REPUBLIC OF KENYA

# OFFICE OF THE AUDITOR-GENERAL

# REPORT

# OF

# THE AUDITOR-GENERAL

# ON

# THE FINANCIAL STATEMENTS OF COUNTY ASSEMBLY OF KAJIADO

# FOR THE YEAR ENDED 30 JUNE 2018

OFFICE OF THE AUDITOR GENERAL
P. O. Box 30084 - 00100, NAIROBI
REGISTRY
5 MAR 2019
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# KAJIADO COUNTY ASSEMBLY

# REPORTS AND FINANCIAL STATEMENTS

# FOR THE FINANCIAL YEAR ENDED JUNE 30, 2018

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

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## 1. KEY ENTITY INFORMATION AND MANAGEMENT

### (a) Background information

The County is constituted as per the constitution of Kenya is headed by the Speaker of the County Assembly, who is responsible for the general policy and strategic direction of the Assembly. The County Assembly constitutes 25 Members of County Assembly (MCAs) elected to represent members of the public from their respective wards. The MCAs are responsible for making any laws for effective performance of the County Government, approving plans and policies and playing the oversight role over the County Executive.

### (b) Key Management

Kajiado County Assembly day-to-day management is under the following key organs:

1. Office of the speaker
2. Office of the clerk

### (c) Fiduciary Management

The key management personnel who held office during the year ended 30 June 2018 and who had direct fiduciary responsibility were:

| No. | Designation | | Name |
|---|---|---|---|
| 1. | Accounting Officer | - | Josiah Leboo Saisa |
| 2. | Principal Finance Officer | - | Samson Saitoti Sirere |

### (d) Fiduciary Oversight Arrangements

*The assembly was able to achieve the value –for-money for the FY 2017/2018 through the following ways; a) Assembly's core business functions (legislation, oversight and representation) were effectively achieved during the year, b) Public participation was effective in the in that they were inclusive and a sense of ownership of the said projects felt by locals, c) Administration function: The assembly managed to facilitate adequate staffs development function as a way to improve productivity*

### (e) Entity Headquarters

P.O. BOX 94-01100

County Assembly Premises

Kajiado, Kenya.

### (f) Entity Contacts

Telephone: (254
E-mail:info@kajiadoassembly.or.ke
Website: www.kajiadoassembly.or.ke

**(g) Entity Bankers**

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

2. Kenya Commercial Bank
   A/C 1153874830
   Kajiado Branch

**(h) Independent Auditors**

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

**(i) Principal Legal Adviser**

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

## 2. FORWARD BY THE CLERK OF THE ASSEMBLY

| **Budget performance** |
|---|
| *The assembly had an original budget of Kshs.**755, 153,111** million. A total of Kshs.* **704,967,233** *was disbursed of which Kshs.***693,449,846** *was absorbed forming **98.37%** absorption rate.* |
| **Operational Performance** |
| ***KAJIADO COUNTY ASSEMBLY ACTS, BILLS, REGULATIONS AND POLICIES PASSED***<br>*1.The Kajiado County Appropriation Act, 2013*<br>*2.The Kajiado County Finance Act, 2013/14*<br>*3.The Kajiado County Finance Act, 2014/15*<br>*4.The Kajiado County Alcoholic Drinks Control Act, 2014*<br>*5.The Kajiado County Public Participation Act, 2014*<br>*6.The Kajiado County Emergency Fund Act, 2014*<br>*7.The Kajiado County Appropriation Act, 2014*<br>*8.The Kajiado County Revenue Administration Act, 2015*<br>*9.The Kajiado County Trade Licensing Act, 2015*<br>*10.The Kajiado County Rating Act, 2015*<br>*11.The Kajiado County Disaster Management Act, 2015*<br>*12.The Kajiado County Appropriation Act, 2015*<br>*13.Kajiado County Finance Act, 2015/16*<br>*14.The Kajiado County Appropriation Act, 2016*<br>*15.The Kajiado County Supplementary Appropriation Act, 2016*<br>***BILLS IN PUBLICATION STAGE***<br>*1.Kajiado County Flag, Emblems and Names Bill,2016 – Publishing*<br>*2.Kajiado County Conservation of water catchment area Bill,2016- Publishing*<br>*3.The Kajiado County Polytechnics Bill, 2015 – publishing*<br>*4.The Kajiado County Transport Bill – Publishing*<br>*5.The Kajiado County outdoor Advertisement Bill*<br>*6.The Kajiado County Assembly Service Bill – On hold*<br>***BILLS IN COMMITTEE STAGE***<br>*1.The Kajiado County Appropriation Bill ,2017 – passed by the Assembly awaiting to forwarded to the Governor for assent*<br><br>***BILLS FORWARDED TO THE GOVERNOR FOR ASSENT***<br>*1.The Kajiado County Fire and Rescue Service Bill, 2015*<br>*2.The Kajiado County Environment Management Bill, 2015*<br>*3.The Kajiado County Finance Act, 2016/2017*<br>*4.The Kajiado County Bursary and Grant and Scholarship Fund Act, 2015*<br>***REGULATIONS PASSED***<br>*1.The Kajiado County Assembly Members and Staff Car Loan and Mortgage Fund Regulation, 2014*<br>*2.The Kajiado County Disability Fund Regulation, 2015* |

*3.The Kajiado County Youth and Woman Fund Regulations, 2015*
*4.The Kajiado County Emergency Fund Regulation, 2014*
*5.The Kajiado County Public Finance Management (County Bursary Fund Regulation, 2015)*
*6.The Kajiado County Assembly Service (Ward Offices) Regulations, 2014*
*7.The Kajiado County Executive Car Loan and Mortgage Fund Regulation, 2015*
*8.The Kajiado County Alcoholic Drinks Control Licensing Regulations, 2015*

***POLICIES PASSED***

*1.Youth and Women Fund Policy*
*2.Policy on Disability Mainstreaming*
*3.Alcoholic Drinks Control Policy*
*4.Kajiado County Emergency Policy*
*5.County Land Policy*
*6.Weighing and measures Policy*
*7.Sand Harvesting Policy*

**Performance of key development projects**

*During the period under audit the assembly has continued with the construction of new Assembly chambers complex has a major project for the year which is estimated to be complete by year 2020.*

**Comment on value-for-money achievements**

*The assembly was able to achieve the value –for-money for the FY 2017/2018 through the following ways; a) Assembly's core business functions (legislation, oversight and representation) were effectively achieved during the year, b) Public participation was effective in the in that they were inclusive and a sense of ownership of the said projects felt by locals, c) Administration function: The assembly managed to facilitate adequate staffs development function as a way to improve productivity.*

**Challenges and Recommended Way Forward**

*The assembly faced the* ***challenge*** *of IFMIS networking problem which has affect payment process and correcting ifmis reports e.g. clearing of imprests in the system.* ***Recommendation.*** *1) National treasury to streamline ifmis networking problem,2) Timely disbursement of funds by national treasury so as to facilitate adequate budget execution.*

**Sign:**

**Clerk of the County Assembly.**

## 3. STATEMENT OF MANAGEMENT RESPONSIBILITIES

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

The Clerk of the County Assembly is responsible for the preparation and presentation of the County Assembly's financial statements, which give a true and fair view of the state of affairs of the County Assembly for the year, ended June 30, 2018. This responsibility includes: (i) maintaining adequate financial management arrangements and ensuring that these continue to be effective throughout the reporting period; (ii) maintaining proper accounting records, which disclose with reasonable accuracy at any time the financial position of the County Assembly; (iii) designing, implementing and maintaining internal controls relevant to the preparation and fair presentation of the financial statements, and ensuring that they are free from material misstatements, whether due to error or fraud; (iv) safeguarding the assets of the County Assembly; (v) selecting and applying appropriate accounting policies; and (vi) making accounting estimates that are reasonable in the circumstances.

The Clerk accepts responsibility for the County Assembly's financial statements, which have been prepared on the Cash Basis Method of Financial Reporting, using appropriate accounting policies in accordance with International Public Sector Accounting Standards (IPSAS). The Clerk is of the opinion that the County Assembly's financial statements give a true and fair view of the state of the County Assembly's transactions for the year ended June 30, 2018, and of its financial position as at that date. The Clerk further confirms the completeness of the accounting records maintained for the County Assembly which have been relied upon in the preparation of the its financial statements as well as the adequacy of the systems of internal financial control.

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

**Approval of the financial statements**

The County Government's financial statements were approved and signed by the Clerk of the County Assembly on September 29 2018 and signed by.

Clerk of the County Assembly

# REPUBLIC OF KENYA

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# OFFICE OF THE AUDITOR-GENERAL

## REPORT OF THE AUDITOR-GENERAL ON COUNTY ASSEMBLY OF KAJIADO FOR THE YEAR ENDED 30 JUNE 2018

REPORT ON THE FINANCIAL STATEMENTS

### Qualified Opinion

I have audited the accompanying financial statements of County Assembly of Kajiado set out on pages 1 to 30, which comprise the statement of financial assets and liabilities as at 30 June 2018, and the statement of receipts and payments, statement of cash flows, statements of comparison of budget and actual amounts: recurrent, development and combined and budget execution by programmes and sub-programmes for the year then ended, and a summary of significant accounting policies and other explanatory information in accordance with the provisions of Article 229 of the Constitution of Kenya and Section 35 of the Public Audit Act, 2015. I have obtained all the information and explanations which, to the best of my knowledge and belief, were necessary for the purpose of the audit.

In my opinion, except for the effect of the matters described in the Basis for Qualified Opinion section of my report, the financial statements present fairly, in all material respects, the financial position of County Assembly of Kajiado as at 30 June 2018, 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 comply with the County Government Act, 2012 and the Public Finance Management Act, 2012 .

