REPUBLIC OF KENYA

OFFICE OF THE AUDITOR-GENERAL

REPORT

OF

THE AUDITOR-GENERAL

ON

THE FINANCIAL STATEMENTS OF COUNTY EXECUTIVE OF MERU

FOR THE YEAR ENDED 30 JUNE 2016

OFFICE OF THE AUDITOR GENERAL
P. O. Box 30084 – 00100, NAIROBI
13 APR 2017
RECEIVED

COUNTY GOVERNMENT OF MERU- (COUNTY EXECUTIVE)

AMENDED REPORTS AND FINANCIAL STATEMENTS

FOR THE FINANCIAL YEAR ENDED JUNE 30, 2016

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

KENYA NATIONAL AUDIT OFFICE
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Table of Content

Page

I. KEY COUNTY GOVERNMENT OF MERU INFORMATION AND MANAGEMENT 1

II. FORWARD BY THE CEC 3

III. STATEMENT OF COUNTY GOVERNMENT OF MERU MANAGEMENT RESPONSIBILITIES 4

IV. REPORT OF THE INDEPENDENT AUDITORS ON THE *COUNTY GOVERNMENT OF MERU* 5

V. STATEMENT OF RECEIPTS AND PAYMENTS 6

VI. STATEMENT OF FINANCIAL POSITION 7

VII. STATEMENT OF CASHFLOW 8

VIII. SUMMARY STATEMENT OF APPROPRIATION: RECURRENT AND DEVELOPMENT COMBINED 9

IX. SUMMARY STATEMENT OF APPROPRIATION: RECURRENT 10

X. SUMMARY STATEMENT OF APPROPRIATION: DEVELOPMENT 11

XI. SIGNIFICANT ACCOUNTING POLICIES 12

XIII. NOTES TO THE FINANCIAL STATEMENTS 14

I. KEY ENTITY INFORMATION AND MANAGEMENT

(a) Background information

The County is constituted as per the constitution of Kenya is headed by the County Governor, who is responsible for the general policy and strategic direction of the County.

(b) Key Management

The County Government of Meru day-to-day management is under the following key organs:

- The Office of the Governor;
- The County Executive Committee Members;
- The Chief officers; and
- The directorates.

(c) Fiduciary Management

The key management personnel who held office during the financial year ended 30th June 2014 and who had direct fiduciary responsibility were:

No.	Designation	Name
1.	CECM- Finance	- Muthomi J. Kirera
2.	Chief Officer-Finance	- Charles Mwenda
3.	Director of Accounts	- Patrick Wambua
4.	Director of Revenue	- Francis Mungai

(d) Fiduciary Oversight Arrangements

The Meru County Assembly

(e) County Government of Meru Headquarters

P.O. Box 120 - 60200
County Headquarters Building
Meru- Makutano Road
Meru, KENYA

(f) County Government of Meru Contacts

Telephone: (254) 720088043
E-mail: merucounty@meru.go.ke
Website: www.meru.go.ke

(g) County Government of Meru Bankers

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

2. Kenya Commercial Bank
   .....
   .....
   .....

3. Cooperative Bank of Kenya
   ...
   ...
   ...

(h) Independent Auditors

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

(i) Principal Legal Adviser

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

II. FORWARD BY THE CEC

It has been another year of challenge and achievement for Meru County Government. In the face of significance operational and financial pressures, we have achieved notable success through focusing on our top priorities approved by the County Assembly of Meru.

Our approved budget for the Meru Executive was 7.3 B against actual payment of 5.6B representing absorption rate of 77% and a further 1.3 B transferred to other County Government of Meru Entities. The unspent funds relates to the commitments made during the year whose actual payment had not been done as at the closure of the financial year, and whose composition has been disclosed in the financial statements as pending bills. The key challenge experienced the last financial year included inadequate staff capacity to utilise IFMIS modules, and poor performance of local revenue

The above mentioned challenges have been addressed by collaborating with the national treasury in training the County Treasury staff on IFMIS modules. Lastly the local revenue is expected to grow this fiscal year due to automation and operationalization of revenue board.

We thank the national Government through National Treasury for their continued support.

Sign
CEC
Meru County Government

III. STATEMENT OF MANAGEMENT RESPONSIBILITIES

Sections 163,164 and 165 of the Public Finance Management Act, 2012 requires that, at the end of each financial year, the County Treasury shall prepare financial statements of each County Government entity, receiver of revenue and consolidated financial statements for all County Government entities in accordance with the standards and formats prescribed by the Public Sector Accounting Standards Board.

The County Executive Committee (CEC) member for finance of the County Government is responsible for the preparation and presentation of the County Government's financial statements, which give a true and fair view of the state of affairs of the County Government for and as at the end of the financial year ended on June 30, 2016. 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 Government; (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 Government; (v) selecting and applying appropriate accounting policies; and (vi) making accounting estimates that are reasonable in the circumstances.

The CEC member for finance accepts responsibility for the County Government'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 CEC member for finance is of the opinion that the County Government's financial statements give a true and fair view of the state of the County Government's transactions during the financial year ended June 30, 2016, and of its financial position as at that date. The CEC member for finance further confirms the completeness of the accounting records maintained for the County Government 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 CEC member for finance confirms that the County Government has complied fully with applicable Government Regulations and the terms of external financing covenants (where applicable), and that the County Government's funds received during the year under audit were used for the eligible purposes for which they were intended and were properly accounted for. Further the CEC member for finance confirms that the County Government'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 CEC member for finance on _____ 2016.

_____
County Executive Committee member – Finance

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OFFICE OF THE AUDITOR-GENERAL

REPORT OF THE AUDITOR-GENERAL ON MERU COUNTY EXECUTIVE FOR THE YEAR ENDED 30 JUNE 2016

REPORT ON THE FINANCIAL STATEMENTS

I have audited the accompanying financial statements of Meru County Executive set out on pages 6 to 34 which comprise the statement of financial assets as at 30 June, 2016, and the statement of receipts and payments, statement of cash flows and a summary statement of appropriation for the year then ended, 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.

Management's Responsibility for the Financial Statements

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 such 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.

The 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.

Auditor-General's Responsibility

My responsibility is to express an opinion on these financial statements based on the audit and report 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. The audit was conducted in accordance with International Standards of Supreme Audit Institutions. Those standards require compliance with ethical requirements and that the audit be planned and performed to obtain reasonable assurance about whether the financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditor's judgement, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the entity's preparation and fair presentation of the financial statements in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of

expressing an opinion on the effectiveness of the County Executive's internal control. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of accounting estimates made by the management, as well as evaluating the overall presentation of the financial statements.

I believe that the audit evidence obtained is sufficient and appropriate to provide a basis for my adverse audit opinion.

Basis for Adverse Opinion

1.0 Accuracy and Completeness of the Financial Statements

1.1 Cashflow Statement

The cash flow statement reflects a net increase in cash and cash equivalents and cash and cash equivalents balances of Kshs.5,847,367,548 and Kshs.1,474,740,848 respectively. However, the accuracy of these two balances could not be ascertained as a recast of the cashflow statement reflected a net increase in the cash and cash equivalents and a cash and cash equivalents balances of Kshs.491,528,707 and Kshs.1,454,088,041 thus resulting in variances of Kshs.5,365,838,841 and Kshs.20,652,807 respectively totaling Kshs.5,386,491,648.

As a result, the accuracy and completeness of the cash and cash equivalents balances and consequently, the cash flow statement for the year ended 30 June 2016 cannot be confirmed.

1.2 Cash and Cash Equivalents

The statement of assets reflects a cash and cash equivalents balance of Kshs.1,474,740,848 as at 30 June 2016. However, included in the cash and cash equivalents balance were balances from the three bank accounts whose bank reconciliation statements reflected unpresented cheques totaling Kshs.742,289,266 which further included stale cheques totaling Kshs.45,081,363 as at June 2016 as follows:

No	Cash Book	Unpresented Cheques (Kshs)	Stale Cheques (Kshs)	Receipts in Cash Book and not in Bank Statement (Kshs)
1	CBK Development A/C No.1000170352	487,918,001	13,693,350	8,421,078
2	CBK Recurrent A/C No. 1000170368	202,794,747	31,251,643	5,920,408
3	KCB Imprest A/C No. 1140746480	51,576,518	136,370	50,000,000
	Total	**742,289,266**	**45,081,363**	**64,341,486**

The stale cheques totaling Kshs.45,081,363 had not been reversed in the respective cash books as at 30 June 2016.

Further, the bank reconciliation statements for the three (3) bank accounts reflected receipts in cash books not in bank statements totaling Kshs.64,341,486, and therefore understated the bank balance by the same amount.

In addition, comparison of cash book balances for the three (3) accounts with balances stated in the financial statements revealed an understatement of the bank balance of Kshs. 270,807,398 as reflected in the financial statements:

No.	Cash Book	Cash Book Balance (Kshs)	Financial Statements Balance (Kshs)	Difference (Kshs)
1	CBK Development A/C No.1000170352	230,716,646	6,384,809	224,331,837
2	CBK Recurrent A/C No. 1000170368	51,742,487	5,070,982	46,671,505
3	KCB Imprest A/C No. 1140746480	380,883	576,827	(195,944)
	Total	**282,840,016**	**12,032,618**	**270,807,398**

Further, examination of the FIF – KCB Operation Account cash book revealed that it was overdrawn by Kshs.8,830,736 but management did not provide an explanation for the anomaly.

In view of the foregoing, the accuracy and completeness of the cash and cash equivalent balance of Kshs.1,474,740,848 as at 30 June 2016 cannot be ascertained.

2.0 Fixed Assets

The County Executive acquired assets worth Kshs.565,637,211 during the year ended 30 June 2016. However, the balance shown in Annex 4 summary fixed assets register reflects a closing balance of Kshs.2,733,319,115 as at 30 June 2016 (2015:Kshs.1,552,277,912) resulting in an increase during the year of Kshs.1,181,041,203. Further, the fixed assets inherited from the defunct local authorities, some of which have undetermined values, have not been disclosed in the financial statements. As a result, the accuracy, completeness, valuation and security of the fixed assets owned by the County Executive cannot be confirmed as at 30 June 2016.

3.0 Pending Bills

The financial statements under Notes 26.1 to 26.3 reflect a balance of Kshs.1,311,158,152 in relation to total pending bills.

However, Annex 1 of the annexures to the financial statements reflects bills totalling Kshs.1,304,362,894 resulting in an unexplained difference of Kshs.6,795,258. Included in the schedules were creditors against which the voucher numbers, local purchase orders and /or invoices were not indicated or provided making it impossible to confirm the authenticity of the information. Further, the creditors' ledgers were not made available for audit review to confirm change in creditors' balances from Kshs.1,823,511,367 as at 30 June 2015 to Kshs.1,311,158,152 as at 30 June 2016. As a result, it has not been possible to confirm the accuracy and validity of the creditors' balance of Kshs.1,311,158,152 reflected in the financial statements as at 30 June 2016.

4.0 Unsupported Payments

The statement of receipts and payments reflects payments totaling to Kshs.6,996,867,312 as at 30 June 2016. However, included in this expenditure was a sum of Kshs.3,318,356,887 spent on nine (9) items which were not supported by ledgers or schedules. Further, comparison of the financial statement balances and balances in the trial balance for the nine items revealed an unexplained and unreconciled understatement of Kshs.117,679,540 in the financial statements as follows;

No.	Item	Financial Statements (Kshs)	Trial Balance (Kshs)	Variance (Kshs)
1	Communication Supplies and Services	31,833,299	32,463,074	(629,775)
2	Compensation of Employees	2,792,240,320	2,923,997,488	(131,757,168)
3	Hospitality Supplies and Services	171,160,114	188,525,350	(17,365,236)
4	Rentals of Produced Assets	18,089,863	17,275,617	814,246
5	Routine maintenance of Motor Vehicles	44,130,020	30,394,619	13,735,401
6	Budget Reserves	2,843,680	18,224,880	(15,381,200)
7	Fuel, Oil and Lubricants	64,006,010	39,325,894	24,680,116
8	Other Operating Expenses	170,964,953	163,904,513	7,060,440
9	Utilities Supplies and Services	23,088,628	21,924,992	1,163,636
	Total	**3,318,356,887**	**3,436,036,427**	**(117,679,540)**

In the circumstance, the accuracy and propriety of the expenditure totalling Kshs.3,318,356,887 incurred on various supplies and other operating expenses cannot be confirmed.

5.0 Accounts Receivable

Annex 5 to the financial statements discloses outstanding rents totalling Kshs.19,736,350 as at 30 June 2016. However, included in the balance is the sum of Kshs.17,103,000 relating to long outstanding rent from Meru County Hotel. In consequence, the recoverability of the outstanding rent of Kshs.17,103,000 cannot be confirmed.

6.0 Irregular Procurement Expenditure

6.1 Direct Procurement on Leasing of County Offices

Note 13 of the Notes to the financial statements reflects rentals of produced assets balance of Kshs 18,089,863 which includes Kshs 8,479,786 (47%) incurred on the lease for the County Offices for nine (9) months from September 2015 to May 2016. The contract agreement showed that the tenancy was for four (4) years effective from 1 December, 2014 with a monthly rent of Kshs 812,240. However, no documents were made available to confirm that the tenancy was procured competitively in line with Article 227 of the Constitution and Section 103 (2) of the Public Procurement and Assets Disposal Act, 2015.

In the circumstance, the County Executive breached the law and it is not possible to confirm that value-for-money was obtained on the expenditure of Kshs.8,479,786 incurred on the lease.

