REPUBLIC OF KENYA

OFFICE OF THE AUDITOR-GENERAL

REPORT

OF

THE AUDITOR-GENERAL

ON

THE FINANCIAL STATEMENTS OF COUNTY ASSEMBLY OF LAIKIPIA

FOR THE YEAR ENDED 30 JUNE 2017

LAIKIPIA COUNTY ASSEMBLY

REPORTS AND FINANCIAL STATEMENTS

FOR THE FINANCIAL YEAR ENDED JUNE 30, 2017

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 Speaker of the County Assembly, who is responsible for the general policy and strategic direction of the Assembly. The County Assembly constitutes 15 Members of County Assembly (MCAs) elected to represent members of the public from their respective wards. The MCAs are responsible for making any laws for effective performance of the County Government, approving plans and policies and playing the oversight role over the County Executive.

(b) Key Management

The County Assembly is steered by the County Assembly Service Board. The County Assembly Service Board consists of the Speaker of the County Assembly as the Chairperson; the Leader of the Majority party, the leader of the Minority party, and one person resident in the County, appointed by the County Assembly from among persons who have knowledge and experience in public affairs, but who is not a Member of the County Assembly.
The clerk is the administrative head and the accounting officer.

(c) Fiduciary Management

The key management personnel who held office during the year ended 30th June 2017 and who had direct fiduciary responsibility were:

No.	Designation	Name
1.	Accounting Officer	Jasper m. Mutuiri
2.	Director Finance and Accounting	Francis Ndiritu Kimondo
3.	Senior Procurement Officer	John Ng'ethe Njuguna

(d) Fiduciary Oversight Arrangements

The County Assembly Service Board prepares annual estimates of expenditure of the County Assembly and submits them to the County Assembly for approval.
The Clerk exercises the day to day control of the budget.

(e) Entity Headquarters

COUNTY ASSEMBLY BUILDING
P.O. Box 487-10400
NANYUKI
KENYA

(f) Entity Contacts

Telephone: (254) 716311702, +254 716311703
E-mail: info
Website: www.go.ke

(g) Entity Bankers

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

2. Equity Bank Kenya Limited
   Nanyuki Branch

(h) Independent Auditors

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

(i) Principal Legal Adviser

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

II. FORWARD BY THE CLERK OF THE ASSEMBLY

The performance of County Assembly of Laikipia has generally improved during the FY 2016-2017 as compared to the previous financial year.

The county assembly had a total budget of Ksh 431,466,518 comprised of Ksh 406,466,518 for recurrent expenditure and Ksh 25,000,000 for development. The recurrent amount represents 6.83% growth from Ksh 380,490,113 the previous year after consultations with the Commission on Revenue Allocation to adjust the ceilings to allow for efficient running of the county assembly.

The development allocation was for the completion of the County Assembly office and chamber refurbishments. At the close of the financial year the construction was technically complete.

The recurrent budget has two programmes:

- General Administration support services which takes care of compensation of employees and the common user items in the assembly such as fuelling and servicing of vehicles, stationery catering expenses among others.
- Legislature and oversight which incorporates the expenses that relates to the assembly mandates of legislation and oversight.

Budget absorption

At the start of the financial year County Assembly had a carry forward surplus of Ksh 122,518 from the previous year. In 2016-2017, a total of Ksh 104,000,000 was received through county treasury. Out of Ksh 431,466,518 budgeted for during the financial 216/2017, Ksh 420,000,000 was received by the Assembly and a balance of Ksh 11,466,518 was not received from the national treasury.

Sign

Clerk of the County Assembly

STATEMENT OF MANAGEMENT RESPONSIBILITIES

The Clerk of the County Assembly is responsible for the preparation and presentation of the County Assembly's financial statements, which give a true and fair view of the state of affairs of the County Assembly for the year ended on 30/06/2017. This responsibility includes:

i. Maintaining adequate financial management arrangements and ensuring that these continue to be effective throughout the reporting period;
ii. Maintaining proper accounting records, which disclose with reasonable accuracy at any time the financial position of the County Assembly;
iii. Designing, implementing and maintaining internal controls relevant to the preparation and fair presentation of the financial statements, and ensuring that they are free from material misstatements, whether due to error or fraud;
iv. Safeguarding the assets of the County Assembly;
v. Selecting and applying appropriate accounting policies; and
vi. Making accounting estimates that are reasonable in the circumstances.

The Clerk accepts responsibility for the County Assembly's financial statements, which have been prepared on the Cash Basis Method of Financial Reporting, using appropriate accounting policies in accordance with International Public Sector Accounting Standards (IPSAS). The Clerk is of the opinion that the County Assembly's financial statements give a true and fair view of the state of the County Assembly's transactions for the year ended 30/06/2017, and of its financial position as at that date. The Clerk further confirms the completeness of the accounting records maintained for the County Assembly which have been relied upon in the preparation of the its financial statements as well as the adequacy of the systems of internal financial control.

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

Approval of the financial statements

The County Government's financial statements were approved and signed by the Clerk of the County Assembly on 29/09 2017.

Clerk of the County Assembly

REPUBLIC OF KENYA

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P.O. Box 30084-00100
NAIROBI

OFFICE OF THE AUDITOR-GENERAL

REPORT OF THE AUDITOR-GENERAL ON COUNTY ASSEMBLY OF LAIKIPIA FOR THE YEAR ENDED 30 JUNE 2017

REPORT ON THE FINANCIAL STATEMENTS

Qualified Opinion

I have audited the accompanying financial statements of County Assembly of Laikipia, which comprise the statement of financial assets as at 30 June 2017, and the statement of receipts and payments, statement of cash flows, statement of comparison budget and actual amounts: recurrent, development and combined and budget execution by programmes and sub-programmes 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, the financial position of County Assembly of Laikipia as at 30 June 2017, 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 do not comply with the Public Finance Management Act, 2012.

In addition, as required by Article 229(6) of the Constitution, based on the procedures performed, except for the matters described in the Basis for Qualified Opinion and Other Matter section of my report, I confirm that public money has been applied lawfully and in an effective way.

