

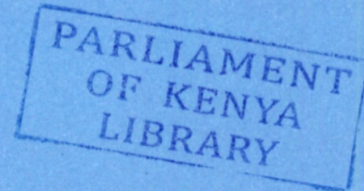
REPUBLIC OF KENYA



*Enhancing Accountability*

## REPORT

PAPERS LAID	
DATE	6/3/2024
TABLED BY	May Leader
COMMITTEE	
CLERK AT THE TABLE	Angela



**THE AUDITOR-GENERAL**

**ON**

**BARINGO COUNTY COMMUNITY  
CONSERVATION FUND**

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



---

**BARINGO COUNTY COMMUNITY CONSERVATION FUND**

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

---

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

***Baringo County Community Conservation Fund***  
**Annual Report and Financial Statements for the year ended June 30, 2023**

---

**Table of Content**

1. Acronyms and Glossary of Terms	iii
2. Key Entity Information and Management	iv
3. Fund Administration Committee (Or Any Other Corporate Governance Body for the Fund)	viii
4. Management Team	ix
6. Report of The Fund Administrator	xi
7. Corporate Governance Statement	xiii
8. Management Discussion and Analysis	xv
9. Environmental and Sustainability Reporting	xvi
10. Report of the Fund Administrator	xix
11. Statement of Management's Responsibilities	xxi
12. Report of the Independent Auditor on the Financial Statements for Baringo County Conservation Fund	xxii
13. Statement of Financial Performance for the Year Ended 30 <sup>th</sup> June 2023	1
14. Statement of Financial Position as at 30 June 2023	2
15. Statement of Changes in Net Assets for the year ended 30 <sup>th</sup> June 2023	4
16. Statement of Cash Flows for the Year Ended 30 June 2023	5
17. Statement Of Comparison Of Budget And Actual Amounts For The Period	6
18. Notes to the Financial Statements	7
19. Annexes	39

**1. Acronyms and Glossary of Terms**

a) Acronyms

BOM	Board of Management
ICPAK	Institute of Certified Public Accountants of Kenya
IPSAS	International Public Sector Accounting Standards
PFM	Public Finance Management
PSASB	Public Sector Accounting Standards Board
Kshs	Kenya Shillings
CECM	County Executive Committee Member
CO	Chief Officer
BCCA	Baringo Community Conservancies Association
GPS	Global Positioning System
CBO	Community Based Organisation
KWS	<b>K</b> enya Wildlife Service

b) **Glossary of Terms**

<b>Fiduciary Management</b>	<b>The key management personnel who had financial responsibility</b>
-----------------------------	--

## **2. Key Entity Information and Management**

### **a) Background information**

The Baringo County Community Wildlife Conservation Fund is established by and derives its authority and accountability from section 116(1) of the Public Finance Management Act 2012 of 28<sup>th</sup> November 2014. The Fund is wholly owned by the County Government of Baringo and is domiciled in Kenya.

The fund's objective is to fund the community in the development, sustainability, exploitation, utilization and conservation of wildlife in accordance with article 69 of the Constitution.

The Fund's principal activity is to meet expenditures characterized as:

- i. Recreational, viewpoints, camps and picnic sites;
- ii. Community conservancy development;
- iii. Environmental conservation initiatives e.g. indigenous tree nurseries;
- iv. Eco-tourism facilities;
- v. Community based tourism enterprises;
- vi. Rural Conservation tools and equipment such as GPS, Radio communications, motor vehicles
- vii. Training and capacity development;
- viii. Nature Trails and geo-parks development.

### **b) Principal Activities**

- i. The principal activity/mission/ mandate of the Fund is to **mitigate adverse environmental impacts of human activities that has led to extinction of species and habitats;**
- ii. The grant shall provide an incentive for hosting wildlife in **community areas,**
- iii. The grant seeks to halt down ward this trend wildlife and **habitat and restore to former status;**
- iv. The grant shall act as a consolation mechanism on adverse effects of Human Wildlife Conflicts;
- v. The grant shall support alternative livelihood opportunities that can be derived or accrued from conservation.

**Baringo County Community Conservation Fund  
Annual Report and Financial Statements for the year ended June 30, 2023**

---

**c) Fund Administration Committee**

<b>Ref</b>	<b>Position</b>	<b>Name</b>
1	Chief Officer Finance- Ex Officio	GikonoKiptoo-Chairperson
2	Chief Officer Tourism and Wildlife- Administrator of Funds	Nancy Korir-Member
3	CECM – Treasury & Economic Planning	Wilson Cheserek
4	Chairperson - CWCC	Peter Kandagor
5	County Chief Warden– Member	William Kimosop
6	Site Warden Lake Bogoria N. Reserve	James Kimaru
7	KWS- Member	Grace Wendot
8	Site Warden – Member	Jackson Komen
9	Chief Tourism- Member	Titus Amdany
10	Conservancy Chairperson- Member	Peter Kandagor
11	Sub County Administrator- Baringo South	WiliamChelal
12	Registered CBO- Member	Susan Kemboi
13	MCA- Emining Ward	Purity Tallam
14	MCA-Mochongoi	Nicholas Kimosop
15	County Director Tourism and wildlife- Member	Evans Kipturgo- Member
16	Deputy Director Accounting Services- Member	CPA David Rerimoi

**Baringo County Community Conservation Fund**  
**Annual Report and Financial Statements for the year ended June 30, 2023**

---

**d) Key Management Team**

Ref	Position	Name
1	Chief Officer Finance	Gikono Kiptoo-Chairperson
2	Chief Officer Tourism and wildlife	Nancy Korir - Fund administrator
3	Game Warden Lake Bogoria N. Reserve	James Kimaru- Site Warden
4	Game Warden Lake Baringo Conservation area	Jackson Komen-Site warden
5	All Conservancy managers	Members
6	Fund Accountant	Phyllis Cheboiwo
7	All Conservancy's Chairperson	Members
8	Chairperson BCCA	Members

**Baringo County Community Conservation Fund  
Annual Report and Financial Statements for the year ended June 30, 2023**

---

**Key Entity and Management (Continued)**

**e) Fiduciary Oversight Arrangements**

<b>SN</b>	<b>Position</b>	<b>Name</b>
1	Directorate Internal Audit	Catherine Kibet

**a) Registered Offices**

P.O. Box 53-30400  
JAMABA Building  
Kabarnet-County Commissioners offices  
Kabarnet, KENYA

**g) Fund Contacts**

Telephone: 053-22290  
E-mail: cectreasurybaringo@gmail.com.  
Website: www.baringo.go.ke

**h) FundBankers**

Skyline Bank  
OsachKosochigaa Building  
Market road Kabarnet  
KABARNET BRANCH  
AC.NO 565100501395

**i) Independent Auditors**

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

**j) Principal Legal Adviser**





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



**Baringo County Community Conservation Fund**






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

**3. Fund Administration Committee (Or Any Other Corporate Governance Body for the Fund)**

Name	Details of qualifications and experience
<p>1. Nancy C. Korir - Chief Officer Tourism and Wildlife - Grant Administrator</p> 	<p><b>Year of Birth:</b>04/12/1978 <b>Key Qualifications:</b> BCOM, MBA Finance  <b>Work Experience:</b> 20 Years <b>Executive Trustee</b></p>
<p>2. Gikono Kiptoo- Chief Officer Finance - Head of Finance</p> 	<p><b>Year of Birth:</b> 1980 <b>Key Qualifications:</b> Master in Business Administration (JKUAT), BCOM, CPA(K) Senior Management Course <b>Work Experience:</b> 12 years <b>Executive Trustee</b></p>
<p>3. Hon Zachary Kiprotich Kobetbet - CECM - Industry, Commerce, Tourism, Co-operatives and Enterprises - Chairperson</p> 	<p><b>Date of Birth:</b> 20/11/1968 <b>Academic and professional Qualifications;</b> B.A. Degree; CPA III <b>Work experience;</b> Over 20years in NGOs, Commercial Company, Hospitality &amp; Managing Co- operative Society <b>Chairperson to the Fund:</b> Baringo County Micro and Small Enterprises Fund</p>
<p>2. CPA David Rerimoi-Deputy Director Accounting Services</p> 	<p><b>Year of Birth:</b>1980 <b>Key Qualifications:</b> Masters in Business Administration (UON),BCOM,CPA(K) Senior Management Course. <b>Work Experience:</b> 21 years</p>

