REPUBLIC OF KENYA

OFFICE OF THE AUDITOR-GENERAL

Enhancing Accountability

REPORT

OF

THE AUDITOR-GENERAL

ON

COUNTY ASSEMBLY OF MIGORI

FOR THE YEAR ENDED 30 JUNE, 2019

MIGORI COUNTY ASSEMBLY

REPORTS AND FINANCIAL STATEMENTS

FOR THE FINANCIAL YEAR ENDED JUNE 30, 2019

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

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1. KEY ENTITY INFORMATION AND MANAGEMENT

(a) Background information

The County Assembly of Migori 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 57 Members of County Assembly (MCAs) elected and nominated to represent members of the public from their respective wards and various interests respectively. 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

The Migori County Assembly's day-to-day management is under the following key organs:

- The Speaker;
- The County Assembly Service Board;
- The Clerk; and
- Heads of Departments

(c) Fiduciary Management

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

No.	Designation	Name
1.	Accounting Officer	- **Tom Opere Onyango**
2.	Ag. principal Finance Officer	- **Evans Ogutu Ouma**

(d) Fiduciary Oversight Arrangements

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

- Internal Auditor - **Beryl Pendo Mauko**
- Migori County Assembly Budget & Appropriation Committee
- Migori County Assembly Finance committee.
- Migori County Assembly CPIAC

(e) Migori County Assembly Headquarters

P.O. Box 985-40400 Suna-Kenya
ISOLATED BUILDING
Migori Level 4 hospital-Highway

(f) Migori County Assembly Contacts

Telephone: (254) 0713556633
E-mail: www.migorica.go.ke
Website: www.migoricountyassembly.go.ke

(g) Entity Bankers

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

2. KCB Bank(K) ltd
   Migori 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
Migori county assembly has largely recurrent budget estimate. During the financial year ended 30th June 2019, Migori County Assembly's recurrent approved and supplementary budget estimate was Kshs. 828,127,065, the actual exchequer issuer through the Migori County revenue fund was KES 828,127,065, 100% recurrent budget funding. The development budget of Kshs. 100,000,000 was fully funded. Hence 100% development budget funding. Migori County Assembly received additional funding on special request from the county treasury for Kshs. 61,155,200 with definite program need.
Operational Performance
Migori County Assembly defined key delivery units in its programmes for the financial year 2018/2019; for instance, Training of MCAs and staff during the year, Enactment of county Assembly bills, benchmarking trips, programmed committee activities and these were largely achieved. Migori County Assembly passed bills including finance bill, which was later enacted among other bills. Migori county assembly's' select and sectorial committees as constituted performed their key roles as approved by the liaison committee, the county assembly service board and the speaker. Due to delayed funding effects on the budget, the budget votes were relocated to meet the operational needs of the Assembly as approved by the Migori County Assembly Service Board.
Performance of key development projects
Migori County Assembly Development projects were largely accomplished as per the procurement plan for 2018/2019FY
Comment on value-for-money achievements
The fiduciary oversight arrangements and the internal control systems, ensured compliance for value for money.
Challenges and Recommended Way Forward
The key challenges during the financial year were; 1. Inadequate Migori county Assembly's' motor vehicles, 2. Inadequate office space for the personnel and MCAs 3. Lack of strategic plan for the realization of the strategic objectives for the County Assembly 4. Delayed exchequer funding during the first quarter of the financial year.

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, 2019. This responsibility includes: (i) maintaining adequate financial management arrangements and ensuring that these continue to be effective throughout the reporting period; (ii) maintaining proper accounting records, which disclose with reasonable accuracy at any time the financial position of the County Assembly; (iii) designing, implementing and maintaining internal controls relevant to the preparation and fair presentation of the financial statements, and ensuring that they are free from material misstatements, whether due to error or fraud; (iv) safeguarding the assets of the County Assembly; (v) selecting and applying appropriate accounting policies; 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, 2019, and of its financial position as at that date. The Clerk further confirms the completeness of the accounting records maintained for the County Assembly which have been relied upon in the preparation of the its financial statements as well as the adequacy of the systems of internal financial control.

The Clerk confirms that the County Assembly has complied fully with applicable Government Regulations and the terms of external financing covenants (where applicable), and that the County Assembly's funds received during the quarter 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 30/9/ 2019.