Basis for Qualified Opinion

1.0 Transfers to Other Government Entities

Note 7 to the financial statements for the year ended 30 June 2017 reflects transfers to other Government entities figure of Kshs.21,478,994 whereas the ledger and supporting schedules indicated a balance of Kshs.24,600,000 resulting in unexplained difference of Kshs.3,121,006. Further, Note 7 does not give a breakdown and specific details making up the transfers to other government figure.

In the circumstances, the accuracy and completeness of transfers to other government entities amount of Kshs.21,478,994 for the year ended 30 June 2017 could not be confirmed.

2.0 Compensation of Employees

The statement of receipts and payments for the year ended 30 June 2017 reflects compensation of employees expenditure of Kshs.209,956,712. However, the following observations were made:

2.1 Unreconciled Variance

The ledger and supporting schedules presented for audit review reflected a balance of Kshs.223,449,393 instead of Kshs.209,956,712 resulting to unreconciled differences of Kshs.13,492,680. Further, note 4 to the financial statements also indicates a balance of Kshs.231,435,906 instead of Kshs.209,956,712 resulting in unreconciled variance of Kshs.21,479,194.

Consequently, the accuracy and completeness of the compensation of employees expenditure of Kshs.209,956,712 for the year ended 30 June 2017, could not be confirmed.

2.2 Ward Office Staff

Note 4 to the financial statements for the year ended 30 June 2017 reflects basic salaries of permanent employees amount of Kshs.163,154,842 out of which Kshs.16,798,010 was paid to eighty (80) ward office staff. However, the County Assembly did not maintain personnel records for the staff such as employment contracts, appointment letters, job description and terms of engagement.

In the absence of records of the staff, the propriety and regularity of payments to ward office staff amounting Kshs.16,798,010 for the year ended 30 June 2017 could not be confirmed.

3.0 County Assembly Car Loan and Mortgage Scheme for Members of the County Assembly

As reported in the previous year, the County Assembly operated a car and mortgage loan scheme. Regulation 15(1)(d) of the Public Finance Management (Laikipia County Assembly Car Loan (members) Scheme Fund) Regulations, 2014 and Regulation 19(1) of the Public Finance Management (Laikipia County Assembly Mortgage (members) Scheme Fund) Regulations, 2014 require the submission to the Auditor-General for audit, the financial statements of each County Assembly Car and Mortgage Fund not later than three months after the end of the financial year. However, the County Assembly of Laikipia management did not submit its Fund's financial statements for the financial year 2016/2017 and has thus contravened the regulations.

Further, as at 30 June 2017, car loan and mortgages totaling Kshs.9,898,493 was still outstanding. However, the following observations were made in respect to the scheme:

i. The County Assembly had not procured insurance policies on the mortgage loans as required by the regulations.

ii. A former Member of the County Assembly who died in December 2015 was granted both the car loan and mortgage amounting to Kshs.2,000,000 and Kshs.3,000,000 respectively totaling Kshs.5,000,000. As at the time of his death in December 2015, he had a loan balance of Kshs.3,271,322.57. It was however not explained how the outstanding balance would be recovered.

iii. Further, another former MCA was granted a car loan of Kshs.2,000,000 and mortgage of Kshs.2,100,000 both totaling to Kshs.4,100,000. By the time when she lost her MCA seat in November 2014, she had a loan balance of Kshs.2,644,805.42. As with the case of the late MCA, the car and mortgage for this particular case was not charged by the County Assembly, and therefore the management may not be able to recover the outstanding debts.

iv. Similarly, valuation reports for land and properties bought by the mortgage fund were not presented for audit verification.

v. Logbooks for cars purchased by MCAs through the car loan scheme were not registered in the respective names of MCAs and the County Assembly as required under the fund's regulations.

As these instances show, the management breached regulations governing the administration of the car and mortgage fund. As a result, there is risk that some of the loans and mortgages may not be recovered.

4.0 Modernization of Assembly Chamber and Offices

Note 10 to the financial statements on acquisition of assets reflects refurbishment of buildings amount of Kshs.15,642,289. The amount was paid during the year to a construction company for refurbishment of Assembly chamber and offices. As previously reported, the contract was awarded in 2014/2015 for Kshs.69,523,870 but was later revised to Kshs.75,720,305. However, according to the final payment certificate No.996337 of 21 July 2016 of Kshs.15,642,289, the total amount paid to the contractor amounted to Kshs.92,301,760 resulting to excess payment of Kshs.22,777,890 above the original contract sum of Kshs.69,523,870 which was not supported. Further, the following anomalies were noted.

(i) During the previous audit, it had been established that the contractor was paid Kshs.7,600,000 as advance payment out of which a sum of Kshs.1,975,000 was recovered from the contractor. However, no evidence was provided to account for the balance of Kshs.5,625,000.

(ii) During the physical verification of the work done during the year under review, the completed Bills of Quantities (BQs) were not made available and as a result, it was not possible to confirm whether the works were done as per the specifications in the BQs.

(iii) As reported in the audit report for the previous year, the contractor did not provide a performance bond valued at Kshs.7,600,000 issued by an approved bank or insurance. Therefore, the contractor should have been disqualified when he bid for the contract.

5.0 Cash and Bank Balances

The statement of financial assets and liabilities reflects bank balances of Kshs.14,412,773 as at 30 June 2017 consisting of recurrent accounts at Equity Bank and Central Bank of Kenya holding Kshs.161,111 and Kshs.14,251,662 respectively. However, a review of bank statements for Equity Bank account revealed payments amounting to Kshs.10,291,604 processed through this account which were not supported by relevant documentary evidence such as payment vouchers and instructions for the payments. Consequently, the accuracy of bank balances of Kshs.14,412,773 as at 30 June 2017 could not be confirmed.