**Baringo County Community Conservation Fund  
Annual Report and Financial Statements for the year ended June 30, 2023**

**4. Management Team**

Name	Details of qualifications and experience
<p>1. Chief Officer -Nancy C. Korir Tourism and Wildlife Chief Officer - Secretary &amp; Grant Administrator</p> 	<p><b>Year of Birth:</b> 04/12/1978 <b>Key Qualifications:</b> BCOM, MBA Finance <b>Work Experience:</b> 20 Years</p>
<p>GikonoKiptoo- Chief Officer Finance – Chairperson</p> 	<p><b>Year of Birth:</b> 1980 <b>Key Qualifications:</b> Key Qualifications: Masters in Business Administration (JKUAT),BCOM,CPA(K) Senior Management Course. <b>Work Experience:</b> 12</p>
<p>CECM - Hon Zachary KiprotichKobetbet - CECM - Industry, Commerce, Tourism, Co-operatives and Enterprises</p> 	<p><b>Date of Birth:</b> 20/11/1968 <b>Academic and professional Qualifications;</b> B.A. Degree; CPA III <b>Work experience;</b> Over 20years in NGOs, Commercial Company, Hospitality &amp; Managing Co-operative Society <b>Chairperson to the Fund:</b> Baringo County Micro and Small Enterprises Fund</p>
<p>CPA David Rerimoi Deputy Director Accounting Services</p> 	<p><b>Year of Birth:</b>1980 <b>Key Qualifications:</b> Masters in Business Administration (UON),BCOM,CPA(K) Senior Management Course. <b>Work Experience:</b> 12 years</p>
<p>2. CPA Phyllis Cheboiwo – Grant Accountant</p> 	<p><b>Year of Birth:</b>1974 <b>Key Qualifications:</b> MBA(Finance &amp; Accounting) BCOM, CPA(K) <b>Work Experience:</b> 12 years</p>

**Baringo County Community Conservation Fund**  
**Annual Report and Financial Statements for the year ended June 30, 2023**

---

**5. Fund Chairperson's Report**

During the Year under review the Fund witnessed changes in Management due to introduction of the new CEC and Chief Officer in place. The fund did not receive any allocation during the financial year in question. The Department submitted its annual Budget proposal to the Finance Department for Budgeting purposes. During Public participation, the community proposed the Fund to be placed under ward Fund hence the Ruko Conservancy, Kaptuya and Kapicha Conservancy was funded as ward fund but there was no allocation of funds towards the same.

Name Lukow Kiptoo Signature [Signature] Date 11/2/23


Chairperson of the Fund

***Baringo County Community Conservation Fund***  
**Annual Report and Financial Statements for the year ended June 30, 2023**

---

**6. Report of The Fund Administrator**

The operations of the Baringo County Community Wildlife Conservation Fund were not carried out as stipulated in the Law as the Fund did not receive allocation of budget FY 2022/2023. Despite financial constraints, the fund was not able meet its objectives due to financial constrain. The induction and training, administration committee members and member's performance was not done due to insufficient management resources. During the year under review, the Grant witness changes in the composition of its Board and Management.

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

Name; Nancy Korir

Fund Administrator



**Baringo County Community Conservation Fund  
Annual Report and Financial Statements for the year ended June 30, 2023**

**Progress on attainment of Strategic development objectives**

**Introduction**

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

The key development objectives of the Baringo County Community Wildlife Conservation Fund 2022-2023 plan are to:

- a) Community conservancy development;
- b) Environmental conservation initiatives e.g. indigenous tree nurseries;
- c) Eco-tourism facilities;
- d) Community based tourism enterprises;
- e) Rural recreational, viewpoints, camps and picnic sites;
- f) Conservation tools and equipment such as GPS, Radio communications, motor vehicles
- g) Training and capacity development;
- h) Nature Trails and geo-parks development

Program	Objective	Outcome	Indicator	Performance
Community Wildlife Conservation	To ensure timely and efficient disbursement of funds for Community conservancy development	Efficient development of conservancy in the community	Reduced human-Wildlife conflict and increased conservancy development	In FY 23/24 to increased Community Conservancy development
Community Wildlife Conservation	To receive and address complaints and disputes and take any appropriate action in Environmental conservation initiatives e.g. indigenous tree nurseries	Tree nurseries in place	Access to indigenous tree seedlings at convenient points in the community	In FY 23/24 to plant seedlings under low costs through the community volunteering teams

## **7. Corporate Governance Statement**

The Fund Administration Committee held 3 meetings whose attendance was satisfactory.

### **Succession Plan**

When a member resigns or retires or is removed from office a new member shall be appointed or replaced on such terms and conditions as may be specified in the instruments of appointment. An appointed committee member shall hold office, for a period of five years or until new members of the committee are appointed. A member is removed from Office by the Governor on recommendation of the Fund Administrator Committee if a member has been absent for three consecutive meetings of the committee without its permission or if a member is convicted of a criminal offence that amounts to a felony under the law of Kenya, or is incapacitated by prolonged physical or mental illness for a period exceeding six months; or is otherwise unable or unfit to discharge his duties

### **Roles and Functions**

- a. The executive committee Member for Tourism and Wildlife chairs the meetings.
- b. The County Chief Officer in charge of Finance is the financial advisor.
- c. The County Chief Officer Tourism and Wildlife is the Secretary and Fund Administrator.
- d. The four members appointed by the Governor represent the interest of the public.
- e. The County Director of Tourism and Wildlife, as member is to support proper implementation Community Wildlife Conservation policies.
- f. The Chairperson Baringo County Conservation Association represents the interest of Conservancy development strategies.
- g. The County Director of Tourism and Wildlife assists in ascertaining the development of Wildlife Conservation.

### **The induction and Training**

Training is only done when there are sufficient resources.

### **Conflict of Interest**

The Committee members are advised to avoid any conflict conflict of interest during implementation of Community Wildlife Conservation. Members are encouraged to declare any conflicts of interest.

***Baringo County Community Conservation Fund***  
**Annual Report and Financial Statements for the year ended June 30, 2023**

---

**Remuneration**

The Members of the board are entitled for remuneration. The allocation of 3% of the Fund, administrative expenses is used to pay sitting allowances and transport reimbursement during the meetings held.

**Integrity**

The members are guided by Chapter Six of the Constitution. Thus they are expected to have integrity when working.

**Recruitment and appointment**

All members shall be considered through a transparent, equitable and fair process that is Community-based in order to ensure that prospective benefits of the fund are available to a widespread cross-section of the Community.