Clerk of the County Assembly

REPUBLIC OF KENYA

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E-mail: info@oagkenya.go.ke
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OFFICE OF THE AUDITOR GENERAL
Enhancing Accountability

HEADQUARTERS
Anniversary Towers
Monrovia Street
P.O. Box 30084-00100
NAIROBI

REPORT OF THE AUDITOR-GENERAL ON COUNTY ASSEMBLY OF MIGORI FOR THE YEAR ENDED 30 JUNE, 2019

REPORT ON THE FINANCIAL STATEMENTS

Qualified Opinion

I have audited the accompanying financial statements of County Assembly of Migori set out on pages 1 to 23, which comprise of the statement of financial assets and liabilities as at 30 June, 2019, statement of receipts and payments, statement of cash flows and the statement of comparison of budget and actual amounts-recurrent, development and combined for the year then ended, and a summary of significant accounting policies and other explanatory information in accordance with the provisions of Article 229 of the Constitution of Kenya and Section 35 of the Public Audit Act, 2015. I have obtained all the information and explanations which, to the best of my knowledge and belief, were necessary for the purpose of the audit.

In my opinion, except for the effect of the matters described in the Basis for Qualified Opinion section of my report, the financial statements present fairly, in all material respects, the financial position of the County Assembly of Migori as at 30 June, 2019, 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 Public Finance Management Act, 2012 and County Governments Act, 2012.

Basis for Qualified Opinion

1. Unsupported Expenditure – Use of Goods and Services

As disclosed under Note 7 to the financial statements, the statement of receipts and payments reflects a balance of Kshs.373,310,630 under use of goods and services. Examination of available records revealed the following unsatisfactory matters: -

1.1 Ward Operation Expenses

The balance includes an amount of Kshs.102,360,000 relating to rental of produced assets which was paid as ward operation expenses for forty (40) County Wards. Further, an amount of Kshs.6,120,000 was allocated to seventeen nominated Members of the County Assembly (MCAs) for operations. However, it was noted that the Management paid rental expenses of Kshs.30,000 per month to each nominated Member of County Assembly while each elected Member of County Assembly was

paid at flat rate of Kshs.200,000 per month. The expenditure was not supported with any verifiable and relevant documents.

1.2 Unsupported Domestic Travel and Subsistence Expenses

Further, the balance includes payments amounting to Kshs.139,291,382 relating to domestic travel and subsistence. The latter includes an expenditure of Kshs.27,643,934 that was not supported with relevant documentation such as work tickets, evidence of travel in form of bus work-tickets, attendance registers, minutes of meetings attended, work plan and work programmes.

1.3 Other Operating Expenses

In addition, the balance includes payments amounting to Kshs.17,115,832 relating to general operating expenses which were also not supported with relevant documents.

Consequently, the completeness, accuracy and validity of the use of goods and services of Kshs.373,310,630 reflected in the statement of receipts and payments for the year ended 30 June, 2019 could not be confirmed.

2. Unreconciled Balances - Compensation of Employees

As disclosed under Note 4 to the financial statements, the statement of receipts and payments reflects a balance of Kshs.375,253,889 under compensation of employees. The balance includes an amount of Kshs.15,778,400 which was paid through manual payment vouchers outside the government recommended IPPD system in respect of committee allowances arrears and plenary sittings top up. Consequently, the accuracy, completeness and legality of the expenditure on committee allowance arrears of Kshs.15,778,400 could not be confirmed.

Further, the balance includes payments relating to pension and social security contributions of Kshs.25,041,177. The Management produced schedules totalling Kshs.25,049,179 in support of the expenditure, resulting in an unexplained variance of Kshs.8,002. Further, the approved supplementary budget reflects an amount of Kshs.17,826,768 for pension and other social security contributions while the actual expenditure is Kshs.25,041,177 leading to an over-expenditure of Kshs.7,214,409, which was not satisfactorily explained.

In the circumstances, the accuracy and completeness of the expenditure of Kshs.375,253,889 on pension and other social security contributions could not be confirmed.

3. Accuracy of the Financial Statements

A review of financial statements revealed significant variances between the Integrated Financial Management Information System (IFMIS) figures and the financial statements. The statement of receipts and payments reflected total receipts of Kshs.989,82,265 while IFMIS records reflect a balance of Kshs.790,000,000 resulting to an unreconciled balance of Kshs.199,282,265. Similarly, the statement of receipts and payments reflects total payments of Kshs.945,900,493 while IFMIS records reflect a balance of Kshs.841,199,796 resulting to an unreconciled balance of Kshs.104,700,697. Management has not reconciled the differences between the two sets of reports.

Further, whereas the statement of receipts and payments for the County Executive of Migori reflects transfers to the County Assembly of Migori of Kshs.963,407,108, the amount differs with the Exchequer receipts of Kshs.928,127,065 reflected as transfers from the County Treasury received by the County Assembly during the year resulting to unreconciled variance of Kshs.35,280,043.

Consequently, the completeness and accuracy of the statement of receipts and payments for the year ended 30 June, 2019 could not be confirmed.

