REPUBLIC OF KENYA

OFFICE OF THE AUDITOR-GENERAL

REPORT

OF

THE AUDITOR-GENERAL

ON

THE FINANCIAL STATEMENTS OF COUNTY EXECUTIVE OF TANA RIVER

FOR THE YEAR ENDED 30 JUNE 2016

COUNTY EXECUTIVE OF TANA RIVER

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)

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I. KEY COUNTY GOVERNMENT OF TANA RIVER 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 Tana River's day-to-day management is under the following key organs:

- The County Executive Service
- County Treasury Service

(c) Fiduciary Management

The key management personnel who held office during the financial year ended 30th June 2016 and who had direct fiduciary responsibility were:

No.	Designation	Name
1.	Accounting Officer	Ahmed Maalim Barako
2.	Director of Finance	Francis Ndegwa Ngigi
3.	County Secretary	Abdu Dae Godana

(d) Fiduciary Oversight Arrangements

- County Assembly
- County Public accounts and investments committee

(e) County Government of Tana River Headquarters

P.O. Box 29
Trade House
County Council Road Hola
Hola, KENYA

(f) County Government of Tana River Contacts

E-mail: info@tanariver.go.ke
Website: www.tanariver.go.ke

(g) County Government of Tana River Bankers

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

2. Kenya Commercial Bank
   P.o Box100-70101
   Hola 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

The county budget for the financial year 2015/16 was Kshs. 4.2 billion of which Kshs. 2.5 Billion was spent on development and Kshs. 1.7 Billion were allocated for recurrent expenditure. 59% of the total budget was allocated for development expenditure and the balance of 41% was spent on recurrent expenditure.

The county embarked on improvement of Hola town ship roads by tarmacking 15km, installing solar street light within the township of Hola, Bangali,Garsen and Bura. An open air market is also under construction and all these projects are expected to be completed in the next financial year.

The county had also budgeted for needy students by allocating Kshs. 75 million as bursary fund in the financial year 2015/2016. Furthermore due to unpredictable weather conditions the county had also set aside Kshs 100 Million for draught and emergency food relief.

The challenges experienced so far includes;

- Political interference on the procurement process
- Lack of reliable rainfall affecting the residents most of whom are pastoralists

Due to the county being traverse we have not managed to conduct civic education to all the residents of Tana River County a programme that have been embarked on and hope by the end of next financial year this will be enhanced.

Sign

Said Hantiro Bakero
CEC FINANCE
Tana River 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 County Government of Tana River, 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 30.09. 2016.

County Executive Committee member – Finance

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OFFICE OF THE AUDITOR-GENERAL

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

REPORT ON THE FINANCIAL STATEMENTS

I have audited the accompanying financial statements of County Executive of Tana-River set out on pages 6 to 34, which comprise the statement of assets as at 30 June 2016, and the statement of receipts and payments, statement of cash flows and summary statement of appropriations for the year then ended, and a summary of significant accounting policies and other explanatory information in accordance with the provisions of Article 229 of the Constitution of Kenya and Section 35 of the Public Audit Act, 2015.

Management's Responsibility for the Financial Statement

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 preparations 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 provision 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 of Kenya. 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 procedure 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.

Because of the matters described in the Basis for Disclaimer of Opinion paragraph, however, I am not able to obtain sufficient, appropriate audit evidence to provide a basis for an audit opinion.

Basis for Disclaimer of Opinion

1.0 Presentation of the Financial Statements

The financial statements for the year ended 30 June 2016 and which were availed for audit review did not have annexes on pending bills, outstanding imprests and fixed assets register as prescribed by Public Sector Accounting Standards Board (PSASB).

Consequently, the financial statements do not comply with the requirements of International Public Sector Accounting Standards (Cash Basis) as prescribed by the Public Sector Accounting Standards Board (PSASB).

2.0 Inaccuracies in the Financial Statements

The statement of cash flows reflects net increase in cash and cash equivalents balance deficit of Kshs.172,339,845 whereas the statement of receipts and payments reflects a deficit of Kshs.69,169,892, resulting in unexplained and un-reconciled variance of Kshs.103,169,953. Further, the summary statement of appropriation: recurrent reflected total expenditure of Kshs.1,396,191,274 and Development Kshs.1,577,974,818 all totaling Kshs.2,974,166,092 whereas the statement of receipts and payments reflects a total expenditure of Kshs.4,089,151,926 resulting in unexplained nor reconciled variance of Kshs.1,114,985,834.

Consequently, the accuracy and validity of these financial statements for the year ended 30 June 2016 could not be confirmed.

3.0 Un-Supported Balances

The financial statements availed for audit review reflected total amounts of Kshs.4,237,273,990 on various components accounts out of which an amount of Kshs.2,903,026,677 had supporting schedules resulting in an amount of Kshs.1,334,247,313 which had not been explained or reconciled as detailed below:

Item	Financial Statements Amount (Kshs.)	Supporting Schedule Amount (Kshs.)	Variance (Kshs.)
Other receipts	26,122,064	22,588,203	3,533,861
Compensation of Employees	968,685,067	925,433,604	43,251,463

Item	Financial Statements Amount (Kshs.)	Supporting Schedule Amount (Kshs.)	Variance (Kshs.)
Use of Goods	815,664,108	457,452,890	358,211,218
Transfer to other government units	416,190,328	0	416,190,328
Other grants and transfers	155,433,949	70,231,725	85,202,224
Social security benefits	7,865,027	0	7,865,027
Acquisition of assets	1,725,313,448	1,427,320,254	297,993,194
Prior year adjustment	122,000,000	0	122,000,000
Total	**4,237,273,990**	**2,903,026,677**	**1,334,247,313**

In the circumstances, the accuracy, validity and completeness of the County Executive's financial statements for the year ended 30 June 2016 could not be confirmed.

4.0 Unauthorized Expenditure

The statement of receipts and payments for the year ended 30 June 2016 reflects total expenditure of Kshs.4,089,151,926. However, during the year under review, the County Executive exceeded the approved budget by an amount of Kshs.827,759,560 (Kshs.596,341,885 and Kshs.229,417,675 in respect to recurrent and development expenditures respectively) on various expenditure lines as detailed below:

(a) Analysis of Recurrent Budget

Item	Actual Expenditure (Kshs.)	Approved budget (Kshs.)	Variance (Kshs.)
Recurrent expenditure			
Use of goods &services	815,664,108	785,375,023	30,289,085
Transfers to other govt units	416,190,328	13,426,010	402,764,318
Other grants and transfers	155,433,949	0	155,433,949
Social security benefits	7,854,533	0	7,854,533
Sub-total recurrent	**1,395,142,918**	**798,801,033**	**596,341,885**

(a) Analysis of Development Budget

	Actual Expenditure (Kshs.)	Approved Budget (Kshs.)	Variance (Kshs.)
Rehabilitation of Civil work	7,881,000	0	7,881,180
Rehabilitation and renovation of plat machinery & equipment	16,344,909	0	16,344,909
Research studies, project preparation, design & supervision	97,410,720	0	97,410,720
Acquisition of strategic stock commodities	107,780,866	0	107,780,866
Sub-total dev	**222,324,594**	**0**	**229,417,675**

Management did not provide for audit review approval for the over expenditure or re-allocations done as the County Executive did not obtain additional funding for these expenditures as required by the Public Finance Management Act, 2012. Consequently, the accuracy and validity of the total expenditure of Kshs.4,089,151,926 for the year ended 30 June 2016 could not be confirmed.

5.0 Cash and Bank Balances

5.1 Omitted Bank Balances

The statement of assets reflects bank balances of Kshs.323,557,528 as at 30 June 2016. However, two (2) bank accounts were omitted in this balance namely: - Tana-River Deposit Account No.1000267496 with a bank balance of Kshs.191,100 and Tana-River County Executive Health Conditional Grant Account No.1000268298 with a bank balance of Kshs.8,481,988 as at 30 June 2016.

5.2 Bank Reconciliations

The statement of financial assets as at 30 June 2016 reflect bank balance of Kshs.323,557,528. However, no bank reconciliation statements were availed for audit review. Further, the cash books of eight (8) out of the 12 bank accounts maintained by the County Executive were not up to date and were not checked by a senior officer.

5.3 Cash Balance

The statement of financial assets as at 30 June 2016 reflects a nil cash balance. However, the board of survey cash certificates were not availed for audit verification.