### Basis for Qualified Opinion

#### 1. Presentation and Disclosure of the Statement of Comparison of Budget and Actual Amounts

The statement of comparison of budget and actual amounts reflects a final budget of Kshs.755,153,111 for receipts and payments. The statement also reflects actual receipts and payments totaling Kshs.704,967,233 and Kshs.695,735,709 respectively resulting in a surplus of Kshs.9,231,524. The projected receipts were under realized by 7% while under expenditure of 25% was realized in respect of acquisition of assets. However, and contrary to the provisions of section 164(2) of the Public Finance Management Act, 2012 and paragraph 1.9.8 of IPSAS Cash Basis of Accounting Financial Reporting Framework, no disclosures have been made in the notes to the financial statements in respect of the reasons for material variances between the approved budget and actual amounts.

As a result, the statement of comparison of budget and actual amounts was not prepared in accordance with the financial reporting framework.

**2. Cash and Bank Balances**

The statement of assets and liabilities as at 30 June 2018 reflects cash and cash equivalents balance of Kshs.11,517,387. However, the entries in the cash book were picked from the bank statements, an indication that the management did not maintain proper cash books as required but depended on the bank statements to record the County Assembly's transactions. It was also noted that the County Assembly maintained cash books for three bank accounts in an MS-Excel and did not demonstrate controls that have been put in place to deter arbitrary manipulation of financial entries.

In addition, the management did not provide a comprehensive list of bank accounts operated as required under Regulation 87(4) of the Public Finance Management (County Government) Regulations, 2015.

Further, the accounting officer did not submit regularly monthly bank reconciliation statements to the County Treasury with a copy to the Auditor-General as required under Regulation 90 of the Public Finance Management (County Government) Regulations, 2015.

Consequently, the accuracy and completeness of the financial statements' balance of cash and cash equivalents could not be confirmed.

**3. Unsupported Expenses - Utilities, Supplies and Services**

The statement of receipts and payments reflects an amount of Kshs.266,036,959, in respect of use of goods and services out of which Kshs.4,625,411 relate to utilities, supplies and services as detailed in Note 5 to the financial statements. This amount however differs with the amount of Kshs.6,225,411 reflected in the availed supporting schedules by Kshs.1,600,000.

As a result, the accuracy and regularity of the amount relating to utilities, supplies and services could not be confirmed.

**4. Failure to Update the Fixed Assets Register**

The statement of assets and liabilities reflects an amount of Kshs.126,509,543 under acquisition of assets. Annex 4 to the financial statements also indicates that the County Assembly incurred an expenditure of Kshs.126,509,543 on additions of fixed assets. However, and as required by the Public Finance Management Regulations, 2015 the fixed assets register was not updated to include the additions during the year.

In the circumstances, it was not possible to confirm that the County Assembly's assets were secured and taken charge of.

The audit was conducted in accordance with International Standards of Supreme Audit Institutions (ISSAIs). I am independent of County Executive of Kajiado in accordance with ISSAI 30 on Code of Ethics. I have fulfilled other ethical responsibilities in accordance with the ISSAI and in accordance with other ethical requirements applicable to performing audits of financial statements in Kenya. I believe that the audit evidence I have obtained is sufficient and appropriate to provide a basis for my qualified opinion.

**Key Audit Matters**

Key audit matters are those matters that, in my professional judgment, are of most significance in the audit of the financial statements. Except for the matters described in the Basis for Qualified Opinion section of my report, I have determined that there are no other key audit matters to communicate in my report.

**Other Matter**

**1. Budgetary Performance**

The statement of comparison of budget and actual amounts reflects a final budget of Kshs.755,153,111 for receipts and payments. The statement also reflects actual receipts and payments totaling Kshs.704,967,233 and Kshs.695,735,709 respectively resulting in a surplus of Kshs.9,231,524.

Further, a review of actual expenditure against the approved budget revealed that expenditure on the following items exceeded the approved estimates in the financial year ended 30 June 2018.

| Item | Final Approved Budget Kshs | Actual Kshs | % of Utilization | Absolute Variance Kshs | % Variance |
|---|---|---|---|---|---|
| Other payments | - | 3,500,000 | -100% | 3,500,000 | -100% |
| Insurance costs | 25,050,000 | 29,883,597 | 84% | -4,833,597 | -19% |
| Legal fees | 3,300,000 | 6,500,000 | 51% | -3,200,000 | -97% |

Consequently, the budgetary provisions were not adhered to and public resources were not utilized effectively.

**2. Differences Between Financial Statements' Figures and IFMIS Records**

There were variances noted between the IFMIS records and the financial statements' figures. The variances affected the following components:

| Details | Financial Statements Figure (A) Kshs | Balance as per IFMIS Records (B) Kshs | Variance (B-A) Kshs |
|---|---|---|---|
| Compensation of Employees | 246,173,216 | 250,160,392 | 3,987,176 |
| Use of Goods and Services | 266,036,959 | 240,273,111 | (25,763,848) |
| Acquisition of Assets | 126,509,543 | 134,289,410 | 7,779,867 |
| Other Payments | 3,500,000 | 35,466,634 | 31,966,634 |

There was no evidence that the two sets of records were reconciled.

### 3. Failure to Maintain Creditors' Ledgers/ Register- Pending Accounts Payable

Annex 1 to the financial statements reflects analysis of pending accounts payables amounting to Kshs.19,518,504 as at 30 June 2018. It was noted that, the County Assembly did not maintain individual creditor's ledgers/Register for all the outstanding liabilities in order to show the movement of payables. Further, goods and services that had been planned and budgeted for were not settled during the year. Failure to settle the bills in the year to which they relate adversely affects the following year's provision to which they have to be charged. Had the pending bills been paid and the expenditure charged to the accounts for financial year 2017/2018, the statement of receipts and payments would have reflected a deficit of Kshs.8,001,117ead of the net surplus of Kshs.11,517,387 now shown.

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

### Conclusion

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

### Basis for Conclusion

### 1. Irregular Payments in Respect to Construction of the County Assembly Chambers

The County Assembly awarded a tender to a construction company at a contract price of Kshs.557,973,400 on 27 March 2017.The letter of award was dated 20 January 2017 and specified that the contract was to be signed within 30 days. However, the contract agreement was signed on 27 March 2017, which was later than the specified 30 days hence contravening Section 135(3) of the Public Procurement and Asset Disposal Act, 2015.

A review of payment records shows that the management had paid a total of Kshs.115,363,451 to the contractor as at 30 June 2018. However, out of this amount, a total of Kshs.28,228,560 was not supported by corresponding certificates of work done. Details of the payments are as follows:

| Date | Payee | Gross Amount as Per Payment Voucher (Kshs) | Remarks |
|---|---|---|---|
| 21-Feb-18 | Bayan Construction Company Ltd | 16,500,398 | Advance payment |
| 2-Mar-18 | Bayan Construction Company Ltd | 3,228,560 | Details not availed |
| 18-Jun-18 | Bayan Construction Company Ltd | 8,499,602 | Advance payment |
| | | **28,228,560** | |

Out of this amount, Kshs.25,000,000 was an advance payment made after the County Assembly Service Board, management, the consultant, contractor and the County Assembly's project implementation committee resolved to review the contract terms to give a provision to make advance payments to the contractor. Although the reasons cited for this were that the contractor was facing financial difficulties, there was no evidence that the contractor requested for the advance.

A new contract was signed on 25 January 2018 which was less than one year after signing of the initial contract agreement. This contravenes Section 139(4) of the Public Procurement and Asset Disposal Act, 2015.

In the circumstances, it was not clear how the advance payments were made without a formal request by the contractor and why the terms of the contract were varied against provisions of Section 139(4) of the Public procurement and disposals Act, 2015.

**2. Irregular Award of Comprehensive Medical Cover**

The County Assembly advertised for a medical cover vide tender No.KCA/001/2017-2018 on 4 September 2017 and the tenders were received and opened on 19 September 2017.Nine insurance companies responded to the advertisement. After preliminary and technical evaluations, four firms qualified for final detailed financial evaluation. The second lowest bidder won the tender at the quoted price of Kshs.23,376,820.00. The notification of award dated 1 October 2017 was received by the company on 17 October 2017 showing the same quoted amount inclusive of 16% VAT. However, the following was noted:

i) It was noted that in their reply to the County Assembly's letter, which also served as a letter of acceptance, Jubilee Insurance quoted a revised proposal changing the original tendered price of Kshs.23,376,820 to Kshs.26,402,496, an upward adjustment by Kshs.3,025,676.

ii) Contract documents were signed on 15 December 2017 at Kshs.27,141,628.78. This resulted in a difference of Kshs.3,764,808.78 between the original tendered figure and contract agreement figure.

ii) Clause 2.5.1 of the tender documents stated clearly that at any time prior to the deadline for submission of tenders, the procuring entity for any reason, whether at its own initiative or in response to a clarification requested by a prospective tender, may modify the tender documents by issuing an addendum. However, that was not done before the submission of tenders.

Consequently, the County Assembly paid Kshs.3,764,809 over and above the quoted amount due to failure to adhere to the requirements of Section 82 of Public Procurement and Disposal Act, 2015.

**3. Issue of Multiple Imprests**

Records availed for audit review revealed that there were several cases where officers were issued with multiple cash imprest totalling Kshs.85,901,354 before surrender of the previous ones. This contradicts Regulation 93(8) of the Public Finance Management (County Government) Regulations, 2015.

