REPUBLIC OF KENYA

OFFICE OF THE AUDITOR-GENERAL

Enhancing Accountability

REPORT

OF

THE AUDITOR-GENERAL

ON

COUNTY ASSEMBLY OF NYERI

FOR THE YEAR ENDED 30 JUNE, 2019

OFFICE OF THE AUDITOR GENERAL
P. O. Box 30134 - 00100, NAIROBI
REGISTRY
07 OCT 2020
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COUNTY ASSEMBLY OF NYERI

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 is constituted as per the constitution of Kenya 2010. It's 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 44 (Forty Four) Members of County Assembly (MCAs) elected and nominated to represent members of the public from their respective wards and other groups i.e. youth, gender and ethnic minority. 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 *entity's* day-to-day management is under the following key organs:

- Legislative and Committee Services
- Staff Management and Development
- Financial Resources Management

(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.	Clerk to the Assembly		Jennard N. Mwiggeh
2.	Deputy Director Services	Accounting	Geoffrey W.Mungai
3.	Finance Officer		Joseph Kimiti

(d) Fiduciary Oversight Arrangements

- *Audit and finance committee activities*

The Assembly has in place an Internal Audit Department
The Assembly has in place an Audit Committee
County Assembly committee activity

- *Development partner oversight activities*

- *Other oversight activities*

(e) Entity Headquarters

P.O. Box 162 P.O. Box 162
Nyeri-10100
Off Nyeri-Karatina –Nairobi Highway
Ruringu

(f) Entity Contacts

E-mail:nyeriassembly@gmail.com & info@nyeriassmbly.go.ke

Website: www.nyeriassembly.go.ke

(g) Entity Bankers

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

(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

Put the forward note by the Clerk of the County Assembly.

Include the following:

Budget performance

This is the fourth time the County Assembly is preparing its full year financial statements. The preparation of the Financial Statements is as per the statutory requirements. In regards to budget performance against the actual, the Assembly performed its core mandates to satisfactory level, with an absorption level of 99%.)

Operational Performance

Laws and policies approved by the Assembly

1. The Nyeri County Appropriation Bill, 2018
2. The Nyeri County Supplementary Appropriation (N0. 1) Bill, 2018
3. The Nyeri County Supplementary Appropriation (N0. 2) Bill, 2019
4. The Nyeri County Supplementary Appropriation (N0. 3) Bill, 2019
5. The Nyeri County Finance Bill, 2018
6. The County Government of Nyeri County Revenue Administration (Amendments) Bill, 2018
7. The Nyeri Municipal Charter.

Approval dates for the Annual Budget Estimates and Supplementary Budgets for the financial year 2018-19

1. The Annual Budget Estimates for the FY 2018/19 were approved on 28th June, 2018.
2. The 1st Supplementary Budget FY 2018/19 was approved on Wednesday, 7th November, 2018
3. The 2nd Supplementary Budget FY 2018/19 was approved on 15th January, 2019
4. The 3rd Supplementary Budget FY 2018/19 was approved on Tuesday, 15th May, 2019

Committees of the County Assembly
Select Committees
There are eleven (11) select Committees which have distinct mandates as enumerated below;

1. **Assembly Business Committee**

The County Assembly Business Committee shall—

(a) prepare and , if necessary, from time to time adjust the Assembly Calendar with the approval of the Assembly;

(b) Monitor and oversee the implementation of the Assembly Business and programmes.

(c) Implement the Standing Orders respecting the scheduling or programming of the business of the Assembly and the functioning of the Committees of the Assembly;

(d) Determine the order in which the reports of Committees shall be debated in the Assembly;

(e) May take decisions and issue directives and guidelines to prioritize or postpone any business of the Assembly acting with the concurrence of the Leader of the Majority Party or the Leader of the Minority Party, as the case may be.

(f) Consider such matters as may from time to time arise in connection with the business of the Assembly and shall have and perform such powers and functions as are conferred on and ascribed to it by these Standing Orders or from time to time by the Assembly.

2. **Budget and Appropriations Committee**

a) Investigate, inquire into and report on all matters related to coordination, control and monitoring of the of the county budget,

b) Examine the County Integrated Development Plan and the Annual Development Plan;

c) Discuss and review the estimates and make recommendations to the Assembly;

d) Examine the County Fiscal Strategy Paper presented to the Assembly;

e) Consider the County Appropriation Bills ; and

f) Evaluate tax estimates, economic and budgetary policies and programmes with direct budget outlays.

3. **County Public Accounts Committee**

1. The Public Accounts Committee is responsible for the examination of the accounts of the County Government.

4. **County Public Investments Committee**

1. The Public Investments Committee shall be responsible for the examination of the working of the public investments including annual reports of the Auditor General on the accounts of county government entities, including county corporations; the examination of any recommendation from the Auditor General relating to withholding of funds to a county government entity or a county corporation; and the examination of proposals from the county executive to declare a county corporation to be a county government entity.

2. The Committee may, in respect of a County Government Entity, inquire into the commercial affairs of the entity with a view to examining the prudence and commercial effectiveness of the continued investment of the County in the entity.

3. The Committee may examine the commercial effectiveness of the County Government's investment in a county government entity or a county corporation, including proposals for

divestiture.

5. **Procedure and Rules Committee**

1. The Procedure and Rules Committee shall consider and report on all matters relating to the Standing Orders.
2. The Procedure and Rules Committee may propose amendments to the Standing Orders and any such amendments shall upon approval by the Assembly. take effect at the time appointed by the Assembly.
3. The Assembly Procedure and Rules Committee may propose rules for the orderly and effective conduct of committee business and any such rules, shall upon approval by the Assembly, continue in force until amended or repealed by the Assembly.

6. **County Delegated Legislation Committee**

The Committee considers statutory instruments

7. **Powers and Privileges Committee**

The Committee considers either of its own motion or as a result of a complaint made by any person the conduct of a Member whose conduct is alleged to constitute a breach of privilege within fourteen days of receipt of a complaint

8. **Committee on Appointments**

The Committee on Appointments considers for approval by the Assembly appointments under Articles 179(2) (Members of County Executive Committees).

9. **Committee on Implementation**

The Committee scrutinizes the resolutions of the Assembly (including adopted committee reports), petitions and the undertakings given by the County Executive Committee.

10. **Liaison Committee**

The Liaison Committee shall—

(a) Guide and co-ordinate the operations, policies and mandates of all Committees;

(b) Deliberate on and apportion the annual operating budget among the Committees;

(c) consider the programmes of all Committees, including their need to travel and sit away from the precincts of Assembly;

(d) Ensure that Committees submit reports as required by these Standing Orders;

(f) Determine, whenever necessary, the committee or committees to deliberate on any matter; and

(g) Give such advice relating to the work and mandate of select committees as it may consider necessary;

(h) The Liaison Committee shall consider reports of Committee that have not been deliberated by the Assembly and shall report to the Assembly on the consideration of such reports.

