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# REPORT

OF

**THE AUDITOR-GENERAL**

ON

**MAASAI MARA COMMUNITY  
SUPPORT FUND**

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

PAPERS LAID	
DATE	19/10/2022
TABLED BY	SEN MAJORITY WHIP
COMMITTEE	_____
CLERK AT THE TABLE	A. MACHARIA



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**COUNTY GOVERNMENT OF NAROK  
MAASAI MARA COMMUNITY SUPPORT FUND-19%**

**ANNUAL REPORT AND FINANCIAL STATEMENTS**

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

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

**MAASAI MARA COMMUNITY SUPPORT FUND**  
**Reports and Financial Statements**  
**For the year ended June 30, 2021**

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**Table of Contents**

1. KEY ENTITY INFORMATION AND MANAGEMENT	2
2. THE BOARD OF TRUSTEES/ FUND ADMINISTRATION COMMITTEE (or any other corporate governance body for the Fund)	4
3. STATEMENT OF PERFORMANCE AGAINST COUNTY ENTITY'S PREDETERMINED OBJECTIVES	5
4. MANAGEMENT TEAM	7
5. BOARD/FUND ADMINISTRATION COMMITTEE CHAIRPERSON'S REPORT	8
6. REPORT OF THE FUND MANAGER/ ADMINISTRATOR	9
7. CORPORATE GOVERNANCE STATEMENT	10
8. MANAGEMENT DISCUSSION AND ANALYSIS	11
9. REPORT OF THE TRUSTEES/ FUND ADMINISTRATION COMMITTEE	12
10. STATEMENT OF MANAGEMENT'S RESPONSIBILITIES	13
11. REPORT OF THE INDEPENDENT AUDITOR ON THE FINANCIAL STATEMENTS FOR MAASAI MARA COMMUNITY SUPPORT FUND/SCHEME	15
12. FINANCIAL STATEMENTS	16
13. <b>NOTES TO THE FINANCIAL STATEMENTS .....</b>	<b>32</b>
14. <b>APPENDIX I: INTER-ENTITY TRANSFERS .....</b>	<b>36</b>

## 1. KEY ENTITY INFORMATION AND MANAGEMENT

### a) Background information

Maasai Mara Community Support Fund was established by and derives its authority and accountability from County Assembly of Narok Acts of 10<sup>th</sup> July, 2014 and later amended Act dated 28<sup>th</sup> August 2020. The core purpose is to provide avenue for resource allocation for communities around and about the Maasai Mara National reserve and finance sustainable socio-economic development projects for the communities living around and about the Maasai mara national reserve. The Fund is wholly owned by the County Government of Narok and is domiciled in Narok Kenya.

The fund's objective is to eradicate poverty, improve health and education standards and community social welfare for the communities within Narok County Government.

The Fund's principal activity is to finance socio-economic development projects for communities living around and about Maasai mara national reserve.

Maasai mara community support fund vision is to minimise poverty and human wildlife conflicts as much as possible and the primary mission is to prepare and enable the Maasai pastoral community to acquire necessary skills to manage their own development in relation to themselves, their livestock and land.

### b) Board of Trustees/Fund Administration Committee

Ref	Position	Name
1	Chief officer finance	Simon Kurraru
2	Chief Officer roads	Martha Nadupoi
3	Chief officer health	Geoffrey sang
4	Chief officer education	Phillip Tipaa
5	Chief officer tourism	Newton Mpaima
6	Fund administrator	Agnes Nairowua

### c) Key Management

Ref	Position	Name
1	Fund Manager/ Administrator	Agnes Nairowua
2	Chief Officer finance	Simon Kuraru
3	Senior Accountant	Alex Martine

**d) Fiduciary Oversight Arrangements**

The key fiduciary oversight bodies at the County level for the year ended 30<sup>th</sup> June 2021 were:

- 1, County Assembly Public Accounts committee
- 2, Narok County Audit committee
- 3, Budget and appropriation committee

**e) Registered Offices**

Noolmongi Building  
Narok- Nakuru Highway  
P.O Box.898-20500  
Narok.

