Article 229(6) of the Constitution, based on the audit procedures performed, except for the matter described in the Basis for Conclusion on Lawfulness and Effectiveness in Use of Public Resources section of my report, I confirm that, nothing else has come to my attention to cause me to believe that public resources have not been applied lawfully and in an effective way.

## **Basis for Conclusion**

### **Unrecovered Loans**

The statement of the financial position reflects current portion of long-term receivables from exchange transactions balance of Kshs.4,749,500 for the year ended 30 June, 2021 as disclosed under Note 11 to the financial statements. The above balance is held by thirty (30) beneficiaries who have not repaid the loans for over two years and the Management has not made any recovery efforts and in addition, the collaterals in support of the disbursements were not provided for audit verification. Further, the board has not developed guidelines for levying of penalties for failure to repay loans in breach of Section 11(2) of the Fund Regulations.

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

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

## **REPORT ON EFFECTIVENESS OF INTERNAL CONTROLS, RISK MANAGEMENT AND GOVERNANCE**

### **Conclusion**

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

### **Basis for Conclusion**

The audit was conducted in accordance with ISSAI 2315 and ISSAI 2330. The standards require that I plan and perform the audit to obtain assurance about whether effective processes and systems of internal control, risk management and 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 the Board of Trustees**

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 overall governance.

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

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

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

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

The Board is responsible for overseeing the Funds' 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 non-compliance. Also, projections of any evaluation of effectiveness to future periods are subject to the risk that controls may become inadequate because of changes in conditions, or that the degree of compliance with the policies and procedures may deteriorate.

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

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

I communicate with the Management regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal 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 July, 2022

**KAJIADO COUNTY DISABILITY MAINSTREAMING FUND****Reports and Financial Statements**

For the year ended June 30, 2021.

**13. FINANCIAL STATEMENTS****13.1 STATEMENT OF FINANCIAL PERFORMANCE FOR THE YEAR ENDED 30<sup>th</sup> JUNE 2021.**

	Note	2020/2021	2019/2020
		KShs	KShs
<b>Revenue from non-exchange transactions</b>			
Public contributions and donations	1		
Transfers from the County Government	2	3,000,000	10,000,000
Fines, penalties and other levies	3		
<b>Revenue from exchange transactions</b>			
Interest income	4		
Other income	5		
<b>Total revenue</b>		<b>3,000,000</b>	<b>10,000,000</b>
<b>Expenses</b>			
Fund administration expenses	6	202,500	135,000
General expenses	7	8,723,600	12,979,300
Finance costs	8	8,760	12,840
<b>Total expenses</b>		<b>8,934,860</b>	<b>13,127,140</b>
<b>Other gains/losses</b>			
Gain/loss on disposal of assets	9		
<b>Surplus/(deficit) for the period</b>		<b>(5,934,860)</b>	<b>(3,127,140)</b>

The notes set out on pages 50 to 62 form an integral part of these Financial Statements.

**KAJIADO COUNTY DISABILITY MAINSTREAMING FUND**  
**Reports and Financial Statements**  
**For the year ended June 30, 2021**

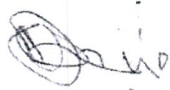
**13.2 STATEMENT OF FINANCIAL POSITION AS AT 30 JUNE 2021**

	Note	2020/2021	2019/2020
		KShs	KShs
<b>Assets</b>			
<b>Current assets</b>			
Cash and cash equivalents	10	299,101	6,233,961
Current portion of long- term receivables from exchange transactions	11	4,749,500	4,749,500
Receivables from Non- exchange transactions	12		-
Prepayments	13		-
Inventories	14		
<b>Non-current assets</b>			
Long term receivables from exchange transactions	11		-
Property, plant and equipment	15	2,000,000	-
Intangible assets	16		-
			-
<b>Total assets</b>		<b>7,048,601</b>	<b>10,983,461</b>
<b>Liabilities</b>			
<b>Current liabilities</b>			
Trade and other payables from exchange transactions	17	-	-
Provisions	18	-	-
Current portion of borrowings	19	-	-
Employee benefit obligations	20	-	-
		-	-
<b>Non-current liabilities</b>			
Long term portion of borrowings	19	-	-
Non-current employee benefit obligation	20	-	-
<b>Total liabilities</b>			
<b>Net assets</b>			
Revolving Fund		6,850,000	4,850,000
Reserves			-
Accumulated surplus		198,601	6,133,461
<b>Total net assets and liabilities</b>		<b>7,048,601</b>	<b>10,983,461</b>