11. **County Ward Development Oversight Committee**

The functions of the Committee shall be to monitor the implementation of the ward Development projects that cut across all the 30 Wards and ensuring that there is equity in the implementation of the said projects and compliance with the plans, policy framework and legislation;

Sectoral Committees

1. Youth and Sports Committee
2. Water & Sanitation Services Committee
3. Gender, Social Services and Special Programmes Committee
4. Agriculture, Livestock and Fisheries
5. Transport, Public Works and Infrastructure Committee
6. Health Services Committee
7. Environment & Natural Resources Committee
8. Trade, Tourism and Cooperatives Development Committee
9. Physical Planning, Housing & Urbanization Committee
10. Finance and Economic Planning
11. Education, Science and Technology Committee
12. Legal Affairs, County Public Service and Administration Committee

Mandate of Sectoral Committees

The mandate of Sectoral Committees is in respect of the subject matter assigned under the first Schedule of the Standing Orders;

FIRST SCHEDULE

Sectoral Committees

[Standing Order 196]

No.	*Sectoral Committee*	*Subject Area*
1.	Water and Sanitation Services Committee	All matters relating to water and sanitation services, sewerage services, storm water management systems, local water catchment protection, implementation of sub-catchment management plans, water allocation and issuance of permits, flood mitigation and land reclamation at county levels, monitoring of water quality, enforcement of water quality standards, planning of rural water supply, development of rural water points, maintenance of water points and management of water utilities.
2	Legal Affairs, County Public Service and Administration Committee	All matters relating to general administration including County public service, labour, trade union relations, manpower or human resource planning, liquor licensing, control of drugs and pornography, and animal control and welfare, including licensing of dogs and facilities for the accommodation, care and burial of animals, cemeteries, funeral parlours and crematoria, ensuring and coordinating the participation of communities and locations in governance at the local level and assisting communities and locations to develop the administrative capacity for the

		effective exercise of the functions and powers and participation in governance at the local level; all matters relating to the administration of law and justice including ethics, integrity, anti-corruption and human rights; and all matters involving county security, intergovernmental relations including resolution of disputes and conflict of laws.
3	Agriculture, Livestock and Fisheries Committee	All matters relating to agriculture, including irrigation, crop and animal husbandry, livestock sale yards, county abattoirs, plant and animal disease control, fisheries, veterinary services (excluding regulation of the profession).
4	Finance and Economic Planning Committee	All matters relating to revenue collection, imposition of taxes and charges, County Fiscal Planning and development including statistics; borrowing by the County Government, Consideration of the debt management strategy paper, examination of the Finance Bill and the County Revenue Fund Bill, matters related to the management of public finances and the economic affairs of the County Government, the inventory of the county government's assets, considering the financial and economic policies of the County.
5	Health Services Committee	All matters relating to County health services (excluding the regulation of the profession), including, in particular county health facilities and pharmacies, ambulance services, promotion of primary health care, public health, licensing and control of undertakings that sell food to the public.
6	Education, Science and Technology Committee.	All matters relating to pre-primary education, village polytechnics, home craft centres and childcare facilities, vocational training, research, information, communication and technology (ICT)
7	Transport, Public Works and infrastructure Committee.	All matters relating to county transport, including county roads, street lighting, traffic and parking, public road transport, county public works and services including storm water management systems in built-up areas; matters relating to electricity and gas reticulation, energy reticulation, exploration, development and production of alternative sources of energy (wind power, solar power and biogas).
8	Physical Planning, Housing &Urbanization Committee	Matters relating to county spatial planning and development, including land survey and mapping, boundaries, fencing and housing, all matters relating to urban areas including governance and management of urban areas;
9	Trade, Tourism and Co-operatives Development Committee	All matters relating to markets, trade licenses (excluding regulation of Professions), fair trading practices, trade development and regulation, outdoor advertising, marketing and co-operative societies; all matters relating to the promotion and development of cottage industries, light industries, value addition and manufacturing entities, research and innovation; all matters relating to County tourism, County heritage,

		cultural activities and facilities, archives, museums, county parks and recreational facilities.
10	Youth, Sports Committee	All matters relating to the social and economic empowerment of the youth, promotion, development, and support of youth empowerment programmes, activities and facilities, and promotion and development of sports programmes activities and facilities.
11	Gender, Social Services and Special Programmes Committee	All matters relating to gender, disability, children and other special groups, social welfare, fire fighting services, emergencies and disaster management, public entertainment and public amenities which include betting, casinos and other forms of gambling racing, cinemas, video shows, hiring and libraries.
12	Environment and Natural Resources Committee	All matters relating to forestry, control of air pollution, noise pollution, other public nuisances, refuse removal, refuse dumps and solid waste disposal, including implementation of specific national government policies on natural resources and environmental management and conservation including soil and water conservation.

The functions of the Sectoral Committee are as follows;

(a) Investigate, inquire into, and report on all matters relating to the mandate, management, activities, administration, operations and estimates of the assigned departments;

(b) Study the programs and policy objectives of departments and the effectiveness of the implementation;

(c) Study and review all county legislation referred to it;

(d) Study, assess and analyse the relative success of the departments as measured by the results obtained as compared with their stated objectives;

(e) Investigate and inquire into all matters relating to the assigned departments as they may deem necessary, and as may be referred to them by the Assembly;

(f) To vet and report on all appointments where the Constitution or any law requires the Assembly to approve, except those under Standing Order 183 (*Committee on Appointments*) ; and

(g) Make reports and recommendations to the Assembly as often as possible, including recommendation of proposed legislation.

Successes made by Committees during the period

1. Consideration and approval of the County Government of Nyeri Annual Development Plan FY 2018-19

2. Consideration and approval of the County Fiscal Strategy Paper, 2019

3. Consideration and approval of the Nyeri County Debt Management Strategy Paper, 2019
4. Consideration and approval of the County Government of Nyeri Annual Budget Estimates FY 2018-19.
5. Consideration and approval of the Nyeri County Appropriation Bills,
6. Consideration and approval of the County Government of Nyeri 1st, 2nd and 3rd Supplementary Budget Estimates FY 2018-19
7. Consideration and approval of the Nyeri County Finance Bill,2018
8. Consideration and approval of the County Government of Nyeri County Revenue Administration (Amendments) Bill, 2018
9. Consideration and approval of the Nyeri Municipal Charter.
10. Vetting of the Nominees for the positions of the Nyeri County Municipality Board Members;
11. Vetting and approval of the Nyeri County Level 5 and level 4 Hospitals Board Members;
12. Vetting and approval of the Chief Officer for the Department of Water, Sewerage and Sanitation Services, Environment and Natural Resources.
13. Review of the County Assembly of Nyeri Standing Orders
14. Preparation and tabling of various Committee reports among them including; Reports on Budget Estimates and Supplementary Estimates, Reports on vetting of Nominees etc.
15. Vetting and approval of the Members of the County Public Service Board of Nyeri
16. House consideration of Committees' and individual Motions.
17. Committees responding to statements requested by various Members.