**4. Officers Acting in Vacant Positions Beyond the Stipulated Period**

It was noted that the Clerk to the County Assembly and the Principal General Administrative Officer have been on acting capacity since 29 March, 2018 and 3 April, 2018 respectively. The position of the Principal General Administrative officer has not been declared vacant and neither has the officer been confirmed in the position. Review of records in their personal files and payroll shows that the officers have benefitted from acting allowances to date, which is more than six months and three months - the maximum periods- as stipulated in the County Assembly of Kajiado Human Resource manual.

The management is therefore in breach of the Human Resource Procedures.

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

REPORT ON INTERNAL CONTROLS EFFECTIVENESS, GOVERNANCE AND RISK MANAGEMENT SYSTEMS

**Conclusion**

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

## Basis for Conclusion

### IT Internal Controls

A review of the County Assembly's IT internal controls for the period ended 30th June 2018, revealed that the IT department lacked the basic controls to enable the department function properly. The following weaknesses were noted:

- The installed anti-virus is expired
- There is no IT strategic Committee
- The County Assembly does not have an active IT steering committee
- There is no approved IT policy to ensure data confidentiality, integrity and availability
- There is no approved disaster recovery plan
- There's no documented emergency procedure in place
- There are no fire extinguishers and fire suppression systems in place

This was contrary to the requirements of Regulation 110 (1) of the Public Finance Management (County) Regulations which provides that "The Accounting Officer for a county government entity shall institute appropriate access controls needed to minimize breaches of information confidentiality, data integrity and loss of business continuity"

Lack of these basic controls can lead to:

- Data loss.
- Data being accessed by unauthorized persons and hence compromising on data security and integrity
- Possible cyber-attacks.

The audit was conducted in accordance with ISSAI 1315 and ISSAI 1330. The standards require that I plan and perform the audit to obtain assurance about whether effective processes and systems of internal control, risk management and governance were operating effectively, in all material respects. I believe that the audit evidence I have obtained is sufficient and appropriate to provide a basis for my conclusion.

## Responsibilities of Management and those Charged with Governance

Management is responsible for the preparation and fair presentation of these financial statements in accordance with International Public Sector Accounting Standards (Cash

Basis) and for maintaining effective internal control as management determines is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error and for its assessment of the effectiveness of internal control, risk management and governance.

In preparing the financial statements, management is responsible for assessing the County Assembly's ability to continue sustain services, disclosing, as applicable, matters related to sustainability of services and using the going concern basis of accounting unless the County Government intends to cease operations of the County Assembly, or have no realistic alternative but to do so.

Management is also responsible for the submission of the financial statements to the Auditor-General in accordance with the provisions of Section 47 of the Public Audit Act, 2015.

In addition to the responsibility for the preparation and presentation of the financial statements described above, management is also responsible for ensuring that the activities, financial transactions and information reflected in the financial statements are in compliance with the authorities which govern them, and that public resources are applied in an effective way.

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

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

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

In addition to the audit of the financial statements, a compliance audit is planned and performed to express a conclusion about whether, in all material respects, the activities, financial transactions and information reflected in the financial statements are in compliance with the authorities that govern them and that public resources are applied in an effective

way, in accordance with the provisions of Article 229(6) of the Constitution and submit the audit report in compliance with Article 229(7) of the Constitution.

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

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

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

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

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

- Conclude on the appropriateness of the management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the County Assembly's ability to continue to sustain its services. If I conclude that a material uncertainty exists, I am required to draw attention in the auditor's report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify my opinion. My conclusions are based on the audit evidence obtained up to the date of my audit report. However, future events or conditions may cause the County Assembly to cease sustaining its services.

- Evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

- Obtain sufficient appropriate audit evidence regarding the financial information and business activities of the County Assembly to express an opinion on the financial statements.

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

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

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

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

**Nairobi**

**18 February 2019**

## 5. FINANCIAL STATEMENTS

### 5.1. STATEMENT OF RECEIPTS AND PAYMENTS

| | | | |
|---|---|---|---|
| | | **2017/18** | **2016/17** |
| | **Note** | **KShs** | **KShs** |
| **RECEIPTS** | | | |
| Transfers from the County Treasury/Exchequer Releases | 1 | 704,967,233 | 619,837,539 |
| Proceeds from Sale of Assets | 2 | - | - |
| Other Receipts | 3 | - | - |
| **TOTAL RECEIPTS** | | **704,967,233** | **619,837,539** |
| | | | |
| **PAYMENTS** | | | |
| Compensation of Employees | 4 | 246,173,217 | 248,590,554 |
| Use of goods and services | 5 | 266,036,959 | 285,132,890 |
| Subsidies | 6 | - | - |
| Transfers to Other Government Entities | 7 | 51,214,743 | 971,977 |
| Other grants and transfers | 8 | - | - |
| Social Security Benefits | 9 | - | - |
| Acquisition of Assets | 10 | 126,509,543 | 74,429,576 |
| Finance Costs | 11 | 15,384 | - |
| Other Payments | 12 | 3,500,000 | 1,497,800 |
| **TOTAL PAYMENTS** | | **693,449,846** | **610,622,796** |
| **SURPLUS/DEFICIT** | | **11,517,387** | **9,214,743** |

The explanatory notes to these financial statements form an integral part of the financial statements. The financial statements were approved on September 29 2018 and signed by:

Clerk of the Assembly
Name: Josiah Leboo Saisa

Chief Finance Office – County Assembly
Name: William Tootio Koitumet
ICPAK Member Number: 23489

## 5.2. STATEMENT OF FINANCIAL ASSETS AND LIABILITIES

| FINANCIAL ASSETS | Note | 2017/2018 KShs | 2016/17 KShs |
|---|---|---|---|
| | | | |
| **Cash and Cash Equivalents** | | | |
| Bank Balances | 13A | 11,517,387 | 9,214,743 |
| Cash Balances | 13B | - | - |
| **Total Cash and cash equivalents** | | **11,517,387** | **9,214,743** |
| | | | |
| Accounts receivables – Outstanding Imprests | 14 | **9,214,743** | - |
| | | | |
| **TOTAL FINANCIAL ASSETS** | | **20,732,130** | **9,214,743** |
| | | | |
| **FINANCIAL LIABILITIES** | | | |
| Accounts Payables – Deposits and retentions | 15 | - | - |
| | | | |
| **NET FINANCIAL ASSETS** | | **20,732,130** | **9,214,743** |
| | | | |
| **REPRESENTED BY** | | | |
| | | | |
| Fund balance b/fwd | 16 | **9,214,743** | - |
| Surplus/Deficit for the year | | **11,517,387** | **9,214,743** |
| | | | |
| **NET FINANCIAL POSITION** | | **20,732,130** | **9,214,743** |

The explanatory notes to these financial statements form an integral part of the financial statements. The financial statements were approved on September 29 2018 and signed by:

Clerk of the Assembly
Name: Josiah Leboo Saisa

Chief Finance Office – County Assembly
Name: William Tootio Koitumet
ICPAK Member Number: 23489

## 5.3. STATEMENT OF CASH FLOWS

| | Note | 2017/18 KShs | 2016/17 KShs |
|---|---|---|---|
| **CASH FLOWS FROM OPERATING ACTIVITIES** | | | |
| **Receipts from operating income** | | | |
| Transfers from the County Treasury/Exchequer Releases | 1 | | - |
| Other Receipts | 3 | 704,967,233 | 619,837,539 |
| **Payments for operating expenses** | | | |
| Compensation of Employees | 4 | (246,173,217) | 248,590,554 |
| Use of goods and services | 5 | (266,036,959) | 285,132,890 |
| Subsidies | 6 | | |
| Transfers to Other Government Entities | 7 | (51,214,743) | (971,977) |
| Other grants and transfers | 8 | 0 | 0 |
| Social Security Benefits | 9 | 0 | 0 |
| Finance Costs | 11 | (15,384) | 0 |
| Other Payments | 12 | (3,500,000) | (1,497,800) |
| | | | |
| **Adjusted for:** | | | |
| Adjustments during the year | | (9,214,743) | 0 |
| | | | |
| **Net cash flows from operating activities** | | **128,812,187** | **83,644,319** |
| | | | |
| **CASHFLOW FROM INVESTING ACTIVITIES** | | | |
| Proceeds from Sale of Assets | 2 | | |
| Acquisition of Assets | 10 | (126,509,543) | (74,429,576) |
| | | | |
| **Net cash flows from investing activities** | | **(126,509,543)** | **(74,429,576)** |
| | | | |
| **NET INCREASE IN CASH AND CASH EQUIVALENTS** | | **2,302,644** | **9,214,743** |
| **Cash and cash equivalent at BEGINNING of the year** | 13 | 9,214,743 | **0** |
| **Cash and cash equivalent at END of the year** | | **11,517,387** | **9,214,743** |

The explanatory notes to these financial statements form an integral part of the financial statements. The financial statements were approved on September 29 2018 and signed by:

Clerk of the Assembly
Name:

Chief Finance Office – County Assembly
Name: William Tootio Koitumet
ICPAK Member Number 23489

## 5.4. STATEMENT OF COMPARISON OF BUDGET & ACTUAL AMOUNTS: RECURRENT AND DEVELOPMENT COMBINED

| Receipt/Expense Item | Original Budget KShs | Adjustments KShs | Final Budget c=a+b | Actual on Comparable Basis e=d-c | % Utilization difference KShs |
|---|---|---|---|---|---|
| **RECEIPTS** | | | | | |
| Transfers from the County Treasury/Exchequer Releases | 755,153,111 | - | 755,153,111 | 704,967,233 | 93 |
| Proceeds from Sale of Assets | - | - | - | - | - |
| Other Receipts | - | - | - | - | - |
| **TOTAL** | **755,153,111** | - | **755,153,111** | **704,967,233** | **93** |
| **PAYMENTS** | | | | | |
| Compensation of Employees | 250,160,393 | - | 250,160,393 | 246,173,217 | - |
| Use of goods and services | 290,139,065 | - | 290,139,065 | 266,036,959 | - |
| Subsidies | - | - | - | - | - |
| Transfers to Other Government Entities | 42,000,000 | - | 42,000,000 | 51,214,743 | - |
| Other grants and transfers | - | - | - | - | - |
| Social Security Benefits | - | - | - | - | - |
| Acquisition of Assets | 169,553,653 | - | 169,553,653 | 126,509,543 | - |
| Finance Costs | - | - | - | 15,384 | - |
| Other Payments | 3,300,000 | - | 3,300,000 | 3,500,000 | - |
| **TOTAL** | **755,153,111** | - | 755,153,111 | **693,449,846** | - |
| **SURPLUS/ DEFICIT** | | | | **11,517,387** | |

(NB: the total under actual on comparable basis should be the same as the totals under the statement of receipts and payments, where the two statements are not in agreement, a reconciliation of these two statements should be prepared as required under IPSAS and presented hereunder).

