***Issued 30th June 2024***

|  |  |  |
| --- | --- | --- |
|  |  | *(Add your County Logo)* |

**XXX County Government**

**Equalization Fund**

Quarterly Report and Financial Statements

**For The Period Ended September/December/March/June,**

**20xx**

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

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# Acronyms and Definition of Key Terms

**A: Acronyms**

AGPO Access to Government Procurement Opportunities

CA County Assembly

CBK Central Bank of Kenya

CDF Constituency Development Fund

CEO Chief Executive Officer

CECM County Executive Committee Member

CIDP County Integrated Development Plan

CRA Commission on Revenue Allocation

CT County Treasury

EF Equalisation Fund

EFAB Equalisation Fund Advisory board

ICPAK Institute of Certified Public Accountants of Kenya

IPSAS International Public Sector Accounting Standards

OCOB Office of the Controller of Budget

OAG Office of the Auditor General

NGO Non-Governmental Organisation

OSHA Occupational Safety and Health Act of 2007

PFM Public Finance Management

PIIC Project Identification and Implementation Committee

PPE Property, Plant & Equipment

PPPs Public Private Partnerships

PSASB Public Sector Accounting Standards Board

SAGAs Semi-Autonomous Government Agencies

WB World Bank

**B: Definition of Key Terms**

**Fiduciary Management**- Members of Management are directly entrusted with the responsibility of the financial resources of the organization.

**Comparative Year**- Means the prior period.

*(This list is an indication of the common acronyms and abbreviations; the Entity should include all from the annual report and financial statements prepared)*

# Key Entity Information and Management

1. **Background information**

The Equalisation Fund was established under Article 204 (1) of the Constitution of Kenya (CoK), 2010, and operationalized by the Public Finance Management (Equalisation Fund Administration) Regulations, 2021. The Equalisation Fund (EF) is domiciled in XXX County, Kenya.

1. **Principal Activities**

The EF shall be used to provide basic services, including water, roads, health facilities, and electricity, to marginalized areas to the extent necessary to bring the quality of those services to the level generally enjoyed by the rest of the nation.

1. **Key Management**

The *Fund’s* management is under the following key organs:

| **No.** | **Designation** |
| --- | --- |
| 1. | County Technical Committee |
| 2. | Sub County Technical Committee |
| 3. | Project Identification and Implementation Committee |

1. **Fiduciary Management**

The key management personnel who held office during the financial year ended 30th June 20xx and who had direct fiduciary responsibility were:

| **No.** | **Designation** | **Name** |
| --- | --- | --- |
| 1. | County Executive Committee Member for Finance |  |
| 2. | Head of Finance |  |
| 3. | Head of Procurement |  |
| 4. | Other *(specify)* |  |

*(Include positions regarded as top management in running the Fund as per your organizational structure).*

**Key Entity Information and Management (continued)**

1. **Fiduciary Oversight Arrangements**

*Here, provide a high-level description of the key fiduciary oversight arrangements covering (say):*

* *Equalisation Fund Advisory Board*
* *Parliamentary Oversight (Special Funds Committees)*
* *Other oversight arrangements*

1. **Entity Headquarters**

P.O. Box XXXXX

XXX Building/House/Plaza

XXX Avenue/Road/Highway

XXX, KENYA

1. **Entity Contacts**

Telephone: (254) XXXXXXXX

E-mail: xxxx@xxx.com

Website: [xxx.go.ke](http://www.go.ke)

1. **Entity Bankers**

Central Bank of Kenya

Haile Selassie Avenue

P.O. Box 60000

City Square 00200

**NAIROBI, KENYA**

1. **Independent Auditor**

Auditor-General

Office of the Auditor General

Anniversary Towers, University Way

P.O. Box 30084

GPO 00100

Nairobi, Kenya

1. **Principal Legal Adviser**
2. The Attorney General

State Law Office and Department of Justice

Harambee Avenue

P.O. Box 40112

City Square 00200

Nairobi, Kenya

1. County Attorney

P.O. Box xxx

XXX

County

# Key Management Team

|  |  |
| --- | --- |
| **Name** | **Details** |
| County Executive Committee Member for Finance  *Insert each key manager’s passport-size photo and name, and key profession/academic qualifications* | *Indicate the main area of responsibility – without details* |
| Head of Finance |  |
| Head of Procurement |  |
| Others *(specify)* |  |