Committees field enquiries on the status of implemented projects.

Performance of key development projects

The County Assembly had an on-going project of Main Gate Construction. The construction was completed in the year under review. This is going to enhance security management in the assembly.

Comment on value-for-money achievements

The Assembly core mandates being oversight of the executive, legislation and representation of the people, we can confidently state that, value for money was achieved through the various bills passed, representation through petitions presented and invitation of executive arm to clarify on issues raised in the Auditor General's reports and petitions brought to the assembly. The county citizen's lives were also greatly improved as they were the one involved in undertaking the project, in regards to provision of labour and supply of materials and also through bills passed and petitions responded for their own good *Give specific examples of how some of the projects undertaken as listed above have positively improved the lives of the citizens of the County.*
Challenges and Recommended Way Forward
During the reporting period, the challenges encountered were: -Release of exchequer receipts. -Capture of exchequer receipts in the IFIMS -Pending bills. - IFMIS connectivity i.e. due to server challenges at the National Treasury The way forward to counter the challenges include: -Timely release of exchequer receipts. -The National Treasury to ensure the system is running without major hitches. -Timely compliance with our suppliers to forward their invoices in time. -Procurement department to ensure suppliers are duly registered in the IFMIS system before awarding tenders.

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, 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 19.09 2019.

Clerk of the County Assembly

REPUBLIC OF KENYA

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OFFICE OF THE AUDITOR-GENERAL

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REPORT OF THE AUDITOR-GENERAL ON COUNTY ASSEMBLY OF NYERI 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 Nyeri set out on pages 1 to 24, which comprise the statement of financial assets and liabilities as at 30 June, 2019, and the statement of receipts and payments, statement of cash flows and statement of comparison of budget and actual amounts 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 effects 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 Nyeri 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 the County Governments Act, 2012.

Basis for Qualified Opinion

1. Unconfirmed Accuracy of Compensation of Employees Expenditure

The statement of receipts and payments for the year ended 30 June, 2019 reflects compensation of employees' expenditure totalling Kshs.195,315,153. However, supporting schedules presented for audit reflected expenditures totalling Kshs.190,651,752 resulting in an unexplained difference of Kshs.4,663,401.

Further, analysis of expenditure trends showed that the County Assembly's expenditure on employees rose by Kshs.31,598,847 or 19.3 % from Kshs.163,716,306 in the previous financial year to Kshs.195,315,153 in the year under review. Management has not provided any plausible explanation for the 19.3% escalation experienced in a single year.

In view of the anomalies, the accuracy and validity of the compensation of employees' expenditure totalling Kshs.195,315,153 reflected in the statement for receipts and payments for the year ended 30 June, 2019 have not been confirmed.

2. Unconfirmed Wage Payments to Temporary Employees

Included in the compensation of employees payments totalling Kshs.195,315,153 reflected in the statement of receipts and payments for the year ended 30 June, 2019 is Kshs.25,486,948 incurred in respect of basic wages of temporary employees. However, examination of the payment records indicated that manual payment vouchers were used to pay the wages and not the Integrated Payroll and Personal Data (IPPD) System, as expected. Further, the expenditure was not supported by signed master rolls and therefore the occurrence of the payments could not be confirmed.

Consequently, the occurrence and validity of the expenditure totalling Kshs.25,486,948 incurred on payment of wages to temporary workers have not been confirmed.

3. Unexplained Variances Between Various Financial Statement and IFMIS Report Balances

As in the previous year, the financial statements for the year under review reflect various balances which, however, differ with identical account balances reflected in the Integrated Financial Management Information System (IFMIS) report as at 30 June, 2019 as detailed below:

3.1 Statement of Receipts and Payments

The statement of receipts and payments reflects receipts and payments totalling Kshs.655,982,249 and Kshs.655,980,450 respectively which , however, differ from the balances amounting to Kshs.636,616,791 and Kshs.656,366,168, respectively reflected in the IFMIS report for the year under review, as tabulated below:

Details	Amounts as Per Financial Statements Kshs.	Amount as Per IFMIS Report Kshs.	Difference Kshs.
Receipts			
Receipts-Transfers from County Treasury/Exchequer	**655,982,249**	**636,616,791**	**19,365,458**
Payments			
Compensation of Employees	195,315,153	202,957,525.55	(7,642,373)
Use of Goods and Services	413,147,798	413,212,793.30	(64,995)
Transfer to Other Government Entities	20,200,000	0	20,200,000
Social Security Benefits	7,321,650	13,920,636	(6,598,986)
Acquisition of Assets	6,075,213	26,275,213	(20,200,000)
Other Payments-Gratuity to MCAs	13,920,636	0	13,920,636
Total Payments	**655,980,450**	**656,366,168**	**(385,718)**

No reconciliations have been provided for the differences between the balances shown in the two sets of records.

3 .2 Statement of Financial Assets and Liabilities

Further, the balances reflected in the statement of financial assets and liabilities as at 30 June, 2019 do not tally with the IFMIS report balances, as summarized below:

Details	Amount as Per Financial Statements Kshs.	Amount as Per IFMIS Report- Kshs.	Difference Kshs.
Bank Balances	818,314	503,299,961	(502,481,647)
Cash Balances	0	2,347,825,734.80	(2,347,825,735)
Accounts Receivables-Outstanding Imprests	0	13,001,765.30	(13,001,765)
Accounts Payables-Deposits and retentions	816,516	2,228,284,630	(2,227,468,114)
Fund Balance brought forward	0	(355,604,722.00)	355,604,722

No explanation or reconciliations have been provided for the differences between the two sets of records.

In view of these anomalies, the accuracy and completeness of the financial statements for the year under review have not been confirmed.

4. Errors in the Statement of Cash Flows

The statement of cash flows for the year under review, shows a nil balance against adjustments in accounts payables, deposits and retentions while the statement of financial assets and liabilities as at 30 June, 2019 reflects a net decrease of Kshs.44,883 in respect to the item. Similarly, the statement of cash flows reflects a nil cash and cash equivalent balance at the beginning of the year while the statement of financial assets and liabilities as at 30 June, 2018 shows a balance of Kshs.861,399, which is the opening balance for the year under review.