*[Provide below a commentary on significant underutilization (below 10% of utilization) and any overutilization]*
***The variance was due to over expenditure of fuel oil and lubricants for the FY 2017/2018 as other payments cause by purchase of vehicle within the year***
***The variance on Acquisition of Assets was due to underfunded of development budget***
*(Explain whether the changes between the original and final budget are as a result of reallocations within the budget or other causes as per IPSAS 1.9.23) .Where the result of the statement of receipts and payments is a deficit, the Assembly should explain how the deficit was funded.*
*The entity financial statements were approved on September 29 2018 and signed by:*

*Clerk of the Assembly*
*Name: Josiah Leboo Saisa*

*Chief Finance Office – County Assembly*
*Name: William Tootio Koitumet*
*ICPAK Member Number: 23489*

## 5.5. STATEMENT OF COMPARISON OF BUDGET & ACTUAL AMOUNTS: RECURRENT

| Receipt/Expense Item | Original Budget | Adjustments | Final Budget | Actual on Comparable Basis | % Utilization difference |
|---|---|---|---|---|---|
| Receipt/Expense Item | Original Budget | Adjustments | Final Budget | Actual on Comparable Basis | % Utilization difference |
| | a | b | c=a+b | e=d-c | |
| **RECEIPTS** | | | | | |
| Transfers from the County Treasury/ Exchequer Releases | 603,789,458 | - | 603,789,458 | 593,585,699 | 97 |
| Proceeds from Sale of Assets | - | - | - | - | - |
| Other Receipts | - | - | - | - | - |
| **TOTAL** | **603,789,458** | - | **603,789,458** | **593,585,699** | 97 |
| **PAYMENTS** | | | | | |
| Compensation of Employees | 250,160,393 | - | 250,160,393 | 246,173,217 | 98 |
| Use of goods and services | 290,139,065 | - | 290,139,065 | 266,036,959 | 95 |
| Subsidies | - | - | - | - | - |
| Transfers to Other Government Entities | 42,000,000 | - | 42,000,000 | 51,214,743 | 100 |
| Other grants and transfers | - | - | - | | - |
| Social Security Benefits | - | - | - | - | - |
| Acquisition of Assets | 18,190,000 | - | 18,190,000 | 17,231,330 | 97 |
| Finance Costs | - | - | - | 15,384 | - |
| Other Payments | 3,300,000 | - | 3,300,000 | 3,500,000 | 106 |
| **TOTAL** | **603,789,458** | - | **603,789,458** | **584,171,633** | - |
| **Surplus/ Deficit** | | | | **9,414,066** | |

*[Provide below a commentary on significant underutilization (below 10% of utilization) and any overutilization]*

***(a) The variance was due to over expenditure of fuel oil and lubricants for the FY 2017/2018 as other payments cause by purchase of new vehicle within the year.***

(Explain *whether the changes between the original and final budget are as a result of reallocations within the budget or other causes as per IPSAS 1.9.23*)

The entity financial statements were approved on September 29 2018 and signed by:

Clerk of the Assembly
Name: Josiah Leboo Saisa

Chief Finance Office – County Assembly
Name: William Tootio Koitumet
ICPAK Member Number: 23489

## 5.6. STATEMENT OF COMPARISON OF BUDGET & ACTUAL AMOUNTS: DEVELOPMENT

| Receipt/Expense Item | Original Budget | Adjustments | Final Budget | Actual on Comparable Basis | % Utilization difference |
|---|---|---|---|---|---|
| | KShs | KShs | c=a+b | e=d-c | KShs |
| **RECEIPTS** | | | | | |
| Transfers from the County Treasury/ Exchequer Releases | 100,000,000 | 51,363,653 | 151,363,653 | 120,595,677 | 80 |
| Proceeds from Sale of Assets | - | - | - | - | - |
| Other Receipts | - | - | - | - | - |
| **TOTAL** | **100,000,000** | **51,363,653** | **151,363,653** | **120,595,677** | **80** |
| **PAYMENTS** | | | | | |
| Compensation of Employees | - | - | - | | - |
| Use of goods and services | - | - | - | - | - |
| Subsidies | - | - | - | - | - |
| Transfers to Other Government Entities | - | - | - | - | - |
| Other grants and transfers | - | - | - | - | - |
| Social Security Benefits | - | - | - | - | - |
| Acquisition of Assets | 100,000,000 | 51,363,653 | 151,363,653 | 109,278,213 | 72 |
| Finance Costs | - | - | - | - | - |
| Other Payments | - | - | - | - | - |
| **TOTAL** | 100,000,000 | 51,363,653 | 151,363,653 | **109,278,213** | **72** |
| **SURPLUS/ DEFICIT** | | | | **11,317,464** | |

*[Provide below a commentary on significant underutilization (below 10% of utilization) and any overutilization]*

***(a) The variance is due to underfunded of development budget***

(Explain *whether the changes between the original and final budget are as a result of reallocations within the budget or other causes as per IPSAS 1.9.23*)

The entity financial statements were approved on September 29 2018 and signed by:

Clerk of the Assembly
Name: Josiah Leboo Saisa

Chief Finance Office – County Assembly
Name: William Tootio Koitumet
ICPAK Member Number: 23489

## 5.7. BUDGET EXECUTION BY PROGRAMMES AND SUB-PROGRAMMES

| Programme/Sub-programme | Original Budget | Adjustments | Final Budget | Actual on comparable basis | Budget utilization difference |
|---|---|---|---|---|---|
| | KShs | KShs | KShs | KShs | KShs |
| **Programme 1: General Administration, Policy and coordination** | | | | | |
| Sub-programme 1.1 Office of the Clerk | 24,130,000 | | 24,130,000 | 20,038,539 | 4,091,461 |
| Sub-programme 1.2 Directorate of Finance & Compliance | 5,198,000 | | 5,198,000 | 5,306,249 | -108,249 |
| Sub-programme 1.3 Directorate of Administration Liaison & Support Services | 51,560,000 | | 51,560,000 | 45,031,350 | 6,528,650 |
| Sub Programme 1.4 County Assembly Service Board | 301,000,393 | | 301,000,393 | 300,690,995 | 309,398 |
| **Programme 2: Legislation, Representation and Oversight** | | | | | |
| Sub-programme 1.1 County Assembly Headquarters | 193,761,065 | | 193,761,065 | 187,271,753 | 6,489,312 |
| Sub-programme 2.2 Office of the Speaker | 21,740,000 | | 21,740,000 | 20,038,539 | 1,701,461 |
| Sub Programme 2.3: Directorate of Legislation and Procedures | 6,340,000 | | 6,340,000 | 5,824,560 | 515,440 |
| Acquisition of Assets (development) | 100,000,000 | 51,363,653 | 151,363,653 | 109,278,213 | 42,085,440 |

(NB: This statement is a disclosure statement indicating the utilisation in the same format at the County budgets which are programmatic. Ensure this document is accurately presented to enable consolidation with other County Entities).

## 5.8. SIGNIFICANT ACCOUNTING POLICIES

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

### 1. Statement of compliance and basis of preparation

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

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

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

### 2. Reporting entity

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

### 3. Recognition of receipts and payments

#### a) Recognition of receipts

The County Assembly t recognises all receipts from the various sources when the event occurs and the related cash has actually been received by the Assembly.

#### Tax receipts

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

#### Transfers from the Exchequer/ County Treasury

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

## SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

### Other Receipts

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

### b) Recognition of payments

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

### Compensation of employees

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

### Use of goods and services

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

### Acquisition of fixed assets

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

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

### 4. In-kind contributions

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

## SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

### 5. Cash and cash equivalents

Cash and cash equivalents comprise cash on hand and cash at bank, short-term deposits on call and highly liquid investments with an original maturity of three months or less, which are readily convertible to known amounts of cash and are subject to insignificant risk of changes in value. Bank account balances include amounts held at the Central Bank of Kenya and at various commercial banks at the end of the financial year.

**Restriction on cash**

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

Amounts maintained in deposit bank accounts are restricted for use in refunding third party deposits. As at 30th June 2018, this amounted to KShs xxx compared to KShs xxx in prior period as indicated on note xxxx. There were no other restrictions on cash during the year.

### 6. Accounts Receivable

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

### 7. Accounts Payable

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

### 8. Non-current assets

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

## SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

### 9. Pending bills

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

### 10. Budget

The budget is prepared on the same accounting basis (cash basis), the same accounts classification basis, and for the same period as the financial statements. The *entity's* budget was approved as required by Law .The original budget was approved by the County Assembly on xxx for the period 1st July 2017 to 30 June 2018 as required by law. There was xxx number of supplementary budgets passed in the year. A high-level assessment of the *entity's* actual performance against the comparable budget for the financial year under review has been included in the Statement of Comparison between actual and budgeted amounts included in these financial statements.