**f) Fund Contacts**

Telephone: (254) 718013278  
E-mail: [infor@narokmmcsf.go.ke](mailto:infor@narokmmcsf.go.ke)  
Website: [www.narok.go.ke](http://www.narok.go.ke)

**g) Fund Bankers**

Access Bank Narok Branch  
Code -016  
Current Account  
A/c No **0160100000055**

**h) Independent Auditors**

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

**i) Principal Legal Adviser**

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

**Reports and Financial Statements**

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

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**2. THE BOARD OF TRUSTEES/ FUND ADMINISTRATION COMMITTEE (or any other corporate governance body for the Fund)**

<b>Name</b>	<b>Details of qualifications and experience</b>
1. Chief Officer finance	Simon Kurraru
2. Chief Officer tourism	Newton Mpaima
3. Chief officer roads	Martha Nadupoi
4. Chief officer Health	Geoffrey sansg
5. Chief officer Education	Phillip tipaa
6. Fund Administrator	Agness Nairowua

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

#### Sources of Revenue

Narok County Government treasury continue to be the largest part of our revenue source, contributing 100% towards the budget.

In FY 2020/2021, total budget approved was Ksh. 280,000.000. The total disbursement for the year amounted to Ksh. 64,000.000 representing 22.85% of the total budget.

#### a) Payments

Our total expenditure for the year amounted to Kshs 64,052,898. This was applied to finance various activities of the fund within the County's six sub-Counties and for administrative roles.

#### b) Cash flows

In the FY2020/2021, we had many liquidity disruptions attributed to delay in disbursement of funds. This affected most of the activities scheduled to be undertaken in the FY 2020/2021.

#### Introduction

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

The key development objectives of the Narok County Maasai Mara Support Fund plan are to:

- a) Fund projects relating to studies, planning and design or technical input for the project and recurrent costs
- b) Equipping ward offices with relevant furniture and related equipment.
- c) Acquisition of vehicles machinery and other equipment
- d) Environmental activities may be considered projects as per the Act
- e) Cultural activities, support to youth groups, gender and persons living with disabilities
- f) Sports activities may be considered as projects for purposes of this Act but shall exclude cash awards provided that the allocation to such activities does not exceed 2% of the total budget

**Progress on attainment of Strategic development objectives**

The Fund engaged in various activities during the financial year. These include: -

- a) Environmental activities in various wards as detailed below
  - Tree planting in Mara, Siana, Kimintet and Lolgorian wards as per the Act
  - Sensitization and training of County population in various wards on conservation matters
  - Fumigation of various centres, Maasai Mara Game reserve facilities and education facilities within the County
  
- b) Cultural activities, support to youth groups, gender and persons living with disabilities. These activities included;
  - Boda boda riders training in Wards
  - Hosting football tournament in various wards
  - Holding seminars to sensitize the youth on effects of drugs and drug abuse
  - Sensitizing the locals on Covid-19 pandemic
  - Helping various disability groups and institutions within the County
  - Assisting members of the community in settling bills relating to hospital costs and assisting in other community needs.



**Reports and Financial Statements**

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

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**4. MANAGEMENT TEAM**

<b>Name</b>	<b>Details of qualifications and experience</b>
1. Simon Kurraru -chief office.Finance	Trustee member
2. Agnes Nairowa	Fund Manager and administrator
3. Phillip Tipaa	Trustee member
4. Newton Mpaima	Trustee Member

*Note: The Fund Administrator will feature under both the 'Board' and 'Management'.*

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

**FORWARD NOTE BY THE CHIEF OFFICER FINANCE.**

The Maasai Mara Community Support Fund during this financial year went through a change of its board of management composition during the beginning of the financial period. It is my pleasure to present the Narok County Maasai Mara Community Support Fund financial statements for the year ended 30th June 2021. The financial statements present the financial performance of the fund over the past year.

The fund was formally created vide County Assembly of Narok Acts of 4<sup>th</sup> September 2014 and later amended Act dated 28<sup>th</sup> August 2020. The Fund is wholly owned by the County Government of Narok and is domiciled in Narok Kenya under the department of Finance and Economic planning. The fund's objective is to eradicate poverty, improve health and education standards and community social welfare for the communities within Narok County Government

**Financing of the Fund**

Narok County Government Maasai Mara Community Support fund is funded through the County's allocated funds in the approved budget. In the FY ended 30<sup>th</sup> June 2021, the approved budget for the fund was Ksh. 280,000,000.

The fund is expected to apply the funding in its programs accordingly as per its activities outlined. During the FY 2020/2021, the County Government did not attain 100% achievement of its projected revenue hence disbursements to the funds kitty was affected and managed to receive Ksh. 64,000,000 only.

**Conclusion**

Despite the challenges experienced during the financial year caused largely by the Covid-19 pandemic, we look forward to a better future with minimal financial interruptions. We have identified gaps and areas to improve on in the subsequent quarters.