# 

# Management Discussion and Analysis

**SECTION A**

**The Fund’s operational and financial performance**

*Per period, the Fund should provide an overview of performance as per its mandate in tandem with the County Government's strategic objectives and policies. These include key performance indicators, observations with respect to the financial statements, cash flows and whether or not past performance may be indicative of future results) (In addition, under this section the fund should capture information pertaining to growth & strategy – touching on industry trends, financial flexibility, etc; challenges and opportunities – touching on key events, demands on the entity’s principal activities etc).*

**SECTION B**

**Fund’s compliance with statutory requirements**

*The Fund should clearly indicate the extent of compliance and whether there are any major non-compliances that may expose the entity to potential contingent liabilities. Ongoing or potential court cases and defaults should be summarized here, clearly indicating the total exposure.*

**SECTION C**

**Key projects the Fund is implementing.**

*The Fund should include here in the viability of such projects and how they are facilitating the entity in delivery of its mandate in line with the County Government strategic objectives and policies. A statement on the sustainability of the same should be included.*

**SECTION D**

**Major risks facing the Fund.**

*The Fund should include under this section the key risks it is facing ranging from Operational Risks, Market Risks, Capital Risk, Credit risks, Liquidity risks etc. This should be emanating from the Fund’s risk management framework.*

**SECTION E**

**Material arrears in statutory/financial obligations**

*This should include but not be limited to items such as pending bills, tax default, etc).*

**SECTION F**

**The Fund’s financial probity and serious governance issues**

*Under this section the Fund should indicate whether there are any major financial improbity as reported by the internal audit/audit committee, external auditors, or other National/County Government Agencies providing oversight; and if there are serious governance issues among the top management including conflict of interest.*

# 

# Statement of Management Responsibilities

Section 168 of the Public Finance Management Act, 2012 requires that, at the end of each quarter, the Administrator of a County Public Fund shall prepare financial statements for the Fund in accordance with the standards and formats prescribed by the Public Sector Accounting Standards Board.

The Management of the County Equalisation 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 period ended *Sep/Dec/March/June xx 20xx*. 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 Management of the County Equalisation Fund accepts responsibility for the Fund’s financial statements, which have been prepared using appropriate accounting policies supported by reasonable and prudent judgments and estimates, in conformity with International Public Sector Accounting Standards (IPSAS), and in the manner required by the PFM Act, 2012.*).* The Management of the Fund is of the opinion that the Fund’s financial statements give a true and fair view of the state of the Fund’s transactions during the Period ended *Sep/Dec/Mar/June xx, 20xx*, and of the Fund’s financial position as at that date. The Management further confirms 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 Management of the County Equalisation 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 Management 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 Management on \_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_ 20xx and signed on its behalf by:

|  |
| --- |
| ……………………………………… |
| **Name** |
| **CECM Finance** |

# Statement of Financial Performance for the period ended Sep/Dec/Mar/Jun xx, 20xx

|  |  |  |  |
| --- | --- | --- | --- |
| **Description** | **Note** | **Period ended Sep\*/Dec\*/Mar\*/Jun\*** | **Comparative Period** |
| **Kshs** | **Kshs** |
| **Revenue from Non-Exchange Transactions** |  |  |  |
| Transfers from Equalisation fund | 4 | xx | xx |
| **Total revenue** |  | **xxx** | **xxx** |
|  |  |  |  |
| **Expenditure** |  |  |  |
| Use of goods and services | 5 | xx | xx |
| **Total expenditure** |  | **xxx** | **xxx** |
|  |  |  |  |
| **Surplus/(deficit) for the Period** |  | **xxx / (xxx)** | **xxx / (xxx)** |