### 11. Comparative figures

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

### 12. Subsequent events

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

### 13. Errors

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

### 14. Related party transactions

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

## 5.9. NOTES TO THE FINANCIAL STATEMENTS

### 1. Transfers from the County Treasury/Exchequer Releases

| | 2017/18 | 2016/17 |
|---|---|---|
| | KShs | KShs |
| Transfers from the County Treasury for Q1 | 38,159,915 | 52,561,002.00 |
| Transfers from the County Treasury for Q2 | 117,290,907 | 246,400,230.00 |
| Transfers from the County Treasury for Q3 | 159,878,645 | 90,808,087.00 |
| Transfers from the County Treasury for Q4 | 389,637,766 | 230,068,219.90 |
| **Cumulative Amount** | **704,967,233** | **619,837,538.90** |

### 2. PROCEEDS FROM SALE OF ASSETS

| | 2017/18 | 2016/17 |
|---|---|---|
| | KShs | KShs |
| Receipts from the Sale of Buildings | | |
| Receipts from the Sale of Vehicles and Transport Equipment | | |
| Receipts from the Sale Plant Machinery and Equipment | | |
| Receipts from Sale of Certified Seeds and Breeding Stock | | |
| Receipts from the Sale of Strategic Reserves Stocks | | |
| Receipts from the Sale of Inventories, Stocks and Commodities | | |
| Disposal and Sales of Non-Produced Assets | | |
| Receipts from the Sale of Strategic Reserves Stocks | | |
| **Total** | | |

### 3. OTHER RECEIPTS

| | 2017/18 | 2016/17 |
|---|---|---|
| | KShs | KShs |
| Tender fees received | | |
| Other Receipts II | | |
| Other Receipts III | | |
| Other Receipts IV | | |
| **Total** | | |

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

### 4. COMPENSATION OF EMPLOYEES

| | 2017/18 KShs | 2016/17 KShs |
|---|---|---|
| Basic salaries of permanent employees | 67,938,935 | 130,177,476.85 |
| Basic wages of temporary employees | 63,610,000 | 20,100,000.00 |
| Personal allowances paid as part of salary | 84,765,608 | 64,484,471 .90 |
| Personal allowances paid as reimbursements | - | - |
| Personal allowances provided in kind | - | |
| Pension and other social security contributions | 29,776,874 | 33,735,405 .00 |
| Compulsory national social security schemes | 81,800 | 93,200 .00 |
| Compulsory national health insurance schemes | - | - |
| Social benefit schemes outside government | - | - |
| Other personnel payments | - | - |
| **Total** | **246,173,217** | **248,590,553.75** |

### 5. USE OF GOODS AND SERVICES

| | 2017/18 KShs | 2016/17 KShs |
|---|---|---|
| Utilities, supplies and services | 4,625,411 | 7,387,294.30 |
| Communication, supplies and services | 320,600 | 2,655,000.00 |
| Domestic travel and subsistence | 121,046,868 | 148,847,289.65 |
| Foreign travel and subsistence | 20,954,755 | 18,450,093.40 |
| Printing, advertising and information supplies & services | 7,614,560 | 5,180,686.40 |
| Rentals of produced assets | 825,000 | 1,260,000.00 |
| Training expenses | 12,380,312 | 10,475,615.35 |
| Hospitality supplies and services | 19,185,859 | 9,249,009.70 |
| Insurance costs | 29,883,597 | 21,749,427.15 |
| Specialized materials and services | 1,081,293 | 513,965.50 |
| Office and general supplies and services | 1,865,316 | 4,893,379.30 |
| Other operating expenses | 43,154,433 | 37,424,903.86 |
| Routine maintenance – vehicles and other transport equipment | 3,114,339 | 5,340,110.94 |
| Outstanding imprest | - | 11,706,114 .00 |
| **TOTAL** | **266,036,959** | **285,132,889.55** |

## 6. SUBSIDIES

| Description | 2017/18 | 2016/17 |
|---|---|---|
| | KShs | KShs |
| Subsidies to County Corporations | | |
| *See list attached* | | |
| (insert name) | | |
| | | |
| Subsidies to Private Enterprises | | |
| *See list attached* | | |
| (insert name) | | |
| | | |
| | | |
| **TOTAL** | | |

(Provide explanations as to what subsidies relate to)

## 7. TRANSFERS TO OTHER GOVERNMENT ENTITIES

| Description | 2017/18 | 2016/17 |
|---|---|---|
| | KShs | KShs |
| Transfers to National Government entities | 9,214,743 | 971,977 |
| Transfers to other County Assembly entities | 42,000,000 | |
| (Car Loan and Mortgage Fund) | | |
| **TOTAL** | **51,214,743** | **971,977** |

## 8. OTHER GRANTS AND TRANSFERS

| | 2017/18 | 2016/17 |
|---|---|---|
| | KShs | KShs |
| Scholarships and other educational benefits | | |
| Emergency relief and refugee assistance | | |
| Subsidies to small businesses, cooperatives, and self employed | | |
| **Total** | | |

## 9. SOCIAL SECURITY BENEFITS

| | 2017/18 KShs | 2016/17 KShs |
|---|---|---|
| Government pension and retirement benefits | | |
| Social security benefits in cash and in kind | | |
| Employer Social Benefits in cash and in kind | | |
| **Total** | | |

## 10. ACQUISITION OF ASSETS

| Non Financial Assets | 2017/18 KShs | 2016/17 KShs |
|---|---|---|
| Purchase of Buildings | - | - |
| Construction of Buildings | 109,278,213 | 67,707,536 |
| Refurbishment of Buildings | - | - |
| Construction of Roads | - | - |
| Construction and Civil Works | - | - |
| Overhaul and Refurbishment of Construction and Civil Works | - | - |
| Purchase of Vehicles and Other Transport Equipment | 13,000,000 | - |
| Overhaul of Vehicles and Other Transport Equipment | - | - |
| Purchase of Household Furniture and Institutional Equipment | - | - |
| Purchase of Office Furniture and General Equipment | 4,231,330 | 4,028,933.65 |
| Purchase of ICT Equipment, Software and Other ICT Assets | - | 2,693,103.45 |
| Purchase of Specialised Plant, Equipment and Machinery | - | - |
| Rehabilitation and Renovation of Plant, Machinery and Equip. | - | - |
| Purchase of Certified Seeds, Breeding Stock and Live Animals | - | - |
| Research, Studies, Project Preparation, Design & Supervision | - | - |
| Rehabilitation of Civil Works | - | - |
| Acquisition of Strategic Stocks and commodities | - | - |
| Acquisition of Land | - | - |
| Acquisition of Intangible Assets | - | - |
| **Financial Assets** | - | - |
| Domestic Public Non-Financial Enterprises | | |
| Domestic Public Financial Institutions | | |
| **Total** | **126,509,543** | **74,429,575.55** |

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

### 11. FINANCE COSTS

| | 2017/18 | 2016/17 |
|---|---|---|
| | KShs | KShs |
| Bank Charges | 15,384 | |
| Exchange Rate Losses | | |
| Other Finance costs | | |
| Interest on borrowings | | |
| **Total** | **15,384** | |

### 12. OTHER PAYMENTS

| | 2017/18 | 2016/17 |
|---|---|---|
| | KShs | KShs |
| Budget Reserves | | |
| Civil Contingency Reserves | | |
| Capital Transfers to Non-Financial Public Enterprises | | |
| Capital Transfer to Public Financial Institutions and Enterprises | | |
| Capital Transfer to Private Non-Financial Enterprises | | |
| Fuel oil and Lubricants | 3,500,000 | 1,497,800 |
| Domestic Accounts | | |
| **Total** | **3,500,000** | **1,497,800** |

(Provide detailed explanations for other payments)

### 13. CASH AND BANK BALANCES

### 13A. BANK BALANCES

| Name of Bank, Account No. & Currency | Indicated whether recurrent or development | 2017/18 | 2016/17 |
|---|---|---|---|
| | | KShs | KShs |
| *Central Bank of Kenya; Account No.1000199016* | Recurrent Acc | 168,971 | 7,756,878 |
| *Central Bank of Kenya; Account No.1000199024* | Deposits Acc | - | - |
| *Central Bank of Kenya; Account No.1000199032* | Development Acc. | 11,317,464 | 1,453,052 |
| *Kenya Commercial Bank;Imprest Account No.1153874380* | Commercial Bank Accs. | 30,952 | 4,813 |
| **Total** | | **11,517,387** | **9,214,743** |

**NB: The cash at bank as at 30th June 2017 of Ksh 9,214,743 was returned to the county treasury (CRF A/C) AT Central Bank of Kenya**

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

### 13B. CASH IN HAND

| | 2017/18 KShs | 2016/17 KShs |
|---|---|---|
| Cash in Hand – Held in domestic currency | | |
| Cash in Hand – Held in foreign currency | | |
| **Total** | | |

Cash in hand should be analysed as follows:

| | 2017/18 KShs | 2016/17 KShs |
|---|---|---|
| Location 1 | | |
| Location 2 | | |
| Location 3 | | |
| **Total** | | |

### 14. ACCOUNTS RECEIVABLE

| | 2017/18 KShs | 2016/17 KShs |
|---|---|---|
| Government Imprests | 9,214,743 | 11,706,114 |
| Clearance Accounts | | |
| Staff Advances | | |
| Other Advances | | |
| **Total** | **9,214,743** | **11,706,114** |