I take this opportunity to thank H.E. the Governor and the Deputy Governor for their support. I would also want to thank administrative team of the fund for their effort in ensuring the goals of the fund are achieved.

Sign   
**C.O. Finance and Economic Planning**  
**County Government of Narok.**

**REPORT OF THE FUND MANAGER/ ADMINISTRATOR**

FY2020/2021 was generally good despite the challenges caused by the Covid-19 pandemic that affected most operations and activities country wide.

During the year, a budgetary allocation of Ksh 280,000,000 was allocated to the fund. A disbursement of Ksh 64,000,000 was received. The difference between the allocation was Ksh 216,000,000. The variance is largely attributed to unattained revenue projections mainly from the local collection. A total of Ksh. 64,052.898 was expensed as follows,

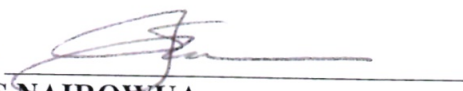
A total of Ksh. 50,992,810 was paid out as grants and transfers to various beneficiaries as per the funds objectives whereas Ksh. 10,272,500. was expensed for activities of development nature as provided by the funds regulations. Other operating expenses amounted to Ksh. 2,787,588.

Despite the above progress, there were challenges experienced during the financial year which include,

1. Non disbursement of the total budgetary allocation. This hampered the attainment of all set objectives for the year
2. The impact and challenges due to the Covid-19 pandemic which slowed down the funds activities and operations due to limited interactions.
3. Paper work- since the department has no any automated system to operate with a lot of paper work is experience in the department.
4. Political interference –since Members of County Assembly are directly involved in community activities at the grass root level.

Despite the above challenges, the fund complied with the necessary regulations and achieved a good percentage of its objectives.

I wish to appreciate the management team, trustees and all Maasai Mara Community Support Fund staff members who contributed immensely on the achievement of the mentioned goals.

Signed: 

**AGNES NAIROWUA**

**MAASAI MARA COMMUNITY SUPPORT FUND ADMINISTRATOR**

## 6. CORPORATE GOVERNANCE STATEMENT

### Introduction

Narok County Maasai Mara Community Support Fund as established under Narok County Acts of 4th September 2014 and later amended Act dated 28th August 2020. The Fund is wholly owned by the County Government of Narok and is domiciled in Narok Kenya under the department of Finance and Economic planning. The fund's objective is to eradicate poverty, improve health and education standards and community social welfare for the communities within Narok County Government.

### Fund Management

The Fund is managed by an established management team which comprises of the C.O Finance, the Chief Officer Education and appointed fund administrator who oversees the daily operations of the fund and serves as the accounting officer of the fund and one other trustee member as tabulated below.

Name	Details of qualifications and experience
1. Simon Kurraru chief officer-Finance	Trustee member
2. Agnes Nairowa	Fund Administrator
3. Phillip Tipaa	Trustee member
4. Newton Mpaima	Trustee Member

### Functions of management

The fund under the above team is expected to;

- a. Formulate policies and regulations that are to enhance the functions of the fund
- b. Solicit for funds as and when necessary to fund the functions of the fund
- c. To set the criteria and conditions governing the granting of donations through its policies
- d. To prepare and approve the fund's annual work plan for each financial period
- e. Prepare its all estimates and expenditure returns to the county executive as required by PFM Act of 2012.
- f. Perform all other functions conferred by the fund

## **7. MANAGEMENT DISCUSSION AND ANALYSIS**

The County's operations are structured in terms of departments which are headed by a County Chief officer for finance. For seamless service delivery, all departments have to work in unison and synergy. Maasai Mara Community Support Fund is mandated to;

- a. Fund projects relating to studies, planning and design or technical input for the project and recurrent costs
- b. Equipping ward offices with relevant furniture and related equipment.
- c. Carry out environmental activities that may be considered projects as per the Act
- d. Finance Cultural activities, support to youth groups, gender and persons living with disabilities
- e. Fund Sporting activities which are in line with its mandate and capacity as per the Act.

Despite the notable achievements, we have experienced some challenges during the year. These include:

- 1) Lack of automation of the functions and processes hence regular delays in achievement of the short-term plans especially during this time of Covid-19.
- 2) Delay in funds disbursement as budgeted hence non achievement of set objectives.
- 3) Covid-19 pandemic which drastically reduced the funds operations by limiting access to office working space, reduced number of meetings.

