REPUBLIC OF KENYA

27

REPORT

OF

THE AUDITOR-GENERAL

ON

COUNTY ASSEMBLY OF KERICHO

FOR THE YEAR ENDED 30 JUNE, 2019

COUNTY ASSEMBLY OF KERICHO

AMENDED REPORTS AND FINANCIAL STATEMENTS

FOR THE FINANCIAL YEAR ENDED JUNE 30, 2019

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

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I. KEY ENTITY INFORMATION AND MANAGEMENT

(a) Background information

The County is constituted as per the constitution of Kenya and headed by the Speaker of the County Assembly, who is responsible for the general policy and strategic direction of the Assembly. The County Assembly has constitutes thirty Members (MCAs) elected to represent members of the public from their respective wards and seventeen nominated members representing special groups. The MCAs are responsible for making laws for effective performance of the County Government, approving plans and policies and playing the oversight role over the County Executive.

(a) Key Management

The County Assembly of Kericho day-to-day management is under the following key organs:

- Speaker
- The Clerk to Assembly
- Principal Finance Officer
- Heads of Departments
- Section Heads

(b) Fiduciary Management

The key management personnel who held office during the year ended 30th June 2019 and who had direct fiduciary responsibility were:

No.	Designation	Name
1.	Accounting Officer	Martin Epus Patrick
2.	Principal Finance Officer	Aggrey Kirui
3.	Senior Accountant	Rose Chelangat
4.	Accountant	Cheruiyot Rotich

(c) Fiduciary Oversight Arrangements

a. The public and other stakeholders through Public Participation play a significant role and greatly influence decision making and ultimately improving the governance process.

b. County Budget and Economic Forum, which presents the ideal opportunity to strengthen the engagement between the County Government and the County residents.

c. The Budget and Appropriation Committee reviews the budget estimates submitted by County Executive and proposes the same for adoption or rejection of the same to the full house of the County Assembly.

d. Internal Audit unit and Audit Committee undertake periodic reviews of expenditures and make recommendations on improprieties noted.

e. Independent offices set by law which are the Office of the Auditor General and the Controller of Budget for review of programmes to ensure there is no wastage and Value for Money is achieved.

f. County Assembly Public Accounts and Investment Committee reviews all audit reports submitted by the County Executive.

(d) County Assembly of Kericho Headquarters

P.O. Box 1526-20200,

Kericho County Assembly Offices

Nakuru-Kericho Road

Kericho-KENYA

(e) County Assembly of Kericho Contacts

Tell :(254) 052207746

E-mail kcoassembly@gmail.com

Website:www.kerichocountyassembly.co.ke

(d) Entity Bankers

1. Central Bank of Kenya
   Haile Selassie Avenue
   P.O. Box 60000
   City Square 00200
   Nairobi, Kenya

2. Kenya Commercial Bank
   P.O BOX 48400 – 00100,
   NAIROBI.

(e) Independent Auditors

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

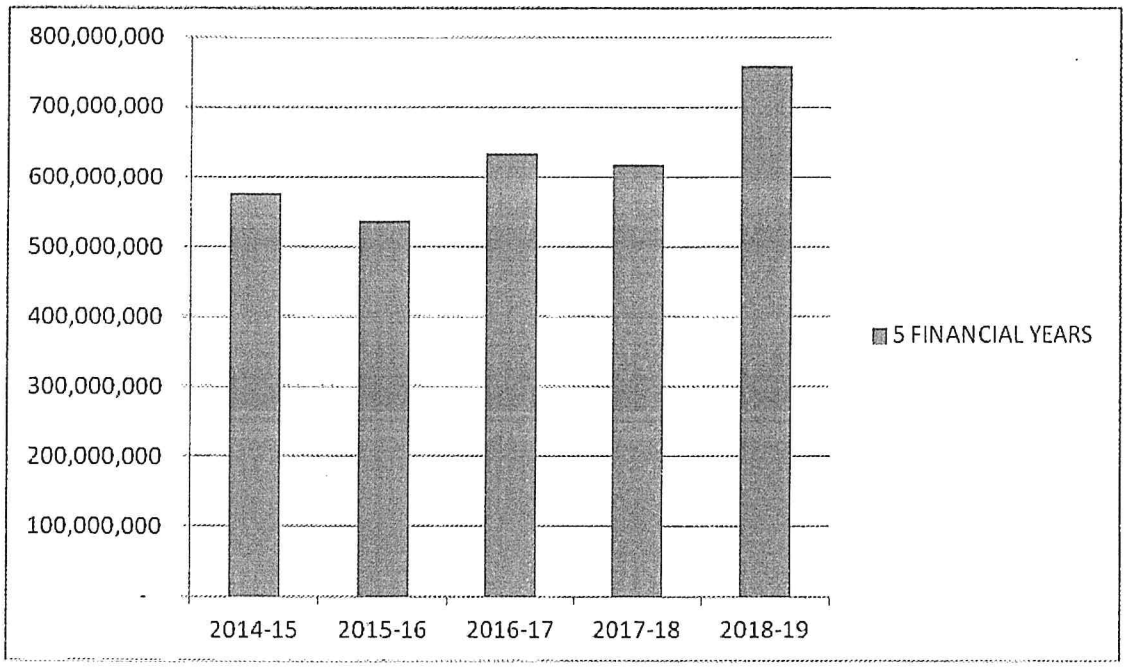
(f) Principal Legal Adviser

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

II. FORWARD BY THE CLERK OF THE ASSEMBLY

This is the County Assembly of Kericho full year financial statements and reports for the 2018-2019 financial period ending 30th June, 2019. This report was prepared and presented as required by Section 168 of the Public Financial Management (PFM) Act 2012. The report expounds on the revenues received from national equitable share alongside the expenditure incurred by the County Assembly in service provision during the financial year.