5.4 Central Bank of Kenya Bank Statements

The following bank statements were not availed for audit review:

	Bank	Dates
1.	CBK Recurrent Account 1000170735	4 November 2015 - 17 January 2016 5 February 2016 – 4 April 2016
2.	CBK Development Account 1000170708	1 September 2015 – 23 September 2015 26 February 2016 – 3 March 2016 30 April 2016 – 30 June 2016

Consequently, the accuracy, validity and completeness of the cash and bank balance of Kshs.323,557,528 as at 30 June 2016 could not be confirmed.

6.0 Receipts

6.1 Exchequer Releases

The statement of receipts and payments for the year ended 30 June 2016 reflects exchequer releases amount of Kshs.3,993,859,971 while the Report from the Controller of Budget indicates a figure of Kshs.4,207,550,000, comprising recurrent exchequer of Kshs.1,757,280,000 and development exchequer of Kshs.2,450,270,000 resulting in unexplained and un-reconciled variance of Kshs.213,690,029.

Consequently, the accuracy and completeness of the exchequer releases of Kshs.3,993,859,971 for the year ended 30 June 2016 could not be confirmed.

6.2 Other Receipts

6.2.1 Accuracy of Other Receipts

The statement of receipts and payments for the year ended 30 June 2016 reflects other receipts of Kshs.26,122,064. However, the report of the Controller of Budget reflects an amount of Kshs.28,405,081, resulting in unexplained and un-reconciled variance of Kshs.2,283,017. Further, revenue receipts books and revenue cash book made available for audit verification revealed that receipts amounting to Kshs.1,045,830 were not captured in the revenue cash book and the bank deposit slips were not availed for audit verification.

6.2.2 Un-surrendered Receipt Books

Review of the counter foil receipt books register revealed that 38 receipt books issued to various collecting officers within the county had not been accounted for as at 30 June 2016. Revenue collected using the said receipt books could, therefore, not be quantified nor accounted for the year ended 30 June 2016.

6.2.3 Receiver of Revenue

As previously reported, the County Executive had not appointed a receiver of revenue as per Section 157(1) of the Public Finance Management Act, 2012 which states that the County Chief Executive Committee member shall, in writing, designate persons to be

responsible for collecting, receiving and accounting for County Government revenue. Management is therefore in violation of the Law.

Consequently, the accuracy and completeness of other receipts of Kshs.26,122,064 for the year ended 30 June 2016 could not be confirmed.

7.0 Outstanding Imprest

The statement of assets as at 30 June 2016 reflects a balance of Kshs.9,265,040 for outstanding imprest. However, IFMIS report on outstanding imprests indicated an amount of Kshs.41,067,800 as at 30 June 2016, resulting in unreconciled nor explained variance of Kshs.31,802,760. In addition, imprest register availed for audit review reflected total imprest balance as at 30 June 2016 amounting to Kshs.11,595,140, resulting in unexplained and un-reconciled variance of Kshs.2,330,100. Further, an amount of Kshs.8,169,340 was observed to have been outstanding for more than 6 months contrary to the Public Finance Management Regulations, 2015, Section 92 which requires that a holder of a temporary imprest shall account or surrender the imprest within 7 working days after returning to duty station.

In addition, records availed for audit revealed that two officers were issued with more than one imprest amounting to Kshs.1,202,600, contrary to the Public Finance Management Regulations, 2015, Section 93 which requires the applicant of an imprest to ensure that he/she has no outstanding imprest and that the accounting officer or AIE holder shall ensure that no second imprest is issued to any officer before the first imprest is surrendered or recovered in full.

Consequently, the management was in breach of the law and the accuracy, validity and completeness of the outstanding imprests balance of Kshs.9,265,040 as at 30 June 2016 could not be confirmed.

8.0 Accounts Payables

The statement of assets as at 30 June 2016 reflects a nil balance in respect to accounts payables. However, records made available for audit indicate that retentions amount as at 30 June 2016 amounted to Kshs.28,496,449. Further, the Tana-River Deposit account No.1000267496 opened in June 2016 reflected an amount of Kshs.191,000 resulting in unexplained nor reconciled difference of Kshs.28,687,449.

In the circumstances, the accuracy, validity and completeness of the accounts payable nil balance as at 30 June 2016 could not be confirmed.

9.0 Compensation of Employees

The statement of receipts and payments for the year ended 30 June 2016 reflects compensation of employees' amount of Kshs.968,685,067. Included in this are payments amounting to Kshs.169,045,343.34 in respect of salaries paid to 572 staff members employed on either permanent and pensionable or on contract terms outside the IPPD payroll system. IPPD Payroll system captures personnel details thus reducing chances of overpayment and possibility of ghost workers.

As a result, the propriety of the expenditure of Kshs.169,045,343.34 as salaries for the year ended 30 June 2016 could not be confirmed.

10.0 Use of Goods and Services

10.1 Unsupported Expenditure

Included in the use of goods and services figure of Kshs.815,664,108 are payment amounting to Kshs.79,744,928 whose payment vouchers were not availed for audit review as detailed below:

Department	Amount Kshs
Finance & Planning	39,587,740.00
Roads	931,045.00
Public Works	2,678,300.00
Gender, Culture & Social Services	593,900.00
Trade	3,311,283.00
Education & Vocational Training	3,859,060.00
Environment	10,301,400.00
Special Programs & Cohesion	13,932,200.00
Water	4,550,000.00
Total	**79,744,928.00**

10.2 Hospitality Supplies and Services

Included in the use of goods and services amount of Kshs.815,664,108 is an amount of Kshs.35,122,440 in respect to hospitality, supplies and services. Review of the payment vouchers availed for audit indicated that nine (9) suppliers, whose value of services amounted to Kshs.5,419,705, were contracted but were not part of those in the pre-qualified list for accommodation and catering services. This is contrary to Public Procurement and Disposal Regulations, 2006, Section 59 (2) which states that for the purposes of determining the suppliers to be given a request for quotations, a procuring entity shall prepare a list of prequalified suppliers and invite tenders from only the suppliers who have been pre-qualified under this regulation.

Management was therefore in breach of the law.

Consequently, the propriety of Kshs.5,419,705 on use of goods and services for the year ended 30 June 2016 could not be ascertained.

11.0 Other Grants and Other Payments

11.1 Scholarships and Other Educational Benefits

Note 16 to the financial statements for the year ended 30 June 2016 reflects other grants and other payments figure of Kshs.155,433,949 out of which Kshs.75,000,000 was

transfers to scholarships and other educational benefits fund. However, management did not avail for audit review the bursary application forms, award minutes, list of beneficiaries and acknowledgement letters from the respective institutions of learning to support Kshs.70,231,725 spent on bursaries for the year under review. Further, no separate financial statements were prepared for the Fund contrary to Section 116(7) of the Public Finance Management Act, 2012 which requires the administrator of a public fund to prepare accounts of the fund for each financial year.

Consequently, the propriety and completeness of scholarship and other educational benefits fund totaling Kshs.75,000,000 paid during the year under review could not be confirmed.

11.2 Emergency Relief and Refugee Assistance

Included in other grants and other payments for the year ended 30 June 2016 is emergency relief and refugee assistance figure of Kshs.5,960,500. Included in this amount is Kshs.1,890,515 paid to contractors for transport of emergency relief food in the County. However, request for quotation forms and delivery notes were neither attached to the payment vouchers nor were they made available for audit confirmation. It was not clear how the suppliers were identified and awarded the contract. Further, the LSOs' attached to the vouchers were observed to be neither signed, dated nor the details of the quotation numbers indicated.

Consequently, the accuracy and propriety of Kshs.5,960,500 spent on emergency relief and refugee assistance for the year ended 30 June 2016 could not be confirmed.

12.0 Acquisition of Assets

12.1 Construction of Buildings

12.1.1 Mistated Balances

Note 18 to the financial statements for the year ended 30 June 2016 reflects acquisition of assets balance of Kshs.1,725,313,448. Included in the acquisition of assets is expenditure in respect of construction of buildings of Kshs.304,222,832. However, examination of documents availed for audit revealed that an expenditure amounting to Kshs.71,442,404 in respect of construction of roads was charged to the construction of buildings vote.

Consequently, the accuracy and completeness of construction of buildings amount of Kshs.304,222,832 as at 30 June 2016 could not be ascertained.

12.1.2 Construction of Early Childhood Development Education (ECD) Toilets

Included in the construction of buildings balance of Kshs.304,222,832 is an amount of Kshs.28,690,879 for the construction of toilets at the designated ECD centres. However, bidder's documents, tender committee minutes, date of advertisement and date for submission of tenders were not availed for audit verification.