Despite the above challenges, the fund complied with the necessary regulations and achieved part of its objectives.

## **8. REPORT OF THE TRUSTEES/ 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;

- I. Fund projects relating to studies, planning and design or technical input for the project and recurrent costs
- II. Equipping ward offices with relevant furniture and related equipment.
- III. Carry out environmental activities that may be considered projects as per the Act
- IV. Finance Cultural activities, support to youth groups, gender and persons living with disabilities
- v. Fund Sporting activities which are in line with its mandate and capacity as per the Act.

### **10.2 Performance**


The performance of the Fund for the year ended June 30, 2021, are set out on pages 16-21 below.

### **10.3 Trustees**

The members of the management Committee who served during the year are shown on page 2 above.

### **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.

Sign.......... Date.....10/3/2022.....

**SIMON KURRARU**

**C.O -FINANCE & ECONOMIC PLANNING**

## **9. 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 Narok County Acts of 4th September 2014 and later amended Act dated 28th August 2020 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 Narok County Act dated 28th August 2020. 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.

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.

*(MAASAI MARA COMMUNITY SUPPORT FUND)*

**Reports and Financial Statements**

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

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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 26<sup>th</sup> August 2021 and signed on its behalf by:

Sign  \_\_\_\_\_

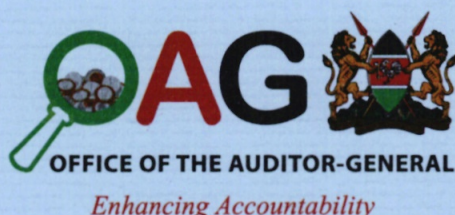
**AGNES NAIROWUA**

**FUND ADMINISTRATOR-MAASAI MARA COMMUNITY SUPPORT FUND**



# REPUBLIC OF KENYA

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NAIROBI

## **REPORT OF THE AUDITOR-GENERAL ON MAASAI MARA COMMUNITY SUPPORT 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

#### **Adverse Opinion**

I have audited the accompanying financial statements of Maasai Mara Community Support Fund set out on pages 16 to 36, which comprise of the statement of financial

position as at 30 June, 2021 and the statement of financial performance, statement of changes in net assets, statement of cash flows and statement of comparison of budget and actual amounts for the year then ended, and a summary of significant accounting policies and other explanatory information in accordance with the provisions of Article 229 of the Constitution of Kenya and Section 35 of the Public Audit Act, 2015. I have obtained all the information and explanations which, to the best of my knowledge and belief, were necessary for the purpose of the audit.

In my opinion, because of the significance of the matters discussed in the Basis for Adverse Opinion section of my report, the financial statements do not present fairly, the financial position of Maasai Mara Community Support 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 do not comply with the Public Finance Management Act, 2012 and the Maasai Mara Community Support Fund Act, 2016.

## **Basis for Adverse Opinion**

### **1.0 Unconfirmed Opening Balances**

As previously reported the Fund Administrator of the Maasai Mara Community Support Fund did not submit financial statements for the financial years 2014/2015 to 2018/2019 to the Auditor General. As a result, the opening balances for the year under review were based on the unconfirmed closing balances of the 2019/2020 financial year due to non-submission of previous years financial statements.

Further, failure to submit financial statements is a contravention of Section 10(5) of the Act, Maasai Mara Community Support Fund Act, 2016 which stipulates that the Fund Administrator shall not later than three months after the end of the financial year submit financial statements relating to the Fund accounts to the Auditor-General.

In the circumstances, the accuracy and completeness of the opening balances for the year ended 30 June, 2021 could not be confirmed and the Fund was in breach of the law.

### **2.0 Unsupported Grants and Other Payments**

The statement of financial performance reflects grants and other payments figure of Kshs.48,992,810 and as disclosed in Note 7 to the financial statements. Included in this amount is an expenditure of Kshs.15,647,310 which was not supported with payment vouchers and procurement records such as tender advertisement, list of prequalified suppliers, tender evaluation, tender award, letter of offer, acceptance letter and inspection and acceptance report.

In the circumstances, the completeness and accuracy of grants and other payments expenditure of Kshs.15,647,310 for the year ended 30 June, 2021 could be confirmed.

### **3.0 Unsupported Development Expenditure**

The statement of financial performance reflects development expenditure figure Kshs.10,272,500 as disclosed in Note 8 to the statement of financial. Included in this expenditure is Kshs.6,864,500 which was not supported with procurement documents such as tender advertisement, list of prequalified suppliers, tender evaluation minutes, professional opinion, offer letter, acceptance letter, contract inspection and acceptance reports and interim/completion certificates.