5. Unconfirmed Fixed Assets Balance

Annex 4, summary of fixed assets register, attached to the financial statements for the year ended 30 June, 2018 reflects assets totalling Kshs.182,396,624 as at 30 June, 2019. As similarly reported in the previous year, the closing assets balance for the year under review does not include assets of unknown aggregate value inherited from the defunct Municipal Council of Nyeri. These include three motor vehicles of unknown value and a piece of land L.R No. Aguthi/Gaaki-677 valued at Kshs.19,000,000. As a result of the omission, the accuracy and completeness of the summary of fixed assets register balance of Kshs.182,396,624 as at 30 June, 2019 has not been confirmed

The audit was conducted in accordance with International Standards of Supreme Audit Institutions (ISSAIs). I am independent of County Assembly of Nyeri 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. 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

Unresolved Prior Year Audit Matters

The following issues were raised during the 2017/2018 financial year but have remained unresolved to date.

1. Unexplained Variances Between the Financial Statement and IFMIS Report Balances

The financial statements for the year ended 30 June, 2018 reflected several balances which differed with identical account balances shown in the IFMIS report for the year, as highlighted in the table below:

Details	Amounts as per Financial Statements Kshs.	Amounts as per IFMIS Report Kshs.	Variance Kshs.
Payments	642,757,625	647,514,630.95	(4,757,006)
Bank Balances	861,399	(504,587,710.70)	505,449,110
Cash Balances	0	1,633,739,140.95	(1,633,739,141)
Accounts receivables	0	9,461,605.70	(9,461,606)
Account Payables - Deposits and Retentions	861,399	1,569,994,909.80	(1,569,133,511)
Fund Balance Brought Forward	0	(396,572,898.50)	396,572,899
Surplus/Deficit for the year	44,883	(50,809,645.95)	50,854,529

Management did not provide any reconciliations to explain the two sets of records.

2. Unexplained Fund Balances

The statement of assets and liabilities as at 30 June, 2018 reflected a closing surplus fund balance amounting to Kshs.44,883 and a brought forward 2016/17 balance for the account amounting to Kshs.16,000,671 against Kshs.1,495,641 and Kshs.1,288,591 reflected in the Notes to the financial statements respectively.

The differences between the respective balances were not explained by Management and as a result the accuracy of the fund balance was not confirmed.

3. Unconfirmed Validity of Transfers to Car Loan and Mortgage Scheme

The statement of receipts and payments for the year ended 30 June, 2018 reflected transfers to other Government entities (mortgage fund) amounting to Kshs.125,000,000. Records made available for audit indicated that the amount was transferred to the Mortgage Fund Account to establish a Car Loan and Mortgage Fund for the Members of the County Assembly (MCAs.) However, confirmation that the County Assembly gave approval for the Fund to be set up was not presented for audit review. Consequently, the validity of the transfers totalling Kshs.125,000,000 made to the Fund was not confirmed.

Management has not provided plausible explanations why these anomalies highlighted in the County Assembly report for the year ended 30 June, 2018 have not been resolved.

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 Qualified Opinion and Basis for Conclusion on Lawfulness and Effectiveness in use of Public Resources sections 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. Non-Compliance with Ethnic Diversity

Examination of the human resource records revealed that during the year under review, the County Assembly had fifty-four (54)permanent employees out of whom forty-two equivalent to 96% of all staff members employed since the 2013/14 financial year were from the dominant community in the County. As reported previously, this was contrary to the provisions of Section 65(e) of the County Government Act, 2012 which requires County Governments to ensure that at least thirty percent of the vacant posts at entry level are filled by candidates who are not from the dominant ethnic community in the county.

2. Avoidable Expenditure on Domestic Travel and Subsistence

Disclosed under Note 5 to the financial statements is expenditure totalling Kshs.164,743,040 incurred on domestic travel and subsistence during the year under review. Included in this expenditure are payments totalling Kshs.38,861,111 made to Members of the County Assembly (MCAs) and staff for attending various meetings in facilities located outside the County Assembly premises. The meetings could have been conveniently held at a lesser, or no cost , within the areas of County Assembly designated for such meetings.

Therefore, the expenditure totalling Kshs.38,86111 reflects lack of prudent use of resources by Management.

3. Irregular Posting of Expenses

Disclosed in Note 5 to the financial statements under use of goods and services are expenditures totalling Kshs.164,743,040 incurred in respect of domestic travel and subsistence. However, a review of payment records revealed that domestic travel and subsistence expenses totalling Kshs.25,616,762 were charged to hospitality supplies(Kshs.6,856,220) and training(Kshs18,760,542) accounts respectively. However, contrary to Section 154(2) of the Public Finance Management Act, 2012, the County Treasury did not approve the charges.

Had the mis-posted expenses been charged to the domestic travel and subsistence account, the total expenditure on the item would have increased to Kshs.190,359,802 resulting in an over-expenditure of Kshs.25,359,802 against the approved budget for the year amounting to Kshs.165,000,000. No plausible reason has been provided by Management for the irregular action.

4. Delayed Completion of Projects

As previously reported, Management in July, 2016 awarded two(2) contracts valued at Kshs.10,672,231 to construct a gate at the County Assembly and refurbish a hotel for use by the County Assembly at Kshs.3,818,905 and Kshs.6,853,326 respectively. The works were to be completed in February and August, 2017 respectively. However, the respective contracts lapsed before the works were completed. At the time of the audit in October, 2019 all payments due had been made to the contractors and the works were almost complete, as outlined in the table below:

By	Contract Sum Kshs.	Commencement Date	Expected Completion Date	Proportion of Works Completed	Proportion of Contract Sum Paid
Renovation and Refurbishment of Unity Hotel	6,853,326	03 September, 2016	02 August, 2017	98%	100%
Nyeri Assembly Gate	3,818,905	06 September, 2016	02 February, 2017	90%	21%
Total	**10,672,231**				

The contractors were, however, not on site at the time of the audit inspection. No explanation was provided for the failure to complete the projects more than two years after their contracted completion dates. As a result of the delay, and in spite of funds totalling Kshs.10,672,231 invested in the projects, the services they were expected to provide to the County Assembly have not been realized.

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 Qualified Opinion and Basis for Conclusion on Lawfulness and Effectiveness in Use of Public Resources sections 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

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

12 November, 2020

5. FINANCIAL STATEMENTS

5.1. STATEMENT OF RECEIPTS AND PAYMENTS

	Note	2018/19 KShs	2017/18 KShs
RECEIPTS			
Transfers from the County Treasury/Exchequer Releases	1	655,982,249	642,754,197
Proceeds from Sale of Assets	2	-	23,800
Other Receipts	3	-	24,510
TOTAL RECEIPTS		**655,982,249**	**642,802,507**
PAYMENTS			
Compensation of Employees	4	195,315,153	163,716,306
Use of goods and services	5	413,147,798	315,383,812
Subsidies	6		-
Transfers to Other Government Entities(Mortgage)	7	20,200,000	125,000,000
Other grants and transfers	8	-	-
Social Security Benefits	9	7,321,650	6,795,133
Acquisition of Assets	10	6,075,213	17,153,283
Finance Costs	11	-	-
Other Payments-Gratuity MCAS	12	13,220,636	14,709,090
TOTAL PAYMENTS		**655,980,451**	**642,757,624**
SURPLUS/DEFICIT		**1,798**	**44,883**