***KAJIADO COUNTY DISABILITY MAINSTREAMING FUND***  
**Reports and Financial Statements**  
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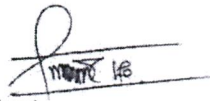
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The accounting policies and explanatory notes to these financial statements form an integral part of the financial statements. The entity financial statements were approved on 23<sup>rd</sup> September, 2021 and signed by:



**Administrator of the Fund**

**Name: David Tuke**



**Fund Accountant**

**Name: John Kores**

**ICPAK**

**KAJIADO COUNTY DISABILITY MAINSTREAMING FUND**  
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**13.3 STATEMENT OF CHANGES IN NET ASSETS AS AT 30 JUNE 2021**

	<b>Revolving Fund</b>	<b>Revaluati on Reserve</b>	<b>Accumulated surplus</b>	<b>Total</b>
		<b>KShs</b>	<b>KShs</b>	<b>KShs</b>
<b>Balance as at 1 July 2019</b>	<b>4,850,000</b>	-	<b>9,260,601</b>	<b>14,110,601</b>
Surplus/(deficit) for the period		-	(3,127,140)	(3,127,140)
Funds received during the year	-	-	-	-
Revaluation gain	-	-	-	-
<b>Balance as at 30 June 2020</b>	<b>4,850,000</b>	-	<b>6,133,461</b>	<b>10,983,461</b>
<b>Balance as at 1 July 2020</b>	<b>4,850,000</b>	-	<b>6,133,461</b>	<b>10,983,461</b>
Surplus/(deficit) for the period		-	(5,934,860)	(5,934,860)
Funds received during the year	2,000,000	-	-	2,000,000
Revaluation gain		-	-	-
<b>Balance as at 30 June 2021</b>	<b>6,850,000</b>	-	<b>198,601</b>	<b>7,048,601</b>

**KAJIADO COUNTY DISABILITY MAINSTREAMING FUND**

**Reports and Financial Statements**

**For the year ended June 30, 2021.**

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

	Note	2020/2021 KShs	2019/2020 KShs
<b>Cash flows from operating activities</b>			
<b>Receipts</b>			
Public contributions and donations		-	-
Transfers from the County Government	2	3,000,000	10,000,000
Interest received		-	-
Receipts from other operating activities		-	-
<b>Total Receipts</b>		<b>3,000,000</b>	<b>10,000,000</b>
<b>Payments</b>			
Fund administration expenses	6	202,500	135,000
General expenses	7	8,723,600	12,979,300
Finance cost	8	8,760	12,840
<b>Total Payments</b>		<b>8,934,860</b>	<b>13,127,140</b>
<b>Net cash flows from operating activities</b>		<b>(5,934,860)</b>	<b>(3,127,140)</b>
<b>Cash flows from investing activities</b>			
Purchase of property, plant, equipment and intangible assets		(2,000,000)	(-)
Proceeds from sale of property, plant and equipment		-	-
Proceeds from loan principal repayments		-	-
Loan disbursements paid out	8	0	(-)
<b>Net cash flows used in investing activities</b>		<b>0</b>	
<b>Cash flows from financing activities</b>			
Proceeds from revolving fund receipts		-	(-)
Additional borrowings (from County treasury)		2,000,000	(-)
Repayment of borrowings		(-)	(-)
<b>Net cash flows used in financing activities</b>		<b>(-)</b>	<b>(-)</b>
<b>Net increase/(decrease) in cash and cash equivalents</b>		<b>(5,934,860)</b>	<b>(3,127,140)</b>
Cash and cash equivalents at 1 JULY, 2020	10	6,233,961	9,361,101
<b>Cash and cash equivalents at 30 JUNE, 2021</b>	10	<b>299,101</b>	<b>6,233,961</b>