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

Key Audit Matters

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

Other Matter

1. Pending Payables (Bills)

Disclosed under Note 5.10 to the financial statements are pending accounts payables of Kshs.107,393,379 as at 30 June, 2019, which were not settled during the year under review but were carried forward to the 2019/2020 financial year. Management has not explained the cause of the outstanding bills and measure it is putting in place to deter the accumulation of pending bills.

Failure to settle bills during the year to which they relate distorts the financial statements and adversely affects the budgetary provisions for the subsequent year as they form a first charge.

2. Budget Control

The County Assembly had an approved budget of Kshs.438,857,522 and Kshs.100,000,000 on compensation of employees and acquisition of assets respectively, against actual expenditure of Kshs.375,253,889 and Kshs.78,486,603 leaving Kshs.63,603,633 or 14% and Kshs.21,511,397 or 22% as under expenditure or 14%.

The under absorption of the approved budget is an indication of activities not implemented by the County Assembly leading to non-provision of services to the citizens of Migori County.

3. Unresolved Prior Year Matters

In the audit report of the previous year, a number of issues were raised under the Report on Financial Statements. However, Management has not resolved the issues

nor disclosed the prior year matters as provided by the Public Sector Accounting Standards Board templates and by The National Treasury's Circular Ref: PSASB/1/12 Vol.1(44) of 25 June, 2019.

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. Projects not in use

During the year under review, the County Assembly undertook twenty-one (21) projects with a total cost outlay of Kshs.104,734,116. However, physical verification revealed the status as indicated in the attached Appendix I.

Although the twenty-one (21) projects' status were indicated as complete, fourteen (14) had not been commissioned, an indication that the facilities were not being used effectively.

Consequently, the value for money has not been fully realized with regard to the expenditure of Kshs.104,734,112.

2. Acquisition of Assets

The acquisition of assets expenditure of Kshs.78,488,603 includes an amount of Kshs.3,823,903 which was paid for the construction of the County Assembly Prefabs Buildings - Container House by a contractor while an amount of Kshs.8,633,736 was paid for the architectural design of Speaker's residence. However, the inspection and acceptance certificate were not provided for audit.

Consequently, the accuracy and regularity and value for money of the expenditure of Kshs.78,488,603 could not be confirmed.

3. Non-Compliance on Regional Composition

The analysis of regional composition of the assembly staff indicated that the dominant ethnic community in Migori County comprised 78% of the Assembly staff while the remaining 22% of the positions were shared among the other six ethnic communities contrary to Section 7(1) and (2) of the National Cohesion and Integration Act, 2008 which states that, "all public offices shall seek to represent the diversity of the people of Kenya in employment of staff and that no public institution shall have more than one third of its staff establishment from the same ethnic community".

The Assembly should strive to bridge the gap and embrace the diversity of our country.

4. Unauthorized Expenditure

The County Assembly had an approved budget of Kshs.200,000 and Kshs.15,000,000 on finance costs and Other payments-mortgages respectively against actual expenditure of Kshs.4,501,578 and Kshs.114,345,793 leading to over expenditure of Kshs.4,301,578 or 225% and Kshs.99,345,793 or 662%. The over-expenditure is an indication of lack of expenditure control and prudence in the use of public resources contrary to the requirements under Article 201(d) of the Constitution of Kenya.

In the circumstances, the efficiency and effectiveness in the use of public resources could not be ascertained.

5. Lack of an Approved Staff Establishment

The County Assembly did not have an approved staff establishment to indicate the authorized staffing levels during the year under review. Further, no evidence was provided to indicate that the Assembly had carried out job evaluation to determine the staff requirements and optimum number of employees for each category. This is contrary to the provisions of Section 66 of the County Governments Act, 2012 and Section 6(3)(B) of the County Assembly Public Service Human Resource Manual that requires the Assembly to have an approved staff establishment.

In the circumstances, the Management is in breach of the law.

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 EFFECTIVENESS OF INTERNAL CONTROLS, RISK MANAGEMENT AND GOVERNANCE

Conclusion

As required by Section 7(1)(a) of the Public Audit Act, 2015, based on the audit procedures performed, except for the matters described in the Basis for Conclusion on Effectiveness of Internal Controls, Risk management and 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

1. Poor Controls on Cash Transactions

It was observed that the Management significantly operated on cash transactions in 2018/2019 financial year. An audit of a sample of bank statements revealed that the Assembly on various dates withdrew a total of Kshs.58,073,500 in cash for office use.

In the circumstances, the Assembly is exposed to risks of fraud and theft which are inherent in cash transactions.