In the circumstances, the completeness and accuracy of development expenditure of Kshs.6,864,500 for the year ended 30 June, 2021 could not be confirmed.

### **4.0 Variance in Cash and Cash Equivalents Balance**

The statement of financial position reflects cash and cash equivalents balance of Kshs.2,520 which vary with the cash book balance of Kshs.10,521 resulting in unreconciled variance of Kshs.8,001. Further, the cashbook is prepared in excel format which had no audit trail.

In the circumstances, the accuracy and completeness of cash and cash equivalents of Kshs.2,520 as at 30 June, 2021 could not be confirmed.

### **5.0 Presentation and Disclosure in the Financial Statements**

The financial statements under the key entity information and management part 1(a) reflects in that the Fund was established and derives its authority from the County Assembly of Narok, Act of 10 July, 2014 instead of the Maasai Mara Community Support Fund Act, 2016. Further, Notes 6, 7 and 8 are misrepresented on the face of the statement of financial performance as Notes 22, 24 and 25 respectively.

In the circumstances, the financial statements are not accurately presented in accordance with International Public Sector Accounting Standards for the year ended 30 June, 2021.

The audit was conducted in accordance with International Standards of Supreme Audit Institutions (ISSAIs). I am independent of the Maasai Mara Community Support 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 adverse 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.

## **Other Matter**

### **1. Non-Provision of Budget**

The statement of comparison of Budget and actual amounts for the year ended 30 June, 2021 indicate total revenue and expenditure budget of Kshs.280,000,000. However, the approved budget was not provided for audit verification contrary to Section 12(1) of the Maasai Mara Community Support Fund Act, 2016 which requires the Fund Administrator to prepare budget estimates for the project and forward to the Executive committee for onward submission to the County Assembly for approval.

Further, no documentary evidence was provided to confirm that meetings were held in each ward to deliberate on the projects and activities to be funded.

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

### **2. Unresolved Prior Year Matters**

In the audit report of the previous year, several paragraphs were raised under the Report on Financial Statements. However, the Management has not resolved the issues nor given any explanation for failure to adhere to the provisions of the Public Sector Accounting Standards Board templates. In addition, the unresolved prior year issues were not disclosed under the progress on follow up of auditor's recommendations section of the financial statements as required by the Public Sector Accounting Standards Board.

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

### **Conclusion**

As required by Article 229(6) of the Constitution, because of the significance of the matters discussed in the Basis for Adverse Opinion section of my report, based on the audit procedures performed, I confirm that public resources have not been applied lawfully and in an effective way.

### **Basis for Conclusion**

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

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

### **Conclusion**

As required by Section 7(1)(a) of the Public Audit Act, 2015 because of the significance of the matters discussed in the Basis for Adverse Opinion section of my report, based

on the audit procedures performed, I confirm that internal controls, risk management and governance were not effective

### **Basis for Conclusion**

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

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

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

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

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

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

Those Charged with Governance are responsible for overseeing the Fund's financial reporting process, reviewing the effectiveness of how the 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 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 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 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 sustain its services. If I conclude that a material uncertainty exists, I am required to draw attention in the auditor's report to the related disclosures in the financial statements or, if such disclosures are inadequate, to

modify my opinion. My conclusions are based on the audit evidence obtained up to the date of my audit report. However, future events or conditions may cause the Fund to cease to sustain its services.

- Evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.
- Obtain sufficient appropriate audit evidence regarding the financial information and business activities of the Fund to express an opinion on the financial statements.
- Perform such other procedures as I consider necessary in the circumstances.

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

I also provide Management with a statement that I have complied with relevant ethical requirements regarding independence, and 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

22 July, 2022

11. 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		-	-
Transfers from the County Government	2	64,000,000	65,500,000
Fines, penalties and other levies		-	-
		<b>64,000,000</b>	<b>65,500,000</b>
<b>Revenue from exchange transactions</b>			
Interest income		-	-
Other income		-	-
		-	-
<b>Total revenue</b>		<b>64,000,000</b>	<b>65,500,000</b>
<b>Expenses</b>			
Fund administration expenses	4	1,755,000	1,892,394
General expenses	5	1,032,588	1,690,163
Finance costs			
Transfer to other related entities	22	2,000,000	
Grants and other payments	24	48,992,810	49,307,526
Development expenditure	25	10,272,500	12,554,500
<b>Total expenses</b>		<b>64,052,898</b>	<b>65,444,583</b>
<b>Other gains/losses</b>			
Gain/loss on disposal of assets			
<b>Surplus/(deficit) for the period</b>		<b>(52,890)</b>	<b>55,418</b>