**See Annex 6 for a detailed analysis of the outstanding imprests.*

### 15. ACCOUNTS PAYABLE

| | 2017/18 KShs | 2016/17 KShs |
|---|---|---|
| Deposits and Retentions | | |
| **Total** | | |

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

### 16. FUND BALANCE BROUGHT FORWARD

| | 2017/18 | 2016/17 |
|---|---|---|
| | KShs | KShs |
| Bank accounts | 9,214,742.95 | 971,977 |
| Cash in hand | | |
| Accounts Receivables | | |
| Accounts Payables | | |
| **Total** | **9,214,742.95** | **971,977** |

### 17. PRIOR YEAR ADJUSTMENTS

| Description of the adjustment | 2017/18 | 2016/17 |
|---|---|---|
| | KShs | KShs |
| Adjustments on bank account balances | 9,214,743 | 971,977 |
| Adjustments on cash in hand | | |
| Adjustments on payables | | |
| Adjustments on receivables | | |
| Others (*specify*) | | |
| **Total** | **9,214,743** | **971,977** |

## 5.10. OTHER DISCLOSURES

### 1. PENDING ACCOUNTS PAYABLE (See Annex 1)

| | 2017/18 KShs | 2016/17 KShs |
|---|---|---|
| Construction of buildings | - | 23,395,518.00 |
| Construction of civil works | **3,179,792** | - |
| Supply of goods | **7,809,080** | 1,008,760.00 |
| Supply of services | **8,529,632** | 2,904,480.00 |
| Car loan and mortgages deduction for two months | | 2,645,429.55 |
| **Total** | **19,518,504** | **29,954,187.55** |

### 2. PENDING STAFF PAYABLES (See Annex 2)

| Name of Staff | 2017/18 KShs | 2016/17 KShs |
|---|---|---|
| Xxx | | |
| Xxx | | |
| **Total** | | |

### 3. OTHER PENDING PAYABLES (See Annex 3)

| | 2017/18 KShs | 2016/17 KShs |
|---|---|---|
| Amounts due to National Government entities | 11,517,387 | 9,214,743 |
| Amounts due to County Government entities | | 2,645,429.55 |
| Amounts due to third parties | | |
| **Total** | **11,517,387** | **11,860,172** |

### 4. RELATED PARTY DISCLOSURES

Related party disclosure is encouraged under non-mandatory section of the Cash Basis IPSAS. The following comprise of related parties to the County Assembly.

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

- State Corporations and Semi-Autonomous Government Agencies.

**OTHER DISCLOSURES (CONTINUED)**

**Related party transactions:**

| | 2017- 2018 | 2016-2017 |
|---|---|---|
| | Kshs | Kshs |
| **Compensation to Key Management** | | |
| Compensation to the Speaker, Deputy Speaker and the MCAs | 64,710,000 | 70,538,738 |
| Key Management Compensation(Clerk and Heads of departments) | 31,319,400 | |
| **Total Compensation to Key Management** | **66,029,400** | **70,538,738** |
| | | |
| **Transfers to related parties** | | |
| Transfers to other County Government Entities such as car and mortgage schemes | 42,000,000 | 971,977 |
| Transfers to County Corporations | | |
| Transfers to non-reporting entities e.g. ECD centres, welfare centres etc | | |
| **Total Transfers to related parties** | **42,000,000** | **971,977** |
| | | |
| **Transfers from related parties** | | |
| Transfers from the County Executive- Exchequer | 704,967,233 | 619,837,538.90 |
| Payments made on behalf of the County Assembly by other Government Agencies | | |
| (Insert any other transfers received) | | |
| **Total Transfers from related parties** | **704,967,233** | **619,837,538.90** |

## 5. 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)* |
|---|---|---|---|---|---|---|
| | | | | | | |
| | | | | | | |
| | | | | | | |
| | | | | | | |
| | | | | | | |
| | | | | | | |
| | | | | | | |

***Guidance Notes:***

(i) Use the same reference numbers as contained in the external audit report;

(ii) Obtain the "Issue/Observation" and "management comments", required above, from final external audit report that is signed by Management;

(iii) Before approving the report, discuss the timeframe with the appointed Focal Point persons within your entity responsible for implementation of each issue;

(iv) Indicate the status of "Resolved" or "Not Resolved" by the date of submitting this report to National Treasury.

Clerk of the County Assembly

Sign.....

Date.....

## ANNEXES

## ANNEX 1 – ANALYSIS OF PENDING ACCOUNTS PAYABLE

| Supplier of Goods or Services | Original Amount | Date Contracted | Amount Paid To-Date | Outstanding Balance 2017/18 | Outstanding Balance 2016/17 | Comments |
|---|---|---|---|---|---|---|
| | A | b | c | d=a-c | | |
| **Construction of buildings** | | | | | | |
| | | | | | | |
| | | | | | | |
| | | | | | | |
| **Sub-Total** | | | | | | |
| **Construction of civil works** | | | | | | |
| Kamcost Agencies ltd | 1,392,870 | | | 1,392,870 | | |
| Sypruse Engineering | 1,786,922 | | | 1,786,922 | | |
| | | | | | | |
| **Sub-Total** | **3,179,792** | | | **3,179,792** | | |
| **Supply of goods** | | | | | | |
| Retovik Company Ltd | 160,500 | | | 160,500 | | |
| Kelyn General Suppliers and Enterprises | 906,500 | | | 906,500 | | |
| Ole Timz Investments | 1,711,000 | | | 1,711,000 | | |
| Trimxyl Tech Limited | 1,854,000 | | | 1,854,000 | | |
| Kelyn General Suppliers and Enterprises | 599,700 | | | 599,700 | | |
| Debmor Enterprises Ltd | 1,970,380 | | | 1,970,380 | | |
| Enduata General Supplies | 607,000 | | | 607,000 | | |
| **Sub-Total** | **7,809,080** | | | **7,809,080** | | |
| **Supply of services** | | | | | | |

**KAJIADO COUNTY ASSEMBLY**
**Reports and Financial Statements**
**For the year ended June 30, 2018**

| Supplier of Goods or Services | Original Amount | Date Contracted | Amount Paid To-Date | Outstanding Balance 2017/18 | Outstanding Balance 2016/17 | Comments |
|---|---|---|---|---|---|---|
| Olkejuado Water and Sewarage Company | 37,600 | | | 37,600 | | |
| Enchula Resort Ltd | 358,240 | | | 358,240 | | |
| PrideInn Paradise Beach Resort | 1,516,838 | | | 1,516,838 | | |
| Weston Hotel | 2,551,760.35 | | | 2,551,760.35 | | |
| Travellers Beach Hotel | 671,810 | | | 671,810 | | |
| Alma Hotel | 159,800 | | | 159,800 | | |
| El Clasisco media ltd | 55,000 | | | 55,000 | | |
| Sancho ltd | 489,520 | | | 489,520 | | |
| Toyota Kenya ltd | 189,064 | | | 189,064 | | |
| Muma and Kanjama Advocates | 2,500,000 | | | 2,500,000 | | |
| **Sub-Total** | **8,529,632** | | | **8,529,632** | | |
| **Grand Total** | **19,518,504** | | | **19,518,504** | | |

## ANNEX 2 – ANALYSIS OF PENDING STAFF PAYABLES

| Name of Staff | Job Group | Original Amount | Date Payable Contracted | Amount Paid To-Date | Outstanding Balance 2017/18 | Outstanding Balance 2016/17 | Comments |
|---|---|---|---|---|---|---|---|
| | | a | b | c | d=a-c | | |
| 1. | | | | | | | |
| 2. | | | | | | | |
| 3. | | | | | | | |
| 4. | | | | | | | |
| 5. | | | | | | | |
| 6. | | | | | | | |
| 7. | | | | | | | |
| 8. | | | | | | | |
| 9. | | | | | | | |
| 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 2017/18 | Outstanding Balance 2016/17 | Comments |
|---|---|---|---|---|---|---|---|
| | | a | b | c | d=a-c | | |
| **Amounts due to National Govt Entities** | | | | | 11,517,387 | | |
| 1. | | | | | | | |
| 2. | | | | | | | |
| 3. | | | | | | | |
| **Sub-Total** | | | | | **11,517,387** | | |
| **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** | | | | | **11,517,387** | | |

## ANNEX 4 – SUMMARY OF FIXED ASSET REGISTER

| Asset class | Historical Cost b/f (KShs) 2016/2017 | Additions during the year (KShs) | Disposals during the year (KShs) | Historical Cost c/f (KShs) 2017/2018 |
|---|---|---|---|---|
| Land | | | | |
| Buildings and structures | 67,707,536 | 109,278,213 | | 176,985,749 |
| Transport equipment | | 13,000,000 | | 13,000,000 |
| Office equipment, furniture and fittings | 4,028,936 | 4,231,330 | | 8,260,266 |
| ICT Equipment, Software and Other ICT Assets | 2,693,103 | | | 2,693,103 |
| Other Machinery and Equipment | | | | 0 |
| Heritage and cultural assets | | | | 0 |
| Intangible assets | | | | 0 |
| **Total** | **74,429,576** | **126,509,543** | | **200,939,119** |

NB: The balance as at the end of the year is the cumulative cost of all assets bought and inherited by the County Assembly since its inception. Additions during the year should tie to note 10 on acquisition of assets during the year and subsequently the statement of receipts and payments