The notes set out on pages xxx to xxx form an integral part of these Financial Statements. The Financial Statements set out on pages xxx to xxx were signed by:

|  |  |  |
| --- | --- | --- |
| **………………………………** |  | **………………………………** |
| **Name:** |  | **Name:** |
| **CECM-Finance** |  | **Fund Accountant** |
|  |  | **ICPAK M/No:** |
| **Date** |  | **Date** |

*Sep\* -This relates to transactions undertaken from 1st July to 30th September.*

*Dec\* - This relates to transactions undertaken from 1st July to 31st December.*

*March\*- This relates to transactions undertaken from 1st July to 31st March.*

*June\* - This relates to transactions undertaken from 1st July to 30th June.*

*\*Comparative period relates to prior year same period of the report.*

# Statement of Financial Position as at Sep/Dec/March/June 20xx

|  |  |  |  |
| --- | --- | --- | --- |
| **Description** | **Note** | **Period as at Sep\*/Dec\*/Mar\*/Jun\*** | **Audited Prior Year** |
| **Kshs** | **Kshs** |
| **Assets** |  |  |  |
| **Current Assets** |  |  |  |
| Cash And Cash Equivalents | 6 | xx | xx |
| Receivables non-exchange transactions | 7 | xx | xx |
| **Total Assets (A)** |  | **xxx** | **xxx** |
|  |  |  |  |
| **Liabilities** |  |  |  |
| **Current Liabilities** |  |  |  |
| Certificates Payable | 8 | xx | xx |
| Retention | 9 | xx | xx |
| **Total Liabilities (B)** |  | **xxx** | **xxx** |
|  |  |  |  |
| **Net Assets (A-B)** |  | **xxx** | **xxx** |
|  |  |  |  |
| **Represented by:** |  |  |  |
| Accumulated Surplus |  | **xx** | **xx** |
|  |  |  |  |
| **Net Assets** |  | **xxx** | **xxx** |

The financial statements set out on pages xxx to xxx were signed by:

|  |  |  |
| --- | --- | --- |
| **………………………………** |  | **………………………………** |
| **Name:** |  | **Name:** |
| **CECM-Finance** |  | **Fund Accountant** |
|  |  | **ICPAK M/No:** |
| **Date** |  | **Date** |

*Sep\* -This relates to transactions undertaken from 1st July to 30th September.*

*Dec\* - This relates to transactions undertaken from 1st July to 31st December.*

*March\*- This relates to transactions undertaken from 1st July to 31st March.*

*June\* - This relates to transactions undertaken from 1st July to 30th June.*

*The prior period relates to the full year of the previous year.*

# Statement of Changes in Net Assets for the period ended Sep/Dec/Mar/June 20xx

|  |  |
| --- | --- |
| **Description** | **Accumulated surplus** |
| **Kshs** |
| **Prior Year** |  |
| Balance As At 1 July 20xx | xx |
| Surplus/(Deficit) For the Period | xx |
| Balance As At 30 June 20xx | **xxx** |
|  |  |
| **Current Year** |  |
| Balance As At 1 July 20xx | xx |
| Surplus/(Deficit) For The Period | xx |
| Balance As At xx Sep/Dec/March/June 20xx | **xxx** |