**MAASAI MARACOMMUNITY SUPPORT 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	2,520	55,417
Current portion of long- term receivables from exchange transactions			-
Receivables from Non- exchange transactions			
Prepayments		-	-
inventories		-	-
<b>Total Current Assets</b>		<b>2,520</b>	<b>55,417</b>
<b>Non-current assets</b>		-	-
Long term receivables from exchange transactions		-	-
Property, plant and equipment		-	-
Intangible assets		-	-
<b>Total assets</b>		<b>2,520</b>	<b>55,417</b>
<b>Liabilities</b>			
<b>Current liabilities</b>			
Trade and other payables from exchange transactions		-	-
Provisions		-	-
Current portion of borrowings		-	-
Employee benefit obligations		-	-
		-	-
<b>Non-current liabilities</b>			
Long term portion of borrowings		-	-
Non-current employee benefit obligation		-	-
<b>Total liabilities</b>		<b>-</b>	<b>-</b>
<b>Net assets</b>		<b>2,520</b>	<b>55,417</b>
Revolving Fund		-	-
Reserves		-	-
Accumulated surplus		-	-
<b>Total net assets and liabilities</b>		<b>2,520</b>	<b>55,417</b>

*(MAASAI MARA COMMUNITY SUPPORT FUND)*

**Reports and Financial Statements**

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

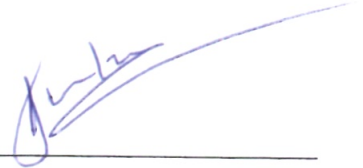
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The accounting policies and explanatory notes to these financial statements form an integral part of the financial statements. The entity financial statements were approved on 26<sup>th</sup> August 2021 and signed by:



**Administrator of the Fund**

**AGNES NAIROWUA**



**Fund Accountant**

**ALEX MARTINE**

**MAASAI MARACOMMUNITY SUPPORT FUND**  
**Reports and Financial Statements**  
**For the year ended June 30, 2021**

**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>		-	-	-
Surplus/(deficit) for the period		-	-	-
Funds received during the year	65,500,000	-	-	65,500,000
Revaluation gain	-	-	-	
<b>Balance as at 30 June 2020</b>	<b>55,417</b>	-	-	<b>55,417</b>
<b>Balance as at 1 July 2020</b>	<b>55,417</b>	-	-	<b>55,417</b>
Surplus/(deficit) for the period		-	-	-
Funds received during the year	64,00,0000	-	-	64,000,000
Revaluation gain	-	-	-	-
<b>Balance as at 30 June 2021</b>	<b>2,520</b>	-	-	<b>2,520</b>

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

	<b>Note</b>	<b>2020/2021</b>	<b>2019/2020</b>
		<b>KShs</b>	<b>KShs</b>
<b>Cash flows from operating activities</b>			
<b>Receipts</b>			
Public contributions and donations		-	-
Transfers from the County Government		<b>64,000,000</b>	<b>65,500,000</b>
Interest received		-	-
Balance B/f		55,418	-
<b>Total Receipts</b>		<b>64,055,418</b>	<b>65,500,000</b>
<b>Payments</b>			
Fund administration expenses		1,755,000	1,690,163
General expenses		1,032,588	1,892,394
Grants and other payments		48,992,810	49,307,526
Development expense		10,272,500	12,554,500
Transfer to other related entities		2,000,000	0

Reports and Financial Statements

For the year ended June 30, 2021.

	Note	2020/2021	2019/2020
		KShs	KShs
<b>Total Payments</b>		<b>64,052,898</b>	<b>65,444,583</b>
<b>Net cash flows from operating activities</b>		<b>2,520</b>	<b>55,418</b>
<b>Cash flows from investing activities</b>			
Purchase of property, plant, equipment and intangible assets		0	0
Proceeds from sale of property, plant and equipment		-	-
Proceeds from loan principal repayments		-	-
Loan disbursements paid out		0	0
<b>Net cash flows used in investing activities</b>		<b>0</b>	<b>0</b>
<b>Cash flows from financing activities</b>			
Proceeds from revolving fund receipts		-	-
Additional borrowings		-	-
Repayment of borrowings		0	0
<b>Net cash flows used in financing activities</b>		<b>0</b>	<b>0</b>
<b>Net increase/(decrease) in cash and cash equivalents</b>		<b>0</b>	<b>0</b>
Cash and cash equivalents at 1 JULY	10	55,418	(1,828,622)
<b>Cash and cash equivalents at 30 JUNE</b>	10	<b>2,520</b>	<b>55,418</b>

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

**MAASAI MARACOMMUNITY SUPPORT FUND**

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.**

	Original budget	Adjustments	Final budget	Actual on comparable basis	% utilisation
	2021	2021	2021	2021	2021
	KShs	KShs	KShs	KShs	
<b>Revenue</b>					
Public contributions and donations	-	(-)	-	-	
Transfers from County Govt.	280,000,000		280,000,000	64,000,000	22.85%
Interest income	-	-	-	-	
Other income (b/f)	-	-	-	55,418	
<b>Total income</b>	<b>280,000,000</b>	<b>(-)</b>	<b>280,000,000</b>	<b>64,055,418</b>	<b>22.85%</b>
<b>Expenses</b>					
Fund administration expenses	5,600,000	-	5,600,000	1,755,000	31.33%
General expenses		(-)		1,032,588	18.4%
Grants and other payments	167,293,888		167,293,888	48,992,810	29.28%
Transfer to other related units	2,000,000	(-)	-	2,000,000	
Development expenditure	105,106,112		105,106,112	10,272,500	10%
<b>Total expenditure</b>	<b>280,000,000</b>	<b>(-)</b>	<b>280,000,000</b>	<b>64,052,898</b>	<b>22.8%</b>
<b>Surplus for the period</b>	<b>0</b>		<b>0</b>	<b>2,520</b>	

**Budget notes**

The difference between the budgeted and the actual amount is brought about by the harsh economic condition prevailing in the country due to the covid 19 pandemic, this has affected the tourism sector that we largely depend on.

## **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.

*MAASAI MARA COMMUNITY SUPPORT FUND*  
**Reports and Financial Statements**  
**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	Document the impact if the fund is reporting for the first time on accrual/ Otherwise indicate that there was no impact

*MAASAI MARA COMMUNITY SUPPORT FUND*  
**Reports and Financial Statements**  
**For the year ended June 30, 2021.**

**SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)**

**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> <p>(a) The nature of such social benefits provided by the entity;</p>



*MAASAI MARA COMMUNITY SUPPORT FUND*  
**Reports and Financial Statements**  
**For the year ended June 30, 2021.**

Standard	Effective date and impact:
	<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>

**c) Early adoption of standards**

The entity did not adopt any new standard.

**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.

**4. Budget information**

The original budget for FY 2020/2021 was approved by the County Assembly on 16<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 additional appropriations are added to the original budget by the entity upon receiving the respective approvals in order to conclude the final budget.

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

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

**Reports and Financial Statements**

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

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

A statement to reconcile the actual amounts on a comparable basis included in the statement of comparison of budget and actual amounts and the actuals as per the statement of financial performance has been presented under section 11.5 of these financial statements.

**2. 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.

**3. 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.

**Reports and Financial Statements**

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

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**Held-to-maturity**

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

**Impairment of financial assets**

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

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

***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

**Reports and Financial Statements**

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

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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.

**4. 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.

**5. 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.

**Reports and Financial Statements**

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

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.

**6. Nature and purpose of reserves**

The Entity does not create or maintain reserves in terms of specific requirements.

**7. 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.

**8. 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.

**Reports and Financial Statements**

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

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Members of key management are regarded as related parties and comprise the directors/Trustee, the Fund Managers and Fund Accountant.

**9. 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 (**Remove if not applicable**) 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 imp rests and advances to authorised public officers and/or institutions which were not surrendered or accounted for at the end of the financial year.

**10. Comparative figures**

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

**11. Events after the reporting period**

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

**12. Ultimate and Holding Entity**

The entity is a County Public Fund established by 2014 Act of the *County assembly of Narok* under the Department of finance. Its ultimate parent is the County Government of Narok.