6.2 Irregular Procurement - Construction of 20 Boda Boda Stations

During the year under review, the County Executive through the Department of Culture, Gender, Sports, Youth and Social Services paid Kshs.2,699,209.80 to a firm for part-payment for the construction of twenty (20) Boda Boda stations within the County. The contract was awarded to the firm on 30 May, 2014 at a total cost of Kshs.6,615,360.

However, the County Executive used restricted method of procurement without complying to the conditions set out in Section 102(1) of the Public Procurement and Assets Disposal Act, 2015. Further, the County Executive invited five (5) bidders to submit tenders instead of 10 or more firms as required under Section 54(3) of the Public Procurement Regulations, 2006.

In addition, a physical verification revealed that the wall side covering and rain water drainage system provided for in the bills of quantities were not installed. Other anomalies observed in releation to the contract were as follows:

i) The shade at Nchiru market, although completed, remained unutilized. The boda boda riders were operating from the opposite side of the shade, an indication that they may not have been consulted during the initiation of the project.

ii) The shade at Muthara, appeared to have been poorly done as the metal seats were broken as they were not fixed well.

iii) The shade at Maili Tatu was damaged in a vehicle accident that occured one month before the audit verification in December 2016. No action had been taken to repair the shade. Further, the shade was used as shoe shine and miraa selling stall, an indication that the boda boda riders may not have requested for its construction.

iv) The shade at Mikinduri was converted into a parking lot for vehicles thereby defeating the purpose of its construction and casting doubt as to whether the intended users (boda boda riders) had requested for the shade.

In view of the foregoing, the County Executive and the project beneficiaries may not have received value-for-money for the project worth Kshs.6,615,360 as at 30 June 2016.

7.0 Irregular Procurement of Consultancy Services

As reported previously, the County Executive engaged the services of an audit firm to carry out an audit of its pending bills records at a contract sum of Kshs.11,498,703. However, Section 226(3) of the Constitution and Section 48 of the Public Audit Act, 2015 gives the mandate of auditing all government and public institutions solely to the Auditor-General. The Auditor-General would have done the audit at no charge at all.

The contract between the County Government of Meru and the consultant (KPMG) was signed on 30 September 2015 with a contract period of 30 days and a contract price of Kshs.11,498,703. According to the contract terms, 30% of the contract sum (Kshs.3,449,610) was to be paid upon the client receiving an acceptable inception report while 70% of the balance (kshs.8,049,093) was to be paid upon submission of hard and soft copies of an acceptable final report.

Records made available showed that the 30% (Kshs.3,449,703) of the contract price was paid on 25 January 2016 vide payment voucher number 21307 which however was not availed for audit. An additional payment of Kshs.4,024,546 was made on 29 August 2016 vide payment voucher number 009 thus raising the total payments in respect to the contract to Kshs.7,474,156 as at 30 June 2016. However, although the 30-day contract period expired on 30 October 2015, the firm had not submitted both the inception report and the final report as at the time of this audit in December 2016 inspite having been paid Kshs.7,474,156 (65% of the contract price). Therefore, the Kshs.7,474,156 payment was made contrary to the contract terms.

In view of the foregoing, the Kshs.11,498,703 commitment made by the Meru County Executive was not a proper charge on public funds and the Meru County Executive. Further, due to delay in submission of the audit report, County Executive did not receive value-for-money on the Kshs.7,474,157 advance payment made to the consultancy firm as the contracted services were not rendered.

8.0 Unaccounted Expenditure for Meru Diaspora Investors' Conference

During the year under review, the Meru County Executive Committee during its meeting held on 4th January 2016 under Min.8/MCEX/2016 directed the Meru County Investment and Development Corporation to come up with a budget for the Meru Diaspora Investors' Conference. The budget was estimated at Kshs.7,643,681 and the County Secretary issued a memo (dated 2 February 2016-Ref: MC/GIM/5/402) to all County Executive Committee (CEC) members directing them to contribute Kshs.500,000 from each department towards Meru Diaspora consultation and Investment promotion Conference. A total of Kshs. 7,643,680 was contributed and transferred to KCB Account No.1178592723 by the departments of Meru County Executive. The Conference was held on 27 February 2016 at Safari Park Hotel. However, the Minutes of the County Executive Committee meeting were not provided for audit verification. Further, details on how the money was used including signed schedules by participants and criteria used to identify the facilitators were not made available for audit review.

In addition, Safari Park Hotel was not in the County's register of pre-qualified suppliers of conference and training services as required by Section 57(1) of the Public Procurement and Asset Disposal Act, 2015. The County Executive therefore breached the law.

In consequence, the propriety of the expenditure of Kshs.7,643,680 on Meru Diaspora Investment Conference as at 30 June 2016 cannot be ascertained.

9.0 Upgrading of Kinoru Stadium

The Meru County Executive through a newspaper advertisement on 13 May, 2014 invited bids for the upgrade of Kinoru Stadium to international standards. Bids were received from eighteen firms and the evaluation was done on 28 May, 2014 whereby only four bidders qualified for the final stage of financial evaluation.

The evaluation committee combined technical and financial scores and awarded the contract as follows:

Bidder No	Firm	Scores	Quoted Price Kshs	Rank
9	Newspace Creators	81%	167,392,817	1
16	Columbia Developers	80%	161,065,306	2
4	Maworks Investment	56%	179,746,658	3
12	Jap International Ltd	47%	146,315,400	4

Newspace Creators Ltd of P.O Box 2743-60200 Meru was awarded the contract (MCG/ONT/300/2013-2014) at a tender sum of Kshs. 167,392,817.

The contract was to commence on 26 June 2014 and be completed on 29 January, 2015 according to the detailed work plan provided by the contractor.

However, audit of the project in December 2016 revealed the following:

i) The contractor had been paid Kshs.121,342,573 or 70% of the contract sum as at 18 February 2016 as follows:

Date	PV No.	Amount (Kshs)
24/9/2014	217	28,456,778
5/2/2015	3486	54,185,378
29/6/2015	8642	5,863,779
20/1/2016	C685	20,000,000
18/2/2016	322	12,836,638
Total		**121,342,573**

ii) A site visit revealed that the works (hard coring, floor stabs construction, terrace-concreting, roofing, tiling, mechanical services, electrical services, doors and windows, painting and decoration) which were in the contractor's schedule of activity were however incomplete, eighteen (18) months after the contract was awarded.

iii) The contract was cancelled on 29 July 2016 through a letter referenced MCG/CGYSS/KS/ONT/300/2013-2014 on the basis of expiry of the contract life time although the works were not complete. No documents were made available to show what action the County Executive took against the contractor for not completing the project on time.

iv) At the time of the audit in December 2016, the County Executive had advertised for a tender to complete the upgrading of the stadium. The works advertised included the pitch, track, terraces, offices and other facilities, mechanical works, electrical works, an ablution block, gates and ticketing area and masonry perimeter wall. It was not possible to ascertain whether the cost of the advertised works would be covered by the 27% of the previous contract price that was not paid to the contractor at the time of the initial contract was cancelled.

v) The County Executive had at the time of the audit inspection, not claimed liquidated damages due to project delays.

Failure to complete the project within the set timelines may lead to increased cost and deprive the county residents the benefits of using a modern sports facility. Further, the delay has denied the County Executive revenue as stadium is no longer in use nearly three years after the stadium was closed for the upgrade.

In the circumstances, the County Executive did not get value-for-money on expenditure totalling Kshs.121,342,573 incurred on the incomplete stadium.

10.0 Transfers of Other Grants & Expenses

Note 16 and Note 21 to the financial statements reflect expenditure balances on Other Grants and Other Payments and Other Expenses totaling Kshs.1,239,665,589 as follows:

Details	Note	Amount (Kshs)
Scholarships and Other Educational Benefits	16	163,312,896
Emergency Relief and Refuge Assistance and Disaster	16	15,094,423
Subsidies to Small Business, Co-operatives and Self Employed	16	111,826,901
Other Grants	16	99,407,076
Budget Reserves	21	2,843,680
Other - Expenses (Capital Transfer - Other)	21	64,111,081
Other Expenses - Payables from Previous year	21	606,815,439
Other Expenses - FIF	21	176,254,093
Total		**1,239,665,589**

However, included in the balance were payments totaling to Kshs.254,565,217 which were unsupported but shown as comprised of the following items:

Details	Note	Amount Kshs
Scholarships and Other Educational Benefits	16	14,200,043
Other - Expenses (Capital Transfer - Other)	21	64,111,081
Other Expenses - FIF	21	176,254,093
Total		**254,565,217**

In the circumstance, it has not been possible to ascertain the propriety of the Kshs. 254,565,217 expenditure.

11.0 Human Resource Management

11.1 Irregular Recruitment of Casual Workers

Expenditure on casual workers increased by Kshs.86,853,595 (250%) from Kshs.34,775,241 as at 30 June 2015 to Kshs.121,628,836 as at 30 June 2016. The increase may have been caused by uncoordinated recruitment of casual workers as documents made available for audit review included several letters from the County Public Service Board (CPSB) to Chief Officers and County Executive Committee members advising them to stop recruiting casual workers without involving the CPSB. However, the CPSB's advice appears not to have been heeded and thus the huge increase in the County's casual wage bill.

Further, most of the casuals were said to have been inherited from the former defunct local authorities. However, a list of the inherited casuals was not availed for audit review. In addition, the casuals workers were retained by the County as semi – permanent workers without being subjected to a competitive recruitment process to ascertain their competencies. Also no reasons were given why they were not absorbed on permanent or contract basis as provided in labour laws.

In the circumstance, it has not been possible to ascertain the propriety of the Kshs.121,628,836 expenditure incurred on casual workers during the year under review.

11.2 Irregular Recruitment of County Health Finance Manager (Job Group P)

During the year under review, the County Executive of Meru advertised for various posts including that of the County Health Finance Manager. The advertisement was done on the County's website on 22 June, 2015. Selection for the applicants for the post was done on 8 October, 2015 but the County Public Service Board (CPSB) did not find a suitable candidate and thus recommended that the post be re-advertised. However, in disregard of the CPSB's recommendations, the CEC member for Health appointed Virginia Kawira Nkirote (ID No 13252073) to the post vide appointment letter dated 4 November, 2015 effective 8 November, 2015 at a basic starting salary of Kshs.77,527 with allowances of Kshs 33,500 both totaling to gross pay of Kshs.111,027. The Secretary to the CPSB wrote to the Chief Officer, Health asking him to take necessary action and ensure that the purported recruit does not continue to serve as a public officer in line with the requirements of Section 75 of the County Government Act, 2012. The purported recruit wrote several letters to the County Secretary requesting for payment of salary and allowances but ten (10) months later, gross salary totalling Kshs.1,110,270.00 had not been paid to her. As a result, there was risk of a legal suit as the purported recruit member had been issued with an appointment letter upon recruitment by the CEC member for Health.

Further, audit of available records revealed that the County Executive of Meru had not developed a human resource policy that would have shown staffing needs and gaps.

In view of the foregoing, the recruitment of the officer appears to have been irregular and therefore the propriety of the unpaid salary of Kshs.1,110,270 as at 30 June 2016 could not be confirmed.

11.3 Irregular Recruitment of Laboratory Service Manager (Job Group N)

During the year under review, the County Executive of Meru advertised for various posts including that of a Laboratory Service Manager for which six (6) candidates applied. The advertisement was done on the County's website on 22 June, 2015. The interviews were done on 30 October, 2015. The score sheet made available for audit review showed that the County Public Service Board (CPSB) recommended James Murithi Magiri for the post.

However, in disregard of the CPSB recommendations, the CEC member for Health appointed one Rael Gacheri Silas(ID No 14644583) to the post of Laboratory Service Manager vide appointment letter Ref No R.K.T/TY/(2) dated 4 November, 2015 effective 8 November, 2015 at a basic salary of Kshs.77,527 with allowances of Kshs 33,500 both totaling to gross pay of Kshs.111,027.

The Secretary to the CPSB wrote to the Chief Officer, Public Service Administration vide letter Ref No MG/CPSB/GA/Vol.2/195 dated 11 December, 2015 advising that the recruitment was not done procedurally and should be treated as null and void and therefore the purported staff name should not put in the staff payroll. The CPSB further wrote to the Chief Officer, Health vide letter Ref No MG/CPSB/GA/Vol.3/340 dated 22 August, 2016 advising him to take necessary action to ensure that the purported recruit ceases to serve as a Public Officer as provided for in Section 75 of the County Government Act,2012.

The recruit wrote letter (Ref. No. Rael Gacheri Silas ID No 14644583) dated 7 June, 2016 and a reminder on 19 July, 2016 to the County Secretary requesting for payment of salary and allowances but ten (10) months down the line, the gross salary of Kshs.723,570 had not been paid thus exposing the County Executive to risk of legal suit considering that the recruit was issued with an appointment letter upon recruitment by the Secretary to the CEC member for Health.

As a result, the propriety of the unpaid salary of Kshs. 723,570 as at 30 June 2016 cannot be confirmed.

Adverse Opinion

In my opinion, because of the significance of the matters discussed in the Basis for Adverse Opinion paragraph, the financial statements do not present fairly, the financial position of Meru County Executive as at 30 June 2016, and of its financial performance and its cash flows for the year then ended, in accordance with International Public Sector Accounting Standards (Cash Basis) and do not comply with the Public Finance Management Act, 2012 and the County Government Act 2012.