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

Key Audit Matter

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

Other Matter

1.0 Overall Budget Performance

During the year under review, the approved budget for County Assembly of Laikipia was Kshs.431,466,518 out of which Kshs.406,466,518 (94%) was for recurrent expenditure and Kshs.25,000,000 (8%) was allocated to development as follows:

Item	Approved Budget 2016/2017 (Kshs.)	Actual Expenditure 2016/2017 (Kshs.)	Absorption Rate %	% of Total Expenditure
Development Vote	25,000,000	15,542,289	62	4
Recurrent Vote	406,466,518	372,252,750	92	96
Total	**431,466,518**	**387,795,039**	**90**	**100**

The above table shows that the County Assembly spent Kshs.387,795,039 or 90% of the total budget. The absorption rate for development expenditure was very low at 62%. The Assembly also spent Kshs.15,542,289 or 4% of total actual expenditure on development vote while Kshs.372,252,750 or approximately 96% on recurrent expenses.

The under-absorption indicates that essential services to the citizens of Laikipia were not provided.

1.1 Under /Over Expenditure

Audit review of the budget and actual expenditure revealed instances of over and under expenditure as shown in the table below:

Item	Budget 2016 - 2017 Kshs.	Actual Expenditure 2016-2017 Kshs.	Under Expenditure Kshs.	Over Expenditure Kshs.
Compensation of Employees	220,493,615	209,956,712	10,536,903	
Use of Goods and Services	162,372,902	140,737,712	21,635,190	
Transfers to Other Government Entities	23,600,000	21,478,994	2,121,006	
Acquisition of assets	25,000,000	15,642,289	9,357,711	
Finance costs		79,333		79,333
Total	**431,466,517**	**387,895,040**	**43,650,810**	**79,333**

The above analysis shows that the County assembly underspent by a total of Kshs.43,650,810 while over expenditure of Kshs.79,333 was recorded in finance cost which had a nil budget provision. No explanation was provided for the over expenditure and failure to utilize all budgetary provisions.

2.0 Misallocation of Expenditure

A review of approved budget and expenditure records for the year ended 30 June 2017 revealed that expenditure totaling Kshs.15,483,025 on various goods, services and allowances was charged against incorrect accounts as follows:

Expense item	Amount - Kshs.	Reallocated and Charged on
Domestic Travel and subsistence	1,755,100	Refurbishment of buildings
Office and general supplies	276,080	Routine maintenance – vehicles and other transport equipment
Office and general supplies	489,600	Training expenses
Contracted Guards and Cleaning Services	2,368,692	Hospitality supplies and services
Refined Fuels and Lubricants for Transport	3,017,091	Domestic Travel and Subsistence

Tuition Fees Allowance	3,386,925	Domestic Travel and Subsistence
Employer Contribution to Staff Pensions Scheme	4,189,537	Domestic Travel and Subsistence
Total	**15,483,025**	

No reasons have been presented for charging the expenditure against erroneous accounts and the management has not provided authority for reallocation of expenditure.

Consequently, the management failed to comply with approved budget provisions for the year under review as appropriated by the County Assembly.

3.0 Limitations of Audit Committee

Although the County Assembly appointed 3 members of audit committee on 23 February 2017, the audit committee as at the time of this audit on 7 February 2018, had not met, one year after appointment. Further, the chairman to the committee had not signed his appointment letter as at the time of audit. The head of the internal audit continues to report to the management instead of audit committee. The independence of the internal audit is therefore compromised.

Responsibilities of Management and those charged with Governance for the Financial Statements

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 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.

In preparing the financial statements, management is responsible for assessing the County Assembly`s ability to sustain services, disclosing, as applicable, matters related to sustainability of services and using the going concern assumption.

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.

Those charged with governance are responsible for overseeing the County Assembly's financial reporting process.

Auditor-General's Responsibilities for the Audit of the Financial Statements

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.

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.

- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances and for the purpose of giving an assurance on the effectiveness of the Assembly's internal control.

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

- Conclude on the appropriateness of the management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the County Assembly'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 Assembly to cease to continue to sustain its services.

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

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

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

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

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

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

Nairobi

16 July 2018

III. STATEMENT OF RECEIPTS AND PAYMENTS

	Note	2016/17 Kshs	2015/16 Kshs
RECEIPTS			
Transfers from the County Treasury/Exchequer Releases	1	420,000,000	403,796,697
Proceeds from Sale of Assets	2	-	-
Other Receipts	3	-	-
TOTAL RECEIPTS		**420,000,000**	**403,796,697**
PAYMENTS			
Compensation of Employees	4	223,449,393	216,180,500
Use of goods and services	5	145,059,736	156,479,877
Subsidies	6	-	-
Transfers to Other Government Entities	7	21,478,994	-
Other grants and transfers	8	-	-
Social Security Benefits	9	-	-
Acquisition of Assets	10	15,642,289	31,013,802
Finance Costs	11	79,333	-
Other Payments	12	-	-
TOTAL PAYMENTS		**405,709,744**	**403,674,179**
SURPLUS/DEFICIT		**14,290,256**	**122,518**

The explanatory notes to these financial statements form an integral part of the financial statements. The financial statements were approved on 29/09 2017 and signed by:

Clerk of the Assembly
Name: Jasper Mutwiri

Chief Finance Office – County Assembly
Name: Francis Ndiritu Kimondo
ICPAK Member Number: 16681

IV. STATEMENT OF FINANCIAL ASSETS AND LIABILITIES

	Note	2016/2017 Kshs	2015/16 Kshs
FINANCIAL ASSETS			
Cash and Cash Equivalents			
Bank Balances	13A	14,412,773	122,518
Cash Balances	13B	-	-
Total Cash and cash equivalents		**14,412,773**	**122,518**
Accounts receivables – Outstanding Imprests	14	-	-
TOTAL FINANCIAL ASSETS		**14,412,773**	**122,518**
FINANCIAL LIABILITIES			
Accounts Payables – Deposits and retentions	15	-	-
NET FINANCIAL ASSETS		**14,412,773**	**122,518**
REPRESENTED BY			
Fund balance b/fwd	16	122,518	-
Surplus/Deficit for the year		14,290,256	122,518
NET FINANCIAL POSITION		**14,412,773**	**122,518**