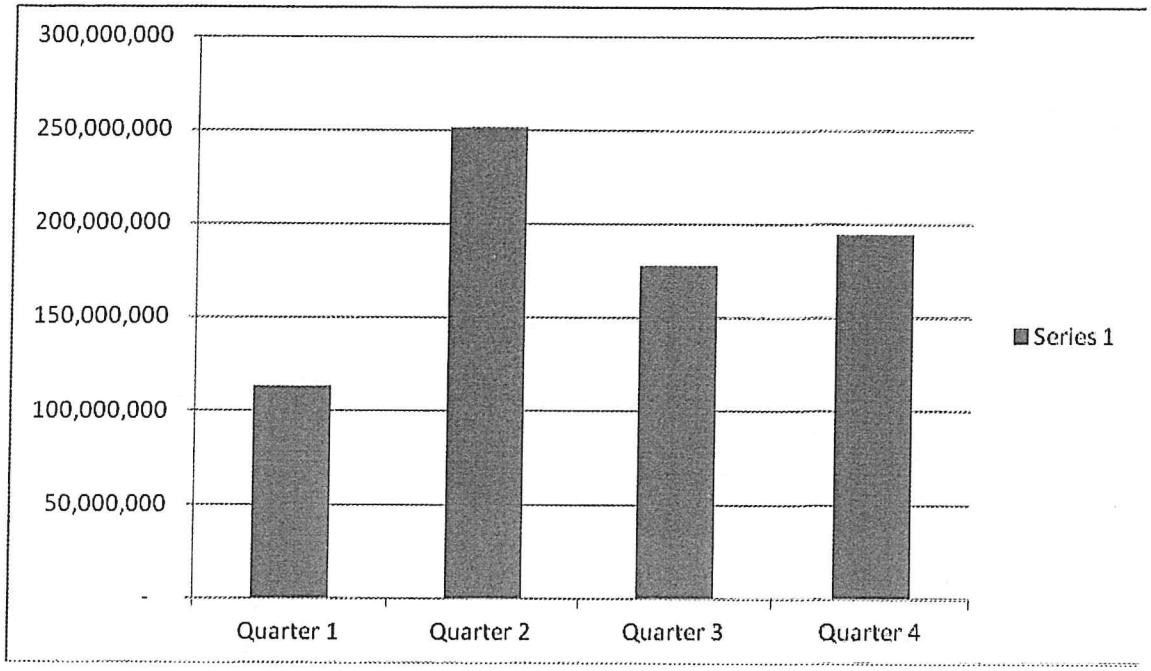
BUDGET LINES FOR THE 5 FINANCIAL YEARS



The County Assembly budget increased between the first three (3) financial years and drop slightly in the financial year 2017/2018 and increased in the financial year 2018/2019 because of development aspect as shown by the line graph above.

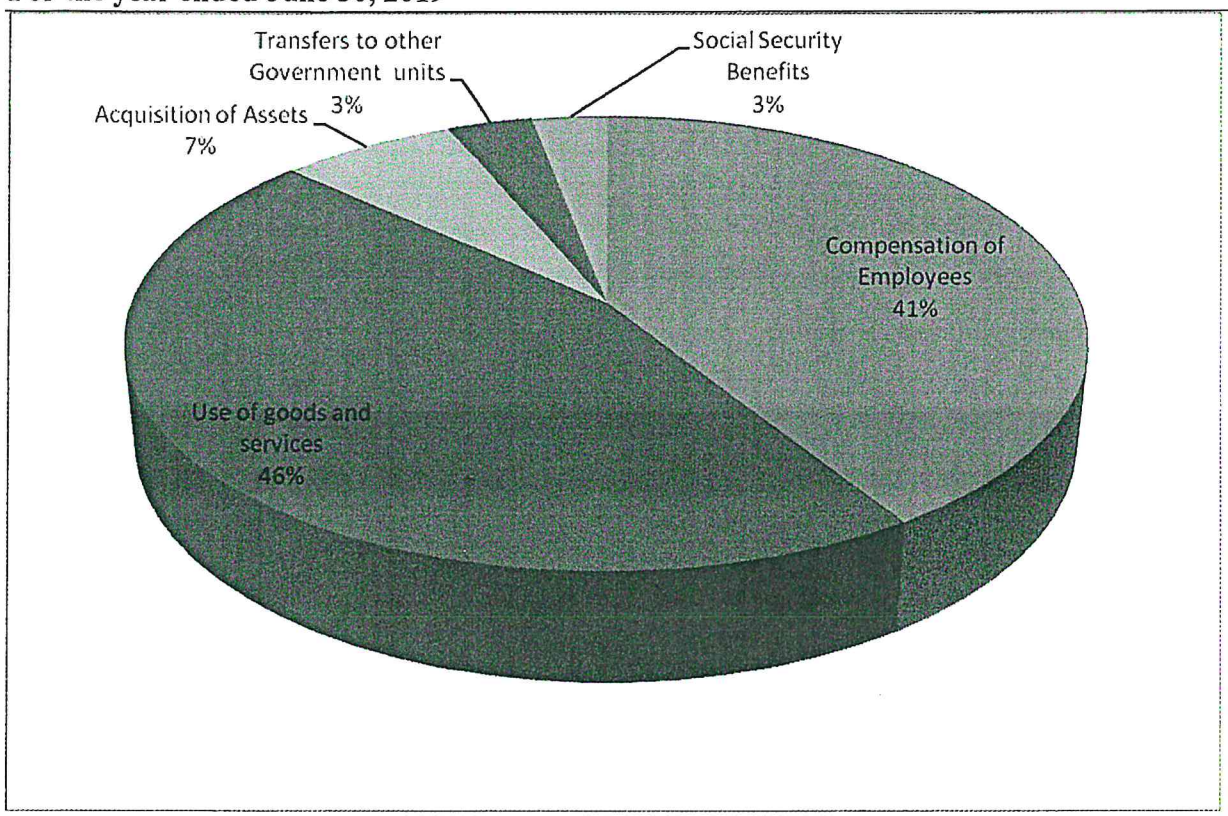
The County Assembly had an amount of Ksh. 759,144,887 in the financial year available for spending. Ksh. 735,680,280 was received in the four quarters of the financial year as shown below.

TOTAL RECEIPTS FOR THE FINANCIAL YEAR 2018-2019



From the bar graph above, much of the funds were received in the final quar
The County Assembly had cumulative expenditure of Ksh. 735,372,545
translates to approximately 96.87% of total funds available for spending in
2019 financial year.

TOTAL EXPENDITURE FOR THE FINANCIAL YEAR 2018-2019



As per the pie chart, 46% of the expenditure was for goods and services and 41% for compensation of employees. Transfer to other government entities got an allocation of 3% of the total expenditure and Acquisition of assets at 7%. Social security Benefits was at 3%.

The following key challenges were noted in the financial year and the same affected performance;

a) Late release of funds from the Exchequer.
b) Lack of training on IFMIS.
c) Lengthy consultations on the budget process that had tight timelines to cater for all sectors and departments.

Sign
Martin Epus,
Clerk to the County Assembly

COUNTY ASSEMBLY CLERK
KERICHO COUNTY
P. O. Box 154 - 20200, KERICHO

STATEMENT OF MANAGEMENT RESPONSIBILITIES

Sections 164 of the Public Finance Management Act, 2012 requires that, at the end of each financial year, the Accounting Officer of a County Government Entity to prepare financial statements in accordance with the standards and formats prescribed by the Public Sector Accounting Standards Board

The Clerk of the County Assembly is responsible for the preparation and presentation of the County Assembly's financial statements, which give a true and fair view of the state of affairs of the County Assembly for the year ended on 30th June 2019.
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 County Assembly.
(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 County Assembly.
(v) Selecting and applying appropriate accounting policies.
(vi) Making accounting estimates that are reasonable in the circumstances.

The Clerk accepts responsibility for the County Assembly's financial statements, which have been prepared on the Cash Basis Method of Financial Reporting, using appropriate accounting policies in accordance with International Public Sector Accounting Standards (IPSAS). The Clerk is of the opinion that the County Assembly's financial statements give a true and fair view of the state of the County Assembly's transactions for the year ended 30th June 2019, and of its financial position as at that date. The Clerk further confirms the completeness of the accounting records maintained for the County Assembly which have been relied upon in the preparation of the its financial statements as well as the adequacy of the systems of internal financial control.

The Clerk confirms that the County Assembly has complied fully with applicable Government Regulations and the terms of external financing covenants (where applicable), and that the County Assembly's funds received during the quarter were used for the eligible purposes for which they were intended and were properly accounted for. Further the Clerk confirms that the County Assembly's financial statements have been prepared in a form that complies with relevant accounting standards prescribed by the Public Sector Accounting Standards Board of Kenya.

