REPUBLIC OF KENYA

OFFICE OF THE AUDITOR-GENERAL

REPORT

OF

THE AUDITOR-GENERAL

ON

THE FINANCIAL STATEMENTS OF COUNTY EXECUTIVE OF GARISSA

FOR THE YEAR ENDED 30 JUNE 2016

OFFICE OF THE AUDITOR GENERAL
P. O. Box 30084 - 00100, NAIROBI
27 JUN 2017
RECEIVED

HARAMBEE

COUNTY EXECUTIVE OF GARISSA

REPORTS AND FINANCIAL STATEMENTS

FOR THE FINANCIAL YEAR ENDED JUNE 30, 2016

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

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I. 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

The *entity's* day-to-day management is under the following key organs:

	Designation	Name
(i)	Governor	H.E Nathif Jama Adam
(ii)	Deputy Governor	Abdullahi Hussein Ali
(iii)	County Secretary	Mohamud Hassan Mursal
(iv)	C.E.C Finance	Ahmed Aden Hire
(v)	C.E.C Environment	
(vi)	C.E.C Infrastructure & Public works	Abdihakim sheikh dayib
(vii)	C.E.C culture, Children	Halima Mohamed Haji
(viii)	C.E.C Education	Mohamed Adan
(ix)	C.E.C Agriculture	Hubbie Hussein Alhaji
(x)	C.E.C Health	Sophia Sheikh Omar
(xi)	C.E.C Water	
(xii)	C.E.C Livestock and Pastoral Economy	Hajir Mohamed Dahiye
(xiii)	C.E.C Commerce	

(a) Fiduciary Management

The key management personnel who held office during the financial year ended 30th June 2016 and who had direct fiduciary responsibility were:

	Designation	Name
1.	Chief Officer-Finance and Economic Planning	Abdullahi Omar Mussa
2.	Head of Budget	Abdirahman Noor
3.	Head of Accounts	Muktar Said Buro
4.	Chief Finance Officer	Mohamed Hussein Nur
5.	Director of Finance	Abdi Sahal Ali
6.	Chief Officer- Special Programs	Ibrahim Aden Osman
7.	Chief Officer- Youth And Sports	Jawahir Keinan
8.	Chief Officer-Commerce	Mohamed Daud Abdi
9.	Chief Officer- Revenue	Said Mirat Dahir
10.	Director -Urban Planning	Daud Abdi Biriye
11.	Chief Officer- Livestock and Pastoral Economy	Fatuma Omar
12.	Chief Officer- Agriculture	Abdullahi Bashir
13.	Chief Officer - Culture $ Children	Abdullahi Diis Hussein
14.	Chief Officer - Lands and Housing	Abdinasir Sheikh Yussuf

	Designation	Name
15.	Chief Officer - Environment	Abdi Dagane Ismail
16.	Chief Officer – Health	Dr. Sofia Mohamed
17.	Chief Officer – Water and Sanitation	Mohamed Abdi Ali
18.	Chief Officer- Education	Abdille Issack Hassan

(b) Fiduciary Oversight Arrangements

The County Assembly's Accounts and Investment Committee has the responsibility of examining the county government accounts particularly those reporting on appropriation granted by the county assembly to meet public expenditure. The Committee also follows up on the audit report from the auditor general.

The County has no audit committees, However there is Head of Internal Audit from who reports on:

1. *Adequacy and effectiveness of CGE's internal control system*
2. *Adequacy and effectiveness of the entity's risk management*
3. *Likely causes of any weaknesses observed, implications and agreed remedies*

The Controller of Budget also monitors and controls on the budget limits

(c) Entity Headquarters

P.O. Box 563-70100
Provincial Headquarters
Lamu Road
Garissa, KENYA

(d) Entity Contacts

Telephone: (254) 0462102604
E-mail: garissacounty@gmail.com
Website: www.garissa.go.ke

(e) Entity Bankers

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

2. Kenya Commercial Bank
   Garissa Branch
   P.O. Box 143
   Garissa, Kenya

3. Equity Bank
   Garissa Branch
   P.O. Box 700
   Garissa, Kenya

4. National Bank of Kenya
   Garissa Branch
   P.O. Box 1648
   Garissa, Kenya

(f) Independent Auditors

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

(g) Principal Legal Adviser

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

II. FORWARD BY THE CEC MEMBER FINANCE

Section 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 revenue and consolidated financial statements for all County Government entities in accordance with the standards and formats prescribed by the Public Sector Accounting Standards Board.

In view of the above it is my pleasure to forward the Garissa County Government financial statements for the period ending 30th June 2016. The statements are prepared in accordance with the cash basis of accounting method under the International Public Sector Accounting Standards (IPSAS).

The statements presented include: A statement of Receipts and Payments, a statement of Assets and Liabilities, Cash flow Statement, a statement of Comparative budget and actual amounts, a statement of Pending bills, a summary of significant accounting policies, a statement of outstanding imprest and Notes to the Financial Statements.

The county has witnessed tremendous growth in the sectors like health, water, infrastructure, agriculture and energy during the financial year under review which has transformed the lives of residents of Garissa County. However there were various challenges key among them being lack of audit committee, IFMIS connectivity problems as well as Internet Banking, Budget implementation in the various sectors, Shortage of trained personnel in all sectors and Lack of clarity in the roles and responsibilities of officers and sectors among others

County Executive Committee Member,
Finance and Economic Planning,
County Government of Garissa.

III. STATEMENT OF MANAGEMENT RESPONSIBILITIES

Sections 163,164 and 165 of the Public Finance Management Act, 2013 requires that, at the end of each financial year, the County Treasury shall prepare financial statements of each County Government entity, receiver of revenue 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, 2016. 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, 2016, 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 _____ 2016.

County Executive Committee Member,
Finance and Economic Planning

REPUBLIC OF KENYA

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NAIROBI

OFFICE OF THE AUDITOR-GENERAL

REPORT OF THE AUDITOR-GENERAL ON COUNTY EXECUTIVE OF GARISSA FOR THE YEAR ENDED 30 JUNE 2016

REPORT ON THE FINANCIAL STATEMENTS

I have audited the accompanying financial statements of County Executive of Garissa set out on pages 8 to 30, which comprise the statement of receipt and payments as at June, 30th 2016, the statement of financial asset, the statement of cash flows for the year then ended, the summary statement of appropriation 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 not obtained all the information and explanations which, to the best of my knowledge and belief, were necessary for the purpose of the audit.

Management's Responsibility for the Financial Statements

Management is responsible for the preparation and fair presentation of these financial statements in accordance with International Public Sector Accounting Standard (cash basis) and for such 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.

The 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.

Auditor-General's Responsibility

My responsibility is to express an opinion on these financial statements based on the audit and report 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. The audit was conducted in accordance with Standards of Supreme Audit Institutions (ISSAIs). Those standards require compliance with ethical requirements and that the audit be planned and performed to obtain reasonable assurance about whether the financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal controls relevant to the entity's preparation and fair presentation of the

financial statements in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the County Executive of Garissa internal control. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of accounting estimates made by the management, as well as evaluating the overall presentation of the financial statements.

I believe that the audit evidence obtained is sufficient and appropriate to provide a basis for my qualified audit opinion.

Basis for Qualified Opinion

1. Presentation and Disclosure of the Financial Statements

The financial statement for the year ended 30th June, 2016 presented for audit did not include action taken on audit issues raised in the previous year as required by the financial reporting template by the National Treasury.

2. Summary of Fixed Asset

Summary of fixed Asset Annex 2 attached to the financial statement disclosed fixed assets amounting to Kshs.5,773,057,428. However the County Executive did not maintained a fixed assets register to record the assets maintained by the County Executive contrary to section 136 of Public Finance Management Regulation, 2015.
In the absence of the fixed asset register, audit could not ascertain the balances and make-up of the fixed assets disclosed, hence it was not possible to ascertain the validity, completeness and accuracy of the assets balance of Kshs.5,773,057,428.

3. Procurement of Market Stalls

The County initiated and implemented six (6) market stalls in various Sub Counties during the financial year 2013//2014 at a cost of Kshs.120,082,772. Examination of payment vouchers, project files and other tender documents in respect of the market stalls revealed that the County Government made payments of Kshs.92,079,020 or 76.7% of the contract price for the six (6) market stalls as at the time of audit. However, physical verification done between 5/11/2016-7/11/2016 confirmed that the projects are all stalled and the contractors abandoned the sites. No explanation was given why the projects which were initiated in 2013/2014 financial year were not completed.

Under the circumstances, the County Government did not get value for money for the payments of Kshs.92,079,020 made to the contractors for the stalled projects.

4. Purchase of 27 No. Vehicles for Garissa County

The County Executive of Garissa procured 27 No. Vehicles at a cost of Kshs.246,932,000 during the financial year 2014/2015. The vehicles were alleged to have been procured

through open tender. However, a copy of the adverts was not made available for audit verification. Further, the following observations were made regarding the project:-

i. Evaluation of tender documents was done by a three member committee on 17/7/2014. The project file however did not contain preliminary evaluation, the same was not availed for audit review. The technical evaluation indicated only three (3) firms qualified for technical evaluation. Audit could therefore not establish how the other firms were eliminated. Minutes of the Central Tender Committee which awarded the contract was not made available for audit review.

ii. Contract was awarded to Alama Trading Company of box 2571-00200, Nairobi and contract agreement was signed 7/8/2014. The payment was however made to another Company Ms Ocean Atlantic Company of box 71909-00622, Nairobi. Which was said to have been subcontracted by Alama Trading Company. No explanation was given why Alama Trading Company subcontracted Ocean Atlantic Company and no evidence of subcontracting between the two companied was availed for audit.

iii. A payment of Kshs.80,000,000 was made to Ocean Atlantic Company in the financial year 2014/2015. The remaining balance of Kshs.166,932,000 was made to the contractor during the period under review. It was however explained that twenty six (26) vehicles were received by the county. The remaining vehicle was yet to be delivered. Physical verification carried out on various dates showed that only nineteen (19) vehicles were verified. The other vehicles were purported to have been on official duties on various locations. No delivery notes were availed to support the delivery of the vehicles. The vehicles were also not recorded in the Asset Register and Logbooks for the vehicles were not received by the County.

Under the circumstances, it was not possible to ascertain the authenticity of the expenditure amounting to Kshs.246,932,000 as at 30 June 2016.

5. Desilting and Deloging of Balambala River Canal Stretch

The County Executive of Garissa awarded Contract amounting to Kshs.22,225,600 to M/s Maakib Construction Co. Ltd of Box 777-70100 Garissa for desilting river canal at Balambala. The following observations were however made:-

i. The project was procured through request for Quotations. This is against the Threshold matrix for class A procuring entity as contained in the Public Procurement and Disposal Regulations 2006. The said regulations set the maximum level of expenditure for works under this method as Kshs.4,000,000. The procurement of works amounting to Kshs.22,225,600 using Quotations is irregular and abuse of procurement laws.

ii. The Quotations raised to three firms did not indicate the date floated, the buyer's details and postal address, date and time for submission of Quotations and date submitted by the firms. Further, the Quotations from unsuccessful bidders did not

bear the rubber stamp or signature of the bidders. The authenticity of the Quotations allegedly filled by the firms could not be ascertained.

iii. Although the contract was for desilting and deloging of canal, the specifications in the Quotations were hire of tractors, loaders, purchase of fuel and payment of 100 casuals laborers. The specifications in the Quotations were therefore vague and not relevant to the works contracted.

iv. The Quotations, Evaluation report, notification of award and contract agreement all bear tender no. CGG/Q/213/2014-2015. The tender opening minutes however, indicated tender no. CGG/Q099/2014-2015. The minutes did not show details of the said tender. Further, some of the officers who allegedly involved in the tender opening, evaluation and site inspection denied having been involved in the procurement process.

v. Immediate communications was issued on 11/12/2014 a day before the evaluation report. A copy of the immediate communication was used to support the payment. The original document was not made available for audit review.

vi. The payment was supported by undated site inspection report. The site meeting was done by four member committee. The report was signed by only two officers. Further, a payment of Kshs.4,000,000 was made to the contractor without certificate of completion. Audit verification done on 5th November, 2016 revealed that the work was not done.

In view of the foregoing, the County Executive of Garissa may have lost funds through fraudulent procurement process and payment for works not done.

6. Proposed Construction of a Community Resource Centre at Garissa

County Executive of Garissa awarded contract amounting to Kshs.7,895,070 to Big Easy Company for the construction of a community Resource Centre at Garissa County. The following anomalies were however noted:-

i. The project was implemented on a land belonging to a mosque. It was not clear how the project was identified and initiated since there were no correspondences between the Mosque committee and the County Government concerning implementation of the project in the mosque.

ii. The project was procured through restricted tendering method. Request for waiver for restricted Tendering was written to the Central Tender Committee on 21/05/2015 by the County Chief Officer, Department of Lands, Housing and Public Works. Reason for the request for the waiver was not justified hence the project was irregularly procured.

iii. Evaluation was done on 10/07/2014 by a four (4) member committee. The committee evaluated the bidders based on the Company registration documents

and completeness of the tender documents. The criteria used in evaluating the bidders were not set in the tender documents as required by section 66 (2) of the Public Procurement and Disposal Act, 2005, but were introduced at the evaluation stage

iv. Although a payment of Kshs.3,584,470 was made to the contractor physical verification revealed that the work was stalled and the contractor abandoned the site

In view of the above, the County Government may have lost funds through irregular procurements and payments for works not done.

7. Supply and Delivery of Seven (7) No. 51- Seater Buses for Secondary Schools

During the financial year 2015/2016 the County procured seven (7) No. school buses at cost of Kshs.96,500,000. The buses were procured for seven (7) No. Secondary school Girls within the County. However, the following observations were made:-

(i) The buses were procured for secondary schools which is the National Government function. It was not clear how the project was identified and initiated since there was no request made by the schools.

(ii) The project was procured through restricted tendering. No evidence was availed to show request for restricted tendering was made and approved by the County Tender Committee as required by the Public Procurement and Disposal regulations.

(iii) Copies of immediate communication and Notification of award was issued on 24/2/2015 and 25/2/2015 respectively and contract agreement was signed between the County Government and the Contractor on 13/3/2015. However, Minutes of the Central Tender Committee which awarded the contract was not availed for audit review.

(iv) The County did not carry out price market survey before it procured the buses. No explanation was given why the County did not procure the buses from accredited Government dealers.

(v) Audit could only physically verified two buses since the other five (5) were said to have been issued to the schools at the Sub Counties. However, no records such as requisition and issue vouchers, delivery notes, acknowledgement from the schools were made available for audit review. Further, the buses had no logbooks as at the time of audit.

Under the circumstances, the propriety of the expenditure and the ownership of the vehicles could not be ascertained.

8. Award of Consultancy Services

The County Executive of Garissa engaged M/s Aran Consulting Limited and awarded contract amounting to Kshs.23,200,000 for drafting County policies. However, the nature of the policies the company was engaged to draft was not specified. Further, the County Government also did not avail tender documents such as notice inviting expression of interest, terms of reference, request for proposals, opening minutes, evaluation of technical and financial proposals, minutes of Central Tender Committee awarding the contract, immediate communication and letters of offer and acceptance. The County Executive made full payment to the contractor. However, physical verifications carried out confirmed that there were no policies drafted as evidence of work done.

Under the Circumstances, it has not been possible to ascertain whether the expenditure of Kshs.23,200,000 paid by the County Government was a proper charge to public funds.

9. Unaccounted for Fuel

The County Executive of Garissa fuel records for financial year under review disclosed that the County Government and County Referral Hospital procured fuel worth Kshs.11,866,818 from various filling station. The fuel was however not accounted for through use of fuel register, detail orders, delivery notes and work tickets .This was contrary to Section 18.2 of the Government Financial Regulation and Procedures on stores accounting which requires that stock ledgers be used in a properly authorized vouchers showing quantities received, quantities issued and current stock balances are posted. It was also observed that in some instances fuel paid for was not supported by L.P.Os and other payments were made on strength of the proforma invoices.
Further, the County Referral Hospital did not maintain Bulk fuel register for period between July to October 2015. The bulk fuel register for the whole financial year was not properly maintained since it did not show the running balances after every withdrawal.

In the absence of the above documents, it has not been possible to ascertain the propriety of expenditure of Kshs.11,866,818.

10. Hire of Transport Services

During the financial year under review, the County Executive of Garissa spent Kshs.21,378,000 on hire of motor vehicles for the operations of the County. The payments were however not supported with temporary work tickets, copies of the log books, insurance covers and driver's license. The purpose for the hire of the vehicles was not explained.

Under the circumstances, it has not been possible to ascertain the propriety of the expenditure amounting to Kshs.21,378,000.

11. Unsupported Subsistence Allowances

During the financial year ended 30th June 2016, the County Executive of Garissa spent Kshs.6,551,050 on payments of travel and subsistence allowances to persons who were on official duties outside their duty station. The payments were however not supported

with travel documents hence no evidence of the journeys made, officers were paid night outs while they were on full board accommodation in hotels and in some cases officers were paid for the same days when they were in different locations. Payments of subsistence allowances were also made to staff attending training or consultative meeting in Nairobi. However, the payments were not supported by invitation letters and training programs.

Under the circumstances, the propriety of the expenditure amounting to Kshs.6,551,050 could not be ascertained.

12. Repairs and Maintenance of Motor Vehicles Expenses

Examination of payment vouchers and other motor vehicle records revealed the County Government spent Kshs.7,241,095 on repair and maintenance of motor vehicles during the financial year ended 30 June 2016. It was however noted that the vehicles were not inspected prior and after the repairs to determine the condition of the vehicles before and after the repairs and the estimated cost of the repairs. It was also noted that vehicles log books were not maintained and therefore repairs were not taken on charge in the motor vehicles log book G.P (55) as required by Section K of the code of regulations.

Under the circumstances, the propriety of the expenditure could not be ascertained.

13. Cash Book Audit

Examination of cash book maintained at Garissa Provincial Hospital revealed that the cash book was not checked and signed by a senior officer as required by Chapter 5.9.1 of the Government Financial Regulations and Procedures. Board of survey was not conducted as at close of financial year 2016 as the cash book was not signed by appointed board of survey members. Various transactions posted to the cash book on 30/6/2016 were not assigned cash book voucher number, yet prior and preceding transactions posted are assigned cash book voucher number 396 and 397 which casts doubt on the integrity of the cash book.

14. Failure to Prepare Bank Reconciliation Statements

The Hospital management did not prepare bank reconciliation statement as at close of financial year 30 June 2016 for the bank account maintained as required by Chapter 5.9.2.1 of the Government Financial Regulations and Procedures. No reason was given for this omission.

15. Irregular and Unaccounted for Procurement of Non-pharmaceuticals, Pharmaceutical and Lab Reagents

Examination of records maintained at Garissa County Referral Hospital revealed that various pharmaceutical, non-pharmaceutical and lab reagent items worth of Kshs.54,511,745 were procured during the year ended 30th June, 2016. The items were procured through Request for quotations instead of open tender or alternative procurement method as the items procured exceeded the limit for use of request for quotations. The Quotations were invited from firms that are not in the prequalified list and

no proper evaluation procedures were carried out since all firms which failed in preliminary evaluation for lack of compliance documentations were awarded the contracts. Further, notification of award to successful and unsuccessful firms as well as acceptance of offer by the winning bidder were not availed to support the payments. No contract agreements were entered into and signed by both parties.

Further, medical drugs from KEMSA and some other suppliers were not taken on charge in the respective stores ledgers and other related records contrary to Chapter 18.1 & 2 of Government Financial Regulations and Procedures which require that the stores purchased should be posted to stores ledger accounts which should show at all times quantities received, quantities issued or otherwise disposed off and current balances. Some of the payments were not signed by the AIE holder.

It was further noted that supply of Non pharmaceutical items from Crown Healthcare Ltd had supplier invoice amounting to Kshs.4,971,320 whereas the contract sum for the same supplies was Kshs.4,215,560. The supplier therefore invoiced and was paid Kshs.755,760 in excess of the contract price. Similarly, one supplier M/S Garissa pharmacy was paid Kshs.3,045,000 for supply of Pharmaceuticals worth Kshs.2,510,000. The hospital management therefore paid Kshs.535,000 over and above contract price.

Under the circumstances, the Garissa County Referral Hospital may have procured the items at unfair price made payments for goods not delivered.

16. Irregular Procurement of Goods and Services

The Garissa Referral Hospital procured Goods amounting to Kshs.19,703,393 during the period under review. However, Request for quotations, opening, evaluation and awarding minutes were not availed for audit review. It was also noted that where quotations were raised, they lacked dates when raised, opening time and date, seller's name and address. Further it was noted that some of the procurement requisition raised by user departments were not approved by A.I.E holder nor the procurement officer. Some of the quotations were also opened by only one officer.
Under those circumstances, it has not been possible to ascertain the propriety of the expenditure.

17. Irregular Procurement of Food Stuffs

The Garissa Referral Hospital procured food Stuffs amounting to Kshs.7,591,380 during the period under review. However, Request for quotations, opening, evaluation and awarding minutes were not availed for audit review. It was also noted that inspection and acceptance certificates were signed by one officer contrary to Public Procurement and Disposal Regulation 2006 Section 17(2) which states that, the inspection and acceptance committee shall be composed of a chairman and at least two other members appointed by the accounting officer or the head of the procuring entity on the recommendation of the procurement unit.

In view of the above, it was not possible to ascertain propriety of the expenditure.

Qualified Opinion

In my opinion, except for the effects of the matters described in the Basis for Qualified Opinion paragraph, the financial statements present fairly, in all material respects, the financial position of County Executive of Garissa as at June, 30th 2016 and its financial performance and its cash flows for the year then ended, in accordance with International Public Sector Accounting Standard (Cash Basis) and comply with Public Finance Management Act, 2012.

Other Matters

1.0 Budget and Budgetary Control

1.1 Budget Performance Analysis

During the year under review the approved supplementary budget for the County was Kshs.7,258,640,113 with Kshs.4,657,741,620 or 64.2% allocated to recurrent expenditure and Kshs.2,600,898,493 or 35.8% allocated to Development projects as follows:-

Item	Budgeted Allocation	Actual Expenditure	Absorption Rate	% of Total Expenditure	Difference
Development Expenses	2,600,898,493	2,761,809,163	106.19%	42.2	-160,910,670
Recurrent Expenses	4,657,741,620	3,780,738,366	81.17%	57.8	877,003,254
Total	**7,258,640,113**	**6,542,547,529**			**716,092,584**

1.2 Under Expenditure

Item	Budgeted	Actual	Difference
Compensation of Employees	2,046,717,049	2,020,185,654	26,531,395
Use of goods and services	1,113,837,677	988,976,710	124,860,967
Transfers to Other Government Units	643,932,873	643,932,873	0
Other grants and transfers	111,821,000	107,677,000	4,144,000
Acquisition of Assets	3,180,757,921	2,781,775,292	398,982,629
TOTAL	**7,097,066,520**	**6,542,547,529**	**554,518,991**

The above analysis reflects total expenditure for 2015/2016 amounting to Kshs.6,542,547,529 against approval budget of Kshs.7,097,066,520 resulting to under expenditure of Kshs.554,518,991 which is (7.8%). The Under expenditure by County Government may affect its operations and services delivery to the resident of the County.

2.0 Revenue Analysis

The County's budgeted revenue allocation for the year 2015/2016 against the actual receipt is as tabulated below:-

Item	Budgeted Allocation (Kshs.)	Actuals Receipts (Kshs.)	Under (Kshs.)	Over (Kshs.)
Proceeds from Domestic and Foreign Grants	626,902,705	145,011,423	481,891,282	0
Exchequer releases	6,131,737,408	6,131,737,408	0	0
Local Collections	500,000,000	104,315,266	395,684,734	0
TOTAL	**7,258,640,113**	**6,381,064,097**	**877,576,016**	

The above analysis indicate that:-

(i) The County's total receipt for the year under review was Kshs.6,381,064,097 against budgeted revenue amounting to Kshs.7,258,640,113, resulting to a shortfall of Kshs.877,576,016. No explanation was given why the County Government did meet its revenue target.

2.1 Under Collection of Local Revenue

The County Government had budgeted to collect local revenue amounting to Kshs.500,000,000 in the year 2015/2016. However, Note 3 of the financial statement and revenue analysis availed for audit revealed that the county collected Kshs.104,315,265.75 during the year under review, resulting to under collection of Kshs.395,684,734.25 or 79.1% of the amount budgeted for. It was further, observed that the County's revenue collection had declined from Kshs.130,483,519 which was collected in the financial years 2014/2015 to Kshs.104,315,265.75 which was collected in the 2015/2016.

No reason was given for the failure by the county Government to collect revenue as budgeted.

2.2 Cost Sharing Revenue

During the financial year under review, the Garissa County Referral Hospital produced for audit deposit slips and surrender receipts for the period March, 2016 to June, 2016. However an analysis of the revenue collection for the four (4) months period ending June, 2016 disclosed that local revenue amounting to Kshs.148,050 was not accounted for as shown in the table below:-

Month	Collection as per Deposit Slip (Kshs)	Collection as per Surrender Official Receipts (Kshs)	Variance (Kshs)
March 2016	2,844,430	2,839,430	(5,000)
April 2016	2,748,670	1,747,750	(1,00,920)
May 2016	2,580,400	1,266,710	(1,313,690)
June 2016	2,114,700	4,582,360	2,467,660
TOTAL	**10,288,200**	**10,436,250**	**148,050**

The Hospital management did not avail deposit slips for July, 2015 to February, 2016 as well as Surrender official receipts (MR's) to confirm the revenue collections for the period. It was therefore not possible to ascertain the revenue collected during the period was banked intact and surrendered to the County Government as required by Public Finance Management Act, 2012. The Hospital management also did not maintain revenue cash book as well as analysis book.

2.3 Rent Revenue

Records for rent payments for Hospital canteen and restaurant were not made available for audit examination despite several requests being made for the same to confirm whether rent revenue is realized on time and disclosed appropriately.

Further, a review of collection summary chart maintained at Hospital C.E.O office revealed that rent revenue amounting to Kshs.21,680 was reported for the period January, 2016 to June, 2016. It was however not possible to verify the accuracy of the rent revenue reported in the summary chart.

3.0 Human Resource

3.1 Lack of Approved Staff Establishment, Human Resource Plan/Policies

The County Executive did not have an approved personnel establishment to indicate the number of the employees required in each category. Further, no evidence was availed to indicate that the County had carried out job evaluation to determine the staff requirements, structure and salaries payable per job. It was therefore, not possible to ascertain the optimum number of employees required. This could lead to over employment and result in a high wage bill. No reason was given for the failure by the County Government to have approved Staff Establishment and Human Resource Policies.

3.2 Staff Recruitment

Review of personal files revealed that, thirty four (34) officers were irregularly recruited by either the chief officer, CEC, Chairman of county public service board, Head of human resource without proof of any delegated authority from the county public service board.

Further, the County employed seventeen (17) staff, some of them to senior position without advertisement. The positions were not competitively filled hence it was not possible to ascertain whether the County Government got people of the right qualification and competency as required.
The County also recruited forty one (41) staff between 2014 and 2015. Although the positions were advertised in the dailies, personal files of the staff employed were not made available for audit review despite several request.

Under the circumstances, it has not been possible to ascertain whether the recruitment was done fairly and whether the County Government got people of the right qualification and competency as required.

3.3 Staff Promotion

Analysis of the payroll data and scrutiny of personal files for County staff revealed that, twenty five (25) officers were irregularly promoted by either the chief officers or Head of human resource from their position to a new designation without the resolutions and delegation of authority from the County Public Service Board.

Further, most of the staff were noted to have moved more than one job group within a year. It was also noted that although some of the staff promoted did not change their designations their job groups have changed. It was therefore, not possible to ascertain whether the staff were actually promoted or were earning illegal salary.

3.4 IPPD System

The County has implemented the Integrated Payroll and personnel Database system (IPPD) to manage its payroll and human resource functions. A review of the application revealed the following:-

A. Invalid Pin Numbers

The following three (3) officers had their Tax Personal Identification Numbers incorrectly captured in the payroll system. The Pin numbers had only zero and no other numeric characters.

Payroll No.	ID No.	Tax Pin	Names
1986047129	5371797	A000000000P	Mr Abajila Ali Dadosa
2004017172	13120631	A000000001D	Mr Garane Abdi Gedi Abdi
2005026093	13539360	A000010009F	Mr Gikunju Philip Waithaga

B. Shared Bank Accounts

A review of the IPPD data revealed that the following staff shared bank accounts:-

Payroll Number	Account Number	Amount (Kshs)	Name
20140131362	1116424442100	51,383.55	Mrs Musa Zeinab Dofa
20150077106	1116424442100	15,056.45	Mr Feisal Bare
20140130945	1080075951300	55,934.4	Mr Mohamed Hassan Abdi
20140138567	1080075951300	42,413.8	Miss Hussein Khadija Abdirahman
20150076805	580160621864	41,193.5	Mrs chumah Florence Njambi
20150079388	580160621864	49,992.5	Miss Editah Mukami Njagi

No reasons were given why and how the staff shared bank accounts

3.5 Casual Employees

Analysis of the payroll revealed that there are twenty nine (29) casual employees who have been in the County Executive of Garissa for a period between one (1) and three (3) years contrary to the Employment Act which stipulates maximum period an employee under casual terms to be not more than three months. However, there are no records availed to show how the casuals were hired, the work for which they were hired or their terms for engagement.

Further, no returns including muster rolls were provided for audit verification to confirm the existence of the casual workers and their work station. In the absence of the above records, the propriety of money spent on casual wages could not be confirmed.
No explanation was given why the County Government failed to comply with the regulations governing recruitment of casuals.

4. Failure of Establish Internal Audit Committee

The County Executive of Garissa did not establish internal audit committee to oversee financial operations and the County contrary to the quoted regulations. This is contrary to the requirement of section 155(5) of Public Finance Management Act, 2012.

5.0 Outstanding Prior Year Matters

5.1 Fixed Assets Register

The balances of the Assets reported were not supported with fixed asset register as the County management did not avail the same for audit verification hence the make-up of the fixed assets amounting to Kshs.2,991,282,137 disclosed could not be ascertained.

5.2 Unsupported Expenditure

Examination of payment vouchers and other supporting documents revealed that an amount of Kshs.60,759,971 was incurred on procurement of emergency fuel subsidies, repair and maintenance of motor vehicles, water tracking activities and repair and

maintenance of water supplies. The payments were however not properly supported with the relevant supporting documents.

5.3 Preparation of Spatial Development Plan

The County Government of Garissa undertook a project to carry out spatial development plan for the seven sub-counties i.e Garissa Township, Balambala, Modogashe, Dadaab, Bura, Masalani and Hulugho at a cost of Kshs.172,281,240. The project was however not procured in accordance with the procurement laws.

5.4 Irregular Procurement of Laboratory Equipment and Reagents

The County Government of Garissa procured laboratory equipment and reagents items totaling to Ksh.66,051,200 from a supplier. The stores were not taken on charge in the stores ledger and no issue notes were raised. It was also noted that the counter receipt voucher (S13) purported to have been used to receive the stores had the following columns blank: unit, value and remarks.

5.5 Unaccounted for Subsistence Allowances (Local Travel)

Examination of payment vouchers held at the County Treasury revealed that the County Government of Garissa paid a total of Kshs.24,777,431 to officers who were on official duties outside their working stations. However, no supporting document such as bus tickets or work tickets and invitation letters were attached to the payment vouchers.

5.6 Unsupported Mileage Claims

The County spent Kshs.21,424,175.72 on paying Members of County Assembly's mileage allowances during the financial year under review. However, the payments were supported with incomplete records which lacked the vehicles registrations numbers, make, rating capacity (CC), temporary work tickets and the number of kilometers covered during MCAs visits to their wards.

In the circumstances the audit was unable to ascertain whether the MCAs made the trips to their wards as claimed.

5.7 Transfer of Funds to Ward Offices

The County paid Kshs.12,940,539 to MCAs ward fund account to cater for staff salaries, office rent and other expenses in the ward offices for the period ranging from October, 2014 to 31st March, 2015. However the ward offices did not maintain cash books, muster rolls to confirm daily attendance of the staff, staff payrolls maintained were not approved by the board before salaries were paid out as required by the regulations and also there was no evidence to show that statutory deductions made from the worker's salaries were remitted to the relevant bodies.

5.8 Irregular increase of Basic Pay

Scrutiny of the IPPD system revealed that eight (8) officers had their basic salary increased from February 2015 to June, 2015. The correctness of the increment amounting to Kshs.1,352,112.00 could not be ascertained since the officers personal files were not made available for audit review despite several request

5.9 Contracts Awarded for Capital Projects

Projects worth Kshs.52,016,975 were awarded and implemented without planning. The County also used inappropriate procurement methods in awarding the tenders, only the winning bidders were financially evaluated, project files were not availed for audit and where availed they lacked contract agreement, tax compliance certificates, certificate of incorporation and inspection and acceptance certificates

5.10 Unaccounted for Emergency Food Relief

The County spent Kshs.67,579,403 for procurement of emergency Relief Food for draught stricken families. The foodstuffs were procured through restricted tender method and was not properly supported.

5.11 Consultancy Services for Environmental Impact Assessment on County Government's Projects

During the year ended 30 June 2015, the County undertook consultancy services for Environmental Impact Assessment on Projects implemented by the County Government at a cost of Kshs.68,940,480. The project was procured through restricted procurement method.

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

Nairobi

30 August 2017

SCHEDULE 1

PROCUREMENT OF MARKET STALLS

PV No. & Date	Payee	Contract Sum	Amount Paid
CB109/66/41 of 28/8/2015	M/s Maalim Building & Construction	18,146,130	3,023,500
CB971 of 28/8/2015	M/s Duh Construction & Supplies Co. Ltd	18,397,980	2,657,683
CB111/65/34 of 28/8/2015	M/s Hassan Farah Construction Co. Ltd	18,021,530	3,347,361
		SUB TOTAL	**9,028,544**
PAYMENT MADE DURING THE FINANCIAL YEAR 2014/2015			
354/349 of 23/2/015	Maalims Building Constructio Co. Ltd	18,146,130	10,075,920
30/318 of 20/2/2015	Kencounty Builders & Construction Co. Ltd	18,253,980	16,643,983
CB308/313 of 20/2/2015	Hassan Farah Construction Co. Ltd	18,021,530	9,010,175
287/333 of 20/2/2015	Dush Construction & Supplies Co. Ltd	18,397,980	10,424,070
724 of 5/6/2015	Al-fatah Contractors Ltd	18,585,980	16,968,410
211 of 10/12/2014	Wardi Investment Co. Ltd	28,677,172	19,927,918
		SUB TOTAL	**83,050,476**
		GRAND TOTAL	**92,079,020**

SCHEDULE 2

UNACCOUNTED FOR FUEL

PV No. & Date	Payee	A/C No.	Amount Paid
108 of 19/8/2015	Premier Filling Station		1,263,065
1627/1641 of 18/2/2016	Wamo Kenya Agencies	-	600,000
1817 of 12/8/2015	Madogashe Filling station	-	1,500,000
841/863/867	Link Petroleum Station Ltd	-	575,000
1891 of 19/8/2015	Premier Filling Station	-	407,786.45
105 of 4/9/2015	Wamo Kenya Agencies	-	270,000
107 of 4/9/2015	Wamo Kenya Agencies	-	230,000
106 of 24/9/2015	Wamo Kenya Agencies	-	230,000
1374 of 14/8/2015	Modogashe Filling Station	-	692,670
1108 of 6/11/2015	Modogashe Filling Station	-	500,000
1737 of 29/1/2016	Premier Filling Station	-	490,000
655/659/647/ 601	Wamo Kenya Agencies	-	913,696.05
1553 of 11/2/2016	Wamo kenya Agencies	-	671,421

111/112 of 18/4/2015	Wamo kenya Agencies	-	609,130
952 of 4/11/2015	Premier Filling Station	-	500,000
1738 of 29/4/2016	Premier Filling Station	-	517,500
72 of 25/11/2015	Premier Filling Station		496,549.80
CHQ No. 857 of 20/5/2016	Premier Filling Station		800,000.00
119 of 19/2/2016	Premier Filling Station		600,000.00
		TOTAL	**11,866,818**

SCHEDULE 3

HIRE OF TRANSPORT

PV No. & Date	Payee	A/C No.	Amount (Kshs)
1110A	Ahmed Ali Ibrahim	2210604	7,425,000
506/472 of 28/10/2015	Mohamed Ahmed Rashid	-	7,200,000
1816 of 23/12/2015	Liban Investment Ltd	-	1,240,000
1347A of 8/2/2016	Amran Idriss Mohamed	-	820,000
1347B of 8/2/2016	Amran Idriss Mohamed	-	820,000
1348 of 8/2/2016	Amran Idriss Mohamed	-	820,000
259 of 21/10/2015	Musa Muhumed Roble	2210604	900,000
468/408 of 27/10/2015	Musa Muhumed Roble	-	150,000
305/292	Musa Muhumed Roble	2210604	300,000
277/272 of 19/10/2015	Akram Construction Co. Ltd	-	450,000
278/273	Akram Construction Co. Ltd	-	465,000
740 of 28/10/2015	Yussuf Idriss Yunis	2210604	248,000
2026 of 18/2/2016	Ahmed Abdi Hure	-	540,000
		TOTAL	**21,378,000**

SCHEDULE 4

UNSUPPORTED SUBSISTENCE ALLOWANCES

PV No. & Date	Payee	A/C No.	Amount Paid
620 of 30/10/015	Fatuma Hussein Aden	2210802	120,000
2189 of 25/5/016	Said M. Dahir	-	84,000
220 of 21/10/015	Said Mirah Dahir	2210302	252,000
2202 of 29/2/016	Mohamed Aden Noor	-	185,689
694 of 4/1/2015	Said Mirah Dahir	-	84,000
379/281/362			
of 26/10/2015	Mohamed Alio	-	561,300
377 of 26/10/2015	Abdi Dagane Ismail	2210301	191,050
726 of 30/10/2015	Abdullahi Omar	-	84,100

851 of 28/10/2015	Abdullahi Omar	-	143,000
1993 of 13/10/2015	Patrick Okellow	-	58,000
2016 of 27/5/2016	Erick Obers	-	280,000
2199 of 4/2/2016	Abdiweli Odowa Issack	-	174,000
2187 of 9/6/2016	Purity Miheso	-	71,400
2321 of 13/6/2016	Omar Mohamed	-	78,400
1878 - 1881 of 23/5/2016	Chief Officer - Finance	-	1,230,000
1077 of 9/11/2015	Chief Officer - Finance	-	373,800
1220/1222 of 5/2/2016	Chief Officer - Finance	-	224,000
1232/1233 of 5/2/2016	Chief Officer - Finance	-	336,000
210/239/265/248 of 22/10/2015	Chief Officer - Finance &		582,400
1803 of 5/5/2016	Chief Officer - Finance	-	582,400
03 & 04 of 30/7/2015	Chief Officer - Finance	-	582,400
76 of 19/8/2015	Mohamed Hassan Mohamed	2210303	220,400
35/33/38/39/46 of 29/6/2015	Chief Officer - Finance	-	453,600
1775 of 9/3/2016	Mohamed Mohamud Dolal	-	84,000
1778 of 9/3/2016	Mohamed Mohamud Dolal	-	100,800
-	Mohamed Mohamud	-	140,000
	Dolal	**TOTAL**	**6,551,050**

SCHEDULE 5

REPAIR AND MAINTENANCE OF MOTOR VEHICLES

PV No. & Date	Payee	A/C Charged	Amount
06 of 29/10/2015	Warsan Toyota Garissa	2220101	1,319,106
05 of 29/10/2015	Warsan Toyota Garissa	2220101	748,935
04 of 29/10/2015	Warsan Toyota Garissa	2220101	629,178
07 of 29/10/2015	Warsan Toyota Garissa	2220101	823,454
192 of 7/4/2016	Sabrin Auto Spares	2220101	484,300
37 of 27/11/2015	Garissa Youth Polytechnic	2220101	484,205
200 of 7/4/2016	Sabrin Auto Spares	2220101	152,000
199 of 7/4/2016	Sabrin Auto Spares	2220101	335,800
526 of 8/6/2016	Sabrin Auto Spares	2220101	90,300
608 of 28/6/2016	CMC Motors Group	2220101	109,717
1943 of 10/2/2016	Lamu Road Motors	-	364,100
2149/2138	Wamo Auto Engineering	-	340,000
2337 of 24/2/2016	Northern Tyres & Suppliers	-	340,000
2215/2104 of 24/5/2016	Garissa Interplan Co. Ltd	-	1,020,000
		TOTAL	**7,241,095**

SCHEDULE 6

IRREGULAR & UNACCOUNTED FOR NON PHARMACEAUTICALS, PHARMACEAUTICAL ITEMS AND LAB REAGENTS

PV No. & Date	Payee	A/C No.	Amount
1685 of 29/6/2016	Trans pharma Health Care Co. Ltd	2211002	6,052,820
1767 of 16/5/2016	KEMSA	2211002	6,506,926
1701 of 29/6/2016	Crown Healthcare Ltd	2211002	2,000,000
1432 of 25/2/2016	Garissa Pharmacy & Nursing Ltd	2211002	1,318,800
1676 of 23/6/2016	Garissa Pharmacy & Nursing Ltd	2211002	750,000
1699(b) of 29/6/16	Garissa Pharmacy & Nursing Ltd	2211001	535,000
1566 of 4/6/2016	Garissa Pharmacy & Nursing Ltd	2211002	224,500
1567 of 16/5/2016	Garissa Pharmacy & Nursing Ltd	2211002	595,200
0679 of 16/2/2016	KEMSA	2211001	1,029,425
1372 of 17/2/2016	KEMSA	2211001	3,074,040
1392 of 17/2/2016	KEMSA	2211001	228,480
43 of 9/11/2015	City Link Pharmacy	-	2,986,520
40 of 9/11/2015	Medina Pharmacy	-	4,740,000
1732 of 7/6/2016	Medina Pharmacy	-	811,600
1608 of 29/6/2016	Medix East Africa	307070101	158,480
1610 of 2/6/2016	Medix East Africa	307070101	65,000
1729 of 2/6/2016	Crown Health Care	307070101	832,909
1681 of 29/6/2016	Medina Pharmacy	211001	6,500,300
39 of 9/11/2015	Garissa Pharmacy & Nursing Ltd	307070101	4,855,000
41 of 12/11/2016	Medina Pharmacy	307070101	133,600
161 of 4/4/2016	Atropa Pharmaceutic	2211001	173,045
1766 of 13/5/2016	Habib Pharmacy	307070101	3,680,000
1699 of 29/6/2016	Garissa Pharmacy & Nursing Ltd	2211001	3,005,000
88 of 23/11/2015	Crown Health Care	2211088	253,000
90 of 22/1/2016	Atropa Pharmacetical	2211001	674,000
11 of 19/02/2016	Transpharma Health care	3111114	232,500
29 of 11/11/2015	Atropa Pharmacetical	307070101	334,500
848 of 16/05/2016	Pharmaco Health Care	2211001	1,050,000
821 of 18/04/2016	Skill Park Company	2211043	213,500
170 of 17/02/2016	Garissa Pharmacy & Nursing Ltd	2211001	1,048,000
779 of 25/02/2016	Al-fat Global Investment	-	449,600
		TOTAL	**54,511,745**

SCHEDULE 7

IRREGULAR PROCUREMENT OF GOODS AND SERVIICES

PV No. & Date	Payee	A/C No.	Amount
29/6/2016	G. North and Sons	3111100	2,436,000
141 of 29/2/2016	Strass Optical	2211002	162,160
34 of 12/11/2015	City Ultradent Suppliers	2211024	159,000
28 of 11/11/2015	Atropa Pharmaciticals		472,800
196 of 18/6/2016	Spect and Siant	2211001	320,650
304 of 29/6/2016	Gateway Prostheics	-	200,000
17/2/2016	Crown healthcare	-	509,240
57 of 10/11/2016	Medix East Africa Ltd	-	175,000
06/07/2016	Crown Health Care	-	1,403,600
188 of 27/4/2016	Pendoa-Medi Suppliers Ltd	311114	237,000
65 of 20/11/2015	Atropa Pharmaceuticals Ltd	2211024	298,500
173 of 25/2/2016	Medina Pharmacy Ltd	-	2,453,920
25/6/2016	Crown Health Care	2211008	2,537,032
280 of 20/6/2016	Towfiq Hardware		160,290
29 /6/2016	Sham Suppliers and Contractors Co. Ltd	3111003	628,000
146 of 15/3/2016	Delon Enterprise Ltd	2220201	101,000
20/6/2016	SAAFI Cleaning Company	-	197,600
290 of 24/6/2016	Bajweed General Suppliers Merchant	-	117,000
277 of 10/6/2016	Green City Incinerators	-	668,000
1700 of 29/6/2016	Crown Health Care	-	996,000
269 of 7/6/2016	Science Scope Limited	-	292,680
295 of 28/6/2016	Halgan Bookshop and Electrical	2210502	204,500
294 of 28/6/2016	Sultan printing centre	2210502	175,000
1564 of 10/5/2016	Halgan Bookshop and Electrical	2210502	100,000
191 of 10/5/2016	Mohaba Agencies	2210502	342,300
352 of 29/6/2016	Firdos Investment Limited	221103	495,800
269 of 7/6/2016	Science Scope Limited	221103	292,680
307 of 17/2/2016	Crown Health Care	2211008	1,106,326
1694 of 29/6/2016	Dabar Investment	3111001	880,000
27 of 11/11/2015	Sham Suppliers and Construction	-	162,000
276 of 15/6/2016	Angelica Mechanical Suppliers Limited		208,015
55 of 13/11/2015	Alfat Global Investment	2211103	432,700
278 of 7/6/2016	Garissa Pharmacy	-	125,000
38 of 11/11/2016	Dabar investment	2211101	196,000
111 of 23/3/2016	chemoquip limited	2211008	457,600
		TOTAL	**19,703,393**

SCHEDULE 8

IRREGULAR PROCUREMENT OF FOOD STUFFS

PV No. & Date	Payee	A/C No.	Amount
16/6/2016	Masal Food Supplies	2211015	1,040,150
287 of 23/6/2015	Kulan Merchant	2211024	72,750
287 of 23/6/2016	Kulan Merchant	2211015	173,570
17/2/2016	Nimco Investment LTD	2211015	140,300
109 of 17/2/2016	Garissa Quality Bakery	2211015	88,250
7 of 5/11/2015	Abuadew Construction Company		165,050
of 16/6/16	Masal Food Suppliers	2211015	915,500
286 of 23/6/2016	Nimco Investment LTD	2211015	148,900
171 of 22/2/2016	Masal Food	2211015	798,460
172 of 20/2/2016	Masal Food	2211015	958,950
903 of 23/6/2016	Masal Food	2211015	993,350
116 of 17/2/2016	Nimco Investment Ltd	2211015	106,100
5 of 5/11/2015	Abu Aden Construction	307070101	167,400
26 of 5/11/2015	Iftin Mini Market	307070101	609,300
1590 of 16/6/2016	Masal Food Supplies	2211015	525,750
12 of 5/11/2015	Zeitun enterprise		182,300
212 of 19/5/2016	Bundir hive co.	2211015	121,600
285 of 23/6/2016	Bundir hive co. ltd	2211015	133,800
286 of 23/6/2016	Nimco investment	2211015	147,600
855 of 19/5/2016		2211015	102,300
		TOTAL	**7,591,380**

I. STATEMENT OF RECEIPTS AND PAYMENTS

	Note	2015-2016 Kshs	2014-2015 Kshs
RECEIPTS			
Proceeds from Domestic and Foreign Grants	1	145,011,423	15,560,000
Exchequer releases	2	6,131,737,408	5,148,254,626
Other Receipts	3	104,315,266	130,483,519
TOTAL RECEIPTS		**6,381,064,097**	**5,294,298,145**
PAYMENTS			
Compensation of Employees	4	2,020,185,654	1,777,944,223
Use of goods and services	5	988,976,710	1,622,832,364
Transfers to Other Government Units	6	643,932,873	159,493,774
Other grants and transfers	7	107,677,000	162,637,929-
Acquisition of Assets	8	2,781,775,292	2,991,282,137
Other Payments	9		5,463,200
TOTAL PAYMENTS		**6,542,547,530**	**6,719,653,626**
SURPLUS/DEFICIT		**(161,483,433)**	**(1,425,355,481)**

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 30/10/ 2016 and signed by:

Chief Officer

Head of Treasury

II. STATEMENT OF ASSETS

	Note	2015-2016 Kshs	2014-2015 Kshs
FINANCIAL ASSETS			
Cash and Cash Equivalents			
Bank Balances	10	316,562,532	503,703,862
Cash Balances		-	-
Total Cash and cash equivalent		**316,562,532**	**503,703,862**
Accounts receivables – Outstanding Imprests	11	21,837,030	9,469,100
TOTAL FINANCIAL ASSETS		**338,399,562**	**513,172,962**
FINANCIAL LIABILITIES			
Accounts Payables – Deposits and retentions	12	1,462,607	14,752,574
NET FINANCIAL ASSETS		**336,936,955**	**498,420,388**
REPRESENTED BY			
Fund balance b/fwd	13	498,420,388	1,923,775,869
Surplus/Deficit for the year		(161,483,433)	(1,425,355,481)
NET FINANCIAL POSITION		**336,936,955**	**498,420,388**

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 _____ 2016 and signed by:

Chief Officer

Head of Treasury

III. STATEMENT OF CASHFLOW

		2015 - 2016 Kshs	2014 - 2015 Kshs
Receipts for operating income			
Proceeds from Domestic and Foreign Grants	1	145,011,423	15,560,000
Exchequer Releases	2	6,131,737,408	5,148,254,626
Other Revenues	3	104,315,266	130,483,519
Payments for operating expenses			
Compensation of Employees	4	(2,020,185,654)	(1,777,944,223)
Use of goods and services	5	(988,976,710)	(1,622,832,364)
Transfers to Other Government Units	6	(643,932,873)	(159,493,774)
Other grants and transfers	7	(107,677,000)	(162,637,929)
Other Expenses	9		(5,463,200)
Adjusted for:			
Adjustments during the year			
Imprests	11	(12,367,930)	(9,469,100)
Deposits and retentions		(13,289,967)	14,752,574
		2,594,633,962	**1,571,210,129**
Net cash flow from operating activities			
CASHFLOW FROM INVESTING ACTIVITIES			
Acquisition of Assets	8	(2,781,775,292)	(2,991,282,137)
Net cash flows from Investing Activities		**(2,781,775,292)**	**(2,991,282,137)**
CASHFLOW FROM BORROWING ACTIVITIES			
Net cash flow from financing activities		-	-
NET INCREASE IN CASH AND CASH EQUIVALENT		**(187,141,330)**	**(1,420,072,008)**
Cash and cash equivalent at BEGINNING of the year		503,703,862	1,923,775,869
Cash and cash equivalent at END of the year	10	**316,562,532**	**503,703,862**

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 _____ 2016 and signed by:

Chief Officer

Head of Treasury

IV. 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						
Tax Receipts	-	-	-	-	-	-
Social Security Contributions	-	-	-	-	-	-
Proceeds from Domestic and Foreign Grants	626,902,705		626,902,705	145,011,423	481,891,282	23%
Exchequer releases	6,131,737,408		6,131,737,408	6,131,737,408		100%
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						
Other Receipts	500,000,000		500,000,000	104,315,266	395,684,734	21%
	7,258,640,113	-	**7,258,640,113**	**6,381,064,097**	**877,576,016**	**88%**
PAYMENTS						
Compensation of Employees	1,724,675,509	322,041,540	2,046,717,049	2,020,185,654	26,531,395	98.7%
Use of goods and services	1,070,887,602	42,950,075	1,113,837,677	988,976,710	124,860,967	89%
Subsidies	-	-	-	-	-	
Transfers to Other Government Units	643,932,873		643,932,873	643,932,873		100%
Other grants and transfers	70,600,000	54,621,000	111,821,000	107,677,000	4,144,000	96.3%
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	3,285,312,071	(104,554,150)	3,180,757,921	2,781,775,292	398,982,629	73%
Repayment of principal on Domestic and Foreign borrowing	-	-	-	-	-	
Other Payments	-	-	-	-	-	
TOTALS	**6,795,408,055**	**315,058,465**	**7,097,066,520**	**6,542,547,529**	**554,518,991**	**91%**

The entity financial statements were approved on _____ 2016 and signed by:

Chief Officer

Head of Treasury Accounts

V. 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						
Tax Receipts	-	-	-	-	-	-
Social Security Contributions	-	-	-	-	-	-
Proceeds from Domestic and Foreign Grants	626,902,705		626,902,705	145,011,423	144,384,521	23%
Exchequer releases	3,530,838,915		3,530,838,915	3,530,838,915		100%
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						
Other Receipts(Local Revenues)	500,000,000		500,000,000	104,315,266	395,684,734	21%
	4,657,741,620	-	**4,657,741,620**	**3,780,165,604**	**540,069,255**	**83%**
PAYMENTS						
Compensation of Employees	1,724,675,509	322,041,540	2,046,717,049	2,020,185,654	26,531,395	98.7%
Use of goods and services	985,887,602	85,450,075	1,071,337,677	948,776,710	122,560,967	89%
Subsidies			-		-	
Transfers to Other Government Units	643,932,873		643,932,873	643,932,873		100%
Other grants and transfers	35,600,000	54,621,000	90,221,000	90,221,000	-	100%

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	110,015,347		110,015,347	77,622,129	32,393,218	70.5%
Repayment of principal on Domestic and Foreign borrowing			-		-	
Other Payments			-		-	
TOTALS	**3,500,111,331**	**462,112,615**	**3,962,223,946**	**3,780,738,366**	**181,485,580**	**95%**

The entity financial statements were approved on _____ 2016 and signed by:

Chief Officer

Head of Treasury Accounts

VI. 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						
Tax Receipts	-	-	-	-	-	-
Social Security Contributions	-	-	-	-	-	-
Proceeds from Domestic and Foreign Grants	-	-	-	-	-	-
Exchequer releases	2,600,898,493		2,600,898,493	2,600,898,493		100%
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						
Other Receipts						
	2,600,898,493	-	**2,600,898,493**	**2,600,898,493**	-	**100%**
PAYMENTS						
Compensation of Employees	-	-	-	-	-	-
Use of goods and services	85,000,000	(42,500,000)	42,500,000	40,200,000	2,300,000	94.5%%
Subsidies					-	
Transfers to Other Government Units						
Other grants and transfers	35,000,000		21,600,000	17,456,000	- 4,144,000	80.8%

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	3,175,296,724	(104,554,150)	3,070,742,574	2,704,153,163	366,589,411	88.6%
Repayment of principal on Domestic and Foreign borrowing			-		-	
Other Payments			-		-	
TOTALS	**3,295,296,724**	**(147,054,150)**	**3,134,842,574**	**2,761,809,163**	**373,033,411**	**88.1%**

The entity financial statements were approved on _____ 2016 and signed by:

_____
Chief Officer

_____
Head of Treasury Accounts

VII. 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 and comply with International Public Sector Accounting Standards (IPSAS) with particular emphasis on Cash Basis Financial Reporting under the Cash Basis of Accounting and applicable government legislations and regulations. The financial statements comply with and conform to the form of presentation prescribed by the Public Sector Accounting Standards Board of Kenya.

The financial statements are presented in Kenya Shillings, which is the functional and reporting currency of the *entity* and all values are rounded to the nearest thousand (Kshs'000). The accounting policies adopted have been consistently applied to all the years presented.

The financial statements have been prepared on the cash basis following the Government's standard chart of accounts.

2. **Recognition of revenue and expenses**
The *entity* recognises all revenues from the various sources when the event occurs and the related cash has actually been received by the *entity*. In addition, the *entity* recognises all expenses when the event occurs and the related cash has actually been paid out by the *entity*.

3. **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 revenue and as an expense in equal and opposite amounts; otherwise, the contribution is not recorded.

4. **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.

5. **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 expenditure 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.

6. **Accounts Payable**

For the purposes of these financial statements, deposits and retentions held on behalf of third parties has 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 by National Government Ministries and agencies. Other liabilities including pending bills are disclosed in the financial statements.

7. **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.

8. **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.

9. **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 Government of Kenya Budget Printed Estimates. 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.

10. **Comparative figures**

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

11. **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.

VIII. NOTES TO THE FINANCIAL STATEMENTS

1 PROCEEDS FROM DOMESTIC AND FOREIGN GRANTS

Name of Donor	Date received	Amount in foreign currency	2015 - 2016	2014 - 2015
			Kshs	Kshs
Grants Received from Bilateral Donors (Foreign Governments)				
DANIDA				15,560,000
User fees forgone			14,523,507	
Maternal Health Care			42,080,000	
World Bank			15,088,268	
conditional grants-RMLF KRB			**73,319,648**	-
Total			**145,011,423**	**15,560,000**

2 EXCHEQUER RELEASES

	2015 - 2016 Kshs	2014 - 2015 Kshs
Total Exchequer Releases for quarter 1	1,534,734,593	1,105,195,811
Total Exchequer Releases for quarter 2	1,563,593,040	1,263,001,318
Total Exchequer Releases for quarter 3	1,532,934,353	1,391,148,038
Total Exchequer Releases for quarter 4	1,500,475,422	1,388,909,459
Total	**6,131,737,408**	**5,148,254,626**

3 OTHER REVENUES

	2015- 2016 Kshs	2014 - 2015 Kshs
Rents	17,883,665	
Sales of Market Establishments	2,772,900	-
Receipts from Administrative Fees and Charges	7,976,220	
Receipts from Administrative Fees and Charges - Collected as AIA	4,580,056	
Fines Penalties and Forfeitures	9,178,154.25	-
Business permits	8,968,780	-
Cesses	9,460,890	-
Administrative services fees	9,725,079.50	130,483,519
Various fees	3,523,385	-
Vehicle parking fees	10,838,785	-
Environment & conservancy	10,341,552	-
Administration	2,519,869	-
Water supply administration	3,545,930	-
	104,315,265.75	**130,483,519**

4 COMPENSATION OF EMPLOYEES

	2015- 2016 KShs	2014 - 2015 KShs
Basic salaries of permanent employees	1,292,333,510.20	1,284,600,293
Basic wages of temporary employees	192,055,928	191,038,578
Personal allowances paid as part of salary	509,439,502	302,158,232
Personal allowances paid as reimbursements	1,900,000	
Personal allowances provided in kind	-	-
Pension and other social security contributions	-	130,720
Compulsory national social security schemes	24,456,713.85	16,400
Compulsory national health insurance schemes	-	-
Social benefit schemes outside government	-	-
Other personnel payments	-	-
Total	**2,020,185,654.05**	**1,777,944,223**

5 USE OF GOODS AND SERVICES

	2015 - 2016 Kshs	2014 - 2015 Kshs
Utilities, supplies and services	25,670,551.00	187,502,382
Communication, supplies and services	7,539,252.65	8,741,675
Domestic travel and subsistence	116,028,756.65	198,919,343
Foreign travel and subsistence	13,671,146.00	16,165,455
Printing, advertising and information supplies & services	45,397,782.00	47,284,298
Rentals of produced assets	159,931,036.00	194,902,573
Training expenses	17,134,190.00	42,384,430
Hospitality supplies and services	67,257,210.00	133,364,679
Insurance costs	139,119,427.80	148,699,123
Specialized materials and services	212,621,518.00	170,368,125
Office and general supplies and services	64,260,227.00	56,100,223
Other operating expenses	57,870,432.00	322,728,153
Routine maintenance – vehicles and other transport equipment	14,239,187.00	23,625,802
Routine maintenance – other assets	5,153,004.00	14,717,056
Fuel, oil and lubricants	43,082,991.00	57,329,048
Total	**988,976,710.38**	**1,622,832,364**

6 TRANSFER TO OTHER GOVERNMENT ENTITIES

Description	2015 - 2016 Kshs	2014 - 2015 Kshs
Transfers to County Assembly	643,932,873.00	
		153,830,338
Other Capital Grants and transfers		5,663,436
TOTAL	**643,932,873.00**	**159,493,774**

7 OTHER GRANTS AND OTHER PAYMENTS

	2015 - 2016 Kshs	2014 - 2015 Kshs
Scholarships and other educational benefits	11,730,000.00	14,180,000
Emergency relief and refugee assistance	95,947,000.20	119,990,020
Subsidies to small businesses, cooperatives, and self employed		28,467,909
Total	**107,677,000.20**	**162,637,929**

8 ACQUISITION OF ASSETS

Non Financial Assets	2015 - 2016 Kshs	2014 - 2015 Kshs
Purchase of Buildings		-
Construction of Buildings	628,674,432.60	749,753,378
Refurbishment of Buildings	32,005,178.00	26,411,950
Construction of Roads	551,302,287.60	796,226,015
Construction and Civil Works	1,089,272,729.65	994,292,196
Purchase of Vehicles and Other Transport Equipment	287,846,000.00	160,000,000
Purchase of Household Furniture and Institutional Equipment		5,872,102
Purchase of Office Furniture and General Equipment	46,738,288.10	99,585,682
Purchase of Specialized Plant, Equipment and Machinery	89,987,475.00	92,350,539
Rehabilitation and Renovation of Plant, Machinery and Equip.	1,362,950.00	36,446,843
Purchase of Certified Seeds, Breeding Stock and Live Animals	1,000,000.00	344,000
Rehabilitation of Civil Works	53,585,951.00	29,999,432
Total	**2,781,775,291.95**	**2,991,282,137**

9 OTHER EXPENSES

	2015 - 2016 Kshs	2014 - 2015 Kshs
Other expenses		5,463,200
		5,463,200

10 BANK ACCOUNTS

Name of Bank, Account No. & currency	Amount in bank account currency	Indicate whether recurrent, Development, deposit, revenue e.t.c	Exc rate (if in foreign currency)	2015 – 2016 Kshs	2014 – 2015 Kshs
CRF Account	KShs	Revenue		303,877,146	469,555,114
Recurrent account	KShs	Recurrent		140,488	693,346
Development account	KShs	Development		451,941	3,205,457
Payroll Account-National bank	KShs	Recurrent		1,111,915.50	
Payroll Account-Equity bank	KShs	Recurrent		7,567,503.95	12,606,615.73
Department Of Environment	KShs	Recurrent		101,306.60	101,590
Department Of Environment	KShs	Recurrent		1,000,000	
Department Of Health	KShs	Recurrent		849,623.75	
Total Transfers of unspent funds to CRF from various Local Accounts	KShs	Recurrent			2,331,009
CBK Retention Fund account	KShs	Deposits		1,462,606.85	14,752,574
Total				**316,562,532**	**503,703,862**

11: ACCOUNTS RECEIVABLE - OUTSTANDING IMPRESTS

Description	2015 - 2016 KShs	2014 - 2015 KShs
Government Imprests	21,837,030.00	9,469,100
Clearance accounts	-	-
Total	**21,837,030.00**	**9,469,100**

[Include a breakdown of the outstanding imprest below or as an annex to the notes if the list is longer than 1 page.]

Name of Officer or Institution	*Date Imprest Taken*	*Amount Taken*	*Amount Surrendered*	*Balance*
		KShs	*KShs*	*KShs*
Mohamed Issack Shurie		400,000	-	400,000
Ahmed Adan Hire		4,000,000	-	4,000,000
Abdihakim S Dayib		1,484,575	-	1,484,575
Khalif Aden Barkhatle		25,000		20,000
Abdullahi Omar Mussa		280,000		280,000
Mohamud Hassan Mursal		8,361,455		8,361,455
Ibrahim Mohamed Korow		1,176,000		1,176,000
Aden Sahal Ali		1,270,000		1,270,000
Ahmed Bashir Abdi		1,572,000	-	1,572,000
Ahmed Bashir Abdullahi		137,200		137,200
Adan Sigale Ketsane		630,000		630,000
Abdullahi Omar Mussa		102,800	-	102,800
Hassan Mohamed Osman		2,398,000	-	2,398,000
Total		**21,837,030.00**		**21,837,030.00**

12. ACCOUNTS PAYABLE

	2015 - 2016 Kshs	2014 - 2015 Kshs
Deposits		
Retentions	1,462,606.85	14,752,574
Total	**1,462,606.85**	**14,752,574**

This relates to retentions from civil contractors to cover the defects and liability period.

13. FUND BALANCE BROUGHT FORWARD

	2015 - 2016 Kshs	2014 - 2015 Kshs
Bank accounts	503,703,862	1,879,811,510
Cash in hand	-	-
Accounts Receivables	9,469,100	43,964,358
Accounts Payables	(14,752,574)	-
Total	**498,420,388.00**	**1,923,775,869**

14. OTHER IMPORTANT DISCLOSURES

a) ACCOUNT BALANCES

After the quality review of the statement by the National Treasury, it has come to our attention that the following bank accounts which were operated by the defunct local authorities of Garissa and does not relate to the year under review were operational as at 30th June 2016

	A/C Tittle	A/C No	Balance
1	County Council Of Ijara Renewals	5000135601	3,580
2	County Council Of Garisaa	2977117301	32,680
3	County Council Of Ijara – Kazi Kwa Vijana	5000035401	11,008.32
4	County Council Ijara General Rates fund	5000044402	287,870.75

b) DANIDA FUNDS

An Amount of Ksh. 8, 970,000 Received In July 2017, Relates To Financial Year 2015/2016

ANNEX 2- SUMMMMARY OF FIXED ASSET REGISTER

Asset class	Historical Cost (Kshs) 2015/16	Historical Cost (Kshs) 2014/15
Land	-	-
Buildings and structures	4,951,523,549	2,596,682,971
Transport equipment	447,846,000	160,000,000
Office equipment, furniture and fittings	286,241,948	148,153,235
ICT Equipment, Software and Other ICT Assets	49,655,088	49,655,088
Other Machinery and Equipment	37,790,843	36,790,843
Heritage and cultural assets	-	-
Intangible assets	-	-
Total	**5,773,057,428**	**2,991,282,137**