2. Lack of Risk Management Policy Framework

A review of risk management processes revealed that the County Assembly did not have an approved Risk management Policy Framework during the year 2018/2019. Further, there was no documentary evidence to confirm that the Assembly had conducted a risk assessment to identify the potential risk exposure, possibility of their occurrences and the mitigating strategies.

In the circumstances, Management may not be able to respond effectively in an event of a disaster.

The audit was conducted in accordance with ISSAI 2315 and ISSAI 2330. The standard requires that I plan and perform the audit to obtain assurance about whether effective processes and systems of internal control, risk management and overall governance were operating effectively, in all material respects. I believe that the audit evidence I have obtained is sufficient and appropriate to provide a basis for my conclusion.

Responsibilities of Management and those Charged with Governance

Management is responsible for the preparation and fair presentation of these financial statements in accordance with International Public Sector Accounting Standards (Cash Basis) and for maintaining effective internal control as Management determines is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error and for its assessment of the effectiveness of internal control, risk management and overall governance.

In preparing the financial statements, Management is responsible for assessing the County Assembly ability to sustain its services, disclosing, as applicable, matters related to sustainability of services and using the applicable basis of accounting unless Management is aware of the intention to dissolve the County Assembly or to cease operations..

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

Auditor-General's Responsibilities for the Audit

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

In addition to the audit of the financial statements, a compliance audit is planned and performed to express a conclusion about whether, in all material respects, the activities, financial transactions and information reflected in the financial statements are in compliance with the authorities that govern them and that public resources are applied in an effective way, in accordance with the provisions of Article 229(6) of the Constitution and submit the audit report in compliance with Article 229(7) of the Constitution.

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

Because of its inherent limitations, internal control may not prevent or detect misstatements and instances of 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 policies and procedures may deteriorate.

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

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

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

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

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

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

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

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

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

Nancy Gathungu
AUDITOR-GENERAL

Nairobi

26 January, 2021

Appendix I: Projects Status

Nature of Work	Location	Date of Contract	Project Cost Kshs.	Status	Operational
MCA Ward Office-Gokeharaka	Gokeharaka	1-12- 2016	5,660,950	Completed	Commissioned
MCA Ward Office-North Kanyamkago	Ayego	24-5-2016	5,674,128	Completed	Not Commissioned
MCA Ward Office-Muhuru Bay	Muhuru	4-4-2016	6,084,142	Completed	Not Commissioned
MCA Ward Office-Masaba	Masaba	2-12-2015	4,892,775	Completed	Not Commissioned
MCA Ward Office-God Jope	God Jope	16-5-2016	4,524,719	Completed	Not Commissioned
MCA Ward Office-West Sakwa	Nyatambe	16-5-2016	5,876,677	Completed	Not Commissioned
MCA Ward Office-Komosoko/ Nyamosense	Komosoko	4-4-2016	5,418,713	Completed	Not Commissioned
MCA Ward Office-Kachieng	Sori	2-12-2015	5,040,896	Completed	Commissioned
MCA Ward Office-South Kanyamkago	Uriri	4-4-2016	5,802,152	Completed	Commissioned
MCA Ward Office-West Kanyamkago	Wang-Chieng	3-5-2016	5,741,302	Completed	Commissioned
MCA Ward Office-Wasweta II	Kababu	13-6-2014	4,541,880	Completed	Commissioned
MCA Ward Office-Ntimaru West	Ntimaru Town	4-8-2014	4,588,743	Completed	Not Commissioned
MCA Ward Office-North Sakwa	Kuja	23-4-2015	4,203,258	Completed	Not Commissioned
MCA Ward Office-Makerero	Taragwiti	11-6-2015	4,168,519	Completed	Not Commissioned

Nature of Work	Location	Date of Contract	Project Cost Kshs.	Status	Operational
MCA Ward Office-Suna Central	Next to county Assembly	21-7-2015	4,608,571	Completed	Commissioned
MCA Ward Office-Tagare	Mabera	11-6-2015	4,759,259	Completed	Not Commissioned
MCA Ward Office-Bukira East	Kehancha	11-6-2015	4,332,623	Completed	Not Commissioned
MCA Ward Office-North Kadem	Agenga	23-8-2014	4,496,751	Completed	Commissioned
MCA Ward Office-Kaler	Olasi Trading Centre	26-11-2014	4,200,615	Completed	Not Commissioned
MCA Ward Office-Nyabasi west	Nyabasi	4-4-2016	5,538,489	Completed	Not Commissioned
Completion of Macalder MCA's office	Osiri	1-6- 2015	4,578,950	Completed	Not Commissioned
Total			**104,734,112**		

5. FINANCIAL STATEMENTS

5.1. STATEMENT OF RECEIPTS AND PAYMENTS

	Note	2018/2019 KShs	2017/18 KShs
RECEIPTS			
Transfers from the County Treasury/Exchequer Releases	1	828,127,065	736,000,000
Transfers from the County Treasury/Exchequer Releases (Development)	2	100,000,000	-
Other Receipts (Recurrent)	3	61,155,200	-
TOTAL RECEIPTS		**989,282,265**	**736,000,000**
PAYMENTS			
Compensation of Employees	4	375,253,889	361,090,880
Use of goods and services	5	373,310,630	312,930,791
Social Security Benefits		-	14,177,127
Acquisition of Assets	6	78,488,603	-
Finance Costs	7	4,501,578	2,254,817
Other Payments	8	114,345,793	44,836,473
TOTAL PAYMENTS		**945,900,493.00**	**735,290,088**
SURPLUS/DEFICIT		**43,381,771**	**709,912**

The explanatory notes to these financial statements form an integral part of the financial statements. The financial statements were approved on 30/09 2019 and signed by:

Clerk of the Assembly
Name: Emmanuel Abala Kingwara

Chief Finance Office – County Assembly
Name: Evans Ogutu Ouma
ICPAK Member Number: 20005

5.2. STATEMENT OF FINANCIAL ASSETS AND LIABILITIES

		2018/19	2017/18
FINANCIAL ASSETS	**Note**	**KShs**	**KShs**
Cash and Cash Equivalents			
Bank Balances	9A	44,091,683	583,912
Cash Balances	9B		126,000
Total Cash and cash equivalents		**44,091,683**	**709,912**
Accounts receivables – Outstanding Imprests		-	-
TOTAL FIXED & FINANCIAL ASSETS		-	**709,912**
FINANCIAL LIABILITIES			
Accounts Payables – Deposits and retentions	-	-	-
NET FINANCIAL ASSETS		**44,091,683**	**709,912**
REPRESENTED BY			
Fund balance b/fwd		709,912	-
Surplus/Deficit for the year		43,381,771	709,912
NET FINANCIAL POSITION		**44,091,683**	709,912

The amount of Kshs. 239,889,851 with regard to Fixed Assets had since been disclosed in the previous financial year
The explanatory notes to these financial statements form an integral part of the financial statements. The financial statements were approved on 30/09/ 2019 and signed by:

Clerk of the Assembly
Name: Name: Emmanuel Abala Kingwara

30 SEP 2019

Chief Finance Officer – County Assembly
Name: Evans Ogutu Ouma
ICPAK Member Number: 20005

5.3. STATEMENT OF CASH FLOWS

	Note	2018/2019 KShs	2017/2018 KShs
CASH FLOWS FROM OPERATING ACTIVITIES			
Receipts from operating income			
Transfers from the County Treasury/Exchequer Releases -Recurrent	1	828,127,065	736,000,000
Transfers from the County Treasury/Exchequer - Development	2	100,000,000	-
Other Receipts	3	61,155,200	
Payments for operating expenses			
Compensation of Employees	4	375,253,889	361,090,880
Use of goods and services	5	373,310,630	312,930,791
Acquisition of Assets	6	78,488,603	-
Social Security Benefits			14,177,127
Finance Costs	7	4,501,578	2,254,817
Other Payments	8	114,345,793	44,836,473
Adjusted for:			
Adjustments during the year		-	-479,552
Net cash flows from operating activities		-	**230,360**
CASHFLOW FROM INVESTING ACTIVITIES			
Proceeds from Sale of Assets		-	-
Net cash flows from investing activities			-
NET INCREASE IN CASH AND CASH EQUIVALENTS		**43,381,771**	**230,360**
Cash and cash equivalent at BEGINNING of the year		**709,912**	**479,552**
Cash and cash equivalent at END of the year		**44,091,683**	**709,912**

The explanatory notes to these financial statements form an integral part of the financial statements. The financial statements were approved on 25/09/ 2019 and signed by:

Clerk of the Assembly
Name: Emmanuel Abala Kingwara

30 SEP 2019

Chief Finance Office – County Assembly
Name: Evans Ogutu Ouma
ICPAK Member Number: 20005

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

Receipt/Expense Item	Original Budget	Adjustments	Final Budget	Actual on Comparable Basis	Budget Utilization difference	% Utilization difference
	KShs	KShs	c=a+b	e=d-c	e=c-d	KShs
RECEIPTS						
Transfers from the County Treasury/Exchequer Releases	928,127,065	-	928,127,065	928,127,065		100%
Other Receipts	-	-	-	61,155,200	-61,155,200	-
TOTAL	**928,127,065**	**-**	**928,127,065**	**989,282,265**	-61,155,200	
PAYMENTS						
Compensation of Employees	438,857,522	-	438,857,522	375,253,889.14	63,603,632.86	85.51%
Use of goods and services	374,069,543	-	374,069,543	373,310,630	758,913	99.80%
Acquisition of Assets	100,000,000	-	100,000,000	78,488,603.35	21,511,396.65	
Finance Costs	200,000	-	200,000	4,501,578.15	(4,301,578.15)	2250.79%
Other Payments–Car Loan& Mortgage	15,000,000	-	15,000,000	114,345,793	(99,345,793)	761.47%
TOTAL	**928,127,065**	**-**	**928,127,065**	**945,900,493.64**	**-17,773,428.64**	
SURPLUS/ DEFICIT				**43,381,771.36**	**-43,381,771.36**	

The entity financial statements were approved on 30/09/ 2019 and signed by:

Clerk of the Assembly
Name: Emmanuel Abala Kingwara

Chief Finance Office – County Assembly
Name: Evans Ogutu Ouma (ICPAK Member Number: 20005)

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

Receipt/Expense Item	Original Budget	Adjustments	Final Budget	Actual on Comparable Basis	Budget Utilization Difference	% Utilisation difference
	a	b	c=a+b	e=d-c		
RECEIPTS						
Transfers from the County Treasury/ Exchequer Releases	828,127,065	-	828,127,065	828,127,065		**100%**
Other Receipts	-	-		61,155,200	-61,155,200	-
TOTAL	828,127,065	-	828,127,065	889,282,265	-61,155,200	-
PAYMENTS						
Compensation of Employees	438,857,522	-	438,857,522	375,253,889.14	63,603,632.86	**85.51%**
Use of goods and services	374,069,543	-	374,069,543	373,310,630	758,913	**99.80%%**
Acquisition of Assets	-	-	-	-		-
Finance Costs	200,000	-	200,000	4,501,578.15	(4,301,578.15)	2250.79%
Other Payments- Car Loan & Mortgage	15,000,000	-	15,000,000	114,345,793	(99,345,793)	761.47%
TOTAL	828,127,065	-	828,127,065	**867,411,890.15**	**-39,284,825.29**	-
Surplus/ Deficit				**21,870,374.71**	**-21,870,374.71**	

- ✓ *85.51% on compensation of employees was due to sitting allowances of the MCAs not fully absorbed*
- ✓ *2250.79% were TOD fees on commercial bank*
- ✓ *761.47% on other payments related to transfers to DTB Bank Revolving Fund for Car Loan and Mortgage*

The entity financial statements were approved on 25/10/2019 and signed by:

Clerk of the Assembly
Name: Emmanuel Abala Kingwara

Chief Finance Office – County Assembly
Name: Evans Ogutu Ouma
ICPAK Member Number: 20005

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

Receipt/Expense Item	Original Budget	Adjustments	Final Budget	Actual on Comparable Basis	Budget Utilization Difference	% Utilization difference
	KShs	KShs	c=a+b	e=d-c	E=c-d	KShs
RECEIPTS						
Transfers from the County Treasury/ Exchequer Releases	100,000,000		100,000,000	100,000,000		100%
Other Receipts	-	-	-	-		-
TOTAL	100,000,000		100,000,000	100,000,000		-
PAYMENTS						
Compensation of Employees	-	-	-	-		-
Use of goods and services	-	-	-	-		-
Acquisition of Assets	100,000,000	-	100,000,000	78,488,603.35	21,511,396.65	78.49%
Other Payments	-	-	-	-		-
TOTAL	100,000,000	-	100,000,000	78,488,603.35	21,511,396.65	**78.49%**
SURPLUS/ DEFICIT				**21,511,396.65**	**-21,511,396.65**	

- ✓ 78.49% on acquisition of assets was largely as per payment demand on development projects

The entity financial statements were approved on 27/9/ 2019 and signed by:

Clerk of the Assembly
Name: Emmanuel Abala Kingwara

30 SEP
Chief Finance Office – County Assembly
Name: Evans Ogutu Ouma
ICPAK Member Number: 20005

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 and Supportive Services	700,747,017		700,747,017	646,915,308.30	53,831,708.70
Programme 2					
Oversight Management Services	127,380,048		127,380,048	159,341,382	(31,961,334)
Sub-programme 3					
Legislative Services					
Legislation development and approval services	100,000,000		100,000,000	78,488,603.35	21,511,396.65
Grand Total	**928,127,065**		**928,127,065**	**884,745,293.70**	**43,381,771.36**

The entity financial statements were approved on 21/09/2019 and signed by:

Clerk of the Assembly
Name: Emmanuel Abala Kingwara

Chief Finance Office – County Assembly
Name: Evans Ogutu Ouma
ICPAK Member Number: 20005

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 Migori 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.

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 Migori county Assembly 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 Migori County Assembly budget was approved as required by Law .A high-level assessment of the Migori County Assembly'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

	2018/2019	2017/18
	KShs	KShs
Transfers from the County Treasury for Q1	40,000,000	61,00,000
Transfers from the County Treasury for Q2	250,000,000	122,000,000
Transfers from the County Treasury for Q3	156,000,000	183,000,000
Transfers from the County Treasury for Q4	382,127,065	370,000,000
Cumulative Amount	**828,127,065**	**736,000,000**

2. Transfers from the County Treasury/Exchequer - Development

	2018/2019	2017/18
	KShs	KShs
Transfers from the County Treasury for Q1		
Transfers from the County Treasury for Q2		
Transfers from the County Treasury for Q3		
Transfers from the County Treasury for Q4	100,000,000	
Cumulative Amount	**100,000,000**	

3. OTHER RECEIPTS

	2017/18	2016/17
	KShs	KShs
Other Receipts from Migori County Treasury (specialized) - Recurrent	61,155,200	-
Other Receipts	-	-
Total	**61,155,200**	-

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

4. COMPENSATION OF EMPLOYEES

	2018/2019	2017/18
	KShs	KShs
Basic salaries of permanent employees	349,392,278	339,970.101
Basic wages of temporary employees	564,217	3,719,659
Personal allowances paid as part of salary		894,578
Special duty and other responsibility allowances	-	1,682,800
Transport and Travel allowances		3,565,042
Personal allowances provided in kind	256,217	-
Extraneous allowances		2,157,400
Travel allowances		252,500
Pension and other social security contributions	25,041,177	-
Contracted guards allowances	-	8,848,800
Total	**375,253,889**	**361,090,880**

5. USE OF GOODS AND SERVICES

	2018/2019	2017/18
	KShs	KShs
Utilities, supplies and services	4,905,767	4,824,980
Communication, supplies and services	4,600,000	7,607,618
Domestic travel and subsistence	139,291,382	126,622,279
Foreign travel and subsistence	20,050,000	9,607,500
Printing, advertising and information supplies & services	8,058,500	
Rentals of produced assets	102,360,000	57,196,569
Training expenses	7,526,149	
Hospitality supplies and services	4,7000,000	29,386,630
Insurance costs	27,400,000	33,076,250
Membership Fees &Dues, Legal Fees & Contracted Professional Services	11,000,000	6,400,510
Education and Library Activities	1,165,000	
Contracted Guard Allowances	5,208,000	
General Operating Expenses	17,115,832	10,903,555
Fuels and Lubricants	6,200,000	7,259,700
Routine maintenance – vehicles and other transport equipment	5,540,000	8,626,110
Routine maintenance – Buildings	3,880,000	1,560,570

Routine maintenance – Plant and Equipment	2,210,000	1,296,528
Computers, Printers and Accessories		6,259,602
Routine maintenance – Office Furniture	700,000	601,975
Routine maintenance – Computers, Printers and Accessories	1,400,000	1,430,415
Total	**373,310,630**	**312,930,791**

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

6. ACQUISITION OF ASSETS

Non Financial Assets	2018/2019	2017/2018
	KShs	KShs
Purchase of Buildings	-	-
Construction of Buildings	17,211,908	-
Refurbishment of Buildings	21,323,508	-
Construction of Roads	-	-
Construction and Civil Works	9,823,028	-
Overhaul and Refurbishment of Construction and Civil Works	-	-
Purchase of Vehicles and Other Transport Equipment	13,654,207	-
Overhaul of Vehicles and Other Transport Equipment	-	-
Purchase of Household Furniture and Institutional Equipment	1,257,000	-
Purchase of Office Furniture and General Equipment	3,548,247	-
Purchase of ICT Equipment, Software and Other ICT Assets	8,746,969	-
Purchase of Specialised Plant, Equipment and Machinery	-	-
Rehabilitation and Renovation of Plant, Machinery and Equip.	-	-
CCTV Installations	2,923,736	-
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	**78,488,603**	-

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

7. FINANCE COSTS

	2018/2019	2017/2018
	KShs	KShs
Bank Charges	722,661	988,903
Exchange Rate Losses	-	-
Other Finance costs	-	-
Interest on borrowings	3,778,917	1,265,914
Total	**4,501,578**	**2,254,817**