**KAJIADO COUNTY DISABILITY MAINSTREAMING FUND****Reports and Financial Statements**

For the year ended June 30, 2021

**13.5 STATEMENT OF COMPARISON OF BUDGET AND ACTUAL AMOUNTS FOR THE PERIOD ENDED 30<sup>th</sup> JUNE 2021.**

	<b>Original budget</b>	<b>Adjustments</b>	<b>Final budget</b>	<b>Actual on comparable basis</b>	<b>% utilization</b>
	<b>2021</b>	<b>2021</b>	<b>2021</b>	<b>2021</b>	<b>2021</b>
	<b>KShs</b>	<b>KShs</b>	<b>KShs</b>	<b>KShs</b>	
<b>Revenue</b>					
Public contributions and donations	-	(-)	-	-	
Transfers from County Govt.	10,000,000	(5,000,000)	5,000,000	5,000,000	100%
Interest income	-	-	-	-	
Other income	-	-	-	-	
<b>Total income</b>	<b>10,000,000</b>	<b>(5,000,000)</b>	<b>5,000,000</b>	<b>5,000,000</b>	<b>100%</b>
<b>Expenses</b>					
Fund administration expenses	285,000	(142,500)	142,500	202,500	142.11%
General expenses	9,700,00	(4,850,000)	4,850,000	10,723,600	221.11%
Finance cost	15,000	(7,500)	7,500	8,760	116.80%
<b>Total expenditure</b>	<b>10,000,000</b>	<b>(5,000,000)</b>	<b>5,000,000</b>	<b>10,934,860</b>	<b>218.70%</b>
<b>Surplus for the period</b>				<b>(5,934,860)</b>	

**Budget notes**

1. (10% over/ under) IPSAS 24.14 – There was more usage of fund administration expenses general expenses and finance cost due to a balance brought forward of ksh 6,233,961 (it formed part of the expenses) which is not included in the statement of comparison.
2. (IPSAS 24.29) Disability Mainstreaming Fund Board had to revise and adjust the original budget due to late release of fund from County treasury to Kajiado County Disability Fund Account. The first batch of ksh 5M was release on April, 2021 which is the last Quarter for FY 2020/2021.

**13.6 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES**

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

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

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

**KAJIADO COUNTY DISABILITY MAINSTREAMING FUND**  
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**For the year ended June 30, 2021.**

**SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)**

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

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

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

**KAJIADO COUNTY DISABILITY MAINSTREAMING FUND**  
**Reports and Financial Statements**  
**For the year ended June 30, 2021.**

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

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

**KAJIADO COUNTY DISABILITY MAINSTREAMING FUND**  
**Reports and Financial Statements**  
**For the year ended June 30, 2021.**

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

**SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)**

**c) Early adoption of standards**

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

**3. Revenue recognition**

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

**Transfers from other government entities**

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

**ii) Revenue from exchange transactions**

***Interest income***

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

**4. Budget information**

The original budget for FY 2020/2021 was approved by the County Assembly on 30<sup>th</sup> June, 2020. Subsequent revisions or additional appropriations were made to the approved budget in accordance with specific approvals from the appropriate authorities.

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

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**SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)**

recast from the accrual basis to the cash basis and reclassified by presentation to be on the same basis as the approved budget. A comparison of budget and actual amounts, prepared on a comparable basis to the approved budget, is then presented in the statement of comparison of budget and actual amounts.

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

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

**5. Property, plant and equipment**

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

**6. Intangible assets**

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

**SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)**

**7. Financial instruments**

**a) Financial assets**

**Initial recognition and measurement**

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

**Loans and receivables**

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

**Held-to-maturity**

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

**Impairment of financial assets**

The Entity assesses at each reporting date whether there is objective evidence that a financial asset or an entity of financial assets is impaired. A financial asset or an 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

**SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)**

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)

***b) Financial liabilities***

**Initial recognition and measurement**

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

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

**Loans and borrowing**

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

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

**8. Inventories**

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

**SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)**

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

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

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

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

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

**9. Provisions**

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

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

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

**Contingent liabilities**

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

**SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)**

**Contingent assets**

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

**10. Nature and purpose of reserves**

The Entity creates and maintains reserves in terms of specific requirements

**11. 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.

**12. 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.

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**SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)**

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

**13. 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.

**14. 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.

**15. Related parties**

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

**SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)**

**16. 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 Equity bank, Kajiado branch 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.

**17. Comparative figures**

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

**18. Events after the reporting period**

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

**19. Ultimate and Holding Entity**

The entity is a County Public Fund established by Kajiado County Subsidiary Legislation, 2016 Act under the Department of Public Service, Social Services, Administration and Inspectorate. Its ultimate parent is the County Government of Kajiado.