**13. Currency**

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

12. NOTES TO THE FINANCIAL STATEMENTS

1. Public contributions and donations

2. Transfers from County Government

Description	2020/2021	2019/2020
	KShs	KShs
Transfers from County Govt. – operations	64,000,000	65,500,000
Payments by County on behalf of the entity	0	0
<b>Total</b>	<b>64,000,000</b>	<b>65,500,000</b>

3. Other income

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

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

4. Fund administration expenses

Description	2020/2021	2019/2020
	KShs	KShs
Staff costs (Note 6a)	1,755,000	1,892,394
Loan processing costs	0	0
Professional services costs	0	0
Administration fees	0	0
<b>Total</b>	<b>1,755,000</b>	<b>1,892,394</b>

6A. Staff costs

Description	2020/2021	2019/2020
	KShs	KShs
Salaries and wages	150,000	
Staff gratuity		
Staff training expenses	100,000	
Social security contribution		
Other staff costs	1,505,000	
<b>Total</b>	<b>1,755,000</b>	



MAASAI MARA COMMUNITY SUPPORT FUND

Reports and Financial Statements

For the year ended June 30, 2021.

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

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

5. General expenses

Description	2020/2021	2019/2020
	KShs	KShs
Consumables	0	0
Electricity	25,418	114,163
Water expenses	20,198	78,000
Fuel and oil costs	0	0
Insurance costs	0	0
Gas expense	15,000	40,000
Field allowance	300,000	670,000
Postage	0	0
General office supplies e.g., pencils, notebooks and	60,000	250,000
Printing and stationery	101,564	0
Rental costs	0	0
Internet connection		36,000
Purchase of other equipment	115,000	133,000
Security costs		0
Maintenance of office furniture	150,000	189,000
Telecommunication	20,000	70,000
Bank Charges	165,408	0
Hospitality	60,000	0
Depreciation and amortization costs	0	0
Other expenses		110,000
<b>Total</b>	<b>1,032,588</b>	<b>1,690,163</b>

6. 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:

*MAASAI MARA COMMUNITY SUPPORT FUND*

**Reports and Financial Statements**

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

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- 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**

	<b>2020/2021</b>	<b>2019/2020</b>
	<b>KShs</b>	<b>KShs</b>
Transfers from related parties'		
Transfers to related parties	2,000,000	xxx

**7. Other grants and payments:**

This refers to grants and other transfers made to county government. These grants and transfers are made for a specific purpose. They include scholarships, Bursaries, youth, women and people with disability empowerment.

	<b>2020/2021</b>	<b>2019/2020</b>
	<b>Kshs</b>	<b>Kshs</b>
Scholarships and other educational benefits	845,000	2,102,000.00
Community social and cultural activities	11,971,500	9,637,500.00
Subsidies to small business, women and youth	17,971,500	19,400,000.00
Food security and environmental activities	9,349,500	12,152,000.00
Health and wildlife aggression	8,855,310	9,653,020.00
Totals	<b>48,992,810</b>	<b>52,944,520.00</b>

*MAASAI MARA COMMUNITY SUPPORT FUND*  
**Reports and Financial Statements**  
**For the year ended June 30, 2021.**

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**8. Development Expenditure;**


This refers to the development expenditure incurred by the county government, it involves infrastructural development and other projects in various wards for the F/y 2020/21.

	<b>2020/21</b>	<b>2019/2020</b>
	<b>kshs</b>	<b>kshs</b>
Infrastructural development	<b>10,272,500.00</b>	<b>12,554,500.00</b>


MAASAI MARA COMMUNITY SUPPORT FUND  
 Reports and Financial Statements  
 For the year ended June 30, 2021.

13. APPENDIX I: INTER-ENTITY TRANSFERS

ENTITY NAME.				
Break down of Transfers from the County Executive of Narok County Government				
FY 2020/2021				
a.	Recurrent Grants	Bank Statement Date	Amount (KShs)	Indicate the FY to which the amounts relate
		6/7/2020	10,000,000	2020/2021
		18/8/2020	6,000,000	2020/2021
		1/9/2020	5,000,000	2020/2021
		6/11/2020	5,000,000	2020/2021
		10/12/2020	2,000,000	2020/2021
		5/1/2021	5,000,000	2020/2021
		5/2/2021	5,000,000	2020/2021
		12/4/2021	3,000,000	2020/2021
		12/4/2021	5,000,000	2020/2021
		6/5/2021	8,000,000	2020/2021
		7/7/2021	5,000,000	2020/2021
		13/7/2021	5,000,000	2020/2021
		<b>Total</b>	<b>64,000,000</b>	

Sign  Date 4/3/22

Agnes Nairowua  
Maasai Mara community Support fund

Sign  Date 24/3/22

Alex Martine  
Accountant- Maasai Mara community Support fund