Consequently, the propriety and value for money of Kshs.28,690,879.38 spent on the construction of ECD toilets for the year ended 30 June 2016 could not be confirmed.

12.2 Refurbishment of Hospital Houses

Note 18 to the financial statements for the year ended 30 June 2016 reflects refurbishment of buildings figure of Kshs.70,735,811 out of which Kshs.36,315,804 was paid for refurbishment and maintenance of Government Quarters at the Hola District hospital staff houses and sewer system. However, records made available for audit revealed that the project was split among ten (10) contractors.

The following contracts were awarded above the quoted price with no explanation by the management;

	Contract	Details	Quoted Amount Kshs.	Contract Amount Kshs.	Variance Kshs.
1.	MG 13 & 14 CAT 'E'	Refurbish House and Servant Quarter	4,452,667.24	5,464,752	1,012,084.76
2.	TRCG/162/2015 /2016	GALOLE/HOLA/HOV/MG 30A & B CAT 'F'	3,119,941.72	4,135,690	1,015,748.28
3.	TRCG/163/2015 /2016	GALOLE/HOLA/HOV/LG 31A & B CAT 'F'	3,115,530.00	4,172,337.93	1,056,807.93
	TOTAL		**10,688,138.96**	**13,772,779.93**	**3,084,640.97**

Consequently, the propriety and validity of the expenditure of Kshs.36,315,804 for the refurbishment of hospital houses for the year ended 30 June 2016 could not be confirmed.

12.3 Construction of Roads

12.3.1 Rehabilitation of Kalkacha - Wayu Road

Included in the construction of roads amount of Kshs.437,867,706 is Kshs.41,207,412 paid for the proposed rehabilitation of Kalkacha- Wayu road at a contract sum of Kshs.54,135,349. However, the contract agreement and schedules of payments and completion certificates to support the payment were not availed for audit verification, and as per the BQ there was an amount of Kshs.1,000,000 as supervision fee which was paid but had no supporting vouchers.

12.3.2 Road Improvement of Laza - Wenje Road

Included in the construction of roads amount of Kshs.437,867,706 is Kshs.3,345,393 paid for road improvement of Laza- Wenje road at a contract sum of Kshs.16,615,311.40 under tender No. TRCG/30/2014-15. However, the evaluation report indicated that the

4th lowest responsive evaluated bidder was awarded the tender and no explanation was given as to why the lowest responsive evaluated bidder was not awarded the tender. This is contrary to Section 66 (4) of the Public Procurement and Disposal Act, 2005, which states that the successful tender shall be the tender with the lowest evaluated price.

The management was therefore in violation of the law.

12.3.3 Lack of Projects Documentation

Included in the construction of roads figure of Kshs.437,867,706 are contracts totaling Kshs.269,516,024.44 which the County Government advertised and awarded as shown in the table below:

Project Name	Contract No.	Contractor Awarded	Contract Sum
Proposed Kasangani Vented Culvert	TRCG/66/2014-2015	Miyah Investments Ltd	15,203,404.24
Proposed Design and build of steel bridge over River Tana	TRCG/005/2014-2015	TinasaconsaatTaahutTurizmTicaret AS	207,049,525.20
Proposed Construction of Bilbil Market Footbridge	TRCG/181/2014-2015	M/s Motile Simu Ltd	14,758,706.00
Construction of Matagala Foot bridge	TRCG/182/3014-2015	M/s Delta Construction Ltd	14,981,400.00
Spot improvement of Maziwa Sera Abaganga Road	TRCG/48/2014-2015	M/s Kalme General Contractors and Supplies Ltd	17,522,989.00
Total			**269,516,024.44**

However, project files for these projects were not availed for audit verification, and, therefore, it was not possible to review projects implementation status. Further, it was not clear how the management was monitoring the projects being executed by the contractors without project files.

In view of the above, the propriety and validity of the payments of Kshs.437,867,706 for the construction of roads for the year ended 30 June 2016 could not be confirmed.

12.4 Construction and Civil Works

12.4.1 Chardende Water Project

Note 18 to the financial statements for the year ended 30 June 2016 reflects an amount of Kshs.133,923,137 in respect of construction and civil works, out of which Kshs.17,654,390 is in respect of Chardende Water Project whose contract sum was

Kshs.65,866,667. However, project feasibility study report, drawings, minutes of site meetings held, project progress reports and engineer's estimate were not availed for audit verification contrary to Section 68 of the Public Procurement and Asset Disposal Act, 2015 which states that an accounting officer of a procuring entity shall keep records for each procurement for at least six years after the resulting contract has been completed or, if no contract resulted, after the procurement proceedings were terminated.

Consequently, the propriety and validity of the expenditure of Kshs.17,654,390 for construction and civil works for the year ended 30 June 2016 could not be confirmed.

12.4.2 Construction of Water Tank at Hola Water Supply

Note 18 to the financial statements for the year ended 30 June 2016 reflects an amount of Kshs.133,923,137 for construction and civil works. Included in this figure is an amount of Kshs.8,231,052 in respect of construction of a hundred cubic meters (100m³) water tank and coagulation basin at the Hola water supply whose contract sum was Kshs.10,917,424. However, the project file, signed contract agreement document, and the engineer's estimates for the project were not availed for audit review contrary to Section 68 of the Public Procurement and Asset Disposal Act, 2015 which requires maintenance of proper filing records. Physical verification carried out in the month of November 2016 revealed that the tanks were complete but not in use. Further, the paint on the outer walling were observed to be peeling off.

Consequently, the propriety and validity for the payment of Kshs.8,321,052 for the construction and civil works for the year 30 June 2016 could not be ascertained.

13.0 Pending Bills

Annex 1 to the financial statements for the year ended 30 June 2016 reflected nil balances for the pending bills. However, the Controller of Budget Report reported pending bills amounting to Kshs.684,772,042 as at 30 June 2016. No explanation or records were availed for audit review.

In the circumstances, the accuracy and the validity of the nil balance pending bills as at 30 June 2016 could not be confirmed.

14.0 Projects Verification

Physical verification of projects implemented during the year revealed the following anomalies and irregularities for projects valued at Kshs.251,414,592.30 as detailed below:

	Project Name	Contract Sum Kshs.	Amount Paid	Irregularities/ Anomalies noted
1	Mau Mau Secondary School Fencing	10,632,560.00	2,814,584	This is not a devolved function.

2	Proposed Supply & Installation of Solar Powered Streetlights in Various Townships in the County	35,467,997.60	35,467,997.60	It was also observed that at Madogo centre on the other side of the road were also street lights from the National Government, hence there was no need for the County Government to erect street lights. There was no value for money.
3	Proposed Supply & Installation of Flood Lights in Various Townships in the County.	64,431,040.00	11,464,722.006	A site visit to Hola Town, Garsen, Bura and Madogo revealed that all posts were lying on the road side and have been lying for a period of more than 6 months. Thus work has stalled.
4	Proposed Construction of Food Store in Hola Township	67,995,998.40	56,036,177.00	The store was inspected and the floors and walls were found to have minor cracks.
5	Paving and Drainage Improvement at Governor's Office Compound at Trade House - Hola	13,954,684.00	13,954,684.00	The pavement has been done and the drainage work was on-going. Yet full payment was made.
6	Proposed Construction of 2No. ECDE Toilet at Rafiki	748,606.00	748,606.00	The toilets were observed to be pit latrines whereas the documents indicated modern toilets.
7	Proposed Construction of 2No. ECDE Toilet at Hola Youth Polytechnic	1,504,357.60	1,504,357.60	The toilets were observed to be pit latrines whereas the documents indicated modern toilets.
8	Proposed Construction of 2No. ECDE Toilet at Laza	798,483.68	798,483.68	The toilets were observed to be pit latrines whereas the documents indicated modern toilets.
9	Proposed Construction of 2No. ECDE Toilet at Umoja	856,282.00	856,282.00	The toilets were observed to be pit latrines whereas the documents indicated modern toilets.