Approval of the financial statements

The County Government's financial statements were approved and signed by the Clerk of the County Assembly on 26th September, 2019.

Clerk of the County Assembly

COUNTY ASSEMBLY CLERK
10 DEC 2019
KERICHO COUNTY
P.O. Box 154 - 20200, KERICHO.

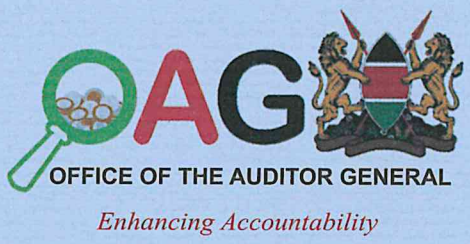
III. REPORT OF THE INDEPENDENT AUDITORS ON THE COUNTY ASSEMBLY OF KERICHO

Auditor General

Date

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 COUNTY ASSEMBLY OF KERICHO FOR THE YEAR ENDED 30 JUNE, 2019

REPORT ON THE FINANCIAL STATEMENTS

Qualified Opinion

I have audited the accompanying financial statements of County Assembly of Kericho set out on pages 9 to 40, which comprise of the statement of the financial assets and liabilities as at 30 June, 2019, statement of receipts and payments, statement of cash flows, statement of comparison of budget and actual amounts: recurrent and development combined, for the year then ended, and a summary of significant accounting policies and other explanatory information in accordance with the provisions of Article 229 of the Constitution of Kenya and Section 35 of the Public Audit Act, 2015. I have obtained all the information and explanations which, to the best of my knowledge and belief, were necessary for the purpose of the audit.

In my opinion, except for the effect of the matters described in the Basis for Qualified Opinion section of my report, the financial statements present fairly, in all material respects, the financial position of the County Assembly of Kericho as at 30 June, 2019 and its financial performance and its cash flows for the year then ended, in accordance with International Public Sector Accounting Standards (Cash Basis) and comply with the County Governments Act, 2012 and the Public Finance Management Act, 2012.

Basis for Qualified Opinion

1.0 Unsupported Board Expenses

The statement of receipts and payments reflects use of goods and services payments totalling Kshs.335,701,386 which include Kshs.13,348,856 paid to the County Assembly Service Board (CASB), as further disclosed in Note 5 to the financial statements. Only Kshs.4,044,000 of the payments made to the Board was however, supported with relevant records. The balance amounting to Kshs.9,304,856 was therefore, not unaccounted for.

Consequently, the accuracy and validity of the goods and services expenses balance totalling Kshs.335,701,386 reflected in the statement of receipts and payments has not been confirmed.

2.0 Undisclosed Assets

The statement of receipts and payments reflects payments for acquisition of assets totalling Kshs.50,829,450 as further disclosed in Note 10 to the financial statements. Included in the balance is a sum of Kshs.7,500,000 relating to refurbishment of buildings out of which Kshs.5,642,400 was spent on purchase of a mace, mace table and digital recorder for use in the County Assembly. The items were, however, not included in the summary of fixed assets as at 30 June, 2019 availed for audit.

Consequently, the summary of assets was understated by Kshs.5,642,400 and the items purchased were not properly accounted for in the assets records of the County Assembly.

3.0 Unaccounted for Ward Expenses

The statement of receipts and payments reflects compensation of employees expenditure totalling Kshs.301,938,256 as further disclosed in Note 4 to the financial statements. The balance includes a sum of Kshs.38,360,000 incurred on basic wages of temporary employees which in turn includes a sum of Kshs.14,400,000 spent on ward expenses. Further examination of records on the expenses indicated that these were imprests paid to Members of the County Assembly who, however, did not submit returns on how the funds were used.

Consequently, the occurrence and validity of the payments totalling Kshs.14,400,000 reported as ward expenses and included in the compensation of employees payments balance totalling Kshs.301,938,256 reflected in the statement of receipts and payments was not confirmed.

4.0 Unaccounted for Transfers to Other Government Entities

The statement of receipts and payments reflects transfers to other government entities totalling Kshs.25,000,000 as further disclosed in Note 7 to the financial statements. The balance is denoted as transfers to the Car Loan Fund Account. However, contrary to Regulation 101(4) of the Public Finance Management (County Governments) Regulations, Management did not prepare and submit the financial statements of the Fund to the Auditor-General for audit.

Consequently, the accuracy and completeness of the transfers to other Government entities balance totalling Kshs.25,000,000 reflected in the financial statements could be not confirmed.

5.0 Undisclosed Cash and Cash Equivalents Balance

The cash and cash equivalents balance amounting to Kshs.8,135 reflected in the statement of assets and liabilities and further disclosed in Note 13A to the financial statements is comprised of balances held in two bank accounts namely the Salary Clearance Account and Car Loan and Mortgage Fund Account. However, the recurrent

vote bank balance totalling Kshs.17,121,969 as at 30 June, 2019 confirmed by the Central Bank of Kenya has not been included in the financial statements.

Further, two bank accounts held in commercial banks in Kericho and which held cash totalling Kshs.1,212,934 as at 30 June, 2019 have, similarly, not been included in the financial statements.

In view of these discrepancies, the accuracy and completeness of cash and cash equivalents balance totalling Kshs.8,135 as at 30 June, 2019 has not been confirmed.

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

Key Audit Matters

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

Other Matter

Undisclosed Prior Year's Issues

The audit report for the year ended 30 June, 2018 highlighted several issues in regard to lawfulness and effectiveness in use of public resources as well as effectiveness of internal controls, governance and risk management systems. However, contrary to the reporting format prescribed by the Public Sector Accounting Standards Board, the report for the year under review has not disclosed the progress, if any, made by Management in resolving these issues.

The financial statements, therefore, do not conform to the law.

REPORT ON LAWFULNESS AND EFFECTIVENESS IN USE OF PUBLIC RESOURCES

Conclusion

As required by Article 229(6) of the Constitution, based on the audit procedures performed, except for the matters described in the Basis for Conclusion on Lawfulness and Effectiveness in Use of Public Resources section of my report, I confirm that, nothing 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 Proper Controls on Use of Fuel

Expenditure records examined indicated that the payments for fuel totalled Kshs.14,000,000 during the year under review. However, management did not maintain a fuel register on receipt and use of the fuel supplies.

Consequently, there was no confirmation whether the fuel supplies were used for the intended purposes.

2. Failure to Observe Diversity in Employment

An audit review of the staff establishment for the 2018/2019 financial year revealed that the County Assembly had eighty-eight (88 employees) out of whom eighty-three (83), or 94% were from the dominant community in the County. As a result, only five (5), or 6.7% of the posts were filled by other ethnic communities. This was contrary to provisions of Section 7(1) of the National Cohesion and Integration Act, 2008 and Section 65(1)(e) of the County Governments Act, 2012 both of which require all public entities to represent the diversity of the people of Kenya in their employee rolls.

As a result, Management is in breach of the law on promoting national diversity in employment.

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

REPORT ON EFFECTIVENESS OF INTERNAL CONTROLS, RISK MANAGEMENT AND GOVERNANCE

Conclusion

As required by Section 7(1)(a) of the Public Audit Act, 2015, based on the audit procedures performed, except for the matters described in the Basis for Conclusion on Effectiveness of Internal Controls, Risk Management and Overall Governance section of my report, I confirm that, nothing has come to my attention to cause me to believe that internal controls, risk management and overall governance were not effective.