**Baringo County Community Conservation Fund**  
**Annual Report and Financial Statements for the year ended June 30, 2023**

---

## 8. Management Discussion and Analysis

Section 167 of the Public Finance Management Act, 2012 requires that, at the end of each financial year, the Administrator of the Baringo County Community Wildlife Conservation Fund established by section 116(1) of the Public Finance Management Act 2012 on 28<sup>th</sup> November 2014 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 Baringo County Community Wildlife Conservation Fund is responsible for the preparation and presentation of the Fund's financial statements, which give a true and fair view of the state of affairs of the Fund for and as at the end of the financial year ended on June 30, 2022. This responsibility includes:

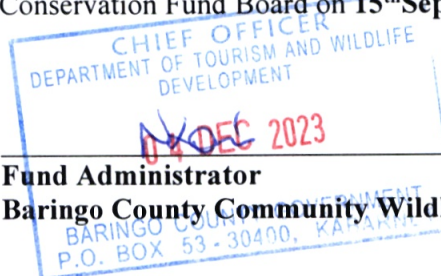
- (i) maintaining adequate financial management arrangements and ensuring that these continue to be effective throughout the reporting period;
- (ii) Maintaining proper accounting records, which disclose with reasonable accuracy at any time the financial position of the Fund;
- (iii) Designing, implementing and maintaining internal controls relevant to the preparation and fair presentation of the financial statements, and ensuring that they are free from material misstatements, whether due to error or fraud;
- (iv) Safeguarding the assets of the Fund;
- (v) Selecting and applying appropriate accounting policies; and
- (vi) Making accounting estimates that are reasonable in the circumstances.

The Administrator of the Baringo County Community Wildlife Conservation Fund accepts responsibility for the Fund's financial statements, which have been prepared using appropriate accounting policies supported by reasonable and prudent judgements and estimates, in conformity with International Public Sector Accounting Standards (IPSAS), and in the manner required by the PFM Act, 2012 and Baringo County Community Wildlife Conservation Fund section 116(1) of the Public Finance Management Act 2012 on 28<sup>th</sup> November 2014. The Administrator of the Fund is of the opinion that the Fund's financial statements give a true and fair view of the state of Fund's transactions during the financial year ended June 30, 2023, and of the Fund's financial position as at that date. The Administrator further confirm the completeness of the accounting records maintained for the Fund, which have been relied upon in the preparation of the Fund's financial statements as well as the adequacy of the systems of internal financial control. In preparing the financial statements, the Administrator of the Baringo County Community Wildlife Conservation Fund has assessed the Fund's ability to continue as a going concern and disclosed, as applicable, matters relating to the use of going concern basis of preparation of the financial statements. Nothing has come to the attention of the Administrator to indicate that the Fund will not remain a going concern for at least the next twelve months from the date of this statement.

### Approval of the financial statements

The Fund's financial statements were approved by the Baringo County Community Wildlife Conservation Fund Board on 15<sup>th</sup> September, 2023 and signed on its behalf by:

\_\_\_\_\_  
**Fund Administrator**  
**Baringo County Community Wildlife Conservation Fund**





## **9. Environmental and Sustainability Reporting**

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

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

The top management especially the accounting officer should make reference to sustainable efforts, broad trends in political and macroeconomic affecting sustainability priorities, reference to international best practices and key achievements and failure.

### **2. Environmental performance**

Outline clearly, environmental policy guiding the organisation, provide evidence of the policy. Outline successes, shortcomings, efforts to manage biodiversity, waste management policy and efforts to reduce environmental impact of the organisation's products.

### **3. Employee welfare**

Give account of the policies guiding the hiring process and whether they take into account the gender ratio, whether they take in stakeholder engagements and how often they are improved. Explain efforts made in improving skills and managing careers, appraisal and reward systems. The organisation should also disclose their policy on safety and compliance with Occupational Safety and Health Act of 2007, (OSHA.)

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

The organisation should outline its efforts to:

- a) Responsible competition practice.  
Explain how the organisation ensures responsible competition practices with issues like anti-corruption, responsible political involvement, fair competition and respect for competitors
- b) Responsible Supply chain and supplier relations- explain how the organisation maintains good business practices, treats its own suppliers responsibly by honouring contracts and respecting payment practices.
- c) Responsible marketing and advertisement-outline efforts to maintain ethical marketing practices
- d) Product stewardship- outline efforts to safeguard consumer rights and interests

## **5. Corporate Social Responsibility / Community Engagements**

### **Succession Plan**

When a member resigns or retires or is removed from office a new member shall be appointed or replaced on such terms and conditions as may be specified in the instruments of appointment. An appointed committee member shall hold office, for a period of five years or until new members of the committee are appointed. A member is removed from Office by the Governor on recommendation of the Fund Administrator Committee if a member has been absent for three consecutive meetings of the committee without its permission or if a member is convicted of a criminal offence that amounts to a felony under the law of Kenya, or is incapacitated by prolonged physical or mental illness for a period exceeding six months; or is otherwise unable or unfit to discharge his duties

### **Roles and Functions**

- a. The executive committee Member for Tourism and Wildlife chairs the meetings.
- b. The County Chief Officer in charge of Finance is the financial advisor.
- c. The County Chief Officer Tourism and Wildlife is the Secretary and Fund Administrator.
- d. The four members appointed by the Governor represent the interest of the public.
- e. The County Director of Tourism and Wildlife, as member is to support proper implementation Community Wildlife Conservation policies.
- f. The Chairperson Baringo County Conservation Association represents the interest of Conservancy development strategies.
- g. The County Director of Tourism and Wildlife assists in ascertaining the development of Wildlife Conservation,

### **The induction and Training**

Training is only done when there are sufficient resources.

### **Conflict of Interest**

The Committee members are advised to avoid any conflict of interest during implementation of Community Wildlife Conservation. Members are encouraged to declare any conflicts of interest.

*Baringo County Community Conservation Fund*  
**Annual Report and Financial Statements for the year ended June 30, 2023**

---

**Remuneration**

The Members of the board are entitled for remuneration. The allocation of 3% of the Fund, administrative expenses is used to pay sitting allowances and transport reimbursement during the meetings held.

**Integrity**

The members are guided by Chapter Six of the Constitution. Thus they are expected to have integrity when working.

**Recruitment and appointment**

All members shall be considered through a transparent, equitable and fair process that is Community-based in order to ensure that prospective benefits of the fund are available to a widespread cross-section of the Community.

## **10. Report of the Fund Administrator**

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

The Operations of Baringo County Community Wildlife Conservation funds were carried out as stipulated in the Law. The Fund did not receive allocated budget funds. Since establishment of Baringo County Community Fund there has been an increase in fund beneficiaries due to continuous budget allocation. The value for money has been achieved due to support of needy bright children through the fund. One of the challenges faced by the fund in implementing its strategic objectives pertains to the prolonged time taken from approval of implication of beneficiaries for the fund facilities. Its future outlook is encouraging as the budget allocation for the coming year of the substantial amount will enable the fund to undertake its mandate in line with the funds strategic plan. Some of the key management risks include; frequent changes of the management team members; delay in funds disbursement by the county treasury and improper record keeping.

### **Principal activities**

The principal activities of the Fund are;

- a) To mitigate adverse environmental impacts of human activities that has led to extinction of species and habitats;
- b) The grant shall provide an incentive for hosting wildlife in community areas,
- c) The grant seeks to halt down ward this trend wildlife and habitat and restore to former status;
- d) The grant shall act as a consolation mechanism on adverse effects of Human Wildlife Conflicts;
- e) The grant shall support alternative livelihood opportunities that can be derived or accrued from conservation.

### **Results**

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

### **Fund Members**

The members of the Fund who served during the year are shown on Page v to viii

***Baringo County Community Conservation Fund***  
**Annual Report and Financial Statements for the year ended June 30, 2023**

---

**Auditors**

The Auditor General is responsible for the statutory audit of the Fund in accordance with Article 229 of the Constitution of Kenya and the Public Audit Act 2015. OR [XYZ Certified Public Accountants were nominated by the Auditor General to carry out the audit of the Baringo County Community Conservation Fund for the period ended June 30, 2023 in accordance to section 23 of the Public Audit Act, 2015 which empowers the Auditor General to appoint an auditor to audit on his behalf].