Other Matter

1.1 Budgetary Control and Performance

During the year under review, the total budget for the County Executive was Kshs.7,316,829,980 comprising of Kshs.4,605,032,380 and Kshs.2,711,797,600 for recurrent and development allocations respectively. However, out of the Kshs.7,316,829,980 total County Executive's budget, only Kshs.6,996,867,312 was spent thus resulting in a net under-expenditure of Kshs.319,962,668 as follows:

Item	Budget (Kshs)	Actual (Kshs)	Variance (Kshs)
Recurrent	4,605,032,380	4,890,649,215	(285,616,835)
Development	2,711,797,600	2,106,218,097	605,579,503
Total	**7,316,829,980**	**6,996,867,312**	**319,962,668**

No plausible explanation has been provided by the management for the over-expenditure of Kshs.285,616,835 on recurrent and under expenditure of Kshs.605,579,503 incurred on development expenditure. Further, no supplementary estimates were approved to cover the over-expenditure of Kshs.285,616,835 incurred in the recurrent vote.

In the circumstance, the under-expenditure of Kshs.605,579,503 incurred in the development vote impacted service delivery to County residents negatively.

1.2 Revenue Analysis

The projected revenue for the period was Kshs.8,223,016,883 including equitable share for County Assembly of Kshs.906,186,903. However, only Kshs.7,506,621,359 was realized thus resulting in a revenue shortfall of Kshs.716,395,524 as follows:

Item	Budget (Kshs)	Actual (Kshs)	Variance (Kshs)
Equitable Share	6,493,602,784	6,737,921,070	244,318,286
Conditional Funding for Level 5 Hosp.	244,318,286	106,112,900	(138,205,386)
Danida Facility Improvement Fund	20,590,000	-	(20,590,000)
Fuel Levy Fund	82,490,349	82,490,349	-
County Own Revenue	435,273,355	548,481,712	113,208,357
Hospital FIF	160,000,000	-	(160,000,000)
User Foregone Fees	60,000,000	31,615,328	(28,384,672)
Agriculture Refund From National Government	61,029,953	-	(61,029,953)
Roll Over 2014/15	665,712,157	-	(665,712,157)
Total	**8,223,016,883**	**7,506,621,359**	**(716,395,524)**

No plausible explanation has been provided for the large revenue shortfall amounting to Kshs.716,395,524.

2.0 Failure to Establish an Audit Committee

The County Executive of Meru did not have an audit committee in place, contrary to Section 155 (5) of the PFM Act 2012 which states that the County government shall establish an internal audit committee whose composition and functions are set out in Section 167 (1) of the Public Finance Management (County Governments) Regulations, 2015.

No reason has been given for failure to establish the audit committee.

3.0 Information, Communication Technology (ICT) Environment

During the year under review, the County spent Kshs.24,662,950 to purchase computers, printers and other Information Communication Technology (ICT) equipment. However, audit of the ICT environment showed that the County Executive did not have an approved ICT policy to enable it manage business processes for efficient and effective delivery of services to the public. Further, lack of an approved ICT policy may lead to following;

i) Loss of information;

ii) irregular activities taking place/loss of electronic data;

iii) access of confidential information by unauthorized persons;

iv) unauthorized changes to information and;

v) inappropriate decisions regarding ICT investments.

Also, the County had not established a comprehensive ICT equipments' inventory. This could lead to loss of ICT assets.

In view of these anomalies, it is not possible to confirm the security of Meru County Executive's ICT equipment and the integrity of the electronic data generated through the equipment.

4.0 Regional Balancing

Analysis of the ethnic composition 3,303 Meru County Executive employees as at 30 June 2016 reflected the following composition.

Ethnicity Code	Ethnic Name	Number of Staff	Percentage %
1	Bajun	1	0.03
2	Embu	77	2.33

3	Kamba	67	2.03
4	Kikuyu	276	8.36
5	Mbeere	24	0.73
6	Meru	2759	83.53
7	Tharaka	8	0.24
11	Kisii	19	0.58
14	Luhya	14	0.42
16	Mijikenda	1	0.03
19	Taita	4	0.12
20	Taveta	1	0.03
22	Luo	10	0.30
23	Kalenjin	9	0.27
24	Teso	2	0.06
25	Maasai	3	0.09
28	Samburu	2	0.06
29	Turkana	2	0.06
31	Boran	11	0.33
32	Gabra	2	0.06
33	Orma	1	0.03
36	Burji	1	0.03
40	Gureeh	2	0.06
44	Somali	6	0.18
46	Other Kenyan	1	0.03
	Total	**3,303**	**100**

From above analysis, other ethnic communities had a total staff of 544 representing 16.5% of the establishment while Meru, the dominant community, were 2,759 representing 83.5% of the establishement contrary to County Government Act 2012 paragraph 65(1) (e) which requires that at least thirty percent of the vacant posts at entry level be filled by candidates who are not from the dominant ethnic community in the County.

As a result, the Meru County Executive breached regulations and laws on regional balancing.

5.0 Illegal Bank Accounts

During the year under review, the Meru County Executive operated twenty three (23) bank accounts. Twenty of the accounts were operated in commercial banks while the remainder three were held at the Central Bank of Kenya. The twenty (20) bank accounts held with commercial banks was contrary to the PFM (County Governments) Regulations, 2015 Section 82 (1) (b) which stipulates that all County Government bank accounts shall be opened at the Central Bank of Kenya except for imprest bank accounts for petty cash. No reasons have been given why the Meru

County Executive maintains so many accounts given implications on their cost of operation and higher risk of mismanagement and fraud.

In the circumstances, the Meru County Executive was in breach of the PFM (County Governments) Regulations, 2015.

FCPA Edward R.O. Ouko, CBS
AUDITOR-GENERAL

Nairobi

15 August 2017

COUNTY GOVERNMENT OF MERU
STATEMENT OF RECEIPTS AND PAYMENTS

	Note	Executive 2015-2016 Kshs	Executive 2014-2015 Kshs
Proceeds from Domestic and Foreign Grants	3	-	18,410,000.00
Transfers from National Treasury	4	6,737,921,070.50	5,064,338,344.60
Transfers from Other Government Entities	5	220,218,577.00	233,730,032.65
Other Revenues	11	548,481,712.60	600,226,215.05
TOTAL REVENUES		**7,506,621,360**	**5,916,704,592**
PAYMENTS			
Compensation of Employees	12	2,792,240,319.58	2,204,433,714.60
Use of goods and services	13	1,072,696,877.61	1,038,407,054.20
Subsidies	14	-	-
Transfers to Other Government Units	15	1,312,307,106.00	199,588,294.00
Other grants and transfers	16	389,329,296.00	132,164,357.00
Social Security Benefits	17	662,451.00	-
Acquisition of Assets	18	565,637,211.00	1,463,621,668.90
Finance Costs, including Loan Interest	19	13,969,758.00	55,795,382.00
Repayment of principal on Domestic and Foreign borrowing	20	-	-
Other Expenses	21	850,024,292.58	1,079,878,956.00
TOTAL PAYMENTS		**6,996,867,312**	**6,173,889,427**
SURPLUS/DEFICIT		**509,754,048**	**- 257,184,834**

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 _____ 2016and signed by:

Chief Officer

Head of Treasury Accounts

MERU COUNTY GOVERNMENT
DIRECTOR OF ACCOUNTS
04 APR 2017
P. O. Box 120 -60200 MERU

COUNTY GOVERNMENT OF MERU
STATEMENT OF FINANCIAL POSITION

	Note	Executive 2015-2016 Kshs	Executive 2014-2015 Kshs
FINANCIAL ASSETS			
Cash and Cash Equivalents			
Bank Balances	22A	1,472,588,938.93	958,526,824.26
Cash Balances	22B	2,151,909.00	4,032,510.00
Total Cash And Cash Equivalents		**1,474,740,847.93**	**962,559,334.26**
Accounts Receivables - Outstanding Imprest and Clearence Accounts	23	-	27,183,391.00
TOTAL FINANCIAL ASSETS		**1,474,740,847.93**	**989,742,725.26**
LESS: FINANCIAL LIABILITIES			
Accounts Payables - Deposits	24	50,111,293.60	41,153,244.00
NET FINANCIAL ASSETS		**1,424,629,554.33**	**948,589,481.26**
REPRESENTED BY			
Fund balance b/fwd	25	914,875,506.00	1,172,060,340.40
Surplus/Defict for the year		509,754,048.33 -	257,184,834.40
Prior year adjustments		-	-
NET FINANCIAL POSSITION		**1,424,629,554**	**914,875,506.00**

The accounting policies and explanatory notes to these financial statements form an integral part of the financial statements. The financial statements were approved on _____ 2016 and signed by:

Chief Officer

Head of Treasury Accounts

MERU COUNTY GOVERNMENT
DIRECTOR OF ACCOUNTS
04 APR 2017
P.O. Box 120 -60200 MERU

COUNTY GOVERNMENT OF MERU
STATEMENT OF CASH FLOW

	Note	Executive 2015-2016 Kshs	Consolidated 2014-2015 Kshs
CASH FLOW FROM OPERATING ACTIVITIES			
Receipts for operating income			
Proceeds from Domestic and Foreign Grants	3	-	18,410,000.00
Transfers from National Treasury	4	6,737,921,070.50	5,064,338,344.60
Transfers from Other Government Entities	5	220,218,577.00	233,730,032.65
Other Revenues	11	548,481,712.60	600,226,215.05
		7,506,621,360	**5,916,704,592**
Payments for operating expenses			
Compensation of Employees	12	2,792,240,319.58	2,204,433,714.60
Use of goods and services	13	1,072,696,877.61	1,038,407,054.20
Subsidies	14	-	-
Transfers to Other Government Units	15	1,312,307,106.00	199,588,294.00
Other grants and transfers	16	389,329,296.00	132,164,357.00
Social Security Benefits	17	662,451.00	-
Finance Costs, including Loan Interest	19	13,969,758.00	55,795,382.00
Other Expenses	21	850,024,292.58	1,079,878,956.00
		6,431,230,100.77	4,710,267,757.80
Adjusted for:			
Changes in receivables		27,183,391	27,183,391
Changes in payables		8,958,050	41,153,244
Adjustments during the year		-	-
prior year adjustment			
Net cashflow from operating activities		**6,413,004,759**	**4,778,604,393**
CASHFLOW FROM INVESTING ACTIVITIES			
Acquisition of Assets	18	- 565,637,211.00	- 1,463,621,668.90
Net cash flows from Investing Activities		**(565,637,211)**	**(1,463,621,669)**
CASHFLOW FROM BORROWING ACTIVITIES			
Repayment of principal on Domestic and Foreign borrowing	20	-	-
Net cash flow from financing activities		-	-
		5,847,367,548	- **257,184,834**
NET INCREASE IN CASH AND CASH EQUIVALENT		**962,559,334**	**1,172,060,340**
Cash and cash equivalent at BEGINNING of the year	25.00	**1,474,740,848**	**914,875,506**
Cash and cash equivalent at END of the year			

The accounting policies and explanatory notes to these financial statements form an integral part of the financial statements.
The financial statements were approved on _____ 2016 and signed by:

Chief Officer

Head of Treasury Accounts

MERU COUNTY GOVERNMENT
DIRECTOR OF ACCOUNTS
04 APR 2017
P.O. Box 120 -60200 MERU

COUNTY GOVERNMENT OF MERU

Summary Statement of Appropriation: Recurrent and Development Combined

Code	Revenue/Expense Item	Original Budget	Adjustments	Final Budget	Actual on Comparable Basis	Budget Utilisation Difference	% of Utilisation Difference to Final Budget
		a	b	c=a+b	d	e=d-c	f=d/c %
	RECEIPTS	Kshs	Kshs	Kshs	Kshs	Kshs	
	Tax Receipts						0%
	Social Security Contributions						0%
	Proceeds from Domestic and Foreign Grants						0%
	Exchequer releases	6,737,921,071	0	6,737,921,071	6,737,921,071	0	100%
	Transfers from Other Government Entities	220,218,577	0	220,218,577	220,218,577	0	100%
	Proceeds from Domestic Borrowings					0	0%
	Proceeds from Foreign Borrowings					0	0%
	Proceeds from Sale of Assets					0	0%
	Reimbursements and Refunds					0	0%
	Returns of Equity Holdings					0	0%
	Other Receipts	613,446,062	(234,052,530)	550,000,000	548,481,713	(1,518,287)	94%
	Total Receipts	**7,571,585,710**	**(234,052,530)**	**7,542,015,201**	**7,506,621,360**	**(1,518,287)**	
	Payments						
	Compensation of Employees	2,559,248,597	233,435,517	2,792,684,114	2,792,240,320	(443,795)	100%
	Use of goods and services	781,699,167	280,649,099	1,062,348,266	1,072,696,878	10,348,612	101%
	Subsidies	0	0	0	0	0	
	Transfers to Other Government Units	1,400,000,000	(87,692,894)	1,312,307,106	1,312,307,106	0	
	Other grants and transfers	319,795,270	80,204,730	400,000,000	389,329,296	(10,670,704)	97%
	Social Security Benefits	779,880	(79,880)	700,000	662,451	(37,549)	95%
	Acquisition of Assets	1,396,940,278	(562,119,541)	834,820,736	565,637,211	(2,260,230,310)	68%
	Repayment of principal on Domestic and Foreign borrowing	14,000,000	(30,242)	13,969,758	13,969,758	(30,242)	100%
	Other Expenses	1,100,000,000	(200,000,000)	900,000,000	850,024,293	(49,975,707)	94%
	Grand Total	**7,572,463,192**	(255,633,211)	**7,316,829,981**	**6,996,867,312**	**(2,122,952,134)**	**96%**