**20. Currency**

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

**SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)**

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

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

**a) Estimates and assumptions**

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

**b) Useful lives and residual values**

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

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

**SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)**

**c) Provisions**

Provisions were not raised and management determined an estimate based on the information available. Additional disclosure of these estimates of provisions is not included.

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.

**22. Financial risk management**

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

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

**a) Credit risk**

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

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

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**SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)**

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

	<b>Total amount KShs</b>	<b>Fully performing KShs</b>	<b>Past due KShs</b>	<b>Impaired KShs</b>
<b>At 30 June 2021</b>				
Receivables from exchange transactions	-	-	-	-
Receivables from non-exchange transactions	-	-	-	-
Bank balances	299,101	299,101	-	-
<b>Total</b>	<b>299,101</b>	<b>299,101</b>	-	-
<b>At 30 June 2020</b>				
Receivables from exchange transactions	-	-	-	-
Receivables from non-exchange transactions	-	-	-	-
Bank balances	6,233,961	6,233,961	-	-
<b>Total</b>	<b>6,233,961</b>	<b>6,233,961</b>	-	-

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

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**SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)**

**b) Liquidity risk management**

Ultimate responsibility for liquidity risk management rests with the Fund Administrator, who has built an appropriate liquidity risk management framework for the management of the entity's short, medium and long-term funding and liquidity management requirements. The entity manages liquidity risk through continuous monitoring of forecasts and actual cash flows. The table below represents cash flows payable by the Fund under non-derivative financial liabilities by their remaining contractual maturities at the reporting date. The amounts disclosed in the table are the contractual undiscounted cash flows. Balances due within 12 months equal their carrying balances, as the impact of discounting is not significant.

	Less than 1 month KShs	Between 1- 3 months KShs	Over 5 months KShs	Total KShs
<b>At 30 June 2021</b>				
Trade payables				
Current portion of borrowings			4,749,500	4,749,500
Provisions				
Employee benefit obligation				
<b>Total</b>			<b>4,749,500</b>	<b>4,749,500</b>
<b>At 30 June 2020</b>				
Trade payables				
Current portion of borrowings			4,749,500	4,749,500
Provisions				
Employee benefit obligation				
<b>Total</b>			<b>4,749,500</b>	<b>4,749,500</b>

**SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)**

**c) Market risk**

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

Market risk is the risk arising from changes in market prices, such as interest rate, equity prices and foreign exchange rates which will affect the entity's income or the value of its holding of financial instruments. The objective of market risk management is to manage and control market risk exposures within acceptable parameters, while optimising the return. Overall responsibility for managing market risk rests with the Audit and Risk Management Committee. The Fund's Finance Department is responsible for the development of detailed risk management policies (subject to review and approval by Audit and Risk Management Committee) and for the day to day implementation of those policies.

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

**d) Foreign currency risk**

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

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**SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)**

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

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

**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
<b>2021</b>			
Euro	10%	-	-
USD	10%	-	-
<b>2020</b>			
Euro	10%	-	-
USD	10%	-	-

**SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)**

**e) Interest rate risk**

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

**Management of interest rate risk**

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

**Sensitivity analysis**

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

Using the end of the year figures, the sensitivity analysis indicates the impact on the statement of comprehensive income if current floating interest rates increase/decrease by one percentage point as a decrease/increase of KShs (2021: KShs ). A rate increase/decrease of 5% would result in a decrease/increase in profit before tax of KShs (2020 – KShs )

**f) Capital risk management**

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

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**SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)**

	2020/2021	2019/2020
	KShs	KShs
Revaluation reserve	-	-
Revolving fund	6,850,000	4,850,000
Accumulated surplus	198,601	6,133,461
<b>Total funds</b>	<b>7,048,601</b>	<b>10,983,461</b>
Total borrowings		0
Less: cash and bank balances	299,101	6,233,961
Net debt/(excess cash and cash equivalents)	299,101	6,233,961
<b>Gearing</b>	<b>4.24%</b>	<b>56.76%</b>

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**14. NOTES TO THE FINANCIAL STATEMENTS**

**1. Public contributions and donations**

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

**2. Transfers from County Government**

Description	2020/2021	2019/2020
	KShs	KShs
Transfers from County Govt. – operations	3,000,000	10,000,000
Payments by County on behalf of the entity	-	-
<b>Total</b>	<b>3,000,000</b>	<b>10,000,000</b>

NOTE: During the FY 2020/2021 the Fund received 5 million Kenya Shillings and the Board resolved to give General Operations ksh 3 M and Economic Empowerment(note 15) ksh 2M hence the increase in the revolving amount.