By Order of the Board



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

**Date:**

**Baringo County Community Conservation Fund**  
**Annual Report and Financial Statements for the year ended June 30, 2023**

---

**11. Statement of Management's Responsibilities**

Section 167 of the Public Finance Management Act, 2012 requires that, at the end of each financial year, the Administrator of the Baringo County Community Conservation Fund established by section 116(1) of the Public Finance Management Act 2012 on 28<sup>th</sup> November 2014 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 Baringo County Community Wildlife Conservation Fund is responsible for the preparation and presentation of the Fund's financial statements, which give a true and fair view of the state of affairs of the Fund for and as at the end of the financial year ended on June 30, 2022. This responsibility includes:

- (i) maintaining adequate financial management arrangements and ensuring that these continue to be effective throughout the reporting period;
- (ii) Maintaining proper accounting records, which disclose with reasonable accuracy at any time the financial position of the Fund;
- (iii) Designing, implementing and maintaining internal controls relevant to the preparation and fair presentation of the financial statements, and ensuring that they are free from material misstatements, whether due to error or fraud;
- (iv) Safeguarding the assets of the Fund;
- (v) Selecting and applying appropriate accounting policies; and
- (vi) Making accounting estimates that are reasonable in the circumstances.

The Administrator of the Baringo County Community Wildlife Conservation Fund accepts responsibility for the Fund's financial statements, which have been prepared using appropriate accounting policies supported by reasonable and prudent judgements and estimates, in conformity with International Public Sector Accounting Standards (IPSAS), and in the manner required by the PFM Act, 2012 and Baringo County Community Wildlife Conservation Fund section 116(1) of the Public Finance Management Act 2012 on 28<sup>th</sup> November 2014. The Administrator of the Fund is of the opinion that the Fund's financial statements give a true and fair view of the state of Fund's transactions during the financial year ended June 30, 2023, and of the Fund's financial position as at that date. The Administrator further confirm the completeness of the accounting records maintained for the Fund, which have been relied upon in the preparation of the Fund's financial statements as well as the adequacy of the systems of internal financial control. In preparing the financial statements, the Administrator of the Baringo County Community Wildlife Conservation Fund has assessed the Fund's ability to continue as a going concern and disclosed, as applicable, matters relating to the use of going concern basis of preparation of the financial statements. Nothing has come to the attention of the Administrator to indicate that the Fund will not remain a going concern for at least the next twelve months from the date of this statement.

**Approval of the financial statements**

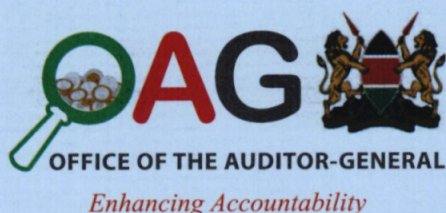
The Fund's financial statements were approved by the Baringo County Community Wildlife Conservation Fund Board on 25<sup>th</sup> September, 2023 and signed on its behalf by:

CHIEF OFFICER  
DEPARTMENT OF TOURISM AND WILDLIFE  
DEVELOPMENT  
04 DEC 2023  
BARINGO COUNTY GOVERNMENT  
P.O. BOX 53-3

**Fund Administrator**  
**Baringo County Community Wildlife Conservation Fund**

# REPUBLIC OF KENYA

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



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

## **REPORT OF THE AUDITOR-GENERAL ON BARINGO COUNTY COMMUNITY CONSERVATION FUND FOR THE YEAR ENDED 30 JUNE, 2023**

---

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

An unmodified opinion does not necessarily mean that an entity has complied with all relevant laws and regulations and that its internal controls, risk management and overall 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**

#### **Opinion**

I have audited the accompanying financial statements of Baringo County Community Conservation Fund set out on pages 1 to 40, which comprise of the statement of financial position as at 30 June, 2023 and the statement of financial performance, statement of

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

In my opinion, the financial statements present fairly, in all material respects, the financial position of Baringo County Community Conservation Fund as at 30 June, 2023 and of its financial performance and its cash flows for the year then ended, in accordance with International Public Sector Accounting Standards (Accrual Basis) and comply with the Public Finance Management Act, 2012 and the Public Finance Management (Baringo County Community Wildlife Conservation Fund) Regulations, 2014.

### **Basis for Opinion**

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

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

### **Conclusion**

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

### **Basis for Conclusion**

#### **1. Lack of Funding**

The Fund did not receive any funding during the year under review. Without funding, the Fund could not be able to implement any of its activities.

In the circumstances, the Fund could not deliver services to County residents and it may not achieve its intended objectives.

#### **2. Irregular Composition of Fund Management Committee**

The background information in the financial statements reflects a Fund Administration Committee composed of seven (7) members. This is contrary to Section 8(1) of The Public



Finance Management (Baringo County Community Wildlife Conservation Fund) Regulations, 2014 which stipulates that the County Fund Management Committee shall consist of sixteen members and three ex officio members. The Fund Management Committee is therefore not properly constituted.

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

### **3. Un-authorized Operating of SACCO Bank Account**

The statement of financial position reflects cash and cash equivalents balance of Kshs.578 held in a private Savings and Credit Co-operative Society (SACCO) as disclosed in Note 12 to the financial statements. This is contrary to Regulation 82(1 and 2) of the Public Finance Management (County Governments) Regulations, 2015 which stipulates that all County exchequer accounts shall be opened at the Central Bank of Kenya and that all County Government entities shall comply with the provisions under this Regulation within six (6) months from the date of commencement of these Regulations. No explanation was provided for not maintaining the Fund bank account in the Central Bank of Kenya. Further, the authority to open the Fund bank account, cash book and board of survey report were not provided for audit verification.

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

### **4. Lack of Approved Annual Budget**

The Fund did not have an approved budget. This is contrary to Regulation 29 of the Public Finance Management (County Government) Regulations, 2015 which stipulates that the accounting officer is responsible for ensuring that all services which can be reasonably foreseen are included in the estimates and that they are within the capacity of her or his County Government entity during the financial year, the estimates have been prepared and are complete and accurate as possible and the requisite authority has been obtained, where necessary, before the provision is made in the estimates. The approved estimates of expenditure shall form the basis of accounts for the financial year. Further, the County Executive of Baringo did not make a budget provision for the Fund in the 2022/2023 annual budget.

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

The audit was conducted in accordance with the International Standards for Supreme Audit Institutions (ISSAIs) 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 comply in all material respects, with the authorities that govern them. I believe that the audit evidence I have obtained is sufficient and appropriate to provide a basis for my conclusion.

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

## **Conclusion**

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

## **Basis for Conclusion**

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

## **Responsibilities of 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 overall governance.

In preparing the financial statements, Management is responsible for assessing the Fund's ability 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 intention to abolish 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 resources are applied in an effective way.

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

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

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

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

Further, in planning and performing the audit of the financial statements and audit of compliance, I consider internal control in order to give an assurance on the effectiveness of internal controls, risk management and overall governance processes and systems in accordance with the provisions of Section 7(1)(a) of the Public Audit Act, 2015 and submit the audit report in compliance with Article 229(7) of the Constitution. My consideration of the internal control would not necessarily disclose all matters in the internal control that might be material weaknesses under the ISSAIs. A material weakness is a condition in which the design or operation of one or more of the internal control components does not reduce to a relatively low level the risk that misstatements caused by error or fraud in amounts that would be material in relation to the financial statements being audited may occur and not be detected within a timely period by employees in the normal course of performing their assigned functions.

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

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


- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for my opinion. The risk of not detecting a material misstatement resulting from

fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.

- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the Management.
- Conclude on the appropriateness of the Management's use of the applicable basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Fund's ability to continue to sustain its services. If I conclude that a material uncertainty exists, I am required to draw attention in the auditor's report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify my opinion. My conclusions are based on the audit evidence obtained up to the date of my audit report. However, future events or conditions may cause the Fund to cease to continue to sustain its services.
- Evaluate the overall presentation, structure and content of the financial statements, including the disclosures and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.
- Obtain sufficient appropriate audit evidence regarding the financial information and business activities of the Fund to express an opinion on the financial statements.
- Perform such other procedures as I consider necessary in the circumstances.

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

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

  
FCPA Nancy Gathungu, CBS  
AUDITOR-GENERAL

**Nairobi**

**14 February, 2024**

**Baringo County Community Conservation Fund  
Annual Report and Financial Statements for the year ended June 30, 2023**

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

Description	Note	FY 2022/2023	FY 2021/2022
		Kshs	Kshs
<b>Revenue From Non-Exchange Transactions</b>			
Public Contributions and Donations	1	-	-
Transfers From the County Government	2	-	-
Fines, Penalties and Other Levies	3	-	-
<b>Revenue From Exchange Transactions</b>		-	-
Interest Income	4	-	-
Other Income	5	-	-
<b>Total Revenue</b>		-	-
<b>Expenses</b>			
Employee Costs	6	-	-
Use of goods and services	7	50.00	350.00
Depreciation and Amortization Expense	8	-	-
Finance Costs	9	-	-
<b>Total Expenses</b>		50.00	350.00
<b>Other Gains/Losses</b>			
Gain/Loss on Disposal of Assets	10	-	-
Gain /Loss on fair value of investments	11	-	-
<b>Surplus/(Deficit) for the Period</b>		(50.00)	(350.00)

(The notes set out on pages 20 to 24 form an integral part of these Financial Statements)

NAME OFFICER  
DEPARTMENT OF TOURISM AND DEVELOPMENT  
Name: *Nor Kozir*  
Administrator of the Fund  
BARINGO COUNTY GOVERNMENT  
P.O. BOX 53-30400, KABARNET

Name: *P. M. M. M.*  
Fund Accountant  
ICPAK Member Number: *21650*  
04 DEC 2023  
PO BOX 53.30400 KABARNET

**Baringo County Community Conservation Fund**  
**Annual Report and Financial Statements for the year ended June 30, 2023**

**14. Statement of Financial Position as at 30 June 2023**

Description	Note	FY 2022/2023	FY 2021/2022
		Kshs	Kshs
<b>Assets</b>			
<b>Current Assets</b>			
Cash and Cash Equivalents	12	577.55	627.55
Current Portion of Long- Term Receivables From Exchange Transactions	13	-	-
Prepayments	14	-	-
Inventories	15	-	-
Investments in financial assets	16	-	-
<b>Total current assets</b>		<b>577.55</b>	<b>627.55</b>
<b>Non-Current Assets</b>			
Property, Plant and Equipment	17	-	-
Intangible Assets	18	-	-
Long Term Receivables from Exchange Transactions	13	-	-
Investment Property	19	-	-
<b>Total non- current assets</b>			
<b>Total Assets</b>		<b>577.55</b>	<b>627.55</b>
<b>Liabilities</b>			
<b>Current Liabilities</b>			
Trade and Other Payables from Exchange Transactions	20	-	-
Current Portion of Borrowings	21	-	-
Employee Benefit Obligations	22	-	-
Social benefit liabilities	23	-	-
<b>Total current liabilities</b>			
<b>Non-Current Liabilities</b>			
Long Term Portion of Borrowings	21	-	-
Non-Current Employee Benefit Obligation	22	-	-
Social benefit liabilities	23	-	-
<b>Total Liabilities</b>			

**Baringo County Community Conservation Fund**  
**Annual Report and Financial Statements for the year ended June 30, 2023**

Description	Note	FY 2022/2023	FY 2021/2022
		Kshs	Kshs
<b>NetAssets</b>	12	<b>577.55</b>	<b>627.55</b>
Revolving Fund		-	-
Reserves		-	-
Accumulated Surplus		-	-
<b>TotalNetAssetsandLiabilities</b>		<b>577.55</b>	<b>627.55</b>

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 25/09/2023 and signed by:

CHIEF OFFICER  
 DEPARTMENT OF TOURISM AND WILDLIFE  
 DEVELOPMENT  
 04 DEC 2023  
 Name: Norah Kariuki  
 ADMINISTRATOR OF THE FUND  
 BARINGO COUNTY GOVERNMENT  
 P.O. BOX 53-30408 KIBARNET

FUND ACCOUNTANT  
 BARINGO COUNTY GOVERNMENT  
 04 DEC 2023  
 Name: Phyllis Kariuki  
 FUND ACCOUNTANT  
 ICPAK Member Number: 21608  
 BARINGO COUNTY GOVERNMENT  
 P.O. BOX 53-30408 KIBARNET

**Baringo County Community Conservation Fund**  
**Annual Report and Financial Statements for the year ended June 30, 2023**

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

Description	Revolving Fund	Revaluation Reserve	Accumulated surplus	Total
		Kshs	Kshs	Kshs
<b>Balance As At 1 July 2021</b>	-	-	977.55	977.55
Surplus/(Deficit) For the Period	-	-	(350.00)	(350.00)
Funds Received During the Year	-	-	-	-
Transfers	-	-	-	-
Revaluation Gain	-	-	-	-
<b>Balance As At 30 June 2022</b>	-	-	<b>627.55</b>	<b>627.55</b>
<b>Balance As At 1 July 2022</b>	-	-	627.55	627.55
Surplus/(Deficit) For the Period	-	-	(50.00)	(50.00)
Funds Received During the Year	-	-	-	-
Transfers	-	-	-	-
Revaluation Gain	-	-	-	-
<b>Balance As At 30 June 2023</b>	-	-	<b>577.55</b>	<b>577.55</b>



**Baringo County Community Conservation Fund**  
**Annual Report and Financial Statements for the year ended June 30, 2023**

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

Description	Note	FY 2022/2023	FY 2021/2022
		Kshs	Kshs
<b>Cashflowsfromoperatingactivities</b>			
<b>Receipts</b>			
Publiccontributionsanddonations		-	-
Transfers from the county government		-	-
Interest received		-	-
Receipts from other operating activities		-	-
<b>Total receipts</b>		-	-
<b>Payments</b>			
Fund administration expenses		-	-
General expenses (Bank Charges)	7	50.00	350.00
Financecost		-	-
Other payments		-	-
<b>Netcashflowsfromoperatingactivities</b>		<b>(50.00)</b>	<b>(350.00)</b>
<b>Cash flows from investing activities</b>			
Purchase of property, plant, equipment and Intangibleassets		-	-
Proceedsfromsaleofproperty,plant& equipment		-	-
Proceeds from loan principal repayments		-	-
Loan disbursements paid out		-	-
<b>Netcashflowsusedininvestingactivities</b>		<b>(50.00)</b>	<b>(350.00)</b>
<b>Cashflowsfromfinancingactivities</b>			
Proceedsfromrevolving fund receipts		-	-
Additional borrowings		-	-
Repaymentofborrowings		-	-
<b>Netcashflowsusedinfinancingactivities</b>		-	-
<b>Netincrease/(decrease)incash&amp;cash</b>			
<b>Equivalents</b>		<b>(50)</b>	<b>(350)</b>
Cashandcashequivalentsat1July		627.55	977.55
<b>Cashandcashequivalentsat30 June</b>		<b>577.55</b>	<b>627.55</b>