# 

# Statement of Cash Flows for the period ended Sep/Dec/March/June xx, 20xx

|  |  |  |  |
| --- | --- | --- | --- |
| **Description** | **Note** | **Period ended Sep\*/Dec\*/Mar\*/Jun\*** | **Comparative period** |
|  | **Kshs** | **Kshs** |
| **Cash flows from operating Activities** |  |  |  |
| **Receipts** |  |  |  |
| Receipt from Equalisation Fund |  | xx | xx |
| **Total Receipts** |  | **xx** | **xx** |
|  |  |  |  |
| **Payments** |  |  |  |
| Use of goods and services |  | xx | xx |
|  |  |  |  |
| **Net cash flows (to)/from operating activities (a)** | 10 | **xxx** | **xxx** |
|  |  |  |  |
| **Cash flows from investments** |  |  |  |
|  |  | xx | xx |
| **Net cash flows (to)/from investing activities (b)** |  | **xxx** | **xxx** |
|  |  |  |  |
| **Cash flows from financing** |  |  |  |
|  |  | xxx | xxx |
| **Net cash flows (to)/from financing activities (c)** |  | **xxx** | **xxx** |
|  |  |  |  |
| **Movement in cash and cash equivalents** |  |  |  |
|  |  |  |  |
| Net increase/ decrease in cash and cash equivalents.  **(d)** = **(a) + (b) +(c)** |  | xx | xx |
| **Cash and cash equivalents at the beginning of the year** |  | **xx** | **xx** |
| **Cash and cash equivalents at the end of the Period** |  | **xxx** | **xxx** |

*(PSASB has now prescribed the direct method of cashflow presentation for all entities under the IPSAS Accrual basis of accounting).*

# Statement of Comparison of Budget and Actual amounts for the period ended xx, 20xx

|  | **Original** **budget(s)**  **As**  **Appropriated in current Year** | **Balance from Previous Years** | **Final budget**  **of Total funds appropriated** | **Actual** **on comparable basis** | **Performance difference** | **% of utilization** |
| --- | --- | --- | --- | --- | --- | --- |
| **Kshs** | **Kshs** | **Kshs** | **Kshs** | **Kshs** |  |
| **Revenue** | **a** | **b** | **c=(a+b)** | **d** | **e=(c-d)** | **f=d/c\*100** |
| **Transfers from EF** | **xxx** | **xxx** | **xxx** | **xxx** | **xxx** | **xxx** |
|  |  |  |  |  |  |  |
| **Expenses** |  |  |  |  |  |  |
| Road projects | xxx | xxx | xxx | xxx | (xxx) | xxx |
| Water project | xxx | xxx | xxx | xxx | (xxx) | xxx |
| Health facilities | xxx | xxx | xxx | xxx | (xxx) | xxx |
| Energy | xxx | xxx | xxx | xxx | (xxx) | xxx |
| Education facilities | xxx | xxx | xxx | xxx | (xxx) | xxx |
| Others *(specify)* | xxx | xxx | xxx | xxx | xxx | xxx |
| **Total** **Expenditure** | **xxx** | **xxx(xxx)** | **xxx** | **xxx** | **(xxx)** | **xxx** |
| **Surplus/Deficit** | **xxx** | **xxx** | **xxx** | **xxx** | **xxx** | **xxx** |

*Budget notes*

*1. Provide below a commentary on significant underutilization (below 90% of utilization) and any overutilization (IPSAS 24.14)*

*2. Provide an explanation of changes between the original and final budget, indicating whether the difference is due to reallocations or other causes. (IPSAS 24.29)*

*3. Where the total of actual on a comparable basis does not tie to the statement of financial performance totals due to differences in accounting basis*

*(budget is cash basis, statement of financial performance is accrual) provide a reconciliation****.***

# 

# Notes to the Financial Statements

1. **Statement of Compliance and Basis of Preparation**

The County Equalisation Fund 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 periods presented. The Financial Statements have been prepared on the basis of historical cost, unless stated otherwise. The cash flow statement is prepared using the indirect method. The Financial Statements are prepared on the accrual basis.

1. **Summary of Significant Accounting Policies**
2. **Revenue from non-exchange transactions recognition**
3. **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 *Fund* and can be measured reliably. To the extent that there is a related condition attached that would give rise to a liability to repay the amount, the amount is recorded in the statement of financial position and realized in the statement of financial performance upon fulfilling the conditions set. Revenue shall be recognized upon submission and approval of the payment request by the transferring agency (Equalisation Fund).