8. OTHER PAYMENTS

	2018/2019	2017/2018
	KShs	KShs
Car Loan & Mortgage Revolving Fund	105,000,000	-
Civil Contingency Reserves	-	-
Capital Transfers to Non-Financial Public Enterprises	-	-
Capital Transfer to Public Financial Institutions and Enterprises	-	-
Contracted professional services	-	9,059,200
Legal fee & dues	-	4,569,910
Pending Bills – Non Residential	9,345,793	31,207,363
Total	**114,345,793**	**44,836,473**

9. CASH AND BANK BALANCES

9A. BANK BALANCES

Name of Bank, Account No. & Currency	Indicated whether recurrent or development	2018/2019	2017/2018
		KShs	KShs
Bank Balances B/F -1st July 2018		583,912	-
CBK Migori County Assembly	Development Acc	43,436,819	-
CBK Migori County Assembly	Recurrent Acc	37,903	130,693
Migori County Assembly Operation II	Commercial Bank Accs.	33,048	453,219
Total		**44,091,683**	**583,912**

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

9B. CASH IN HAND

	2018/2019	2017/18
	KShs	KShs
Cash in Hand – Held in domestic currency		126,000
Cash in Hand – Held in foreign currency	-	-
Total		126,000

Cash in hand should be analysed as follows:

	2018/2019	2017/18
	KShs	KShs
Petty Cash Office	-	126,000
Location 2	-	-
Location 3	-	-
Total	-	126,000

5.10. OTHER DISCLOSURES

1. PENDING ACCOUNTS PAYABLE (See Annex 1)

	2018/19	2017/18
	KShs	KShs
Construction of buildings	78,195,897	-
Construction of civil works	-	
Supply of goods	29,197,482	
Supply of services		
Total	**107,393,379**	-

2. PENDING STAFF PAYABLES (See Annex 2)

Name of Staff	2018/19	2017/18
	KShs	KShs
Administrative Committee allowances		4,405,600
Total		4,405,600

3. OTHER PENDING PAYABLES (See Annex 3)

	2018/19	2017/18
	KShs	KShs
Amounts due to National Government entities	-	-
Amounts due to County Government entities	-	-
Amounts due to third parties	-	-
Total	-	-

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:

	20xx- 20xx	20xx- 20xx
	Kshs	Kshs
Compensation to Key Management		
Compensation to the Speaker, Deputy Speaker and the MCAs	-	-
Key Management Compensation(Clerk and Heads of departments)	-	-
Total Compensation to Key Management	-	-
Transfers to related parties		
Transfers to other County Government Entities such as car and mortgage schemes	-	-
Transfers to County Corporations	-	-
Transfers to non reporting entities e.g ECD centres, welfare centres etc	-	-
Total Transfers to related parties	-	-
Transfers from related parties		
Transfers from the County Executive- Exchequer	-	-
Payments made on behalf of the County Assembly by other Government Agencies	-	-
(Insert any other transfers received)	-	-
Total Transfers from related parties	-	-

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...30/9/2019.....

ANNEXES

ANNEX 1 – ANALYSIS OF PENDING ACCOUNTS PAYABLE

Supplier of Goods or Services	Original Amount	Date Contracted	Amount Paid To-Date	Outstanding Balance 2018/19	Outstanding Balance 2017/18	Comments
	A	b	c	d=a-c		
Construction of buildings						
1. MCAs Buildings				78,195,897		
2.						
3.						
Sub-Total				78,195,897		
Construction of civil works						
4. Construction of civil works						
5.						
6.						
Sub-Total						
Supply of goods						
7. Supply awaiting certification/old debts	27,233,150	5,097,337	3,133,005	29,197,482		
8.						
9.						
Sub-Total	27,233,150	5,097,337	3,133,005	29,197,482		
Supply of services						
10. current suppliers						
11.						
12.						
Sub-Total						
Grand Total	27,233,150	5,097,337	3,133,005	**107,393,379**		

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. Allowances Perdiem							
2. Tender Committee arrears							
3. Tender Opening Committee arrears							
4. Acceptance Committee							
5. Procurement Committee							
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 2018/19	Outstanding Balance 2017/18	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 b/f (KShs) 2017/2018	Additions during the year (KShs)	Disposals during the year (KShs)	Historical Cost c/f (KShs) 2018/2019
Land				-
Buildings and structures				210,884,955
Transport equipment				-
Office equipment, furniture and fittings				21,622,000
ICT Equipment, Software and Other ICT Assets				5,530,140
Other Machinery and Equipment				-
Heritage and cultural assets				-
Intangible assets				-
Total				238,237,095

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***
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**

ANNEX 6 – BANK RECONCILIATION/FO 30 REPORT

(Attach FO 30 Reports from IFMIS)