**Baringo County Community Conservation Fund**

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

**17. Statement of Comparison of Budget and Actual Amounts For The Period**

Description	Original budget	Adjustments	Final budget	Actual on comparable basis	Performance difference	% Utilization
	Kshs	Kshs	Kshs	Kshs	Kshs	
	<b>a</b>	<b>b</b>	<b>C=(a+b)</b>	<b>d</b>	<b>e=(c-d)</b>	<b>f=d/c*100</b>
<b>Revenue</b>						
Public Contributions and Donations	-	-	-	-	-	-
Transfers From County Govt.	-	-	-	-	-	-
Interest Income	-	-	-	-	-	-
Other Income	-	-	-	-	-	-
<b>Total Income</b>	-	-	-	-	-	-
<b>Expenses</b>						
Fund Administration Expenses	-	-	-	-	-	-
General Expenses (Bank Charges)	-	-	-	50.00	-	-
Finance Cost	-	-	-	-	-	-
<b>Total Expenditure</b>	-	-	-	<b>50.00</b>	-	-
<b>Surplus For the Period</b>	-	-	-	-	-	-
<b>Capital expenditure</b>				<b>50.00</b>		

**18. Notes to the Financial Statements**

**1. General Information**

Baringo County Community Wildlife Fund is established by and derives its authority and accountability from section 116(1) of the Public Finance Management Act 2012 on 28<sup>th</sup> November 2014. Act. The fund is wholly owned by the Baringo County Government and is domiciled in Kenya. The Fund's Objective is to fund the community in the development, sustainment, exploitation, utilization and conservation, utilization and conservation of wildlife in accordance with Article 69 of the constitution

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

The Fund's financial statements have been prepared in accordance with and comply with International Public Sector Accounting Standards (IPSAS). The financial statements are presented in Kenya shillings, which is the functional and reporting currency of the Fund. The accounting policies have been consistently applied to all the years presented. The financial statements have been prepared on the basis of historical cost, unless stated otherwise. The cash flow statement is prepared using the direct method. The financial statements are prepared on accrual basis.

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

- (i) New and amended standards and interpretations in issue but not yet effective in the year ended 30 June 2023

Standard	Effective date and impact
<p><b>IPSAS 41: Financial Instruments</b></p>	<p><b>Applicable: 1<sup>st</sup> January 2023</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</li> </ul>

Standard	Effective date and applicability
	<p>financial assets that considers the characteristics of the asset's cash flows and the objective for which the asset is held;</p> <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 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 2023</b></p> <p>The objective of this Standard is to improve the relevance, faithful representativeness and comparability of the information that a reporting Entity provides in its financial statements about social benefits. The information provided should help users of the financial statements and general-purpose financial reports assess:</p> <ul style="list-style-type: none"> <li>(a) The nature of such social benefits provided by the Entity;</li> <li>(b) The key features of the operation of those social benefit schemes; and</li> <li>(c) The impact of such social benefits provided on the Entity's financial performance, financial position and cash flows.</li> </ul>
<p>Amendments to Other IPSAS resulting from IPSAS 41, Financial Instruments</p>	<p><b>Applicable: 1<sup>st</sup> January 2023</b></p> <ul style="list-style-type: none"> <li>a) Amendments to IPSAS 5, to update the guidance related to the components of borrowing costs which were inadvertently omitted when IPSAS 41 was issued.</li> <li>b) Amendments to IPSAS 30, regarding illustrative examples on hedging and credit risk which were inadvertently omitted when IPSAS 41 was issued.</li> <li>c) Amendments to IPSAS 30, to update the guidance for</li> </ul>

**Baringo County Community Conservation Fund  
Annual Report and Financial Statements for the year ended June 30, 2023**

Standard	Effective date and impact
	<p>accounting for financial guarantee contracts which were inadvertently omitted when IPSAS 41 was issued.</p> <p>Amendments to IPSAS 33, to update the guidance on classifying financial instruments on initial adoption of accrual basis IPSAS which were inadvertently omitted when IPSAS 41 was issued.</p>
<p>Other improvements to IPSAS</p>	<p><b>Applicable 1<sup>st</sup> January 2023</b></p> <ul style="list-style-type: none"> <li>• <i>IPSAS 22 Disclosure of Financial Information about the General Government Sector.</i></li> </ul> <p>Amendments to refer to the latest System of National Accounts (SNA 2008).</p> <ul style="list-style-type: none"> <li>• <i>IPSAS 39: Employee Benefits</i></li> </ul> <p>Now deletes the term composite social security benefits as it is no longer defined in IPSAS.</p> <ul style="list-style-type: none"> <li>• <b>IPSAS 29: Financial instruments: Recognition and Measurement</b></li> </ul> <p>Standard no longer included in the 2021 IPSAS handbook as it is now superseded by IPSAS 41 which is applicable from 1<sup>st</sup> January 2023.</p>

*(ii) New and amended standards and interpretations in issue but not yet effective in the year ended 30 June 2023.*

Standard	Effective date and impact
<p>IPSAS 43</p>	<p><b>Applicable 1<sup>st</sup> January 2025</b></p> <p>The standard sets out the principles for the recognition, measurement, presentation, and disclosure of leases. The objective is to ensure that lessees and lessors provide relevant information in a manner that faithfully represents those transactions. This information gives a basis for users of financial statements to assess the effect that leases have on the financial position, financial performance and cashflows of an Entity.</p> <p>The new standard requires entities to recognise, measure and present information on right of use assets and lease liabilities.</p>

**Baringo County Community Conservation Fund**  
**Annual Report and Financial Statements for the year ended June 30, 2023**

Standard	Effective date and impact
IPSAS 44: Non-Current Assets Held for Sale and Discontinued Operations	<p><b><i>Applicable 1<sup>st</sup> January 2025</i></b></p> <p>The Standard requires,</p> <p>Assets that meet the criteria to be classified as held for sale to be measured at the lower of carrying amount and fair value less costs to sell and the depreciation of such assets to cease and:</p> <p>Assets that meet the criteria to be classified as held for sale to be presented separately in the statement of financial position and the results of discontinued operations to be presented separately in the statement of financial performance.</p>

**(iii) Early adoption of standards**

The Entity did adopt new or amended standards in the financial year 2022/2023

**1. Significant Accounting Policies**

**a) Revenue recognition**

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

**Transfers from other government entities**

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

**ii. Revenue from exchange transactions**

**Interest income**

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

**Dividends**

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

**Rental income**

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

**b) Budget information**

The original budget for FY 2022-2023 was approved by the County Assembly on 30<sup>th</sup> June 2023. 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 fund upon receiving the respective approvals in order to conclude the final budget. Accordingly, the Fund did not record additional appropriations the FY 2022-2023 budget following the governing body's approval. The fund's budget is prepared on a different basis to the actual income and expenditure disclosed in the financial statements. The financial statements are prepared on accrual basis using a classification based on the nature of expenses in the statement of financial performance, whereas the budget is prepared on a cash basis. The amounts in the financial statements were recast from the accrual basis to the cash basis and reclassified by presentation to be on the same basis as the approved budget. A comparison of budget and actual amounts, prepared on a comparable basis to the approved budget, is then presented in the statement of comparison of budget and actual amounts. In addition to the Basis difference, adjustments to amounts in the financial statements are also made for differences in the formats and classification schemes adopted for the presentation of the financial statements and the approved budget.

A statement to reconcile the actual amounts on a comparable basis included in the statement of comparison of budget and actual amounts and the actuals as per the statement of financial performance has been presented under section 167 of these financial statements.

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

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

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

**c) Property, plant and equipment**

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

**d) Intangible Assets**

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

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

**e) Investment property**

Investment properties are measured initially at cost, including transaction costs. The carrying amount includes the replacement cost of components of an existing investment property at the time that cost is incurred if the recognition criteria are met and excludes the costs of day-to-day maintenance of an investment property. Investment property acquired through a non-exchange transaction is measured at its fair value at the date of acquisition. Subsequent to initial recognition, investment properties are measured using the cost model and are depreciated over an xx-year period or investment property is measured at fair value with gains and losses recognised through surplus or deficit.