## ANNEX 5 – ANALYSIS OF OUTSTANDING IMPRESTS

*Government Imprest Holders*

| *Name of Officer or Institution* | *Date Imprest Taken* | *Amount Taken* | *Amount Surrendered* | *Balance* |
|---|---|---|---|---|
| | | ***KShs*** | ***KShs*** | ***KShs*** |
| *Mercy Nasieku Raphael* | 27/06/2018 | 4,704,000.00 | 4,704,000.00 | - |
| *Immaculate Parseina* | 23/06/2018 | 2,224,880.00 | 2,224,880.00 | - |
| *Wilson Kasaine* | 21/06/2018 | 812,000 | 812,000 | - |
| *Margaret Methu* | 14/06/2018 | 865,200 | 865,200 | - |
| *Dickson Ndemo* | 25/01/2018 | 23,000 | 23000 | - |
| *Paul Kipamet* | 06/06/2018 | 543,982 | 543,982 | - |
| *Benjamin Rapaine* | 07/06/2018 | 41,681 | 41,681 | - |
| ***Total*** | | **9,214,743.00** | **9,214,743.00** | **0** |

## ANNEX 6 – BANK RECONCILIATION/FO 30 REPORT

*(Attach FO 30 Reports from IFMIS)*

**Trial Balance**
Entity: 4675-Kajiado - County Assembly
Current Period: JUL-17 To JUN-18 Compare With: JUL-16 To JUN-17

| Account No and Description | Current Period Debit Kshs | Current Period Credit Kshs | Previous Period Debit Kshs | Previous Period Credit Kshs |
|---|---|---|---|---|
| 1110107 Intercompany Receivables | 0.00 | 0.00 | 0.00 | 0.00 |
| 1110100 Receipt of Income Tax from Individuals | 0.00 | 0.00 | 0.00 | 0.00 |
| 1110000 Taxes on Income, Profits and Capital Gains | **0.00** | **0.00** | **0.00** | **0.00** |
| 1450101 Sundry Revenue | 0.00 | 0.00 | 0.00 | 0.00 |
| 1450100 Paid to Exchequer | 0.00 | 0.00 | 0.00 | 0.00 |
| 1450000 Other Receipts Not Elsewhere Classified | **0.00** | **0.00** | **0.00** | **0.00** |
| 2110199 Basic Salaries - Permanent - Others | 67,938,935.00 | 0.00 | 130,177,476.85 | 0.00 |
| 2110100 Basic Salaries - Permanent Employees | 67,938,935.00 | 0.00 | 130,177,476.85 | 0.00 |
| 2110299 Basic Wages - Temporary -Other | 63,610,000.00 | 0.00 | 20,100,000.00 | 0.00 |
| 2110200 Basic Wages - Temporary Employees | 63,610,000.00 | 0.00 | 20,100,000.00 | 0.00 |
| 2110301 House Allowance | 24,551,250.00 | 0.00 | 42,061,993.10 | 0.00 |
| 2110305 Commuter allowance | 44,676,754.00 | 0.00 | 0.00 | 0.00 |
| 2110320 Leave allowance | 585,200.00 | 0.00 | | 0.00 |
| 2110312 Responsibility Allowance | 12,372,404.00 | 0.00 | 17,070,678.70 | 0.00 |
| 2110314 Transport Allowance | 0.00 | 0.00 | 0.00 | 0.00 |
| 2110405 Telephone allowance | 2,580,000.00 | 0.00 | 5,352,000.00 | 0.00 |
| 2110322 Risk Allowance | 0.00 | 0.00 | 0.00 | 0.00 |
| 2110300 Personal Allowances paid as part of Salary | 84,765,608.00 | 0.00 | 64,484,671.80 | 0.00 |
| 2110000 Wages and Salary Contributions | **216,314,543.00** | **0.00** | **214,762,148.65** | **0.00** |
| 2120103 Employer Contribution to Staff Pensions Scheme | 29,776,874.00 | 0.00 | 33,735,205.10 | 0.00 |
| 2120100 Employer Contributions to Compulsory National Social Security Schemes | 81,800.00 | 0.00 | 93,200.00 | 0.00 |
| 2120000 Social Contributions | **29,858,674.00** | **0.00** | **33,828,405.10** | **0.00** |
| 2210101 Electricity | 0.00 | 0.00 | 300,088.00 | 0.00 |
| 2210102 Water and Sewarage Charges | 1,443,276.00 | 0.00 | 464,448.30 | 0.00 |
| 2210106 Utilities, Supplies- Other ( | 3,182,135.00 | 0.00 | 6,622,758.00 | 0.00 |
| 2210100 Utilities, Supplies and Services | 4,625,411.00 | 0.00 | 7,387,294.30 | 0.00 |
| 2210201 Telephone, Telex, Facsimile and Mobile Phone Services | 320,600.00 | 0.00 | 335,000.00 | 0.00 |
| 2210202 Internet Connections | 0.00 | 0.00 | 2,320,000.00 | 0.00 |
| 2210203 Courier & Postal Services | 0.00 | 0.00 | 0.00 | 0.00 |
| 2210204 Leased Communication Lines | 0.00 | 0.00 | 0.00 | 0.00 |
| 2210205 Satellite Access Services | 0.00 | 0.00 | 0.00 | 0.00 |
| 2210299 Communication, Supplies - Othe | 0.00 | 0.00 | 0.00 | 0.00 |
| 2210200 Communication, Supplies and Services | 320,600.00 | 0.00 | 2,655,000.00 | 0.00 |
| 2210301 Travel Costs (airlines, bus, railway, mileage allowances, etc.) | 1,254,601.00 | 0.00 | 18,146,808.25 | 0.00 |
| 2210302 Accommodation - Domestic Travel | 114,172,973.00 | 0.00 | 107,209,836.70 | 0.00 |
| 2210303 Daily Subsistance Allowance | 7,905,157.00 | 0.00 | 23,495,457.70 | 0.00 |
| 2210300 Domestic Travel and Subsistence, and Other Transportation Costs | 123,332,731.00 | 0.00 | 148,852,102.65 | 0.00 |
| 2210401 Travel Costs (airlines, bus, railway, etc.) | 4,272,606.00 | 0.00 | 1,186,087.00 | 0.00 |
| 2210402 Accommodation | 0.00 | 0.00 | 0.00 | 0.00 |
| 2210403 Daily Subsistence Allowance | 16,682,149.00 | 0.00 | 17,264,006.40 | 0.00 |
| 2210404 Sundry Items (e.g. airport tax, taxis, etc?) | 0.00 | 0.00 | 0.00 | 0.00 |
| 2210400 Foreign Travel and Subsistence, and other transportation costs | 20,954,755.00 | 0.00 | 18,450,093.40 | 0.00 |
| 2210502 Publishing & Printing Services | 0.00 | 0.00 | 0.00 | 0.00 |
| | **Current Period** | | **Current Period** | |
| **Account No and Description** | **Debit** | **Credit** | **Debit** | **Credit** |
| 2210503 Subscriptions to Newspapers, Magazines and Periodicals | 35,880.00 | 0.00 | 111,300.00 | 0.00 |
| 2210504 Advertising, Awareness and Publicity Campaigns | 7,578,680.00 | 0.00 | 5,069,386.40 | 0.00 |
| 2210505 Trade Shows and Exhibitions | 0.00 | 0.00 | 0.00 | 0.00 |
| 2210500 Printing , Advertising and Information Supplies and Services | 7,614,560.00 | 0.00 | 5,180,686.40 | 0.00 |
| 2210602 Payment of Rents and Rates - Residential | 825,000.00 | 0.00 | 1,260,000.00 | 0.00 |
| 2210600 Rentals of Produced Assets | 825,000.00 | 0.00 | 1,260,000.00 | 0.00 |
| 2210701 Travel Allowance | 0.00 | 0.00 | 0.00 | 0.00 |
| 2210702 Remuneration of Instructors and Contract Based Training Services | 12,380,312.00 | 0.00 | 10,475,615.35 | 0.00 |