1. **Certified Works**

Certified works are recognized when the works can be measured reliably and/ or when certificates of work done are received and approved by the Equalisation Fund.

1. **Budget information**

The Appropriation Act for the FY was passed by Parliament. The allocation shall continue in force until all projects identified are completed.

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. Included in the budget statement are balances of appropriations from previous years, not yet disbursed.

1. **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 Fund 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.

1. **Financial assets**

**Classification of financial assets**

The Fund 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.

**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.

**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.

**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.

**Impairment**

On a forward-looking basis, the Fund assesses 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.*

1. **Financial liabilities**

**Classification**

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

1. **Changes in accounting policies and estimates**

The Fund recognizes the effects of changes in accounting policy retrospectively. The effects of changes in accounting policy are applied prospectively if retrospective application is impractical.

1. **Related parties**

TheFund 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 Fund, or vice versa. Members of key management of the Fund are regarded as related parties.

1. **Cash and cash equivalents.**

Cash and cash equivalents comprise cash on hand and cash at bank. Bank account balances include amounts held at the Central Bank of Kenya special purpose account and the deposit account at the end of the period.

1. **Comparative figures**

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

1. **Subsequent events**

There have been no events subsequent to the financial period with a significant impact on the financial statements.

1. **Significant Judgments and Sources of Estimation Uncertainty**

The preparation of the Fund'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:

**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 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.

1. **Transfers from the Equalisation Fund**

|  |  |  |
| --- | --- | --- |
| **Description** | **Period ended Sep\*/Dec\*/March\*/June\* 20xx** | **Comparative Period** |
| **Kshs** | **Kshs** |
| Transfers for roads | xxx | xxx |
| Transfers for water projects | xxx | xxx |
| Transfers for health facilities | xxx | xxx |
| Transfers for energy | xxx | xxx |
| Transfers for education facilities | xxx | xxx |
| Others *(specify)* | xxx | xxx |
| **Total** | **xxx** | **xxx** |

1. **Use of Goods and Services**

|  |  |  |
| --- | --- | --- |
| **Description** | **Period ended Sep\*/Dec\*/March\*/June\* 20xx** | **Comparative Period** |
| **Kshs** | **Kshs** |
| Certified works for roads | xxx | xxx |
| Certified works for water project | xxx | xxx |
| Certified works for health facilities | xxx | xxx |
| Certified works for energy | xxx | xxx |
| Certified works for education facilities | xxx | xxx |
| Others *(specify)* | xxx | xxx |
| **Total** | **xxx** | **xxx** |

1. **Cash and Cash Equivalents**

|  |  |  |  |
| --- | --- | --- | --- |
| **Description** | **Period ended Sep\*/Dec\*/March\*/June\* 20xx** | **Prior Year Period** | **Comparative for Cash flow** |
| **Kshs** | **Kshs** | **Kshs** |
| Special Purpose Account | xxx | xxx | xxx |
| Deposit Account | xxx | xxx | xxx |
| Cash balances | xxx | xxx | xxx |
| **Total** **Cash** **and** **cash** **equivalents** | **xxx** | **xxx** | **xxx** |

1. **Receivables from non-exchange transactions**

|  |  |  |
| --- | --- | --- |
| **Description** | **Period ended Sep\*/Dec\*/March\*/June\* 20xx** | **Prior Year Period** |
| **Kshs** | **Kshs** |
| Receivables from Equalisation Fund | xxx | xxx |
| **Total receivables** | **xxx** | **xxx** |

1. **Certificates Payable**

|  |  |  |
| --- | --- | --- |
| **Description** | **Period ended Sep\*/Dec\*/Mar\*/June\* 20xx** | **Prior Year Period** |
| **Kshs** | **Kshs** |
| Certificates Payable | xx | xx |
| **Closing Balance As At 30th June** | **xxx** | **xxx** |

1. **Retention**

|  |  |  |
| --- | --- | --- |
| **Description** | **Period ended Sep\*/Dec\*/Mar\*/June\* 20xx** | **Prior Year Period** |
| **Kshs** | **Kshs** |
| Retention monies | xxx | xxx |
| **Total** **retention money** | **xxx** | **xxx** |

*(Provide brief explanation*)

1. **Cash Generated from Operations**

| **Description** | **Period ended Sep\*/Dec\*/March\*/June\* 20xx** | **Comparative Period** |
| --- | --- | --- |
| **Kshs** | **Kshs** |
| **Surplus for the year before tax** | **xxx** | **xxx** |
| **Adjusted for:** |  |  |
|  | xxx | xxx |
| **Working capital adjustments** |  |  |
| Increase in receivables | (xxx) | (xxx) |
| Increase in payables | xxx | xxx |
| **Net cash flow from operating activities** | **xxx** | **xxx** |

*(The total of this statement should tie to the cash flow section on net cash flows from/ used in operations)*

1. **Events after the Reporting Period**

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

1. **Ultimate And Holding Entity**

The Entity is a Fund under the Department of *xxx*. Its ultimate parent is the County Government of *xxx*.

1. **Currency**

The financial statements are presented in Kenya Shillings (Kshs) rounded to the nearest Kshs.

# Appendices

**Appendix I: Statement of Financial Performance For Each Quarter**

|  |  |  |  |  |  |  |  |
| --- | --- | --- | --- | --- | --- | --- | --- |
| **Description** | **Note** | **Quarter 1** | **Quarter 2** | **Quarter 3** | **Quarter 4** | **Cumulative to Date** | **Cumulative Period** |
| **Kshs** | **Kshs** | **Kshs** | **Kshs** | **Kshs** | **Kshs** |
| **Revenue from Non-Exchange Transactions** |  |  |  |  |  |  |  |
| Transfers from Equalisation fund | 5 | xx | xx | xx | xx | xx | xx |
| **Total revenue** |  | **xxx** | **xxx** | **xxx** | **xxx** | **xxx** | **xxx** |
|  |  |  |  |  |  |  |  |
| **Expenditure** |  |  |  |  |  |  |  |
| Use of goods and services | 6 | xx | xx | xx | xx | xx | xx |
| **Total expenditure** |  | **xxx** | **xxx** | **xxx** | **xxx** | **xxx** | **xxx** |
|  |  |  |  |  |  |  |  |
| **Surplus/(deficit) for the year** |  | **xxx / (xxx)** | **xxx / (xxx)** | **xxx / (xxx)** | **xxx / (xxx)** | **xxx / (xxx)** | **xxx / (xxx)** |

**Appendix II: Transfers from Government Entities**

|  |  |  |  |  |  |
| --- | --- | --- | --- | --- | --- |
| **Name of the Entity Transferring the funds** | **Date received as per bank statement** | **Total Amount - KES** | **Where Recorded/recognized** | | |
| **Statement of Financial Performance** | **Receivables** | **Total Transfers during the Period** |
| Equalisation Fund | xxx | xxx | xxx | xxx | xxx |
| **Total** |  | **xxx** | **xxx** | **xxx** | **xxx** |

**Appendix III: Projects Implementation Status Report.**

|  |  |  |  |  |  |  |  |  |  |  |
| --- | --- | --- | --- | --- | --- | --- | --- | --- | --- | --- |
| **S/No.** | **Project Name (A)** | **Sector(B)** | **Constituency (C)** | **Ward (D)** | **Approved Budget/total allocation (E)** | **Contract Sum (F)** | **Amount certified (G)** | **Amount Paid (H)** | **Payable amount**  **I=(G-H)** | **% Status of implementation (J)** |
|  |  |  |  |  |  |  |  |  |  |  |
|  |  |  |  |  |  |  |  |  |  |  |