Basis for Conclusion

Failure to Establish an Audit Committee

Audit review of internal control and oversight systems at the County Assembly revealed that Management had not established an Audit Committee contrary to Section 155 of the Public Finance Management Act, 2012 and Section 167(1) of the Public Finance

Management (County Governments) Regulations, 2015. The two provisions require each County Government entity to have an Audit Committee that oversees governance and promotes transparency and accountability in the Management of its resources.

The Management is therefore in breach of the law.

The audit was conducted in accordance with ISSAI 2315 and ISSAI 2330. The standards require that I plan and perform the audit to obtain assurance about whether effective processes and systems of internal control, risk management and 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 (Cash 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 County Assembly's ability to continue to sustain its services, disclosing, as applicable, matters related to sustainability of services and using the applicable basis of accounting unless Management is aware of the intention to dissolve the County Assembly.

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 manner.

Those charged with governance are responsible for overseeing the County Assembly's financial reporting process, reviewing the effectiveness of how the entity monitors compliance with relevant legislative and regulatory requirements, ensuring that effective processes and systems are in place to address key roles and responsibilities in relation to 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. The nature, timing and extent of the compliance work is limited compared to that designed to express an opinion with reasonable assurance on the financial statements.

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 County Assembly's policies and procedures may deteriorate.

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

- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for my opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.

- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the Management.

- Conclude on the appropriateness of the Management's use of the applicable basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the County Assembly'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 County Assembly 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 County Assembly to express an opinion on the financial statements.

- Perform such other procedures as I consider necessary in the circumstances.

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

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

Nancy Gathungu
AUDITOR-GENERAL

Nairobi

10 May, 2021

I. STATEMENT OF RECEIPTS AND PAYMENTS

	Note	2018-2019	2017-2018
		Kshs	Kshs
RECEIPTS			
Transfers from the County Treasury/Exchequer Releases	1	735,680,280	588,082,155
Proceeds from Sale of Assets	2	-	-
Other Receipts	3	-	-
TOTAL RECEIPTS		**735,680,280**	**588,082,155**
PAYMENTS			
Compensation of Employees	4	301,938,256	248,339,860
Use of goods and services	5	335,701,386	263,179,300
Subsidies	6	-	-
Transfers to Other Government Units	7	25,000,000	33,000,000
Other grants and transfers	8	-	-
Social Security Benefits	9	22,203,053	14,389,694
Acquisition of Assets	10	50,829,450	29,157,844
Finance Costs, including Loan Interest	11	-	-
Other Payments	12	-	-
TOTAL PAYMENTS		**735,672,145**	**588,066,698**
SURPLUS/DEFICIT		**8,135**	**15,457**

The explanatory notes to these financial statements form an integral part of the financial statements. The financial statements were approved on 26th September, 2019 and signed by:

Clerk of the Assembly
Name: Martin Epus Patrick

Principal Finance Office – County Assembly
Name: Aggrey Kirui

COUNTY ASSEMBLY CLERK 10 DEC 2019 KERICHO COUNTY P.O. Box 154 - 20200, KERICHO.

KERICHO COUNTY ASSEMBLY 10 DEC 2019 PRINCIPAL FINANCE OFFICER

II. STATEMENT OF FINANCIAL ASSETS AND LIABILITIES

	Note	2018-2019	2017-2018
		Kshs	Kshs
FINANCIAL ASSETS			
Cash and Cash Equivalents			
Bank Balances	13A	8,135	15,457
Cash Balances	13B	-	-
Total Cash and cash equivalent		8,135	**15,457**
Accounts receivables – Outstanding Imprests	14	-	-
TOTAL FINANCIAL ASSETS		8,135	**15,457**
FINANCIAL LIABILITIES			
Accounts Payables – Deposits and retentions	15	-	-
NET FINANCIAL ASSETS		8,135	**15,457**
REPRESENTED BY			
Fund balance b/fwd	16	-	-
Surplus/Deficit for the year		8,135	15,457
NET FINANCIAL POSITION		**8,135**	**15,457**
Control		***0***	***0***

The explanatory notes to these financial statements form an integral part of the financial statements.
The financial statements were approved on 26th September, 2019 and signed by:

Clerk of the Assembly
Name: Martin Epus Patrick

Principal Finance Office – County Assembly
Name: Aggrey Kirui

STATEMENT OF CASH FLOWS

		2018-2019	2017-2018
		Kshs	Kshs
Balance as at 1st July 2018		15,457	563,287
Receipts from operating income			
Exchequer Releases	1	735,680,280	588,082,155
Other Receipts	3	-	-
Payments for operating expenses			
Compensation of Employees	4	(301,938,256)	(248,339,860)
Use of goods and services	5	(335,701,386)	(263,179,300)
Subsidies	6	-	-
Transfers to Other Government Units	7	(25,000,000)	(33,000,000)
Other grants and transfers	8	-	-
Social Security Benefits	9	(22,203,053)	(14,389,694)
Finance Costs, including Loan Interest	11	-	-
Other Payments	12	-	-
Transfer to County Revenue Fund Account		(15,457)	(563,287)
Adjusted for:			
Adjustments during the year	17	-	-
Net cash flow from operating activities		**50,837,585**	**29,173,301**
CASHFLOW FROM INVESTING ACTIVITIES			
Proceeds from Sale of Assets	2	-	-
Acquisition of Assets	10	(50,829,450)	(29,157,844)
Net cash flows from Investing Activities		(50,829,450)	(29,157,844)
NET INCREASEIN CASH AND CASH EQUIVALNET		**8,135**	**15,457**
NET CASH FLOW FROM FINANCING ACTIVITIES		-	-
Cash and cash equivalent at BEGINNING of the year	13	-	-
Cash and cash equivalent at END of the year as per statement of Assets		**8,135**	**15,457**
Control		-	-

The explanatory notes to these financial statements form an integral part of the financial statements.
The financial statements were approved on 26th September, 2019 and signed by:

Clerk of the Assembly
Name: Martin Epus Patrick

Principal Finance Office – County Assembly
Name: Aggrey Kirui

COUNTY ASSEMBLY CLERK
10 DEC 2019
KERICHO COUNTY
P.O. Box 154 - 20200, KERICHO.

KERICHO COUNTY ASSEMBLY
10 DEC 2019
PRINCIPAL FINANCE OFFICER

III. STATEMENT OF COMPARISON OF BUDGET AND ACTUAL AMOUNTS: RECURRENT AND DEVELOPMENT COMBINED

Receipt/Expense Item	Original Budget	Adjustments	Final Budget	Actual on Comparable Basis	Budget Utilisation Difference	% of Utilisation
	a	b	c=a+b	d	e=c-d	f=d/c %
RECEIPTS						
Transfers from the County Treasury/Exchequer Releases	763,426,482	(4,281,595)	759,144,887	735,680,280	23,464,607	96.91
Proceeds from Sale of Assets	-	-	-	-	-	-
Other Receipts	-	-	-	-	-	-
TOTAL	**763,426,482**	**(4,281,595)**	**759,144,887**	**735,680,280**	**23,464,607**	**96.91**
PAYMENTS						
Compensation of Employees	351,615,938	(49,431,991)	302,183,947	301,938,256	545,291	99.82
Use of goods and services	250,267,521	86,261,016	336,528,537	335,701,386	827,151	99.75
Subsidies	-	-	-	-	-	-
Transfers to Other Government Units	15,000,000	10,000,000	25,000,000	25,000,000	-	100.0
Other grants and transfers	-	-	-	-	-	-
Social Security Benefits	18,220,973	3,982,080	22,203,053	22,203,053	-	100.0
Acquisition of Assets	128,322,050	55,092,700	73,229,350	50,829,450	22,399,900	69.41
Finance Costs, including Loan Interest	-	-	-	-	-	-
Other Payments	-	-	-	-	-	-
TOTAL	**763,426,482**	**4,281,595**	**759,144,887**	**735,672,145**	**23,472,742**	**96.87**

The explanatory notes to these financial statements form an integral part of the financial statements. The financial statements were approved on 26th September, 2019 and signed by:

Clerk of the Assembly
Name: Martin Epus Patrick

10 DEC 2019
KERICHO COUNTY
P. O. Box 154 - 20200, KERICHO.

Principal Finance Office – County Assembly
Name: Aggrey Kirui

10 DEC 2019

IV. STATEMENT OF COMPARISON OF BUDGET AND ACTUAL AMOUNTS: RECURRENT

Receipt/Expense Item	Original Budget	Adjustments	Final Budget	Actual on Comparable Basis	Budget Utilisation Difference	% of Utilisation
	a	b	c=a+b	d	e=c-d	f=d/c %
RECEIPTS						
Transfers from the County Treasury/Exchequer Releases	661,426,482	65,718,405	727,144,887	725,980,280	1,164,607	99.84
Proceeds from Sale of Assets	-	-	-	-	-	-
Other Receipts	-	-	-	-	-	-
TOTAL	**661,425,482**	**65,718,405**	**727,144,887**	**725,980,280**	**1,164,607**	**99.84**
PAYMENTS						
Compensation of Employees	351,615,938	(49,431,991)	302,183,947	301,638,656	545,291	99.82
Use of goods and services	250,267,521	86,261,016	336,528,537	335,701,386	827,151	99.75
Subsidies	-	-	-	-	-	-
Transfers to Other Government Units	15,000,000	10,000,000	25,000,000	25,000,000	-	100.0
Other grants and transfers	-	-	-	-	-	-
Social Security Benefits	18,220,973	3,982,080	22,203,053	22,203,053	-	100.0
Acquisition of Assets	26,322,050	14,907,300	41,229,350	41,129,450	99,900	99.76
Finance Costs, including Loan Interest	-	-	-	-	-	-
Repayment of principal on Domestic and Foreign borrowing	-	-	-	-	-	-
Other Payments	-	-	-	-	-	-
TOTAL	**661,426,482**	**65,718,405**	**727,144,887**	**725,972,145**	**1,172,742**	**99.80**
SURPLUS/(DEFICIT)				**8,135**	**8,135**	

The explanatory notes to these financial statements form an integral part of the financial statements. The financial statements were approved on 26th September, 2019 and signed by:

Clerk of the Assembly
Name: Martin Epus Patrick

COUNTY ASSEMBLY CLERK
10 DEC 2019
KERICHO COUNTY
P.O. Box 154 - 20200, KERICHO.

Principal Finance Office – County Assembly
Name: Aggrey Kirui

KERICHO COUNTY ASSEMBLY
10 DEC 2019
PRINCIPAL FINANCE OFFICER

V. STATEMENT OF COMPARISON OF BUDGET AND ACTUAL AMOUNTS: DEVELOPMENT

Receipt/Expense Item	Original Budget	Adjustments	Final Budget	Actual on Comparable Basis	Budget Utilisation Difference	% of Utilisation
	a	b	c=a+b	d	e=c-d	f=d/c %
RECEIPTS						
Transfers from the County Treasury/Exchequer Releases	102,000,000	(70,000,000)	32,000,000	9,700,000	22,300,000	30.31
Proceeds from Sale of Assets	-	-	-	-	-	-
Other Receipts	-	-	-	-	-	-
TOTAL	**102,000,000**	**(70,000,000)**	**32,000,000**	**9,700,000**	**22,300,000**	**30.31**
PAYMENTS						
Compensation of Employees	-	-	-	-	-	-
Use of goods and services	-	-	-	-	-	-
Subsidies	-	-	-	-	-	-
Transfers to Other Government Units	-	-	-	-	-	-
Other grants and transfers	-	-	-	-	-	-
Social Security Benefits	-	-	-	-	-	-
Acquisition of Assets	102,000,000	(70,000,000)	32,000,000	9,700,000	22,300,000	30.31
Finance Costs, including Loan Interest	-	-	-	-	-	-
Other Payments	-	-	-	-	-	-
TOTALS	-	-	-	-	-	-
SURPLUS/(DEFICIT)	102,000,000	(70,000,000)	32,000,000	9,700,000	22,300,000	30.31

The explanatory notes to these financial statements form an integral part of the financial statements. The financial statements were approved on 26th September, 2019 and signed by:

Clerk of the Assembly
Name: Martin Epus Patrick

Principal Finance Office – County Assembly
Name: Aggrey Kirui

VI. BUDGET EXECUTION BY PROGRAMMES AND SUB-PROGRAMMES

Programme/Sub-programme	Original Budget	Adjustments	Final Budget	Actual on comparable basis	Budget utilization difference
	2017-2018		2018-2019	2018-2019	
	Kshs	Kshs	Kshs	Kshs	Kshs
Refurbishment of Buildings	9,000,000	1,500,000	7,500,000	7,500,000	-
Purchase of Household Furniture and Institutional Equipment	600,000	(100,000)	500,000	500,000	-
Purchase of Office Furniture and General Equipment	2,722,050	10,127,300	12,849,350	12,749,450	99,900
Purchase of Motor Vehicles	14,000,000	6,380,000	20,380,000	20,380,000	-
Grand Total	**26,322,050**	**14,907,300**	**41,229,350**	**41,129,450**	**99,900**

SIGNIFICANT ACCOUNTING POLICIES

The principle accounting policies adopted in the preparation of these financial statements are set out below:

1. **Statement of compliance and basis of preparation**
   The financial statements have been prepared in accordance with Cash-basis IPSAS financial reporting under the cash basis of Accounting, as prescribed by the PSASB and set out in the accounting policy notes below. This cash basis of accounting has been supplemented with accounting for; a) receivables that include imprests and salary advances and b) payables that include deposits and retentions. The statement of assets and liabilities, although not a requirement of the IPSAS Cash Standard, has been included to disclose information on receivables and payables.

   The financial statements are presented in Kenya Shillings, which is the functional and reporting currency of the entity all values are rounded to the nearest Kenya Shilling. The accounting policies adopted have been consistently applied to all the years presented.

   The financial statements comply with and conform to the form of presentation prescribed by the PSASB.

2. **Reporting entity**
   The financial statements are for the Kericho County Assembly. The financial statements encompass the reporting entity as specified in section 164 of PFM Act 2012.

3. **Recognition of receipts and payments**
   a) Recognition of receipts
   The County Assembly t recognises all receipts from the various sources when the event occurs and the related cash has actually been received by the Assembly.

   Tax receipts
   Tax Receipts is recognized in the books of accounts when cash is received. Cash is considered as received when notification of tax remittance is received.