10	Rehabilitation of Kibusu water pan	4,878,000	4,878,020	The water pan was completed though drying up and not fenced.
11	Construction of pipeline extension at Tarasaa, Oda and Gubani	2,063,143	2,063,143	- Project file not made available. - Contractor was paid in full without evidence that works were inspected by the Inspection and acceptance committee.
12	Rehabilitation of Daba Water Pan	2,814,584	2,814,584	- Contractor was paid in full without evidence that works were inspected by the Inspection and acceptance committee.
13	Drilling, test pumping and equipping of Chardende 2 no. boreholes	35,467,997.60	35,467,997.60	- Contractor was paid without evidence that works were inspected by the Inspection and acceptance committee
14	Supply and delivery of 15no. 1,000litres plastic tanks	3,000,000	3,000,000	- Contractor was paid without evidence that works were inspected by the Inspection and acceptance committee
15	Drilling and equipping of Garsen (Itsowe) borehole	3,884,000	430,000	- In progress at slow pace
16	Construction of Bochtito water pan	9,935,814	5,901,098	- Signed Contract agreement document not availed
17	Desilting of Doke water pan	3,583,098	3,583,098	- Project file not made available - Contract agreement document not availed
18	Fencing of Bulto Dunga bore hole	3,971,608	3,971,608	- Project file not made available - Evidence that works were inspected by the inspection and acceptance committee not availed
19	Rehabilitation of	2,554,700	2,554,700	- Evidence that works

	Garsen Elevated steel tank			were inspected by the inspection and acceptance committee not availed
	Total	**253,969,292**	**162,969,292**	

Consequently, the propriety and value for money for Kshs.162,969,292 on projects for the year ended 30 June 2016 could not be confirmed.

15.0 Budgetary Control and Performance

15.1 Budget Absorption

The County Executive of Tana-River had a total budget of Kshs.4,566,693,738 comprising of Kshs.2,799,197,145 for development and Kshs.1,767,496,593 for recurrent expenditure. Further, the County Executive actual expenditure amounted to Kshs.4,089,151,926, resulting to an overall under absorption of Kshs.477,541,812 or 10% as detailed below:

Item	Approved Budget 2015/2016	Actual Expenditure Kshs.	Under Absorption Kshs.	Over Absorption Kshs.	Under Absorption (%)	Over Absorption (%)
Development Vote	2,799,197,145	1,725,313,448	1,073,883,697	0	38	
Recurrent Vote	1,767,496,593	2,363,838,478	0	596,341,885		34
Total	**4,566,693,738**	**4,089,151,926**	**1,073,883,697**	**596,341,885**		

15.2 Development Expenditure

During the year under review, the County Executive was allocated Kshs.2,799,197,145 for development projects and spent Kshs.1,725,313,448, resulting in under expenditure of Kshs.1,303,301,373 or 47% and over-expenditure of Kshs.229,417,675 or 8% as detailed below:

Item	Approved Budget (Kshs.)	Actual Expenditure (Kshs.)	Under Absorption (Kshs.)	Over Absorption (Kshs)	Under Absorption (%)	Over Absorption (%)
Construction of Buildings	525,000,000	304,222,832	220,777,168		42	-
Purchase of Buildings	300,000,000	0	300,000,000		100	-
Purchase of Certified Seeds	140,856,461	0	140,856,461		100	-
Refurbishment of Buildings	120,525,220	70,735,811	49,789,409		42	-
Construction of roads	550,670,000	437,867,706	112,802,294		20	-
Overhaul of Motor vehicle and Other Transport	37,543,227	0	37,543,227		100	-

Construction and Civil Works	280,320,140	133,923,137	146,397,003		52	-
Purchase of Household and Institutional Equipment	19,528,577	-	19,528,577	-	100	-
Overhaul and Refurbishment of construction and Civil Works	550,700,615	414,129,927	136,570,688	-	25	-
Rehabilitation of Civil Works	-	7,881,180	-	7,881,180		(100.00)
Purchase of Vehicles and Other Transport Equipment	20,375,000	13,628,090	6,746,910	-	33	-
Rehabilitation and renovation of Plant, Machinery and Equipment	-	16,344,909	-	16,344,909	-	(100.00)
Purchase of Office Furniture and General Equipment	202,596,265	107,487,269	95,108,996	-	47	-
Purchase of ICT Equipment	25,481,640	-	25,481,640	-	100	-
Research Studies, Project Preparation, Design and Super	-	97,410,720	-	97,410,720	-	(100.00)
Purchase of Specialised Plant and Equipment	25,600,000	13,901,000	11,699,000	-	46	-
Acquisition of Strategic Stocks and Commodities	-	107,780,866	-	107,780,866	-	(100.00)
Total	**2,799,197,145**	**1,725,313,448**	**1,303,301,373**	**229,417,675**	**0.47**	**(0.08)**

From the table above, the following observations were made:

a) It was clear that the County Executive did not spend any amount of money on five (5) items namely purchase of buildings, purchase of certified seeds, overhaul of motor vehicle and other transport equipment, purchase of household and institutional equipment and purchase of ICT equipment. The under absorption of the development budget means that the County Executive did not implement some projects as planned, and hence the intended objectives of improving the living standards to the residents of Tana-River County could not be achieved. As a consequence, the under absorption of development budget will have a negative effect on service delivery to the residents of the County.

b) Similarly, the County Executive overspent on four (4) items namely: rehabilitation of civil works, rehabilitation and renovation of plant machinery and equipment, research

studies project preparations and design and acquisition of strategic stocks and commodities. The over-absorption on development budget means that the County Executive prepared an un-realistic budget which may necessitate the reallocation of expenditure to less priority items.

Non-adherence to budgetary provisions and mechanism may hamper effective delivery of services to the citizens and this portrays lack of focus on priority areas.

15.3 Recurrent Expenditure

During the year under review, County Executive of Tana-River was allocated Kshs.1,767,496,593 for recurrent expenditure and spent Kshs.2,363,838,478, resulting in over expenditure of Kshs.596,341,885 or 34%.

Item	Approved Budget (Kshs.)	Actual Expenditure (Kshs.)	Over Absorption (Kshs.)	Over Absorption (%)
Compensation of Employees	968,695,560	968,695,560	0	0
Use of Goods and Services	785,375,023	815,664,108	30,289,085	4
Transfer to Other Government Units	13,426,010	416,190,328	402,764,318	3000
Other Grants and Transfers	0	155,433,949	155,433,949	100
Social Security Benefit	0	7,854,533	7,854,533	100
Total	**1,767,496,593**	**2,363,838,478**	**596,341,885**	**34**

It was noted that the County Executive overspent on four items namely transfers to other government entities, other grants and social security benefit. In the long run, overspending may lead in salary delays, increase in pending bills and deteriorating living standards for the citizens of the County.

15.4 Revenue Budget

During the year under review, the county had budgeted to collect Kshs.120,000,000 under other revenue. However, the county only collected Kshs.26,122,064 resulting in an under collection of Kshs.93,877,936 or 78%. Further, revenue collection under other revenues has been declining over the last three years as shown below:

	2015-2016	2014-2015	2013-2014
Particulars	**Kshs.**	**Kshs.**	**Kshs.**
Other Property Income	-	-	3,253,409
Receipts from Administrative Fees and Charges	1,345,620	1,975,953	13,557,221

Business Permits	8,432,789	4,772,540	-
Cess	8,432,780	11,297,980	-
Plot Rates	-	3,936,579	-
Plot Rents	2,657,800	-	-
Various Fees	-	751,450	-
Other Miscellaneous revenues	-	8,547,055	20,101,163
Other Revenue from Financial Assets Loan	632,178	-	-
Market/trade centre Fees	1,278,500	46,500	-
Vehicles Parking Fees	1,854,300	741,550	-
Housing	-	338,800	-
Slaughter Houses Administration	1,488,097	-	-
TOTAL	**26,122,064**	**32,408,407**	**36,911,793**

From the above table, it is evident that Kshs.36,911,793 was collected and recorded in 2013/2014 financial year and the same decreased by Kshs.4,503,386 or 14% to Kshs.32,408,407 in the financial year 2014/2015 and by Kshs.6,286,343 or 24% to Kshs.26,122,064 in the year 2015/2016.

16.0 The Office of Governor

16.1 Governor's Budget Performance

The Office of Governor was allocated a budget of Kshs.505,698,313 comprising recurrent expenditure of Kshs.403,415,705 and development expenditure of Kshs.102,282,608 and had incurred total expenditure of Kshs.459,036,253 or 91% of the budget allocation, as summarized below:

	Approved Budget	Total Payments and Commitments	Amount (Approved Estimates and Payments)	Percentage (Rate of Absorption)
Recurrent expenditure	403,415,705	373,668,461	29,747,244	93%
Development expenditure	102,282,608	85,367,792	16,916,816	83%
Subtotal Kshs	**505,698,313**	**459,036,253**	**46,664,060**	**91%**

16.2 Governor's Recurrent Vote

During the year under review, Tana-River County Executive allocated Kshs. 403,415,705 to the Office of Governor for recurrent expenditure while actual expenditure was Kshs.373,668,461 or 93% of the budget thereby resulting in an amount totaling Kshs.29,747,244 or 7% which was not utilized as detailed below;

Item	Approved Budget (Kshs.)	Actual Expenditure (Kshs.)	Under Absorption (Kshs.)	Under Absorption (%)
Basic Salary	271,720,705	267,656,214	4,064,491	1
Employer Contribution to Staff Pension	8,000,000	3,562,425	4,437,575	55
Utilities, Supplies and Services	635,000	515,332	119,668	19
Communication, Supplies and Services	700,000	574,992	125,008	18
Domestic Travel and Subsistence	25,000,000	24,794,181	205,819	1
Printing, Advertising and Information Supplies and Services	1,200,000	509,800	690,200	58
Rentals of Produced Assets	5,000,000	4,992,812	7,188	0
Training Expenses	10,000,000	9,955,644	44,356	0
Hospitality, Supplies and Services	10,200,000	10,133,334	66,666	1
Insurance Costs	13,000,000	12,295,245	704,755	5
Specialized Materials Services	3,050,000	-	3,050,000	100
Office and General Supplies and Services	5,000,000	79,600	4,920,400	98
Fuel, Oils and Lubricants	20,000,000	19,986,551	13,449	0
Other Operating Expenses	12,010,000	11,682,935	327,065	3
Routine Maintenance - Motor Vehicle	5,000,000	-	5,000,000	100
Routine Maintenance - Other Assets	2,900,000	555,846	2,344,154	81
Gratuity	10,000,000	6,373,550	3,626,450	36
Total	**403,415,705**	**373,668,461**	**29,747,244**	**7**

From the above, it is clear that the Office of the Governor did not utilize some of the funds allocated for basic salaries, utilities supplies and services, traveling and accommodation, general office supplies and services, supplies for production and maintenance of motor vehicles. This implies that the County Executive did not implement or complete some of its activities as planned, and hence the intended objectives a service delivery could not be achieved. Further, the management has not provided satisfactory explanation for the failure to utilize all approved budgetary provisions.

16.3 Governor's Development Vote

During the year under review, Tana-River County Executive allocated Kshs.102,282,608 to the Office of the Governor for development projects and spent Kshs.85,367,792, resulting in under expenditure of Kshs.16,916,816 or 17% of the budget. As detailed below;

Title and Details	Approved Budget Kshs	Actual Expenditure Kshs.	Under Absorption Kshs.	Under Absorption %
Other Infrastructure and Civil Works	6,000,000	3,309,712	2,690,288	55%
Purchase of Motor Vehicles	5,000,000	4,745,444	254,556	95%
Purchase of Exchanges and other	31,000,000	27,702,500	3,297,500	89%
Purchase of Exchanges and other	14,012,000	6,814,508	7,197,492	49%
Purchase of Lighting Equipment	46,270,608	42,795,628	3,474,980	92%
Total Expenditure	**102,282,608**	**85,367,792**	**16,914,816**	**17%**

From the above, it is clear that the County Executive did not utilize some of the funds allocated for other infrastructure and civil works and purchase of exchanges which means the department did not implement or complete some projects as planned, and hence the intended objectives could not be achieved.

17.0 Internal Audit and the Audit Committee

Perusal of the audit file revealed that internal audit work plan for 2015/16 was not fully implemented due to human resource constraints. The audit further revealed that the County Government lacked an internal audit committee contrary to Section 155 (5) of the Public Finance Management Act, 2012 which states that a County Executive entity shall establish an internal auditing committee whose composition and functions are to be prescribed by the regulations. An independent audit committee in any organization is an important feature of good corporate governance.

Therefore, the management breached the law by not facilitating the establishment of the County's audit committee.

Disclaimer of Opinion

Because of the significance of the matters described in the Basis for Disclaimer of Opinion paragraph, I have not been able to obtain sufficient appropriate audit evidence

to provide a basis for an audit opinion. Accordingly, I do not express an opinion on these financial statements.

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

Nairobi

15 August 2017

I. STATEMENT OF RECEIPTS AND PAYMENTS

	Note	2015-2016 Kshs	2014-2015 Kshs
RECEIPTS			
Tax Receipts	1	-	-
Social Security Contributions	2	-	-
Proceeds from Domestic and Foreign Grants	3	-	7,110,000
Exchequer releases	4	3,993,859,971	3,476,132,713
Transfers from Other Government Entities	5	-	-
Proceeds from Domestic Borrowings	6	-	-
Proceeds from Foreign Borrowings	7	-	-
Proceeds from Sale of Assets	8	-	-
Reimbursements and Refunds	9	-	-
Returns of Equity Holdings	10	-	-
Other Receipts	11	26,122,064	32,408,407
TOTAL RECEIPTS		**4,019,982,035**	**3,515,615,120**
PAYMENTS			
Compensation of Employees	12	968,685,067	828,139,996
Use of goods and services	13	815,664,108	1,400,195,543
Subsidies	14	-	-
Transfers to Other Government Units	15	416,190,328	7,110,000
Other grants and transfers	16	155,433,949	182,242,708
Social Security Benefits	17	7,865,027	-
Acquisition of Assets	18	1,725,313,448	1,852,744,986
Finance Costs, including Loan Interest	19	-	-
Repayment of principal on Domestic and Foreign borrowing	20	-	-
Other Payments	21	-	-
TOTAL PAYMENTS		**4,089,151,926**	**4,270,433,234**
SURPLUS/DEFICIT		**(69,169,892)**	**(754,782.115)**

The accounting policies and explanatory notes to these financial statements form an integral part of the financial statements. The County Government of Tana River financial statements were approved on 30.09.2016 and signed by:

Chief Officer

Head of Treasury

II. STATEMENT OF ASSETS

	Note	2015-2016 Kshs	2014-2015 Kshs
FINANCIAL ASSETS			
Cash and Cash Equivalents			
Bank Balances	22A	323,557,528	495,897,373
Cash Balances	22B	-	-
Total Cash and cash equivalent		**323,557,528**	**495,897,373**
Accounts receivables – Outstanding Imprests	23	9,265,040	28,095,087
TOTAL FINANCIAL ASSETS		**332,822,568**	**523,992,460**
FINANCIAL LIABILITIES			
Accounts Payables – Deposits and retentions	24	-	-
NET FINANCIAL ASSETS		**332,822,568**	**523,992,460**
REPRESENTED BY			
Fund balance b/fwd	25	523,992,460	1,278,774,574
Surplus/Deficit for the year		(69,169,892)	(754,782,115)
Prior year adjustment		(122,000,000)	-
NET FINANCIAL POSITION		**332,822,568**	**523,992,460**

The accounting policies and explanatory notes to these financial statements form an integral part of the financial statements. The County Government of Tana River financial statements were approved on 30.09.2016 and signed by:

Chief Officer

Head of Treasury

III. STATEMENT OF CASHFLOW

		2015 - 2016 Kshs	2014 - 2015 Kshs
Receipts for operating income			
Tax Revenues	1	-	-
Social Security Contributions	2	-	-
Proceeds from Domestic and Foreign Grants	3	-	7,110,000
Exchequer Releases	4	3,993,859,971	3,476,132,713
Transfers from Other Government Entities	5	-	-
Reimbursements and Refunds	9	-	-
Returns of Equity Holdings	10	-	-
Other Revenues	11	26,122,064	32,408,407
		4,019,982,035	**3,515,651,120**
Payments for operating expenses			
Compensation of Employees	12	(968,685,067)	(828,139,996)
Use of goods and services	13	(815,664,108)	(1,400,195,543)
Subsidies	14	-	-
Transfers to Other Government Units	15	(416,190,328)	(7,110,000)
Other grants and transfers	16	(155,433,949)	(182,242,708)
Social Security Benefits	17	(7,865,027)	-
Finance Costs, including Loan Interest	19	-	-
Other Expenses	21	-	-
		(2,363,838,479)	**(2,417,688,248)**
Adjusted for:			
Changes in Receivables		18,830,047	(19,841,095)
Prior Year Adjustments during the year		122,000,000	-
Net cash flow from operating activities		**1,552,973,603**	**1,078,121,777**
CASHFLOW FROM INVESTING ACTIVITIES			
Proceeds from Sale of Assets	8	-	-
Acquisition of Assets	18	(1,725,313,448)	(1,852,744,986)
Net cash flows from Investing Activities		**(1,725,313,448)**	**(1,852,744,986)**
CASHFLOW FROM BORROWING ACTIVITIES			
Proceeds from Domestic Borrowings	6	-	-
Proceeds from Foreign Borrowings	7	-	-
Repayment of principal on Domestic and Foreign borrowing	20	-	-