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

**f) Financial instruments**

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

**Financial assets**

**Classification of financial assets**

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

**Subsequent measurement**

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

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

**Amortized cost**

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

**Fair value through net assets/ equity**

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

**Fair value through surplus or deficit**

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

**Trade and other receivables**

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

**Impairment**

The entity assesses, on a forward-looking basis, the expected credit loss ('ECL') associated with its financial assets carried at amortized cost and fair value through net assets/equity. The entity recognizes a loss allowance for such losses at each reporting date. Critical estimates and significant judgments made by management in determining the expected credit loss (ECL) are set out in *Note xx*.

## **Significant Accounting Policies (Continued)**

### **Financial liabilities**

#### **Classification**

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

#### **g) Inventories**

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

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

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

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

#### **h) Provisions**

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

#### **i) Social Benefits**

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

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

**j) Contingent liabilities**

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

**Contingent assets**

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

**k) Nature and purpose of reserves**

The Entity creates and maintains reserves in terms of specific requirements

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.

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

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

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

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

**m) Foreign currency transactions**

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

**n) 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.

**o) Related parties**

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

**p) Cash and cash equivalents**

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

**q) Comparative figures**

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

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

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

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

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

**a) Estimates and assumptions –**

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

**b) Useful lives and residual values**

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

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

**c) Provisions**

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

**Baringo County Community Conservation Fund**  
**Annual Report and Financial Statements for the year ended June 30, 2023**

**6. Notes to the Financial Statements**

**1. Public contributions and donations**

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

**2. Transfers from County Government**

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

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

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

**4. Interest income**

Description	FY 2022/2023	FY 2021/2022
	Kshs	Kshs
Interest Income from Mortgage Loans	-	-
Interest Income From Car Loans	-	-
Interest Income From Investments in financial assets	-	-
Interest Income On Bank Deposits	-	-
<b>Total Interest Income</b>	<b>-</b>	<b>-</b>

**Baringo County Community Conservation Fund**  
**Annual Report and Financial Statements for the year ended June 30, 2023**

**1. Other income**

Description	FY 2022/2023	FY 2021/2022
	Kshs	Kshs
Insurance Recoveries	-	-
Income from Sale of Tender Documents	-	-
Bad debts recovered	-	-
Miscellaneous Income	-	-
<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. Disclose write backs if any or recoveries from write offs).

**2. Employee Costs**

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

**3. Use of Goods and Services**

Description	FY 2022/2023	FY 2021/2022
	Kshs.	Kshs.
General Office Expenses	-	-
Loan Processing Costs	-	-
Professional Services Costs	-	-
Administration Fees	-	-
Committee Allowances	-	-
Bank Charges	50.00	350.00
Electricity And Water Expenses	-	-
Fuel And Oil Costs	-	-
Insurance Costs	-	-
Postage And Courier	-	-
Printing And Stationery	-	-



**Baringo County Community Conservation Fund**  
**Annual Report and Financial Statements for the year ended June 30, 2023**

Description	FY 2022/2023	FY 2021/2022
	Kshs.	Kshs.
Rental Costs	-	-
Security Costs	-	-
Telephone And Communication Expenses	-	-
Audit Fees	-	-
Provision For Doubtful Debts	-	-
Other	-	-
Social benefit expenses*	-	-
<b>Total</b>	<b>50.00</b>	<b>350.00</b>

**4. Depreciation and Amortization Expense**

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

**5. Finance costs**

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

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

Description	FY 2022/2023	FY 2021/2022
	Kshs	Kshs
Property,PlantandEquipment	-	-
Intangible Assets	-	-
<b>Total</b>	<b>-</b>	<b>-</b>

**Baringo County Community Conservation Fund**  
**Annual Report and Financial Statements for the year ended June 30, 2023**

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

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

**2. Cash and cash equivalents**

Description	FY 2022/2023	FY 2021/2022
	Kshs	Kshs
Fixed Deposits Account	-	-
On – Call Deposits	-	-
Current Account	577.55	627.55
Others ( <i>Bank Charges</i> )		
<b>TotalCashAndCashEquivalent</b>	-	-

**Notes to the Financial Statements Continued**

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

Financial Institution	Account number	FY 2022/2023	FY 2021/2022
		Kshs	Kshs
<b>a) Fixed Deposits Account</b>			
Kenya Commercial Bank		-	-
Equity Bank, Etc.		-	-
<b>Sub- Total</b>		-	-
<b>b) On - Call Deposits</b>			
Kenya Commercial Bank		-	-
Equity Bank - Etc.		-	-
<b>Sub- Total</b>		-	-
<b>c) Current Account</b>			
Kenya Commercial Bank		-	-
Bank (Skyline Sacco )	565100501395	577.55	627.55
<b>Sub- Total</b>		577.55	627.55
<b>d) Others(Specify)</b>			
Cash In Transit		-	-
Cash In Hand		-	-
<b>Sub- Total</b>		-	-
<b>Grand Total</b>		-	-

**3. Receivables from exchange transactions**

Description	FY 2022/2023	FY 2021/2022
	Kshs	Kshs
<b>Current Receivables</b>		
Interest Receivable	-	-
Current Loan Repayments Due	-	-
OtherExchangeDebtors	-	-
Less:ImpairmentAllowance	-	-
<b>Total Current Receivables</b>	-	-
<b>Non-Current Receivables</b>		
Long Term Loan Repayments Due	-	-
<b>Total Non- Current Receivables</b>	-	-
<b>TotalReceivables From Exchange Transactions</b>	-	-

**Baringo County Community Conservation Fund**  
**Annual Report and Financial Statements for the year ended June 30, 2023**

**Notes to the Financial Statements Continued**

**Additional disclosure on interest receivable**

Description	FY 2022/2023	FY 2021/2022
	Kshs	Kshs
<b>Interest Receivable</b>		
Interest receivable from current portion of long-term loans of previous years	-	-
Accrued interest receivable from of long-term loans of previous years	-	-
Interest receivable from current portion of long-term loans issued in the current year	-	-
<b>Current loan repayments due</b>		
Current portion of long-term loans from previous years	-	-
Accrued principal from long-terms loans from previous periods	-	-
Current portion of long-term loans issued in the current year	-	-

**14. Prepayments**

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

**15. Inventories**

Description	FY 2022/2023	FY 2021/2022
	Kshs	Kshs
ConsumableStores	-	-
SparePartsAndMeters	-	-
Catering	-	-
Other Inventories (Specify)	-	-
<b>TotalInventoriesatTheLowerofCostandNetRealizableValue</b>	-	-

**Notes to the Financial Statements Continued**

**Baringo County Community Conservation Fund**  
**Annual Report and Financial Statements for the year ended June 30, 2023**

**16. Investments in financial assets**

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

**Movement of Equity Investments**

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

**e) Shareholding in other entities**

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

**Baringo County Community Conservation Fund**  
**Annual Report and Financial Statements for the year ended June 30, 2023**

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

**17. Property, plant and equipment**

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

**Baringo County Community Conservation Fund**  
**Annual Report and Financial Statements for the year ended June 30, 2023**

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

**18. Intangible assets**

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

**19. Investment Property**

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

**Baringo County Community Conservation Fund**  
**Annual Report and Financial Statements for the year ended June 30, 2023**

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

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

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

**21. Provisions**

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



**Baringo County Community Conservation Fund  
Annual Report and Financial Statements for the year ended June 30, 2023**

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

**22. Borrowings**

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

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

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

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

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

**Baringo County Community Conservation Fund**  
**Annual Report and Financial Statements for the year ended June 30, 2023**