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

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

**4. Interest income**

Description	2020/2021	2019/2020
	KShs	KShs
Interest income from Mortgage loans	-	-
Interest income from car loans	-	-
Interest income from investments	-	-
Interest income on bank deposits	-	-
<b>Total interest income</b>	-	-

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**NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)**

**5. Other income**

Description	2020/2021	2019/2020
	KShs	KShs
Insurance recoveries	-	-
Income from sale of tender documents	-	-
Miscellaneous income (specify)	-	-
<b>Total other income</b>	<b>-</b>	<b>-</b>

**6. Fund administration expenses**

Description	2020/2021	2019/2020
	KShs	KShs
Staff costs (Note 6a)	-	-
Board/committee allowance	120,000	120,000
Office expenses	82,500	15,000
<b>Total</b>	<b>202,500</b>	<b>135,000</b>

**6A. Staff costs**

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

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**7. General expenses**

Description	2020/2021	2019/2020
	KShs	KShs
Consumables	8,723,600	12,979,300
Electricity and water expenses	-	-
Fuel and oil costs	-	-
Insurance costs	-	-
Postage	-	-
Printing and stationery	-	-
Rental costs	-	-
Security costs	-	-
Telecommunication	-	-
Bank Charges	-	-
Hospitality	-	-
Depreciation and amortization costs	-	-
Other expenses	-	-
<b>Total</b>	<b>8,723,600</b>	<b>12,979,300</b>

**8. Finance costs**

Description	2020/2021	2019/2020
	KShs	KShs
Bank charges	8,760	12,840
<b>Total</b>	<b>8,760</b>	<b>12,840</b>

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

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

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**NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)**

**10. Cash and cash equivalents**

<b>Description</b>	<b>2020/2021</b>	<b>2019/2020</b>
	<b>KShs</b>	<b>KShs</b>
Fixed deposits account	-	-
On – call deposits	-	-
Current account	299,101	6,233,961
Others	-	-
<b>Total cash and cash equivalents</b>	<b>299,101</b>	<b>6,233,961</b>

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

<b>Financial institution</b>	<b>Account number</b>	<b>2020/2021</b>	<b>2019/2020</b>
		<b>KShs</b>	<b>KShs</b>
<b>a) Fixed deposits account</b>			
Kenya Commercial bank		-	-
Equity Bank, etc		-	-
<b>Sub- total</b>		-	-
<b>b) On - call deposits</b>			
Kenya Commercial bank		-	-
Equity Bank – etc		-	-
<b>Sub- total</b>		-	-
<b>c) Current account</b>			
Equity Bank	0860264382794	299,101	6,233,961
Bank B		-	-
<b>Sub- total</b>		<b>299,101</b>	<b>6,233,961</b>
<b>d) Others(specify)</b>			
Cash in transit		-	-
Cash in hand		-	-
Mobile Money		-	-
<b>Sub- total</b>		-	-
<b>Grand total</b>		<b>299,101</b>	<b>6,233,961</b>

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**NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)**

**11. Receivables from exchange transactions**

Description	2020/2021	2019/2020
	KShs	KShs
<b>Current Receivables</b>		
Interest receivable	-	-
Current loan repayments due	4,749,500	4,749,500
Other exchange debtors		-
Less: impairment allowance	(-)	(-)
<b>Total Current receivables</b>	<b>4,749,500</b>	<b>4,749,500</b>
<b>Non-Current receivables</b>		
Long term loan repayments due	-	-
<b>Total Non- current receivables</b>	<b>-</b>	<b>-</b>
<b>Total receivables from exchange transactions</b>	<b>4,749,500</b>	<b>4,749,500</b>

**Additional disclosure on interest receivable**

Description	2020/2021	2019/2020
	KShs	KShs
<b>Interest receivable</b>		
Interest receivable from current portion of long-term loans of previous years	-	-
Accrued interest receivable from of long-term loans of previous years	-	-
Interest receivable from current portion of long-term loans issued in the current year	-	-
<b>Current loan repayments due</b>		
Current portion of long-term loans from previous years	-	-
Accrued principal from long-terms loans from previous periods	-	-
Current portion of long-term loans issued in the current year	-	-

