REPUBLIC OF KENYA

OFFICE OF THE AUDITOR-GENERAL

REPORT

OF

THE AUDITOR-GENERAL

ON

THE FINANCIAL STATEMENTS OF COUNTY EXECUTIVE OF UASIN GISHU

FOR THE YEAR ENDED 30 JUNE 2018

OFFICE OF THE AUDITOR GENERAL
ELDORET HUB
26 NOV 2018
RECEIVED
P. O. Box 2774 - 30100, ELDORET

UASIN GISHU COUNTY EXECUTIVE

REPORTS AND FINANCIAL STATEMENTS

FOR THE FINANCIAL YEAR ENDED JUNE 30, 2018

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

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1. KEY ENTITY INFORMATION AND MANAGEMENT

a) Background information

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

b) Key Management

H.E Governor; Jackson k. Mandago	Currently the Governor of Uasin Gishu County Government with Master's Degree in Business Administration (MBA) -Strategic Management from Catholic University of Eastern Africa, Bachelor of Science Degree from Kenyatta University. Worked with the Ministry of Education (MOE) on e-government Program and the Teachers Service Commission for 10 years
H.E D/Governor; Daniel k. Chemno	Currently the deputy governor of Uasin Gishu county government with MBA-Management-Adventist International Institute of advanced studies-philipines. BBA Management-University of Eastern Africa Baraton. Diploma in Education-Kagumo Teachers College. Taught for over 22 years, High School, Tertiary Colleges and University.
Barnabas k, Tarus	Currently The County Executive Committee Member For Devolution, Administration And Public Service Management. Bachelor Of Arts from Egerton University And A Former Principal Of Uasin Gishu High School And Koiwarusen Secondary School And A High School Teacher In Various Schools
Julius K. Rutto	Currently the county executive committee member for finance and economic planning. A Bachelor Of Finance And Baking From Moi University and A Certified Public Accountant CPA K. A qualified and dynamic accounting and banking Professional with over 10 years of quality work experience acquired in challenging roles in Private practice as an Auditor. A highly committed and dedicated professional who is able to work under minimum supervision and meet stretching job targets. Specialised in Valuation, Advisory, Consulting, taxation and accounting services relating to matters of Income tax, Service tax, Value.
Dr Emily J. Kogos	Currently the County Executive Committee Member – ICT, Trade & Industrialization-County Government of Uasin Gishu. A Graduate of Moi University, (PHD) in Information and Library Studies and a Graduate of BA Management of Bhopal University – India where she Majored in Economics and Accounts. She has a Masters of Philosophy in Information and Library Studies from Loughborough University – United Kingdom previously served as a Senior Lecturer of Publishing and Media - Moi University, Head of Department of Publishing and Media, and a Council Member at the Kenya Bureau of

	Standards (KEBS). Also a Currently Board Member at St. Lukes Hospital- Eldoret, Chair Person of Ngeria Girls – Uasingishu and a champion for women and youth empowerment.
Esther C. Mutai	Currently the County Executive Committee Member for Cooperatives and Enterprise Development at Uasin Gishu County. Holds a Master's degree in Business Administration (Strategic Management) and Bachelor's Degree in Commerce (Business Administration) from University of Nairobi. Worked in various fields such as; Relationship Manager – CPF Financial Services Ltd. Head of Marketing, Research and Communications - Women Enterprise Fund (WEF) Public Relations and Communications Manager - CIC Insurance Group. Business Development and Marketing Manager - (KUSCCO Ltd) Regional Manager -Rift Valley (KUSCCO LTD) She has over 15 years' experience at senior management level in various Financial Institutions gaining wide knowledge and expertise in marketing and enterprise development as well as building networks and profitable strategic partnerships.
Everlyne C. Nyangwaria	Currently the county executive committee member for health services-Uasin Gishu County Government. Master of Science in Nursing (Obstetric Nursing/ Midwifery) - University of Nairobi. Bachelor of Science, Nursing- University of Eastern Africa, Baraton. Strategic Leadership Development programme Kenya School of Government. Sub-Saharan Africa Foundation in Advancement in Medical Education and Research Fellowship, Commonwealth research fellow at University of Manitoba Canada and Strengthening Midwifery education, research and Leadership at Karolinska Institute Sweden.
Mary w. Njogu	Currently the County Executive Committee Member For Water, Environment, Natural Resources, Tourism & Wildlife Management-Uasin Gishu County Government. Master of Philosophy, Guidance and Counselling from Moi University. BED (Art)-Second Class Honors, Upper Division-Kiswahili, Guidance counselling from Moi University. Diploma in Education- Kiswahili and English from Siriba Teachers College.
Gideon K, Birir	Currently the County Executive Committee Member For Roads, Transport, Energy & Public Works. Member of the engineers' board of Kenya and a professional member of institute of engineers of Kenya. Holder of bachelor of Sc-in civil engineering from university of Nairobi with a Post Graduate Diploma In Transport Planning, Development And Management from Galilee International Management Institute (Israel).

Samuel K Yego	Currently the County Executive Committee Member For Agriculture, Livestock And Fisheries Uasin Gishu County Government. BSc. Agriculture. Previously worked for National cereals and produce board for 21 years in a position of quality and pest control officer and a regional manager.
Eng. Nelson K, Maritim	Currently the county executive committee member Lands, Housing, Physical Planning and Urban Development, Uasin Gishu County. M.Sc. Civil Engineering (JKUAT), B.Sc. (Hons) Civil Engineering (University of Nairobi) and Diploma, Project Management (KIM). Registered Engineer (Graduate), (EBK) and Graduate member (IEK) Kenya. Worked in various organisations as; Assistant Engineer - Ministry of Roads and Public Works. Assistant lecturer - Western University of Science and Technology, Department of Civil and Structural engineering. Lecturer - Masinde Muliro University of Science and Technology, Department of Civil and Structural ngineering. Lecturer - Moi University, Civil and Structural Engineering. Chief Officer – Roads, Transport and Public Works, Uasin Gishu County. Chief Officer – Lands, Housing and Physical Planning, Uasin Gishu County. He is a Member, Board of Directors of Eldoret Water and sanitation Company (ELDOWAS).
Joseph K. Kurgat	Currently the county executive committee member for Education, Culture, Social Services, Sports And Youth Affairs Uasin gishu County Government. He Has A Masters In Education Administration And Management And A Degree In Education Science from Kenyatta University. Was a principal for various secondary schools from the years 2001-2017, Chairperson Kenya Secondary Schools Heads Association Mosop Subcounty and Vice Chairman Nandi County Heads Association.

c) Fiduciary Management

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

No.	Designation	Name
1	Chief Officer-Finance	**Peter K Chesos**
2	Chief Officer-Economic Planning	**Millicent A. Okonjo**
3	Chief Officer-Public Service Management	**Miriam J Kosgei**
4	Chief Officer-ICT & E Government	**Edwin K Suter**
5	Chief Officer-Trade, Tourism,Wildlife & Industrialization	**Simeon K Cheplel**
6	Chief Officer-Health services	**Wilson K Kemei**
7	Chief Officer-Environment ,Water, Energy & Natural Resources	**Simon K Kemei**
8	Chief Officer-Roads, Transport & Public Works	**Patrick K Mutai**
9	Chief Officer-Agriculture, Livestock & Fisheries Development	**Victoria C Tarus**
10	Ag Chief Officer-Lands Housing & Physical Planning	**Jacton Kiprop**
11	Chief Officer-Education ,Culture & Social Services	**Kenneth K Misoi**
12	Chief Officer-Youth & Sports	**Eunice C Kerich**
13	Chief Officer-Administration & Coordination	**Edwin K Bett**

d) Fiduciary Oversight Arrangements

1. County Assembly of Uasin Gishu County;
2. Public Accounts Committee; and
3. Budget and Appropriations Committee

e) Entity Headquarters

County Government of Uasin Gishu
P.O. Box 40-30100
County hall building
Uganda Road
ELDORET KENYA

f) Entity Contacts

Telephone: (254) 053-20161215
053-2016125
053-2016000
E-mail: info@uasingishu.go.ke
Website: www. Uasingishu.go.ke

g) Principal Legal Adviser

The County Attorney General
Legal Office
County Hall
P.O BOX 40
ELDORET, KENYA

h) Independent Auditors

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

i) Entity Bankers

1. Central Bank of Kenya

   Haile Selassie Avenue
   P.O. Box 60000
   City Square 00200
   Nairobi, Kenya

2. Kenya Commercial Bank
   P.O Box 560 – 30100
   ELDORET, KENYA

3. Cooperative Bank
   P.O Box 2948 – 30100
   ELDORET, KENYA

4. Chase Bank
   P.O. Box 2926 – 30100
   ELDORET, KENYA

5. Family Bank
   P.O. Box 629 - 30100
   ELDORET, KENYA

6. Equity Bank
   P.O Box 2210,
   ELDORET

1. FORWARD BY THE CECM FINANCE AND ECONOMIC PLANNING

Public Finance Management (PFM) Act of 2012 which requires the accounting officer of a county government entity to prepare a report for each financial year. The information captures the last phase of the County Integrated Development Plan (CIDP) 2013-2017. It covers the periods between 1st July 2017 and 30th June 2018 with achievements realized against departmental work plans, challenges encountered and recommendations made. The report also presents budget performance of county departments in terms of budget execution.

The report will therefore go a long way in enabling the county leadership track implementation status of county programmes/projects and thus inform operations and policy decisions.
Uasin Gishu County's economy is largely driven by agriculture; it is agro-based. It has large and fertile lands which can be classified as high potential. The crop enterprises include food crops, cash/industrial crops and horticultural crops. Large scale farming supports wheat, maize, tea, coffee, flowers and other horticultural crops for export. However, crop farming is mainly concentrated on maize and wheat. Livestock enterprises include dairy, poultry, sheep, goats, pigs, bee keeping and fish farming. But concentration is mainly on dairy. The county can also support agribusiness and industries and this is yet to be fully exploited. There are manufacturing, wholesale and retail activities taking place in the county.

Development progress in the county was informed by the desire to create employment mainly for the youth and women as a way of incorporating their participation in economic development; food security and poverty alleviation; development of physical infrastructure to reduce cost of production, improved competitiveness and provide access to the markets for both goods and services; development of human resources for enhanced capacity to adopt innovative approaches to development; and Information Communication Technology, a growth sub-sector with immense potential of unlocking many opportunities in business, education, agriculture, industry and security.

By the end of the year 2017-2018 Uasin Gishu Count realized the following broad development outputs/outcomes:

- Improved physical infrastructure in the county – roads network, electricity, renewable energy technology promotion, housing;
- Improved food security and poverty alleviation – promotion of commercialization of dairy industry, increased agricultural and livestock production, and trade;
- Clean and secured environment and access to clean and affordable water and sanitation. Also improved environmental regulation in line with EMCA 1999 for environmentally friendly extraction of natural resources such as quarrying activities;
- Improved school infrastructure for enhanced access to education
- Improved health of residents of Uasin Gishu County through improved health infrastructure and health care and reduced incidences of diseases and conditions such as malaria, HIV/Aids, tuberculosis, among others.

Key local revenue sources for County Government of Uasin Gishu included business permits, land rates, business plan approval, advertising fees, cesses and various other administrative charges. The County continues to explore new and innovative ways of increasing its local revenue collections. Some of the steps that the County has taken towards improving its revenue collections include: 1) Automation of revenue collection system the County is currently testing, as a pilot, the viability of using UGPAY as the revenue collection system. Financial Performance of Revenue in the year ended 30th June 2018,the County had projected revenues of Kshs 8,062144,044 consisting of Kshs 850,000,000 from own source and KShs 7,212,144,047 from equitable share, national income, conditional grants and funds from development parties parties/donors.

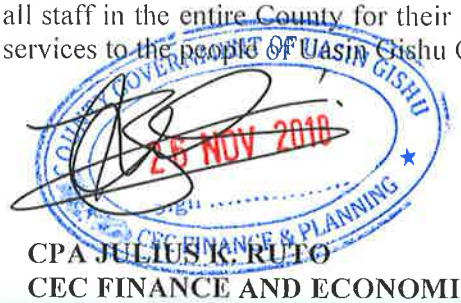
CARA revenues continue to form the largest part of our revenue budget, contributing 79% towards our budget. Our own generated revenues formed 17% of our budget. Out of the projected revenue, the County was able to realise KShs 8,013,684,170 in actual revenues, representing 92% performance. This low performance was as a result of low realization of the own generated revenues whose performance was at 94%. In the table below, we present an analysis of revenue performance during the year.

Revenue Classification	Revenue Budget Kshs	Actual Kshs	Realization %
CARA	5,707,800,000	5,707,800,000	100%
Own Generated Revenue	850,000,000	801,540,123	94%
Conditional allocations	546,091,844	363,050,332	66.5%
Unspent Funds b/f	958,252,203	958,252,203	100%
Total	**8,062,144,047**	**7,830,642,658**	**97%**

The above budget includes county assembly budget of kshs 618,747,182 out of which kshs 617,651,104 was transferred to the assembly during the year.
The total expenditure for the year amounted to KShs 6,408,916,408 out of which KShs 1,509,043,635 was utilised on development expenditure and KShs 4,899,872,773 was used on recurrent expenditure.

FY 2017/2018 was good years in general where Good progress was witnessed and the momentum has been created to enable County Government of Uasin Gishu continue on a trajectory into prosperity. We have identified the following gaps and areas to improve on in the subsequent years.
During the implementation period, the county government encountered a myriad of challenges ranging from delays in procurement processes to delays in disbursement of funds from the National Treasury. Severe geological and geographical conditions in the county also affect the roads sub-sector – though it should be noted that the county government had made substantial progress in improving road network and linkages within the county. In addition, inadequate infrastructure in schools and other institutions of learning remains a challenge, though the county government and other devolved programs like CDF has made efforts to address this. Further, a number of ECDE centers and county polytechnics did not have enough teachers; Access to credit by small entrepreneurs and deforestation are also other developmental challenges facing the county.
The county leadership is committed to ensuring the challenges highlighted are addressed to improve service delivery and henceforth attainment of the county goals outlined in the county five year integrated development plan. The report will also be disseminated to various stakeholders for accountability and to further receive feedback early in the county budget cycle. This will enhance strengthened participation in county planning, budgeting and development.

I take this opportunity to thank H.E. the Governor and the Deputy Governor for their support. I would also want to thank my colleagues, the County Executive Committee Members in charge of other departments who we have worked hand in hand to ensure that County Government of Uasin Gishu achieves its mission. I thank all staff in the entire County for their continued commitment and dedication through hard work in delivering services to the people of Uasin Gishu County.



CPA JULIUS K. RUTO
CEC FINANCE AND ECONOMIC PLANNING
COUNTY GOVERNMENT OF UASIN GISHU

2. STATEMENT OF MANAGEMENT RESPONSIBILITIES

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

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

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

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

Approval of the financial statements

The County Government's financial statements were approved and signed by the CEC member for finance on 26 NOV 2018.

COUNTY GOVERNMENT OF UASIN GISHU
CEC FINANCE & PLANNING

County Executive Committee Member – Finance and Economic Planning
County Government of Uasin Gishu

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OFFICE OF THE AUDITOR-GENERAL

REPORT OF THE AUDITOR-GENERAL ON COUNTY EXECUTIVE OF UASIN GISHU FOR THE YEAR ENDED 30 JUNE 2018

REPORT ON THE FINANCIAL STATEMENTS

Qualified Opinion

I have audited the accompanying financial statements of County Executive of Uasin Gishu set out on pages 1 to 35, which comprise the statement of assets and liabilities as at 30 June 2018, and the statement of receipts and payments, statement of cash flows and summary statement of appropriation for the year then ended, and a summary of significant accounting policies and other explanatory information in accordance with the provisions of Article 229 of the Constitution of Kenya and Section 35 of the Public Audit Act, 2015. I have obtained all the information and explanations which, to the best of my knowledge and belief, were necessary for the purpose of the audit.

In my opinion, except for the effect of the matters described in the Basis for Qualified Opinion section of my report, the financial statements present fairly, in all material respects, the financial position of County Executive of Uasin Gishu as at 30 June 2018, and 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.

Basis for Qualified Opinion

1.0 Summary of Fixed Assets Register

1.1 Handing Over of Assets and Liabilities from Defunct Local Authorities

The summary of fixed assets register at Annexure 5 to the financial statements reflects total accumulated assets figure of Kshs.7,362,219,526 as at 30 June 2018. However, as reported in the previous year, the amount of Kshs.7,362,219,526 excludes assets taken over from the defunct authorities and whose details such as land, buildings, motor vehicles, computers and other office equipment were not included in the County's fixed assets register. Although it has been explained that the assets have been verified and validated and forwarded to Intergovernmental Budget and Economic Council (IBEC) for guidance and direction, no further information has been provided as to when the process shall be finalised and the same included in the assets register of the county government. Consequently, the accuracy and completeness of the fixed assets register figure of Kshs.7,362,219,526 as at 30 June 2018 could not be confirmed.

2.0 Pending Bills

Other important disclosures - pending account payables note 4.1.0 reflects supplies of goods and services pending payables amounting to Kshs.199,197,221 and other pending payables amounting to Kshs.119,414,413 all totaling to Kshs.318,611,634 as at 30 June 2018. The accumulation of pending bills is contrary to Treasury Circular Ref AG 3/101/75 requiring Accounting officers to establish effective financial controls and maintain financial discipline in order to achieve efficient utilization of resources and ensure adherence to financial regulations and procedures to curb accumulation of pending bills. The management did not provide reason or justification for the accumulation of pending bills during the year.
The management is therefore in breach of treasury directive.

3.0 Presentation of Financial Statements

Note 22 to the financial statements reflects account receivables – outstanding imprest figure of Kshs.5,413,207 as at 30 June 2018. However, management did not attach a schedule indicating name of imprest holder, amount issued, amount surrendered and balance as 30 June 2018 as required by International Public Sector Accounting standards (IPSAS) template as prescribed by the International Public Sector Accounting standards Board. Further, the financial statements submitted for audit do not include progress on follow up of auditor's recommendations from previous audits contrary to The Public Sector Accounting Board (PSASB) circular Ref AG/4/16/1/Vol.IV/76 dated 13 July 2017. Under the circumstances, the financial statements are not in line with the International Public Sector Accounting standards (IPSAS) template.

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

Key Audit Matters

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

Other Matter

1.0 Budgetary Control and Performance

1.1 Budget Absorption

During the year under review, Uasin Gishu County had an approved budget of Kshs.8,062,144,047 which comprised of recurrent vote budget of Kshs.5,020,834,202 and development vote budget of Kshs.3,041,309,845. At the end of the financial year ended 30 June 2018, the budget performance reflected under absorption on development vote of

Kshs.1,532,266,210 or 51% and under absorption on recurrent vote Kshs.120,961,459 or 3% resulting to overall budget under-absorption of Kshs.1,653,277,669 or 21% as summarized below:

Vote	Approved Budget 2017/18 (Kshs)	Actual Expenditure 2017/18 (Kshs)	Under-Absorption (Kshs)	%
Development	3,041,309,845	1,509,043,635	1,532,266,210	51
Recurrent	5,020,834,202	4,899,872,743	120,961,459	3
Total	8,062,144,047	**6,408,916,408**	**1,653,227,669**	21

The under-absorption of the approved budget is an indication that activities and projects in the annual plan were not implemented by the County Executive. This is likely to have a negative effect on the delivery of goods and services to the residents of Uasin Gishu County.

1.2 Development Budget

During the year under review, Uasin Gishu County Executive allocated Kshs.3,041,309,845 on development projects but spent Kshs.1,509,043,635 thus resulting to under expenditure of Kshs.1,532,266,210 or approximately 51% of the development budget. The under-expenditure related to acquisition of assets as detailed below:

Component	Approved Budget 2017/2018 (Kshs)	Actual Expenditure 2017/2018 (Kshs)	Under Absorption (Kshs)	Absorption (%)
Transfers to Other Government Entities	281,014,919	281,124,308	890,611	100
Acquisition of Assets	2,760,294,926	1,228,919,327	1,531,375,599	55
Total	**3,041,309,845**	**1,509,043,635**	**1,532,266,210**	**51**

The under absorption of the approved development budget indicates that activities and projects in the annual work plan were not implemented by the County Executive. Therefore the County Executive did not utilize Kshs.1,532,266,210 of the funds allocated for development and hence the objectives of the budget were not achieved. This may hamper service delivery to the residents of Uasin Gishu County due to lack of requisite infrastructure.

1.3 Project Verification

During the audit, thirty three (33) projects with total contract sum of Kshs.899,442,111 out of which Kshs.333,170,868 had been spent, were verified in October 2018. Seventeen (17) projects involving purchase of equipment and machinery, construction of buildings and civil works worth Kshs.189,785,266 had been delivered/completed. One (1) project involving electricity connection with contract sum of Kshs.8,934,874 was yet to start. Nine (9) projects

with total contract sum of Kshs.306,561,771 out of which Kshs.46,138,784 or approximately 15% had already been expended were found to have stalled and there was no indication of when the construction would resume. The rest of the projects were at various levels of completion as summarized in Appendix I. The management has not explained how it will ensure the stalled projects are revived and completed for the benefit of the residents of Uasin Gishu.

1.4 Other Miscellaneous Receipts

The statement of receipts and payments for the year ended 30 June 2018 reflects county own generated revenue figure of Kshs.801,540,123 out of which an amount of Kshs.5,284,365 is described as other miscellaneous receipts. However, the other miscellaneous receipts figure of Kshs.5,284,365 comprises of direct bank deposits which had not been identified and therefore not posted to the relevant revenue streams (unidentified direct banking). Under the circumstances, the accuracy and completeness of the total figures reflected in the respect of revenue streams for the year ended 30 June 2018 could not be confirmed.

REPORT ON LAWFULNESS AND EFFECTIVENESS IN USE OF PUBLIC MONEY

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

1.0 Receipts

1.1 Approved Finance Bill 2017/2018

The statement of receipts and payments reflects total receipts figure of Kshs.6,893,761,389 which include county own generated receipts amount of Kshs.801,540,123 collected from various revenue streams against budgeted amount of Kshs.850,000,000 for the year ended 30 June 2018. However, management has not provided approved County Finance Bill for the financial year 2017/2018. Although information available indicates that the same was discussed in various meetings involving various stakeholders and eventually presented to the Uasin Gishu County Assembly on 19 June 2017 for approval, no documentary evidence has been provided to confirm that the same was approved by the County Assembly contrary to Section 133 of the Public Finance Management Act, 2012 which states that not later than ninety days after passing the Appropriation Bill, the county assembly shall consider and approve the Finance Bill with or without amendments. Consequently, regularity of county own generated receipts amount of Kshs.801,540,123 for the year ended 30 June 2018 could not be confirmed and the management is in breach of the law.

1.2 Proceeds from Domestic and Foreign Grants

The statement of receipts and payments for the year ended 30 June 2018 reflects total receipts figure of Kshs.6,893,761,389 which includes proceeds from domestic and foreign grants figure of Kshs.84,229,189 as disclosed in note 2 to the financial statements comprising of World Bank, Danida and KDSP. Available information revealed that during the year under audit review, an expenditure of Kshs.37,571,355 was incurred out of the proceeds from domestic and foreign grants figure of Kshs.84,229,189 resulting to non-disbursement of Kshs.46,657,874 or approximately 55%. Underfunding and absorption of approved budget indicates that activities in the annual work plan were not implemented by the County Executive and hence the objectives of the budget were not achieved. This may hamper service delivery to the residents of Uasin Gishu County.

1.3 Fuel Levy

Included in receipts figure of Kshs.6,893,761,389 is an amount of Kshs.221,167,425 received from the Kenya Roads Board disclosed in note 8 to the financial statements for maintenance of approved road projects in the County. However, these funds were never disbursed to the approved road projects in the County during the year ended 30 June 2018.The County Government submitted roads work plan for 2017/2018 financial year to Kenya Roads Board on 16 February 2018 more than six (6) months after set date of 28 July 2017 against Kenya Roads Board letter Ref:KRB/PP/36.00/VOL.III(35) dated 12 July 2017. Although at the time of audit in October 2018 the funds had not been utilized, available information indicates that the works on various roads was ongoing and at completion levels of between 60% to 70% but the funds had not been transferred to the fuel levy fund account. Consequently, delay in disbursement of funds to development projects denies the County residents from enjoying the services or benefits accruing from completed projects.

2.0 Managed Equipment Services (Leasing of Medical Equipment)

The County Government of Uasin Gishu is allocated conditional grant amounting to Kshs.95,744,681 for year ended 30 June 2018 for leasing of medical equipment in accordance with section 5(1) (d) of the County Allocation Revenue Act, 2017. The funds are managed by National Government on behalf of the County in accordance with Section 5(4) of the Act. According to the memorandum of understanding between Uasin Gishu County Government and National Government signed on 24 February 2015, Ziwa Sub District Hospital was to receive theatre, theatre instruments/CSSD, renal and radiology equipment while Burnt Forest Sub District Hospital was to receive theatre, theatre instruments/CSSD, and radiology equipment.

A review of delivery records and physical verification of equipment conducted in October 2018 revealed that Ziwa Sub District Hospital did not receive theatre equipment while radiology equipment meant for Burnt Forest Sub District Hospital was not delivered. Although letter Ref.No. MOH/MES/ADMIN/VOL.III (2) dated 17 October 2018 from Ministry of Health indicates that theatre equipment initially allocated to Ziwa in the memorandum of understanding is located at Moi Teaching and Referral Hospital (MTRH), there was no documentary evidence availed to show that the equipment was delivered and acknowledged by MTRH management.

Further, theatre equipment delivered to Burnt Forest Sub District Hospital facility lacks a blood transfusion fridge for storage of blood and therefore theatre operation cases that require blood transfusion are referred to other facilities and therefore affects the effective use of MES equipment.

Consequently, the County residents have not received value for money incurred on the equipment that were not delivered.

3.0 Compensation of Employees

3.1 Expenditure on Salary Emoluments and Benefits

As reported in the previous year, the statement of receipts and payments reflects compensation of employees figure of Kshs.2,987,799,235 which is approximately 43% of the total revenue of Kshs.6,893,761,429 for year ended 30 June 2018 and thus exceeded the recommended ratio of 35% stipulated in Section 25 (1) of the Public Finance Management (County Governments) Regulations 2015. Consequently, the County Government is in breach of the law and the wage bill may not be sustainable unless adequate measures are put in place to contain the rising wage cost.

3.2 Failure to Observe One Third Rule on Staff Establishment

Audit review of personnel record availed for audit revealed that as at 30 June 2018, the County Government of Uasin Gishu had a total of three thousand two hundred and eighty two (3,282) employees out of whom two thousand four hundred and seventy four (2,474) or approximately 75% were from the dominant community contrary to Section 65(e) of the County Government Act, 2012 which states that in selecting candidates for appointment, the County Public Service Board shall consider the need 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 for promotion of national unity.

4.0 Acquisition of Assets

4.1 Construction of Buildings

The statement of receipts and payments for the year ended 30 June 2018 reflects acquisition assets figure of Kshs.1,228,919,327 which includes expenditure on construction of buildings figure of Kshs.213,354,906 as disclosed in note 17 to the financial statements. The construction of buildings figure of Kshs.213,354,906 includes payments amounting to Kshs.16,217,767 made to various projects during the year in addition to payments amounting to Kshs.53,417,624 made in the prior year's all totaling to Kshs.69,635,391 as at 30 June 2018 in respect of buildings that had either stalled or whose completion period had elapsed as summarized below:

No	Name of the project	Contract sum (Kshs)	Signing date of the contract	Contract period	level of comple-tion	Amount paid FY 2017/18 (Kshs)	Total amount paid as at 30 June 2018	Re-marks
1	Proposed Model Sub-county Hospital Phase 1 - Ziwa Health Centre	93,476,582	26 Jun 15	Fifty two (52) weeks	4%	-	3,548,850	Stalled
2	Proposed Model Sub-County Hospital Phase 1 – Moiben Health Centre	98,246,240	25 Jun 15	Fifty two (52) weeks		-	-	Stalled
3	Kapseret Sub-County Office	33,242,000	14 May 15	Fifty two (52) weeks	78%	-	25,874,581	Stalled
4	Construction of Kipkaren River Market	3,949,990	13 May 15	Twelve (12) weeks		-	2,639,425	Stalled
5	Electric Fencing at Chebororwa ATC	15,323,849	13 Apr 15	Twelve (12) weeks	30%	-	5,109,780	Stalled
6	Fire Station at Burnt Forest	5,991,353	13 May 16	Eight (8) weeks	26%	-	1,598,200	Stalled
7	Chagaiya High Altitude training camp	172,310,405	29 Dec16	Eighteen (18) months	35%	9,750,458	24,397,246	Stalled
8	Medical Laboratory at Huruma Sub County Hospital	9,647,930	24 Feb 17	Twenty (20) weeks	30%	2,974,610	2,974,610	Delay in completion
9	Maternity block at Kapteldon Sub-County Hospital	192,564,658	20 Feb17	Thirty-six (36) Weeks	25%	3,492,699	3,492,699	Delay in completion
	Total	**624,753,007**	**381,555**			**16,217,767**	**69,635,391**	

Consequently, the objective of this projects have not been achieved and no value for money has been obtained on the total expenditure of Kshs.69,635,391 incurred on the above projects.

4.2 Construction and Civil Works

4.2.1 Drilling of Boreholes

Included in the acquisition of assets figure of Kshs.1,228,919,327 is construction and civil works figure of Kshs.270,938,968 as disclosed in note 17 to the financial statements for the year ended 30 June 2018 out of which an amount of Kshs.12,769,760 was paid to National

Water Conservation and Pipeline for drilling of boreholes. As reported in the previous year, the National Water Conservation and Pipeline was awarded a tender to drill eighteen (18) boreholes in 2015-2016 at a contract sum of Ksh.30,185,568. Payments totaling to Kshs.28,868,730 had been paid to the parastatal as at 30 June 2018.Available information revealed that one (1) borehole drilled at Cheukta in Segero Barsombe ward yield very low water (0.7 M^3/hr) and the Emgoin borehole was dry for which the inspection and acceptance committee recommended that two additional boreholes were to be drilled to replace the one with very low water and that which did not yield water. However, as at the time of audit in November 2018, drilling of two additional boreholes was yet to be done. It was also noted that the performance bond guarantee of 20% of the tender sum provided by the contractor expired on 20 June 2016 while the work was still on. No reason was provided for the delay in completion of the works.

4.2.2 Construction of Kiborokwo-Kepng'etuny Bridge

Available information further revealed that the County Government of Uasin Gishu awarded a tender to a construction company at a contract sum of Kshs.15,300,007 for the construction of Kiborokwo-Kepng'etuny Bridge. The contract agreement was signed on 22 March 2016 and works expected to be completed within six (6) month commencing upon handing over of the site to the contractor and was expected to be completed in January 2017. The contract involved construction of sub-structure, super-structure, earth works and river diversion. Payments amounting to Kshs.8,304,754 or approximately 54 % of the contract sum was paid to the contractor during 2016/2017. Audit inspection during the month of November 2018 revealed that the project had stalled while the bridge is incomplete.

Under the circumstances, the propriety of the expenditure of Kshs.8,304,754 could not be confirmed and no value for money was obtained for this expenditure.

5.0 Cash and Cash Equivalents

5.1 Bank Reconciliation Statements

The County Executive of Uasin Gishu did not prepare bank reconciliation statements using the IFMIS cash management (CM) module as required by the Treasury Circular Ref: AG/16/1/VOL.IV/76 dated 13 July 2017 and the revised reporting template by the Public Sector Accounting Standards Board. The management is therefore in breach of the law.

5.2 Outstanding Imprest

The statement of assets and liabilities reflects accounts receivable- outstanding imprest figure of Kshs.5,413,207 issued to staff for purposes of local travel and was due for surrender on or before 30 June 2018. Information available indicates that an amount of Kshs.2,627,648 was surrendered between August and October 2018. At the time of audit in November, 2018 the balance of Kshs.2,785,459 had not been surrendered contrary to regulation 93(5) Public Finance and Management (County Government) Regulations 2015 which requires the holder of a temporary imprest to account for or surrender the imprest within seven working days after returning to the duty station. 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, GOVERNANCE AND RISK MANAGEMENT SYSTEMS

Conclusion

As required by Section 7 (1) (a) of the Public Audit Act, 2015, based on the 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

1.0 Housing Estate Rent

The county own generated revenue amount of Kshs.801,540,123 also includes house rent amounting to Kshs.31,060,822 for the year ended 30 June 2018. As reported in the previous year the County Government has 1,359 rental houses and 2,946 kiosks and toilets all with expected monthly rent of Kshs.6,173,769 and annual rent of Kshs.74,085,228. However, only Kshs.31,060,822 was realized to leave Kshs.43,024,406 uncollected. In addition, the updated register of housing, contracts for public toilets were not availed for audit review.

Further, record of rent arrears availed revealed that the county government is owed rent arrears amounting to Kshs.254,362,629 as at 30 June 2018 due from tenants.

Consequently, the recoverability of rent arrears amounting to Kshs.254,362,629 is in doubt and the management may not be able to deliver on its mandate due to lack of funds arising from the inability to collect the projected revenue.

2.0 Lack of an Independent Internal Audit Function

The Uasin Gishu County Executive has established an internal audit unit. However, the internal audit function reports both administratively and functionally to the Chief Officer Finance instead of an Audit Committee contrary to Regulation 155(1) of the Public Finance Management (County Government) Regulations 2015, which states that the head of internal audit unit in a County Government entity shall enjoy operational independence through the reporting structure by reporting administratively to the Accounting Officer and functionally to the audit committee. Further, the internal audit function operated without an approved internal audit charter detailing the scope, responsibilities and purpose of internal audit function.

Consequently, the unit lacks the operational independence to execute its mandate of overseeing governance mechanisms and promoting transparency and accountability in management of the resources of the County Executive.

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

Responsibilities of Management and Those Charged with Governance

Management is responsible for the preparation and fair presentation of these financial statements in accordance with International Public Sector Accounting Standards (Cash Basis) and for maintaining effective internal control as management determines is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error and for its assessment of the effectiveness of internal control. In preparing the financial statements, management is responsible for assessing the County Executive of Uasin Gishu ability to continue as a going concern/ sustain services, disclosing, as applicable, matters related to sustainability of services and using the applicable basis of accounting unless the management either intends to liquidate the County Executive of Uasin Gishu or to cease operations, or have no realistic alternative but to do so.

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

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

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

Auditor-General's Responsibilities for the Audit

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

error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

In addition to the audit of the financial statements, a compliance review is planned and performed to express a conclusion with limited assurance as to 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 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. The nature, timing and extent of the compliance work is limited compared to that designed to express an opinion with reasonable assurance on the financial statements.

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

Because of its inherent limitations, internal control may not prevent or detect misstatements and instances of non-compliance. 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 Uasin Gishu County Executive policies and procedures may deteriorate.
As part of an audit conducted in accordance with ISSAIs, I exercise professional judgement and maintain professional skepticism throughout the audit. I also:

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

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

- Conclude on the appropriateness of the management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Uasin Gishu County Executive ability to continue as a going concern or 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 Uasin Gishu County Executive to cease to continue as a going concern or 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 Uasin Gishu County Executive of to express an opinion on the financial statements.

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

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

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

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

Nairobi

18 February 2019

Appendix I
Project Verification

Project/Item procured	Contract Sum (Kshs)	Method of Procurement	Date of Advert	Amount Paid (Kshs)	Delivery Status
Maternity Bloc at Kapteldon Sub County Hospital	19,256,658	Open National Tender	22-Dec-16	3,492,699	Stalled
Construction of laboratory at Huruma Sub County Hospital	9,647,930	Open National Tender	22-Dec-16	1,193,610	Stalled
Ziwa Sub County Hospital	93,476,582	Open National Tender	10-Apr-15	3,584,850	Stalled
Moiben Sub County Hospital	98,246,241	Open National Tender	10-Apr-15	-	Stalled
Construction of Kapseret Sub County office	33,242,000	Open National Tender	29-Jan-15	25,874,581	Stalled
Construction of Turbo Hospital	26,220,610	Open National Tender	10-Apr-15	19,640,427	95%
Construction of Kesses Sub County Hospital	98,731,665	Open National Tender	10-Apr-15	66,354,044	80%
Eletric Fencing at Chebororwa ATC	15,323,849	Open National Tender	19-Jan-15	1,153,620	Stalled
Construction of Chagaiya High Altitude Training Camp	172,310,405	Open National Tender	14-Oct-16	24,397,246	35%
Construction of Perimeter Wall and Security House at Kuinet	6,590,070	Open National Tender	12-Jan-17	2,618,400	65%
Construction of Fire Station at Burnt Forest	5,991,353	Open National Tender	18-Mar-16	1,598,200	40%
Construction of Kipkaren River Market	3,949,990	Open National Tender	29-Jan-15	2,639,425	Stalled
Maternity Ward at West Health Centre	63,005,156	Open National Tender	24-Jan-17	10,504,445	On-going project-
Supply, delivery, installation and commissioning of medical X-Ray machine	13,000,000	Open National Tender	12-Oct-16	13,000,000	Delivered
Installation works of 3 phase electricity to 24 milk coolers	8,934,874	N/A	N/A	8,934,874	Not yet started
Supply and delivery of 3 crawler excavators	58,950,000	Open National Tender	26-Apr-18	58,950,000	Delivered

Project/Item procured	Contract Sum (Kshs)	Method of Procurement	Date of Advert	Amount Paid (Kshs)	Delivery Status
Construction of milk coolants in Kuinet, Merwet, Chagaiya and Sugutek	3,468,362	Open National Tender	FY 2015/2016	3,468,362	Complete
Supply and delivery of 6 double cabin 4x4 Foton make	25,350,000	Open National Tender	1-Nov-16	21,125,000	Delivered
Construction of Chepkongony-Kiburer Bridge	17,980,716	Open Tender	2015/2016	8,303,860	Completed and in use
Construction of Kipketingwet bridge	17,001,211	Open Tender	2015/2016		Completed and in use
Construction of Kong'nyalil (B) Bridge	17,163,665	Open Tender	2015/2016	17,060,318	Completed and in use
Construction of Kapkei-Kimoning Box Culvert	12,824,119	Open Tender	2015/2016	1,039,940	Completed and in use
Construction of Kiborokwo-Kepng'etuny Bridge	15,300,007	Open Tender	2015/2016	0	Stalled project-54%
Construction of Kileges-Kongasis bridge	18,118,514	Open Tender	2015/2016	8,199,999	Stalled project-54%
Construction of Chemalal-Kipkenyo bridge	21,310,941	Open Tender	2015/2016	5,989,776	On-going project-95%
Water					
Drilling and Test pumping of Mafuta and Milimani Boreholes	3,424,300	Quotation	25-Jun-18	3,424,300	Borehole drilled and equipped-100%
Drilling of Saniak and Nukiat borehole water project	3,297,129	Quotation	17-Jan-17	3,297,129	Borehole drilled and equipped-100%
Construction of foot path ,Nandi park and renovation of county hall	3,163,165	Quotation	18-Sep-17	3,163,165	Completed and in use
Drilling and test pumping of 1 no. borehole at Illula water project	1,781,000	Quotation	26-Jun-17	1,781,000	Borehole drilled
Chepterwai Water Pan	2,738,200	Quotation	24-Feb-17	2,738,200	Complete
Ngenyilel Water Pan	2,542,840	Quotation	24-Feb-17	2,542,840	Complete
Routine maintenance and spot improvement of (D328)Kuinet(C50)Kapkario (C51) Chepkanga road	3,306,098	Quotation	2-Nov-17	3,306,098	Complete and in use

Project/Item procured	Contract Sum (Kshs)	Method of Procurement	Date of Advert	Amount Paid (Kshs)	Delivery Status
Routine maintenance and spot improvement of Chepkumia-Tairi mbili road	3,794,461	Quotation	14-03-18	3,794,461	Complete and in use
Total	**899,442,111**			**333,170,868**	

4. FINANCIAL STATEMENTS

4.1. STATEMENT OF RECEIPTS AND PAYMENTS FOR THE YEAR ENDED 30TH JUNE 2018

	Notes	2017-2018 KShs	2016-2017 KShs
RECEIPTS			
Exchequer releases	1	5,707,800,000	5,601,025,717
Proceeds from Domestic and Foreign Grants	2	84,229,189	8,660,000
Transfers from Other Government Entities	3	22,181,068	163,617,568
Proceeds from Domestic Borrowings	4	0	0
Proceeds from Foreign Borrowings	5	0	0
Proceeds from Sale of Assets	6	0	0
Conditional Additional Allocation to County government	7	35,472,610	0
Fuel Levy Allocation	8	221,167,425	86,059,721
County Own Generated Receipts	9	801,540,123	668,487,942
Returned CRF issues	10	21,370,974	20,398,514
TOTAL RECEIPTS		**6,893,761,389**	**6,548,249,462**
PAYMENTS			
Compensation of Employees	11	2,987,799,235	2,564,364,131
Use of goods and services	12	1,063,104,811	1,255,137,212
Subsidies	13	0	0
Transfers to Other Government Units	14	1,013,666,023	742,824,449
Other grants and transfers	15	115,061,653	120,583,584
Social Security Benefits	16	0	0
Acquisition of Assets	17	1,228,919,327	1,518,420,152
Finance Costs, including Loan Interest	18	275,359	255,451
Repayment of principal on Domestic and Foreign borrowing	19	0	0
Other Payments	20	90,000	18,860,900
TOTAL PAYMENTS		**6,408,916,408**	**6,220,445,880**
SURPLUS/DEFICIT		**484,844,981**	**327,803,582**

The accounting policies and explanatory notes to these financial statements form an integral part of the financial statements. Uasin Gishu County financial statements were approved on _____ 2018 and signed by

COUNTY GOVERNMENT OF UASIN GISHU
26 NOV 2018
Chief Officer
Name: PETER K CHESOS

COUNTY GOVERNMENT OF UASIN GISHU
26 NOV 2018
Sign
PRINCIPAL ACCOUNTANT - EXPENDITURE
Head of Treasury
Name: SILAS K RONOH
ICPAK Member Number: 8151

4.2. STATEMENT OF ASSETS AND LIABILITIES AS AT 30TH JUNE 2018

	Notes	2017-2018 KShs	2016-2017 KShs
FINANCIAL ASSETS			
Cash and Cash Equivalents			
Bank Balances	21A	1,430,325,058	947,843,844
Cash Balances	21B	6,033,685	6,899,572
Total Cash and cash equivalent		**1,436,358,743**	**954,743,416**
Accounts receivables – Outstanding Imprests	22	5,413,207	14,194,110
TOTAL FINANCIAL ASSETS		**1,441,771,950**	**968,937,526**
FINANCIAL LIABILITIES			
Accounts Payables – Deposits and retentions	23	(73,388,181)	(85,398,738)
NET FINANCIAL ASSETS		**1,368,383,769**	**883,538,788**
REPRESENTED BY			
Fund balance b/fwd	24	883,538,788	614,305,226
Prior year adjustments	25	0	(58,570,020)
Surplus/Deficit for the year		484,844,981	327,803,582
NET FINANCIAL POSITION		**1,368,383,769**	**883,538,788**

The accounting policies and explanatory notes to these financial statements form an integral part of the financial statements. Uasin Gishu County financial statements were approved on _____2018 and signed by:

26 NOV 2018

Chief Officer .....
Name: PETER K CHESOS

COUNTY GOVERNMENT OF UASIN GISHU
26 NOV 2018
Sign
PRINCIPAL ACCOUNTANT - EXPENDITURE

Head of Treasury
Name: SILAS K RONOH
ICPAK Member Number: 8151

4.3. STATEMENT OF CASH FLOWS FOR THE YEAR ENDED 30TH JUNE 2018

	Notes	2017-2018 KShs	2016 -2017 KShs
Receipts from operating income			
Exchequer Releases	1	5,707,800,000	5,601,025,717
Proceeds from Domestic and Foreign Grants	2	84,229,189	8,660,000
Transfers from Other Government Entities	3	22,181,068	163,617,568
Proceeds from Domestic Borrowings	4	0	0
Proceeds from Foreign Borrowings	5	0	0
Proceeds from Sale of Assets	6	0	0
Conditional Additional Allocation to County government	7	35,472,610	
Fuel Levy	8	221,167,425	86,059,721
County Own Generated Receipts	9	801,540,123	668,487,942
Returned CRF issues	10	21,370,974	20,398,514
Payments for operating expenses			
Compensation of Employees	11	(2,987,799,235)	(2,564,364,131)
Use of goods and services	12	(1,063,104,811)	(1,255,137,212)
Subsidies	13	0	0
Transfers to Other Government Units	14	(1,013,666,023)	(742,824,449)
Other grants and transfers	15	(115,061,653)	(120,583,584)
Social Security Benefits	16	0	0
Finance Costs, including Loan Interest	18	(275,359)	(255,451)
Other Payments	20	(90,000)	(18,860,900)
Adjusted for:			
Adjustments during the year			(58,570,020)
Net cash flow from operating activities		**1,713,764,308**	**1,787,653,714**
CASHFLOW FROM INVESTING ACTIVITIES			
Proceeds from Sale of Assets	6	0	0
Acquisition of Assets	17	(1,228,919,357)	(1,518,420,152)
Net cash flows from Investing Activities		**(1,228,919,327)**	**(1,518,420,152)**
CASHFLOW FROM BORROWING ACTIVITIES			
Proceeds from Domestic Borrowings	4	0	0
Proceeds from Foreign Borrowings	5	0	0
Repayment of principal on Domestic and Foreign borrowing	19	0	0
Net cash flow from financing activities		**0**	**0**
NET INCREASE IN CASH AND CASH EQUIVALENT		**484,844,981**	**269,233,562**
Cash and cash equivalent at BEGINNING of the year	24	**883,538,788**	**614,305,226**
Cash and cash equivalent at END of the year		**1,368,383,769**	**883,538,788**

The accounting policies and explanatory notes to these financial statements form an integral part of the financial statements. Uasin Gishu County financial statements were approved on_____2018 and signed by:

COUNTY GOVERNMENT OF UASIN GISHU
26 NOV 2018
Sign.....
CHIEF OFFICER FINANCE

Chief Officer
Name: PETER K CHESOS

COUNTY GOVERNMENT OF UASIN GISHU
26 NOV 2018
PRINCIPAL ACCOUNTANT - EXPENDITURE

Head of Treasury
Name: SILAS K RONOH
ICPAK Member Number:8151

4.4. SUMMARY STATEMENT OF APPROPRIATION: RECURRENT AND DEVELOPMENT COMBINED

Receipt/Expense Item	Original Budget	Adjustments	Final Budget	Actual on Comparable Basis	Budget Utilisation Difference	% of Utilisation
	a	b	c=a+b	d	e=c-d	f=d/c %
RECEIPTS						
Exchequer releases	5,707,800,000	-	5,707,800,000	5,707,800,000	-	100%
Proceeds from Domestic and Foreign Grants	224,988,429	-	224,988,429	40,578,875	184,409,554	18%
Transfers from Other Government Entities	20,813,065	-	20,813,065	22,181,068	(1,368,003)	107%
Proceeds from Domestic Borrowings	0	0	0	0	0	0
Proceeds from Foreign Borrowings	-	-	-	-	-	-
Proceeds from Sale of Assets	-	-	-	-	-	-
Conditional Additional Allocation to County government	35,472,610	-	35,472,610	35,472,610	-	100%
Conditional Allocation to Level 5 Hospitals						
Fuel Levy Allocation	221,167,426	-	221,167,426	221,167,426	-	100%
County Own Generated Receipts	850,000,000	-	850,000,000	801,540,123	48,459,877	94%
Kenya Devolution Support Programme	43,650,314	-	43,650,314	43,650,314	-	100%
Returned CRF issues		958,252,203	958,252,203	958,252,203	-	100%
TOTAL	**7,103,891,844**	**958,252,203**	**8,062,144,047**	**7,830,642,619**	**231,501,428**	**97%**
PAYMENTS						
Compensation of Employees	2,627,079,258	362,741,373	2,989,820,631	2,987,799,235	2,021,396	100%
Use of goods and services	1,072,277,960	-	1,072,277,960	1,063,104,811	9,173,149	99%
Interest payments	-	-	-	-	-	
Subsidies	-	-	-	-	-	
Transfers to Other Government Units	446,014,919	568,747,182	1,014,762,101	1,013,666,023	1,096,078	100%
Other grants and transfers	198,224,781	26,763,648	224,988,429	115,061,653	109,926,776	51%
Social Security Benefits	-	-	-	-	-	
Acquisition of Assets	2,760,294,926	-	2,760,294,926	1,228,919,327	1,531,375,599	45%
Finance Costs, including Loan Interest	-	-	-	275,359	(275,329)	
Repayment of principal on borrowings	-	-	-	-	-	
Other Payments	-	-	-	90,000	(90,000)	
TOTAL	**7,103,891,844**	**958,252,203**	**8,062,144,047**	**6,408,916,408**	**1,653,227,669**	**79%**
SURPLUS/(DEFICIT)	-	-	-	**1,421,726,211**	**(1,421,726,211)**	

Uasin Gishu County financial statements were approved on _____ 2018 and signed by:

COUNTY GOVERNMENT OF UASIN GISHU
26 NOV 2018
Sign.....
Chief Officer
CHIEF OFFICER FINANCE
Name: PETER CHESOS

COUNTY GOVERNMENT OF UASIN GISHU
26 NOV 2018
Sign.....
Head of Treasury Accounts
PRINCIPAL ACCOUNTANT
Name: SILAS K RONOH
ICPAK Member Number: 8151

4.5. SUMMARY STATEMENT OF APPROPRIATION: RECURRENT

Receipt/Expense Item	Original Budget	Adjustments	Final Budget	Actual on Comparable Basis	Budget Utilisation Difference	% of Utilisation
	a	b	c=a+b	d	e=c-d	f=d/c %
RECEIPTS						
Exchequer releases	2,923,130,191		2,923,130,191	2,923,130,191	-	100%
Proceeds from Domestic and Foreign Grants	224,988,429		224,988,429	40,578,875	184,409,554	18%
Transfers from Other Government Entities	20,813,065		20,813,065	22,181,068	(1,368,003)	107%
Proceeds from Domestic Borrowings						
Proceeds from Foreign Borrowings						
Proceeds from Sale of Assets						
Conditional Additional Allocation to County government						
Conditional Allocation to Level 5 Hospitals						
Fuel Levy Allocation						
County Own Generated Receipts	850,000,000		850,000,000	801,540,123	48,459,877	94%
Kenya Devolution Support Programme	43,650,314		43,650,314	43,650,314	-	100%
Returned CRF issues		958,252,203	958,252,203	958,252,203	-	100%
TOTAL	**4,062,581,999**	**958,252,203**	**5,020,834,202**	**4,789,332,774**	**231,501,428**	**95%**
PAYMENTS						
Compensation of Employees	2,627,079,258	362,741,373	2,989,820,631	2,987,799,235	2,021,396	100%
Use of goods and services	1,072,277,960	-	1,072,277,960	1,063,104,811	9,173,149	99%
Interest payments		-	-	-	-	
Subsidies		-	-	-	-	
Transfers to Other Government Units	165,000,000	568,747,182	733,747,182	733,541,715	205,467	100%
Other grants and transfers	198,224,781	26,763,648	224,988,429	115,061,653	109,926,776	51%
Social Security Benefits	-	-	-	-	-	
Acquisition of Assets	-	-	-	-	-	
Finance Costs, including Loan Interest	-	-	-	275,329	(275,329)	
Repayment of principal on borrowings	-	-	-	-	-	
Other Payments	-		-	90,000	(90,000)	
TOTAL	**4,062,581,999**	**958,252,203**	**5,020,834,202**	**4,899,872,743**	**120,961,459**	**98%**
SURPLUS/(DEFICIT)	-	-	-	**(110,539,999)**	**110,539,999**	

Uasin Gishu County financial statements were approved on _____ 2018 and signed by:

COUNTY GOVERNMENT OF UASIN GISHU
26 NOV 2018
COUNTY GOVERNMENT OF UASIN GISHU
COUNTY OFFICER FINANCE
26 NOV 2018

Chief Officer
Name: PETER CHESOS

Head of Treasury Accounts
Name: SILAS K RONOH
ICPAK Member Number: 8151

4.6. SUMMARY STATEMENT OF APPROPRIATION: DEVELOPMENT

Receipt/Expense Item	Original Budget	Adjustments	Final Budget	Actual on Comparable Basis	Budget Utilisation Difference	% of Utilisation
	a	b	c=a+b	d	e=c-d	f=d/c %
RECEIPTS						
Exchequer releases	2,784,669,809		2,784,669,809	2,784,669,809	-	100%
Proceeds from Domestic and Foreign Grants						
Transfers from Other Government Entities	-					-
Proceeds from Domestic Borrowings						
Proceeds from Foreign Borrowings						
Proceeds from Sale of Assets						
Conditional Additional Allocation to County government	35,472,610	-	35,472,610	35,472,610	-	100%
Conditional Allocation to Level 5 Hospitals						
Fuel Levy Allocation	221,167,426	-	221,167,426	221,167,426	-	100%
County Own Generated Receipts						
Kenya Devolution Support Programme						
Returned CRF issues						
TOTAL	**3,041,309,845**	**-**	**3,041,309,845**	**3,041,309,845**	**-**	**100%**
PAYMENTS				-		-
Compensation of Employees	-	-	-	-		
Use of goods and services		-	-	-	-	
Interest payments		-	-	-	-	
Subsidies		-	-	-	-	
Transfers to Other Government Units	281,014,919		281,014,919	280,124,308	890,611	100%
Other grants and transfers		-	-	-	-	
Social Security Benefits			-	-	-	
Acquisition of Assets	2,760,294,926		2,760,294,926	1,228,919,327	1,531,375,599	45%
Finance Costs, including Loan Interest		-	-	-	-	
Repayment of principal on borrowings		-	-	-	-	
Other Payments			-		-	
TOTALS	**3,041,309,845**	**-**	**3,041,309,845**	**1,509,043,635**	**1,532,266,210**	**50%**
SURPLUS/(DEFICIT)	-	-	-	1,532,266,210	(1,532,266,210)	

Uasin Gishu County financial statements were approved on _____ 2018 and signed by:

COUNTY GOVERNMENT OF UASIN GISHU CHIEF OFFICER FINANCE
26 NOV 2018

Chief Officer
Name: PETER CHESOS

COUNTY GOVERNMENT OF UASIN GISHU
26 NOV 2018
PRINCIPAL ACCOUNTANT

Head of Treasury Accounts
Name: SILAS K RONOH
ICPAK Member Number: 8151

4.7. BUDGET EXECUTION BY PROGRAMMES AND SUB-PROGRAMMES

Programme/Sub-programme	Original Budget	Adjustments	Final Budget	Actual on comparable basis	Budget utilization difference
	20xx		20xx	Date, 20xx	
	KShs	KShs	KShs	KShs	KShs
Programme 1					
Sub-programme 1					
Sub-programme 2					
Sub-programme 3					
Programme 2					
Sub-programme 1					
Sub-programme 2					
Sub-programme 3					

(NB: This statement is a disclosure statement indicating the utilisation in the same format at the County budgets which are programmatic)

4.8. 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 receivables and payables are disclosed in the Statement of Assets and Liabilities.

The financial statements are presented in Kenya Shillings, which is the functional and reporting currency of Uasin Gishu County 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 Uasin Gishu County Government. The financial statements encompass the reporting entity as specified under section 164 of the PFM Act 2012.

3. Recognition of receipts and payments

a) Recognition of receipts

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

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

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)

External Assistance

External assistance is received through grants and loans from multilateral and bilateral development partners.

Donations and grants

Grants and donations shall be recognized in the books of accounts when cash is received. Cash is considered as received when a payment advice is received by the recipient entity or by the beneficiary. In case of grant/donation in kind, such grants are recorded upon receipt of the grant item and upon determination of the value. The date of the transaction is the value date indicated on the payment advice.

Proceeds from borrowing

Borrowing includes Treasury bill, treasury bonds, corporate bonds; sovereign bonds and external loans acquired by Uasin Gishu County or any other debt the County Government may take on will be treated on cash basis and recognized as receipts during the year of receipt.

Undrawn external assistance

These are loans and grants at reporting date as specified in a binding agreement and relate to funding for projects currently under development where conditions have been satisfied or their ongoing satisfaction is highly likely and the project is anticipated to continue to completion. During the year ended 30th June 2018, there were no instances of non-compliance with terms and conditions which have resulted in cancellation of external assistance loans.

County Own Generated Receipts

These include Appropriation-in-Aid and relates to receipts such as trade licences, cess, fees, property income among others generated by the County Government from its citizenry. These are recognised in the financial statements the time associated cash is received.

Returns to CRF Issues

These relate to unspent balances in the development, recurrent and deposit accounts at the end of the year which are returned to the County Revenue Fund (CRF) and appropriated through a supplementary budget to enable the County to spend funds. These funds are recognised once appropriated through a supplementary budget process.

b) Recognition of payments

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

SIGNIFICANT ACCOUNTING POLICIES (Continued)

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.

Interest on borrowing

Borrowing costs that include interest are recognized as payment in the period in which they incurred and paid for.

Repayment of borrowing (principal amount)

The repayment of principal amount of borrowing is recognized as payment in the period in which the repayment is made. The stock of debt is disclosed as an annexure to the County consolidated financial statements.

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 Uasin Gishu County 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, Uasin Gishu County includes such value in the statement of receipts and payments both as receipts and as an expense in equal and opposite amounts; otherwise, the contribution is not recorded.

SIGNIFICANT ACCOUNTING POLICIES (Continued)

5. Cash and cash equivalents

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

Restriction on cash

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

Amounts maintained in deposit bank accounts are restricted for use in refunding third party deposits. As at 30th June 2018, this amounted to KShs 73,388,181compared to KShs 85,398,738 in prior period as indicated on note

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 Uasin Gishu County 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 Uasin Gishu County 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 developed on the same accounting basis (cash basis), the same accounts classification basis, and for the same period as the financial statements. Uasin Gishu County budget was approved as required by Law and as detailed in the County Revenue Allocation Act. The original budget was approved by the County Assembly on 19th June 2017 for the period 1st July 2017 to 30 June 2018 as required by law. There was one number of supplementary budgets passed in the year.

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 the National Treasury and other stakeholders with a significant impact on the financial statements may be adjusted with the concurrence of National 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.

4.9. NOTES TO THE FINANCIAL STATEMENTS

1. EXCHQUER RELEASES

	2017 - 2018	2016 – 2017
	KShs	KShs
Total Exchequer Releases for quarter 1	399,546,000	952,174,371
Total Exchequer Releases for quarter 2	913,248,000	924,169,243
Total Exchequer Releases for quarter 3	1,569,645,000	1,400,256,429
Total Exchequer Releases for quarter 4	2,825,361,000	2,324,425,674
Total	**5,707,800,000**	**5,601,025,717**

2. PROCEEDS FROM DOMESTIC AND FOREIGN GRANTS

Name of Donor	Date received	Amount in foreign currency	2017 - 2018	2016 – 2017
			KShs	KShs
Grants Received from Bilateral Donors (Foreign Governments)				
(Insert name of donor)				
Grants Received from Multilateral Donors (International Organisations)				
DANIDA				
Health Sector Support project(HSSP)			14,987,172	8,660,000
World Bank				
Health Sector Support project(HSSP			25,591,703	
KDSP			43,650,314	
Grants Received from other levels of government				
(Insert name of donor)			**0**	
Total			**84,229,189**	**8,660,000**

3. TRANSFERS FROM OTHER GOVERNMENT ENTITIES

Description	2017 - 2018	2016 – 2017
	KShs	KShs
Transfers from Central government entities	-	
Conditional Allocation for doctors and nurses salaries	-	96,984,000
Free Maternity care	-	44,452,500
Transfers from Counties	-	
Abolishment of User fees in health centers and dispensaries	22,181,068	22,181,068
(insert name of budget agency)	-	
TOTAL	**22,181,068**	**163,617,568**

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

4. PROCEEDS FROM DOMESTIC BORROWINGS

	2017 - 2018	2016 – 2017
	KShs	KShs
Borrowing within General Government	0	0
Borrowing from Monetary Authorities (Central Bank)	0	0
Other Domestic Depository Corporations (Commercial Banks)	0	0
Borrowing from Other Domestic Financial Institutions	0	0
Borrowing from Other Domestic Creditors	0	0
Domestic Currency and Domestic Deposits	0	0
Total	**0**	**0**

5. PROCEEDS FROM FOREIGN BORROWINGS

	2017 - 2018	2016 – 2017
	KShs	KShs
Foreign Borrowing – Draw-downs Through Exchequer	0	0
Foreign Borrowing - Direct Payments	0	0
Foreign Currency and Foreign Deposits	0	0
Total	**0**	**0**

6. PROCEEDS FROM SALE OF ASSETS

	2017 – 2018	2016 – 2017
	KShs	KShs
Receipts from the Sale of Buildings	0	0
Receipts from Sale of Vehicles and Transport Equipment	0	0
Receipts from Sale of Plant Machinery and Equipment	0	0
Receipts from Sale of Certified Seeds and Breeding Stock	0	0
Receipts from Sale of Strategic Reserves Stocks	0	0
Receipts from Sale of Inventories, Stocks and Commodities	0	0
Disposal and Sales of Non-Produced Assets	0	0
Receipts from the Sale of Strategic Reserves Stocks	0	0
Total	**0**	**0**

7. CONDITIONAL ADDITIONAL TO COUNTIES

	2017 - 2018	2016 – 2017
	KShs	KShs
Conditional Allocation for Compensation for user fees foregone		-
Village Polytechnic Support	35,472,610	-
Total	**35,472,610**	-

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

8. FUEL LEVY ALLOCATION

	2017 - 2018	2016 – 2017
	KShs	KShs
Road Maintenance fuel levy fund	221,167,425	86,059,721
Total	**221,167,425**	**86,059,721**

9. COUNTY OWN GENERATED RECEIPTS

	2017 - 2018	2016 – 2017
	KShs	KShs
Interest Received	0	0
Profits and Dividends	0	0
Rents	0	0
Other Property Income	0	1,040,685
Sales of Market Establishments	0	0
Receipts from Administrative Fees and Charges	0	0
Receipts from Administrative Fees and Charges - Collected as AIA	0	0
Receipts from Incidental Sales by Non-Market Establishments	0	6,436,355
Receipts from Sales by Non-Market Establishments	0	0
Receipts from Sale of Incidental Goods		0
Fines Penalties and Forfeitures		0
Receipts from Voluntary transfers other than grants		0
Business permits	198,600,118	218,801,549
Cess	45,506,960	0
Poll rates	0	0
Plot rents	105,523,394	97,587,849
Other local levies	0	0
Administrative services fees	8,679,779	2,328,600
Various fees	0	00
Council's natural resources		
Exploitation	-	633,120
Sales of council assets		
Lease / rental of council's		
Infrastructure assets	-	275,080
Other miscellaneous receipts		
Other miscellaneous receipts	5,284,365	2,386,862
Insurance claims recovery		
Medium term loans (1-3 yr repayment)		

Long term loans (over 3 yr repayment)		
Transfers from reserve funds		
Donations		
Fund raising events		
Other receipts from financial assets loan		
Market/trade Centre fee	17,990,463	24,120,667
Vehicle parking fees	171,673,323	156,734,024
Housing	31,060,822	22,368,764
Social premises use charges	147,300	592,500
School fees	0	0
Other education-related		
Other education receipts		
Public health services	13,473,453	10,746,960
Public health facilities operations	35,285,599	28,912,597
Environment & conservancy	46,987,105	2,324,650
Administration		
Slaughter houses administration	14,165,166	10,927,751
Water supply administration	0	698,170
Sewerage administration	0	0
Other health & sanitation	4,722,102	12,368,020
Technical services fees	17,258,685	28,834,349
External services fees	10,802,240	9,692,490
Sign boards and advertisement fee	59,088,617	17,690,814
Fines,penalties and forfeitures	15,290,632	12,986,086
TOTAL	**801,540,123**	**668,487,942**

10. RETURNED CRF ISSUES

	2017 - 2018	**2016 – 2017**
	KShs	**KShs**
Recurrent account-From County Assembly	20,532,004	8,557,806
Development account	838,970	11,840,708
Deposit account	0	
Total	**21,370,974**	**20,398,514**

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

11. COMPENSATION OF EMPLOYEES

	2017 - 2018	2016 – 2017
	KShs	KShs
Basic salaries of permanent employees	2,688,279,331	1,784,371,892
Basic wages of temporary employees	4,949,676	19,719,697
Personal allowances paid as part of salary	3,998,750	544,078,027
Personal allowances paid as reimbursements	0	0
Personal allowances provided in kind	0	0
Pension and other social security contributions	227,680,187	206,529,915
Compulsory national social security schemes	9,208,184	9,664,600
Compulsory national health insurance schemes	53,683,107	-
Social benefit schemes outside government	-	-
Other personnel payments	-	-
Total	**2,987,799,235**	**2,564,364,131**

12. USE OF GOODS AND SERVICES

	2017 – 2018	2016 – 2017
	KShs	KShs
Utilities, supplies and services	41,223,551	44,294,548
Communication, supplies and services	12,056,135	11,106,636
Domestic travel and subsistence	194,600,019	205,005,159
Foreign travel and subsistence	18,893,024	26,739,467
Printing, advertising and information supplies services	30,422,310	41,157,234
Rentals of produced assets	5,605,469	8,174,475
Training expenses	47,367,805	43,937,849
Hospitality supplies and services	50,428,322	116,540,608
Insurance costs	139,261,562	71,520,705
Specialized materials and services	222,186,742	283,322,501
Office and general supplies and services	8,291,456	14,239,163
Other operating expenses	180,377,253	184,563,218
Routine maintenance – vehicles and other transport equipment	50,824,234	64,051,446
Routine maintenance – other assets	6,750,734	56,779,457
Fuels ,oils and Lubricants	54,816,198	83,704,746
Total	**1,063,104,811**	**1,255,137,212**

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

13. SUBSIDIES

Description	2017 - 2018	2016 – 2017
	KShs	KShs
Subsidies to Public Corporations	0	0
See list attached		
(insert name)		
Subsidies to Private Enterprises	0	0
See list attached		
(insert name)		
TOTAL	**0**	**0**

14. TRANSFER TO OTHER GOVERNMENT ENTITIES

Description	2017 - 2018	2016 – 2017
	KShs	KShs
Transfers to National government entities		
Transfer to County Entities	396,014,919	248,694,,000
Transfers to Other Counties		
County Assembly	617,651,104	494,130,449
(insert name of budget agency)		
TOTAL	**1,013,666,023**	**742,824,449**

15. OTHER GRANTS AND OTHER PAYMENTS

	2017 - 2018	2016 – 2017
	KShs	KShs
Scholarships and other educational benefits	15,752,725	3,376,277
Emergency relief and refugee assistance	0	2,668,368
Subsidies to small businesses, cooperatives, and self employed	2,670,000	0
Other current Transfers grants	16,166,453	17,850,078
Other Capital grants and transfers	80,472,475	96,688,861
Total	**115,061,653**	**120,583,584**

16. SOCIAL SECURITY BENEFITS

	2017 - 2018	2016 – 2017
	KShs	KShs
Government pension and retirement benefits	0	0
Social security benefits in cash and in kind	0	0
Employer Social Benefits in cash and in kind	0	0
Total	**0**	**0**

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

17. ACQUISITION OF ASSETS

Non-Financial Assets	2017 – 2018	2016 – 2017
	KShs	KShs
Purchase of Buildings	0	0
Construction of Buildings	213,354,906	178,192,314
Refurbishment of Buildings	24,335,110	9,070,300
Construction of Roads	351,127,140	420,086,538
Construction and Civil Works	270,938,968	512,031,767
Overhaul and Refurbishment of Construction and Civil Works	19,968,666	0
Purchase of Vehicles and Other Transport Equipment	39,916,900	10,110,000
Overhaul of Vehicles and Other Transport Equipment	0	0
Purchase of Household Furniture and Institutional Equipment	0	0
Purchase of Office Furniture and General Equipment	5,259,276	19,391,597
Purchase of ICT Equipment	6,382,195	27,096,141
Purchase of Specialized Plant, Equipment and Machinery	211,309,253	242,860,557
Rehabilitation and Renovation of Plant, Machinery and Equip.	8,933,803	0
Purchase of Certified Seeds, Breeding Stock and Live Animals	62,236,110	31,295,386
Research, Studies, Project Preparation, Design & Supervision	0	7,634,050
Rehabilitation of Civil Works	0	2,715,560
Acquisition of Strategic Stocks and commodities	0	0
Acquisition of Land	13,865,000	47,846,000
Acquisition of Intangible Assets	1,292,000	10,089,943
Financial Assets		
Domestic Public Non-Financial Enterprises	0	0
Domestic Public Financial Institutions	0	0
Total	**1,228,919,327**	**1,518,420,153**

18. FINANCE COSTS, INCLUDING LOAN INTEREST

	2017 - 2018	2016 – 2017
	KShs	KShs
Bank Charges	275,359	255,451
Interest Payments on Foreign Borrowings	0	0
Interest Payments on Guaranteed Debt Taken over by Govt	0	0
Interest on Domestic Borrowings (Non-Govt)	0	0
Interest on Borrowings from Other Government Units	0	0
Total	**275,359**	**255,451**

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

19. REPAYMENT OF PRINCIPAL ON DOMESTIC LENDING AND ON-LENDING

	2017 - 2018	2016 – 2017
	KShs	KShs
Repayments on Borrowings from Domestic	0	0
Principal Repayments on Guaranteed Debt Taken over by Government	0	0
Repayments on Borrowings from Other Domestic Creditors	0	0
Repayment of Principal from Foreign Lending & On – Lending	0	0
Total	**0**	**0**

20. OTHER PAYMENTS

	2017 - 2018	2016 – 2017
	KShs	KShs
Budget Reserves	90,000	18,860,900
Civil Contingency Reserves		
Other payments		
Total	**90,000**	**18,860,900**

21. CASH AND BANK BALANCES

21A. BANK BALANCES

Name of Bank, Account No. & currency	Amount in bank account currency	Indicate whether recurrent, Development, deposit, receipts e.t.c	Ex. rate (if in foreign currency)	2017 – 2018	2016 – 2017
Exchequer CBK 100171685				1,021,489,877	682,310,021
Road Fuel Levy CBK 100248475		Development		11,521,414	94,712,574
Deposit CBK 1000248467		Recurrent		73,388,181	85,398,738
Development CBK 1000171294		Development		87,899,280	1,332,296
Recurrent CBK 100171316		Recurrent		526,320	566,800
Health Conditional Grant CBK		Recurrent		305,146	18,093,055
Health Special Purpose CBK		Recurrent		0	0
Village Polytechnic-Paramount Bank-0600020620159				1,101,198	-

UG World Bank Funds a/c Paramount Bank-600042062012				16,097,550	-
Village polytechnic a/c CBK 1000369318				0	
Imprest a/c CBK 1000174889				0	
Education a/c KCB 1154663280				0	
Imprest KCB 1167279476		Recurrent		119	5,079
PWD KCB		Recurrent		9,473,966	26,902,536
Project Force KCB 1182110363		Recurrent		206,772,095	35,835,055
REVENUE ACCOUNTS					
National Bank 1001111955700		Revenue collection a/c		18,260	(19,100)
Chase Bank 162307522001		Revenue Collection a/c		1	0.85
Equity Bank 109026411251		Revenue collection		344,657	0
KCB Bank 1141856689		Revenue collection		990,862	1,019,036
Cooperative bank1141672927900		Revenue collection		0	28,760
Family Bank 8200011728		Revenue collection		253,910	1,554,697
Spire Bank 405448501		Revenue collection		53,712	21,501
MPESA 646464		Revenue collection		88,510	82,796
Total				**1,430,325,058**	**947,843,844**

*Amount is as per amount in the cash book.

21B. CASH IN HAND

	2017 – 2018	2016 – 2017
	KShs	KShs
Cash in Hand – Held in domestic currency	6,033,685	6,899,572
Cash in Hand – Held in foreign currency		
Total	**6,033,685**	**6,899,572**

Cash in hand is also be analysed as follows:

	2017 – 2018	2016 – 2017
	KShs	KShs
KESSES SUB COUNTY		
Ngeria Slaughter Slab	1,860	0
Sukunanga Slaughter Slab	6,700	750
Kesses Health Centre	23,190	
Cheptiret Market	5,400	
Sosiani Health Centre		7,770
Sosiani Buspark		40,800
Cheptiret Slaughter Slab		1,100
KAPSARET SUB COUNTY		
Pioneer Health Centre	10,040	30,600
Kaburwa Slaughter Slab	5,170	2,380
Kapteldon Health Centre	1,500	
Kapsaret Slaughter Slab	800	
Pioneer Public Health	3,500	14,000
Kisor Health Centre		4,540
RRI Kapsaret Sub County		24,540
SOY SUB COUNTY		
Ziwa Slaughter Slab	1,600	
Chukura Dispensary	5,850	
Mogoon Dispensary	6,500	
Main Slaughter Slab	41,200	25,700
Mois Bridge Health Centre	1,430	
Ziwa Sub County Hospital	13,050	
Mois Bridge Cess	16,900	64,400
Soy Market	5,560	5,820
Unga Cess Point	98,200	
Kaplelach Tumoge Dispensary		1,800
Veterinary Services		8,800
Railway Dispensary		2,470
Kipsigak Health Centre		3,550
Car Parking		148,800
Ziwa Cess		200
RRI Soy Sub County		62,400
Mois Bridge Market		10,970
Ziwa Market		13,380
Kipsomba		1,340
Kabobo Health Centr		4,100
Mobeet Dispensary		6,200
AINABKOI SUB COUNTY		
Burnt Forest Slaughter Slab	2,500	
Burnt Forest District Hospital	22,545	59,890
Ainabkoi Health Centre	200	1,200

Isalmic Slaughter Slab	2,500	1,800
Kula Slaughter Slab	2,300	
Cyrus Slaughter Slab	2,200	
Burnt Forest Bus Park	3,120	
RRI Kaptagat		37,580
Kapsoya Health Centre		500
Ainabkoi Sub County Market		7,360
TURBO SUB COUNTY		
Hawkers Market	31,600	2,260
Main Bus Park	8,400	1,200
West Health Centre	12,300	15,075
West Market	38,290	22,445
Huruma Health Centre	4,550	2,710
Murgor Hill Dispensary	3,350	1,000
Maili Nne Slaughter Slab	4,410	
Turbo Market	9,230	48,560
Turbo Sub County Health Centre	13,400	24,250
Main Cash Office	5,611,980	5,905,192
Sugoi A Dispensary		1,000
Sugoi B dispensary		5,970
Kipkenyo Slaughter Slab		11,660
Sambut Health Centre		4,800
Wholesale Market		14,340
Betting Control		175,750
Main Market		27,600
CBD Turbo		9,820
MOIBEN SUB COUNTY		
Chembulet Dispensary	1,000	980
Chepkanga Slaughter Slab		1,400
Chepkanga Health Centre		4,950
Moiben Veterinary		800
UG District Hospital	11,360	
Merewet		
Kimumu Health Centre		1,950
Kimunu Market		9,120
Moiben Sub County Market		12,000
Total	**6,033,685**	**6,899,572**

22. ACCOUNTS RECEIVABLE - OUTSTANDING IMPRESTS

Description	2017 – 2018	2016 – 2017
	KShs	KShs
Government Imprests	5,413,207	14,194,110
Clearance accounts		
Total	**5,413,207**	**14,194,110**

Name of Officer or Institution	*Date Imprest Taken*	*Amount Taken*	*Amount Surrendered*	*Balance*
		KShs	*KShs*	*KShs*
Uasin Gishu County Executive				5,413,207
Total				**5,413,207**

23. ACCOUNTS PAYABLE

	2017 – 2018	2016 – 2017
	KShs	KShs
Deposits and retentions	73,388,181	85,398,738
Total	**73,388,181**	**85,398,738**

24. FUND BALANCE BROUGHT FORWARD

	2017 – 2018	2016 – 2017
	KShs	KShs
Bank accounts	947,843,844	648,784,837
Cash in hand	6,899,572	10,611,139
Accounts Receivables	14,194,110	13,479,270
Accounts Payables	(85,398,738)	(58,570,020)
Total	**883,538,788**	**614,305,226**

25. PRIOR YEAR ADJUSTMENTS

Description of the error	2017 – 2018	2016 – 2017
	KShs	KShs
Adjustments on bank account balances		
Adjustments on cash in hand		
Adjustments on payables	0	58,570,020
Adjustments on receivables		
Others (*specify*)		
Total		**58,570,020**

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

4.1.0 OTHER IMPORTANT DISCLOSURES

1. PENDING ACCOUNTS PAYABLE (See Annex 2)

	2017 – 2018	2016 – 2017
	KShs	KShs
Construction of buildings	0	0
Construction of civil works	17,861,358	95,791,513
Supply of goods	103,523,632	32,827,525
Supply of services	77,812,231	93,602,743
Total	**199,197,221**	**222,221,781**

2. PENDING STAFF PAYABLES (See Annex 3)

	2017 – 2018	2016 – 2017
	KShs	KShs
Senior management	0	0
Middle management	0	0
Unionisable employees	0	43,914,886
Others (*specify*)	0	0
Total	**0**	**43,914,886**

3. OTHER PENDING PAYABLES (See Annex 4)

	2017 – 2018	2016 – 2017
	KShs	KShs
Amounts due to National Government entities- H- Court	500,000	0
Amounts due to County Government entities	0	0
Amounts due to third parties-Laptrust actuarial deficit	44,500,000	44,500,828
Resolution Health	49,620,434	0
Others Luptrust –Deducton Arrears	24,793,979	0
Total	**119,414,413**	**44,500,828**

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 Government:

- Key management personnel that include the Governor, the Deputy Governor Members of the County Assembly, CECs and Chief Officers for various County Ministries and Departments;
- County Ministries and Departments;
- The National Government;
- Other County Governments; and
- State Corporations and Semi-Autonomous Government Agencies.

Related party transactions

	2017- 2018	2017- 2016
	Kshs	Kshs
Key Management Compensation(Governors, CEC Members and C.Os)		
Transfers to related parties		
Transfer to the County Assembly	617,651,104	494,130,449
Transfers to other County Government Entities	396,014,919	248,694,000
Transfers to Development Projects		
Transfers to non-reporting entities e.g schools and welfare		
Transfers to County Water Service Providers		
Expenses paid on behalf of County Water Service Providers		
Total Transfers to related parties	**1,013,666,023**	**742,824,449**
Transfers from related parties		
Transfers from the Exchequer		
Transfers from MDAs		
Transfers from SCs and SAGAs- National Government		
(Insert any other transfers received)		
Total Transfers from related parties		

5. ESTABLISHMENT OF OTHER COUNTY GOVERNMENT ENTITIES

The PFM Act, 2012 section 182 enables the County Government to establish and resolve County Corporations/ entities. For purposes of follow up on financial reporting, audit and disclosure, outlined below is a list of entities established by the County Government since inception.

Entity	Date Established	Location	Accounting Officer responsible
Emergency Fund Account	22/1/2016	County HQ	Chief officer Finance
Education Bursary Fund	20/1/2016	County HQ	Chief officer education culture and social services
Car And Mortgage Account	6/10/2015	County HQ	Chief officer Finance
Technical Vocational And Education Training Fund	20/1/2016	County HQ	Chief officer youth and sports
Alcoholic Fund	6/5/2014	County HQ	Chief officer health
Enterprise Development Fund	26/1/2016	County HQ	Director Enterprise development fund

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.

CEC, County Treasury

Sign.....

Date.....

ANNEXES

ANNEX 1 – ANALYSIS OF TRANSFERS FROM THE EXCHEQUER

Period	Equitable Share	Danida	Village Polytechnic	Health Sector Support Project (Hssp)	User Fee	Total Transfers From The National Treasury
	KSHS	KSHS	KSHS	KSHS	KSHS	KSHS
Exchequer Releases for quarter 1	869,116,093	-	-			869,116,093
Exchequer Releases for quarter 2	1,383,944,968	-	-			1,383,944,968
Exchequer Releases for quarter 3	1,287,264,915	14,987,172		25,591,703	11,090,534	1,338,934,324
Exchequer Releases for quarter 4	2,803,053,014		26,604,457		11,090,534	2,840,748,005
Total	**6,343,378,990**	**14,987,172**	**26,604,457**	**25,591,703**	**22,181,068**	**6,432,743,390**

ANNEX 2 – ANALYSIS OF PENDING ACCOUNTS PAYABLE

Supplier of Goods or Services	Original Amount	Date Contracted	Amount Paid To-Date	Outstanding Balance 2017/2018	Outstanding Balance 2016/2017	Comments
	A	B	c	d=a-c		
Construction of buildings				310,000		
1. Youth & Sports						
2.						
3.						
Sub-Total				**310,000**		
Construction of civil works						
4. Roads Department				17,791,358		
5. Youth & Sports				70,000		
Sub-Total				**17,861,358**	**95,791,513.20**	
Supply of goods						
6. Health Department				43,640,835		
7. Roads Department				34,247,115		
8. Agriculture, Livestock,& Fisheries				22,438,442		
9. Education				533,390		
10. Youth & Sports				647,299		
11. Administration & Devolution				688,455		
12. Public Service Management				328,620		
13. Governors				87,000		
14. County Public Service Board				807,478		
15. Lands				104,999		
Sub-Total				**103,523,632**	**32,827,525.27**	
Supply of services						

Supplier of Goods or Services	Original Amount	Date Contracted	Amount Paid To-Date	Outstanding Balance 2017/2018	Outstanding Balance 2016/2017	Comments
16. Health Services				2,421,640		
17. Agriculture, Livestock & Fisheries				10,598,220		
18. Education				2,989,621		
19. Youth & Sports				629,815		
20. Roads Department				14,785,442		
21. Administration & Devolution				2,229,394		
22. Public Service Management				19,137,262		
23. Governor's Office				18,151,096		
24. County Public Service Board				1,085,108		
25. Planning & Budget				5,215,300		
26. ICT Department				447,586		
27. Trade				121,746		
Sub-Total				**77,812,231**	**93,602,742.96**	
Grand Total				**199,197,221**	**222,221,781.43**	

ANNEX 3 – ANALYSIS OF PENDING STAFF PAYABLES

Name of Staff	Job Group	Original Amount	Date Payable Contracted	Amount Paid To-Date	Outstanding Balance 2017/2018	Outstanding Balance 2016/2017	Comments
		a	b	c	d=a-c		
Senior Management							
1.							
2.							
3.							
Sub-Total							
Middle Management							
4.							
5.							
6.							
Sub-Total							
Unionisable Employees							
7.							
8.							
9.							
Sub-Total					-	43,914,885.53	
Others (*specify*)							
10.							
11.							
12.							
Sub-Total							
Grand Total						43,914,885.53	

ANNEX 4 – ANALYSIS OF OTHER PENDING PAYABLES

Name	Brief Transaction Description	Original Amount	Date Payable Contracted	Amount Paid To-Date	Outstanding Balance 2017/2018	Outstanding Balance 2016/2017	Comments
		a	b	c	d=a-c		
Amounts due to National Govt Entities							
1. High Court of Kenya					500,000		
2.							
3.							
Sub-Total							
Amounts due to County Govt Entities							
4.							
5.							
6.							
Sub-Total							
Amounts due to Third Parties							
7. Resolution Health	Staff medical				49,620,434	-	
8. LAPTRUST	Additional Deficit				44,500,000	44,500,000	
9. LAPTRUST					24,793,979	24,793,979	
Sub-Total					**118,914,413**	**69,293,979**	
Others (*specify*)							
10.							
11.							
12.							
Sub-Total							
Grand Total					**119,414,413**	**69,293,979**	

ANNEX 5 – SUMMARY OF FIXED ASSET REGISTER

Asset class	Historical Cost b/f (KShs) 2016/2017	(KShs) 2017/2018	Disposals during the year (KShs)	Historical Cost c/f (KShs) 2017/2018
Land	65,306,690	13,865,000		79,171,690
Buildings and structures	3,057,435,505	879,724,790		3,937,160,295
Transport equipment	226,612,104	39,916,900		266,529,004
Office equipment, furniture and fittings	88,436,541	5,259,276		93,695,817
ICT Equipment, Software and Other ICT Assets	61,573,855	6,382,195		67,956,050
Other Machinery and Equipment	2,209,121,850	220,243,056		2,429,364,906
Heritage and cultural assets	299,355,422	62,236,110		361,591,532
Intangible assets	139,458,232	1,292,000		140,750,232
Total	**6,147,300,199**	**1,228,919,327**		**7,362,219,526**

NB:
Included in the assets procured in the year are community/public assets worth Kshs1,019,218,741 captured in the summary of Fixed Asset Register 2017/2018 acquisition as buildings and structures roads, heritage and cultural assets plus the rehabilitation of equipment.

ANNEX 6 – INTER-ENTITY TRANSFERS

Ref	Entity	Quarter 1	Quarter 2	Quarter 3	Quarter 4	Amount transferred	Total Amount Confirmed as received	difference	explanation
		KShs	KShs	KShs	KShs	KShs	KShs	KShs	
1	County Assembly	27,560,801	156,040,766	190,499,062	243,550,475	617,651,104	617,651,104	-	
2	Mortgage and Car Loans fund	-	-	-	5,000,000	5,000,000	5,000,000		
3	Emergency Fund a/c	-	-	-	15,000,000	15,000,000	15,000,000	-	
4	Enterprise Development Fund	-	-	-	231,014,919	231,014,919	231,014,919	-	
5	Education Revolving Fund	-	-	-	50,000,000	50,000,000	50,000,000	-	
6	Bursary & skills Development Fund	-	-	-	95,000,0000	95,000,000	95,000,000	-	
9	**Total**	27,560,801	156,040,766	190,499,062	639,565,394	1,013,666,023	1,013,666,023		

Director of Finance
County Executive

Director of Finance
County Assembly/fund/project

(NB: This appendix must be agreed and signed by the issuing and receiving party)

ANNEX 6 – BANK RECONCILIATION/FO 30 REPORT

(Attach FO 30 Reports from IFMIS)