   Transfers from the Exchequer/ County Treasury
   Transfer from Exchequer is recognized in the books of accounts when cash is received. Cash is considered as received when payment instruction is issued to the bank and notified to the receiving entity.

   Other Receipts
   Other receipts relate to receipts such as tender fees among others. These are recognised in the financial statements when the associated cash is received.

b) Recognition of payments

The entity recognises all expenses when the event occurs and the related cash has actually been paid out by the entity.

Compensation of employees

Salaries and Wages, Allowances, Statutory Contribution for employees are recognized in the period when the compensation is paid.

Use of goods and services

Goods and services are recognized as payments in the period when the goods/services are consumed and paid for. Such expenses, if not paid during the period where goods/services are consumed, shall be disclosed as pending bills.

Acquisition of fixed assets

The payment on acquisition of property plant and equipment items is not capitalized. The cost of acquisition and proceeds from disposal of these items are treated as payments and receipts items respectively. Where an asset is acquired in a non-exchange transaction for nil or nominal consideration and the fair value of the asset can be reliably established, a contra transaction is recorded as receipt and as a payment.

A fixed asset register is maintained by each public entity and a summary provided for purposes of consolidation. This summary is disclosed as an annexure to the consolidated financial statements.

4. In-kind contributions

In-kind contributions are donations that are made to the County Assembly of Kericho in the form of actual goods and/or services rather than in money or cash terms. These donations may include vehicles, equipment or personnel services. Where the financial value received for in-kind contributions can be reliably determined, the County Assembly of Kericho includes such value in the statement of receipts and payments both as receipts and as an expense in equal and opposite amounts; otherwise, the contribution is not recorded.

5. 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.

Restriction on cash

Restricted cash represents amounts that are limited /restricted from being used to settle a liability for at least twelve months after the reporting period. This cash is limited for direct use as required by stipulation.

Amounts maintained in deposit bank accounts are restricted for use in refunding third party deposits. As at 30th June 2019, this amounted to Kshs Nil compared to Kshs Nil in prior period as indicated the notes. There were no other restrictions on cash during the year

6. **Accounts Receivable**
For the purposes of these financial statements, imprests and advances to authorised public officers and/or institutions which were not surrendered or accounted for at the end of the financial year is treated as receivables. This is in recognition of the government practice where the imprest payments are recognized as payments when fully accounted for by the imprest or AIE holders. This is an enhancement to the cash accounting policy. Other accounts receivables are disclosed in the financial statements.

7. **Accounts Payable**
For the purposes of these financial statements, deposits and retentions held on behalf of third parties have been recognized as accounts payables. This is in recognition of the government practice of retaining a portion of contracted services and works pending fulfilment of obligations by the contractor and to hold deposits on behalf of third parties. This is an enhancement to the cash accounting policy adopted and prescribed by the Public Sector Accounting Standards Board. Other liabilities including pending bills are disclosed in the financial statements.

8. **Non-current assets**
Non-current assets are expensed at the time of acquisition while disposal proceeds are recognized as receipts at the time of disposal. However, the acquisitions and disposals are reflected in the entity fixed asset register a summary of which is provided as a memorandum to these financial statements.

9. **Pending bills**
Pending bills consist of unpaid liabilities at the end of the financial year arising from contracted goods or services during the year or in past years. As pending bills do not involve the payment of cash in the reporting period, they are recorded as 'memorandum' or 'off-balance' items to provide a sense of the overall net cash position of the County Assembly of Kericho at the end of the year. Pending bill form a first charge to the subsequent year budget and when they are finally settled, such payments are included in the statement of receipts and payments in the year in which the payments are made.

10. **Budget**
The budget is prepared on the same accounting basis (cash basis), the same accounts classification basis, and for the same period as the financial statements. The County Assembly of Kericho budget was approved as required by Law .The original budget was approved by the County Assembly on 20th June 2018 for the period 1st July 2018 to 30 June 2019 as required by law. There was two number of supplementary budgets passed in the year. A high-level assessment of the County Assembly of Kericho actual performance against the comparable budget for the financial year under review has been included in the Statement of Comparison between actual and budgeted amounts included in these financial statements.

11. Comparative figures

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

12. Subsequent events

Events subsequent to submission of the financial year end financial statements to County Treasury and other stakeholders with a significant impact on the financial statements may be adjusted with the concurrence of the County Treasury.

13. Errors

Material prior period errors shall be corrected retrospectively in the first set of financial statements authorized for issue after their discovery by: i.e. restating the comparative amounts for prior period(s) presented in which the error occurred; or ii. If the error occurred before the earliest prior period presented, restating the opening balances of assets, liabilities and net assets/equity for the earliest prior period presented.

14. Related party transactions

Related party transactions involve cash and in kind transactions with the National Government, National Government entities and County Government entities. Specific information with regards to related party transactions is included in the disclosure notes.

VII. NOTES TO THE FINANCIAL STATEMENTS

1. Transfers from the County Treasury/Exchequer Releases

	2018 - 2019	2017 - 2018
	Kshs	Kshs
Transfers from the County Treasury for Q1	112,856,767	93,790,436
Transfers from the County Treasury for Q2	251,160,545	119,799,240
Transfers from the County Treasury for Q3	177,762,968	101,195,322
Transfers from the County Treasury for Q4	193,900,000	273,297,157
Cumulative Amount	**735,680,280**	**588,082,155**

2. PROCEEDS FROM SALE OF ASSETS

	2018 - 2019	2017 - 2018
	Kshs	Kshs
Receipts from the Sale of Buildings		
Receipts from the Sale of Vehicles and Transport Equipment	-	-
Receipts from the Sale Plant Machinery and Equipment	-	-
Receipts from Sale of Certified Seeds and Breeding Stock	-	-
Receipts from the Sale of Strategic Reserves Stocks	-	-
Receipts from the Sale of Inventories, Stocks and Commodities	-	-
Disposal and Sales of Non-Produced Assets	-	-
Receipts from the Sale of Strategic Reserves Stocks	-	-
	-	-
Total	-	-

3.OTHER RECEIPTS

	2018 - 2019	2017 - 2018
	Kshs	Kshs
Tender fees received	-	-
Other Receipts II	-	-
Other Receipts III	-	-
Other Receipts IV	-	-
Total	-	-

4. COMPENSATION OF EMPLOYEES

	2018 - 2019	2017 - 2018
	Kshs	Kshs
Basic salaries of permanent employees	141,393,442	147,231,544
Basic wages of temporary employees	38,360,000	9,106,368
Personal allowances paid as part of salary	111,429,567	80,274,131
Personal allowances paid as reimbursements		
Personal allowances provided in kind		
Pension and other social security contributions		
Compulsory national social security schemes	10,755,247	11,727,817
Compulsory national health insurance schemes		
Social benefit schemes outside government		
Other personnel payments		
Total	**301,938,256**	**248,339,860**

5. USE OF GOODS AND SERVICES

	2018 - 2019	2017 - 2018
	Kshs	Kshs
Utilities, supplies and services	904,829	976,514
Communication, supplies and services	3,280,000	2,170,000
Domestic travel and subsistence	127,442,458	92,063,623
Foreign travel and subsistence	25,361,014	19,935,806
Printing, advertising and information supplies & services	10,355,000	6,090,469
Rentals of produced assets	4,935,854	3,351,030
Training expenses	13,804,000	44,081,206
Hospitality supplies and services	48,347,980	14,599,293
Insurance costs-medical and Group	26,492,732	23,105,293
Specialized materials and services	7,610,000	5,552,045
Office and general supplies and services	8,600,000	7,980,000