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**NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)**

**12. Receivables from Non-Exchange transaction**

Description	2020/2021	2019/2020
	KShs	KShs
Transfer from County Executive	-	-
Transfer from xxx Fund	-	-
<b>Total receivables from non-exchange transactions</b>	<b>-</b>	<b>-</b>

**13. Prepayments**

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

**14. Inventories**

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

**KAJIADO COUNTY DISABILITY MAINSTREAMING FUND**

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**NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)**

**15. Property, plant and equipment**

	Land and Buildings KShs	Motor vehicles KShs	Furniture and fittings KShs	Computers and office equipment KShs	Total KShs
<b>Cost</b>					
<b>At 1<sup>st</sup> July 2019</b>			-	-	-
Additions	-	-	-	-	-
Disposals	(-)	(-)	-	-	(-)
Transfers/adjustments	-	(-)	-	(-)	(-)
<b>At 30<sup>th</sup> June 2020</b>	-	-	-	-	-
<b>At 1<sup>st</sup> July 2020</b>					
Additions	-	-	-	-	-
Disposals	(-)	-	-	-	(-)
Transfer/adjustments	(-)	-	-	(-)	(-)
<b>At 30<sup>th</sup> June 2021</b>	-	-	-	-	-
<b>Depreciation and impairment</b>					
At 1 <sup>st</sup> July 2019	(-)	(-)	(-)	(-)	(-)
Depreciation	(-)	(-)	(-)	(-)	(-)
Impairment	(-)	-	-	-	(-)
<b>At 30<sup>th</sup> June 2020</b>	-	-	-	-	-
<b>At 1<sup>st</sup> July 2020</b>					
Depreciation	(-)	(-)	(-)	-	(-)
Disposals	-	-	-	-	-
Impairment	(-)	(-)	-	-	(-)
Transfer/adjustment	-	(-)	(-)	-	-
<b>At 30<sup>th</sup> June 2021</b>	<b>2,000,000</b>	-	-	-	<b>2,000,000</b>
<b>Net book values</b>					

**KAJIADO COUNTY DISABILITY MAINSTREAMING FUND**

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	<b>Land and Buildings</b>	<b>Motor vehicles</b>	<b>Furniture and fittings</b>	<b>Computers and office equipment</b>	<b>Total</b>
<b>Cost</b>	<b>KShs</b>	<b>KShs</b>	<b>KShs</b>	<b>KShs</b>	<b>KShs</b>
<b>At 30<sup>th</sup> June 2020</b>	-	-	-	-	-
<b>At 30<sup>th</sup> June 2021</b>	<b>2,000,000</b>	-	-	-	<b>2,000,000</b>

NOTE: As per minutes dated 30<sup>th</sup> January, 2018 due to earlier disbursed loan default, the Disability Main streaming board stopped further issuance of direct loans to groups owned by Persons With disabilities. It was a measure arrived at unanimously to curb more loss of funds in terms of loans.

As per minutes dated 15<sup>th</sup> July, 2019 the Disability Mainstreaming once again revisited the economic empowerment issue and resolved unanimously to change the strategy to LPO/LSO and Asset Financing.

During the FY 2020/2021 the Fund received 5 million Kenya Shillings and the Board resolved to give General Operations ksh 3 M and Economic Empowerment ksh 2M hence the increase in the revolving amount.

**KAJIADO COUNTY DISABILITY MAINSTREAMING FUND**  
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**NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)**

**16. Intangible assets-software**

Description	2020/2021	2019/2020
	KShs	KShs
<b>Cost</b>		
At beginning of the year	-	-
Additions	-	-
<b>At end of the year</b>	-	-
<b>Amortization and impairment</b>		
At beginning of the year	-	-
Amortization	-	-
<b>At end of the year</b>	-	-
Impairment loss	-	-
<b>At end of the year</b>	-	-
<b>NBV</b>	-	-

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

Description	2020/2021	2019/2020
	KShs	KShs
Trade payables	-	-
Refundable deposits	-	-
Accrued expenses	-	-
Other payables	-	-
<b>Total trade and other payables</b>	-	-