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

**23. Employee benefit obligations**

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

**24. Social Benefit Liabilities**

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

**Baringo County Community Conservation Fund  
Annual Report and Financial Statements for the year ended June 30, 2023**

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

**25. Cash generated from operations**

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

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

**26. Related party balances**

**a) Nature of related party relationships**

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

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

**b) Related party transactions**

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

**c) Key management remuneration**

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

**d) Due from related parties**

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

**Other Disclosures Continued**

**e) Due to related parties**

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

**27. Contingent assets and contingent liabilities**

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

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

**28. Financial risk management**

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

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

**a) Credit risk**

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

Description	Total amount Kshs	Fully performing Kshs	Past due Kshs	Impaired Kshs
<b>At 30 June 2022</b>				
Receivables From Exchange Transactions	-	-	-	-
Receivables From Non-Exchange Transactions	-	-	-	-
Bank Balances	-	-	-	-
<b>Total</b>	-	-	-	-
<b>At 30 June 2021</b>				
Receivables From Exchange Transactions	-	-	-	-
Receivables From Non-Exchange Transactions	-	-	-	-
Bank Balances	-	-	-	-
<b>Total</b>	-	-	-	-

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

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

The entity has significant concentration of credit risk on amounts due fromxxxx

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

**b) Liquidity risk management**

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

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

Description	Less than 1 month	Between 1-3 months	Over 5 months	Total
	Kshs	Kshs	Kshs	Kshs
<b>At 30 June (FY2022/2023)</b>				
Trade Payables	-	-	-	-
Current Portion Of Borrowings	-	-	-	-
Provisions	-	-	-	-
Employee Benefit Obligation	-	-	-	-
<b>Total</b>	-	-	-	-
<b>At 30 June (FY2021/2022)</b>				
Trade Payables	-	-	-	-
Current Portion Of Borrowings	-	-	-	-
Provisions	-	-	-	-
Employee Benefit Obligation	-	-	-	-
<b>Total</b>	-	-	-	-

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

**c) Market risk**

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

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

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

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

**i. Foreign currency risk**

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

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

Description	Other currencies		Total
	Ksh	Ksh	
<b>At 30 June (FY2022/2023)</b>			
Financial Assets	-	-	-
Investments	-	-	-
Cash	-	-	-
Debtors/ Receivables	-	-	-
<b>Liabilities</b>			
Trade And Other Payables	-	-	-
Borrowings	-	-	-
<b>Net Foreign Currency Asset/(Liability)</b>	-	-	-



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

**Foreign currency sensitivity analysis**

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

Description	Change in currency rate	Effect on surplus/ deficit	Effect on equity
	Kshs	Kshs	Kshs
<b>(FY 2022/2023)</b>			
Euro	10%	-	-
USD	10%	-	-
<b>(FY2022/2023)</b>			
Euro	10%	-	-
USD	10%	-	-

**ii. Interest rate risk**

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

**Management of interest rate risk**

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

**Sensitivity analysis**

The Fund analyses its interest rate exposure on a dynamic basis by conducting a sensitivity analysis. This involves determining the impact on profit or loss of defined rate shifts. The sensitivity analysis for interest rate risk assumes that all other variables, in particular foreign exchange rates, remain constant. The analysis has been performed on the same basis as the prior year. Using the end of the year figures, the sensitivity analysis indicates the impact on the statement of comprehensive income if current floating interest rates increase/decrease by one percentage point as a decrease/increase of Kshs xxx (2022: Kshs xxx ). A rate increase/decrease of 5% would result in a decrease/increase in profit before tax of Kshs xxx (2021 – Kshs xxx).

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

**d) Capital risk management.**

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

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

**29. Events after the reporting period**

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

**30. Ultimate and Holding Entity**

The entity is a County Public Fund established by xxx Act (*state the legislation establishing the Fund*) under the Ministry of xxx. Its ultimate parent is the County Government of XXX.

**31. Currency**

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

**19. Annexes**

**Annex I: Progress on follow up of prior year Auditor's Recommendations**

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

Reference No. on the external audit Report	Issue/ Observations from Auditor	Management comments	Status: (Resolved / Not Resolved)	Timeframe: (Put a date when you expect the issue to be resolved)
OAG/BARIN GO/BCCF/20 21/2022/(15)	Performance against County Government Fund's Predetermined Objectives on planting of seedlings under low cost	On attainment on Strategies the department of tourism and wildlife was under the umbrella of department of Environment and Natural Resources which is mandated to plant seedlings across the County. The fund didn't meet the threshold due to lack of funds, hence the department planted trees across the County inclusive Conservancies arears but not using the Conservancy fund.	Resolved	-
OAG/BARIN GO/BCCF/20 21/2022/(15)	Cash and Cash Equivalent balance of Ksh. 627 which is maintained in a Sacco Society contrary to Regulation 82	The department had started the process of opening an account at Kenya Commercial Bank. The delay has been necessitated by changes in Management. However the same will be done immediately the introduction of management is done in the system.	Resolved	-

Baringo County Community 3 Conservation fund  
Annual Report and Financial Statements For the year ended 30<sup>th</sup> June 2023

Reference No. on the external audit Report	Issue/ Observations from Auditor	Management comments	Status: (Resolved / Not Resolved)	Timeframe: (Put a date when you expect the issue to be resolved)
OAG/BARIN GO/BCCF/20 21/2022/(15)	Lack of Approved Budget FY 2021/2022	The Department submitted its annual Budget proposal to the Finance Department for Budgeting purposes. During Public participation, the community proposed the Fund to be placed under ward Fund hence the Ruko Conservancy, Kaptuya and Kapicha Conservancy was funded as ward fund but No. Fund was allocated during the period under question.	The department intend to lobby through County Assembly Committee to allocate Funds to the programme of Conservancy going forward	FY 2024/2025 Budget Estimates
OAG/BARIN GO/BCCF/20 21/2022/(15)	The Fund Management Committee which was not properly constituted	The Fund Management Committee was properly constituted but the same was erroneously omitted in the Financials. However the anomaly has yet been rectified in Fy 2021/2022 as required	Resolved	-

Date..... 4/12/2023 .....

CHIEF OFFICER  
DEPARTMENT OF TOURISM AND WILDLIFE  
DEVELOPMENT  
*Non*  
04 DEC 2023  
BARINGO COUNTY GOVERNMENT  
P.O. BOX 53-30400, KAPARNET

**Baringo County Community Conservation Fund  
Annual Report and Financial Statements for the year ended June 30, 2023**

**Annex II: Inter-Fund Confirmation Letter**

**BARINGO COUNTY GOVERNMENT**

Tel/Fax: 0722699592

Email :tetskorir@yahoo.com



Boresha Plaza, 1st Floor  
P.O. BOX 53-30400,  
**KABARNET.**  
**14<sup>th</sup> September, 2023**

**OFFICE OF THE CHIEF OFFICER**

**DEPARTMENT OF INDUSTRY, COMMERCE, TOURISM, WILDLIFE, ENTERPRISES AND CO-OPERATIVES.**

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

**Confirmation of amounts received by Baringo County Community Conservation Fund as at 30<sup>th</sup> June 2023**

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

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

**Head of Accountants department of beneficiary Fund:**

Name ..... Sign .....Date.....

CHIEF OFFICER  
DEPARTMENT OF TOURISM AND WILDLIFE  
DEVELOPMENT  
Nancy Korir  
CHIEF OFFICER.  
TOURISM & WILDLIFE  
BARINGO COUNTY GOVERNMENT  
P.O. BOX 53-30400, KABARNET

**Baringo County Community Conservation Fund**  
**Annual Report and Financial Statements for the year ended June 30, 2023**

**Annex III: Reporting of Climate Relevant Expenditures**

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

**Baringo County Community Conservation Fund**  
**Annual Report and Financial Statements for the year ended June 30, 2023**

**Annex IV: Reporting on Disaster Management Expenditure**

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