Other operating expenses	21,206,772	8,739,592
Routine maintenance – vehicles and other transport equipment	5,715,824	6,100,000
Routine maintenance – other assets	3,680,067	3,240,830
Insurance Costs-Building and Motor Vehicles	616,000	1,689,577
Fuel and Oil Lubricants	14,000,000	14,000,000
County Assembly Service Board	13,348,856	9,504,022
Total	**335,701,386**	**263,179,300**

6. SUBSIDIES

Description	**2018 - 2019**	**2017 - 2018**
	Kshs	**Kshs**
Subsidies to Public Corporations		
See list attached	-	-
(insert name)	-	-
	-	-
Subsidies to Private Enterprises	-	-
See list attached	-	-
(insert name)	-	-
	-	-
TOTAL	-	-

7. TRANSFER TO OTHER GOVERNMENT ENTITIES

Description	2018 - 2019	2017 - 2018
	Kshs	Kshs
Transfers to Central government entities		
See attached list		-
Transfers to Other Counties		
County assembly Car loan Fund Account	25,000,000	33,000,000
(insert name of budget agency)	-	-
TOTAL	**25,000,000**	**33,000,000**

8. OTHER GRANTS AND OTHER PAYMENTS

	2018 - 2019	2017 - 2018
	Kshs	Kshs
Scholarships and other educational benefits	-	-
Emergency relief and refugee assistance	-	-
Subsidies to small businesses, cooperatives, and self employed	-	-
Total	-	-

9. SOCIAL SECURITY BENEFITS

	2018 - 2019	2017 - 2018
	Kshs	Kshs
Government pension and retirement benefits	22,203,053	14,389,694
Social security benefits in cash and in kind		
Employer Social Benefits in cash and in kind		
Total	**22,203,053**	**14,389,694**

10. ACQUISITION OF ASSETS

Non Financial Assets	2018 - 2019	2017 - 2018
	Kshs	Kshs
Purchase of Buildings	-	-
Construction of Buildings	-	-
Refurbishment of Buildings	7,500,000	6,979,467
Construction of Roads	-	-
Construction and Civil Works	-	-
Overhaul and Refurbishment of Construction and Civil Works	-	-
Purchase of Vehicles and Other Transport Equipment	20,380,000	-
Overhaul of Vehicles and Other Transport Equipment	-	-
Purchase of Household Furniture and Institutional Equipment	500,000	-
Purchase of Office Furniture and General Equipment	12,749,450	22,178,377
Purchase of ICT Equipment	-	-
Purchase of Specialized Plant, Equipment and Machinery	-	-
Rehabilitation and Renovation of Plant, Machinery and Equip.	-	-
Purchase of Certified Seeds, Breeding Stock and Live Animals	-	-
Research, Studies, Project Preparation, Design & Supervision	-	-
Rehabilitation of Civil Works	-	-
Acquisition of Strategic Stocks and commodities	-	-
Acquisition of Land	9,700,000	-
Acquisition of Intangible Assets	-	-
Financial Assets		
Domestic Public Non-Financial Enterprises	-	-
Domestic Public Financial Institutions	-	-
Foreign financial Institutions operating Abroad	-	-
Other Foreign Enterprises	-	-
Foreign Payables - From Previous Years	-	-
Total	**50,829,450**	**29,157,844**

11. FINANCE COSTS

	2018 - 2019	2017 - 2018
	Kshs	Kshs
Exchange Rate Losses	-	-
Interest Payments on Foreign Borrowings	-	-
Interest Payments on Guaranteed Debt Taken over by Govt	-	-
Interest on Domestic Borrowings (Non-Govt)	-	-
Interest on Borrowings from Other Government Units	-	-
Total	-	-

12. OTHER PAYMENTS

	2018 - 2019	2017 - 2018
	Kshs	Kshs
Budget Reserves	-	-
Civil Contingency Reserves	-	-
Other payments	-	-
	-	-

13. CASH AND BANK BALANCES

13A: Bank Accounts and Balances

Name of Bank, Account No. & currency	Amount in bank account currency *	Indicate whether recurrent, Development, deposit, receipts e.t.c	Ex. rate (if in foreign currency)	2018 - 2019	2017 - 2018
				Kshs	Kshs
KERICHO COUNTY ASSEMBLY RECURRENT ACCOUNT-CBK ACCOUNT NO 1000239662	KSH	RECURRENT	NA	-	-
KERICHO COUNTY ASSEMBLY SALARY CLEARANCE ACCOUNT-KCB ACCOUNT NO 1173251316	KSH	RECURRENT	NA	621	15,457
KERICHO COUNTY ASSEMBLY- CAR LOAN AND MORTGAGE FUND ACCOUNT .ACCOUNT NO 1204187967	KSH	RECURRENT	NA	7,514	-
Kericho County Assembly-Mca Car Loan And Mortgage Account- Family Account No.	KSH	RECURRENT	NA		
KERICHO COUNTY ASSEMBLY RECURRENT ACCOUNT-CBK ACCOUNT NO 1000389761	KSH	DEVELOPMENT	NA	0	
Total				**8,135**	**15,457**

13B: CASH IN HAND

	2018 - 2019	2017 - 2018
	Kshs	Kshs
Cash in Hand – Held in domestic currency	-	-

Cash in Hand – Held in foreign currency	-	-
	-	-
Total	-	-

13C: Cash in hand should also be analysed as follows:

	2018 - 2019	2017 - 2018
	Kshs	Kshs
Location 1	-	-
Location 2	-	-
Location 3	-	-
Other Locations (*specify*)	-	-
Total	-	-

14: ACCOUNTS RECEIVABLE - OUTSTANDING IMPRESTS

Description	2018 - 2019	2017 - 2018
	Kshs	Kshs
Government Imprests	-	-
Clearance accounts	-	-
Total	-	-

Name of Officer or Institution	*Date Imprest Taken*	*Amount Taken*	*Amount Surrendered*	*Balance*
		Kshs	*Kshs*	*Kshs*
-	-	-	-	-
-	-	-	-	-
-	-	-	-	-
-	-	-	-	-
Total				-

15. ACCOUNTS PAYABLE

	2018 - 2019	2017 - 2018
	Kshs	Kshs
Deposits	-	-
	-	-
Total	-	-

16. FUND BALANCE BROUGHT FORWARD

	2018 - 2019	2017 - 2018
	Kshs	Kshs
Bank accounts	-	-
Cash in hand	-	-
Accounts Receivables	-	-
Accounts Payables	-	-
Total	-	-

17: PRIOR YEAR ADJUSTMENTS

Description of the error	2018 - 2019	2017 - 2018
	Kshs	Kshs
Adjustments on bank account balances	-	-
Adjustments on cash in hand	-	-
Adjustments on payables	-	-
Adjustments on receivables	-	-
Others (*specify*)	-	-
	-	-

OTHER IMPORTANT DISCLOSURES

18.1: PENDING ACCOUNTS PAYABLE (See Annex 1)

	2018 - 2019	2017 - 2018
	Kshs	Kshs
Construction of buildings	-	-
Construction of civil works	-	-
Supply of goods	-	-
Supply of services	-	-
	-	-

18.2: PENDING STAFF PAYABLES (See Annex 2)

	2018 - 2019	2017 - 2018
	Kshs	Kshs
Senior management	-	-
Middle management	-	-
Union sable employees	-	-
Others (*specify*)	-	-
	-	-

18.3: OTHER PENDING PAYABLES (See Annex 3)

	2018 - 2019	2017 - 2018
	Kshs	Kshs
Amounts due to National Government entities	-	-
Amounts due to County Government entities	-	-
Amounts due to third parties	-	-
Others (*specify*)	-	-
	-	-

19 RELATED PARTY DISCLOSURES

Related party disclosure is encouraged under non-mandatory section of the Cash Basis IPSAS.

The following comprise of related parties to the County Assembly.

- Members of County Assembly;
- Key management personnel that include the Clerk of the Assembly and heads of departments;
- The County Executive;
- County Ministries and Departments;
- Other County Government entities including corporations, funds and boards;
- The National Government;
- Other County Governments; and
- State Corporations and Semi-Autonomous Government Agencies.

Related party transactions:

	2018/2019	2017/2018
	Kshs	Kshs
Key Management compensation		**205,991,700**
	======	======
Transfers to the County Assembly	-	-
Transfers to other County Government entities	25,000,000	33,000,000
Transfers to County Ministries and Departments	-	-
Transfers from other County Government Entities	-	-
	25,000,000	**33,000,000**
-		
	======	======

Transfers to other county Government entities of Kshs 25,000,000 relates to County Assembly staff car loans and Mortgage which was managed as a different fund. As at 30th June, 2019 there was a balance of Kshs 11,413,116.00 in the fund Account.

VIII. PROGRESS ON FOLLOW UP OF AUDITOR RECOMMENDATIONS

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

Reference No. n the external audit Report	Issue / Observations from Auditor	Management comments	Focal Point person to resolve the issue	Status:	Timef rame:

Reference No. on the external audit Report	Issue / Observations from Auditor	Management comments	Focal Point person to resolve the issue	Status:	Timef rame:

Refence No. On the External Audit report	Issue/Observations from Auditor	Management Comments	Focal Point person to resolve the issue	Status	Timeframe

Refence No. On the External Audit report	Issue/Observations from Auditor	Management Comments	Focal Point person to resolve the issue	Status	Timeframe

Clerk of the County Assembly

Sign.....

Date.....10/12/2019.....

COUNTY ASSEMBLY CLERK
10 DEC 2019
KERICHO COUNTY
P.O. Box 154 - 20200, KERICHO.

ANNEX 1 - ANALYSIS OF PENDING ACCOUNTS PAYABLE

Supplier of Goods or Services	Original Amount	Date Contracted	Amount Paid To-Date	Outstanding Balance 2018	Outstanding Balance 2017	Comments
	A	B	c	d=a-c		
Construction of buildings						
1.	-	-	-	-	-	-
2.	-	-	-	-	-	-
3.	-	-	-	-	-	-
Sub-Total	-	-	-	-	-	-
Construction of civil works	-	-	-	-	-	-
4.	-	-	-	-	-	-
5.	-	-	-	-	-	-
6.	-	-	-	-	-	-
Sub-Total	-	-	-	-	-	-
Supply of goods	-	-	-	-	-	-
7.	-	-	-	-	-	-
8.	-	-	-	-	-	-
9.	-	-	-	-	-	-
Sub-Total	-	-	-	-	-	-
Supply of services	-	-	-	-	-	-
10.	-	-	-	-	-	-
11.	-	-	-	-	-	-
12.	-	-	-	-	-	-
Sub-Total	-	-	-	-	-	-
Grand Total	-	-	-	-	-	-

ANNEX 2 - ANALYSIS OF PENDING STAFF PAYABLES

Name of Staff	Job Group	Original Amount	Date Payable Contracted	Amount Paid To-Date	Outstanding Balance 2018	Outstanding Balance 2017	Comments
		a	b	c	d=a-c		
Senior Management	-	-	-	-	-	-	-
1.	-	-	-	-	-	-	-
2.	-	-	-	-	-	-	-
3.	-	-	-	-	-	-	-
Sub-Total	-	-	-	-	-	-	-
Middle Management	-	-	-	-	-	-	-
4.	-	-	-	-	-	-	-
5.	-	-	-	-	-	-	-
6.	-	-	-	-	-	-	-
Sub-Total	-	-	-	-	-	-	-
Unionisable Employees	-	-	-	-	-	-	-
7.	-	-	-	-	-	-	-
8.	-	-	-	-	-	-	-
9.	-	-	-	-	-	-	-
Sub-Total	-	-	-	-	-	-	-
Others (*specify*)	-	-	-	-	-	-	-
10.	-	-	-	-	-	-	-
11.	-	-	-	-	-	-	-
12.	-	-	-	-	-	-	-
Sub-Total	-	-	-	-	-	-	-
Grand Total	-	-	-	-	-	-	-

ANNEX 3 - ANALYSIS OF OTHER PENDING PAYABLES

Name	Brief Transaction Description	Original Amount	Date Payable Contracted	Amount Paid To-Date	Outstanding Balance 2018	Outstanding Balance 2017	Comments
		a	b	c	d=a-c		
Amounts due to National Govt Entities	-	-	-	-	-	-	-
1.	-	-	-	-	-	-	-
2.	-	-	-	-	-	-	-
3.	-	-	-	-	-	-	-
Sub-Total	-	-	-	-	-	-	-
Amounts due to County Govt Entities	-	-	-	-	-	-	-
4.	-	-	-	-	-	-	-
5.	-	-	-	-	-	-	-
6.	-	-	-	-	-	-	-
Sub-Total	-	-	-	-	-	-	-
Amounts due to Third Parties	-	-	-	-	-	-	-
7.		-	-	-	-	-	-
8.		-	-	-	-	-	-
9.		-	-	-	-	-	-
10.		-	-	-	-		
Sub-Total	-	-	-	-	-	-	-
Others (*specify*)	-	-	-	-	-	-	-
11.	-	-	-	-	-	-	-
12.	-	-	-	-	-	-	-
13.	-	-	-	-	-	-	-
Sub-Total	-	-	-	-	-	-	-
Grand Total	-	-	-	-	-	-	-

ANNEX 4 – SUMMARY OF FIXED ASSET REGISTER

Asset class	Historical Cost b/f (Kshs) 2018/2019	Additions during the year (Kshs)	Disposals during the year (Kshs)	Historical Cost c/f (Kshs) 2017/2018
Land	59,860,000	9,700,000	-	50,160,000
Buildings and structures	36,688,100	0	-	36,688,100
Transport equipment	54,023,310.00	20,800,000	-	33,223,310
Office equipment, furniture and fittings	36,706,618	0	-	36,706,618
ICT Equipment, Software and Other ICT Assets	9,305,780.00	0	-	9,305,780
Other Machinery and Equipment	104,680	0	-	104,680
Heritage and cultural assets	0	0	-	0
Intangible assets	20,000	0	-	20,000
Total	**196,708,488**	**30,500,000**	**-**	**166,208,488**

ANNEX 6 – BANK RECONCILIATION/FO 30 REPORT