The explanatory notes to these financial statements form an integral part of the financial statements. The financial statements were approved on 19.09 2019 and signed by:

Clerk of the Assembly
Name:

Deputy Director Accounting Services – County Assembly
Name.
ICPAK Member Number:

5.2. STATEMENT OF FINANCIAL ASSETS AND LIABILITIES

			2018/19	2017/18
FINANCIAL ASSETS	Note		KShs	KShs
Cash and Cash Equivalents				
Bank Balances	13A		818,314	861,399
Cash Balances	13B		-	-
Total Cash and cash equivalents			**818,314**	**861,399**
Accounts receivables – Outstanding Imprests	14		-	-
TOTAL FINANCIAL ASSETS			-	-
FINANCIAL LIABILITIES				
Accounts Payables – Deposits and retentions	15		816,516	861,399
NET FINANCIAL ASSETS			**1,798**	**44,883**
REPRESENTED BY				
Fund balance b/fwd	16		-	-
Surplus/Deficit for the year			1,798	44,883
NET FINANCIAL POSITION			**1,798**	**44,883**

The explanatory notes to these financial statements form an integral part of the financial statements. The financial statements were approved on 19.09 2019 and signed by:

Clerk of the Assembly
Name:

Deputy Director Accounting Services – County Assembly
Name:
ICPAK Member Number

5.3 STATEMENT OF CASH FLOWS

	Note	2018/19 KShs	2017/18 KShs
CASH FLOWS FROM OPERATING ACTIVITIES			
Receipts from operating income			
Transfers from the County Treasury/Exchequer Releases	1	655,982.249	642,754,197
Proceeds from sale of assets			23,800
Other Receipts	3	-	24,510
Total Receipts		**655,982,249**	**642,802,507**
Payments for operating expenses			
Compensation of Employees	4	195,315,153	163,716,306
Use of goods and services	5	413,147,798	315,383,812
Subsidies	6		
Transfers to Other Government Entities(Mortgage)	7	20,200,000	125,000,000
Other grants and transfers	8	-	-
Social Security Benefits	9	7,321,650	,6,795,133
Finance Costs	11	-	-
Other Payments-Gratuity MCAS	12	13,920,636	14,709,090
Total Payments		**649,905,238**	**625,604,341**
Adjusted for:			
Adjustments during the year(return to crf)		44,883	-
Net cash flows from operating activities		**649,950,121**	**625,604,341**
CASHFLOW FROM INVESTING ACTIVITIES			
Proceeds from Sale of Assets	2	-	23,800
Acquisition of Assets	10	(6,075,213)	(17,153,283)
Net cash flows from investing activities		**(6,075,213)**	**(17,129,483)**
NET INCREASE IN CASH AND CASH EQUIVALENTS		**-43,805**	**608,474,858**
Cash and cash equivalent at BEGINNING of the year	13	**861,399** -	-
Cash and cash equivalent at END of the year		**818,314**	**861,399**

The explanatory notes to these financial statements form an integral part of the financial statements. The financial statements were approved on 19/09 2019 and signed by:

Clerk of the Assembly
Name: EDWARD N. KAMUGEH

Deputy Director Accounting Services – County Assembly
Name: Geoffrey W Mungai
ICPAK Member Number 12035

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

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	632,406,942	32,044,307	664,451,249	655,982,249	99%
Proceeds from Sale of Assets	-	-	-	-	
Other Receipts	-	-	-	-	
TOTAL	**632,406,942**	**32,044,307**	**664,451,249**	**655,982,249**	99%
PAYMENTS					
Compensation of Employees	191,714,549	4,060,730	195,775,279	195,315,153	100%
Use of goods and services	363,285,504	54,041,038	417,326,542	413,147,798	99%
Transfers to Other Government Entities(Mortgage)	1,200,000	19,000,000	20,200,000	20,200,000	0%
Social Security Benefits	7,843,412	(466,061)	7,377,351	7,321,650	99%
Acquisition of Assets	2,500,000	2,351,000	4,851,000	4,357,200	90%
Acquisition of Assets	50,000,000	(45,000,000)	5,000,000	1,718,013	34%
Finance Costs					
Other Payments-Gratuity MCAS	15,863,477	(1,942,400)	13,921,077	13,920,636	100%
TOTAL	632,406,942	32,044,307	664,451,249	655,980,451	
SURPLUS/ DEFICIT				**1,798**	

The entity financial statements were approved on 19.09 2019 and signed by:

Clerk of the Assembly
Name: HOWARD N. MWIGGEH

Deputy Director Accounting Services – County Assembly
Name:
ICPAK Member Number:

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

Receipt/Expense Item	Original Budget	Adjustments	Final Budget	Actual on Comparable Basis	% Utilisation difference
	a	b	c=a+b	e=d-c	
RECEIPTS					
Transfers from the County Treasury/ Exchequer Releases	582,406,942	77,044,307	659,451,249	654,264,236	99%
Proceeds from Sale of Assets					
Other Receipts					
TOTAL	**582,406,942**	**77,044,307**	**659,451,249**	**654,264,236**	**99%**
PAYMENTS					
Compensation of Employees	191,714,549	4,060,730	195,775,279	195,315,153	100%
Use of goods and services	363,285,504	54,041,038	417,326,542	413,147,798	99%
Transfers to Other Government Entities(Mortgage)	1,200,000	19,000,000	20,200,000	20,200,000	100%
Social Security Benefits	7,843,412	(466,061)	7,377,351	7,321,650	99%
Acquisition of Assets	2,500,000	2,351,000	4,851,000	4,357,200	90%
Other Payments-Gratuity MCAS	15,863,477	(1,942,400)	13,921,077	13,920,636	100%
TOTAL	**582,406,942**	**77,044,307**	**659,451,249**	**654,262,438**	
Surplus/ Deficit				**1,798**	

The changes between the original budget and the final budget were due to changes in CARA for the first supplementary budget but the other two were due to reallocation within the budget lines.

The entity financial statements were approved on 19.09 2019 and signed by:

Clerk of the Assembly
Name: EDWARD M. MWIGAGA

Deputy Director Accounting Services – County Assembly
Name:
ICPAK Member Number:

5.4. 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	50,000,000	(45,000,000)	5,000,000	1,718,013	34%
Proceeds from Sale of Assets					
Other Receipts					
TOTAL	**50,000,000**	**(45,000,000)**	**5,000,000**	**1,718013**	**34%**
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	50,000,00	(45,000,000)	5,000,000	1,718,013	34%
Finance Costs					
Other Payments					
TOTAL	50,000,000	(45,000,000)	5,000,000	1,718,013	34%
SURPLUS/ DEFICIT				0	

The entity financial statements were approved on 19.09 2019 and signed by:

Clerk of the Assembly
Name: JENARD NYAGAH

Deputy Director Accounting Services – County Assembly
Name:
ICPAK Member Number:

5.5. 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 Legislative	582,406,942	77,044,307	659,451,249	654,264,236	5,187,013
Sub-programme 1					
Sub-programme 2 Development	50,000,000	(45,000,000)	5,000,000	1,718,013	3,281,987
Sub-programme 3					
Programme 2					
Sub-programme 1					
Sub-programme 2					
Sub-programme 3					
	632,406,942	**32,044,307**	**664,451,249**	**655,982,249**	**8,469,000**

(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).