**18. Provisions**

Description	Leave provision	Bonus provision	Other provision	Total
	KShs	KShs	KShs	KShs
Balance at the beginning of the year (1.07.2020)	-	-	-	-
Additional Provisions	-	-	-	-
Provision utilised	(-)	(-)	(-)	(-)
Change due to discount and time value for money	(-)	(-)	(-)	(-)
Transfers from non-current provisions	-	-	-	-
<b>Balance at the end of the year (30.06.2021)</b>	-	-	-	-

**KAJIADO COUNTY DISABILITY MAINSTREAMING FUND**  
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**NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)**

**19. Borrowings**

Description	2020/2021	2019/2020
	KShs	KShs
<b>Balance at beginning of the period</b>	-	-
External borrowings during the year	-	-
Domestic borrowings during the year	-	-
Repayments of external borrowings during the period	(-)	(-)
Repayments of domestic borrowings during the period	(-)	(-)
<b>Balance at end of the period</b>	-	-

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

Description	2020/2021	2019/2020
	KShs	KShs
<b>External Borrowings</b>		
Dollar denominated loan from 'xxx organisation'	-	-
Sterling Pound denominated loan from 'yyy organisation'	-	-
Euro denominated loan from 'zzz organisation'	-	-
<b>Domestic Borrowings</b>		
Kenya Shilling loan from KCB	-	-
Kenya Shilling loan from Barclays Bank	-	-
Kenya Shilling loan from Consolidated Bank	-	-
Borrowings from other government institutions	-	-
<b>Total balance at end of the year</b>	-	-

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

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

**KAJIADO COUNTY DISABILITY MAINSTREAMING FUND**  
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**NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)**

**20. Employee benefit obligations**

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

**21. Cash generated from operations**

	2020/2021 KShs	2019/2020 KShs
Surplus/ (deficit) for the year before tax	(5,934,860)	(3,127,140)
<b>Adjusted for:</b>		
Depreciation	-	-
Amortisation	-	(-)
Gains/ losses on disposal of assets	(-)	(-)
Interest income	(-)	-
Finance cost	-	
<b>Working Capital adjustments</b>		(-)
Increase in inventory	(-)	
Increase in receivables	(-)	-
Increase in payables	-	
<b>Net cash flow from operating activities</b>	<b>(5,934,860)</b>	<b>(3,127,140)</b>

**KAJIADO COUNTY DISABILITY MAINSTREAMING FUND**  
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**NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)**

**22. Related party balances**

**a) Nature of related party relationships**

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

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

**b) Related party transactions**

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

**c) Key management remuneration**

	2020/2021 KShs	2019/2020 KShs
Fund Administration committee	120,000	120,000
Key Management Compensation	-	-
<b>Total</b>	<b>120,000</b>	<b>120,000</b>

**KAJIADO COUNTY DISABILITY MAINSTREAMING FUND**  
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**NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)**

**d) Due from related parties**

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

**e) Due to related parties**

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

**23. Contingent assets and contingent liabilities**

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

**KAJIADO COUNTY DISABILITY MAINSTREAMING FUND**  
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**15. PROGRESS ON FOLLOW UP OF PRIOR YEAR AUDITOR'S  
RECOMMENDATIONS**

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

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

**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.

**KAJIADO COUNTY DISABILITY MAINSTREAMING FUND**  
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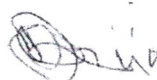
**16. APPENDIX I: INTER-ENTITY TRANSFERS**

ENTITY NAME:		KAJIADO COUNTY DISABILITY MAINSTREAMING FUND		
Break down of Transfers from the County Executive of Kajiado County Government				
FY 2020/2021				
a.	Recurrent Grants	<u>Bank Statement Date</u>	<u>Amount (KShs)</u>	<u>Indicate the FY to which the amounts relate</u>
		29 <sup>th</sup> March, 2021	5,000,000	2020-2021
		<b>Total</b>	<b>5,000,000</b>	
b.	Development Grants	<u>Bank Statement Date</u>	<u>Amount (KShs)</u>	<u>Indicate the FY to which the amounts relate</u>
			-	
			-	
			-	
		<b>Total</b>	-	
c.	Direct Payments	<u>Bank Statement Date</u>	<u>Amount (KShs)</u>	<u>Indicate the FY to which the amounts relate</u>
			-	
			-	
			-	
		<b>Total</b>		

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

Finance Manager  
 Kajiado County Disability Fund

Sign



Head of County Treasury at  
 Kajiado County

Sign