Net cash flow from financing activities		-	-
NET INCREASE IN CASH AND CASH EQUIVALENT		**(172,339,845)**	**774,623,210**
Cash and cash equivalent at BEGINNING of the year	**24**	**523,992,460**	**1,278774574**
Cash and cash equivalent at END of the year	**25**	**323,557,528**	**523,992,460**

The accounting policies and explanatory notes to these financial statements form an integral part of the financial statements. The County Government of Tana River financial statements were approved on 30.09. 2016 and signed by:

Chief Officer

Head of Treasury

IV. SUMMARY STATEMENT OF APPROPRIATION: RECURRENT AND DEVELOPMENT COMBINED

Receipt/Expense Item	Original Budget	Adjustments	Final Budget	Actual on Comparable Basis	Budget Utilisation Difference	% of Utilisation
	a	b	c=a+b	d	e=c-d	f=d/c %
RECEIPTS						
Tax Receipts						
Social Security Contributions						
Proceeds from Domestic and Foreign Grants						
Exchequer releases	3,773,655,601	201,949,377	3,975,604,978	3,993,859,971	(18,254,993)	100%
Transfers from Other Government Entities						
Proceeds from Domestic Borrowings						
Proceeds from Foreign Borrowings						
Proceeds from Sale of Assets						
Reimbursements and Refunds						
Returns of Equity Holdings						
Other Receipts				26,122,064		100%
TOTAL	**3,773,655,601**	**201,949,377**	**3,975,604,978**	**4,019,982,035**	**(18,254,993)**	
PAYMENTS						
Compensation of Employees	971,695,560	(3,000,000)	968,695,560	968,685,067	(10,493)	100%
Use of goods and services	827,408,705	(10,875,582)	816,533,123	815,664,108	(869,015)	100%
Subsidies	-	-	-	-	-	
Transfers to Other Government Units	23,426,010	(10,000,000)	13,426,010	416,190,328	402,764,318	
Other grants and transfers	156,250,000	(250,000)	156,000,000	155,433,949	(566,051)	100%
Social Security Benefits	10,000,000	7,000,000	17,000,000	7,865,027	(9,134,973)	
Acquisition of Assets	1,784,875,326	219,074,959	2,003,950,285	1,725,313,448	(278,636,837)	86%
Finance Costs, including Loan Interest	-	-	-	-	-	

Receipt/Expense Item	Original Budget	Adjustments	Final Budget	Actual on Comparable Basis	Budget Utilisation Difference	% of Utilisation
	a	b	c=a+b	d	e=c-d	f=d/c %
Repayment of principal on Domestic and Foreign borrowing	-	-	-	-	-	
Other Payments	-	-	-	-	-	
TOTAL	3,773,655,601	201,949,377	3,975,604,978	4,089,151,926	113,546,948	103%

The County Government of Tana River financial statements were approved on 30.09. 2016 and signed by:

Chief Officer

Head of Treasury Accounts

V. SUMMARY STATEMENT OF APPROPRIATION: RECURRENT

Receipt/Expense Item	Original Budget	Adjustments	Final Budget	Actual on Comparable Basis	Budget Utilisation Difference	% of Utilisation
	a	b	c=a+b	d	e=c-d	f=d/c %
RECEIPTS						
Tax Receipts						
Social Security Contributions						
Proceeds from Domestic and Foreign Grants						
Exchequer releases	1,344,034,133	-	1,344,034,133	1,396,191,274	52,157,141	104%
Transfers from Other Government Entities						
Proceeds from Domestic Borrowings						
Proceeds from Foreign Borrowings						
Proceeds from Sale of Assets						
Reimbursements and Refunds						
Returns of Equity Holdings						
Other Receipts				26,122,064		
TOTAL	**1,344,034,133**	**-**	**1,344,034,133**	**1,422,313,338**	**78,279,205**	**106%**
PAYMENTS						
Compensation of Employees	971,695,560	(3,000,000)	968,695,560	695,157,866	(273,157,866)	72%
Use of goods and services	347,993,809	(5,900,000)	342,093,809	342,093,809	-	100%
Subsidies	-	-	-	-	-	
Transfers to Other Government Units	400,000		400,000	335,229,828	(334,829,828)	
Other grants and transfers	-		-	-	-	
Social Security Benefits	10,000,000	7,000,000	17,000,000	7,844,744	9,134,973	46%
Acquisition of Assets	13,944,764	1,900,000	15,844,764	15,844,744	(20)	100%
Finance Costs, including Loan Interest	-	-	-	-	-	

Receipt/Expense Item	Original Budget	Adjustments	Final Budget	Actual on Comparable Basis	Budget Utilisation Difference	% of Utilisation
	a	b	c=a+b	d	e=c-d	f=d/c %
Repayment of principal on Domestic and Foreign borrowing	-		-	-	-	
Other Payments	-		-	-	-	
TOTAL	**1,344,034,133**	**-**	**1,344,034,133**	**1,396,191,274**	**52,157,141**	**104%**

The County Government of Tana River financial statements were approved on 30.09. 2016 and signed by:

Chief Officer

Head of Treasury Accounts

VI. SUMMARY STATEMENT OF APPROPRIATION: DEVELOPMENT

Receipt/Expense Item	Original Budget	Adjustments	Final Budget	Actual on Comparable Basis	Budget Utilisation Difference	% of Utilisation
	a	b	c=a+b	d	e=c-d	f=d/c %
RECEIPTS						
Tax Receipts						
Social Security Contributions						
Proceeds from Domestic and Foreign Grants						
Exchequer releases	2,429,621,469	201,949,377	2,631,570,845	1,577,974,818	1,053,596,027	60%
Transfers from Other Government Entities						
Proceeds from Domestic Borrowings						
Proceeds from Foreign Borrowings						
Proceeds from Sale of Assets						
Reimbursements and Refunds						
Returns of Equity Holdings						
Other Receipts						
TOTAL	**2,429,621,469**	**201,949,377**	**2,631,570,845**	**1,577,974,818**	**1,053,596,027**	**60%**
PAYMENTS						
Compensation of Employees						
Use of goods and services	479,414,896	4,975,582	474,439,314	273,527,201	200,912,113	58%
Subsidies	-	-	-	-	-	
Transfers to Other Government Units	23,026,010	10,000,000	13,026,010	1,200,000	11,326,010	9%
Other grants and transfers	156,250,000	250,000	156,000,000	80,960,500	75,039,500	52%
Social Security Benefits	-	-	-	-	-	
Acquisition of Assets	1,770,930,562	217,174,959	1,988,105,521	1,222,287,117	765,818,404	61%
Finance Costs, including Loan Interest	-	-	-	-	-	
Repayment of principal on Domestic and Foreign borrowing	-	-	-	-	-	

Receipt/Expense Item	Original Budget	Adjustments	Final Budget	Actual on Comparable Basis	Budget Utilisation Difference	% of Utilisation
	a	b	c=a+b	d	e=c-d	f=d/c %
Other Payments	-	-	-	-	-	
TOTALS	**2,429,621,469**	**201,949,377**	**2,631,570,845**	**1,577,974,818**	**1,053,596,027**	**60%**

The County Government of Tana River financial statements were approved on 30.09 2016 and signed by:

Chief Officer

Head of Treasury Accounts

VII. 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 Tana River* and all values are reported in Kenya shillings (ksh.). 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 Tana River* recognises all revenues from the various sources when the event occurs and the related cash has actually been received by the *County Government of Tana River*. In addition, the *County Government of Tana River* recognises all expenses when the event occurs and the related cash has actually been paid out by the *County Government of Tana River*.

3. In-kind contributions

In-kind contributions are donations that are made to the *County Government of Tana River* 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 Tana River* 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 Tana River 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 Tana River* 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 Tana River'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 Tana River'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.

VIII. NOTES TO THE FINANCIAL STATEMENTS

1 TAX REVENUES

	2015 - 2016 Kshs	2014 - 2015 Kshs
Taxes on Income, Profits and Capital Gains	-	-
Taxes on Property	-	-
Taxes on Goods and Services	-	-
Taxes on International Trade and Transactions	-	-
Other Taxes (not elsewhere classified)	-	-
	-	-
Total	-	-

2 SOCIAL SECURITY CONTRIBUTIONS

	2015 - 2016 Kshs	2014 – 2015 Kshs
Receipts for Health Insurance Contribution	-	-
Receipts to NHIF for Health Insurance Contributions	-	-
Receipts from Govt Employees to Social & Welfare Schemes in Govt	-	-
	-	-
Total	-	-

3 PROCEEDS FROM DOMESTIC AND FOREIGN GRANTS

Name of Donor	Date received	Amount in foreign currency	2015 - 2016	2014 – 2015
			Kshs	Kshs
Grants Received from Bilateral Donors (Foreign Governments)				
Danida	-	-	-	7,110,000
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				**7,110,000**

4 EXCHQUER RELEASES

	2015 - 2016	2014 - 2015
	Kshs	Kshs
Total Exchequer Releases for quarter 1	318,765,598	434,516,589
Total Exchequer Releases for quarter 2	1,020,710,343	573,561,897
Total Exchequer Releases for quarter 3	1,359,398,790	903,794,506
Total Exchequer Releases for quarter 4	1,294,985,240	1,564,259,721
Total	**3,993,859,971**	**3,476,132,713**

5 TRANSFERS FROM OTHER GOVERNMENT ENTITIES

Description	**2015 - 2016**	**2014 - 2015**
	Kshs	**Kshs**
Transfers to Central government entities	-	-
(insert name of budget agency)	-	-
Transfers from Counties		
Transfer to County Assembly	-	-
Hola District Hospital	-	-
TOTAL	-	-

6 PROCEEDS FROM DOMESTIC BORROWINGS

	2015 - 2016	2014 - 2015
	Kshs	Kshs
Borrowing within General Government	-	-
Borrowing from Monetary Authorities (Central Bank)	-	-
Other Domestic Depository Corporations (Commercial Banks)	-	-
Borrowing from Other Domestic Financial Institutions	-	-
Borrowing from Other Domestic Creditors	-	-
Domestic Currency and Domestic Deposits	-	-
Total	-	-

7 PROCEEDS FROM FOREIGN BORROWINGS

	2015 - 2016 Kshs	2014 - 2015 Kshs
Foreign Borrowing – Draw-downs Through Exchequer	-	-
Foreign Borrowing - Direct Payments	-	-
Foreign Currency and Foreign Deposits	-	-
Total	-	-

8 PROCEEDS FROM SALE OF ASSETS

	2015 - 2016 Kshs	2014 - 2015 Kshs
Receipts from the Sale of Buildings		
Receipts from the Sale of Vehicles and Transport Equipment	-	-
Receipts from the Sale Plant Machinery and Equipment	-	-
Receipts from Sale of Certified Seeds and Breeding Stock	-	-
Receipts from the Sale of Strategic Reserves Stocks	-	-
Receipts from the Sale of Inventories, Stocks and Commodities	-	-
Disposal and Sales of Non-Produced Assets	-	-
Receipts from the Sale of Strategic Reserves Stocks	-	-
Total	-	-

9 REIMBURSEMENTS AND REFUNDS

	2015 - 2016 Kshs	2014 - 2015 Kshs
Refund from World Food Programme (WFP)	-	-
Reimbursement of Audit Fees	-	-
Reimbursement on Messing Charges (UNICEF)	-	-
Reimbursement from World Bank – ECD	-	-
Reimbursement from Individuals and Private Organisations	-	-
Reimbursement from Local Government Authorities	-	-
Reimbursement from Statutory Organisations	-	-
Reimbursement within Central Government	-	-
Reimbursement Using Bonds	-	-
Total	-	-

10 RETURNS OF EQUITY HOLDINGS

	2015 - 2016 Kshs	2014 - 2015 Kshs
Returns of Equity Holdings in Domestic Organisations	-	-
Returns of Equity Holdings in International Organisations	-	-
	-	-
Total	-	-

11 OTHER REVENUES

	2015 - 2016 Kshs	2014 - 2015 Kshs
Interest Received	-	-
Profits and Dividends	-	-
Rents	-	-
Other Property Income	-	-
Sales of Market Establishments	-	-
Receipts from Administrative Fees and Charges	1,345,620	1,975,953
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	-	-
Receipts from Voluntary transfers other than grants	-	-
Business permits	8,432,789	4,772,540
Cesses	8,432,780	11,297,980
Poll rates	-	3,936,579
Plot rents	2,657,800	-
Other local levies	-	-
Administrative services fees	-	751,450
Various fees	-	-
Council's natural resources	-	-
Exploitation	-	-
Sales of council assets	-	-
Lease / rental of council's	-	-
Infrastructure assets	-	-
Other miscellaneous revenues	-	8,547,055
Other miscellaneous revenues	-	-
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	632,178	-
NOTES TO THE FINANCIAL STATEMENTS (Continued		
	-	-
Market/trade centre fee		
Vehicle parking fees	1,278,500	46,500
Housing	1,854,300	741,550
Social premises use charges	-	338,800
School fees	-	-
Other education-related	-	-
Other education revenues	-	-
Public health services	-	-
Public health facilities operations	-	-
Environment & conservancy	-	-
Administration	-	-
Slaughter houses administration	1,488,097	-
Water supply administration	-	-
Sewerage administration	-	-
Other health & sanitation	-	-
Technical services fees	-	-
External services fees	-	-
	26,122,064	32,408,408

12 COMPENSATION OF EMPLOYEES

	2015 - 2016 Kshs	2014 - 2015 Kshs
Basic salaries of permanent employees	860,308,380	704,826,339
Basic wages of temporary employees	37,627,322	111,763,822
Personal allowances paid as part of salary	49,234,633	-
Personal allowances paid as reimbursements	84,200	-
Personal allowances provided in kind	-	-
Pension and other social security contributions	21,430,533	11,549,836
Compulsory national social security schemes	-	-
Compulsory national health insurance schemes	-	-
Social benefit schemes outside government	-	-
Other personnel payments	-	-
Total	**968,685,067**	**828,139,996**

13 USE OF GOODS AND SERVICES

	2015 - 2016 Kshs	2014 - 2015 Kshs
Utilities, supplies and services	66,808,315	16,795,011
Communication, supplies and services	5,000,041	18,531,558
Domestic travel and subsistence	274,107,696	415,876,842
Foreign travel and subsistence	14,272,262	203,066,840
Printing, advertising and information supplies & services	52,777,928	21,545,371
Rentals of produced assets	10,028,852	52,867,189
Training expenses	26,350,833	52,378,283
Hospitality supplies and services	35,122,440	88,543,784
Insurance costs	63,428,100	32,775,528
Specialised materials and services	85,522,521	87,498,014
Office and general supplies and services	54,404,206	122,453,523
Other operating expenses	37,010,568	144,035,439
Fuel Oil and Lubricants	40,826,101	57,255,945
Routine maintenance – vehicles and other transport equipment	30,568,165	20,500,311
Routine maintenance – other assets	19,436,080	66,071,906
Total	**815,664,108**	**1,400,195,543**

14 SUBSIDIES

Description	2015 - 2016 Kshs	2014 - 2015 Kshs
Subsidies to Public Corporations		
See list attached	-	-
(insert name)	-	-
Subsidies to Private Enterprises		
See list attached	-	-
(insert name)	-	-
TOTAL	-	-

15 TRANSFER TO OTHER GOVERNMENT ENTITIES

Description	2015 – 2016 Kshs	2014 - 2015 Kshs
Transfers to Central government entities		
See attached list	400,000	-
Transfers to Other Counties		
Transfer to County Assembly	414,590,328	-
Hola District Hospital	1,200,000	7,110,000
TOTAL	**416,190,328**	**7,110,000**

16 OTHER GRANTS AND OTHER PAYMENTS

	2015 – 2016 Kshs	2014 - 2015 Kshs
Scholarships and other educational benefits	75,000,000	80,000,000
Emergency relief and refugee assistance	5,960,500	102,242,708
Subsidies to small businesses, cooperatives, and self employed	-	-
Amount Paid for Assembly Rec	34,838,010	-
Amount Paid for Assembly Dev	23,864,311	-
Funds handed over to Assembly at start of the year	15,771,129	-
Total	**155,433,949**	**182,242,708**

17 SOCIAL SECURITY BENEFITS

	2015 – 2016 Kshs	2014 – 2015 Kshs
Government pension and retirement benefits	7,865,027	-
Social security benefits in cash and in kind	-	-
Employer Social Benefits in cash and in kind	-	-
Total	**7,865,027**	**-**

18 ACQUISITION OF ASSETS

Non Financial Assets	2015 - 2016 Kshs	2014 - 2015 Kshs
Purchase of Buildings	-	-
Construction of Buildings	304,222,832	963,441,519
Refurbishment of Buildings	70,735,811	74,714,056
Construction of Roads	437,867,706	182,446,725
Construction and Civil Works	133,923,137	421,369,019
Overhaul and Refurbishment of Construction and Civil Works	414,129,927	-
Purchase of Vehicles and Other Transport Equipment	13,628,090	169,953,562
Overhaul of Vehicles and Other Transport Equipment	-	-
Purchase of Household Furniture and Institutional Equipment	-	-
Purchase of Office Furniture and General Equipment	107,487,269	26,581,313
Purchase of ICT Equipment	-	-
Purchase of Specialised Plant, Equipment and Machinery	13,901,000	14,218,793
Rehabilitation and Renovation of Plant, Machinery and Equip.	16,344,909	-
Purchase of Certified Seeds, Breeding Stock and Live Animals	-	-
Research, Studies, Project Preparation, Design & Supervision	97,410,720	-
Rehabilitation of Civil Works	7,881,180	-
Acquisition of Strategic Stocks and commodities	107,780,866	-
Acquisition of Land	-	-
Acquisition of Intangible Assets	-	-
Financial Assets		
Domestic Public Non-Financial Enterprises	-	-
Domestic Public Financial Institutions	-	-
Foreign financial Institutions operating Abroad	-	-
Other Foreign Enterprises	-	-
Foreign Payables - From Previous Years	-	-
Total	**1,725,313,448**	**1,852,744,986**

19 FINANCE COSTS, INCLUDING LOAN INTEREST

	2015 - 2016 Kshs	2014 – 2015 Kshs
Exchange Rate Losses	-	-
Interest Payments on Foreign Borrowings	-	-
Interest Payments on Guaranteed Debt Taken over by Govt	-	-
Interest on Domestic Borrowings (Non-Govt)	-	-
Interest on Borrowings from Other Government Units	-	-
	-	-
Total	-	-

20 REPAYMENT OF PRINCIPAL ON DOMESTIC LENDING AND ON-LENDING

	2015 - 2016 Kshs	2014 – 2015 Kshs
Repayments on Borrowings from Domestic	-	-
Principal Repayments on Guaranteed Debt Taken over by Government	-	-
Repayments on Borrowings from Other Domestic Creditors	-	-
Repayment of Principal from Foreign Lending & On – Lending	-	-
	-	-
Total	-	-

21 OTHER EXPENSES

	2015 - 2016 Kshs	2014 – 2015 Kshs
Budget Reserves	-	-
Civil Contingency Reserves	-	-
Other expenses	-	-
	-	-

22A: Bank Accounts

Name of Bank, Account No. & currency	Amount in bank account currency	Indicate whether recurrent, Development, deposit, revenue e.t.c	Exc rate (if in foreign currency)	2015 - 2016	2014 – 2015
				Kshs	Kshs
Salary KCB A/C No 1148732020				-	6,872,192
Standing imprest A/C No 1140769545 KCB				8.62	31,107,339
Central Bank Development A/C No 1000170708				-	8,852,141
Central Bank of Kenya, Recurrent Account no.1000170735				27,980.10	14,632,850
Tana River County Assembly KCB A/C No 1143877578				-	15,771,128.74
county revenue fund A/C No 1000171332				323,052,286.55	3,780,337
KCB revenue A/c no 1140754033				339,260	591,375
KCB development A/c no				-	291,497,055

1143047613					
NOTES TO THE FINANCIAL STATEMENTS(Continued)					
Planning A/c no 1149939133				10,655	11,985
Supervision KCB A/c no 1156319552				127,338	780,970
KCB C/ASSEMBLY A/C no 1169962904				-	110,000,000
KCB C/ASSEMBLY Gratuity A/C no 1169962343				-	12,000,000
Total				**323,557,528**	**495,897,373**

22B: CASH IN HAND

	2015 - 2016 Kshs	2014 - 2015 Kshs
Cash in Hand – Held in domestic currency	-	-
Cash in Hand – Held in foreign currency	-	-
Total	-	-

Cash in hand should also be analysed as follows:

	2015 - 2016 Kshs	2014 - 2015 Kshs
Location 1	-	-
Location 2	-	-
Location 3	-	-
Other Locations (*specify*)	-	-
Total	-	-

[Provide cash count certificates for each]

23: ACCOUNTS RECEIVABLE - OUTSTANDING IMPRESTS

Description	**2015 - 2016**	**2014 - 2015**
	Kshs	**Kshs**
Government Imprests	9,265,040	23,363,341
Clearance accounts	-	4,731,746
Total	9,265,040	**28,095,087**

[Include a breakdown of the outstanding imprest below or as an annex to the notes if the list is longer than 1 page.]

Name of Officer or Institution	***Date Imprest Taken***	***Amount Taken***	***Amount Surrendered***	***Balance***
		Kshs	***Kshs***	***Kshs***
Name of Officer or Institution	dd/mm/yy	xxx	Xxx	xxx
Name of Officer or Institution	dd/mm/yy	xxx	Xxx	xxx
Name of Officer or Institution	dd/mm/yy	xxx	Xxx	xxx
Name of Officer or Institution	dd/mm/yy	xxx	Xxx	xxx
Name of Officer or Institution	dd/mm/yy	xxx	Xxx	xxx
Name of Officer or Institution	dd/mm/yy	xxx	Xxx	xxx
Total				xxx

26. OTHER IMPORTANT DISCLOSURES

26.1: PENDING ACCOUNTS PAYABLE (See Annex 1)	2015 – 2016	2014 - 2015
	Kshs	Kshs
Construction of buildings	-	-
Construction of civil works	-	-
Supply of goods	-	-
Supply of services	-	-
	-	-

26.2: PENDING STAFF PAYABLES (See Annex 2)	2015 – 2016	2014 - 2015
	Kshs	Kshs
Senior management	-	-
Middle management	-	-
Unionisable employees	-	-
Others (*specify*)	-	-
	-	-

26.3: OTHER PENDING PAYABLES (See Annex 3)	2015 – 2016	2014 - 2015
	Kshs	Kshs
Amounts due to National Government entities	-	-
Amounts due to County Government entities	-	-
Amounts due to third parties	-	-
Others (*specify*)	-	-
	-	-

ANNEX 1 - ANALYSIS OF PENDING ACCOUNTS PAYABLE

Supplier of Goods or Services	Original Amount	Date Contracted	Amount Paid To-Date	Outstanding Balance 2014	Outstanding Balance 2013	Comments
	a	b	c	d=a-c		
Construction of buildings						
1.						
2.						
3.						
Sub-Total						
Construction of civil works						
4.						
5.						
6.						
Sub-Total						
Supply of goods						
7.						
8.						
9.						
Sub-Total						
Supply of services						
10.						
11.						
12.						
Sub-Total						
Grand Total						

ANNEX 2 - ANALYSIS OF PENDING STAFF PAYABLES

Name of Staff	Job Group	Original Amount	Date Payable Contracted	Amount Paid To-Date	Outstanding Balance 2014	Outstanding Balance 2013	Comments
		a	b	c	d=a-c		
Senior Management							
1.							
2.							
3.							
Sub-Total							
Middle Management							
4.							
5.							
6.							
Sub-Total							
Unionisable Employees							
7.							
8.							
9.							
Sub-Total							
Others (*specify*)							
10.							
11.							
12.							
Sub-Total							
Grand Total							

ANNEX 3 - ANALYSIS OF OTHER PENDING PAYABLES

Name	Brief Transaction Description	Original Amount	Date Payable Contracted	Amount Paid To-Date	Outstanding Balance 2016	Outstanding Balance 2015	Comments
		a	b	c	d=a-c		
Amounts due to National Govt Entities							
1.							
2.							
3.							
Sub-Total							
Amounts due to County Govt Entities							
4.							
5.							
6.							
Sub-Total							
Amounts due to Third Parties							
7.							
8.							
9.							
Sub-Total							
Others (*specify*)							
10.							
11.							
12.							
Sub-Total							
Grand Total							

ANNEX 4 – SUMMARY OF FIXED ASSET REGISTER

Asset class	Historical Cost (Kshs) 2015/2016	Historical Cost (Kshs) 2014/2015
Land		
Buildings and structures		
Transport equipment		
Office equipment, furniture and fittings		
ICT Equipment, Software and Other ICT Assets		
Other Machinery and Equipment		
Heritage and cultural assets		
Intangible assets		
Total		