COUNTY GOVERNMENT OF MERU

Summary Statement of Appropriation: Recurrent

Code	Revenue/Expense Item	Original Budget	Adjustments	Final Budget	Actual on Comparable Basis	Budget Utilisation Difference	% of Utilisation Difference to Final Budget
		a	b	c=a+b	d	e=d-c	f=d/c %
	RECEIPTS	Kshs	Kshs	Kshs	Kshs	Kshs	
	Tax Receipts						
	Social Security Contributions						
	Proceeds from Domestic and Foreign Grants						
	Exchequer releases	3,788,000,421	453,932,330	4,241,932,750	4,241,932,750	0	100%
	Transfers from Other Government Entities	137,728,228	0	137,728,228	137,728,228	0	100%
	Proceeds from Domestic Borrowings					0	
	Proceeds from Foreign Borrowings					0	
	Proceeds from Sale of Assets					0	
	Reimbursements and Refunds					0	
	Returns of Equity Holdings					0	
	Other Receipts	613,446,062	(63,446,062)	550,000,000	548,481,713	(1,518,287)	100%
	Total Receipts	**4,539,174,711**	**390,486,267**	**4,929,660,978**	**4,928,142,691**	**(1,518,287)**	
	Payments						
	Compensation of Employees	2,559,248,597	233,435,517	2,792,684,114	2,792,240,320	(443,795)	100%
	Use of goods and services	500,000,000	360,000,000	860,000,000	857,123,400	(2,876,600)	100%
	Subsidies					0	0%
	Transfers to Other Government Units	1,100,000,000	(37,692,894)	1,062,307,106	1,062,307,106	0	100%
	Other grants and transfers					0	0%
	Social Security Benefits	779,880	(79,880)	700,000	662,451	(37,549)	95%
	Acquisition of Assets	0		0		0	0%
	Repayment of principal on Domestic and Foreign borrowing	14,000,000	(30,242)	13,969,758	13,969,758	0	100%
	Other Expenses	365,146,234	(165,146,234)	200,000,000	164,346,181	(35,653,819)	82%
	Grand Total	**4,539,174,711**	**390,486,267**	**4,929,660,978**	**4,890,649,215**	**(39,011,763)**	99%

COUNTY GOVERNMENT OF MERU

Summary Statement of Appropriation: Development

Code	Revenue/Expense Item	Original Budget	Adjustments	Final Budget	Actual on Comparable Basis	Budget Utilisation Difference	% of Utilisation Difference to Final Budget
		a	b	c=a+b	d	e=d-c	f=d/c %
	RECEIPTS						
	Tax Receipts						
	Social Security Contributions						
	Proceeds from Domestic and Foreign Grants						
	Exchequer releases	2,950,798,132	(646,119,478)	2,304,678,653	2,304,678,653	0	100%
	Transfers from Other Government Entities	82,490,349		82,490,349	82,490,349	0	100%
	Proceeds from Domestic Borrowings						
	Proceeds from Foreign Borrowings						
	Proceeds from Sale of Assets						
	Reimbursements and Refunds						
	Returns of Equity Holdings						
	Other Receipts						
	Total Receipts	**3,033,288,481**	**(646,119,478)**	**2,387,169,002**	**2,387,169,002**		
	Payments						
	Compensation of Employees						
	Use of goods and services	281,699,167	(79,350,901)	202,348,266	215,573,478	13,225,212	107%
	Subsidies					0	0%
	Transfers to Other Government Units	300,000,000	(50,000,000)	250,000,000	250,000,000	0	100%
	Other grants and transfers	319,795,270	80,204,730	400,000,000	389,329,296	(10,670,704)	97%
	Social Security Benefits					0	0%
	Acquisition of Assets	1,396,940,278	(562,119,541)	834,820,736	565,637,211	(269,183,525)	68%
	Repayment of principal on Domestic and Foreign borrowing					0	0%
	Other Expenses	734,853,766	(34,853,766)	700,000,000	685,678,112	(14,321,888)	98%
	Grand Total	**3,033,288,481**	**(646,119,478)**	**2,387,169,002**	**2,106,218,097**	**(280,950,906)**	**88%**

IV. 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 and comply with International Public Sector Accounting Standards (IPSAS) with particular emphasis on Cash Basis Financial Reporting under the Cash Basis of Accounting and applicable government legislations and regulations. The financial statements comply with and conform to the form of presentation prescribed by the Public Sector Accounting Standards Board of Kenya.

   The financial statements are presented in Kenya Shillings, which is the functional and reporting currency of the *County Government of Meru*. The accounting policies adopted have been consistently applied to all the years presented.

   The financial statements have been prepared on the cash basis following the Government's standard chart of accounts.

2. **Recognition of revenue and expenses**
The *County Government of Meru* recognises all revenues from the various sources when the event occurs and the related cash has actually been received by the *County Government of Meru*. In addition, the *County Government of Meru* recognises all expenses when the event occurs and the related cash has actually been paid out by the *County Government of Meru*.

3. **In-kind contributions**
In-kind contributions are donations that are made to the *County Government of Meru* 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 Government of Meru* includes such value in the statement of receipts and payments both as revenue and as an expense in equal and opposite amounts; otherwise, the contribution is not recorded.

4. **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.

5. **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 expenditure 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.

6. **Accounts Payable**
For the purposes of these financial statements, deposits and retentions held on behalf of third parties has 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 by National Government Ministries and agencies. Other liabilities including pending bills are disclosed in the financial statements.

7. **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 County Government of Meru fixed asset register a summary of which is provided as a memorandum to these financial statements.

8. **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 Government of Meru* 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.

9. **Budget**
The budget is developed on the same accounting basis (cash basis), the same accounts classification basis, and for the same period as the financial statements. The *County Government of Meru's* budget was approved as required by Law and as detailed in the Government of Kenya Budget Printed Estimates. A high-level assessment of the *County Government of Meru's* actual performance against the comparable budget for the financial year under review has been included in an annex to these financial statements.

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

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

COUNTY GOVERNMENT OF MERU

NOTES TO THE FINANCIAL STATEMENTS

3 PROCEEDS FROM DOMESTIC AND FOREIGN GRANTS

Name of Donor	Date received	Amount in foreign currency	Executive 2015 - 2016 Kshs	Executive 2014 - 2015 Kshs
Grants Received from Bilateral Donors (Foreign Governments)				
Danida			-	9,205,000.00
Danida			-	9,205,000.00
				-
Grants Received from Multilateral Donors (International Organisations)				-
(Insert name of donor)				-
(Insert name of donor)				-
				-
Grants Received from other levels of government				-
(Insert name of donor)			-	-
(Insert name of donor)			-	-
Total			-	
			-	18,410,000.00

4 EXCHEQUER RELEASES

Description and reference of the transfer		Date of transfer	2015 - 2016 Kshs	2014 - 2015 Kshs
1st quarter transfer			539,033,686	627,282,260
2nd quarter transfer			1,718,169,874	815,692,366
3rd quarter transfer			1,685,701,859	1,308,528,409
4th quarter transfer			2,795,015,652	2,312,835,310
Total			**6,737,921,071**	**5,064,338,345**

5 TRANSFERS FROM OTHER GOVERNMENT ENTITIES

Description			Executive 2015 - 2016 Kshs	Executive 2014 - 2015 Kshs
Transfer from Ministry of Health (refund of Devolved staff salary)				181,970,047.40
Transfers from Meru County			-	-
Transfers from Former Local Authorities				-
Transfers from Kaguru ATC				10,312,215.00
Transfers from AMS Mitunguu				-
Transfers from MIICO				-
Transfers from Devolved National Govt Depts Accounts			-	41,447,770.25
Transfers from Meru County Persons with Intellectual Disability			-	-
Transfer from Central Government				
Ministry of Roads - RMLF			82,490,349.00	
Ministry of Health - Free Maternal			106,112,900.00	
Ministry of Health - User Forgone			31,615,328.00	
				-
				-
TOTAL			**220,218,577.00**	**233,730,032.65**

11 OTHER REVENUES

	Executive 2015 - 2016 Kshs	Executive 2014 - 2015 Kshs
Interest Received	-	
Profits and Dividends	-	-
Rents	1,348,978	1,650,012
Other Property Income	1,682,102	-
Sales of Market Establishments	-	-
Receipts from Administrative Fees and Charges	-	1,440,400
Receipts from Administrative Fees and Charges - Collected as AIA	-	-
Receipts from Incidental Sales by Non-Market Establishments	-	-
Receipts from Sales by Non-Market Establishments	-	-
Receipts from Sale of Incidental Goods	-	-
Fines Penalties and Forfeitures	-	1,879,132
Receipts from Voluntary transfers other than grants	-	-
Business permits	107,913,329	105,569,667
Other Receipts Not Classified Elsewhere	-	-
Land Rates	39,964,791	
Cesses	58,725,016	46,573,438
Poll rates	-	36,981,926
Plot rents	5,738,560	8,257,075
Other local levies	-	-
Transfers and subdivision fee	1,092,093	
Administrative services fees	-	22,015,738
Various fees - Liquor fees and licences	-	30,285,638
Council's natural resources	-	-
Exploitation	-	-
Sales of council assets	-	-
Lease / rental of council's infrastructure	-	690,590
Infrastructure assets	-	-
Other miscellaneous revenues	16,298,660	36,962,053
Miscellaneous revenues	10,127,676	-
Insurance claims recovery	-	-
Medium term loans (1-3 yr repayment)	-	-
Long term loans (over 3 yr rpayment)	-	-
Transfers from reserve funds	-	-
Donations	-	-
Fund raising events	-	-
Other revenues from financial assets loan	-	-
Market/trade centre fee	44,649,111	57,666,372
Vehicle parking fees	59,152,649	72,585,487
Housing	11,960,659	15,737,372
Social premises use charges	-	-
Building plans	14,640,440	
Fire Section fee	663,790	-
Other education-related	-	-
Other education revenues	-	-
Public health services	4,578,624	5,870,401
Public health facilities operations - FIF	148,602,198	120,518,687
Environment & conservancy	546,400	-
Administration	-	-
Slaughter houses administration	5,517,865	5,749,430
Meat inspection and veterinary services	3,138,485	-
Sewerage administration	-	-
Other health & sanitation	-	8,959,450
Technical services fees(Hire of Machineries)		
External services fees		-
income generated by Kaguru ATC	11,799,887	13,733,427
Income generated by AMS Mitunguu	340,400	1,632,580
Income generated by MIICO	-	4,324,170
Income generated by Meru County intelectualy challeged walk	-	1,143,170
System Required Revenue A/cs	-	-
Total	**548,481,713**	**600,226,215**

12 COMPENSATION OF EMPLOYEES

	Executive 2015 - 2016 Kshs	Executive 2014 - 2015 Kshs
Basic salaries of permanent employees	1,693,094,783	1,224,083,114
Basic wages of temporary employees	121,628,836	34,775,241
Personal allowances paid as part of salary	954,990,573	922,185,335
Personal allowances paid as reimbursements	-	-
Personal allowances provided in kind	22,526,128	-
Pension and other social security contributions	-	23,390,025
Compulsory national social security schemes	-	-
Compulsory national health insurance schemes	-	-
Social benefit schemes outside government	-	-
Other personnel payments	-	-
Total	**2,792,240,320**	**2,204,433,715**

13 USE OF GOODS AND SERVICES

	Executive 2015 - 2016 Kshs	Executive 2014 - 2015 Kshs
Utilities, supplies and services	23,088,628.00	27,727,164
Communication, supplies and services	31,833,298.95	22,199,583
Domestic travel and subsistence	149,556,369.00	88,713,958
Foreign travel and subsistence	18,864,455.00	16,056,695
Printing, advertising and information supplies & services	65,385,733.00	102,503,390
Rentals of produced assets	18,089,863.00	- 3,464,164
Training expenses	65,218,103.00	15,068,911
Hospitality supplies and services	171,160,113.00	96,371,025
Insurance costs	191,128,788.00	13,228,755
Specialised materials and services	112,762,932.00	248,521,121
Office and general supplies and services	19,269,503.00	50,297,632
Other operating expenses	14,178,390.66	48,538,976
Routine maintenance – vehicles and other transport equipment	44,130,019.60	262,547,886
Fuel Oil and Lubricants	64,006,010.40	41,442,750
Routine maintenance – other assets	84,024,671.00	8,653,373
Total	**1,072,696,877.61**	**1,038,407,054**

15 TRANSFER TO OTHER GOVERNMENT ENTITIES

Description			Executive 2015 - 2016 Kshs	Executive 2014 - 2015 Kshs
Transfers to Central government entities				
See attached list			-	-
Transfers to Meru County Government entities			1,053,899,530.00	
Capital gratnt to Govt agencies and other levels of Govt			-	53,385,946.00
Donations			-	511,272.00
Micro Finanace Youth Programme				7,123,025.00
Meru County Investment and Development Corporation			208,407,576.00	54,107,051.00
Meru County Microfinance bank			50,000,000.00	16,843,000.00
Kaguru ATC				7,218,000.00
AMS Mitunguu				-
Meru International Investment Conference (MIICO)				12,000,000.00
Meru County Alcohol Control Board				30,000,000.00
FIF				-
Transfer to Health Facilities (DANIDA)				18,400,000.00
TOTAL			**1,312,307,106.00**	**199,588,294.00**

16 OTHER GRANTS AND OTHER PAYMENTS

	Executive 2015 - 2016 Kshs	Executive 2014 - 2015 Kshs
Scholarships and other educational benefits(KCB Bursary)	163,000,896.00	103,134,057.00
Emergency relief and refugee assistance and disaster	15,094,423.00	29,030,300.00
Subsidies to small businesses, cooperatives, and self employed	111,826,901.00	-
Other grants	99,407,076.00	
Total	**389,329,296.00**	**132,164,357.00**

17 SOCIAL SECURITY BENEFITS

	Executive 2015 - 2016 Kshs	Executive 2014 - 2015 Kshs
Government pension and retirement benefits	662,451.00	-
Social security benefits in cash and in kind	-	-
Employer Social Benefits in cash and in kind	-	-
Total	**662,451.00**	**-**

18 ACQUISITION OF ASSETS

	Executive 2015 - 2016 Kshs	Executive 2014 - 2015 Kshs
Non Financial Assets		
Purchase of Buildings		-
Construction of Buildings	23,113,740.00	251,779,404.00
Refurbishment of Buildings	25,400.00	52,995,261.40
Construction of Roads	132,296,411.00	308,903,910.05
Construction and Civil Works	61,251,968.00	99,931,539.00
Overhaul and Refurbishment of Construction and Civil Works	151,027,479.00	472,458,158.45
Purchase of Vehicles and Other Transport Equipment	122,787,650.00	152,594,320.00
Overhaul of Vehicles and Other Transport Equipment		-
Purchase of Household Furniture and Institutional Equipment	165,150.00	-
Purchase of Office Furniture and General Equipment	13,990,160.00	44,495,519.00
Purchase of Specialised Plant, Equipment and Machinery	23,425,900.00	-
Rehabilitation and Renovation of Plant, Machinery and Equip.	-	43,402,647.00
Purchase of Certified Seeds, Breeding Stock and Live Animals	3,554,500.00	3,265,734.00
Research, Studies, Project Preparation, Design & Supervision	8,941,003.00	1,931,000.00
Rehabilitation of Civil Works		24,378,979.00
Acquisition of Strategic Stocks and commodities	394,900.00	-
Acquisition of Land		-
Acquisition of Intangible Assets		7,485,197.00
Purchase of ICT Equipment	24,662,950.00	-
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	**565,637,211.00**	**1,463,621,668.90**

19 FINANCE COSTS, INCLUDING LOAN INTEREST

	Executive 2015 - 2016 Kshs	Executive 2014 - 2015 Kshs
Interest Payments on Foreign Borrowings	-	30,507,576.00
Interest Payments on Guaranteed Debt Taken over by Govt	13,969,758.00	13,186,792.00
Interest on Domestic Borrowings (Non-Govt)		12,101,014.00
Interest on Borrowings from Other Government Units	-	-
Total	**13,969,758.00**	**55,795,382.00**

21 OTHER EXPENSES

	Executive 2015 - 2016 Kshs	Executive 2014 - 2015 Kshs
Budget Reserves	2,843,680.00	12,126,825.00
Civil Contingency Reserves	-	29,030,300.00
Other - expensesCapital Transfer - Other (Budg	64,111,080.90	116,535,177.00
Other expenses - (System required expenses)	-	-
Other expenses -payables from previous financial period	606,815,439.00	765,536,392.00
Other expenses- resource mobilization	-	5,636,834.00
Other expenses- Meru Investment corporation	-	8,858,536.00
Other expenses- Kaguru ATC	-	7,088,980.00
Other expenses- AMS Mitunguu	-	1,364,686.00
Other expenses- MIICO	-	9,270,992.00
Other expenses- Meru Alcholic contol board	-	19,093,600.00
Other expenses- FIF	176,254,092.68	104,267,739.00
Other expenses- Meru Intelctualy challenged	-	1,068,895.00
Domestic Accounts	-	
Total	**850,024,292.58**	**1,079,878,956.00**

22A Bank Accounts

Name of Bank, Account No. & currency		Indicate whether recurrent, Development, deposit, revenue, CRF e.t.c	Executive 2015 - 2016 Kshs	Executive 2014 - 2015 Kshs
Central bank of Kenya,-REV. Ac no. 1000170484	KES	xxx	1,241,385,427.45	573,361,869.90
Central bank of Kenya,-REC. Ac no. 1000170368	KES		5,070,981.80	95,442,816.22
Central bank of Kenya,-DEV. Ac no. 1000170352	KES		6,384,809.15	104,613,652.15
Kenya Commercial bank, Ac no.1140746480	KES		- 576,826.99	- 649,717.10
Co-operative bank, Ac no. 01141418507201	KES		2,648,262.35	6,159,146.15
Co-operative bank, Ac no. 01141418507203	KES		516,821.45	1,207,320.00
Co-operative bank, Ac no. 01141418507204	KES		-	140,063.55
Co-operative bank, Ac no. 01141418507205	KES		44,700.00	570,915.00
Co-operative bank, Ac no. 01141418507206	KES		82,755.00	1,251,950.00
MCI&DC-KCB Ac no.1168502845	KES		-	45,248,515.00
Meru County Microfinance bank	KES		-	16,843,000.00
Kaguru ATC	KES		3,547,309.15	7,803,491.00
AMS Mitunguu	KES		3,822,877.00	5,137,866.00
Meru International Investment Conference (MIICO)	KES		-	7,053,178.00
Meru County Alcohol Control Board	KES		-	10,907,399.60
FIF - KCB Operation Account	KES		- 8,830,735.98	16,250,948.44
FIF - Cooperative Revenue Account	KES		-	25,738,151.35

Meru Bursary Account- KCB AC No 1180300572	KES		1,887,147.00	
Meru County Transport Dept operation -Backlays 2033560640	KES		6,039,275.05	
Meru County Departmental Account - Coop AC 01141418844303	KES		44,644,744.65	
Meru County Health projects- KCB Ac No. 1180724828	KES		9,999,175.00	
Meru County Intellectually Challenged	KES		74,275.00	74,275.00
Meru County Deposit Account	KES		50,111,293.60	41,153,244.00
KCB Revenue account 1140746316	KES		23,247,896.25	218,740.00
Road maitenace levy			82,488,752.00	
Total			**1,472,588,938.93**	**958,526,824.26**

22B Cash in hand

	Executive 2015 - 2016 Kshs	Executive 2014 - 2015 Kshs
Cash in Hand – Held in domestic currency	2,151,909.00	4,032,510.00
Cash in Hand – Held in foreign currency	-	
Total	**2,151,909.00**	**4,032,510.00**

23 Outstanding Imprests

Description			Executive 2015 - 2016 Kshs	Executive 2014 - 2015 Kshs
Government Imprests			-	27,183,391.00
Clearance accounts				
Total			**-**	**27,183,391.00**

24 Accounts Payables

	Executive 2015 - 2016 Kshs	Executive 2014 - 2015 Kshs
Deposits		-
Retention funds	50,111,293.60	41,153,244.00
TOTAL	**50,111,293.60**	**41,153,244.00**

25 BALANCES BROUGHT FORWARD

	Executive 2015 - 2016 Kshs	Executive 2014 - 2015 Kshs
Bank accounts	1,472,588,938.93	1,154,356,588.40
Cash in hand	2,151,909.00	3,580,521.00
Receivables - Outstanding Imprests	-	-
Payables - Deposits	-	-
Adjustements to prior year balances		-
Add back overstated expenditure (assembly transfer)		5,000,000.00
Add opening balance from AMS Mitunguu		4,869,972.00
Add opening balance from Kaguru ATC		4,253,259.00
Total	**1,474,740,847.93**	**1,172,060,340.40**

26. OTHER IMPORTANT DISCLOSURES

26.1: PENDING ACCOUNTS PAYABLE (See Annex 1)

	2015 – 2016	2014 - 2015
	Kshs	Kshs
Construction of buildings	1,000,000.00	-
Construction of civil works	108,600.00	-
Supply of goods	22,500.00	-
Supply of services	100,000.00	-
	1,231,100.00	-

26.2: PENDING STAFF PAYABLES (See Annex 2)

2015 – 2016 2014 - 2015

	2015 – 2016	2014 - 2015
	Kshs	Kshs
Senior management	1,299,817.00	-
Middle management	1,949,725.50	-
Unionisable employees	3,249,542.50	-
Others (*specify*)	0	-
	4,564,158.00	-

26.3: OTHER PENDING PAYABLES (See Annex 3)

	2015 – 2016	2014 - 2015
	Kshs	Kshs
Amounts due to National Government entities	0	-
Amounts due to County Government entities	0	-
Amounts due to third parties	1,305,362,894.09	-
Others (*specify*)	0	-
	1,305,362,894.09	-

26 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. on the external audit Report	Issue / Observations from Auditor	Management comments	Focal Point person to resolve the issue *(Name and designation)*	Status: *(Resolved / Not Resolved)*	Timeframe: *(Put a date when you expect the issue to be resolved)*
1.1	Accuracy and completeness of the financial statements-unexplained variances	the management has since established the source of cause of variance and discused with the auditor	C. Mutoni-Internal Auditor	Resolved	
1.2	Accuracy and completeness of the financial statements-Opening balances	the county used the certifed figures as opening balance	C. Mutoni-Internal Auditor	Resolved	
1.3	Accuracy and completeness of the financial statements	the county had used previously approved finace bill. We will ensure finace bil is approved in stitulated timeliness in future	F. Mungai-director Revenue	Un Resolved	Jul-17
1.4	Accuracy and completeness of the financial statements-total payment	the county has since supported the figure	Charles Mwenda- Chief officer	Resolved	

MERU COUNTY GOVERNMENT
DIRECTOR OF ACCOUNTS
4 APR 2017
P.O. Box 120 -60200 MERU

1.5	Accuracy and completeness of the financial statements-accounts recievable	the county will ensure it discloses accounts receivable in future	P. Wambua-Director of Accounts	Un Resolved	Jul-17
1.6	Accuracy and completeness of the financial statements-fixed assets	the county has prepared a proper schedule of fixed assets in 2015/16 financial statements	P. Wambua-Director of Accounts	Resolved	
2 .1	Unspported payments other payments	the county has since supported the figure	P. Wambua-Director of Accounts	Resolved	
2.2	Unspported payments-transfer to health facilities and capital grant	the county has since supported the figure	Charles Mwenda - Chief officer	Resolved	
3.1	Cash and cash equivalent-unreconciled cash balances	the county has reconcliled the figure	P. Wambua-Director of Accounts	Resolved	
3.2	Cash and cash equivalent- stale cheques	the stale cheques have since been writtten back to the cash book	P. Wambua-Director of Accounts	Resolved	
4	Pending bills	all the pending bills have since been verifed by a reputable audit firm	Charles Mwenda- Chief officer	Resolved	

MERU COUNTY GOVERNMENT
DIRECTOR OF ACCOUNTS
4 APR 2017
P. O. Box 120 -60200 MERU

5	irregular procurement of insurances	the county has advertised for insurance in open national tender	Mary Majau - Director of Procuremnt	Resolved	
6	irregular procurement of works and services	the county will ensure all procument procedures are adhered to	Mary Majau- Director of procurement	Not Resolved	Sep-17
7	non preparation of financial statements by County corporation	the financial statements have since been prepared	Charles Mwenda- Chief officer	Resolved	
8	Non Collection of Meru County hotel rent	the matter is currently in court	Samson Atheru- County Attoney	Un Resolved	
9	Members of Assembly loans	the county assembly has since enacted regulations to operatinalize the scheme	Julius Kimathi- County Secretary	Resolved	

MERU COUNTY GOVERNMENT ★ P.O. BOX 120 -60200 MERU ★
DIRECTOR OF ACCOUNTS
4 APR 2017

ANNEX 1 - ANALYSIS OF PENDING ACCOUNTS PAYABLE

Supplier of Goods or Services	Original Amount	Date Contracted	Amount Paid To-Date	Outstanding Balance 2016	Outstanding Balance 2015	Comments
Construction Of Buildings						
Hyper Contractors & Equipment	367,735.00			367,735.00		
Jamak Construction	1,120,248.00			1,120,248.00		
Jamuto Enterprises(Retention)	55,867.20			55,867.20		
Jamuto Enterprises(Retention)	55,867.20			55,867.20		
Jamuto Enterprises	1,271,581.00			1,271,581.00		
Joric Enterprises Ltd	1,053,107.00			1,053,107.00		
Joric Enterprises Ltd	1,183,000.00			1,183,000.00		
Jubi Digitech Enterprises	199,322.00			199,322.00		
Jubi Digitech Enterprises	418,129.00			418,129.00		
Jubi Digitech Enterprises	1,199,322.00			1,199,322.00		
Kabco Contractors Co Ltd	1,189,370.00			1,189,370.00		
Kabco Contractors Co Ltd	1,189,370.00			1,189,370.00		
Kagaki Investment	1,273,116.00			1,273,116.00		
Kamkura Supplies	1,300,000.00			1,300,000.00		
Kamkura Supplies	1,300,000.00			1,300,000.00		
Kamukara Supplies Services	1,200,082.00			1,200,082.00		
Kamukara Supplies Services	1,300,000.00			1,300,000.00		
Kamukara Supplies Services	1,194,692.00			1,194,692.00		
Kikis Investment Ltd	1,269,320.00			1,269,320.00		
Kikis Investment Ltd	1,269,320.00			1,269,320.00		
Kimunka Industries Ltd	939,379.00			939,379.00		
Kimusta Construction & General Co Ltd	1,245,940.00			1,245,940.00		
Lims Company Ltd	1,250,000.00			1,250,000.00		
Lims Company Ltd	1,250,000.00			1,250,000.00		
M/S Bainanga Construction Ltd	1,268,261.00			1,268,261.00		
M/S Maworks Investment	910,129.20			910,129.20		
Manene Construction	1,202,088.00			1,202,088.00		
Manene Construction	1,202,088.00			1,202,088.00		
Pushtech Company Ltd	1,146,160.00			1,146,160.00		
Pamuco Builders	1,132,870.67			1,132,870.67		
Perez Investment Co Ltd	497,647.50			497,647.50		
Raingo Ltd	990,990.00			990,990.00		
Raingo Ltd	1,254,324.00			1,254,324.00		
Raingo Ltd	1,186,121.00			1,186,121.00		
Regkim Const	1,247,488.23			1,247,488.23		
Real Kings Contractors	511,827.00			511,827.00		
Roskard Contractors	954,747.90			954,747.90		
Roskard Contractors	706,301.00			706,301.00		
Russ Contractors	359,607.00			359,607.00		
Sirius Contractors	972,167.00			972,167.00		
Smith Mj Invest Limited	1,666,514.00			1,666,514.00		
Target General Merchants	849,800.00			849,800.00		
Lalli Roads Contractors Ltd	1,253,485.20			1,253,485.20		
Nanjing Construction Company Limited	1,296,634.00			1,296,634.00		
Oak Building & Construction Company	1,899,674.00			1,899,674.00		
Oak Building & Construction Company	3,500,400.00			3,500,400.00		
Patsac Africa Ltd	1,254,473.00			1,254,473.00		
Bainanga Construction	1,123,472.00			1,123,472.00		
Beasam General Supplies	3,500,000.00			3,500,000.00		
Chalika Co Ltd	1,200,805.00			1,200,805.00		
County Link Solutions Company	1,170,237.00			1,170,237.00		
Dauros Electrical & Construction Ltd	2,497,316.00			2,497,316.00		
Eeki Building Construction Ltd	1,138,770.90			1,138,770.90		
Ellisam Engineering	1,240,478.00			1,240,478.00		
Famous General Contractors	774,373.00			774,373.00		
Famous General Contractors	2,053,006.28			2,053,006.28		
Francis Miriti Mwenda Co Ltd	530,798.00			530,798.00		
Francis Miriti Mwenda Co Ltd	474,275.00			474,275.00		
Gledo General Supplies Ltd	1,196,170.00			1,196,170.00		
Gredo General Supplies	1,990,107.00			1,990,107.00		
Gredo General Supplies	1,990,107.00			1,990,107.00		
Kewa Ea Limited	1,995,107.60			1,995,107.60		
Ayennex Co. Ltd.	2,381,200.00			2,381,200.00		
Sub-Total	**76,614,787.88**			**76,614,787.88**		

Construction Of Civil Works						
Gakungu Company Ltd	1,000,000.00			1,000,000.00		
Roskard Construction Ltd	3,653,904.00			3,653,904.00		
Kagaki Ltd	8,715,550.00			8,715,550.00		
Stride Pavings	999,050.00			999,050.00		
Gadaro Enterprises	1,367,220.00			1,367,220.00		
Chaemac Enterprises Limited	3,015,846.00			3,015,846.00		
Drop General Enterprises Ltd	3,366,960.00			3,366,960.00		
Miles Construction Ltd	2,426,300.00			2,426,300.00		
Dafri Investment(K) Ltd	1,979,200.00			1,979,200.00		
Tims International (K) Ltd	19,761,887.00			19,761,887.00		
Nemsam	**2,044,543.40**			2,044,543.40		
Davisil Ltd	600,000.00			600,000.00		
Techtron Company Ltd	9,663,981.00			9,663,981.00		
Eliza And Mwonja	3,000,000.00			3,000,000.00		
Eliza And Mwonja	3,000,000.00			3,000,000.00		
Eliza And Mwonja	3,000,000.00			3,000,000.00		
Eliza And Mwonja	3,000,000.00			3,000,000.00		
Eliza And Mwonja	3,000,000.00			3,000,000.00		
Eliza And Mwonja	3,000,000.00			3,000,000.00		
Endaline Construction Ltd	350,000.00			350,000.00		
Likwa Agencies	1,999,999.00			1,999,999.00		
Eliza And Mwonja	1,985,500.00			1,985,500.00		
M/S Patent General Services	10,685,500.00			10,685,500.00		
Stegmak Construction	6,825,420.00			6,825,420.00		
Ovation Enterprises	3,511,403.00			3,511,403.00		
Rockfields Building	13,638,680.00			13,638,680.00		
Mateas Co.Ltd	9,576,840.00			9,576,840.00		
Nelma Enterprises	7,688,100.00			7,688,100.00		
Jasir Contractors	8,958,130.00			8,958,130.00		
Paubag Enterprises	8,265,899.25			8,265,899.25		
Pakimaka General Agencies	4,944,555.00			4,944,555.00		
Nelma Enterprises	11,720,000.00			11,720,000.00		
Parks Company	10,127,302.50			10,127,302.50		
Shamo Investment Ltd	4,109,700.00			4,109,700.00		
Silver Spead Hardware	8,176,664.00			8,176,664.00		
Plan And Trend East Africa Ltd	5,280,750.00			5,280,750.00		
Justam Investment	4,999,575.00			4,999,575.00		
Lojom General Contractors	9,457,350.00			9,457,350.00		
Bio Max Africa Limited	32,400,000.00			32,400,000.00		
Bio Max Africa Limited	10,000,000.00			10,000,000.00		
Merwed Services Ltd	2,552,550.00			2,552,550.00		
Muktas Kenya Ltd	2,701,524.00			2,701,524.00		
Time Keeper Ltd	1,490,000.00			1,490,000.00		
Time Keeper Ltd	1,500,000.00			1,500,000.00		
Farm Gate Limited	1,586,880.00			1,586,880.00		
Farm Gate Limited	1,624,974.00			1,624,974.00		
Farm Gate Limited	2,224,880.00			2,224,880.00		
Farm Gate Limited	2,484,948.00			2,484,948.00		
Kagaki Investment Ltd	1,098,000.00			1,098,000.00		
Stride Paving Ltd	1,925,000.00			1,925,000.00		
Darol Contractors Kenya Ltd	1,787,000.00			1,787,000.00		
Purestar Enterprises Ltd	1,311,844.00			1,311,844.00		
Green Craft Co. Ltd	1,377,000.00			1,377,000.00		
Malan Construction	3,066,750.00			3,066,750.00		
Miles Construction Ltd	2,433,000.00			2,433,000.00		
Green Craft Co	1,435,500.00			1,435,500.00		
Time Keeper Ltd	1,360,000.00			1,360,000.00		
Mucore Enterprises	223,500.00			223,500.00		
Amg Gagirin Limited	1,256,500.00			1,256,500.00		
Mucore Enterprise Ltd	1,216,500.00			1,216,500.00		
Target Gen Merchants	3,032,961.00			3,032,961.00		
S.M Builders	585,500.00			585,500.00		
Crestea Construction Co. Ltd	1,074,590.00			1,074,590.00		
Daxio Kenya Ltd	3,329,733.00			3,329,733.00		
Jacom Co.Ltd	762,214.00			762,214.00		
Lizka Ltd	978,000.00			978,000.00		
Kenpet Agencies	552,000.00			552,000.00		
Kenpet Agencies	575,736.00			575,736.00		
Kenpet Agencies	999,647.00			999,647.00		
Kenpet Agencies	1,158,355.00			1,158,355.00		
Nyambene Services	4,000,000.00			4,000,000.00		
Merwed Services Co. Ltd	942,750.00			942,750.00		
Kai Kai Trading Company Ltd	3,347,996.00			3,347,996.00		
Patam K Limited	3,282,607.00			3,282,607.00		
Weston Co Ltd	4,843,800.00			4,843,800.00		
Dabukei Enterprises Limited	2,591,440.00			2,591,440.00		

Infraline Construction Company Limited	1,987,850.00			1,987,850.00		
Kanners International Limited	1,244,940.00			1,244,940.00		
Capiton Construction Co. Ltd	1,500,000.00			1,500,000.00		
Deluc Enterprises	899,500.00			899,500.00		
Grawin Investment Ltd	551,925.00			551,925.00		
Stegmak Construction Company	3,292,500.00			3,292,500.00		
Rimi Construction Co. Ltd	3,200,000.00			3,200,000.00		
Russ Construction Company	1,392,000.00			1,392,000.00		
Gakungu Co.Ltd	2,026,788.00			2,026,788.00		
Kanners Construction Company	2,033,808.00			2,033,808.00		
Russ Construction	1,273,752.00			1,273,752.00		
Kans Action General Construction	1,294,500.00			1,294,500.00		
Bainanga Construction Co. Ltd	1,565,160.00			1,565,160.00		
Rimi Construction Co. Ltd	1,363,464.00			1,363,464.00		
Kanners International	2,463,724.00			2,463,724.00		
Parks Co Ltd	907,040.00			907,040.00		
Pakimaka Company Limited	3,145,894.00			3,145,894.00		
Vinerays General	855,000.00			855,000.00		
Kanners International	2,116,000.00			2,116,000.00		
Jap International Limited	3,138,960.00			3,138,960.00		
Kanners International	1,840,050.00			1,840,050.00		
Beasam General Suppliers	2,006,206.00			2,006,206.00		
Beasam General Suppliers	1,766,127.00			1,766,127.00		
Courral Limited	817,802.00			817,802.00		
Lizka Limited	949,498.00			949,498.00		
Capiton Construction Ltd	1,515,540.00			1,515,540.00		
Kans Action General Construction Ltd	1,123,980.00			1,123,980.00		
Kagaki Investments Ltd	1,525,701.00			1,525,701.00		
Select Builders	974,075.20			974,075.20		
Edicom Construction Company Ltd	2,060,000.00			2,060,000.00		
Forty Caps Ltd	1,280,000.00			1,280,000.00		
Kenpet Agencies	566,991.76			566,991.76		
Kenpet Agencies	1,300,000.00			1,300,000.00		
Kenpet Agencies	1,500,000.00			1,500,000.00		
Kenpet Agencies	4,304,000.00			4,304,000.00		
Kenpet Agencies	1,168,000.00			1,168,000.00		
Rimi Construction Co. Ltd	1,255,710.00			1,255,710.00		
Hammaton Construction Co. Ltd	1,266,245.00			1,266,245.00		
Courral Ltd	669,477.00			669,477.00		
Courral Ltd	903,870.00			903,870.00		
Courral Ltd	1,408,050.00			1,408,050.00		
Courral Ltd	2,711,800.00			2,711,800.00		
Kaliati	1,544,996.00			1,544,996.00		
Neosmart Holdings. Ltd	1,083,904.00			1,083,904.00		
Neosmart Holdings. Ltd	1,802,640.00			1,802,640.00		
Kanners International Co. Ltd	1,676,150.00			1,676,150.00		
Kanners International Co. Ltd	1,265,318.00			1,265,318.00		
Kanners International Co. Ltd	1,720,950.00			1,720,950.00		
Kanners International Co. Ltd	1,355,900.00			1,355,900.00		
Kenpet Agencies	1,802,250.00			1,802,250.00		
Kanners International Co. Ltd	1,009,800.00			1,009,800.00		
Capiton	886,942.00			886,942.00		
Kanners	1,939,980.00			1,939,980.00		
Nelma Enterprises Ltd	1,860,000.00			1,860,000.00		
Rimi Consruction Co.	3,118,570.00			3,118,570.00		
Rimi Consruction Co.	813,540.00			813,540.00		
Rimi Consruction Co.	2,433,865.00			2,433,865.00		
Mbasha Link	2,630,880.00			2,630,880.00		
Muringa Karimi Investment Ltd	858,054.00			858,054.00		
Muringa Karimi Investment Ltd	2,713,127.00			2,713,127.00		
Benny	3,882,513.00			3,882,513.00		
Benny	450,000.00			450,000.00		
Goldfields Electricals & Alarm Services	500,000.00			500,000.00		
Goldfields Electricals & Alarm Services	500,000.00			500,000.00		
Kenpet Agencies	731,251.00			731,251.00		
Kenpet Agencies	3,596,500.00			3,596,500.00		
Kenpet Agencies	1,760,000.00			1,760,000.00		
Capiton Construction Ltd	1,539,231.80			1,539,231.80		
Rojumutl Agencies	1,785,250.00			1,785,250.00		
Grawin Investment Limited	2,910,100.00			2,910,100.00		
Grawin Investment Limited	3,243,738.00			3,243,738.00		

Eastern Redbull Enterprise Ltd.	4,200,000.00			4,200,000.00		
Target Gen. Merchants	1,298,925.00			1,298,925.00		
Darol Consruction Company	1,451,392.00			1,451,392.00		
Real Worth	674,000.00			674,000.00		
Tartex Co. Ltd.	4,285,376.00			4,285,376.00		
Supazeal Vision Achievers Co. Ltd	1,508,000.00			1,508,000.00		
Supazeal Vision Achievers Co. Ltd	2,144,666.00			2,144,666.00		
Eliza & Mwonja Co.Ltd	3,292,000.00			3,292,000.00		
Eliza & Mwonja Co.Ltd	1,108,750.00			1,108,750.00		
Eliza & Mwonja Co. Ltd	3,071,680.00			3,071,680.00		
Probase Kenya Ltd	38,000,000.00			38,000,000.00		
Kanners Co. Ltd	2,973,607.00			2,973,607.00		
Dafri Investment	1,623,000.00			1,623,000.00		
Agricultural Mechanisation	1,082,788.65			1,082,788.65		
Basetel Communication	400,000.00			400,000.00		
Agricultural Mechanisation	1,082,788.65			1,082,788.65		
Dafri	1,600,000.00			1,600,000.00		
Kikis Co.Ltd	675,000.00			675,000.00		
Kikis Co.Ltd	825,000.00			825,000.00		
Kikis Co Lrd	1,966,000.00			1,966,000.00		
Kikis Co.Ltd	690,000.00			690,000.00		
Kikis Co Ltd	881,000.00			881,000.00		
Kikis Co Ltd	677,373.00			677,373.00		
Kikis Co Ltd	1,187,000.00			1,187,000.00		
Ronnell Enterprise Ltd	500,000.00			500,000.00		
Kikis Co.Ltd	1,434,000.00			1,434,000.00		
Eliza And Mwonja	1,470,000.00			1,470,000.00		
Eliza & Mwonja Co.Ltd	1,724,790.00			1,724,790.00		
Eliza & Mwonja Co.Ltd	2,764,810.00			2,764,810.00		
Lims Co. Ltd	1,606,400.00			1,606,400.00		
Bridgeways Co.Ltd	2,182,168.00			2,182,168.00		
Miles	1,376,760.00			1,376,760.00		
Ermson Co.Ltd	3,409,045.00			3,409,045.00		
Bridgeways Co.Ltd	2,094,960.00			2,094,960.00		
Ermson Co Ltd	1,491,696.00			1,491,696.00		
Ronnel	3,088,200.00			3,088,200.00		
Tartex Contractor	3,973,133.00			3,973,133.00		
Tartex Contractor	1,825,250.00			1,825,250.00		
Patam K. Ltd	389,504.00			389,504.00		
Edicom Construction Co. Ltd	3,948,000.00			3,948,000.00		
Stegmak Construction Company Ltd	192,607.00			192,607.00		
Lojom General Contractors	747,810.00			747,810.00		
Eastern Redbull Enterptrises Ltd	1,300,000.00			1,300,000.00		
Bridge Ways Enterprises Ltd	1,039,500.00			1,039,500.00		
Target General Merchants Ltd	5,457,900.00			5,457,900.00		
Matey International Energy Integrity Results	2,000,000.00			2,000,000.00		
Ovation Enterprise Ltd	1,717,000.00			1,717,000.00		
Eastrern Redbull Enterprise Ltd	1,000,000.00			1,000,000.00		
Neo-Smart Holdings Limited	1,000,000.00			1,000,000.00		
Darol Contractors Kenya Limited	999,060.00			999,060.00		
Nelma Enterprises Ltd	3,818,485.00			3,818,485.00		
Manene Construction Limited	929,844.00			929,844.00		
Nelma Enterprises Ltd	945,000.00			945,000.00		
Kanners International Limited	999,000.00			999,000.00		
Bridgeways Enterprises Ltd	883,308.00			883,308.00		
Davisil	1,000,000.00			1,000,000.00		
Kanners International Limited	1,000,000.00			1,000,000.00		
Kanners International Limited	632,700.00			632,700.00		
Eastrern Redbull Enterprise Ltd	11,953,790.00			11,953,790.00		
Almrium Supplies	2,047,360.00			2,047,360.00		
Kans Action General Construction Ltd	1,039,231.00			1,039,231.00		
Bainanga Construction Company	1,000,000.00			1,000,000.00		
Stride Paving Ltd	1,000,000.00			1,000,000.00		
Miles Construction Ltd	1,000,000.00			1,000,000.00		
Stegmak Construction Company Ltd	1,000,000.00			1,000,000.00		
Chokera Holdings Ltd	1,246,280.80			1,246,280.80		
Kikis Investment Limited	990,000.00			990,000.00		
Kanners International Limited	1,015,000.00			1,015,000.00		
Kanners International Limited	9,384,310.00			9,384,310.00		
Kanners International Limited	7,877,345.00			7,877,345.00		

Emery Limited	6,879,925.00			6,879,925.00		
Kans Action General Construction Ltd	8,877,445.00			8,877,445.00		
Pushtech Limited	1,000,000.00			1,000,000.00		
Kagaki Investment Ltd	1,400,930.00			1,400,930.00		
Maju Limoson Ltd	1,000,000.00			1,000,000.00		
Jamuto Constructions	1,000,000.00			1,000,000.00		
Mateas Company Ltd.	330,832.00			330,832.00		
Mateas Company Ltd.	330,832.00			330,832.00		
Mateas Company Ltd.	330,832.00			330,832.00		
Mateas Company Ltd.	330,832.00			330,832.00		
Benry Building Services Ltd.	330,832.00			330,832.00		
Hyper Contractros	2,259,550.00			2,259,550.00		
Gradelink Holdings Limited	2,500,000.00			2,500,000.00		
Parks Company Ltd	5,632,160.00			5,632,160.00		
Hardiek Holdings Ltd	5,149,000.00			5,149,000.00		
Kans Action General Construction	709,147.00			709,147.00		
Sub-Total	**652,845,776.01**			**651,845,776.01**		
Supply Of Goods						
Rentokil Initial	108,600.00			108,600.00		
Cmc Motors	10,000,000.00			10,000,000.00		
Ovation Enterprises	2,277,000.00			2,277,000.00		
-Meru Cabro Ltd	3,546,877.00			3,546,877.00		
Nakumatt Holdings	1,196,865.00			1,196,865.00		
Karlo Katumani	3,624,500.00			3,624,500.00		
Kisima Farm	1,706,200.00			1,706,200.00		
Beam Tyres And Spares	114,000.00			114,000.00		
Cmc	3,800,000.00			3,800,000.00		
Fors Fortis	998,180.00			998,180.00		
G North & Sons	1,476,000.00			1,476,000.00		
Sugcu Global Enterprise Limited	4,800,000.00			4,800,000.00		
Justam	1,207,500.00			1,207,500.00		
Parks	1,162,500.00			1,162,500.00		
Gradelink	5,731,250.00			5,731,250.00		
Shamo	1,897,031.00			1,897,031.00		
Rangico	920,000.00			920,000.00		
Sam Tech Diagostics Ltd	1,405,335.00			1,405,335.00		
Achelis Kenya Limited	12,925,556.30			12,925,556.30		
Achelis Material Handling	18,964,427.00			18,964,427.00		
Munlex Company Ltd	1,234,237.00			1,234,237.00		
Kemsa	514,748.00			514,748.00		
Kemsa	34,797,792.00			34,797,792.00		
Meds	1,943,400.00			1,943,400.00		
Meds	934,800.00			934,800.00		
Meds	3,399,770.00			3,399,770.00		
Kemsa	2,828,405.00			2,828,405.00		
Kenpak General Agencies Limited	344,300.00			344,300.00		
Zoomtech Holdings Ltd	135,000.00			135,000.00		
Regional City Suppliers Ltd	708,000.00			708,000.00		
Regional City Suppliers Ltd	620,000.00			620,000.00		
Panmac Investment Ltd	622,750.00			622,750.00		
Taizu Investment Ltd.	309,000.00			309,000.00		
Taizu Investment Ltd.	152,000.00			152,000.00		
Jopet Ltd.	29,000.00			29,000.00		
Jopet Ltd.	997,800.00			997,800.00		
Jopet Ltd.	1,512,000.00			1,512,000.00		
Meru Goat Breeders Alliance	8,750,000.00			8,750,000.00		
Tuuru Water Supplies	30,000.00			30,000.00		
Farmtrack Cosulting	360,000.00			360,000.00		
Gadaro Enterprises	168,000.00			168,000.00		
Jokimu Scales Services	1,931,160.00			1,931,160.00		
Sidai Africa	41,232.00			41,232.00		
Chema Mugina	399,900.00			399,900.00		
Cmc	1,000,000.00			1,000,000.00		
Dairy Systems	1,920,000.00			1,920,000.00		
Davis And Shirtliff	1,505,024.00			1,505,024.00		
Desley Holdings	1,820,000.00			1,820,000.00		
Kagric	1,850,000.00			1,850,000.00		
Meru Goat Breeders	4,620,000.00			4,620,000.00		
Sidai Africa	1,911,048.00			1,911,048.00		
Mutuati Enterprises	748,000.00			748,000.00		
Nashic Enterprises Limited	772,050.00			772,050.00		
Eliza And Mwonja	2,005,000.00			2,005,000.00		
Double Gii Supplies	378,250.00			378,250.00		
Selizech Holdings Co.Ltd	747,500.00			747,500.00		
Selizech Holdings Co.Ltd	207,000.00			207,000.00		
Emwati General Supplies	892,000.00			892,000.00		
Gakungu Co.Ltd	51,150.00			51,150.00		

Curtis Commodities	256,000.00			256,000.00		
Brosis United Co.Ltd	37,000.00			37,000.00		
Brosis United Co.Ltd	45,800.00			45,800.00		
Tush Investment	152,800.00			152,800.00		
Red Kirimi	74,452.00			74,452.00		
Red Kirimi	20,624.00			20,624.00		
Red Kirimi	220,000.00			220,000.00		
Dericks Enterprise	368,000.00			368,000.00		
Meru Central Co-Operative Union Ltd	415,000.00			415,000.00		
Kiganjo National Trout Hatcharies	500,000.00			500,000.00		
Jokimu Scales	1,056,000.00			1,056,000.00		
Grownet Technologies Llimited	1,792,000.00			1,792,000.00		
Grownet Technologies Llimited	88,000.00			88,000.00		
Mitunda Investment	1,694,900.00			1,694,900.00		
Jucpur Printers And Stationers	252,000.00			252,000.00		
Rio Electronics And General Supplies	1,913,079.00			1,913,079.00		
Jucpur Printers And Stationers	792,000.00			792,000.00		
Mitunda Investment	672,000.00			672,000.00		
Sawasawa Uniform	184,800.00			184,800.00		
Longhorn Kenya Ltd	5,041,360.00			5,041,360.00		
Nevada Palace Hotel	129,920.00			129,920.00		
Brosis United Co.Ltd	25,136.00			25,136.00		
Brosis United Co.Ltd	86,000.00			86,000.00		
Jkuat	2,716,420.00			2,716,420.00		
University Of Nairobi	10,695,493.00			10,695,493.00		
Vimerk	999,900.00			999,900.00		
Dairy Systems And Services Ltd	930,000.00			930,000.00		
Brosis United Co.Ltd	22,160.00			22,160.00		
Dairy System	930,000.00			930,000.00		
Roskard Construction Limited	3,652,561.00			3,652,561.00		
Toyota Kenya	4,500,090.00			4,500,090.00		
Maxim K Ltd	3,942,496.50			3,942,496.50		
Rio Electrical And General Supplies	1,990,200.00			1,990,200.00		
Kenya Animal Genetic Resources Centre	2,226,000.00			2,226,000.00		
Lalji Ramji Fillin Station	500,000.00			500,000.00		
Lantech Africa Ltd	11,199,517.75			11,199,517.75		
Expolinks Ltd	239,160.00			239,160.00		
Sub Total	**221,413,006.55**			**221,413,006.55**		
Services						
Meru Slopes Hotel	22,500.00			22,500.00		
The Star	131,544.00			131,544.00		
Meru Highway Motors	30,276.00			30,276.00		
Meru High Way Motors	67,742.75			67,742.75		
Gallop Africa Ltd	791,499.00			791,499.00		
Lawi Kithinji	32,700.00			32,700.00		
Makutano One Enterprises	18,792.00			18,792.00		
Meru Highway Motors	28,800.00			28,800.00		
Sportsman Arms Hotel	110,000.00			110,000.00		
Muthomi	1,950,000.00			1,950,000.00		
Moses Chege	14,700.00			14,700.00		
Real Images Communication Company	1,995,000.00			1,995,000.00		
Moses Chege	19,100.00			19,100.00		
Utubora Highway Garage	162,550.00			162,550.00		
Joseph Mutuma	67,050.00			67,050.00		
Makutano One Enterprises	46,100.00			46,100.00		
Zapida Communications Ltd.	168,000.00			168,000.00		
Makutano One Enterprises	76,200.00			76,200.00		
Makutano One Enterprises	80,968.00			80,968.00		
Lawi Kithinji Motors	35,300.00			35,300.00		
Meru Safari Hotel	7,175.00			7,175.00		
Superpoint Holdings	4,800,000.00			4,800,000.00		
All Round Sertvices Ltd	5,600.00			5,600.00		
East Africa Business Times Limited	1,200,000.00			1,200,000.00		
Intercity Secure Homes Ltd	63,169.00			63,169.00		
Meru Homes Ltd	182,700.00			182,700.00		
Natabel Co. Ltd	980,000.00			980,000.00		
Subaru Kenya	79,892.00			79,892.00		
Makutano One Enterprises	9,980.00			9,980.00		
Meru Slopes Hotel	28,450.00			28,450.00		
Makutano One Enterprises	24,100.00			24,100.00		
Kaguru Agricultural Training Centre	1,182,580.00			1,182,580.00		
Real Image	1,950,000.00			1,950,000.00		
Standard Group	814,320.00			814,320.00		
Slopes Co.Ltd	464,000.00			464,000.00		
Aic Kijabe Hospital	700,000.00			700,000.00		
Gatimene Gardens Limited	120,000.00			120,000.00		

Kenya School Of Gorverment	82,971.00			82,971.00		
Kenya School Of Gorverment	69,600.00			69,600.00		
Kenya School Of Gorverment Lower Kabete	140,360.00			140,360.00		
Jerusalem Motors	43,730.00			43,730.00		
Jerusalem Motors	28,730.00			28,730.00		
Mutindwa Toyota	91,136.00			91,136.00		
Uhuru Security Services Ltd	127,800.00			127,800.00		
Uhuru Security Services Ltd	191,700.00			191,700.00		
Uhuru Security Services Ltd	191,700.00			191,700.00		
Ideal Security Services	52,617.00			52,617.00		
Ideal Security Services	52,617.00			52,617.00		
Ideal Security Services	58,464.00			58,464.00		
Ideal Security Services	52,617.00			52,617.00		
Joseph Mutuma	19,500.00			19,500.00		
Meru Hghway Motors	32,480.00			32,480.00		
Meru Hghway Motors	50,460.00			50,460.00		
Meru Hghway Motors	32,480.00			32,480.00		
Meru Hghway Motors	47,560.00			47,560.00		
Makutano One	48,256.00			48,256.00		
Subaru Kenya	96,106.00			96,106.00		
Meru Highway Motors	35,148.00			35,148.00		
Cmc Motors Group	161,321.00			161,321.00		
Subaru Kenya	24,707.00			24,707.00		
Subaru Kenya	217,131.00			217,131.00		
Makutano One Enterprises	14,000.00			14,000.00		
Mutindwa Toyota	100,042.00			100,042.00		
Mwitari Auto Garage	22,000.00			22,000.00		
Mwitari Auto Garage	29,000.00			29,000.00		
Mwitari Auto Garage	12,000.00			12,000.00		
Mwitari Auto Garage	29,000.00			29,000.00		
Mwitari Auto Garage	14,000.00			14,000.00		
Mwitari Auto Garage	29,000.00			29,000.00		
Mwitari Auto Garage	23,000.00			23,000.00		
Mwitari Auto Garage	29,500.00			29,500.00		
Mwitari Auto Garage	29,000.00			29,000.00		
Mwitari Auto Garage	29,500.00			29,500.00		
Mwitari Auto Garage	29,700.00			29,700.00		
Mwitari Auto Garage	29,700.00			29,700.00		
Ideal Security Services	122,724.00			122,724.00		
Sub Total	**20,946,544.75**			**20,946,544.75**		
Pending Bills Relating To Staff						
Martin Mutuma	100,000.00			100,000.00		
Elias Guantai	16,000.00			16,000.00		
Samuel Mbogo	16,000.00			16,000.00		
Jackson Kiunga	15,110.00			15,110.00		
Robert Gitonga	60,000.00			60,000.00		
Isaiah M. Baituti	119,950.00			119,950.00		
Linet Linguli	16,000.00			16,000.00		
Haron K. Muthamia	32,000.00			32,000.00		
Joseph Njoroge	9,500.00			9,500.00		
David Kinyua Kiburi	110,000.00			110,000.00		
Moses M. Nabea	5,598.00			5,598.00		
Esther Nkirote	13,000.00			13,000.00		
Esther Nkirote	20,000.00			20,000.00		
Lisbeth Mutwiri	29,750.00			29,750.00		
Kenneth Kimathi	9,800.00			9,800.00		
Kenneth Kimathi	14,700.00			14,700.00		
Haron Muthamia	36,000.00			36,000.00		
Kendi Munyua	80,000.00			80,000.00		
Joan Kathure	66,000.00			66,000.00		
Dr. Kaberia Limukii	134,000.00			134,000.00		
Dr. Kaberia Limukii	67,900.00			67,900.00		
David Baariu	134,000.00			134,000.00		
John Mwilaria	46,200.00			46,200.00		
John Ndwiga Nyaga	53,400.00			53,400.00		
Joseph Kinyua	46,800.00			46,800.00		
Joseph Kinyua	18,800.00			18,800.00		
Joseph Kinyua(Silas Mungiria)	18,800.00			18,800.00		
Elijah Kimathi	46,350.00			46,350.00		
Jenaro Guantai	50,400.00			50,400.00		
Erastus Mutwiri	12,600.00			12,600.00		
Erastus Mutwiri	12,600.00			12,600.00		
James Baariu	7,700.00			7,700.00		
Erastus Mutwiri	18,900.00			18,900.00		
Douglas Kaumbuthu	58,000.00			58,000.00		
Paul Mugambi	44,000.00			44,000.00		

Lucy Mutua	32,200.00			32,200.00		
Christen Kathurima	27,200.00			27,200.00		
Samuel Koome	23,900.00			23,900.00		
Douglas Kaumbuthu	167,000.00			167,000.00		
Douglas Kaumbuthu	86,000.00			86,000.00		
Eric Mwenda	18,900.00			18,900.00		
Elijah Kimathi	171,500.00			171,500.00		
Eric Mwenda	88,200.00			88,200.00		
Martin Kithinji	18,900.00			18,900.00		
Haron Mbai	317,000.00			317,000.00		
Haron Mbai	473,500.00			473,500.00		
Eric Korir	1,600,000.00			1,600,000.00		
Sub Total	**4,564,158.00**			**4,564,158.00**		
Other Pending Bills						
-Excelsior Kenya Ltd	6,499,085.00			6,499,085.00		
Telkom Kenya	343,360.00			343,360.00		
Evelyn N. Kaimenyi	412,200.00			412,200.00		
Apa Insurance	149,360.00			149,360.00		
Afc	2,820,464.00			2,820,464.00		
David Ntarangwi	2,826,595.20			2,826,595.20		
Mbaabu S. Muguna	165,000.00			165,000.00		
Meru Slopes Hotel	180,000.00			180,000.00		
Silver Bells Hotel	363,000.00			363,000.00		
Gorverment Printers	126,173.55			126,173.55		
Superpoint Holdings Limited	638,000.00			638,000.00		
Martenity Fees(Conditional Grants)	60,000,000.00			60,000,000.00		
Geostate Survey	12,660,500.00			12,660,500.00		
Real Plan Consultants	7,024,000.00			7,024,000.00		
Alpex Consulting Africa Ltd	4,582,000.00			4,582,000.00		
Kanners International	601,576.00			601,576.00		
Panmac Investment	3,587,500.00			3,587,500.00		
Panmac Investment	1,800,000.00			1,800,000.00		
Panmac Investment	880,000.00			880,000.00		
Shades Systems System	775,645.00			775,645.00		
Mateas Company	654,642.26			654,642.26		
Mateas Company	654,642.00			654,642.00		
Mateas Company	1,963,926.68			1,963,926.68		
Techtron Company	2,586,274.66			2,586,274.66		
Techtron Company	19,330,000.00			19,330,000.00		
Kans Action	195,657.00			195,657.00		
Raingo	200,046.00			200,046.00		
Nation Media	85,546.00			85,546.00		
Standard Media Group	79,692.00			79,692.00		
Upper Eastern	800,000.00			800,000.00		
Northwood Agencies	489,712.00			489,712.00		
Like Enterprise	599,400.00			599,400.00		
Real Image	206,480.00			206,480.00		
Jokim Scales	998,700.00			998,700.00		
Esada Ltd	4,910,000.00			4,910,000.00		
Kirianki M'Imanyara	210,000.00			210,000.00		
Columbus Ltd	522,000.00			522,000.00		
Kenpak	2,895,412.50			2,895,412.50		
Disbursement Of Im Per Ward	6,000,000.00			6,000,000.00		
Stanko Works	388,934.78			388,934.78		
Beamspot Limited	4,071,520.00			4,071,520.00		
Geoland Surveys	11,097,000.00			11,097,000.00		
Renaissance Planning	8,579,020.00			8,579,020.00		
Policy & Market Options	3,840,000.00			3,840,000.00		
Borasoft Ltd	3,446,800.00			3,446,800.00		
Resonate Ventures	3,160,430.00			3,160,430.00		
Alba Hotel	25,250.00			25,250.00		
Lantech Africa Ltd	3,719,710.27			3,719,710.27		
Geoland Surveys	6,492,500.00			6,492,500.00		
Hotel Westwind	2,088,000.00			2,088,000.00		
Elsa Hotel	450,000.00			450,000.00		
Meru Slopes Hotel	1,012,500.00			1,012,500.00		
Meru Slopes Hotel	1,125,000.00			1,125,000.00		
Rangeland Hotels & Campsite	1,164,800.00			1,164,800.00		
University Of Nairobi	1,754,000.00			1,754,000.00		
Transfer To Micro-Finance Corporation	2,100,000.00			2,100,000.00		
Excell Consultants	9,800,000.00			9,800,000.00		
Systra International Ltd	7,800,000.00			7,800,000.00		
Capital Sacco	19,997,994.00			19,997,994.00		
K.P.L.C	150,547.00			150,547.00		
Meru County Car Loan & Mortgage Fund	60,000,000.00			60,000,000.00		
K.P.M.G	4,024,546.00			4,024,546.00		

Beisa Hotel	382,500.00			382,500.00		
Laare Victoria Hotel	40,000.00			40,000.00		
Alba Hotel	18,590.00			18,590.00		
Alba Hotel	48,480.00			48,480.00		
Alba Hotel	33,720.00			33,720.00		
Alba Hotel	24,090.00			24,090.00		
Alba Hotel	8,450.00			8,450.00		
Alba Hotel	61,280.00			61,280.00		
Gatimene Gardens	30,750.00			30,750.00		
Gatimene Gardens	198,000.00			198,000.00		
Gatimene Gardens	283,150.00			283,150.00		
Gatimene Gardens	257,000.00			257,000.00		
Gatimene Gardens	470,400.00			470,400.00		
Gatimene Gardens	200,000.00			200,000.00		
Nevada Palace Hotel	500,000.00			500,000.00		
Nevada Palace Hotel	137,344.00			137,344.00		
Nevada Palace Hotel	287,680.00			287,680.00		
Nevada Palace Hotel	201,260.00			201,260.00		
Nevada Palace Hotel	148,480.00			148,480.00		
Nevada Palace Hotel	377,580.00			377,580.00		
Nevada Palace Hotel	120,640.00			120,640.00		
Heritage Hotel Nkubu	351,480.00			351,480.00		
Heritage Hotel Nkubu	96,000.00			96,000.00		
Raphael Muriungi	120,000.00			120,000.00		
Binyenyathuranira & Co.Advocates	80,400.00			80,400.00		
Binyenyathuranira & Co.Advocates	2,067,500.00			2,067,500.00		
Binyenyathuranira & Co.Advocates	680,000.00			680,000.00		
C.B Mwongela & Co.Advocates	1,840,000.00			1,840,000.00		
Prof.Tom Ojienda & Associates	694,400.00			694,400.00		
M/S Strategy Engineering Co	1,980,000.00			1,980,000.00		
Joseph Mutuma Ltd	1,355,172.00			1,355,172.00		
Makutano One Enterprises	537,850.00			537,850.00		
Makutano One Enterprises	511,470.00			511,470.00		
Ediface Enterprises	210,200.00			210,200.00		
The Star Publications Limited	145,935.00			145,935.00		
C M Autolamp And Glassware	131,544.00			131,544.00		
Walker Automec	74,901.00			74,901.00		
Subaru Kenya	154,906.00			154,906.00		
Joseph Mutuma	126,806.00			126,806.00		
Cmc Motor Group	541,840.00			541,840.00		
Aquatreat Solutions Ltd	224,364.00			224,364.00		
Excelsior Kenya	39,500.00			39,500.00		
Diaco Agencies Ltd	334,080.00			334,080.00		
Nairobi Pacific Hotel	620,000.00			620,000.00		
Nairobi Pacific Hotel	28,900.00			28,900.00		
Sportmans Arms Hotel	8,724.00			8,724.00		
Safari Park Hotel	66,000.00			66,000.00		
The Alba Hotel Meru	67,847.00			67,847.00		
Media Max Network	50,000.00			50,000.00		
Silverspread Hardwares Limited	801,499.00			801,499.00		
St Augustine Miugune	488,000.00			488,000.00		
Grace Gitonga	166,551.00			166,551.00		
Borasoft Ltd.	675,000.00			675,000.00		
Kenya School Of Govt	996,556.00			996,556.00		
Resonate Ventures	127,500.00			127,500.00		
Jokimu Scales Services	150,000.00			150,000.00		
	2,499,160.00			2,499,160.00		
Sub Total	**328,978,620.90**			**328,978,620.90**		
Grand Total	**1,305,362,894.09**			**1,304,362,894.09**		

ANNEX 4 – SUMMARY OF FIXED ASSET REGISTER

Asset class	Historical Cost (Kshs) 2015/2016	Historical Cost (Kshs) 2014/2015
Land	**41,837,783**	**7,485,197**
Buildings and structures	**1,783,732,738**	**1,226,749,411**
Transport equipment	**552,429,685**	**152,594,320**
Office equipment, furniture and fittings	**136,941,185**	**52,240,543**
ICT Equipment, Software and Other ICT Assets	**28,718,450**	
Other Machinery and Equipment	**127,057,864**	**48,829,460**
Heritage and cultural assets		
Intangible assets	**62,601,410**	**24,378,979**
Total	**2,733,319,115**	**1,552,277,912**

NB: historical cost for 2015/2016 includes cumulative figures for 2013/2014, 2014/2015 and 2015/2016. Previously the county had not shown the movement which has since been corrected.

COUNTY GOVERNMENT OF MERU

ANNEX 5: DISCLOSURE ON ACCOUNTS RECEIVABLE –OUTSTANDING RENT

Name of the Estate	Amount (kshs)
Meru County Hotel (Arrears of 2014/2015 and earlier years)	17,103,000
Gakoromone Estate	427,350
Kenya Methodist University	2,160,000
St. Paul Road Estate	46,000
Total	**19,736,350**