REPUBLIC OF KENYA

OFFICE OF THE AUDITOR-GENERAL

Enhancing Accountability

REPORT

OF

THE AUDITOR-GENERAL

ON

COUNTY EXECUTIVE OF UASIN GISHU

FOR THE YEAR ENDED 30 JUNE, 2019

UASIN GISHU COUNTY EXECUTIVE

REPORTS AND FINANCIAL STATEMENTS

FOR THE FINANCIAL YEAR ENDED

30TH JUNE, 2019

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

TABLE OF CONTENTS

TABLE OF CONTENTS i
1. KEY ENTITY INFORMATION AND MANAGEMENT ii
2. FORWARD BY THE COUNTY EXECUTIVE COMMITTEE MEMBER ix
3. REPORT OF THE INDEPENDENT AUDITORS ON UASIN GISHU COUNTY EXECUTIVE xiv
4. FINANCIAL STATEMENTS 1
4.1. STATEMENT OF RECEIPTS AND PAYMENTS FOR THE YEAR ENDED 30TH JUNE 2019 1
4.2. STATEMENT OF ASSETS AND LIABILITIES AS AT 30TH JUNE 2019 2
4.3. STATEMENT OF CASH FLOWS FOR THE YEAR ENDED 30TH JUNE 2019 3
4.4. SUMMARY STATEMENT OF APPROPRIATION: RECURRENT AND DEVELOPMENT COMBINED 4
4.5. SUMMARY STATEMENT OF APPROPRIATION: RECURRENT 6
4.6. SUMMARY STATEMENT OF APPROPRIATION: DEVELOPMENT 8
4.7. BUDGET EXECUTION BY PROGRAMMES AND SUB-PROGRAMMES 10
4.8. SIGNIFICANT ACCOUNTING POLICIES 18
4.9. NOTES TO THE FINANCIAL STATEMENTS 26
4.10. OTHER IMPORTANT DISCLOSURES 42
5. PROGRESS ON FOLLOW UP OF AUDITOR RECOMMENDATIONS 45
ANNEXES 47
ANNEX 1 – ANALYSIS OF TRANSFERS FROM THE EXCHEQUER 47
ANNEX 2 – ANALYSIS OF PENDING ACCOUNTS PAYABLE 48
ANNEX 3 – ANALYSIS OF PENDING STAFF PAYABLES 49
ANNEX 4 – ANALYSIS OF OTHER PENDING PAYABLES 50
ANNEX 5 – SUMMARY OF FIXED ASSET REGISTER 52
ANNEX 6 – INTER-ENTITY TRANSFERS 53
ANNEX 6 – BANK RECONCILIATION/FO 30 REPORT 54

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.
Mr. Barnabas. 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
CPA. Julius K. Rutto.	Currently the county executive committee member for finance and economic planning. A Bachelor of Finance and Banking 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-Uasin Gishu and a champion for women and youth empowerment.
Mrs. 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 td) • 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.
Mrs. 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, and 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.
Mrs. 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
Mr. 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).
Mr. Joseph K. Kurgat.	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 dousing, 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 organizations 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 Engineering. • Lecturer - Moi University, Civil and Structural Engineering. • Chief Officer — Roads, Transport and Public Works, Uasin Gishu ounty. • Chief Officer — Lands, Housing and Physical Planning, Uasin Gishu County. • He is a Member, Board of Directors of Eldoret Water and Sanitation Company an ELDOWAS.
Mr. 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 Sub county and Vice Chairman Nandi County Heads Association

c) Fiduciary Management

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

1	Chief Officer – Finance	Mr Peter Chesos
2	Chief Officer- Economic Planning	Ms. Millicent Okonjo
3	Chief Officer- Public Service Management	Mrs. Ann Koech
4	Chief Officer- ICT and E-Government	Mr. John Kemboi
5	Chief Officer- Trade, Tourism, Wildlife and Industrialisation	Mr. Simeon Tanui
6	Ag Chief Officer- Health Services	Mr. Gregory Ondieki
7	Chief Officer- Environment, Energy, Water and Natural Resources	Mr. Simon K. Kemei
8	Chief Officer- Roads ,Transport and Public Works	Mr. Barnabas Too
9	Chief Officer- Agriculture ,livestock and Fisheries-	Mr. Julius K Rotich
10	Chief Officer- Lands and Housing	Mrs. Ruth Rop
11	Chief Officer- Education and Culture	Mrs. Jane Njuguna
12	Chief Officer- Youth Affairs & Sports	Mr. Joseph Maritim
13	Ag Chief Officer – Devolution and Administration	Mr. Wilson Sawe
14	Chief Officer-Physical Planning and Urban Development	Mr. Kenneth Mbeka
15	Chief Officer –Livestock and Fisheries	Mrs. Victoria Chepkirui

d) Fiduciary Oversight Arrangements

a) Economic Planning Committee of the County Assembly

Provides oversight role and operation of the Finance and Economic Planning Department

b) Budget and Appropriation Committee

i) Examine Annual and Supplementary Budget Estimates of expenditures presented to the house.

ii) Provide oversight on the presentation and implementation of the budget

c) Public Accounts and Investment Committee

i) Increase Public confidence in the credibility of the Government institution through providing over sight role on financial performance.

ii) To examine the reports and accounts on the public investments.

d) Entity Headquarters

Uasin Gishu County Executive
P.O. Box 40-30100
County Hall Building
Uganda Road
ELDORET, KENYA

e) Entity Contacts

Telephone: (254) -053-2016215
-053-2016125
-053-2016000
E-mail: Website: info@uasingishu.go.ke
Website: www.uasingishu.go.ke

f) Entity Bankers

1. Central Bank of Kenya
   Haile Selassie Avenue
   P.O. Box 60000
   City Square 00200
   Nairobi.
2. Kenya Commercial Bank
   P.O. Box 560-30100
   Eldoret.
3. SBM Bank (k) Ltd
   P.O Box 2926-30100
   Eldoret.
4. Family Bank Ltd
   P.O Box 629-30100
   Eldoret.
5. Equity Bank Ltd
   P.O Box 2201
   Eldoret.
6. National Bank of Kenya
   P.O Box 3111
   Eldoret
7. Cooperative Bank of Kenya
   PO Box 2948
   Eldoret.
8. Paramount Bank Ltd
   Po Box 4362,
   Eldoret.
9. Spire Bank Ltd
   Po Box 52467,
   Nairobi.

a) Independent Auditors

Office of the Auditor General

Anniversary Towers, University Way

P.O. Box 30084, G PO 00100

Nairobi, Kenya

b) Principal Legal Adviser

The County Attorney,
County Hall Office,
P.O. Box 40,
Eldoret, Kenya

2. FORWARD BY THE COUNTY EXECUTIVE COMMITTEE MEMBER

Pursuant to section 163 of public finance management Act 2012, the accounting officer for a county government entity shall prepare financial statements in respect of the entity in formats prescribed by the Accounting Standards Board. The law requires that these statements are submitted to the Auditor General, the National Treasury Controller of Budget and Commission for Revenue Allocation not later than 30th September of every year. The attached financial statements have been prepared in line with requirements of PFMA 2012 and present a true and fair view of the state of affairs of the county government of Uasin Gishu for the twelve months ending 30th June 2019.

Summary of Total Sharable Revenue Donor Funds and Conditional Allocation for The Year

Source of Funds	Amount (Kshs)
Equitable Share	5,934,600,000
Road Fuel levy	156,252,849
Maternal Health Care Fee	20,813,065
HSSF Danida-Universal Health Care	27,379,194
World Bank Transforming Health Systems	38,716,725
World Bank KDSP Level 2 Funding	102,342,917
EU Grants IDAS	48,775,296
Rehabilitation of Village Polytechnics	25,103,750
World Bank KUSP	671,347,800
Kenya Climate Smart Agriculture Project(KCSAP)	40,941,086
Agriculture Sector Development Support Project (ASDSP)	6,915,644
TOTAL	**7,073,188,326**

During the period under review, the county Government managed to collect local revenue amounting to Ksh,905,013,969 against budgeted amount of Ksh,1,200,000,000 representing a under collection of Ksh,294,653,988.05 approximately 24.5% in local revenue. However, this was an increase in revenue collection by 11.4 per cent Ksh, 103,473,846) compared to a similar period last year (2017/18). The increase can be attributed to automation of street parking collections, staff trainings and motivation, management support and involvement of all county staff in revenue collection matters, improved mobility and provision of tools and equipment, enhanced surveillance and supervision in all revenue collection points; citizen sensitization on importance of paying county taxes and decentralization of revenue collection to ward level.

During the year the county government disposed transport equipment, office equipment and machinery and equipment receiving to a total of Ksh, 13,621,400.

The most improved revenue streams were Building plans fees that increased by 10 per cent compared to previous period (Ksh,8,364,562 in FY 2017/18 to Ksh,17,315,821 in FY 2 018/19), Street Parking fees by 60 per cent (Ksh,66,992,665 in FY 2017/2018 to Ksh,107,155,101 in the FY 2018/2019), Enclosed Bus parks fees by 14 per cent (Ksh,98,139,158 in 2017/18 to Ksh,111,781,132 in FY 2018/19), Land Rates by 14 per cent (Ksh,105,523,394 in 2017/18 to Ksh,120,079,414.92 in FY 2018/19), and Quarry cess also had an 81 per cent increase in FY 2018/19.

Due to Enhanced supervision and surveillance Clamping/impounding charges and Motorbike fees increased by 90 per cent and 79 per cent respectively. The table below represent an analysis of revenue performance during the FY 2018/19.

Revenue Classification	Revenue Budget Kshs	Actual Kshs	Realization %
Equitable share	5,934,600,000	5,934,600,000	100%
Own Generated Revenue	1,200,000,000	905,013,969	75%
Sale of Assets	-	13,621,400	
Conditional allocations	1,290,427,546	1,138,588,324	88%
Unspent Funds b/f	1,533,036,031	1,368,773,711	89%
Total	9,958,063,577	9,360,597,404	94%

The above budget includes county assembly budget of Ksh,772,771,448 consisting Ksh,671,972,798, as recurrent and ksh,100,798,650, development out of which Ksh,671,479,866 was transferred to the assembly during the year.

The total expenditure for the year amounted to Ksh,6,901,068,231 out of which Ksh,1,719,585,605 was utilised on development expenditure and Ksh,5,181,482,626 was used on recurrent expenditure. This represents and absorption rate of 92% and 42% for recurrent expenditure and development expenditure respectively.

The county government implemented automation of Procurement function through IFMIS and other cost measures functions like uploading of tender documents, awarded tenders to our County website and public procurement information portal. Procurement department is in the

process of developing a procurement standard operating procedure by utilizing a consultancy services.

In the period under review, the county government marked major milestones towards service delivery. Majority of programmes/projects targets were met despite various challenges. Similarly, the report shows that departments continued to receive an increased budget allocation towards implementation of county projects as identified in the county integrated development plan (CIDP). The gains made were expected to improve living standards of the residents upon completion.

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.

I therefore take this opportunity to thank His Excellency the Governor, His Excellency the Deputy Governor and the County Executive Committee Members for their exemplary leadership during the preparation of this report. Appreciation also goes to Chief Officers, Directors and accounting staff working under various departments and agencies for their contribution in providing information that led to the successful compilation of this report. Special thanks to the Financial Reporting Unit for their time and sacrifice in preparing this report.

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

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 the County Government's financial statements, which give a true and fair view of the state of affairs of the County Government for and as at the end of the financial year ended on June 30, 2019. This responsibility includes: (i) maintaining adequate financial management arrangements and ensuring that these continue to be effective throughout the reporting period; (ii) maintaining proper accounting records, which disclose with reasonable accuracy at any time the financial position of the County Government; (iii) designing, implementing and maintaining internal controls relevant to the preparation and fair presentation of the financial statements, and ensuring that they are free from material misstatements, whether due to error or fraud; (iv) safeguarding the assets of the County Government; (v) selecting and applying appropriate accounting policies; and (vi) making accounting estimates that are reasonable in the circumstances.

The CEC member for finance accepts responsibility for the County Government's financial statements, which have been prepared on the Cash Basis Method of Financial Reporting, using appropriate accounting policies in accordance with International Public Sector Accounting Standards (IPSAS). The CEC member for finance is of the opinion that the County Government's financial statements give a true and fair view of the state of the County Government's transactions during the financial year ended June 30, 2019, and of its financial position as at that date. The CEC member for finance further confirms the completeness of the accounting records maintained for the County Government which have been relied upon in the preparation of the its financial statements as well as the adequacy of the systems of internal financial control.

The CEC member for finance confirms that the County Government has complied fully with applicable Government Regulations and the terms of external financing covenants (where

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

Approval of the financial statements

The County Government's financial statements were approved and signed by the CEC member for finance on _____ 2019.

County Executive Committee Member – Finance & Economic planning

REPUBLIC OF KENYA

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NAIROBI

REPORT OF THE AUDITOR-GENERAL ON COUNTY EXECUTIVE OF UASIN GISHU FOR THE YEAR ENDED 30 JUNE, 2019

REPORT ON THE FINANCIAL STATEMENTS

Qualified Opinion

I have audited the accompanying financial statements of Uasin Gishu County Executive set out on pages 1 to 46, which comprise the statement of assets and liabilities as at 30 June, 2019, statement of receipts and payments, statement of cash flows and summary statement of appropriation: recurrent and development combined for the year then ended, and a summary of significant accounting policies and other explanatory information in accordance with the provisions of Article 229 of the Constitution of Kenya and Section 35 of the Public Audit Act, 2015. I have obtained all the information and explanations which, to the best of my knowledge and belief, were necessary for the purpose of the audit.

In my opinion, except for the effects of the matters described in the Basis for Qualified Opinion section of my report, the financial statements present fairly, in all material respects, the financial position of the County Executive of Uasin Gishu as at 30 June, 2019, and of its financial performance and its cash flows for the year then ended, in accordance with International Public Sector Accounting Standards (Cash Basis) and comply with the Public Finance Management Act, 2012 and the County Governments Act,2012.

Basis for Qualified Opinion

1. Unsupported Other Miscellaneous Receipts

The statement of receipts and payments reflects county own-generated revenue totalling Kshs.905,013,969, as further disclosed in Note 9 to the financial statements. The balance includes other miscellaneous receipts totalling Kshs.1,341,854 being direct bank deposits that have, however, not been assigned to any revenue stream.

In the circumstance, the accuracy and completeness of the County own-generated revenue balance totalling Kshs.905,013,969 reflected in the statement of receipts and payments has not been confirmed.

2. Other Grants and Transfers

The statement of receipts and payments reflects other grants and transfers totalling Kshs.77,430,178, as further disclosed in Note 15 to the financial statements. Included in the balance are transfers totalling Kshs.48,192,202 being capital grants paid to various

dispensaries in the County. The grants include receipts of Universal Health Care in the Devolved System Program funded by the Danish International Development Agency (DANIDA) at Kshs.27,379,194 against Kshs.19,136,250 budgeted for the year. There was no explanation provided for the excess funding amounting to Kshs.8,242,944.

3. Unconfirmed Assets

The summary of fixed assets register reflected in Annex 5 to the financial statements reflects cumulative assets with a value of Kshs.9,095,805,131 as at 30 June, 2019. As similarly reported in the previous year, the balance excludes assets taken over from defunct local authorities in the County in 2013. The assets included land, buildings, motor vehicles, computers and other office equipment all of which are not included in the County Executive's fixed assets register as at 30 June, 2019. Management has explained that the assets have been verified, validated and forwarded to the Intergovernmental Relations Technical Committee (IGRTC) and Intergovernmental Budget and Economic Council (IBEC) for guidance and direction. However, the process has, reportedly, not been finalized for the assets to be included in the County Executive's assets register.

In the absence of information on the inherited assets, the accuracy and completeness of the summary of fixed assets register balance of Kshs.9,095,805,131 has not been confirmed.

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

Key Audit Matters

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

Other Matter

1. Budgetary Control and Performance

The summary statement of appropriation: recurrent and development combined reflects a final expenditure budget amounting to Kshs.10,082,660,780 and actual expenditure of Kshs.6,901,068,231 resulting in under-absorption of Kshs.3,181,592,549 or 32% of the budget. The under-absorption was more severe under the development vote as Kshs.2,746,086,837 or 59% of the budget was not spent. In addition, county own-generated receipts totalling Kshs.905,013,969 were received through various revenue streams but fell short of the budgeted sum amounting to Kshs.1,200,000,000 by Kshs.294,986,031 or 25%. Further, actual revenue receipts during the year totaled

Kshs.9,360,597,404 out of which Kshs.6,901,068,231 were spent during the year. As a result, Kshs.2,459,529,173 or 26% of the receipts for the year were not utilized.

The under-absorption of the budget on development and failure to spend 26% of the revenue collected during the year meant that some projects and activities planned for execution during the year were not implemented. As a result, the residents of Uasin Gishu County did not receive all the services due from the County Executive.

2. Delay in Disbursement of Exchequer Releases

The statement of receipts and payments reflects exchequer releases totalling Kshs.6,868,160,180 as further disclosed in Note 1 to the financial statements. However, Management reported that the equitable share of Kshs.949,536,000 and donor funds totalling Kshs.143,542,917 all totalling Kshs.1,093,078,917 were only received into the County Revenue Fund bank account from the National Treasury in July, 2019 after the end of the financial year under review. The delayed remittance of the budgeted funds contravened Section 4(2)(a) and (b) of the County Allocation of Revenue Act, 2018. The Act requires transfers of County Government allocations to be made as scheduled by the Senate and published in the gazette by the Cabinet Secretary as provided for in Section 17 of the Act; and without undue delay or deduction, unless stopped under Article 225 of the Constitution.

The delayed receipt of the exchequer releases in turn delayed implementation of the County Executive's projects and activities for the year under review. As a result, the residents of Uasin Gishu County did not receive all the goods and services planned for their use during the year.

3. Accumulation of Pending Bills

Annex 2 and 4 to the financial statements reflect trade creditors amounting to Kshs.129,314,181 and unremitted staff statutory deductions amounting to Kshs.152,199, 562 all totalling Kshs.281,513,743. Management has not indicated in the Notes to the financial statements why the debts were not paid in due time. Further, accumulation of pending bills is contrary to Treasury Circular Ref AG 3/101/75 which requires Accounting Officers to establish effective financial controls and maintain financial discipline for efficient use of resources.

REPORT ON LAWFULNESS AND EFFECTIVENESS IN USE OF PUBLIC RESOURCES

Conclusion

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

Basis for Conclusion

1. Delay in Project Implementation

Fifty-four (54) projects with contract values totalling Kshs.1,359,994,591 were sampled and verified during the audit in October, 2019. Expenditures on the projects amounted to Kshs.681,929,168 as at 30 June, 2019 as shown in the attached Appendix I.

Thirty-nine (39) of the projects worth Kshs.460,610,825 were complete, six (6) projects contracted at Kshs.522,630,226 were ongoing whereas nine (9) projects costing Kshs.372,710,916, out of which Kshs.79,577,498 or approximately 21% had been paid to the respective contractors, had stalled. Management did not provide plausible explanations as to why the project works stalled or disclose the actions it had taken to revive and complete them.

With the projects having stalled, no value has been received on funds totalling Kshs.79,577,498 invested therein and further, the services the projects were expected to provide to the residents of Uasin Gishu County have not been realized.

2. Low Absorption of Donor Funds and Foreign Grants

The statement of receipts and payments reflects exchequer releases totalling Kshs.6,868,160,180 which include donor funds amounting to Kshs.933,560,180 as disclosed in Note 1(C) to the financial statements.

At the end of the previous financial year on 30 June, 2018, the County Executive had unutilized donor funds totalling Kshs.46,962,980 which were thereafter brought forward to the year under review. Therefore, the aggregate donor funds available for use during the year amounted to Kshs.1,065,044,363 as shown in the attached Appendix II.

Further, donor funds totalling Kshs.933,560180 received during the year under review included Danish International Development Agency(DANIDA) and European Union (EU) grant and Kenya Devolution Support Programme (KDSP) Level II receipts totalling Kshs.114,361,157 which were, however, not included in the County Executive's approved budget for the year. Therefore, the funds were received and spent contrary to provisions on receipt of grants by County Governments prescribed in Section 138(4) of Public Finance Management Act, 2012, as well as in Section 72(7) of Public Finance Management (County Governments) Regulations, 2015.

Payments made during the year amounted to Kshs.106,031,790 only or approximately 10% of the funds available and therefore the unused donor funds as at 30 June 2019 amounted to Kshs.959,012,573.

Management blamed the failure to absorb Kshs.959,012,573 (90%) of the exchequer releases on delays in donor funds disbursements and procurement of goods and services. However, no evidence was presented for audit review to show that the delays were unavoidable.

In view of the low absorption of the budget, the objectives for which the funds were provided by the tax payers and development partners were not realized.

3. Unutilized Fuel Levy Funds

During the year under review, the County Executive was allocated Fuel Levy funds totalling Kshs.156,252,849 by the Kenya Roads Board (KRB) as disclosed under Note 8 to the financial statements. The allocation was meant for use in maintenance of approved road projects in the County. Examination of revenue records indicated that during the year under review, available fuel levy funds amounted to Kshs.388,941,688, comprising of fuel levy allocation for the year amounting to Kshs.156,252,849 and unspent fuel levy balances brought forward from the previous year totalling Kshs.232,688,839.

The records further indicated that expenditure incurred on maintenance of the approved roads during the year totaled Kshs.192,530,044 or 50% of the amount held by the County Executive. However, Management submitted the County Work Plan for the year ended 30 June, 2019 to KRB for approval on 11 March, 2019 even though the submission timeline set by the KRB was 30 September, 2018.The belated submission of the workplan caused delay in disbursement of fuel levy funds for the year and as a result, much of the County's workplan for roads for the year was not implemented.

No plausible explanation has been provided by Management for the delay in submitting the County workplan to the Kenya Roads Board.

4. Undelivered Leased Medical Equipment

According to the Memorandum of Understanding signed between Uasin Gishu County Government and the National Government on 24 February, 2015, Ziwa and Burnt Forest Sub-District Hospitals were to receive theatre and radiology equipment under the Leased Medical Equipment Programme initiated by the latter.

However, as reported in the previous year, examination of delivery records and physical verification done in October, 2018 revealed that no theatre and radiology equipment was supplied to the two Hospitals. Available correspondence indicate that theatre equipment initially allocated to Ziwa were issued to Moi Teaching and Referral Hospital (MTRH).

These anomalies are yet to be explained or resolved.

5.0 County Own-Generated Receipts

5.1. Approval of Finance Bill 2018

Section 133 of the Public Finance Management Act, 2012 requires the County Assembly to consider and approve the Finance Bill not later than ninety days after passing the Appropriation Bill for the year. However, in the year under review, Management did not present the approved 2018 County Finance Bill for audit review and as a result, it was not possible to confirm whether the Bill was passed by the County Assembly.

5.2. Lack of Water Resources Authority (WRA) Permit

Available records indicated that during the year under review, Management collected revenue totalling Kshs.598,860 from sale of water. Section 36 of the Water Act, 2016 states that a permit is required for one to use water from a prescribed water resource. However, the permits, if any, issued to the County Executive by the Water Resources Authority, were not availed for audit.

In the absence of relevant evidence, it was not possible to confirm whether the water sold by the County Executive of Uasin Gishu was drawn in accordance with the law.

6. Compensation of Employees

6.1. Excessive Wage Bill

Examination of expenditure records indicated that during the year under review, the County Executive spent Kshs.3,027,702,703 or 38% of its revenue for the year totalling Kshs.7,992,213,636 on compensation of employees. The expenditure exceeded the ratio of 35% of revenue prescribed in Section 25(1) of the Public Finance Management (County Governments) Regulations, 2015.

No plausible explanation has been provided by Management for the failure to adhere to the legal threshold for personnel emoluments expenditure.

6.2. Irregular Net Pay

Examination of the County payroll disclosed instances whereby net salaries received by employees of the County Executive were less than a third of their basic salary after tax pay. This was after Management allowed excessive non-statutory deductions to be made on their gross salaries. This is contrary to Section 3 of Employment Act, 2007 (First Schedule) that prohibits payment of wages that are less than one-third of those earned. The deductions were, therefore, contrary to Law and exposed the employees to the risk of pecuniary embarrassment.

No plausible explanation has been provided by Management for the irregularity.

6.3. Irregular Staff Establishment

Review of personnel records revealed that as at 30 June, 2019, the County Government had three thousand one hundred and sixty-four (3,164) employees out of whom two thousand four hundred and sixty-four (2,464) or approximately 79% were from the dominant community in the County. Further, during the year under review, the County Public Service Board recruited three hundred and fifty-four (354) new staff members out of whom three hundred and thirty-one (331) or approximately 94% were from the dominant community in the County. Management, therefore acted 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 30% of the vacant posts at entry level are filled by candidates who are not from the dominant ethnic community in the County.

Consequently, staffing at the County Executive does not comply with the law on national cohesion.

7.0. Construction of Buildings

During the year under review the County Executive spent Kshs.1,719,585,605 on acquisition of assets as disclosed in the statement of receipts and payments for the year and Note 17 to the financial statements. However, examination of payment records and audit verification revealed the following unsatisfactory observations in regard to the said expenditure:

7.1. Delay in Construction of Buildings

Expenditures totalling Kshs.217,852,521 incurred on construction of buildings include Kshs.58,880,563 paid in respect of various projects during the year. This was in addition to payments totalling Kshs.73,209,067 made on the projects in the previous year. As a result, the expenditure on the projects totalled Kshs.132,089,630 as at 30 June, 2019. However, as summarized in the attached appendix III, the projects were incomplete, having either stalled or ran behind their planned completion schedules.

Further, as at 30 June, 2019, expired project performance bonds were not renewed even though payments for the insurance premiums continued unabated.

Management has indicated that most of the projects stalled due to court cases and capacity challenges faced by contractors. Others were terminated and thereafter retendered. However, no evidence has been presented to confirm these assertions.

As it were, no value was obtained on funds totalling Kshs.132,089,630 invested in the incomplete projects. This and other anomalies showed imprudent use of resources by Management contrary to Section 153{(1)(b) of the Public Finance Management Act, 2012.

7.2 Delay in Construction of Milk Coolers

Examination of expenditure records indicated that during the year under review, the County Executive made payments totalling Kshs.17,584,597 to various contractors for construction of milk cooling plants. Similar payments made in the previous year totaled Kshs.169,485,424 and therefore aggregate expenditures incurred on the plants as at 30 June, 2019 amounted to Kshs.187,070,021. The works were contracted after the Ministry of Agriculture, Livestock and Fisheries undertook to supply milk coolers to all Counties. The recipient County Governments were to construct the buildings to house the milk coolers and install electricity.

Available information indicates that construction of thirteen (13) milk cooling plants contracted at Kshs.63,456,565 and for which payments totalling Kshs.40,880,353 were

made had stalled. The contracts were thereafter terminated and tenders for the works re-advertised in October, 2019.

In addition, the building of eighteen (18) milk cooling plants was contracted to various parties at an aggregate cost of Kshs.89,159,298. Payments made to the contractors as at 30 June, 2019 totaled Kshs.66,864,577 but the works had not been completed, more than three (3) years after the contracts were signed. For this reason, the milk coolers supplied by the National Government for the plants have not been put to use.

No plausible explanations have been provided by Management for these anomalies.

In view of the delays in completion or commissioning of the milk plant projects, their purpose has not been achieved. In addition, no value for money has been obtained on the expenditure totalling Kshs.187,070,021 already incurred.

The investments in these projects therefore have not been managed in a prudent way as required of Management in Section 153(1)(b) of the Public Finance Management Act, 2012.

7.3 Delayed Installation of Electricity to Milk Coolers

Other records examined indicated that Kshs.2,261,942 was paid to Kenya Power and Lighting Company to provide Three-Phase power connection for use in three milk cooling plants. In the previous financial year, payments made for the purpose amounted to Kshs.8,934,874 and therefore total payments made to the Company as at 30 June, 2019 amounted to Kshs.11,196,816 equivalent to 52% of the contracted sum amounting to Kshs.21,532,338.

Other records indicated that Management contracted the Company during the year ended 30 June, 2018 to install electricity in twenty-five (25) milk cooling plants at a contract sum of Kshs.21,649,096. Eleven (11) milk cooling plants had the electricity supply installed leaving a balance of fourteen (14). Management has not disclosed the actions it has taken to ensure that all the contracts are completed.

As mentioned previously, the delays in completion of the projects have denied the residents of Uasin Gishu County use of goods and services provided for their use.

8. Payments and Bank Reconciliations Statements Not Done Through the Integrated Financial Management Information System (IFMIS)

The statement of receipts and payments reflects payments totalling Kshs.6,901,068,231. out of which payments amounting to Kshs.6,846,976,986 were made through the Integrated Financial Management Information System (IFMIS). However, the balance amounting to Kshs.47,559,440 was transacted outside IFMIS contrary to National Treasury Circular No.4/2018 dated 19 June, 2018. The Circular had prescribed that all expenditure for the 2018/2019 financial year budget be transacted through IFMIS.

Consequently, Management breached the directive issued by the National Treasury.

Similarly, monthly bank reconciliation statements for twenty-eight (28) bank accounts operated by the County Executive at the Central Bank of Kenya were done manually and not through IFMIS contrary to the National Treasury Circular.

Management did not provide any plausible explanation for the irregularities.

9. Long Outstanding Imprests

The statement of assets and liabilities as at 30 June, 2019 reflects accounts receivables-outstanding imprests totalling Kshs.3,590,645, as further disclosed under Note 22 to the financial statements. The outstanding imprests include Kshs.2,498,775 held by one officer since September, 2018. The imprest contravenes Section 93(5) of the Public Finance Management (County Governments) Regulations, 2015 which requires imprests to be surrendered within seven working days after the holder returns to the duty station. No plausible explanation has been provided by Management for the failure to recover the imprests.

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

REPORT ON EFFECTIVENESS OF INTERNAL CONTROLS, RISK MANAGEMENT AND GOVERNANCE

Conclusion

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

Basis for Conclusion

1. Outstanding Revenue Arrears

Examination of revenue records indicated that arrears on land rates, housing estates and sanitary facilities amounted to Kshs.2,599,633,247 as at 30 June, 2019. Management has not provided evidence of actions taken to collect the outstanding receipts and prevent recurrence in future.

Failure to collect all revenues due hampers implementation of budgets and therefore denies citizens goods and services they expect to receive. Further, it contravenes Section 63(1)(a)-(c) of the Public Financial Management (County Government) Regulations, 2015

which requires Accounting Officers and Receivers of Revenue to ensure that sufficient safeguards exist and are applied for prompt collection and proper accounting for revenue receipts.

2. Lack of Segregation of Duties

Management assigned the only one team of officers the roles of updating several cash books as well as preparing monthly bank reconciliation statements for the respective bank accounts.

In the circumstances, internal control over cash records was not sufficient. The control weakness has increased the risk of loss and mismanagement of public funds during the year.

3. Lack of Risk Management Policy

Section 158(1) of the Public Finance Management County Government Regulations, 2015 requires each County Government entity to develop risk management strategies and a system of risk management to help identify, improve and sustain efficient and effective management of public resources. However, there were no records to show that Management of Uasin Gishu County Executive had established a risk management policy.

As a result, it is doubtful whether the County Executive would be able to effectively respond to risks that may emerge in the course of its operations.

4. Unsupported Structure and Organization of the Revenue Department

Management did not present for audit approved staffing records that outline appropriate staff numbers, task allocations, coordination, and supervision and responsibilities of staff working in the Revenue Department. Further, during the year under review, the Department collected revenue from thirty-nine (39) revenue streams that fell under various Departments in the County Executive's organizational structure. However, there was no evidence showing that the officers responsible for revenue collection in the Departments worked under the supervision of the head of the Revenue Department for proper coordination and control of their activities.

Therefore, the revenue collection function in the County is not organized for secure, efficient and effective performance.

5. Untagged Fixed Assets

Section 149 (2)(o) of the Public Finance Management Act, 2012 requires Accounting Officers to establish adequate systems and processes to effectively manage entity assets. These should include plans to procure, account for, maintain, store and dispose the assets. In addition, Management is required to maintain an assets register that is current, accurate and available to the relevant County Treasury and the Auditor-General for review. However, inspection of assets of the County Executive revealed that, contrary

to the Law, except for information technology assets, all other assets of the County Executive of Uasin Gishu were not tagged to map critical information on their location and persons responsible for their custody.

In the circumstance, the system applied by Management to secure the assets of the County Executive does not comply with the law and puts the assets at risk of loss and misuse.

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

Responsibilities of Management and those charged with Governance

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

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

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

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

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

Auditor-General's Responsibilities for the Audit

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

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

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

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

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

- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for my opinion. The risk of not detecting a material misstatement resulting from

fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.

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

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

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

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

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

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

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

Nancy Gathungu
AUDITOR-GENERAL

Nairobi

16 December, 2020

Appendix I

Delay in Project Implementation

No.	Project	Contract Sum (Kshs')	Date of Advert	Amount Paid (Kshs.)	Delivery Status
1	Kimumu Bahati wholesale Market	173,461,708	12.04.19	-	On going
2	Maternity Ward at West health Centre	63,005,156	24.01.17	20,168,054	On-going
3	Huruma Reference Lab at Huruma Sub-County Hospital	19,999,105	19.04.19	1,193,610	On-going
4	Ngenyilel Vocational Training Centre	73,002,150	8.05.18	34,476,015	On-going
5	Word Offices Cluster Two-Racecourse/Kipkennyo/Kaptagat/Tembelio/Cheptiret/Ngenyilel/Sergoit-7 Wards	100,650,375	10.01.19	35,269,475	On-going
6	Ward offices cluster one-Soy/Kiplombe/Barsombe/Karuna/Kimumu/Kuinet-6 Wards	92,511,732	10.01.19	50,633,690	On-going
	Sub total	**522,630,226**		**141,740,844**	
7	Construction of Chagaiya High Altitude Training Camp	172,310,405	14.10.16	32,833,260	Stalled
8	Maternity block at Kapteldon Sub County Hospital	19,256,658	22.12.16	3,492,699	Stalled
9	Ziwa Sub-County hospital	93,476,582	10.04.15	3,584,850	Stalled
10	Construction of Kapseret Sub-County office	33,242,000	29.01.15	25,874,581	Stalled
11	Electric Fence at Chebororwa ATC	15,323,849	19.01.15	1,153,620	Stalled
12	Construction of fire station at Burnt Forest	5,991,353	18.03.16	1,598,200	Stalled
13	Construction of Kipkaren River Market	3,949,990	29.01.15	2,639,425	Stalled
14	Construction of milk cooler plant at Ainabkoi	14,273,993	2015/2016	2,970,584	Stalled
15	Construction of Milk Cooler Plants at Kilima and Muungano in Moi's Bridge	14,886,086	2015/2016	5,430,280	Stalled
	Sub Total	**372,710,916**		**79,577,499**	
	Grant Total	**1,359,994,591**		**681,929,168**	

Appendix II

Low Absorption of Donor Funds and Foreign Grants

Donor/Grant	Budgeted Amount Kshs.	Unspent Balances 30 June,2018 Kshs.	Amount Received During the year	Counterpart Funding Kshs.	Total available Funds as at 30 June, 2019 Kshs.	Total Payments as at 30 June, 2019 Kshs.	Balance as at 30 June, 2019 Kshs.	Utilization %
DANIDA	19,136,250	305,146	27,379,194	-	27,684,340	27,379,194	305,146	99
World Bank- (THS-UCP)	81,893,450	16,097,550	38,716,724	-	54,814,274	26,341,913	28,472,361	48
Kenya Devolution Support Program (KDSP) Level 2	-	-	102,342,917	-	102,342,917	-	102,342,917	-
Kenya Devolution Support Program (KDSP) Level 1	46,739,163	30,560,284	-	-	30,560,284	22,005,385	8,554,899	72
Youth Polytechnic Support Grant	33,250,000	-	25,103,750	-	25,103,750	-	25,103,750	-
Abolishment of User Fees	20,813,065	-	20,813,065	-	20,813,065	20,813,009	56	100
Kenya Urban Support Program (KUSP)	671,347,800	-	671,347,800	-	671,347,800	-	671,347,800	-
Agriculture Sector Development Support Project (ASDSP)	18,994,969	-	6,915,644	5,500,000	12,415,644	-	12,415,644	-
Kenya Climate Smart Agriculture Project (KCSAP)	117,000,000	-	40,941,086	2,100,000	43,041,086	9,492,289	33,548,797	22
EU Grant	45,000,000	-	48,775,296	28,145,907	76,921,203	-	76,921,203	-
EU Water Tower Protection	80,000,000	-	-	-	-	-	-	
Total	**1,134,174,697**	**46,962,980**	**982,335,476**	**35,745,907**	**1,065,044,363**	**106,031,790**	**959,012,573**	10

Appendix III

Delay in Construction of Buildings

No	Name of the Project	Contract Sum	Contract Signing Date	Contract Period	Level of Completion	Amount Paid 2018/19 FY	Total Payments as 30 June, 2019
		Kshs				Kshs	Kshs
1	Proposed Model sub-county Hospital Phase 1 - Ziwa Health Centre	93,476,582	26.06.15	Fifty-two (52) weeks	11%	6,304,926.30	9,853,776
2	Proposed Model sub-County Hospital Phase 1 – Moiben Health Centre	98,246,240	25.06.15	Fifty-two (52) weeks	-	-	-
3	Kapseret Sub-County Office	33,242,000	14.05.15	Fifty-two (52) weeks	78%	-	25,874,581
4	Construction of Kipkaren River Market	3,949,990	13.05.15	Twelve (12) weeks	67%	-	2,639,425
5	Electric Fencing at Chebororwa ATC	15,323,849	13.04.15	Twelve (12) weeks	8%	-	1,153,620
6	Fire Station at Burnt Forest	5,991,353	13.05.16	Eight (8) weeks	26%	-	1,598,200
7	Chagaiya High Altitude Training Camp	172,310,405	29.12.16	Eighteen (18) months	35%	8,436,013	32,833,260
8	Maternity Block at Kapteldon Sub-County Hospital	19,256,658	20.02.17	Thirty-six (36) Weeks	25%	-	3,492,699
9	Construction of Maternity Ward at West Health Centre	63,005,156	29.03.17	Fifty-six (56) weeks	32%	9,663,609	20,168,054
10	Construction of Ngenyilel Vocational Training Centre	73,002,150	18.07.18	Thirty-six (36) Weeks	47%	34,476,015	34,476,015
	Total	**577,804,383**				**58,880,563**	**132,089,630**

4. FINANCIAL STATEMENTS

4.1. STATEMENT OF RECEIPTS AND PAYMENTS FOR THE YEAR ENDED 30TH JUNE 2019

	Notes	2018-2019 Ksh.	2017-2018 Ksh.
RECEIPTS			
Exchequer releases	1	6,868,160,180	5,849,682,867
Proceeds from Domestic and Foreign Grants	2	48,775,296	0
Transfers from Other Government Entities	3	0	0
Proceeds from Domestic Borrowings	4	0	0
Proceeds from Foreign Borrowings	5	0	0
Proceeds from Sale of Assets	6	13,621,400	0
Conditional Additional Allocation to County Government	7	0	0
Fuel Levy Allocation	8	156,252,849	221,167,425
County Own Generated Receipts	9	905,013,969	801,540,123
Returned CRF issues	10	389,942	21,370,974
TOTAL RECEIPTS		**7,992,213,636**	**6,893,761,389**
PAYMENTS			
Compensation of Employees	11	3,027,702,703	2,987,799,235
Use of goods and services	12	1,161,172,858	1,063,104,811
Subsidies	13	0	0
Transfers to Other Government Units	14	903,979,866	1,013,666,023
Other grants and transfers	15	77,430,178	115,061,653
Social Security Benefits	16	0	0
Acquisition of Assets	17	1,719,585,605	1,228,919,327
Finance Costs, including Loan Interest	18	582,401	275,359
Repayment of principal on Domestic and Foreign borrowing	19	0	0
Other Payments	20	10,614,620	90,000
TOTAL PAYMENTS		**6,901,068,231**	**6,408,916,408**
SURPLUS/DEFICIT		**1,091,145,405**	**484,844,981**

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

10 DEC 2019

Chief Officer
Name: PETER K CHESOS

COUNTY GOVERNMENT OF UASIN GISHU
10 DEC 2019
PRINCIPAL ACCOUNTANT - EXPENDITURE

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

4.2. STATEMENT OF ASSETS AND LIABILITIES AS AT 30TH JUNE 2019

	Notes	2018-2019 Ksh.	2017-2018 Ksh.
FINANCIAL ASSETS			
Cash and Cash Equivalents			
Bank Balances	21A	2,642,251,763	1,430,325,058
Cash Balances	21B	1,287,419	6,033,685
Total Cash and cash equivalent		**2,643,539,182**	**1,436,358,743**
Accounts receivables – Outstanding Imprests	22	3,590,645	5,413,207
TOTAL FINANCIAL ASSETS		**2,647,129,827**	**1,441,771,950**
FINANCIAL LIABILITIES			
Accounts Payables – Deposits and retentions	23	(69,764,619)	(73,388,181)
NET FINANCIAL ASSETS		**2,577,365,208**	**1,368,383,769**
REPRESENTED BY			
Fund balance b/fwd	24	1,368,383,769	883,538,788
Prior year adjustments	25	117,836,034	0
Surplus/Deficit for the year		1,091,145,405	484,844,981
NET FINANCIAL POSITION		**2,577,365,208**	**1,368,383,769**

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

COUNTY GOVERNMENT OF UASIN GISHU
10 DEC 2019

Chief Officer
Name: PETER K CHESOS

COUNTY GOVERNMENT OF UASIN GISHU
10 DEC 2019
Sign.....
PRINCIPAL ACCOUNTANT - EXPENDITURE

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

4.3. STATEMENT OF CASH FLOWS FOR THE YEAR ENDED 30TH JUNE 2019

	Notes	2018-2019 Ksh.	2017 – 2018 Ksh.
Receipts from operating income			
Exchequer Releases	1	6,868,160,180	5,849,682,867
Proceeds from Domestic and Foreign Grants	2	48,775,296	0
Transfers from Other Government Entities	3	0	0
Conditional Additional Allocation To County Government	7	0	0
Fuel Levy	8	156,252,849	221,167,425
County Own Generated Receipts	9	905,013,968.95	801,540,123
Returned CRF issues	10	389,942	21,370,974
Payments for operating expenses			
Compensation of Employees	11	(3,027,702,703)	(2,987,799,235)
Use of goods and services	12	(1,161,172,858)	(1,063,104,811)
Subsidies	13	0	0
Transfers to Other Government Units	14	(903,979,866)	(1,013,666,023)
Other grants and transfers	15	(77,430,178)	(115,061,653)
Social Security Benefits	16		0
Finance Costs, including Loan Interest	18	(582,401)	(275,359)
Other Payments	20	(10,614,620)	(90,000)
Adjusted for:			
Changes in Receivable		-	-
Payables			-
Net cash flow from operating activities		**2,797,109,610**	**1,713,764,308**
CASHFLOW FROM INVESTING ACTIVITIES			
Proceeds from Sale of Assets	6	13,621,400	0
Acquisition of Assets	17	(1,719,585,605)	(1,228,919,357)
Net cash flows from Investing Activities		**(1,705,964,205)**	**(1,228,919,357)**
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/DECREASE IN CASH & CASH		**1,091,145,405**	**484,844,981**
Cash and cash equivalents at BEGINNING of the year	21	**1,368,383,769**	**883,538,788**
Prior year Adjustment	25	**117,836,034**	
Cash and cash equivalents at END of the year	24	**2,577,365,208**	**1,368,383,769**

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

18 DEC 2019

Chief Officer

Name: PETER K CHESOS

COUNTY GOVERNMENT OF UASIN GISHU
18 DEC 2019
PRINCIPAL ACCOUNTANT EXPENDITURE

Head of Treasury

Name: SILAS K RONO

Sign .....

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	5,934,600,000	-	5,934,600,000	5,934,600,000	-	100%
Proceeds from Domestic and Foreign Grants	1,033,372,469	8,242,944	1,041,615,413	834,075,744	207,539,669	80%
Transfers from Other Government Entities	20,813,065	-	20,813,065	20,813,065	-	100%
Proceeds from Domestic Borrowings	-	-	-	-	-	-
Proceeds from Foreign Borrowings	-	-	-	-	-	-
Proceeds from Sale of Assets	-	13,621,400	13,621,400	13,621,400		-
Rehabilitation of Village Polytechnic	33,250,000	-	33,250,000	25,103,750	8,146,250	76%%
Reimbursements and Refunds	-	-	-	-	-	-
Returns of Equity Holdings	-	-	-	-	-	-
County Own Generated receipts	1,200,000,000	-	1,200,000,000	905,013,969	294,986,031	75%
KDSP-Trainings	46,739,163	-	46,739,163	-	46,739,163	-
KDSP-Development	-	102,342,917	102,342,917	102,342,917	-	100%
Road Fuel Levy	156,252,849	-	156,252,849	156,252,848	1	100%
Return issues to CRF	1,533,036,031	389,942	1,533,425,973	1,368,773,711	164,652,262	89%
TOTAL	**9,958,063,577**	**124,597,203**	**10,082,660,780**	**9,360,597,404**	**722,063,376**	**93%**
PAYMENTS		-				
Compensation of Employees	3,029,629,520	-	3,029,629,520	3,027,702,703	1,926,817	100%
Use of goods and services	1,267,543,111	13,621,400	1,281,164,511	1,161,172,858	119,991,653	91%
Subsidies	-	-	-	-	-	-
Transfers to Other Government Units	1,036,783,848	-	1,036,783,848	903,979,866	132,803,982	87%
Other grants and transfers	176,482,765	8,242,944	184,725,709	77,430,178	107,295,531	42%

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 %
Social Security Benefits	-	-	-	-	-	-
Acquisition of Assets	4,436,571,933	102,732,859	4,539,304,792	1,719,585,605	2,819,719,187	38%
Finance Costs, including Loan Interest	-	-	-	582,401	(582,401)	-
Repayment of principal on borrowings	-	-	-	-	-	-
Other Payments	11,052,400	-	11,052,400	10,614,620	437,780	96%
TOTAL	**9,958,063,577**	**124,597,203**	**10,082,660,780**	**6,901,068,231**	**3,181,592,549**	**68%**
SURPLUS/(DEFICIT)	-	-	-	**2,459,529,173**	**(2,459,529,173)**	-

[*Provide below a commentary on significant underutilization (below 50% of utilization) and any overutilization]*

a) Non adherence to cash disbursement schedule by the national treasury hence non consistent transfers.

b) Delay in implementation of capital projects due to end to end procurement challenge.

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

10 DEC 2019

Chief Officer

Name: PETER K CHESOS

COUNTY GOVERNMENT OF ITASIM GISHU

10 DEC 2019

Sign.....

PRINCIPAL ACCOUNTANT - EXPENDITURE

Head of Treasury Accounts

Name: SILAS K RONO

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	4,014,517,298	-	4,014,517,298	4,014,517,298		100%
Proceeds from Domestic and Foreign Grants	161,224,669	8,242,944	169,467,613	114,211,562	55,256,051	67%
Transfers from Other Government Entities	20,813,065	-	20,813,065	20,813,065	-	100%
Proceeds from Domestic Borrowings	-	-	-	-	-	-
Proceeds from Foreign Borrowings	-	-	-	-	-	-
Proceeds from Sale of Assets	-	13,621,400	13,621,400	13,621,400	-	100%
Reimbursements and Refunds	-	-	-	-	-	-
Returns of Equity Holdings	-	-	-	-	-	-
County Own Generated receipts	1,200,000,000	-	1,200,000,000	905,013,969	294,986,031	75%
KDSP-Trainings	46,739,163	-	46,739,163	-	46,739,163	93%
Return CRF issues	-	389,942	389,942	389,942	-	
TOTAL	**5,443,294,195**	**22,254,286**	**5,465,548,481**	**5,068,567,236**	**396,981,245**	**62%**
PAYMENTS						
Compensation of Employees	3,029,629,520	-	3,029,629,520	3,027,702,703	1,926,817	100%
Use of goods and services	1,088,794,853	13,621,400	1,102,416,253	1,009,733,001	92,683,252	92%
Subsidies	-	-	-	-	-	-
Transfers to Other Government Units	935,985,198	-	935,985,198	903,979,866	32,005,332	97%
Other grants and transfers	176,482,765	8,242,944	184,725,709	77,430,178	107,295,531	42%
Social Security Benefits	-	-	-	-	-	-

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 %
Acquisition of Assets	201,349,459	389,942	201,739,401	-	201,739,401	-
Finance Costs, including Loan Interest	-	-	-	582,401	(582,401)	-
Repayment of principal on borrowings	-	-	-	-	-	-
Other Payments	11,052,400	-	11,052,400	10,614,620	437,780	-
TOTAL	**5,443,294,195**	**22,254,286**	**5,465,548,481**	**5,030,042,769**	**435,505,712**	**92%**
SURPLUS/(DEFICIT)	-	-		**38,524,467**	**(38,524,467)**	

[Provide below a commentary on significant underutilization (below 50% of utilization) and any overutilization]

a) Non adherence to cash disbursement schedule by the national treasury hence non consistent transfers.

b) Delay in implementation of capital projects due to end to end procurement challenge.

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

Chief Officer

Name: PETER K CHESOS

COUNTY GOVERNMENT OF
GISHU
10 DEC 2019
Sign
PRINCIPAL ACCOUNTANT - EXPENDITURE

Head of Treasury Accounts

Name: SILAS K RONO

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	1,920,082,702		1,920,082,702	1,920,082,702	-	100%
Proceeds from Domestic and Foreign Grants	872,147,800		872,147,800	719,864,182	152,283,618	83%
Transfers from Other Government Entities	-	-	-	-	-	
Proceeds from Domestic Borrowings	-	-	-	-	-	-
Proceeds from Foreign Borrowings	-	-	-	-	-	-
Proceeds from Sale of Assets	-	-	-	-	-	-
Reimbursements and Refunds	-	-	-	-	-	-
Returns of Equity Holdings	-	-	-	-	-	-
Rehabilitation of Village Polytechnic	33,250,000	-	33,250,000	25,103,750	8,146,250	76%
Road Fuel Levy	156,252,849	-	156,252,849	156,252,848	1	100%
County Own Generated receipts	-	-	-	-	-	-
KDSP-Development	-	102,342,917	102,342,917	102,342,917	-	100%
Returned CRF issues	1,533,036,031	-	1,533,036,031	1,368,383,769	164,652,262	89%
TOTAL	**4,514,769,382**	**102,342,917**	**4,617,112,299**	**4,292,030,168**	**325,082,131**	
PAYMENTS	-	-	-	-	-	-
Compensation of Employees	-	-	-	-	-	-
Use of goods and services	178,748,258	-	178,748,258	151,439,857	27,308,401	85%
Subsidies		-	-	-	-	
Transfers to Other Government Units	100,798,650	-	100,798,650	-	100,798,650	0
Other grants and transfers		-	-	-	-	-
Social Security Benefits		-	-	-	-	-
Acquisition of Assets	4,235,222,474	102,342,917	4,337,565,391	1,719,585,605	2,617,979,786	40%

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 %
Finance Costs, including Loan Interest	-	-	-	-	-	-
Repayment of principal on borrowings	-	-	-	-	-	-
Other Payments	-	-	-	-	-	-
TOTALS	**4,514,769,382**	**102,342,917**	**4,617,112,299**	**1,871,025,462**	**2,746,086,837**	**41%**
SURPLUS/(DEFICIT)	-	-	-	**2,421,004,706**	**(2,421,004,706)**	

[*Provide below a commentary on significant underutilization (below 50% of utilization) and any overutilization]*

(a) Non adherence to cash disbursement schedule by the national treasury hence non consistent transfers.

(b) Delay in implementation of capital projects due to end to end procurement challenge.

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

Chief Officer

Name: PETER K CHESOS

COUNTY GOVERNMENT OF UASIN GISHU
18 DEC 2019
Sign
PRINCIPAL ACCOUNTANT - EXPENDITURE

Head of Treasury Accounts

Name: SILAS K RONO

ICPAK Member Number: 8151

4.7. BUDGET EXECUTION BY PROGRAMMES AND SUB-PROGRAMMES

Budget Execution by Heads and Programmes -County

Entity: 4310-Uasin Gishu County

Period: JUL-18 To JUN-19

Head	Program	Description	Approved Budget	Actual Payments	Variance
0		Default Value (Non- Departmental)	0	0	0
	4310		0	0	0
4311000100		Administration - Governor's Office	102,336,611.00	98,861,720.00	3,474,891.00
	504004310	ADMINISTRATION AND SUPPORT SERVICES	102,336,611.00	98,861,720.00	3,474,891.00
	101004310	LIVESTOCK RESOURCE MANAGEMENT AND DEVELOPMENT	0	0	0
	702004310	COUNTY PLANNING AND ECONOMIC POLICY MANAGEMENT	0	0	0
4311000200		Inter-Governmental Committee	8,000,000.00	10,414,130.00	-2,414,130.00
	702004310	COUNTY PLANNING AND ECONOMIC POLICY MANAGEMENT	0	0	0
	704004310	COUNTY GOVERNANCE SUPPORT SERVICES	0	0	0
	504004310	ADMINISTRATION AND SUPPORT SERVICES	8,000,000.00	10,414,130.00	-2,414,130.00
4311000300			5,600,000.00	5,438,983.10	161,016.90
	706004310	ADMINISTRATION AND SUPPORT SERVICES	0	0	0
	504004310	ADMINISTRATION AND SUPPORT SERVICES	5,600,000.00	5,438,983.10	161,016.90
	702004310	COUNTY PLANNING AND ECONOMIC POLICY MANAGEMENT	0	0	0
4312000100		Administration - Finance and Economic Planning	351,240,786.00	303,121,015.30	48,119,770.70
	701004310	PUBLIC FINANCE MANAGEMENT	351,240,786.00	303,121,015.30	48,119,770.70
	709004310	KENYA DEVOLUTION SUPPORT PROGRAMME	0	0	0
4312000200		Budget and Economic Affairs	0	0	0
	701004310	PUBLIC FINANCE MANAGEMENT	0	0	0
	702004310	COUNTY PLANNING AND ECONOMIC POLICY MANAGEMENT	0	0	0
4312000300		Revenue Section	29,339,135.00	21,485,589.00	7,853,546.00
	709004310	KENYA DEVOLUTION SUPPORT PROGRAMME	4,669,135.00	213,500.00	4,455,635.00
	701004310	PUBLIC FINANCE MANAGEMENT	24,670,000.00	21,272,089.00	3,397,911.00
4312000400		Accounts Section	8,998,396.00	7,582,114.00	1,416,282.00
	701004310	PUBLIC FINANCE MANAGEMENT	2,580,000.00	2,114,314.00	465,686.00
	709004310	KENYA DEVOLUTION SUPPORT PROGRAMME	6,418,396.00	5,467,800.00	950,596.00
4312000500		Procurement and Supplies Section	6,406,495.00	6,023,168.00	383,327.00
	701004310	PUBLIC FINANCE MANAGEMENT	1,985,508.00	1,872,300.00	113,208.00
	709004310	KENYA DEVOLUTION SUPPORT PROGRAMME	4,420,987.00	4,150,868.00	270,119.00
4312000600		Central Planning,Monitoring and Evaluation Section	0	0	0

	702004310	COUNTY PLANNING AND ECONOMIC POLICY MANAGEMENT	0	0	0
	703004310	HUMAN RESOURCE MANAGEMENT AND DEVELOPMENT	0	0	0
	701004310	PUBLIC FINANCE MANAGEMENT	0	0	0
4312000700		**Internal Audit Section**	**11,653,997.00**	**8,114,131.00**	**3,539,866.00**
	701004310	PUBLIC FINANCE MANAGEMENT	5,187,950.00	4,454,392.00	733,558.00
	709004310	KENYA DEVOLUTION SUPPORT PROGRAMME	6,466,047.00	3,659,739.00	2,806,308.00
4312000800			**0**	**493,200.00**	**-493,200.00**
	709004310	KENYA DEVOLUTION SUPPORT PROGRAMME	0	493,200.00	-493,200.00
4313000100		**Administration- Public Service Management**	**558,823,619.00**	**549,938,194.60**	**8,885,424.40**
	705004310	SERVICE DELIVERY	5,044,978.00	0	5,044,978.00
	706004310	ADMINISTRATION AND SUPPORT SERVICES	538,549,165.00	547,550,335.60	-9,001,170.60
	703004310	HUMAN RESOURCE MANAGEMENT AND DEVELOPMENT	7,229,476.00	0	7,229,476.00
	704004310	COUNTY GOVERNANCE SUPPORT SERVICES	8,000,000.00	2,387,859.00	5,612,141.00
4313000200		**Security and Compliance Section**	**0**	**0**	**0**
	704004310	COUNTY GOVERNANCE SUPPORT SERVICES	0	0	0
4313000300		**Communication Section**	**6,750,000.00**	**1,432,470.00**	**5,317,530.00**
	704004310	COUNTY GOVERNANCE SUPPORT SERVICES	6,750,000.00	1,432,470.00	5,317,530.00
	101004310	LIVESTOCK RESOURCE MANAGEMENT AND DEVELOPMENT	0	0	0
	703004310	HUMAN RESOURCE MANAGEMENT AND DEVELOPMENT	0	0	0
4313000400		**Legal Section**	**20,283,307.00**	**19,808,368.00**	**474,939.00**
	704004310	COUNTY GOVERNANCE SUPPORT SERVICES	20,283,307.00	19,808,368.00	474,939.00
	703004310	HUMAN RESOURCE MANAGEMENT AND DEVELOPMENT	0	0	0
4313000500		**Registry Section**	**865,000.00**	**382,100.00**	**482,900.00**
	705004310	SERVICE DELIVERY	865,000.00	382,100.00	482,900.00
	703004310	HUMAN RESOURCE MANAGEMENT AND DEVELOPMENT	0	0	0
4313000600		**Human Resource Section**	**13,126,867.00**	**7,114,570.00**	**6,012,297.00**
	709004310	KENYA DEVOLUTION SUPPORT PROGRAMME	10,698,867.00	5,202,180.00	5,496,687.00
	703004310	HUMAN RESOURCE MANAGEMENT AND DEVELOPMENT	2,428,000.00	1,912,390.00	515,610.00
4313000700		**Devolved Functions**	**0**	**0**	**0**
	206004310	PUBLIC WORKS SERVICES	0	0	0
	703004310	HUMAN RESOURCE MANAGEMENT AND DEVELOPMENT	0	0	0
4314000100		**Administration- ICT and E-Government**	**84,097,348.00**	**49,084,505.00**	**35,012,843.00**
	202004310	ADMINISTRATIVE SUPPORT SERVICES	62,461,559.00	45,047,743.00	17,413,816.00
	207004310	DISASTER RESPONSE MANAGEMENT	832,686.00	0	832,686.00
	201004310	ICT INFRASTRUCTURE DEVELOPMENT	20,803,103.00	4,036,762.00	16,766,341.00
4315000100		**Administration - Roads, Transport and Infrastructure**	**165,323,248.00**	**165,323,232.60**	**15.4**
	204004310	ROADS INFRASTRUCTURE DEVELOPMENT	165,323,248.00	165,323,232.60	15.4

4315000200		**Roads Department**	**867,020,176.00**	**612,183,083.80**	**254,837,092.20**
	204004310	ROADS INFRASTRUCTURE DEVELOPMENT	867,020,176.00	612,183,083.80	254,837,092.20
	206004310	PUBLIC WORKS SERVICES	0	0	0
4315000300		**Fire and Emergency Respond Department**	**1,160,000.00**	**926,250.00**	**233,750.00**
	206004310	PUBLIC WORKS SERVICES	1,160,000.00	926,250.00	233,750.00
	205004310	DISASTER MANAGEMENT	0	0	0
4315000400		**Public Works Department**	**2,950,000.00**	**2,179,908.70**	**770,091.30**
	204004310	ROADS INFRASTRUCTURE DEVELOPMENT	0	0	0
	205004310	DISASTER MANAGEMENT	0	0	0
	209004310	STREET LIGHTING SERVICES	0	0	0
	206004310	PUBLIC WORKS SERVICES	2,950,000.00	2,179,908.70	770,091.30
	203004310	TRANSPORT MANAGEMENT	0	0	0
4315000500		**Transport Department**	**26,402,728.00**	**22,693,952.00**	**3,708,776.00**
	204004310	ROADS INFRASTRUCTURE DEVELOPMENT	25,564,000.00	22,693,952.00	2,870,048.00
	203004310	TRANSPORT MANAGEMENT	838,728.00	0	838,728.00
	206004310	PUBLIC WORKS SERVICES	0	0	0
4315000600			**19,382,398.00**	**0**	**19,382,398.00**
	209004310	STREET LIGHTING SERVICES	19,382,398.00	0	19,382,398.00
4316000100		**Administration- Lands,Housing and Physical Planning**	**422,161,587.00**	**63,942,258.30**	**358,219,328.70**
	108004310	LAND POLICY AND MANAGEMENT	422,161,587.00	63,942,258.30	358,219,328.70
4316000200		**Physical Planning Section**	**36,160,000.00**	**5,958,315.00**	**30,201,685.00**
	108004310	LAND POLICY AND MANAGEMENT	36,160,000.00	5,958,315.00	30,201,685.00
4316000300		**Survey Section**	**32,920,310.00**	**2,267,000.00**	**30,653,310.00**
	108004310	LAND POLICY AND MANAGEMENT	32,920,310.00	2,267,000.00	30,653,310.00
4316000400		**Housing Section**	**88,232,273.00**	**23,464,279.00**	**64,767,994.00**
	109004310	HOUSING DEVELOPMENT	77,282,273.00	13,191,754.00	64,090,519.00
	108004310	LAND POLICY AND MANAGEMENT	10,950,000.00	10,272,525.00	677,475.00
4317000100		**Administration- Water,Environment,Energy and Natural resources**	**128,815,936.00**	**113,543,865.40**	**15,272,070.60**
	901004310	WATER SUPPLY SERVICES	128,815,936.00	113,543,865.40	15,272,070.60
4317000200		**Environment Section**	**130,398,218.00**	**44,439,158.60**	**85,959,059.40**
	902004310	ENVIRONMENTAL MANAGEMENT AND PROTECTION	121,125,381.00	43,713,758.60	77,411,622.40
	709004310	KENYA DEVOLUTION SUPPORT PROGRAMME	9,272,837.00	725,400.00	8,547,437.00
	1002004310		0	0	0
4317000300		**Water Section**	**740,866,784.00**	**594,134,155.20**	**146,732,628.80**
	901004310	WATER SUPPLY SERVICES	0	0	0
	1003004310		0	0	0
	1001004310		740,866,784.00	594,134,155.20	146,732,628.80
	902004310	ENVIRONMENTAL MANAGEMENT AND PROTECTION	0	0	0
	107004310	AGRICULTURAL MECHANIZATION SERVICES	0	0	0
4317000400		**Energy Section**	**26,500,000.00**	**12,021,074.00**	**14,478,926.00**
	1004004310		0	0	0

	304004310	COOPERATIVES DEVELOPMENT AND MARKETING	0	0	0
	902004310	ENVIRONMENTAL MANAGEMENT AND PROTECTION	0	0	0
	209004310	STREET LIGHTING SERVICES	0	0	0
	904004310	RURAL ELECTRIFICATION	0	0	0
	308004310	TOURISM AND WILDLIFE SERVICES	26,500,000.00	12,021,074.00	14,478,926.00
4318000100		**Administration- Health Services**	**2,010,237,389.00**	**1,844,484,616.50**	**165,752,772.50**
	401004310	CURATIVE HEALTH SERVICES	63,609,559.00	43,863,263.10	19,746,295.90
	405004310	HEALTH INFRASTRUCTURE	141,533,176.00	58,569,758.45	82,963,417.55
	101004310	LIVESTOCK RESOURCE MANAGEMENT AND DEVELOPMENT	0	0	0
	201004310	ICT INFRASTRUCTURE DEVELOPMENT	0	0	0
	402004310	ADMINISTRATION AND SUPPORT SERVICES	1,805,094,654.00	1,742,051,594.95	63,043,059.05
	404004310	PUBLIC HEALTH SERVICES	0	0	0
4318000200		**Clinical Services**	**202,355,721.00**	**134,438,782.00**	**67,916,939.00**
	402004310	ADMINISTRATION AND SUPPORT SERVICES	152,355,721.00	134,438,782.00	17,916,939.00
	403004310	CLINICAL SERVICES	50,000,000.00	0	50,000,000.00
	401004310	CURATIVE HEALTH SERVICES	0	0	0
4318000300		**Prevention and Health Promotion**	**12,300,000.00**	**9,058,660.00**	**3,241,340.00**
	405004310	HEALTH INFRASTRUCTURE	0	0	0
	402004310	ADMINISTRATION AND SUPPORT SERVICES	12,300,000.00	9,058,660.00	3,241,340.00
	401004310	CURATIVE HEALTH SERVICES	0	0	0
4319000100		**Administration- Agriculture,Livestock and Fisheries**	**366,110,373.00**	**245,760,974.30**	**120,349,398.70**
	102004310	CROP DEVELOPMENT AND MANAGEMENT	140,115,565.00	38,588,632.00	101,526,933.00
	105004310	ADMINISTRATION SUPPORT SERVICES	225,994,808.00	207,172,342.30	18,822,465.70
4319000200		**Livestock**	**0**	**0**	**0**
	101004310	LIVESTOCK RESOURCE MANAGEMENT AND DEVELOPMENT	0	0	0
	102004310	CROP DEVELOPMENT AND MANAGEMENT	0	0	0
4319000300		**Agriculture**	**56,473,587.00**	**21,116,584.00**	**35,357,003.00**
	105004310	ADMINISTRATION SUPPORT SERVICES	0	0	0
	102004310	CROP DEVELOPMENT AND MANAGEMENT	49,503,864.00	17,301,190.00	32,202,674.00
	107004310	AGRICULTURAL MECHANIZATION SERVICES	6,969,723.00	3,815,394.00	3,154,329.00
4319000400		**Veterinary Department**	**0**	**0**	**0**
	101004310	LIVESTOCK RESOURCE MANAGEMENT AND DEVELOPMENT	0	0	0
4319000500		**Fisheries**	**0**	**0**	**0**
	104004310	FISHERIES DEVELOPMENT	0	0	0
4319000600		**Chebororwa Training Center**	**38,811,263.00**	**13,896,433.00**	**24,914,830.00**
	307004310	MARKET SERVICES	0	0	0
	106004310	AGRICULTURAL TRAINING SERVICES - CHEBORORWA	38,811,263.00	13,896,433.00	24,914,830.00
	107004310	AGRICULTURAL MECHANIZATION SERVICES	0	0	0
4319000700		**Agricultural Machinery Service**	**135,300,302.00**	**33,298,408.00**	**102,001,894.00**

	107004310	AGRICULTURAL MECHANIZATION SERVICES	135,300,302.00	33,298,408.00	102,001,894.00
4320000100		**Administration-Trade,Cooperatives,Tourism and Wildlife**	**38,696,257.00**	**35,756,287.20**	**2,939,969.80**
	301004310	TRADE DEVELOPMENT AND INVESTMENT	0	0	0
	504004310	ADMINISTRATION AND SUPPORT SERVICES	38,696,257.00	35,756,287.20	2,939,969.80
	501004310	BASIC EDUCATION	0	0	0
	106004310	AGRICULTURAL TRAINING SERVICES - CHEBORORWA	0	0	0
4320000200		**Trade Department**	**217,910,455.00**	**53,675,963.45**	**164,234,491.55**
	301004310	TRADE DEVELOPMENT AND INVESTMENT	115,206,426.00	9,889,572.75	105,316,853.25
	307004310	MARKET SERVICES	102,704,029.00	43,786,390.70	58,917,638.30
	305004310	WEIGHTS AND MEASUREMENTS	0	0	0
	304004310	COOPERATIVES DEVELOPMENT AND MARKETING	0	0	0
	302004310	INDUSTRIAL DEVELOPMENT	0	0	0
	306004310	ADMINISTRATION AND SUPPORT SERVICES	0	0	0
	303004310	TOURISM DEVELOPMENT AND MARKETING	0	0	0
4320000300		**Co-operatives Department**	**0**	**0**	**0**
	301004310	TRADE DEVELOPMENT AND INVESTMENT	0	0	0
	307004310	MARKET SERVICES	0	0	0
	302004310	INDUSTRIAL DEVELOPMENT	0	0	0
	304004310	COOPERATIVES DEVELOPMENT AND MARKETING	0	0	0
4320000400		**Tourism Department**	**0**	**0**	**0**
	303004310	TOURISM DEVELOPMENT AND MARKETING	0	0	0
	301004310	TRADE DEVELOPMENT AND INVESTMENT	0	0	0
4320000500		**Weights and Measures Department**	**1,307,000.00**	**0**	**1,307,000.00**
	305004310	WEIGHTS AND MEASUREMENTS	1,307,000.00	0	1,307,000.00
4320000600		**Betting and licensing department**	**3,418,912.00**	**1,197,902.35**	**2,221,009.65**
	402004310	ADMINISTRATION AND SUPPORT SERVICES	3,418,912.00	1,197,902.35	2,221,009.65
	301004310	TRADE DEVELOPMENT AND INVESTMENT	0	0	0
	303004310	TOURISM DEVELOPMENT AND MARKETING	0	0	0
4321000100		**Administration - Education,Social Cultural,Youth and Sports**	**370,117,587.00**	**370,069,213.60**	**48,373.40**
	501004310	BASIC EDUCATION	0	0	0
	502004310	YOUTH TRAINING AND DEVELOPMENT	0	0	0
	508004310	EDUCATION BURSARY SERVICES	0	0	0
	503004310	MANAGEMENT AND DEVELOPMENT OF SPORTS AND SPORTS FACILITIES	0	0	0
	504004310	ADMINISTRATION AND SUPPORT SERVICES	370,117,587.00	370,069,213.60	48,373.40
	202004310	ADMINISTRATIVE SUPPORT SERVICES	0	0	0
4321000200		**Education Department**	**88,633,839.00**	**85,354,081.00**	**3,279,758.00**
	501004310	BASIC EDUCATION	22,529,360.00	21,966,208.00	563,152.00
	505004310	EARLY CHILDHOOD EDUCATION AND	66,104,479.00	63,387,873.00	2,716,606.00

		TRAINING			
	504004310	ADMINISTRATION AND SUPPORT SERVICES	0	0	0
	502004310	YOUTH TRAINING AND DEVELOPMENT	0	0	0
4321000300		**Department of Culture**	**7,500,000.00**	**3,878,830.00**	**3,621,170.00**
	501004310	BASIC EDUCATION	0	0	0
	507004310	Community development services	4,000,000.00	3,878,830.00	121,170.00
	503004310	MANAGEMENT AND DEVELOPMENT OF SPORTS AND SPORTS FACILITIES	0	0	0
	504004310	ADMINISTRATION AND SUPPORT SERVICES	3,500,000.00	0	3,500,000.00
4321000400		**Youth Affairs Department**	**0**	**0**	**0**
	503004310	MANAGEMENT AND DEVELOPMENT OF SPORTS AND SPORTS FACILITIES	0	0	0
	502004310	YOUTH TRAINING AND DEVELOPMENT	0	0	0
4321000500		**Social Service Department**	**26,078,209.00**	**14,139,276.00**	**11,938,933.00**
	501004310	BASIC EDUCATION	0	0	0
	506004310	SOCIAL DEVELOPMENT SERVICES	8,153,975.00	3,414,007.00	4,739,968.00
	504004310	ADMINISTRATION AND SUPPORT SERVICES	0	0	0
	502004310	YOUTH TRAINING AND DEVELOPMENT	17,924,234.00	10,725,269.00	7,198,965.00
	503004310	MANAGEMENT AND DEVELOPMENT OF SPORTS AND SPORTS FACILITIES	0	0	0
4321000600		**Department of Sport**	**0**	**0**	**0**
	503004310	MANAGEMENT AND DEVELOPMENT OF SPORTS AND SPORTS FACILITIES	0	0	0
4322000100		**Headquarters - County Public Service Board**	**32,850,007.00**	**28,447,523.90**	**4,402,483.10**
	501004310	BASIC EDUCATION	0	0	0
	504004310	ADMINISTRATION AND SUPPORT SERVICES	32,850,007.00	28,447,523.90	4,402,483.10
	703004310	HUMAN RESOURCE MANAGEMENT AND DEVELOPMENT	0	0	0
	706004310	ADMINISTRATION AND SUPPORT SERVICES	0	0	0
4323000100		**Headquarters**	**772,771,448.00**	**664,948,062.00**	**107,823,386.00**
	706004310	ADMINISTRATION AND SUPPORT SERVICES	0	0	0
	101004310	LIVESTOCK RESOURCE MANAGEMENT AND DEVELOPMENT	10,250.00	0	10,250.00
	702004310	COUNTY PLANNING AND ECONOMIC POLICY MANAGEMENT	772,761,198.00	664,948,062.00	107,813,136.00
4324000100			**60,194,443.00**	**50,493,578.00**	**9,700,865.00**
	702004310	COUNTY PLANNING AND ECONOMIC POLICY MANAGEMENT	60,194,443.00	50,493,578.00	9,700,865.00
	701004310	PUBLIC FINANCE MANAGEMENT	0	0	0
	709004310	KENYA DEVOLUTION SUPPORT PROGRAMME	0	0	0
4324000200			**7,428,532.00**	**691,500.00**	**6,737,032.00**
	709004310	KENYA DEVOLUTION SUPPORT PROGRAMME	7,428,532.00	691,500.00	6,737,032.00
4324000300			**15,070,364.00**	**4,418,000.00**	**10,652,364.00**
	709004310	KENYA DEVOLUTION SUPPORT PROGRAMME	15,070,364.00	4,418,000.00	10,652,364.00
4325000100			**183,314,246.00**	**93,576,835.00**	**89,737,411.00**
	504004310	ADMINISTRATION AND SUPPORT SERVICES	26,635,508.00	23,589,640.00	3,045,868.00

	704004310	COUNTY GOVERNANCE SUPPORT SERVICES	0	0	0
	709004310	KENYA DEVOLUTION SUPPORT PROGRAMME	11,739,283.00	2,606,900.00	9,132,383.00
	202004310	ADMINISTRATIVE SUPPORT SERVICES	0	0	0
	105004310	ADMINISTRATION SUPPORT SERVICES	1,000,000.00	0	1,000,000.00
	206004310	PUBLIC WORKS SERVICES	143,939,455.00	67,380,295.00	76,559,160.00
4325000200			**47,908,304.00**	**25,186,338.00**	**22,721,966.00**
	105004310	ADMINISTRATION SUPPORT SERVICES	47,908,304.00	25,186,338.00	22,721,966.00
4325000300			**0**	**0**	**0**
	201004310	ICT INFRASTRUCTURE DEVELOPMENT	0	0	0
4326000100			**69,001,792.00**	**66,488,649.00**	**2,513,143.00**
	504004310	ADMINISTRATION AND SUPPORT SERVICES	69,001,792.00	66,488,649.00	2,513,143.00
	502004310	YOUTH TRAINING AND DEVELOPMENT	0	0	0
	503004310	MANAGEMENT AND DEVELOPMENT OF SPORTS AND SPORTS FACILITIES	0	0	0
4326000200		**Youth and Gender Affairs Department**	**116,140,822.00**	**78,554,540.00**	**37,586,282.00**
	502004310	YOUTH TRAINING AND DEVELOPMENT	116,140,822.00	78,554,540.00	37,586,282.00
4326000300			**82,956,879.00**	**41,897,548.00**	**41,059,331.00**
	503004310	MANAGEMENT AND DEVELOPMENT OF SPORTS AND SPORTS FACILITIES	82,956,879.00	41,897,548.00	41,059,331.00
4327000100			**31,564,226.00**	**13,582,282.00**	**17,981,944.00**
	304004310	COOPERATIVES DEVELOPMENT AND MARKETING	31,564,226.00	13,582,282.00	17,981,944.00
	105004310	ADMINISTRATION SUPPORT SERVICES	0	0	0
4327000200			**14,699,408.00**	**13,000,340.75**	**1,699,067.25**
	105004310	ADMINISTRATION SUPPORT SERVICES	6,304,000.00	6,304,000.00	0
	304004310	COOPERATIVES DEVELOPMENT AND MARKETING	4,484,107.00	2,785,039.75	1,699,067.25
	305004310	WEIGHTS AND MEASUREMENTS	3,911,301.00	3,911,301.00	0
4327000300			**36,530,240.00**	**1,530,240.00**	**35,000,000.00**
	304004310	COOPERATIVES DEVELOPMENT AND MARKETING	0	0	0
	305004310	WEIGHTS AND MEASUREMENTS	36,530,240.00	1,530,240.00	35,000,000.00
4329000100			**49,287,808.00**	**38,327,734.00**	**10,960,074.00**
	102004310	CROP DEVELOPMENT AND MANAGEMENT	4,400,000.00	3,399,628.00	1,000,372.00
	106004310	AGRICULTURAL TRAINING SERVICES - CHEBORORWA	300,000.00	284,811.00	15,189.00
	101004310	LIVESTOCK RESOURCE MANAGEMENT AND DEVELOPMENT	44,587,808.00	34,643,295.00	9,944,513.00
4329000200			**23,484,200.00**	**6,775,418.10**	**16,708,781.90**
	104004310	FISHERIES DEVELOPMENT	19,551,494.00	4,051,941.10	15,499,552.90
	102004310	CROP DEVELOPMENT AND MANAGEMENT	3,932,706.00	2,723,477.00	1,209,229.00
4329000300			**136,348,238.00**	**45,969,215.80**	**90,379,022.20**
	102004310	CROP DEVELOPMENT AND MANAGEMENT	4,300,000.00	3,448,230.00	851,770.00
	101004310	LIVESTOCK RESOURCE MANAGEMENT AND DEVELOPMENT	132,048,238.00	42,520,985.80	89,527,252.20
4330000100			**11,234,054.00**	**10,075,178.75**	**1,158,875.25**

	109004310	HOUSING DEVELOPMENT	11,234,054.00	10,075,178.75	1,158,875.25
4330000200			**71,500,283.00**	**13,614,467.80**	**57,885,815.20**
	109004310	HOUSING DEVELOPMENT	71,500,283.00	13,614,467.80	57,885,815.20
4330000300			**724,712,170.00**	**30,902,733.60**	**693,809,436.40**
	109004310	HOUSING DEVELOPMENT	724,712,170.00	30,902,733.60	693,809,436.40
		Grand Total	**9,958,063,577.00**	**6,846,976,986.70**	**3,111,086,590.30**

The variance between the figures in the statement of receipts and payments of Kshs,6,901,068,231 and that of Kshs,6,846,976,986.70 Budget execution by heads and programs-County is as a result of the following payments that were made outside the IFMIS System as follows;

THS-UCP Payments	Kshs,26,800,677.04
Village Polytechnic Payments	Kshs,11,645,000.00
PWD Payments	Kshs,9,113,763.00
TOTALS	**Kshs,47,559,440.04**

Difference between actual transfers to County Assembly and budgeted transfers is Kshs, 6,531,805.

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

Prepared By: _____ Date: _____

Reviewed By: _____ Date: _____

Approved By: _____ Date: _____

COUNTY GOVERNMENT OF UASIN GISHU
10 DEC 2019
Sign
PRINCIPAL ACCOUNTANT - EXPENDITURE

10 DEC 2019

(NB: This statement is a disclosure statement indicating the utilisation in the same format at the County budgets which are programmatic)
Annexed to the financial statements is a budget Execution by heads and programmes for the County government as generated from IFMIS.

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 the entity all values are rounded to the nearest Kenya Shilling. The accounting policies adopted have been consistently applied to all the years presented.

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

2. Reporting entity

The financial statements are for the 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.

SIGNIFICANT ACCOUNTING POLICIES (Continued)

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.

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 the entity 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 2019, there were no instances of non-compliance with terms and conditions which have resulted in cancellation of external assistance loans.

SIGNIFICANT ACCOUNTING POLICIES (Continued)

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

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

Compensation of employees

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

Use of goods and services

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

SIGNIFICANT ACCOUNTING POLICIES (Continued)

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 the entity in the form of actual goods and/or services rather than in money or cash terms. These donations may include vehicles, equipment or personnel services. Where the financial value received for in-kind contributions can be reliably determined, the entity includes such value in the statement of receipts and payments both as receipts and as an expense in equal and opposite amounts; otherwise, the contribution is not recorded.

SIGNIFICANT ACCOUNTING POLICIES (Continued)

5. Cash and cash equivalents

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

Restriction on cash

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

Amounts maintained in deposit bank accounts are restricted for use in refunding third party deposits. As at 30th June 2019, this amounted to Ksh. 69,764,619 compared to Ksh. 73,388,181 in prior period as indicated on note 23.

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.

SIGNIFICANT ACCOUNTING POLICIES (Continued)

7. Accounts Payable

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

8. Non-current assets

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

9. Pending bills

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

SIGNIFICANT ACCOUNTING POLICIES (Continued)

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. The *entity's* 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 July 2018 for the period 1st July 2018 to 30 June 2019 as required by law. There was one number of supplementary budgets passed in the year. A high-level assessment of the *entity's* actual performance against the comparable budget for the financial year under review has been included in an annex to these financial statements.

11. Comparative figures

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

12. Subsequent events

Events subsequent to submission of the financial year end financial statements to 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.

SIGNIFICANT ACCOUNTING POLICIES (Continued)

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

	2018 - 2019	2017 - 2018
	Ksh.	Ksh.
Total Exchequer Releases for quarter 1	296,730,000	399,546,000
Total Exchequer Releases for quarter 2	1,647,177,432	953,826,875
Total Exchequer Releases for quarter 3	2,267,270,831	1,609,824,532
Total Exchequer Releases for quarter 4	2,656,981,917	2,886,485,460
Total	**6,868,160,180**	**5,849,682,867**

The above comprises transfers from the Exchequer from CARA, comprising of equitable share, Level 5 and donor funds released through the exchequer. Exchequer releases are as follows: (The totals of A, B and C below should equal the total exchequer releases).

1A. Equitable Share

Description	2018/2019	2017/2018
	Ksh.	Ksh.
Total Equitable Share for quarter 1	296,730,000	399,546,000
Total Equitable Share for quarter 2	949,536,000	913,248,000
Total Equitable Share for quarter 3	2,225,475,000	1,569,645,000
Total Equitable Share for quarter 4	2,462,859,000	2,825,361,000
Total	**5,934,600,000**	**5,707,800,000**

1B: Level 5 Hospitals Allocation

Description	2018/2019	2017/2018
	Ksh.	Ksh.
Transfers for level 5 hospitals	-	-
Total	-	-

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

1C: Donor Funds released through Exchequer Releases as per CARA

Description	2018/2019	2017/2018
	Ksh.	Ksh.
DANIDA - Universal Healthcare in Devolved Units Programme	27,379,194	14,987,172
World Bank – THUSCP	38,716,724	25,591,703
National Agricultural & Rural Inclusive Growth Project (NARIGP)	-	-
Kenya Devolution Support Programme	102,342,917	43,650,314
Youth Polytechnic support grant	25,103,750	35,472,610
Abolishment of user fees in health centres and dispensaries	20,813,065	22,181,068
Kenya Urban Support Programme	671,347,800	-
Agriculture Sector Development Support Project (ASDSP)	6,915,644	-
Kenya Climate Smart Agriculture Project (KCSAP)	40,941,086	-
Total	**933,560,180**	**141,882,867**

2. PROCEEDS FROM DOMESTIC AND FOREIGN GRANTS

Name of Donor	Date received	Amount in foreign currency	2018 - 2019	2017 – 2018
			Ksh.	Ksh.
Grants Received from Bilateral Donors (Foreign Governments)				
EU -GRANTS			48,775,296	-
Grants Received from Multilateral Donors (International Organizations)				
DANIDA			-	-
Health Sector Support Project(HSSP)				
WORLD BANK				
Health Sector Support Project(HSSP)				
KDSP				
Grants Received from other levels of government				
(Insert name of donor)				
Total			48,775,296	-

(Include a brief explanation on grants received, from whom and for what purpose)

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

3. TRANSFERS FROM OTHER GOVERNMENT ENTITIES

Description	2018 - 2019	2017 - 2018
	Ksh.	Ksh.
Transfers from Central government entities		
Transfer from Central Government Entities	-	-
Conditional Allocation for doctors and nurse salaries	-	-
Free Maternity Care	-	-
Transfers from Counties		
Abolishment of user fees in health centers and dispensaries		
(insert name of budget agency)		
TOTAL	-	-

4. PROCEEDS FROM DOMESTIC BORROWINGS

	2018 - 2019	2017 - 2018
	Ksh.	Ksh.
Borrowing within General Government	-	-
Borrowing from Monetary Authorities (Central Bank)	-	-
Other Domestic Depository Corporations (Commercial Banks)	-	-
Borrowing from Other Domestic Financial Institutions	-	-
Borrowing from Other Domestic Creditors	-	-
Domestic Currency and Domestic Deposits	-	-
Total	-	-

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

5. PROCEEDS FROM FOREIGN BORROWINGS

	2018- 2019	2017 – 2018
	Ksh.	Ksh.
Foreign Borrowing – Draw-downs Through Exchequer	-	-
Foreign Borrowing - Direct Payments	-	-
Foreign Currency and Foreign Deposits	-	-
Total	-	-

6. PROCEEDS FROM SALE OF ASSETS

	2018 – 2019	2017 – 2018
	Ksh.	Ksh.
Receipts from the Sale of Buildings	-	-
Receipts from Sale of Vehicles and Transport Equipment	5,666,000	-
Receipts from Sale of Plant Machinery and Equipment	7,936,000	-
Receipts from Sale of Certified Seeds and Breeding Stock	-	-
Receipts from Sale of office equipment, furniture and fittings	19,400	-
Receipts from Sale of Inventories, Stocks and Commodities	-	-
Disposal and Sales of Non-Produced Assets	-	-
Total	**13,621,400**	-

NOTE; The amount was received upon disposal of various assets inherited from Defunct local Authorities and Devolved Units.

7. CONDITIONAL ADDITIONAL TO COUNTIES

	2018 – 2019	2017 – 2018
	Ksh.	Ksh.
Conditional Allocation for Compensation for user fees foregone	-	-
Total	-	-

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

8. FUEL LEVY ALLOCATION

	2018 - 2019	2017 – 2018
	Ksh.	Ksh.
Road Maintenance fuel levy fund	156,252,849	221,167,425
Total	**156,252,849**	**221,167,425**

9. COUNTY OWN GENERATED RECEIPTS

	2018 - 2019	2017 – 2018
	Ksh.	Ksh.
Interest received	-	-
Profits and Dividends	-	-
Rent	-	-
Plan approvals	-	-
Property Income	-	-
Sales of Market Establishments	-	-
Receipts from Administrative Fees and Charges	-	-
Receipts from Administrative Fees and Charges - Collected as AIA	-	-
Receipts from Sales by Non-Market Establishments	-	-
Receipts from Sale of Incidental Goods	-	-
Fines, Penalties and Forfeitures	23,885,049	15,290,632
Receipts from Voluntary transfers other than grants	-	-
Business permits	195,976,114	198,600,118
Cess	54,140,932	45,506,960
Poll rates	-	0
Plot rents	120,882,919	105,523,394
Local levies	-	0
Administrative services fees	5,304,262	8,679,779
County's natural resources	-	-
Sales of County assets	-	-
Lease / rental of council's Infrastructure assets	-	-
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	-	-

Market/trade Centre fee	22,425,904	17,990,463
Vehicle parking fees	230,951,434	171,673,323
Housing	20,971,841	31,060,822
Social premises use charges	397,301	147,300
School fees	-	-
Other education-related receipts	-	-
Public health services	13,662,924	13,473,453
Public health facilities operations	37,923,111	35,285,599
Environment & conservancy Administration	43,272,041	46,987,105
Slaughter houses administration	17,788,862	14,165,166
Water supply administration	598,860	-
Sewerage administration	-	-
Other health & sanitation receipts	8,141,661	4,722,102
Technical services fees	44,350,492	17,258,685
External services fees	-	10,802,240
Sign boards and advertisement fee	62,998,407	59,088,617
Other miscellaneous receipts	1,341,854	5,284,365
Total	**905,013,969**	**801,540,123**

During the year the County government managed to collect 75% of the total budgeted local revenues which is a drop compared to previous year where it collected 94% of the total budget.

10. RETURNED CRF ISSUES

	2018 - 2019	2017 – 2018
	Ksh.	Ksh.
Recurrent account	389,942	20,532,004
Development account	-	838,970
Deposit account	-	-
Total	**389,942**	**21,370,974**

This are funds that was returned by the County Assembly to the County Revenue Fund account at the end of the financial year

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

11. COMPENSATION OF EMPLOYEES

	2018 - 2019	2017 – 2018
	Ksh.	Ksh.
Basic salaries of permanent employees	1,372,162,021	2,688,279,331
Basic wages of temporary employees	127,723,959	4,949,676
Personal allowances paid as part of salary	1,308,778,782	3,998,750
Personal allowances paid as reimbursements	-	-
Personal allowances provided in kind	-	-
Pension and other social security contributions	158,234,944	227,680,187
Compulsory national social security schemes	4,124,148	9,208,184
Compulsory national health insurance schemes	56,678,849	53,683,107
Social benefit schemes outside government	-	-
Other personnel payments	-	-
Total	**3,027,702,703**	**2,987,799,235**

12. USE OF GOODS AND SERVICES

	2018 - 2019	2017 – 2018
	Ksh.	Ksh.
Utilities, supplies and services	34,453,318	41,223,551
Communication, supplies and services	13,184,320	12,056,135
Domestic travel and subsistence	114,356,774	194,600,019
Foreign travel and subsistence	23,951,848	18,893,024
Printing, advertising and information supplies & services	42,569,474	30,422,310
Rentals of produced assets	11,311,924	5,605,469
Training expenses	54,654,426	47,367,805
Hospitality supplies and services	49,014,639	50,428,322
Insurance costs	196,011,043	139,261,562
Specialized materials and services	152,264,836	222,186,742
Office and general supplies and services	14,889,851	8,291,456
Other operating expenses	249,020,943	180,377,253
Routine maintenance – vehicles and other transport equipment	77,189,087	50,824,234
Routine maintenance – other assets	32,107,656	6,750,734
Fuels , oils and lubricants	96,192,718	54,816,198
Total	**1,161,172,858**	**1,063,104,811**

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

13. SUBSIDIES

Description	2018 - 2019	2017 – 2018
	Ksh.	Ksh.
Subsidies to Public Corporations	-	-
See list attached	-	-
(insert name)		
Subsidies to Private Enterprises	-	-
See list attached	-	-
(insert name)		

14. TRANSFER TO OTHER GOVERNMENT ENTITIES

Description	2018 – 2019	2017 – 2018
	Ksh.	Ksh.
Transfers to County Government entities		
See attached list (under annex 6)	232,500,000	396,014,919
Transfers to Other Counties		
Transfer to county Assembly	671,479,866	617,951,104
(See attached list under annex 6)		
Transfers to National Government entities		
Transfer to the Council of Governors	-	-
Transfers	-	-
TOTAL	**903,979,866**	**1,013,666,023**

15. OTHER GRANTS AND PAYMENTS

	2018 – 2019	2017 – 2018
	Ksh.	Ksh.
Scholarships and other educational benefits	17,348,263	15,752,725
Emergency relief and refugee assistance	2,785,950	-
Subsidies to small businesses, cooperatives, and self employed	9,103,763	2,670,000
Other current transfers grants	-	16,166,453
Other capital grants and transfers	48,192,202	80,472,475
Total	**77,430,178**	**115,061,653**

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

16. SOCIAL SECURITY BENEFITS

	2018 - 2019	2017 – 2018
	Ksh.	Ksh.
Government pension and retirement benefits	-	-
Social security benefits in cash and in kind	-	-
Employer Social Benefits in cash and in kind	-	-
Total	-	-

17. ACQUISITION OF ASSETS

Non- Financial Assets	2018 – 2019	2017 – 2018
	Ksh.	Ksh.
Purchase of Buildings	-	-
Construction of Buildings	217,852,521	213,354,906
Refurbishment of Buildings	243,241,112	24,335,110
Construction of Roads	308,432,421	351,127,140
Construction and Civil Works	341,532,308	270,938,968
Overhaul and Refurbishment of Construction and Civil Works	-	19,968,666
Purchase of Vehicles and Other Transport Equipment	81,996,436	39,916,900
Overhaul of Vehicles and Other Transport Equipment	-	-
Purchase of Household Furniture and Institutional Equipment	-	-
Purchase of Office Furniture and General Equipment	21,854,267	5,259,276
Purchase of ICT Equipment	-	6,382,195
Purchase of Specialized Plant, Equipment and Machinery	445,962,077	211,309,253
Rehabilitation and Renovation of Plant, Machinery and Equip.	-	8,933,803
Purchase of Certified Seeds, Breeding Stock and Live Animals	25,764,070	62,236,110
Research, Studies, Project Preparation, Design & Supervision	23,168,743	-
Rehabilitation of Civil Works	-	-
Acquisition of Strategic Stocks and commodities	-	-
Acquisition of Land	9,200,000	13,865,000
Acquisition of Intangible Assets	581,650	1,292,000
Total acquisition of non- financial assets	**1,719,585,605**	**1,228,919,327**
Financial Assets		
Domestic Public Non-Financial Enterprises	-	-
Domestic Public Financial Institutions	-	-
Total acquisition of financial assets	-	-
Total acquisition of assets	**1,719,585,605**	**1,228,919,327**

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

18. FINANCE COSTS, INCLUDING LOAN INTEREST

	2018 – 2019	2017 – 2018
	Ksh.	Ksh.
Bank Charges	582,401	275,359
Interest Payments on Foreign Borrowings	-	-
Interest Payments on Guaranteed Debt Taken over by Govt	-	-
Interest on Domestic Borrowings (Non-Govt)	-	-
Interest on Borrowings from Other Government Units	-	-
Total	**582,401**	**275,359**

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

	2018 – 2019	2017 – 2018
	Ksh.	Ksh.
Repayments on Borrowings from Domestic	-	-
Principal Repayments on Guaranteed Debt Taken over by Government	-	-
Repayments on Borrowings from Other Domestic Creditors	-	-
Repayment of Principal from Foreign Lending & On – Lending	-	-
Total	**-**	**-**

20. OTHER PAYMENTS

	2018 – 2019	2017 – 2018
	Ksh.	Ksh.
Budget Reserves	10,614,620	90,000
Civil Contingency Reserves	-	-
Other payments	-	-
	10,614,620	**90,000**

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

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)	2018 – 2019	2017 – 2018
				Ksh.	Ksh.
Recurrent CBK 100171685		Recurrent		35,279,639	526,320
Development CBK 100171294		Development		666,502	87,899,280
Road Fuel Levy CBK 1000248475		Development		196,411,644	11,521,414
Imprest KCB 1167279476		Recurrent		5,244,665	119
Exchequer CBK 100171685		Exchequer		1,460,021,444	1,021,489,877
Health Conditional Grants CBK 100248483		Development		57	305,146
CBK Imprest Account no.1000174889		Recurrent		-	-
Health Special Purpose Account CBK 1000335556		Recurrent		4,663,186	-
Pwd AC KCB 1211782794		Recurrent		682	9,473,966
Project Force KCB 1182110363		Development		67,647,839	206,772,095
Deposit A/c CBK 1000248467		Recurrent		69,764,619	73,388,181
Village Polytechnic Paramount Bank A/c no.60002062015		-		360,793	1,101,198
UG World Bank Funds A/c No.060002062012		-		23,809,139	16,097,550
UG-Project Bank KCB A/c No.1238916880		Development		73,143,542	-
Development Grant CBK A/c No. 1000372068		Development		630,147,800	-
Climate Smart AG CBK A/C No. 1000366214		Development		31,305,394	-
Agriculture S.Dev.S.PR CBK A/c N0.1000366222		Development		2,100,000	-
UG KCSAP KCB A/c No.1225866278		Development		145,073	-
Village Polytechnic CBK A/c No.1000369318		-		25,103,750	-
ASDSP A/C No.01141761835700				12,415,644	-
REVENUE ACCOUNTS					
National Bank A/c No.1001111955700		-		0	18,260
SBM Bank A/c No.162307522001		-		1	1
Equity Bank A/c No.109026411251		-		214,058	344,657
KCB A/c No. 1141856689		-		2,191,500	990,862
Cooperative Bank A/c No.1141672927900		-		0	-
Family Bank A/c No. 82000011728		-		213,049	253,910
Spire Bank A/c No. 405448501		-		13,024	53,712
MPESA A/c No.646464		-		1,388,719	88,510
Total				**2,642,251,763**	**1,430,325,058**

21B. CASH IN HAND

	2018 – 2019	2017 – 2018
	Ksh.	Ksh.
Cash in Hand – Held in domestic currency	1,287,419	6,033,685
Cash in Hand – Held in foreign currency	-	-
Total	**1,287,419**	**6,033,685**

Cash in hand should also be analysed as follows:

	2018 – 2019	2017 – 2018
	Ksh.	Ksh.
AINABKOI SUBCOUNTY		
Burnt forest slaughter	83,320	2,500
Illula slaughter slab	24,200	2,300
Flax/Islamic slab	13,400	2,500
Cyrus slaughter slab	33,700	2,200
Burnt forest district hospital	-	22,545
Kapsoya health centre	12,690	-
Uhuru dispensary	7,150	-
Burnt forest market	2,310	3,120
Ainabkoi health centre	-	200
SOY SUBCOUNTY	-	-
Main slaughter slab	-	41,200
Kipsigak dispensary	3,700	-
Nangili market	-	-
Soy open market	-	5,560
Matunda open market	-	-
Barsombe dispensary	-	-
Merewet ph	-	-
Kuinet dispensary	10,000	-
Mois bridge market	9,010	1,430
Mois bridge public centre	25,700	-
Mogoon dispensary	17,450	6,500
Mois bridge market	-	-
Ziwa hospital	-	13,050
Ziwa slaughter	10,400	1,600
Soy health centre	15,470	-
Railway dispensary	1,320	-
Chukura dispensary	-	5,850

Mois bridge cess	-	16,900
KESSES SUBCOUNTY		
Cheptiret slaughter slab	-	-
Chepkigen health centre	14,170	-
Sugunanga slab	5,700	6,700
Cherus Market	1,810	
Cheptiret Market	9,220	5,400
Kesses motorbike collection	15,900	-
Kesses market	4,620	-
Sosiani bus park	-	
Kesses health centre	-	23,190
Ngeria Slaughter slab	16,650	1,860
Kaptumo dispensary	6,300	-
Chagaiya dispensary	-	-
Chuiyat dispensary	3,000	-
TURBO SUBCOUNTY		-
Main market	8,610	-
Main bus park	-	8,400
Kipkaren market	-	-
Turbo stage	12,000	-
Turbo market	-	9,230
Turbo stalls	-	-
Turbo subcounty health centre	-	13,400
Turbo slaughter slab	7,000	-
Kipkaren slaughter slab	8,700	-
Maili nne slaughter slab	13,860	4,410
West market	27,200	38,290
Hawkers market	32,290	31,600
West clinic	42,600	12,300
Huruma health centre	17,470	4,550
Kahoya market	8,200	-
Murgor hill dispensary	-	3,350
MOIBEN SUBCOUNTY	-	-
Chepkatet Public Health	4,000	-
Kimumu Slab	20,250	-
Uasin Gishu district hospital	21,340	11,360
Ziwa auction market	950	-
Ngelel tarit dispensary	8,040	-
Chembulet health centre	-	1,000
KAPSERET SUBCOUNTY		
Pioneer public health	24,200	3,500

Pioneer healh centre	21,600	10,040
Kisor dispensary	2,700	-
Kapseret market	15,650	-
Kaburwo slaughter	13,040	5,170
Kapteldet dispensary	8,850	1,500
Kapseret/Kipkaren market	4,650	-
Langas market	9,470	-
Kapseret Slaughter slab		800
GENERAL		
Main cash office	-	5,611,980
Veternary	24,300	
Unga cess point	-	98,200
Cess Tai Quarry	2,650	
Liason weigh bridge	301,939	
Weights and measures	159,490	
Dola millers cess	119,180	
Total	**1,287,419**	**6,033,685**

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

22. ACCOUNTS RECEIVABLE - OUTSTANDING IMPRESTS

Description	2018 – 2019	2017 – 2018
	Ksh.	Ksh.
Government Imprests	3,590,645	5,413,207
Clearance accounts	-	
Total	**3,590,645**	**5,413,207**

Name of Officer or Institution	Date Imprest Taken	Amount Taken	Amount Surrendered	Balance
		Ksh.	Ksh.	Ksh.
Benjamin Rop	15/4/2019	666,120	-	666,120
Collins Kipkoech	7/9/2018	2,498,775	-	2,498,775
Hillary Ndiema	21/3/2019	91,000	-	91,000
Viola Kigen	15/4/2019	167,375	-	167,375
Damaris Wangare	15/4/2019	167,375		167,375
Total		**3,590,645**		**3,590,645**

23. ACCOUNTS PAYABLE

	2018 – 2019	2017 – 2018
	Ksh.	Ksh.
Deposits	0	0
Retention monies	69,764,619	73,388,181
Total	**69,764,619**	**73,388,181**

24. FUND BALANCE BROUGHT FORWARD

	2018 – 2019	2017 – 2018
	Ksh.	Ksh.
Bank accounts	1,430,325,058	947,843,844
Cash in hand	6,033,685	6,899,572
Accounts Receivables	5,413,207	14,194,110
Accounts Payables	(73,388,181)	(85,398,738)
Total	**1,368,383,769**	**883,538,788**

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

25. PRIOR YEAR ADJUSTMENTS

Description of the error	2018 – 2019	2017 – 2018
	Ksh.	Ksh.
Adjustments on bank account balances-Exchequer a/c	117,836,034	-
Adjustments on cash in hand	-	-
Adjustments on payables	-	-
Adjustments on receivables	-	-
Others (*specify*)	-	-
	117,836,034	-

National Treasury deposited Kshs 913,248,000 on 4th July 2019. The County government made a request to the Controller of Budget through a requisition for a transfer of Kshs 795,411,966 on 30th June 2018. Both the transfers were omitted in the 2017/2018 cashbook balance, thus understating fund balance brought forward.

4.10. OTHER IMPORTANT DISCLOSURES

1. PENDING ACCOUNTS PAYABLE (See Annex 2)

Description	Balance b/f FY 2017/2018 Ksh.	Additions for the period Ksh.	Paid during the year Ksh.	Balance c/f FY 2018/2019 Ksh.
Construction of buildings	0	11,560,503	0	11,560,503
Construction of civil works	17,861,358	1,091,434	17,861,358	1,091,434
Supply of goods	103,523,632	21,454,569	103,523,632	21,454,569.47
Supply of services	77,812,231	95,207,674	77,812,231	95,207,674.49
Total	**199,197,221**	**129,314,181**	**199,197,221**	**129,314,181**

2. PENDING STAFF PAYABLES (See Annex 3)

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

3. OTHER PENDING PAYABLES (See Annex 4)

Description	Balance b/f FY 2017/2018 Ksh.	Additions for the period Ksh.	Paid during the year Ksh.	Balance c/f FY 2018/2019 Ksh.
Amounts due to National Government entities	500,000	0	500,000	0
Amounts due to County Government entities	0	0	0	0
Amounts due to third parties	118,914,413	82,905,583.09	49,620,434	152,199,562.09
Total	**119,414,413**	**82,905,583.09**	**50,120,434**	**152,199,562.09**

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

	2018- 2019	2017- 2018
	Ksh.	Ksh.
Key Management Compensation(Governors, CEC Members and C.Os)		
Transfers to related parties		
Transfer to the County Assembly	671,479,866	617,651,104
Transfers to other County Government Entities	232,500,000	396,014,919
Transfers to Development Projects		
Transfers to non-reportin 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	**903,979,866**	**1,013,666,023**
Transfers from related parties		
Transfers from the Exchequer	6,868,160,180	5,849,682,867
Transfers from MDAs		
Transfers from SCs and SAGAs- National Government		
(Insert any other transfers received)		
Total Transfers from related parties	**6,868,160,180**	**5,849,682,867**

5. ESTABLISHMENT OF OTHER COUNTY GOVERNMENT ENTITIES

The PFM Act, 2012 section 182 enables the County Government to establish and dissolve 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
Uasin Gishu County Emergency Fund	22/1/2016	County HQ	Chief officer Finance
Uasin Gishu County Education Bursary Fund	20/1/2016	County HQ	Chief officer education culture and social services
Uasin Gishu County Car And Mortgage Fund	6/10/2015	County HQ	Chief officer Finance
Uasin Gishu County Technical Vocational And Education Training Fund	20/1/2016	County HQ	Chief officer youth and sports
Uain Gishu County Alcoholic Fund	6/5/2014	County HQ	Chief officer health
Uasin Gishu County 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)
3.0	Expenditure on salary emoluments and benefits.	The trend has been improving currently the rate stands at 38%	Chief officer public service management	Not resolved	progressive
4.0	Stalled projects				
	Proposed model sub-county hospital moiben	The project is currently under litigation and therefore the matter is in court. Our Department is awaiting further directions from the court	Chief officer Health Services	Not Resolved	Awaiting the court process
	Proposed model sub-county hospital- Ziwa	Project termination concluded, re-advertised and awaiting award.	Chief officer Health Services	Resolved	
	Kapsaret Sub County Office	Contractor is back on site and project is on going	Chief officer public administration	resolved	
	Construction of kipkaren river market	Termination process completed, re-advertised and awarded	Chief officer trade and industrialization	Resolved	
	Electric fence at chebororwa ATC	Court case was concluded	Chief officer agriculture	Not Resolved	30th June 2019
	Fire Station at Burnt Forest	Re-appropriated the money in the	Chief officer Roads and public Works	Not Resolved	30th June 2020

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)
		2019/2020 budget Tender documents have been completed ready for advertisement			
	Chagaiya High Altitude Training Camp	Contract has been terminated and re-advertised and awaiting award	Chief officer environment, water and natural resources	Resolved	
	Medical laboratory at huruma	Contract terminated and works awarded to a new contractor	Chief officer health services	resolved	
	Maternity block at kapteldon sub county hospital.	Contract terminated and works awarded to a new contractor	Chief officer health services	resolved	
4.2	Construction of civil works				
	Drilling of boreholes	Lots 1,2 and 3 are now completed	Chief officer environment, water and natural resources	resolved	
	Construction of kiborokwo kapngetuny bridge	The bridge is complete and now serving the residents	Chief officer roads and public works	resolved	

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

CEC FOR FINANCE AND ECONOMIC PLANNING

Sign.....

COUNTY GOVERNMENT OF UASIN GISHU
10 DEC 2019
Sign.....
CECM - FINANCE & E. PLANNING

Date.....

ANNEXES

I. ANNEX 1 – ANALYSIS OF TRANSFERS FROM THE EXCHEQUER

Period	Equitable Share	DANIDA	Free Maternity Health Care	RMLF	Transfer to County Assembly	Other transfers -Donor funds transferred Thro exchequer	Total Transfers From The National Treasury/Exchequer
	KSHS	KSHS	KSHS			KSHS	KSHS
Exchequer Releases for quarter 1	508,756,990	-	-	-	134,779,008	-	**643,535,998**
Exchequer Releases for quarter 2	1,957,434,669	8,741,477	9,568,125	156,252,849	193,579,445	8,868,153	**2,334,444,718**
Exchequer Releases for quarter 3	1,299,070,534	25,312,062	9,568,125	-	145,836,813	638,390,744	**2,118,178,279**
Exchequer Releases for quarter 4	2,196,008,901	-	20,813,365	226,850,181	197,284,600	32,019,394	**2,672,976,141**
Total	**5,961,271,094**	**34,053,540**	**39,949,315**	**383,103,030**	**671,479,866**	**679,278,291**	**7,769,135,136**

ANNEX 2 – ANALYSIS OF PENDING ACCOUNTS PAYABLE

Supplier of Goods or Services	Original Amount	Date Contracted	Amount Paid To-Date	Outstanding Balance 2018/2019	Outstanding Balance 2017/2018	Comments
	A	B	c	d=a-c		
Construction of buildings						
1. Taureq Building	480,100			480,100	0	
2. Midland Construction Ltd	2,885,268			2,885,268	0	
3. Keflogic Systems Ltd	7,697,635			7,697,635	0	
4. Yeguts Company Ltd	497,500			497,500		
Sub-Total	**11,560,503**			**11,560,503**	**0**	
Construction of civil works						
5. Davis &shirtlif Limited	1,091,434			1,091,434		
6.						
7.						
Sub-Total	**1,091,434**			**1,091,434**	**17,861,358**	
Supply of goods						
8. Suppliers	21,454,569			21,454,569		
9.						
10.						
Sub-Total	**21,454,569**			**21,454,569**	**103,523,632**	
Supply of services						
11. Service providers	95,207,674			95,207,674		
12.						
13.						
Sub-Total	**95,207,674**			**95,207,674**	**77,812,231**	
Grand Total	**129,314,181**			**129,314,181**	**199,197,221**	

ANNEX 3 – ANALYSIS OF PENDING STAFF PAYABLES

Name of Staff	Job Group	Original Amount	Date Payable Contracted	Amount Paid To-Date	Outstanding Balance 2018/2019	Outstanding Balance 2017/2018	Comments
		a	B	C	d=a-c		
Senior Management							
1.							
2.							
3.							
Sub-Total		**0**			**0**	**0**	
Middle Management							
4.							
5.							
6.							
Sub-Total		**0**			**0**	**0**	
Unionisable Employees							
7.							
8.							
9.							
Sub-Total		**0**			**0**	**0**	
Others (*specify*)							
10.							
11.							
12.							
Sub-Total		**0**			**0**	**0**	
Grand Total		**0**			**0**	**0**	

ANNEX 4 – ANALYSIS OF OTHER PENDING PAYABLES

Name	Brief Transaction Description	Original Amount	Date Payable Contracted	Amount Paid To-Date	Outstanding Balance 2018/2019	Outstanding Balance 2017/2018	Comments
		A	B	c	d=a-c		
Amounts due to National Govt Entities							
1.							
2.							
3.							
Sub-Total					**0**	**500,000**	
Amounts due to County Govt Entities							
4.							
5.							
6.							
Sub-Total					**0**	**0**	
Amounts due to Third Parties							
7. Laptrust	Actuarial Deficit	44,500,828		0	44,500,828		
8. Laptrust	Payroll deductions for Feb, April and June 2015	24,793,977			24,793,977		
9. Laptrust	Unremitted inherited debt	3,099,607			3,099,607		

Name	Brief Transaction Description	Original Amount	Date Payable Contracted	Amount Paid To-Date	Outstanding Balance 2018/2019	Outstanding Balance 2017/2018	Comments
10. Financial Institutions	Unremitted salary deductions May and June 2019	79,805,150			79,805,150	0	
Sub-Total		**152,199,562**		**0**	**152,199,562**	**118,914,413**	
Others (*specify*)							
11.						0	
12.							
13.							
Sub-Total		**0**			**0**	**0**	
Grand Total		**152,199,562**			**152,199,562**	**119,414,413**	

ANNEX 5 – SUMMARY OF FIXED ASSET REGISTER

Asset class	Historical Cost b/f (Ksh.) 2017/2018	Additions during the year (Ksh.)	Disposals during the year (Ksh.)	Transfers in/(out) during the year (Ksh.)	Historical Cost c/f (Ksh.) 2018/2019
Land	79,171,690	9,200,000	-	-	88,371,690
Buildings and structures	3,937,160,295	461,093,633	-	-	4,398,253,928
Transport equipment	266,529,004	81,996,436	-	-	348,525,440
Office equipment, furniture and fittings	93,695,817	21,854,267	-	-	115,550,084
ICT Equipment	67,956,050	-	-	-	67,956,050
Machinery and Equipment	2,429,364,906	445,962,077	-	-	2,875,326,983
Heritage and cultural assets	361,591,532	48,932,813	-	-	410,524,345
Biological assets	-	-	-	-	0
Intangible assets	140,750,232	581,650	-	-	141,331,882
Infrastructure assets- Roads, Rails	-	649,964,729	-	-	649,964,729
Work in progress	-	-	-	-	0
Total	**7,376,219,526**	**1,719,585,605**	-	-	**9,095,805,131**

NB:(i)The balance as at the end of the year is the cumulative cost of all assets bought by the County Government. Additions during the year ties to note 17 on acquisition of assets during the year.

(ii) During the year the County disposed assets inherited from defunct local Authority totalling to Kshs,13,621,400,which includes transport equipment (kshs5,666,000) ,office equipment, furniture &fittings(kshs19,400) and machinery and equipment (kshs7,936,000).

ANNEX 6 – INTER-ENTITY TRANSFERS

Ref	Entity	Quarter 1	Quarter 2	Quarter 3	Quarter 4	Amount transferred	Amount Confirmed as received	differ ence	expla natio n
		Ksh.	Ksh.	Ksh.	Ksh.	Ksh.	Ksh.		
1	County Assembly	134,779,008	193,579,445	145,836,813	197,284,600	671,479,866	671,479,866		
2	Mortgage and Car Loans fund	-	-	43,800,000	16,200,000	60,000,000	60,000,000		
3	Technical Vocational and Education Training Fund	-	-	55,000,000	-	55,000,000	55,000,000		
4	Bursary & skills Development Fund	-	-	95,000,000	-	95,000,000	95,000,000		
5	Emergency Fund	-	-	22,500,000		22,500,000	22,500,000		
	Total	**134,779,008**	**193,579,445**	**362,136,813**	**213,484,600**	**903,979,866**	**903,979,866**		

Director of Finance
County Executive

Director Mortgage& Car loans

Director of Finance
County Assembly fund/project

Director Bursary& Skills Development

Director Technical Vocational & Education

Director Emergency Fund

ANNEX 6 – BANK RECONCILIATION/FO 30 REPORT

(Attach FO 30 Reports from IFMIS)