5.6. 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 s 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 Nyeri 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 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 at the end of the financial year.

Restriction on cash

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

Amounts maintained in deposit bank accounts are restricted for use in refunding third party deposits. As at 30th June 2019, this amounted to Ksh 816,516 which was the same amount of Ksh 816,516 in prior period as indicated on note 15. 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 28th June 2018 for the period 1st July 2018 to 30 June 2019 as required by law. There were three in 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.

5.7. NOTES TO THE FINANCIAL STATEMENTS

1. Transfers from the County Treasury/Exchequer Releases

	2018/19	2017/18
	KShs	KShs
Transfers from the County Treasury for Q1	130,766,864	36,928356
Transfers from the County Treasury for Q2	139,052,821	120,905,398
Transfers from the County Treasury for Q3	186,787,800	158,089,728
Transfers from the County Treasury for Q4	199,374,764	326,830,715
Cumulative Amount	**655,982,249**	**642,754,197**

(Where money is transferred to the County Assembly on a monthly basis, include the months instead of quarters. A detailed annex showing the reconciliation of transfers between the County Treasury and County Assembly is included in note of this report.)

2. PROCEEDS FROM SALE OF ASSETS

	2018/19	2017/18
	KShs	KShs
Receipts from the Sale of Buildings	0	0
Receipts from the Sale of Vehicles and Transport Equipment	0	0
Receipts from the Sale Plant Machinery and Equipment	0	0
Receipts from Sale of Certified Seeds and Breeding Stock	0	0
Receipts from the Sale of Strategic Reserves Stocks	0	0
Receipts from the Sale of Inventories, Stocks and Commodities	0	0
Disposal and Sales of Non-Produced Assets	0	23,8000
Total	**0**	**23,800**

3. OTHER RECEIPTS

	2018/19	2017/18
	KShs	KShs
Fees received	0	24,510
Other Receipts II	0	0
Total	**0**	**24,510**

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

4. COMPENSATION OF EMPLOYEES

	2018/19	2017/18
	KShs	KShs
Basic salaries of permanent employees	113,717,830	108,420,149
Basic wages of temporary employees	25,486,948	16,710,793
Personal allowances paid as part of salary	56,110,375	38585,364
Personal allowances paid as reimbursements	0	0
Personal allowances provided in kind	0	0
Pension and other social security contributions	0	0
Compulsory national social security schemes	0	0
Compulsory national health insurance schemes	0	0
Social benefit schemes outside government	0	0
Other personnel payments	0	0
Total	**195,315,153**	**163,716,306**

(Provide detailed explanation with regard to the number of employees recruited by the Assembly, new employees and resignations. Explain what other personnel costs relate to)

5. USE OF GOODS AND SERVICES

	2018/19	2017/18
	KShs	KShs
Utilities, supplies and services	1,367,740	1,099,773
Communication, supplies and services	3,637,365	6,362,281
Domestic travel and subsistence	164,743,040	129,064,007
Foreign travel and subsistence	52,905,747	22,797,017
Printing, advertising and information supplies & services	4,251,650	11,650,439
Rentals of produced assets	8,000,000	2,545,000
Training expenses	39,912,278	30,706,701
Hospitality supplies and services	79,523,666	60,643,843
Insurance costs	22,949,293	22,075,424
Fuel, Oil and Lubricants	2,007,295	1,994,695
Office and general supplies and services	3,370,060	2,428,714
Other operating expenses	26,952,488	21,537,885
Routine maintenance – vehicles and other transport equipment	2,518,736	1,102,914
Routine maintenance – other assets	1,008,440	1,375,119
Total	413,147,798	**315,383,812**

6. SUBSIDIES

Description	2018/19	2017/18
	KShs	KShs
Subsidies to County Corporations		
See list attached	0	0
(insert name)	0	0
Subsidies to Private Enterprises		
See list attached	0	0
(insert name)	0	0
TOTAL	**0**	**0**

(Provide explanations as to what subsidies relate to)

7. TRANSFERS TO OTHER GOVERNMENT ENTITIES

Description	2018/19	2017/18
	KShs	KShs
Transfers to National Government entities		
Transfers to other County Assembly Mortgage	20,200,000	125,000,000
(insert name of budget agency)		
TOTAL	**20,200,000**	**125,000,000**

(This are funds for financing the car loans and mortgage fund)

8. OTHER GRANTS AND TRANSFERS

	2018/19	2017/18
	KShs	KShs
Scholarships and other educational benefits	0	0
Emergency relief and refugee assistance	0	0
Subsidies to small businesses, cooperatives, and self employed	0	0
Total	**0**	**0**

(Give explanations on what other grants and transfers relate to and who the beneficiaries are)

9. SOCIAL SECURITY BENEFITS

	2018/19	2017/18
	KShs	KShs
Government pension and retirement benefits Lapfund, Laptrust	7,098,150.3	6,795,133
Government pension and retirement benefits -NSSF	223,500	
Employer Social Benefits in cash and in kind		
Total	**7,321,650**	**6,795,133**

(Give explanations and distinguish between NSSF benefits and contributions made to other entities on behalf of staff.)

10. ACQUISITION OF ASSETS

Non- Financial Assets	2018/19	2017/18
	KShs	KShs
Purchase of Buildings		
Construction of Buildings		
Refurbishment of Buildings	1,718,013	4,994,170
Construction of Roads		
Construction and Civil Works		
Overhaul and Refurbishment of Construction and Civil Works		
Purchase of Vehicles and Other Transport Equipment		
Overhaul of Vehicles and Other Transport Equipment		
Purchase of Household Furniture and Institutional Equipment		11,695,113
Purchase of Office Furniture and Equipment		
Purchase of ICT Equipment	4,357,200	
Purchase of Specialized Plant, Equipment and Machinery		
Rehabilitation and Renovation of Plant, Machinery and Equip.		
Purchase of Certified Seeds, Breeding Stock and Live Animals		
Research, Studies, Project Preparation, Design & Supervision		
Rehabilitation of Civil Works		
Acquisition of Strategic Stocks and commodities		
Acquisition of Land		
Acquisition of Intangible Assets		464,000
Total purchase of non-financial assets		
Financial Assets		
Domestic Public Non-Financial Enterprises		
Domestic Public Financial Institutions		
Total purchase of financial assets		
Total	**6,075,213**	**17,153,283**

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

11. FINANCE COSTS

	2018/19	2017/18
	KShs	KShs
Bank Charges	0	0
Exchange Rate Losses	0	0
Other Finance costs	0	0
Interest on borrowings	0	0
Total	**0**	**0**

(Provide detailed explanation on finance costs and whether they relate to borrowings on bank overdraft).

12. OTHER PAYMENTS

	2018/19	2017/18
	KShs	KShs
MCAS Gratuity	13,920,636	14,709,090
Civil Contingency Reserves		
Capital Transfers to Non-Financial Public Enterprises		
Capital Transfer to Public Financial Institutions and Enterprises		
Capital Transfers to Private Non-Financial Enterprises		
Total	**13,920,636**	**14,709,060**

(This is payments of MCAS Gratuity for the FY 2018/2019)

13. CASH AND BANK BALANCES

13A. BANK BALANCES

Name of Bank, Account No. & Currency	Indicated whether recurrent or development	2018/19	2017/18
		KShs	KShs
Central Bank of Kenya1000282298 Ksh	Development Acc	0	0
Central Bank of Kenya 1000243805 Ksh	Recurrent Acc	1,798.15	44,882.85
Central Bank of Kenya 10002822747 Ksh	Deposits Acc	816,516	816,516
Total		**818,314.15**	**861,398.85**

(NB: all bank accounts operated by the County Assembly should be included in this note.)

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

13B. CASH IN HAND

	2018/19	2017/18
	KShs	KShs
Cash in Hand – Held in domestic currency	0	0
Cash in Hand – Held in foreign currency	0	0
Total	**0**	**0**

Cash in hand should be analysed as follows:

	2018/19	2017/18
	KShs	KShs
Location 1	0	0
Location 2	0	0
Location 3	0	0
Total	**0**	**0**

(Provide locations where cash in hand is held e.g. head office, cashier's office, cash office etc.)

14. ACCOUNTS RECEIVABLE

	2018/19	2017/18
	KShs	KShs
Government Imprests	0	0
Clearance Accounts	0	0
Staff Advances	0	0
Other Advances	0	0
Total	**0**	**0**

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

15. ACCOUNTS PAYABLE

	2018/19	2017/18
	KShs	KShs
Deposits		
Retentions	816,516	816,516
Total	**816,516**	**816,516**

(NB: Amount under deposits and retentions should tie to cash held in deposit account)

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

16. FUND BALANCE BROUGHT FORWARD

	2018/19	2017/18
	KShs	KShs
Bank accounts	0	0
Cash in hand	0	0
Accounts Receivables	0	0
Accounts Payables	0	0
Total	**0**	**0**

17. PRIOR YEAR ADJUSTMENTS

Description of the adjustment	2018/19	2017/18
	KShs	KShs
Adjustments on bank account balances	0	0
Adjustments on cash in hand	0	0
Adjustments on payables	0	0
Adjustments on receivables	0	0
Others (*specify*)	0	0
Total	**0**	**0**

(Explain whether the prior year relates to errors noted in prior year, changes in estimates or accounting policy.)

5.8. OTHER DISCLOSURES

1. PENDING ACCOUNTS PAYABLE (See Annex 1)

Description	Balance b/f FY 2017/2018 Kshs	Additions for the period Kshs	Paid during the year Kshs	Balance c/f FY 2018/2019 Kshs
Construction of buildings	2,963,533		1,386,884	1,576,649
Construction of civil works	0	0	(0)	0
Supply of goods	0	0	(0)	262,700
Supply of services	0	0	(0)	1,850,357
Total	**0**	**0**	**(0)**	**3,689,706**

2. PENDING STAFF PAYABLES (See Annex 2)

Description	Balance b/f FY 2017/2018 Kshs	Additions for the period Kshs	Paid during the year Kshs	Balance c/f FY 2018/2019 Kshs
Senior management	0	0	(0)	0
Middle management	0	0	(0)	0
Unionisable employees	0	0	(0)	0
Others	0	0	(0)	0
Total	**0**	**0**	**(0)**	**0**

3. OTHER PENDING PAYABLES (See Annex 3)

Description	Balance b/f FY 2017/2018 Kshs	Additions for the period Kshs	Paid during the year Kshs	Balance c/f FY 2018/2019 Kshs
Amounts due to National Government entities	0	0	(0)	0
Amounts due to County Government entities	0	0	(0)	0
Amounts due to third parties	0	0	(0)	0
Total	**0**	**0**	**(0)**	**0**

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:

	2018- 2019 Kshs	2017- 2018 Kshs
Compensation to Key Management		
Compensation to the Speaker, Deputy Speaker and the Mcas	149,367,800	119,365,744
Key Management Compensation(Clerk and Heads of departments)	24,423,093	23,718,210
Total Compensation to Key Management	**173,790,093**	**143,083,954**
Transfers to related parties		
Transfers to other County Government Entities such as car and mortgage schemes	20,200,000	0
Transfers to County Corporations	0	0
Transfers to non-reporting entities e.g ECD centres, welfare centres etc	0	0
Total Transfers to related parties	**0**	**0**
Transfers from related parties		
Transfers from the County Executive- Exchequer	655,982,249	642,754,197
Payments made on behalf of the County Assembly by other Government Agencies	0	0
(Insert any other transfers received)	0	0
Total Transfers from related parties	**655,982,249**	**642,754,197**

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)
30th June, 2017	**1.0Compensation of Employees**	The Assembly wishes to clarify that the expenditure amounting to Kshs.30, 668, 794 was a correct charge as it is comprises plenary and committee sittings allowances for Members of the County Assembly. As such it is not part of employees' compensation	Deputy Director Accounting Services	Not Resolved	21/10/2017
30th June, 2017	**2.0use of Goods and Services 2.1.0 Domestic Travel and Subsistence**	The Assembly wishes to clarify that the variance of Kshs.863, 458 reflected in the vote book arose due to an IFMIS error during posting of the expenditures.	Deputy Director Accounting Services	Not Resolved	21/10/2017
30th June, 2017	**2.2 Training Expenses**	The County Assembly wishes to clarify that the variance amounting	Deputy Director Accounting Services	Not Resolved	21/10/2017

Reference No. on the external audit Report	Issue / Observation 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)
		to Kshs.420, 800 arose due to an IFMIS error. The correct figure should have been Kshs.26, 771,534.			
30th June, 2017	**1.0Summary of Fixed Asset Register**	The Assembly Asset register is prepared as per the format issued by The National Treasury in the Year 2015. We also confirm that the Assembly has a functional Disposal Committee. However, we did not have a Disposal Plan since there was a moratorium on disposal of assets by the Transition Authority prohibiting disposal of assets until the assets are audited and cleared.	Deputy Director Accounting Services	Not Resolved	21/10/2017
30th June, 217	**1.0 Budget Control** **1.1 Overall Budget Performance**	The Assembly wishes to clarify that the under absorption of the budget arose due to various reasons including lack of Regulations for operationalization of	Deputy Director Accounting Services	Not Resolved	21/10/2017

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)
		Staff Car and Mortgage Scheme, heightened political atmosphere in the County			
30th June, 2017	**1.1 Development Budget Absorption**	This occurred due to circumstances beyond the Assembly's control as there was a political misunderstanding between the Executive and Assembly which prompted the withdrawal of the technical officers who were supervising the progress of the on-going projects.	Deputy Director Accounting Services	Not Resolved	21/10/2017
30th June , 2017	**2.0 Acquisition of Assets- Renovation and Refurbishment of Unity Hotel and additional Ablutions for the County Assembly**	Section 82 of the Public Procurement Asset and Disposal Act, 2015 prohibits a procuring entity from correcting, adjusting or amending in any way the tender sum. The tender sum as read out during the tender opening is absolute and final. Also, the	Deputy Director Accounting Services	Not Resolved	21/10/2017

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)
		reason for the delays was due to the fact that the technical officers supervising the project were withdrawn by the Executive.			

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.....19.09.2019.....

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. Miatuson General Contractors Ltd.	2,963,533	21/06/16	1,386,884	1,576,649	1,386,884	To be paid I FY 2019/20
2.						
3.						
Sub-Total	**2,963,533**			**1,576,649**	**1,386,884**	
Construction of civil works						
4.						
5.						
6.						
Sub-Total						
Supply of goods						
7. Jasper Inspirations	100,000	24/06/19	0	100,000	0	To be paid I FY 2019/20
8. Mountainside Service Station	300	27/06/19	0	300	0	To be paid I FY 2019/20
9. MFI	162,400	25/04/19	0	162,400	0	To be paid I FY 2019/20
Sub-Total	**262,700**			**262,700**	**0**	
Supply of services						
10. Toyota Kenya Limited	43,767	4/4/19	0	43,767	0	To be paid I FY 2019/20
11. Green Hills Hotel	119,350	20/02/19	0	119,350	0	To be paid I FY 2019/20
12. Standard Group PLC	168,200	27/06/19	0	168,200	0	To be paid I FY 2019/20
13. Peci Quality Dry Cleaners	39,800	15/06/19	0	39,800	0	To be paid I FY 2019/20
14. Nation Media Group	172,840	27/06/19	0	172,840	0	To be paid I FY 2019/20
15. Mtwaje Women Enterprises	210,000	9/04/19	0	210,000	0	To be paid I FY 2019/20

Supplier of Goods or Services	Original Amount	Date Contracted	Amount Paid To-Date	Outstanding Balance 2018/19	Outstanding Balance 2017/18	Comments
16. Margaret Wandia Nguru	210,000	1/10/17	0	210,000	0	To be paid I FY 2019/20
17. Hon.Elizabeth Wanjiku Mugo	200,000	1/10/17	0	200,000	0	To be paid I FY 2019/20
18. Hon.John Gachau Theuri	155,000	17/06/19	0	155,000	0	To be paid I FY 2019/20
19. Lawrence M .Kigathi	50,000	25/06/19	0	50,000	0	To be paid I FY 2019/20
20. Nanyuki Queens Inn	271,400	13/06/19	0	271,400	0	To be paid I FY 2019/20
21. Kenya Industrial Estate	210,000	1/10/17	0	210,000	0	To be paid I FY 2019/20
Sub-Total	**1,850,357**			**1,850,357**	**0**	
Grand Total	**5,076,590**			**3,689,716**	**1,386,884**	

ANNEX 2 – ANALYSIS OF PENDING STAFF PAYABLES

Name of Staff	Job Group	Original Amount	Date Payable Contracted	Amount Paid To-Date	Outstanding Balance 2018/19	Outstanding Balance 2017/18	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 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							

COUNTY ASSEMBLY OF NYERI
Reports and Financial Statements
For the year ended June 30, 2019
ANNEX 4 – SUMMARY OF FIXED ASSET REGISTER

Asset class	Historical Cost b/f (KShs) 2017/18	Additions during the year (KShs)	Disposals during the year (KShs)	Transfers in/(out)	Historical Cost c/f (KShs) 2018/19
Land	19,000,000	-	-	-	**19,000,000**
Buildings and structures	71,923,097	1,576,648	-	-	**73,499,745**
Transport equipment	24,547,640	-	--	-	**24,547,640**
Office equipment, furniture and fittings	49,092,582	162,400	-	-	**49,254,982**
ICT Equipment	6,105,000	4,357,200	-	-	**10,,462,200**
Machinery and Equipment	3,741,057	-	-	-	**3,741,057**
Biological assets	-	-	-	-	-
Infrastructure Assets	1,891,000	-	-	-	**1,891,000**
Heritage and cultural assets	-	-	-	-	-
Intangible assets	-	-	-	-	-
Work In Progress					
Total	**176,300,376**	**6,096,248**			**182,396,624**

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

Note: (1) Two printers costing Ksh 162,400 acquired during the year have not been paid for, but are included in pending bills.
(2)Work done worth KShs.1, 576,648 has not been paid for, but is included in pending bills.

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	0	0	0
Name of Officer or Institution	dd/mm/yy	0	0	0
Name of Officer or Institution	dd/mm/yy	0	0	0
Name of Officer or Institution	dd/mm/yy	0	0	0
Name of Officer or Institution	dd/mm/yy	0	0	0
Name of Officer or Institution	dd/mm/yy	0	0	0
Total				**0**

ANNEX 6 – BANK RECONCILIATION/FO 30 REPORT

(Attach FO 30 Reports from IFMIS)

REPUBLIC OF KENYA F.O 30

RECURRENT ACCOUNT BANK RECOCILIATION

AS AT 30 JUNE 2016STATION COUNTY ASSEMBLY OF NYERI

	Sh	Cts	Sh.	Cts.	Sh.	cts
Balances as per Bank Certificates					45,406,860	45
Less:-						
1. Payments in Cash Book not yet recoded in Bank Statement (unpresented Cheques)					45,405,062	30
2.Receipts in Bank Statement not yet recoded in cash Book						
Add-						
3. Payments in Bank Statement not yet recorded in cash						
4. Receipts in Cash Book not yet Recorded in Bank Statement.						
Bank balance as per Cash book					1,798	15

I certify that I have verified the Bank Balance in the Cash Book with the Bank Statement and the above Recociliation is correct.

..... Clerk 19.09.2020 .....

Signature Designation Date

1. PAYMENTS IN CASH BOOK NOT YET RECORDED IN BANK STATEMENT (UNREPRESENTED CHEQUES)

CHEQUES			AMOUNT		CHEQUES		AMOUNT	
No.	Date	PAYEE	Shs	Cts.	Date	PAYEE	Shs.	cts