| | | | | |
|---|---|---|---|---|
| 2210703 Production and Printing of Training Materials | 0.00 | 0.00 | 0.00 | 0.00 |
| 2210704 Hire of Training Facilities and Equipment | 0.00 | 0.00 | 0.00 | 0.00 |
| 2210705 Field Training Attachments | 0.00 | 0.00 | 0.00 | 0.00 |
| 2210706 Trainer Allowance | 0.00 | 0.00 | 0.00 | 0.00 |
| 2210712 Trainee Allowance | 0.00 | 0.00 | 0.00 | 0.00 |
| 2210714 Gender Mainstreaming | 0.00 | 0.00 | 0.00 | 0.00 |
| 2210715 Kenya School of Government | 0.00 | 0.00 | 0.00 | 0.00 |
| 2210799 Training Expenses - Other (Bud | 0.00 | 0.00 | 0.00 | 0.00 |
| 2210700 Training Expenses | 12,380,312.00 | 0.00 | 10,475,615.35 | 0.00 |
| 2210801 Catering Services (receptions), Accommodation, Gifts, Food and Drinks | 1,229,396.00 | 0.00 | 0.00 | 0.00 |
| 2210802 Boards, Committees, Conferences and Seminars | 17,956,463.00 | 0.00 | 9,249,009.70 | 0.00 |
| 2210805 National Celebrations | 0.00 | 0.00 | 0.00 | 0.00 |
| 2210808 Purchase of Coffins | 0.00 | 0.00 | 0.00 | 0.00 |
| 2210800 Hospitality Supplies and Servi | 19,185,859.00 | 0.00 | 9,249,009.70 | 0.00 |
| 2210901 Group Personal Insurance | 0.00 | 0.00 | 0.00 | 0.00 |
| 2210902 Building Insurance | 0.00 | 0.00 | 0.00 | 0.00 |
| 2210903 Plant, Equipment and Machinery Insurance | 0.00 | 0.00 | 0.00 | 0.00 |
| 2210904 Motor Vehicle Insurance | 2,297,907.00 | 0.00 | 1,907,129.15 | 0.00 |
| 2210910 Medical Insurance | 27,585,690.00 | 0.00 | 19,842,298.00 | 0.00 |
| 2210900 Insurance Costs | 29,883,597.00 | 0.00 | 21,749,427.15 | 0.00 |
| 2211009 Education and Library Supplies | - | 0.00 | - | 0.00 |
| 2211011 Purchase/Production of Photographic and Audio-Visual Materials | 0.00 | 0.00 | 0.00 | 0.00 |
| 2211016 Purchase of Uniforms and Clothing - Staff | 1,081,293.00 | 0.00 | 513,965.60 | 0.00 |
| 2211000 Specialised Materials and Supp | 1,081,293.00 | 0.00 | 513,965.60 | 0.00 |
| 2211101 General Office Supplies (papers, pencils, forms, small office equipment etc) | 1,865,316.00 | 0.00 | 3,809,500.00 | 0.00 |
| 2211102 Supplies and Accessories for Computers and Printers | 0.00 | 0.00 | 1,083,879.30 | 0.00 |
| 2211100 Office and General Supplies and Services | 1,865,316.00 | 0.00 | 4,893,379.30 | 0.00 |
| 2211201 Maintenance Expenses - Motor Vehicles | 3,114,339.00 | 0.00 | 5,340,110.94 | 0.00 |
| 2211200 Maintenance Expenses | 3,114,339.00 | 0.00 | 5,340,110.94 | 0.00 |
| 2211305 Contracted Guards and Cleaning Services | - | 0.00 | | 0.00 |
| 2211306 Membership Fees, Dues and Subscriptions to Professional and Trade Bodies | 3,253,100.00 | 0.00 | 2,733,600.00 | 0.00 |
| 2211308 Legal Dues/fees, Arbitration and Compensation Payments | 6,500,000.00 | 0.00 | 3,525,000.00 | 0.00 |
| 2211313 Security Operations | 0.00 | 0.00 | 0.00 | 0.00 |
| 2211329 HIV AIDS Secretariat workplace Policy Development | 0.00 | 0.00 | 0.00 | 0.00 |
| 2211399 Other Operating Expenses - Oth | 33,401,333.00 | 0.00 | 31,166,303.86 | 0.00 |
| 2211300 Other Operating Expenses | 43,154,433.00 | 0.00 | 37,424,903.86 | 0.00 |
| 2210000 Goods and Services | 268,338,206.00 | 0.00 | 273,431,588.65 | 0.00 |
| 2220101 Refined fuel oil and lubricants for transport | 3,500,000.00 | 0.00 | 1,497,800.00 | 0.00 |
| 2220105 Routine Maintenance - Vehicles | 0.00 | 0.00 | 0.00 | 0.00 |
| 2220100 Routine Maintenance - Vehicles | 3500000.00 | 0.00 | 0.00 | 0.00 |
| 2220000 Routine Maintenance | 3,500,000.00 | 0.00 | 1,497,800.00 | 0.00 |
| 2640502 Capital Transfer to Assembly fund | 51,214,743.00 | 0.00 | 971,977.00 | 0.00 |
| 2640599 Other Capital Grants and Trans | 0.00 | 0.00 | 0.00 | 0.00 |
| 2640500 Other Capital Grants and Trans | 51,214,743.00 | 0.00 | 971,977.00 | 0.00 |
| | Current Period | | Current Period | |
| Account No and Description | Debit | Credit | Debit | Credit |
| 2640000 Other Transfers and Emergency Relief | 0.00 | 0.00 | 0.00 | 0.00 |
| 2990101 Outside Processing | 0.00 | 0.00 | 0.00 | 0.00 |
| 2990105 Expenses | | 0.00 | | 0.00 |
| 2990100 System Required Expenses | | 0.00 | | 0.00 |
| 2990000 System Required Expense A/cs | | 0.00 | | 0.00 |
| 3110202 Non-Residential Buildings (offices, schools, hospitals, etc..) | 109,278,213.00 | 0.00 | 67,707,536.45 | 0.00 |
| 3110299 Construction of Buildings - Ot | - | 0.00 | - | 0.00 |
| 3110200 Construction of Building | 109,278,213.00 | 0.00 | 67,707,536.45 | 0.00 |
| 3110399 Refurbishment of Buildgs - Oth | | 0.00 | | 0.00 |
| 3110300 Refurbishment of Buildings | | 0.00 | | 0.00 |
| 3110701 Purchase of Motor Vehicles | 13,000,000.00 | 0.00 | | 0.00 |
| 3110700 Purchase of Vehicles and Other Transport Equipment | 13,000,000.00 | 0.00 | | 0.00 |
| 3111001 Purchase of Office Furniture and Fittings | 0.00 | 0.00 | 0.00 | 0.00 |
| 3111002 Purchase of Computers, Printers and other IT Equipment | 1,779,000.00 | 0.00 | 4,028,935.65 | 0.00 |
| 3111003 Purchase of Airconditioners, Fans and Heating Appliances | | 0.00 | | 0.00 |
| 3111005 Purchase of Photocopiers | 2,452,330.00 | 0.00 | | 0.00 |

| | | | | |
|---|---|---|---|---|
| 3111008 Purchase of Printing Equipment | | 0.00 | | 0.00 |
| 3111099 Purch. of Office Furn. & Gen. - Other (Budget) | 0.00 | 0.00 | 0.00 | 0.00 |
| 3111000 Purchase of Office Furniture and General Equipment | 4,231,330.00 | 0.00 | 4,026,935.65 | 0.00 |
| 3111111 Purchase of ICT Networking and Communication Equipment | 0.00 | 0.00 | 0.00 | 0.00 |
| 3111112 Purchase of Software | 0.00 | 0.00 | 2,693,103.45 | 0.00 |
| 3111100 Purchase of Specialised Plant, Equipment and Machinery | 0.00 | 0.00 | 2,693,103.45 | 0.00 |
| 3111402 Engineering and Design Plans | 0.00 | 0.00 | 0.00 | 0.00 |
| 3111400 Research, Feasibility Studies, Project Preparation and Design, Project Supervision | 0.00 | 0.00 | 0.00 | 0.00 |
| 3110000 Acquisition of Fixed Capital Assets | 126,509,543.00 | 0.00 | 74,429,575.65 | 0.00 |
| 6530101 Ministry HQ Recurrent Bank A/C | 0.00 | | 0.00 | |
| 6530100 Recurrent Bank Accounts | 0.00 | 593,586,299.00 | 0.00 | 550,676,950.00 |
| 6530000 Recurrent Bank Accounts | 0.00 | 593,586,299.00 | 0.00 | 550,676,950.00 |
| 6540101 Ministry HQ Development Bank A | 0.00 | 120,595,677.00 | 0.00 | 69,160,588.90 |
| 6540100 Development Bank Accounts | 0.00 | | 0.00 | |
| 6540000 Development Bank Accounts | 0.00 | 120,595,677.00 | 0.00 | 69,160,588.90 |
| 6580101 Cash | 11,517,387.00 | 0.00 | 9,209,929.95 | 0.00 |
| 6580100 Cash in Hand | 11,517,387.00 | 0.00 | 9,209,929.95 | 0.00 |
| 6580000 Cash in Hand | 11,517,387.00 | 0.00 | 9,209,929.95 | 0.00 |
| 6740101 Prepayment | 0.00 | 0.00 | 0.00 | 0.00 |
| 6740102 R/D Cheques | | 0.00 | | 0.00 |
| 6740100 Other Debtors & Pre-payments | 6,928,880.00 | 0.00 | 11,706,114.00 | 0.00 |
| 6740000 Other Debtors & Pre-payments | 6,928,880.00 | 0.00 | 11,706,114.00 | 0.00 |
| 7320101 PAYE | | 0.00 | | 0.00 |
| 7320102 NHIF | | 0.00 | | 0.00 |
| 7320106 NSSF | | 0.00 | | 0.00 |
| 7320107 Co-operatives | | 0.00 | | 0.00 |
| 7320108 Insurances | | 0.00 | | 0.00 |
| 7320113 HELB Deductions | | 0.00 | | 0.00 |
| 7320116 Mortgages / Bank Loans | | 0.00 | | 0.00 |
| 7320118 Provident Fund | | 0.00 | | 0.00 |
| 7320199 Salary Control Account | | 0.00 | | 0.00 |
| 7320100 Salary Deductions | | 0.00 | | 0.00 |
| 7320201 Contractors Retention Money | | | | |
| 7320200 Other General Liabilities | | | | |
| 7320000 Other Liabilities | 0.00 | | 0.00 | |
| 7380102 VAT Withholding | | | | |
| 7380100 | | | | |
| 7380000 Withholding Taxes | | | | |
| Finance cost | 15,384.00 | | - | |
| 7390103 AP Liabilities | | | | |
| 7390107 Intercompany Payables | | | | |
| 7390100 System Required Liabilities | - | | - | |
| 7399999 Cash Clearing A/c | | | | |
| 7399900 | | | | |
| 7390000 System Required Liabilities A/cs | | | | |
| 9910101 Provision for Encumbrance | | | | |
| | | | | |
| **Account No and Description** | | | | |
| 9910100 General Provisions | | | | |
| 9910000 Provisions | | | | |
| 9999999 Consolidated Fund | | | | |
| 9999900 | | | | |
| 9990000 Opening Balance Reserves | | | | |
| Total | 714,181,976.00 | 714,181,976.00 | 619,837,538.90 | 619,837,538.90 |

The Statement has been prepared, reviewed and approved by the following:

Prepared By: William Koitumet Date: 22/9/2018

Reviewed By: Leboo Saisa Date: 29/09/2018

Approved By: Date: