

REPUBLIC OF KENYA



**REPORT**

**OF**

**THE AUDITOR-GENERAL**

**ON**

**KAJIADO COUNTY YOUTH AND WOMEN**

**ENTERPRISE FUND**

**FOR THE YEAR ENDED**

**30 JUNE, 2020**

PAPERS LAID	
DATE	1/3/2022
TABLED BY	Sen. Sakari Johnson
COMMITTEE	-
CLERK AT THE TABLE	Kwaka M.







---

## **KAJIADO COUNTY YOUTH AND WOMEN ENTERPRISE FUND**

### **ANNUAL REPORT AND FINANCIAL STATEMENTS**

**FOR THE FINANCIAL YEAR ENDED  
JUNE 30, 2020**

---

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





**Kajiado County Youth and Women Enterprise Fund  
Reports and Financial Statements  
For the year ended June 30, 2020**

---

1. KAJIADO COUNTY YOUTH AND WOMEN ENTERPRISE FUND INFORMATION AND MANAGEMENT	2
2. THE SECRETARIAT	4
3. MANAGEMENT TEAM	5
4. BOARD/FUND CHAIRPERSON'S REPORT	6
5. REPORT OF THE FUND ADMINISTRATOR	7
6. REPORT OF THE TRUSTEES	9
7. REPORT OF THE INDEPENDENT AUDITOR	10
8. FINANCIAL STATEMENTS	11
8.1. STATEMENT OF FINANCIAL PERFORMANCE FOR THE YEAR ENDED 30 <sup>th</sup> JUNE 2020 .....	11
8.2. STATEMENT OF FINANCIAL POSITION AS AT 30 JUNE 2020 .....	12
8.3. STATEMENT OF CHANGES IN NET ASSETS AS AT 30 JUNE 2020 .....	13
8.4. STATEMENT OF CASHFLOWS FOR THE YEAR ENDED 30 JUNE 2020 ..	14
8.5. STATEMENT OF COMPARISON OF BUDGET AND ACTUAL AMOUNTS FOR THE PERIOD ENDED 30 <sup>th</sup> JUNE 2020.....	15
8.6. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES.....	16
8.7. NOTES TO THE FINANCIAL STATEMENTS .....	31
9. PROGRESS ON FOLLOW UP OF PRIOR YEAR AUDITOR'S RECOMMENDATIONS	36



**1. KAJIADO COUNTY YOUTH AND WOMEN ENTERPRISE FUND INFORMATION AND MANAGEMENT**

**a) Background information**

Kajiado County Youth fund is established pursuant to Article 176(1) of the Constitution of Kenya. According to section 12 of the county government act establishes Youth Fund Committee. Among the function bestowed upon the county Youth Fund Committee is preparation of annual financial estimate of expenditure, exercising budgetary control and performing other functions prescribed by national legislation. Section 116(1) of the Public Finance Management Act 2012 empowers the county Executive committee member for finance to Establish county public funds with the approval of the county executive committee and county assembly. Sub Section 7 requires the administrator of county [public fund to prepare accounts for each financial year and submit them for to the Auditor General. The Fund is wholly owned by the County Government of Kajiado and is domiciled in Kenya.

Arising from the above provisions and as advised by Salaries and Remuneration Commission (SRC) the fund's principal activity is to advanced interest free loans to under these Regulations and applicable from time to time by the Kajiado County Youth Fund Policy

**b) Principal Activities**

The Fund principal activity is to advance interest free loans to women and youth groups to empower them economically in the manner under these Regulations and Fund Policy

**c) Board of Trustees/Fund Administration Committee**

Ref	Name	Position
1.	Judy Komite	Member
2.	Mercy Wanjohi	Member
3.	Eve Merin	Board Chairperson
4.	John Kores	Fund Administrator

**d) Key Management**

Ref	Name	Position
1	Joseph Jama Ole Lenku	Governor
2	Samuel Seki	Ag. County Secretary
3	Florence Waiganjo	CECM Gender and Social Services
4	Christine Jaji	C.O Gender and Social Services
5.	John Kores	Fund Administrator





**e) Registered Offices**

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

**f) Fund Contacts**

Telephone: (254) 0202043075  
E-mail: [treasury.cgk@gmail.com](mailto:treasury.cgk@gmail.com)  
Website: [www.go.ke](http://www.go.ke)

**g) Fund Bankers**

1. Kenya Commercial Bank  
P.O. Box 43- 01100  
Kajiado




**h) Independent Auditors**

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





## 2. THE SECRETARIAT

Name	Details of qualifications and experience
<p>1. John Kores</p> 	<p><b>D.o.B...</b>25/08/1988.....</p> <p><b>Qualification:</b> Bachelor of commerce Accounting option</p> <p><b>Work experience:</b> 10 years</p> <p><b>Independent/Director:</b> Fund Administrator</p>
<p>2. Mercy Wanjohi</p> 	<p><b>D.o.B...</b>15/01/1972.....</p> <p><b>Qualification:</b> Bachelor of commerce finance option, Diploma in Business Administration</p> <p><b>Work experience:</b> 20 years</p> <p><b>Independent/Director:</b> Member</p>
<p>3. Eve Merin</p> 	<p><b>D.o.B....</b>1/1/1968.....</p> <p><b>Qualification:</b> Primary Teachers Certificate Kenya Institute of Special Education Certificate in Lower Primary Education Diploma in Education Management in Kenya Education</p> <p><b>Work experience...</b>10 years.....</p> <p><b>Independent/director.</b> Board Chairperson.....</p>



### 3. MANAGEMENT TEAM

Name	Designation
1. H.E Joseph Jama Ole Lenku	Governor- County Government of Kajiado
2. Hon. Samuel Seki	County Secretary
3. Hon. Florence Waiganjo	CECM , Gender , Social Services
4. Hon. Jeremiah Ncharo	CECM, Youth & Sports
5. Mr. Christine Lasoi Jaji	C.O Gender and Social Services
6. Mr. John Mbugua	C.O Youth & Sports
7. John Kores	Fund Administrator





#### 4. BOARD/FUND CHAIRPERSON'S REPORT

The first tranche of exchequer release for F.Y 2019/2020 was received on 25<sup>th</sup> February 2020, amounting to Ksh. 7,500,000.00. In addition to this the fund had an adjusted B/f of Ksh. 51,186.00 from the FY 2018/2019

During the financial year 2019/20, Kshs. 8,450,000.00 was disbursed as Group Loans to beneficiaries all over the 25 wards. The amount of Kshs.511,501.00 is the Bank balance carried forward to the following fiscal year, out of the bank balance, Kshs. 500,000.00 are un-presented cheques, leaving in our books a net Cash & Cash Equivalent Balance of Kshs. 11,501.00.

The budget allocation though not enough was prudently and efficiently used to run the fund. However, there were challenges faced during the implementation of strategic objectives of the fund since it was still a new fund. Some of the challenges are delay payment of loans, Inconsistency in payment of loans, the narration of loan repayment in the bank statements to advice on the group that has paid the loan.

Signed:  \_\_\_\_\_





## 5. REPORT OF THE FUND ADMINISTRATOR

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 (Youth and Women Enterprise Fund) Regulation, 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, 2020. 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 (Youth and Women Enterprise Fund) Regulation, 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, 2020, and of the Fund's financial position as at that date. The Administrator further confirm the completeness of the accounting records maintained for the Fund, which have been relied upon in the preparation of the Fund's financial statements as well as the adequacy of the systems of internal financial control.

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

There has been one disbursement of funds from the exchequer received by the fund during the FY 2019/2020 amounting to Kshs.7,500,000.00. The amount of Kshs.511,501.00 is the Bank balance carried forward to the following fiscal year, out of the bank balance, Kshs. 500,000.00



**Kajiado County Youth and Women Enterprise Fund**  
**Reports and Financial Statements**  
**For the year ended June 30, 2020**


---

are un presented cheques, leaving in our books a net Cash & Cash Equivalent Balance of Kshs. 11,501.00.

**Approval of the financial Statement.**

The Fund's financial statements were approved and signed by Accounting Officer on 30<sup>th</sup> August, 2020.

Signed: \_\_\_\_\_



Fund Administrator

**John Kores**



## **6. REPORT OF THE TRUSTEES**

The Trustees submit their report together with the audited financial statements for the year ended June 30, 2020 which show the state of the Fund affairs.

### **Principal activities**

The principal activity of the Fund is to disburse interest free loans to Youth and Women

### **Results**

The results of the Fund for the year ended June 30, 2019 are set out in this financial report on page 11 to page 15

### **Trustees**

The members of the Board of Trustees who served during the year are shown on page 4(*refer to the fund key information and management page*).

### **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

Member of the Board

Date:  \_\_\_\_\_





**7. REPORT OF THE INDEPENDENT AUDITOR**





# REPUBLIC OF KENYA

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



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

## **REPORT OF THE AUDITOR-GENERAL ON KAJIADO COUNTY YOUTH AND WOMEN ENTERPRISE FUND FOR THE YEAR ENDED 30 JUNE, 2020**

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

#### **Qualified Opinion**

I have audited the accompanying financial statements of Kajiado County Youth and Women Enterprise Fund set out on pages 11 to 36, which comprise the statement of financial position as at 30 June, 2020, and the statement of financial performance, statement of changes in net assets and statement of cash flows for the year then ended, and a summary of significant accounting policies and other explanatory information in accordance with the provisions of Article 229 of the Constitution of Kenya and Section 35 of the Public Audit Act, 2015. I have obtained all the information and explanations which, to the best of my knowledge and belief, were necessary for the purpose of the audit.

In my opinion, except for the effects of the matter described in the Basis for Qualified Opinion section of my report, the financial statements present fairly, in all material respects, the financial position of the Kajiado County Youth and Women Enterprise Fund as at 30 June, 2020 and of its financial performance and its cash flows for the year then ended, in accordance with International Public Sector Accounting Standards (Accrual Basis) and comply with the Public Finance Management Act 2012.

#### **Basis for Qualified Opinion**

##### **1.0 Default in Loan Repayments**

The statement of financial position as at 30 June, 2020 reflects total Assets of Kshs.51,465,537 which includes Kshs.43,004,036 being long term receivables from exchange transaction out of which Kshs.42,597,900 was long overdue. Documents provided for audit revealed that Kshs.42,597,900 out of Kshs.43,004,036 were long outstanding loans relating to the financial years 2016/2017, 2017/2018 and 2018/2019. Management has not taken any step to recover the long outstanding receivables, contrary to Regulations 4(e) of the Kajiado County Public Finance Management (Youth and Women Enterprise Fund) Regulations 2016.

In the circumstances, the recovery of the loan balance of Kshs.42,597,900 as at 30 June, 2020 was in doubt.



## **2.0 Unsupported Loan Disbursements**

As disclosed in Note 5(a) to the financial statements, the statement of financial position reflects current portion of long- term receivables from exchange transactions of Kshs.8,450,000 for the year under review. However, supporting documents including certified copies of valid registration certificate, ID of all members, minutes approving the loan, the group constitution and copy of bank statements were not provided for audit.

In the circumstances, the validity of the loans disbursed of Kshs.8,450,000 for the year ending 30 June, 2020 could not be ascertained.

The audit was conducted in accordance with International Standards of Supreme Audit Institutions (ISSAIs). I am independent of the Kajiado County Youth and Women Enterprise Fund 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 judgement, are of most significance in the audit of the financial statements. There were no key audit matters to report in the year under review.

## **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**

#### **Failure to Deduct Management Fee**

As disclosed in Note 5(a) to the financial statements, the statement of financial position reflects current portion of long- term receivables from exchange transactions of Kshs.8,450,000 for the year under review.

However, a review of documents revealed that management fee of 5% chargeable on the loans issued equivalent to Kshs.422,500 was not deducted during the year under



review contrary to Section 116(3) of the Public Finance Management Act, 2012 and the Kajiado County Subsidiary Legislation, 2016.

In the circumstances, the Fund's 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 INTERNAL CONTROLS EFFECTIVENESS, GOVERNANCE AND RISK MANAGEMENT SYSTEMS**

### **Conclusion**

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

### **Basis for Conclusion**

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

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

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

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 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 money is applied in an effective manner.

Those charged with governance are responsible for overseeing the Fund's financial reporting process, reviewing the effectiveness of how the entity 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 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 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 Fund's policies and procedures may deteriorate.

As part of an audit conducted in accordance with ISSAIs, I exercise professional judgement and maintain professional scepticism 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 going concern 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

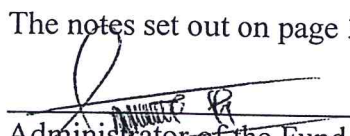
08 February, 2022

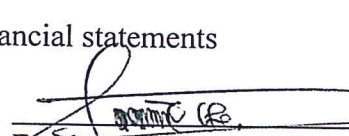
## 8. FINANCIAL STATEMENTS

### 8.1. STATEMENT OF FINANCIAL PERFORMANCE FOR THE YEAR ENDED 30<sup>th</sup> JUNE 2020

	Note	2019/2020	2018/2019
		KShs	KShs
<b>Revenue from non-exchange transactions</b>			
<b>Grants/Transfers from the County Government(Recurrent Grants)</b>			
3% of Fund Loan Book (8,450,000.00)		253,500.00	1,098,000.00
10% of Fund Budget (15,000,000.00)		1,500,000.00	1,500,000.00
<b>Total Revenue from Exchange Transaction</b>	1(a)	<b>1,753,500.00</b>	<b>2,598,000.00</b>
<b>Revenue from exchange transactions</b>			
Other income		-	-
<b>Total revenue</b>		<b>1,753,500.00</b>	<b>2,598,000.00</b>
<b>Expenses</b>			
Fund administration expenses	2	725,000.00	1,250,000.00
Finance costs	3	19,645.00	19,581.50
<b>Total expenses</b>		<b>(744,645.00)</b>	<b>(1,269,581.50)</b>
<b>Other gains/losses</b>			
Gain/loss on disposal of assets			
<b>Surplus/( deficit)for the period</b>		<b>1,008,855.00</b>	<b>1,328,418.50</b>

The notes set out on page 31 to 36 forms an integral part of the financial statements

  
Administrator of the Fund  
Name: **John Kores**

  
Fund Accountant  
Name:  
ICPAK Member Number:



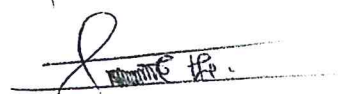


**Kajiado County Youth and Women Enterprise Fund**  
**Reports and Financial Statements**  
**For the year ended June 30, 2020**

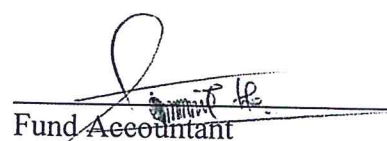
**8.2. STATEMENT OF FINANCIAL POSITION AS AT 30 JUNE 2020**

	Note	2019/2020	2018/2019
		KShs	KShs
<b>Assets</b>			
<b>Current Assets</b>			
Cash and cash equivalents	4	11,501.00	1,751,186.00
Current portion of long- term receivables from exchange transactions	5(a)	8,450,000.00	34,900,000.00
		<b>8,461,501.00</b>	<b>36,651,186.00</b>
<b>Non-current assets</b>			
Long term receivables from exchange transactions	5(b)	43,004,036.00	6,404,036.00
<b>Total assets</b>		<b>51,465,537.00</b>	<b>43,055,222.00</b>
<b>Liabilities</b>			
<b>Current liabilities</b>			
Trade and other payables from exchange transactions		-	-
		-	-
<b>Non-current liabilities</b>			
Long term portion of borrowings	-	-	-
<b>Total liabilities</b>		-	-
<b>Net assets</b>		<b>51,465,537.00</b>	<b>43,055,222.00</b>
Revolving Fund		46,432,960.00	39,031,500.00
Reserves		-	-
Accumulated Surplus/(Deficit)		5,032,577.00	4,023,722.00
<b>Total net assets and liabilities</b>		<b>51,465,537.00</b>	<b>43,055,222.00</b>

The accounting policies and explanatory notes to these financial statements form an integral part of the financial statements. The youth & Women Fund financial statements were approved on 30/08/2020 and signed by:



Administrator of the Fund  
Name: **John Kores**



Fund Accountant  
Name:  
ICPAK Member Number:





**Kajiado County Youth and Women Enterprise Fund**  
**Reports and Financial Statements**  
**For the year ended June 30, 2020**