The explanatory notes to these financial statements form an integral part of the financial statements. The financial statements were approved on 29/09/ 2017 and signed by:

Clerk of the Assembly
Name: Jasper Mutwiri

Chief Finance Officer – County Assembly
Name: Francis Ndiritu Kimondo
ICPAK Member Number: 16681

V. STATEMENT OF CASH FLOWS

	Note	2016/17 Kshs	2015/16 Kshs
CASH FLOWS FROM OPERATING ACTIVITIES			
Receipts from operating income			
Transfers from the County Treasury/Exchequer Releases	1	420,000,000	403,796,697
Other Receipts	3	-	-
Payments for operating expenses			
Compensation of Employees	4	--223,449,393	-216,180,500
Use of goods and services	5	--145,059,736	-156,479,877
Subsidies	6	-	-
Transfers to Other Government Entities	7	-21,478,994	-
Other grants and transfers	8	-	-
Social Security Benefits	9	-	-
Finance Costs	11	-79,333	-
Other Payments	12	-	-
Adjusted for:			
Adjustments during the year	17	-	-
Net cash flows from operating activities		**29,932,545**	**31,136,320**
CASHFLOW FROM INVESTING ACTIVITIES			
Proceeds from Sale of Assets	2	-	-
Acquisition of Assets	10	- 15,642,289	- 31,013,802
Net cash flows from investing activities		**- 15,642,289**	**- 31,013,802**
NET INCREASE IN CASH AND CASH EQUIVALENTS		**14,290,256**	**122,518**
Cash and cash equivalent at BEGINNING of the year	13	**122,518**	**-**
Cash and cash equivalent at END of the year		**14,412,773**	**122,518**

The explanatory notes to these financial statements form an integral part of the financial statements. The financial statements were approved on 29/09 2017 and signed by:

Clerk of the Assembly
Name: Jasper Mutwiri

Chief Finance Office – County Assembly
Name: Francis Ndiritu Kimondo
ICPAK Member Number: 16681

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

Receipt/Expense Item	Original Budget	Adjustments	Final Budget	Actual on Comparable Basis	% of Utilisation difference to final budget
	Kshs	Kshs	c=a+b	e=d-c	Kshs
RECEIPTS					
Transfers from the County Treasury/Exchequer Releases	431,466,518	-	431,466,518	420,000,000	97.34%
Other Receipts	-	-	-	-	-
TOTAL	**431,466,518**	-	**431,466,518**	**420,000,000**	**-97.34%**
PAYMENTS					
Compensation of Employees	227,296,518	-2,044,222	225,493,615	223,449,393	98.22%
Use of goods and services	154,540,000	7,832,902	162,372,902	145,059,736	89.68%
Subsidies	-	-	-	-	-
Transfers to Other Government Entities	24,600,000	-1,000,000	23,600,000	21,478,994	91%
Other grants and transfers	-	-	-	-	-
Acquisition of Assets	25,000,000	-	25,000,000	15,642,289	62.57%
Finance Costs	-	-	-	79,333	-
TOTAL	**431,436,518**		**431,466,518**	**405,709,744**	**94%**
SURPLUS/ DEFICIT			-	**14,290,256**	

There was no underutilization or overutilization on the budget during the above period.The changes between the original and final budget are as a result of reallocations within the budget.

The entity financial statements were approved on 27/04 2017 and signed by:

Clerk of the Assembly
Name: Jasper Mutwiri

Chief Finance Office – County Assembly
Name: Francis Ndiritu Kimondo
ICPAK Number: 16681

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

Receipt/Expense Item	Original Budget	Adjustments	Final Budget	Actual on Comparable Basis	% of Utilization difference to final budget
	Kshs	Kshs	c=a+b	e=d-c	Kshs
RECEIPTS					
Transfers from the County Treasury/Exchequer Releases	406,466,518	-	406,466,518	420,000,000	98.41%
Other Receipts	-	-	-	-	-
TOTAL	**406,466,518**	-	**406,466,518**	**420,000,000**	**98.41%**
PAYMENTS					
Compensation of Employees	227,296,518	-2,044,222	225,493,615	223,449,393	98.22%
Use of goods and services	154,540,000	7,832,902	162,372,902	145,059,736	89.68%
Subsidies	-	-	-	-	-
Transfers to Other Government Entities	24,600,000	-1,000,000	23,600,000	21,478,994	91%
Other grants and transfers	-	-	-	-	-
Acquisition of Assets	-	-	-	-	-
Finance Costs	-	-	-	79,333	-
TOTAL	**406,436,518**	**4,788,860**	**406,466,518**	**405,709,744**	**91.58%**
Surplus/ Deficit	**30,000**	**-30,000**	**0**	**14,290,256**	**6.83%**

There was no underutilization or overutilization on the budget during the above period.The changes between the original and final budget are as a result of reallocations within the budget.

The ~~entity financial statements~~ were approved on 29/09 2017 and signed by:

Clerk of the Assembly
Name: Jasper Mutwiri

Chief Finance Office – County Assembly
Name: Francis Ndiritu Kimondo
ICPAK Member Number: 16681

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

Receipt/Expense Item	Original Budget	Adjustments	Final Budget	Actual on Comparable Basis	% of Utilisation difference to final budget
	Kshs	Kshs	c=a+b	e=d-c	Kshs
RECEIPTS					
Transfers from the County Treasury/Exchequer Releases	431,436,518	-	431,436,518	420,000,000	97%
Proceeds from Sale of Assets	-	-	-	-	-
Other Receipts	-	-	-	-	-
TOTAL	**431,436,518**	-	**431,436,518**	**420,000,000**	**97%**
PAYMENTS					
Compensation of Employees	-	-	-	-	-
Use of goods and services	-	-	-	-	-
Transfers to Other Government Entities	-	-	-	-	-
Acquisition of Assets	25,000,000	-	25,000,000	15,542,289	62.57%
Finance Costs	-	-	-	-	-
TOTAL	**25,000,000**	-	**25,000,000**	**15,542,289**	**62.57%**

There was no underutilization or overutilization on the budget during the above period.The changes between the original and final budget are as a result of reallocations within the budget

The entity financial statements were approved on 29/09 2017 and signed by:

Clerk of the Assembly
Name: Jasper Mutwiri

Chief Finance Office – County Assembly
Name: Francis Ndiritu Kimondo
ICPAK Member Number: 16681

IX. BUDGET EXECUTION BY PROGRAMMES AND SUB-PROGRAMMES

Programme/Sub-programme	Original Budget	Adjustments	Final Budget	Actual on comparable basis	Budget utilization difference
	2016/2017		2016/2017	30,06,2017	
	Kshs	Kshs	Kshs	Kshs	Kshs
RECEIPTS					
Transfers from the County Treasury/Exchequer Releases	431,466,517	-	431,466,517	420,000,000	11,466,517
COMPENSATION OF EMPLOYEES					
Basic salaries of permanent employees	172,750,935.10	-	172,750,935.10	171,350,713	1,400,222
Personal allowances paid as part of salary	52,586,902		50,542,680	51,212,774	1,374,128
Other personnel payments	1,200,000.00	-	1,200,000.00	885,906	314,094
USE OF GOODS AND SERVICES					
Utilities, supplies and services	2,340,000.00	-	2,340,000.00	1,781,816	558,184
Communication, supplies and services	2,717,360.00	-	2,717,360.00	1,701,238	1,016,122
Domestic travel and subsistence	52,500,000.00	9,500,000	62,000,000.00	61,483,589	516,411
Printing, advertising and information supplies & services	4,500,000.00	-1,500,000	3,000,000.00	2,851,892	148,108
Training expenses	5,200,000.00	-	5,200,000.00	3,789,186	1,410,814
Hospitality supplies and services	6,000,000.00	40,600	6,040,600.00	5,736,770	303,830

Programme/Sub-programme	Original Budget	Adjustments	Final Budget	Actual on comparable basis	Budget utilization difference
	2016/2017		2016/2017	30,06,2017	
Insurance costs	18,400,000.00	238,402	18,638,402.00	16,498,845	2,139,557
Specialized materials and services	6,632,000.00	500,000	7,132,000.00	5,152,879	1,979,121
Office and general supplies and services	4,800,000.00	-300,000	4,500,000.00	3,205,000	1,295,000
Foreign travel and subsistence	2,000,000.00	-1,300,000	700,000.00	-	700,000
Other operating expenses	41,200,640.00	1,403,900	42,604,540.00	36,608,908	4,591,732.40
Fuel,oil and lubricants	4,200,000.00	-500,000	3,700,000.00	3,700,000	0
Routine maintenance – vehicles and other transport equipment	3,500,000.00	-	3,500,000.00	2,530,033	969,967
Routine maintenance – other assets	550,000	-250,000	300,000.00	19,580	280,420
Acquisition of Assets					
Refurbishment of Buildings	25,000,000	-	25,000,000	15,642,289	9,357,711
TRANSFERS TO OTHER GOVERNMENT ENTITIES					
County Assembly Car and mortgage	24,600,000	-1,000,000	23,600,000	21,478,994	2,121,006
• **Finance Costs**					
Bank Charges	0	0	0	79,333	-79,333

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

X. SIGNIFICANT ACCOUNTING POLICIES

The principle accounting policies adopted in the preparation of these financial statements are set out below:

1. Statement of compliance and basis of preparation

The financial statements have been prepared in accordance with Cash-basis IPSAS financial reporting under the cash basis of Accounting, as prescribed by the PSASB and set out in the accounting policy notes below. This cash basis of accounting has been supplemented with accounting for; a) receivables that include imprests and salary advances and b) payables that include deposits and retentions. The statement of assets and liabilities, although not a requirement of the IPSAS Cash Standard, has been included to disclose information on receivables and payables.

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

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

2. Reporting entity

The financial statements are for the Laikipia County Assembly. The financial statements encompass the reporting entity as specified in section 164 of PFM Act 2012.

3. Recognition of receipts and payments

a) Recognition of receipts

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

Tax receipts

Tax Receipts is recognized in the books of accounts when cash is received. Cash is considered as received when notification of tax remittance is received.

Transfers from the Exchequer/ County Treasury

Transfer from Exchequer is recognized in the books of accounts when cash is received. Cash is considered as received when payment instruction is issued to the bank and notified to the receiving entity.

Other Receipts

Other receipts relate to receipts such as tender fees among others. These are recognised in the financial statements when the associated cash is received.

b) Recognition of payments
The entity recognises all expenses when the event occurs and the related cash has actually been paid out by the entity.

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

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

Acquisition of fixed assets
The payment on acquisition of property plant and equipment items is not capitalized. The cost of acquisition and proceeds from disposal of these items are treated as payments and receipts items respectively. Where an asset is acquired in a non-exchange transaction for nil or nominal consideration and the fair value of the asset can be reliably established, a contra transaction is recorded as receipt and as a payment.
A fixed asset register is maintained by each public entity and a summary provided for purposes of consolidation. This summary is disclosed as an annexure to the consolidated financial statements.

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

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 2017, this amounted to Kshs 0 compared to Kshs 0 in prior period as indicated on note 13A. There were no other restrictions on cash during the year

SIGNIFICANT ACCOUNTING POLICIES (Continued)

6. Accounts Receivable

For the purposes of these financial statements, imprests and advances to authorised public officers and/or institutions which were not surrendered or accounted for at the end of the financial year is treated as receivables. This is in recognition of the government practice where the imprest payments are recognized as payments when fully accounted for by the imprest or AIE holders. This is an enhancement to the cash accounting policy. Other accounts receivables are disclosed in the financial statements.

7. Accounts Payable

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

8. Non current assets

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

9. Pending bills

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

10. Budget

The budget is prepared on the same accounting basis (cash basis), the same accounts classification basis, and for the same period as the financial statements. The *entity's* budget was approved as required by Law .The original budget was approved by the County Assembly on 30th June 2016 for the period 1st July 2016 to 30 June 2017 as required by law. There was one supplementary budget passed in the year. A high-level assessment of the *entity's* actual performance against the comparable budget for the financial year under review has been included in the Statement of Comparison between actual and budgeted amounts included in these financial statements.

SIGNIFICANT ACCOUNTING POLICIES (Continued)

11. Comparative figures

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

12. Subsequent events

Events subsequent to submission of the financial year end financial statements to County Treasury and other stakeholders with a significant impact on the financial statements may be adjusted with the concurrence of the County Treasury.

13. Errors

Material prior period errors shall be corrected retrospectively in the first set of financial statements authorized for issue after their discovery by: i. restating the comparative amounts for prior period(s) presented in which the error occurred; or ii. If the error occurred before the earliest prior period presented, restating the opening balances of assets, liabilities and net assets/equity for the earliest prior period presented.

14. Related party transactions

Related party transactions involve cash and in kind transactions with the National Government, National Government entities and County Government entities. Specific information with regards to related party transactions is included in the disclosure notes.

XI. NOTES TO THE FINANCIAL STATEMENTS

1 Transfers from the County Treasury/Exchequer Releases

	2016/17	2015/16
	Kshs	Kshs
Total exchequer releases for Q1	88,000,000	Xxx
Total exchequer releases for Q2	112,000,000	Xxx
Total exchequer releases for Q3	100,000,000	Xxx
Total exchequer releases for Q4	120,000,000	Xxx
Cumulative Amount	**420,000,000**	**403,796,697**

2 PROCEEDS FROM SALE OF ASSETS

	2016/17	2015/16
	Kshs	Kshs
Receipts from the Sale of Buildings	Xxx	Xxx
Receipts from the Sale of Vehicles and Transport Equipment	Xxx	Xxx
Receipts from the Sale Plant Machinery and Equipment	Xxx	Xxx
Receipts from Sale of Certified Seeds and Breeding Stock	Xxx	Xxx
Receipts from the Sale of Strategic Reserves Stocks	Xxx	Xxx
Receipts from the Sale of Inventories, Stocks and Commodities	Xxx	Xxx
Disposal and Sales of Non-Produced Assets	Xxx	Xxx
Receipts from the Sale of Strategic Reserves Stocks	Xxx	Xxx
Total	**Xxx**	**Xxx**

3 OTHER RECEIPTS

	2016/17	2015/16
	Kshs	Kshs
Tender fees received	Xxx	Xxx
Other Receipts II	Xxx	Xxx
Other Receipts III	Xxx	Xxx
Other Receipts IV	Xxx	Xxx
Other Receipts XXXX	Xxx	Xxx
Total	**Xxx**	**Xxx**

NOTES TO THE FINANCIAL STATEMENTS (Continued)

4 COMPENSATION OF EMPLOYEES

	2016/17	2015/16
	Kshs	Kshs
Basic salaries of permanent employees	171,350,713	148,749,008
Basic wages of temporary employees	Xxx	Xxx
Personal allowances paid as part of salary	51,212,774	59,921,330
Personal allowances paid as reimbursements	Xxx	Xxx
Personal allowances provided in kind	Xxx	Xxx
Pension and other social security contributions	Xxx	6,935,331
Compulsory national social security schemes	Xxx	Xxx
Compulsory national health insurance schemes	Xxx	Xxx
Social benefit schemes outside government	Xxx	Xxx
Other personnel payments	885,906	574,831
Total	**209,956,712**	**216,180,500**

The assembly had a total number of 77 employees during 2016/2017 financial year. There were no new employees and two resigned during the above period. Other personnel costs relate to late duty allowance.

5 USE OF GOODS AND SERVICES

	2016/17	2015/16
	Kshs	Kshs
Utilities, supplies and services	1,781,816	15,727,595
Communication, supplies and services	1,701,238	1,742,580
Domestic travel and subsistence	61,483,589	51,680,107
Foreign travel and subsistence	Xxx	515,910
Printing, advertising and information supplies & services	2,851,892	2,870,653
Rentals of produced assets	Xxx	Xxx
Training expenses	3,789,186	4,812,543
Hospitality supplies and services	5,736,770	9,326,505
Insurance costs	16,498,845	16,928,390
Specialized materials and services	5,152,879	6,105,628
Office and general supplies and services	3,205,000	6,046,962
Other operating expenses	36,608,908	34,509,596
Routine maintenance – vehicles and other transport equipment	2,530,033	6,123,718
Routine maintenance – other assets	19,580	89,690
Fuel, oil and lubricants	3,700,000	3,968,733
Total	**140,737,712**	**156,479,877**

NOTES TO THE FINANCIAL STATEMENTS (Continued)

6 SUBSIDIES

Description	**2016/17**	**2015/16**
	Kshs	**Kshs**
Subsidies to County Corporations		
See list attached	Xxx	Xxx
(insert name)	Xxx	Xxx
Subsidies to Private Enterprises		
See list attached	Xxx	Xxx
(insert name)	Xxx	Xxx
TOTAL	**Xxx**	**Xxx**

(Provide explanations as to what subsidies relate to)

7 TRANSFERS TO OTHER GOVERNMENT ENTITIES

Description	**2016/17**	**2015/16**
	Kshs	**Kshs**
Transfers to National Government entities		
See attached list	Xxx	Xxx
Transfers to Counties		
(County Assembly Car Loan Fund Account)	21,478,994	Xxx
(insert name of budget agency)	Xxx	Xxx
TOTAL	**21,478,994**	**Xxx**

NOTES TO THE FINANCIAL STATEMENTS (Continued)

8 OTHER GRANTS AND TRANSFERS

	2016/17	2015/16
	Kshs	Kshs
Scholarships and other educational benefits	Xxx	Xxx
Emergency relief and refugee assistance	Xxx	Xxx
Subsidies to small businesses, cooperatives, and self employed	Xxx	Xxx
Other current transfers, grants	Xxx	Xxx
Other capital grants and transfers	Xxx	Xxx
Total	**Xxx**	**Xxx**

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

9 SOCIAL SECURITY BENEFITS

	2016/17	2015/16
	Kshs	Kshs
Government pension and retirement benefits	Xxx	Xxx
Social security benefits in cash and in kind	Xxx	Xxx
Employer Social Benefits in cash and in kind	Xxx	Xxx
Total	**Xxx**	**Xxx**

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

NOTES TO THE FINANCIAL STATEMENTS (Continued)

10 ACQUISITION OF ASSETS

Non Financial Assets	**2016/17**	**2015/16**
	Kshs	**Kshs**
Purchase of Buildings	xxx	Xxx
Construction of Buildings	xxx	Xxx
Refurbishment of Buildings	15,642,289	31,013,802
Construction of Roads	Xxx	Xxx
Construction and Civil Works	Xxx	Xxx
Overhaul and Refurbishment of Construction and Civil Works	Xxx	Xxx
Purchase of Vehicles and Other Transport Equipment	Xxx	Xxx
Overhaul of Vehicles and Other Transport Equipment	Xxx	Xxx
Purchase of Household Furniture and Institutional Equipment	Xxx	Xxx
Purchase of Office Furniture and General Equipment	Xxx	Xxx
Purchase of ICT Equipment, Software and Other ICT Assets	Xxx	Xxx
Purchase of Specialised Plant, Equipment and Machinery	Xxx	Xxx
Rehabilitation and Renovation of Plant, Machinery and Equip.	Xxx	Xxx
Purchase of Certified Seeds, Breeding Stock and Live Animals	Xxx	Xxx
Research, Studies, Project Preparation, Design & Supervision	Xxx	Xxx
Rehabilitation of Civil Works	Xxx	Xxx
Acquisition of Strategic Stocks and commodities	Xxx	Xxx
Acquisition of Land	Xxx	Xxx
Acquisition of Intangible Assets	Xxx	Xxx
Financial Assets	Xxx	Xxx
Domestic Public Non-Financial Enterprises	Xxx	Xxx
Domestic Public Financial Institutions	Xxx	Xxx
Foreign financial Institutions operating Abroad	Xxx	Xxx
Other Foreign Enterprises	Xxx	Xxx
Foreign Payables - From Previous Years	Xxx	Xxx
Total	**15,642,289**	**31,013,802**

NOTES TO THE FINANCIAL STATEMENTS (Continued)

11 FINANCE COSTS

	2016/17	2015/16
	Kshs	Kshs
Bank Charges	79,333	Xxx
Exchange Rate Losses	Xxx	Xxx
Other Finance costs	Xxx	Xxx
Interest on borrowings	Xxx	Xxx
Total	**79,333**	**Xxx**

Finance costs relate to bank charges incurred when clearing cheques and also cheques that have bounced and do not relate to borrowing on bank overdraft

12 OTHER PAYMENTS

	2016/17	2015/16
	Kshs	Kshs
Budget Reserves	Xxx	Xxx
Civil Contingency Reserves	Xxx	Xxx
Capital Transfers to Non-Financial Public Enterprises	Xxx	Xxx
Capital Transfer to Public Financial Institutions and Enterprises	Xxx	Xxx
Capital Transfer to Private Non-Financial Enterprises	Xxx	Xxx
Other expenses	Xxx	Xxx
Domestic Accounts	Xxx	Xxx
Total	**Xxx**	**Xxx**

(Provide detailed explanations for other payments)

13 A BANK ACCOUNTS

Name of Bank, Account No. & Currency	Indicated whether recurrent or development	2016/17	2015/16
		Kshs	Kshs
Name of Bank, Acc. No. & currency	CRF Acc	Xxx	Xxx
Name of Bank, Acc. No. & currency	Development Acc	Xxx	Xxx
CBK, Acc. No 1000193786, KSH	Recurrent Acc	14,251,661.85	Xxx
Name of Bank, Acc. No. & currency	Deposits Acc	Xxx	Xxx
EQUITY, Acc. No 0270261206585, KSH	Commercial Bank Accs.	161,111	122,518
Total		**14,412,773**	**122,518**

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

NOTES TO THE FINANCIAL STATEMENTS (Continued)

13 B CASH IN HAND

	2016/17	2015/16
	Kshs	Kshs
Cash in Hand – Held in domestic currency	Xxx	Xxx
Cash in Hand – Held in foreign currency	Xxx	Xxx
Total	**Xxx**	**Xxx**

13 C Cash in hand should be analysed as follows:

	2016/17	2015/16
	Kshs	Kshs
Location 1	Xxx	Xxx
Location 2	Xxx	Xxx
Location 3	Xxx	Xxx
Total	**Xxx**	**Xxx**

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

14 ACCOUNTS RECEIVABLE

	2016/17	2016/17
	Kshs	Kshs
Government Imprests	-	-
Clearance Accounts	Xxx	Xxx
Staff Advances	Xxx	Xxx
Other Advances	Xxx	Xxx
Total	-	-

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

15 ACCOUNTS PAYABLE

	2016/17	2015/16
	Kshs	Kshs
Deposits and Retentions	Xxx	Xxx
Total	**Xxx**	**Xxx**

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

NOTES TO THE FINANCIAL STATEMENTS (Continued)

16 FUND BALANCE BROUGHT FORWARD

	2016/17	2015/16
	Kshs	**Kshs**
Bank accounts	122,518	-
Cash in hand	Xxx	Xxx
Accounts Receivables	Xxx	Xxx
Accounts Payables	Xxx	Xxx
Total	**122,518**	-

17 PRIOR YEAR ADJUSTMENT

Description of the adjustment	2016/17	2015/16
Adjustments on bank account balances	**Kshs**	**Kshs**
Adjustments on cash in hand	Xxx	Xxx
Adjustments on payables	Xxx	Xxx
Adjustments on receivables	Xxx	Xxx
Others (*specify*)	Xxx	Xxx
Total	**Xxx**	**Xxx**

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

DISCLOSURE NOTES

18.1: PENDING ACCOUNTS PAYABLE (See Annex 1)

	2016/17	2015/16
	Kshs	Kshs
Construction of buildings	Xxx	Xxx
Construction of civil works	Xxx	Xxx
Supply of goods	11,442,014	-
Supply of services	Xxx	Xxx
Total	**11,442,014**	**-**

18.2: PENDING STAFF PAYABLES (See Annex 2)

	2016/17	2015/16
Name of Staff	**Kshs**	**Kshs**
Xxx	Xxx	Xxx
Xxx	Xxx	Xxx
Total	**Xxx**	**xxx**

18.3: OTHER PENDING PAYABLES (See Annex 3)

	2016/17	2015/16
	Kshs	Kshs
Amounts due to National Government entities	Xxx	xxx
Amounts due to County Government entities	Xxx	xxx
Amounts due to third parties	Xxx	xxx
Total	**Xxx**	**xxx**

19 RELATED PARTY DISCLOSURES

Related party disclosure is encouraged under non-mandatory section of the Cash Basis IPSAS.

The following comprise of related parties to the County Assembly.

- Members of County Assembly;
- Key management personnel that include the Clerk of the Assembly and heads of departments;
- The County Executive;
- County Ministries and Departments;
- Other County Government entities including corporations, funds and boards;
- The National Government;
- Other County Governments; and
- State Corporations and Semi-Autonomous Government Agencies.

Related party transactions:

	2016/2017	2015/2016
	Kshs	**Kshs**
Compensation to the MCAs	xxx	xxx
Key Management compensation	xxx	xxx
Transfers from the County Treasury	104,000,000	321,871,766
Transfers to/ from other County Government entities	-	-
Transfers to/ from County Ministries and Departments	-	-
Payments made in favour of other related parties	-	-
Payments made by related parties on behalf of Assembly	-	-
	104,000,000	**321,871,766**

XII. PROGRESS ON FOLLOW UP OF AUDITOR RECOMMENDATIONS

The following is the summary of issues raised by the external auditor, and management comments that were provided to the auditor. We have nominated focal persons to resolve the various issues as shown below with the associated time frame within which we expect the issues to be resolved.

Reference No. on the external audit Report	Issue / Observations from Auditor	Management comments	Focal Point person to resolve the issue *(Name and designation)*	Status: *(Resolved / Not Resolved)*	Timeframe: *(Put a date when you expect the issue to be resolved)*

Guidance Notes:

(i) Use the same reference numbers as contained in the external audit report;

(ii) Obtain the "Issue/Observation" and "management comments", required above, from final external audit report that is signed by Management;

(iii) Before approving the report, discuss the timeframe with the appointed Focal Point persons within your entity responsible for implementation of each issue;

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

Clerk of the County Assembly

Sign.....

Date.....29/09/2018

XIII. ANNEX 1 - ANALYSIS OF PENDING ACCOUNTS PAYABLE

Supplier of Goods or Services	Original Amount	Date Contracted	Amount Paid To-Date	Outstanding Balance 2017	Outstanding Balance 2016	Comments
	A	b	c	d=a-c		
Construction of buildings						
1.						
2.						
3.						
Sub-Total						
Construction of civil works						
4.						
5.						
6.						
Sub-Total						
Supply of goods				11,442,014	-	
7.						
8.						
9.						
Sub-Total				**11,442,014**	-	
Supply of services						
10.						
11.						
12.						
Sub-Total						
Grand Total						

XIV. ANNEX 2 - ANALYSIS OF PENDING STAFF PAYABLES

Name of Staff	Job Group	Original Amount	Date Payable Contracted	Amount Paid To-Date	Outstanding Balance 2017	Outstanding Balance 2016	Comments
		a	b	c	d=a-c		
1.							
2.							
3.							
4.							
5.							
6.							
7.							
8.							
9.							
10.							
11.							
12.							
Sub-Total							
Grand Total							

XV. ANNEX 3 - ANALYSIS OF OTHER PENDING PAYABLES

Name	Brief Transaction Description	Original Amount	Date Payable Contracted	Amount Paid To-Date	Outstanding Balance 2017	Outstanding Balance 2016	Comments
		a	b	c	d=a-c		
Amounts due to National Govt Entities							
1.							
2.							
3.							
Sub-Total							
Amounts due to County Govt Entities							
4.							
5.							
6.							
Sub-Total							
Amounts due to Third Parties							
7.							
8.							
9.							
Sub-Total							
Others (*specify*)							
10.							
11.							
12.							
Sub-Total							
Grand Total							

XVI. ANNEX 4 – SUMMARY OF FIXED ASSET REGISTER

Asset class	Historical Cost b/f (Kshs) 2015/2016	Additions during the year (Kshs)	Disposals during the year (Kshs)	Historical Cost c/f (Kshs) 2016/2017
Land				
Buildings and structures	31,013,802	15,642,289	-	46,656,091
Transport equipment				
Office equipment, furniture and fittings				
ICT Equipment, Software and Other ICT Assets				
Other Machinery and Equipment				
Heritage and cultural assets				
Intangible assets				
Total	**31,013,802**	**15,642,289**	-	**46,656,091**

NB: The balance as at the end of the year is the cumulative cost of all assets bought and inherited by the County Assembly since its inception. Additions during the year should tie to note 10 on acquisition of assets during the year and subsequently the statement of receipts and payments

XVII. ANNEX 5 – ANALYSIS OF OUTSTANDING IMPREST

Government Imprest Holders

Name of Officer or Institution	*Date Imprest Taken*	*Amount Taken*	*Amount Surrendered*	*Balance*
		Kshs	*Kshs*	*Kshs*
Name of Officer or Institution	dd/mm/yy	xxx	xxx	Xxx
Name of Officer or Institution	dd/mm/yy	xxx	xxx	Xxx
Name of Officer or Institution	dd/mm/yy	xxx	xxx	Xxx
Name of Officer or Institution	dd/mm/yy	xxx	xxx	Xxx
Name of Officer or Institution	dd/mm/yy	xxx	xxx	Xxx
Name of Officer or Institution	dd/mm/yy	xxx	xxx	Xxx
Total				**Xxx**

XVIII. ANNEX 6 – BANK RECONCILIATION/FO 30 REPORT

(Attach FO 30 Report from IFMIS)