**8.3. STATEMENT OF CHANGES IN NET ASSETS AS AT 30 JUNE 2020**

	Revolving Fund	Revaluation Reserve	Accumulated surplus	Total
		KShs	KShs	KShs
<b>Balance as at 1 July 2018</b>	26,629,500.00	-	2,695,303.50	29,324,803.50
Surplus/(deficit) for the period	-	-	1,328,418.50	1,328,418.50
Funds received during the year	12,402,000.00	-		12,402,000.00
Revaluation gain	-	-	-	-
<b>Balance as at 30 June 2019</b>	<b>39,031,500.00</b>	<b>-</b>	<b>4,023,722.00</b>	<b>43,055,222.00</b>
<b>Balance as at 1 July 2019</b>	<b>39,031,500.00</b>	<b>-</b>	<b>4,023,722.00</b>	<b>43,055,222.00</b>
Surplus/(deficit) for the period		-	1,008,855.00	1,008,855.00
Funds received during the year	5,746,500.00	-	-	5,746,500.00
Repayments Received during the year	1,654,960.00	-		1,654,960.00
<b>Balance as at 30 June 2020</b>	<b>46,432,960.00</b>	<b>-</b>	<b>5,032,577.00</b>	<b>51,465,537.00</b>



#### 8.4. STATEMENT OF CASHFLOWS FOR THE YEAR ENDED 30 JUNE 2020

	Note	2019/2020	2018/2019
		KShs	KShs
<b>Cash flows from operating activities</b>			
<b>Receipts</b>			
Grants/Transfers from the County Government-Operation	1(a)	1,753,500.00	2,598,000.00
<b>Total Receipts</b>		<b>1,753,500.00</b>	<b>2,598,000.00</b>
<b>Payments</b>			
Fund administration expenses		(725,000.00)	(1,250,000.00)
General expenses			
Finance cost		(19,645.00)	(19,581.50)
<b>Adjusted for:</b>			
Decrease/(Increase) in Accounts receivable	6	(1,700,000.00)	-
Increase/(Decrease) in Accounts Payable: (deposits and retention)			
<b>Net cash flows from operating activities</b>	<b>7</b>	<b>(691,645.00)</b>	<b>1,328,418.50</b>
<b>Cash flows from investing activities</b>			
Proceeds from loan principal repayments			
Loan disbursements paid out		(8,450,000.00)	(34,900,000.00)
<b>Net cash flows used in investing activities</b>		<b>(9,141,145.00)</b>	<b>(33,571,581.50)</b>
<b>Cash flows from financing activities</b>			
Proceeds from revolving fund receipts		1,654,960.00	3,273,753.00
Transfer for Capital Loan from County Government	1(b)	5,746,500.00	27,402,000.00
<b>Net cash flows used in financing activities</b>		<b>7,401,460.00</b>	<b>33,273,753.00</b>
<b>Net increase/(decrease) in cash and cash equivalents</b>		<b>(1,739,685.00)</b>	<b>(2,895,828.50)</b>
Cash and cash equivalents at 1 JULY		1,751,186.00	4,647,014.50
<b>Cash and cash equivalents at 30 JUNE</b>	<b>4</b>	<b>11,501.00</b>	<b>1,751,186.00</b>

*Increase in Account Receivables- Kshs. 1,700,000\* had inadvertently erroneously not been included in the loans issued reported in FY 2018/2019 of Kshs. 34,900,000 hence understating Outstanding loans at the beginning of the year by Kshs. 1,700,000.00*





Kajiado County Youth and Women Enterprise Fund  
Reports and Financial Statements  
For the year ended June 30, 2020

8.5. STATEMENT OF COMPARISON OF BUDGET AND ACTUAL AMOUNTS FOR THE PERIOD ENDED 30<sup>th</sup> JUNE 2020

	Original budget	Adjustments	Final budget	Actual on comparable basis	Performance difference	% utilization
	2020	2020	2020	2020	2020	2020
<b>Revenue</b>	<b>KShs</b>	<b>KShs</b>	<b>KShs</b>	<b>KShs</b>	<b>KShs</b>	
Transfers from County Govt.- Operation	1,753,500.00	-	1,753,500.00	1,753,500.00	-	
Transfers from County Govt.- Capital	13,246,500.00	-	13,246,500.00	5,746,500.00		
<b>Total income</b>	<b>15,000,000.00</b>	<b>-</b>	<b>15,000,000.00</b>	<b>7,500,000.00</b>	<b>-</b>	
<b>Expenses</b>						
Fund administration expenses	975,000.00	-	975,000.00	725,000.00	250,000.00	25.64%*
Finance cost	20,000.00	-	20,000.00	19,645.00	355.00	1.78%*
Loans Issued	13,246,500.00		13,246,500.00	5,746,500.00	7,500,000.00	56.61%*
<b>Total expenditure</b>	<b>14,241,500.00</b>	<b>-</b>	<b>14,241,500.00</b>	<b>6,491,145.00</b>	<b>250,355.00</b>	
<b>Surplus/(Deficit) for the period</b>	<b>758,500.00</b>	<b>-</b>	<b>758,500.00</b>	<b>1,008,855.00</b>	<b>250,355.00</b>	
<b>Budget notes</b>						

\*Percentages (Over/Under 10%)-This differences are as a result of austerity measures cutting down expenditure on item lines such as fund administration and finance cost





## **8.6. 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.

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

#### **a) Relevant new standards and amendments to published standards effective for the year ended 30 June 2020**

<b>Standard</b>	<b>Impact</b>
<b>IPSAS 40:</b> Public Sector Combinations	<b>Applicable: 1<sup>st</sup> January 2019</b> The standard covers public sector combinations arising from exchange transactions in which case they are treated similarly with IFRS 3 (applicable to acquisitions only). Business combinations and combinations arising from non-exchange transactions are covered purely under Public Sector combinations as amalgamations.

#### **b) New and amended standards and interpretations in issue but not yet effective in the year ended 30 June 2020**

<b>Standard</b>	<b>Effective date and impact:</b>
<b>IPSAS 41: Financial Instruments</b>	<b>Applicable: 1<sup>st</sup> January 2022:</b> The objective of IPSAS 41 is to establish principles for the financial reporting of financial assets and liabilities that will present relevant and useful information to users of financial statements for their assessment of the amounts, timing and uncertainty of youth & women Fund future cash flows. IPSAS 41 provides users of financial statements with more useful information than IPSAS 29, by: <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> </ul>



**Kajiado County Youth and Women Enterprise Fund**  
**Reports and Financial Statements**  
**For the year ended June 30, 2020**

Standard	Effective date and impact:
	<ul style="list-style-type: none"> <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 youth &amp; women Fund risk management strategies and the accounting treatment for instruments held as part of the risk management strategy.</li> </ul>
<b>IPSAS 42: Social Benefits</b>	<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 youth &amp; women Fund 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> <p>(a) The nature of such social benefits provided by the Youth &amp; women Fund (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 youth &amp; women Fund financial performance, financial position and cash flows.</p>
<b>Amendments to Other IPSAS resulting from IPSAS 41, Financial Instruments</b>	<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>
<b>Other Improvements to IPSAS</b>	<p><b>Applicable: 1<sup>st</sup> January 2021:</b></p> <p>a) Amendments to IPSAS 13, to include the appropriate references to IPSAS on impairment, in place of the current</p>





**Kajiado County Youth and Women Enterprise Fund**  
**Reports and Financial Statements**  
**For the year ended June 30, 2020**

Standard	Effective date and impact:
	<p>references to other international and/or national accounting frameworks</p> <p>b) IPSAS 13, Leases and IPSAS 17, Property, Plant, and Equipment.</p> <p>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</p> <p>c) IPSAS 21, Impairment of Non-Cash-Generating Assets and IPSAS 26, Impairment of Cash Generating Assets.</p> <p>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.</p> <p>d) IPSAS 33, First-time Adoption of Accrual Basis International Public Sector Accounting Standards (IPSASs).</p> <p>Amendments to the implementation guidance on deemed cost in IPSAS 33 to make it consistent with the core principles in the Standard</p>
	<p>IPSAS 40, Public Sector Combinations.</p> <p>Amendments to include the effective date paragraph which were inadvertently omitted when IPSAS 40 was issued</p>

**c) Early adoption of standards**

The youth & women Fund did not early – adopt any new or amended standards in year 2020.



**SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)**

**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 youth & women Fund 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 2019/2020 was approved by the County Assembly. Subsequent revisions or additional appropriations were made to the approved budget in accordance with specific approvals from the appropriate authorities. The additional appropriations are added to the original budget by the youth & women Fund upon receiving the respective approvals in order to conclude the final budget.

The youth & Women Enterprise fund budget is prepared on a different basis to the actual income and expenditure disclosed in the financial statements. The financial statements are prepared on accrual basis using a classification based on the nature of expenses in the statement of financial performance, whereas the budget is prepared on a cash basis. The amounts in the financial statements were 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 financial statements.





---

**SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)**

**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 youth & women Fund 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.

**7. Financial instruments**

*Financial assets*

*Initial recognition and measurement*

Financial assets within the scope of IPSAS 29 Financial Instruments: Recognition and Measurement are classified as financial assets at fair value through surplus or deficit, loans and receivables, held-to-maturity investments or available-for-sale financial assets, as appropriate. The youth & women Fund 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.



**SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)**

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

**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 the Central Bank of Kenya and at various commercial banks at the end of the financial year. For the purposes of these financial statements, cash and cash equivalents also include short term cash impress and advances to authorise 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 Youth & Women Fund**

The youth & women fund is a County Public Fund established by Kajiado county Public Finance regulation of 2016

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





## SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

### 20. Significant judgments and sources of estimation uncertainty

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

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

**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 youth & women fund 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 youth & women Fund. Such changes are reflected in the assumptions when they occur. IPSAS 1.140.

#### Useful lives and residual values

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

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

#### Provisions

Provisions were raised and management determined an estimate based on the information available. Additional disclosure of these estimates of provisions is included in Note xxx.

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



**SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)**

**21. Financial risk management**

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

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

**a) Credit risk**

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

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

Further the fund management is in the process of developing a risk policy for doubtful loans





**SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)**

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

The youth & women Fund has significant concentration of credit risk on amounts due from 2016

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

**b) Liquidity risk management**

Ultimate responsibility for liquidity risk management rests with the Fund Administrator, who has built an appropriate liquidity risk management framework for the management of the youth & women fund short, medium and long-term funding and liquidity management requirements. The youth & women fund 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.



**SUMMARY OF 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 youth & women fund 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 youth & women fund 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 youth & women fund exposure to market risks or the manner in which it manages and measures the risk.

**i. Foreign currency risk**

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

The carrying amount of the youth & women fund foreign currency denominated monetary assets and monetary liabilities at the end of the reporting period are as follows:





## SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

### Foreign currency sensitivity analysis

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

### ii. Interest rate risk

Interest rate risk is the risk that the youth & women fund financial condition may be adversely affected as a result of changes in interest rate levels. The youth & women fund 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. A rate of 5% prior deduction on loans issued had no proper ways of use. Hence couldn't be implemented.



**SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)**

**d) Capital risk management**

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





**Kajiado County Youth and Women Enterprise Fund**  
**Reports and Financial Statements**  
**For the year ended June 30, 2020**

**8.7. NOTES TO THE FINANCIAL STATEMENTS**

**1. Transfers from County Government**

Description	Sub Notes	2019/2020	2018/2019
		KShs	KShs
Transfers from County Govt. – operations	1(a)	1,753,500.00	2,598,000.00
Transfers from County Govt. – Capital Fund	1(b)	5,746,500.00	27,402,000.00
<b>Total</b>		<b>7,500,000.00</b>	<b>30,000,000.00</b>

Name of the Entity Sending Grant	Amount Recognised to statement of Comprehensive Income 1(a) Kshs.	Amount Deferred Under Deferred Income Kshs.	Amount Recognised to Capital Fund Account 1(b) Kshs.	Total Grant Income During the year Kshs.	2018-2019 Kshs.
Kajiado County Treasury	1,753,500.00		5,746,500.00	7,500,000.00	30,000,000.00
<b>Total</b>	<b>1,753,500.00</b>		<b>5,746,500.00</b>	<b>7,500,000.00*</b>	<b>30,000,000.00</b>

**2. Fund administration expenses**

Description	2019/2020	2018/2019
	KShs	KShs
Secretariat services costs	225,000.00	450,000.00
Administration fees	500,000.00	800,000.00
<b>Total</b>	<b>725,000.00*</b>	<b>1,250,000.00</b>



**Kajiado County Youth and Women Enterprise Fund**  
**Reports and Financial Statements**  
**For the year ended June 30, 2020**

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

**3. Finance costs**

Description	2019/2020	2018/2019
	KShs	KShs
Bank Charges	19,645.00	19,581.50
<b>Total</b>	<b>19,645.00</b>	<b>19,581.50</b>

**4. Cash and cash equivalents**

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

		2019/2020	2018/2019
Financial institution	Account number	KShs	KShs
<b>a) Current account</b>	<b>1171696043</b>		
Kenya Commercial Bank			
Kajiado Branch		11,501.00	1,751,186.00
<b>Sub- total</b>		<b>11,501.00</b>	<b>1,751,186.00</b>
<b>Grand total</b>		<b>11,501.00</b>	<b>1,751,186.00</b>





Kajiado County Youth and Women Enterprise Fund  
Reports and Financial Statements  
For the year ended June 30, 2020

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

5. Receivables from exchange transactions

Description		2019/2020	2018/2019
		KShs	KShs
<b>Current Receivables</b>			
Current loan repayments due		8,450,000.00	34,900,000.00
Less: impairment allowance		-	-
<b>Total Current receivables</b>	<b>5(a)</b>	<b>8,450,000.00</b>	<b>34,900,000.00</b>
<b>Non-Current receivables</b>			
Long term loan repayments due		43,004,036.00	6,404,036.00
<b>Total Non- current receivables</b>	<b>5(b)</b>	<b>43,004,036.00</b>	<b>6,404,036.00</b>
<b>Total receivables from exchange transactions</b>		<b>51,454,036.00</b>	<b>41,304,036.00</b>

Notes;

*This is the net loan book balance as at the end of the year. This includes Bal b/f, Less Net proceeds from loan repayment and an addition of loan disbursed. This could be summarised as follows*

<i>Loan Issued FY 2016/2017-</i>	<i>12,335,000 less repayment- FY 2016/2017-</i>	<i>2,657,211.00</i>
<i>Loan Issued FY 2018/2019-</i>	<i>36,600,000</i>	<i>FY 2018/2019-3,273,753.00</i>
<i>Loan Issued FY 2019/2020-</i>	<i>8,450,000</i>	<i>FY 2019/2020- -</i>
<i>Total Loans Issued</i>	<i>57,385,000</i>	<i>5,930,964.00</i>
<i>Net Loans</i>	<i><u>51,454,036.00</u></i>	



**Kajiado County Youth and Women Enterprise Fund**  
**Reports and Financial Statements**  
**For the year ended June 30, 2020**

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

**6. CHANGES IN RECEIVABLE**

Description of the error	2019 – 2020	2018 – 2019
	KShs	KShs
Account receivable as at 1 <sup>st</sup> July 2019 (A)	43,004,036.00	-
Account receivable issued during the year (B)	41,304,036.00	-
Net changes in account receivables D= A-B	1,700,000.00*	-





**Kajiado County Youth and Women Enterprise Fund**  
**Reports and Financial Statements**  
**For the year ended June 30, 2020**

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

**7. Cash generated from operations**

	2019/2020	2018/2019
	KShs	KShs
<b>Surplus/ (deficit) for the year before tax</b>	<b>1,008,855.00</b>	<b>1,328,481.50</b>
<b>Adjusted for:</b>		
Interest income	-	-
	-	-
<b>Working Capital adjustments</b>		
Increase in inventory	-	-
Increase in receivables	(1,700,000.00)	-
Increase in payables	-	-
<b>Net cash flow from operating activities</b>	<b>(691,145.00)*</b>	<b>1,328,481.50)</b>

\*Being money used for Operation of the fund.



Kajiado County Youth and Women Enterprise Fund  
Reports and Financial Statements  
For the year ended June 30, 2020

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

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

Reference No. on the external audit Report	Issue / Observations from Auditor	Management comments	Focal Point person to resolve the issue (Name and designation)	Status: (Resolved / Not Resolved)	Timeframe: (Put a date when you expect the issue to be resolved)
FY 2018/2019	5% Management fee	Noted. Revision of Regulation and also payment of the fee addition to the loan issued	John Kores ( Fund Administrator)	Not Resolved	1 <sup>st</sup> July 2022
FY 2018/2019	Long Outstanding Loans	Noted. The fund is recovering the loans and in the process of strengthening the regulation to give more risk management and debt recovery procedure	Board to assist in recovery	Not yet resolved fully	1 <sup>st</sup> July 2022

